# 12 Myths and Facts of the Reverse Mortgage

by


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In 2013, I decided to sell my ownership in Worthington Federal Bank that I had founded 8 years prior. I realized that I wanted to stay in the financial services business and again focus strictly on mortgage banking. In particular, I wanted to specialize in the Home Equity Conversion Mortgage (HECM Reverse Mortgage) since there were so few Lenders in the Southeastern US.

Despite my tenure as a bank founder, CEO and Chairman, I had trouble wrapping my brain around the product. I bought a book on EBay. I called some friends. I needed real life answers and a common sense explanation as to how the program worked. At the same time I found myself financially responsible for the daily care of my father who was suffering from Alzheimer's. My Dad was the perfect candidate for a HECM reverse mortgage! It would provide access to the equity in his home, so that his adult children could provide for his financial care. It could even possibly eliminate his mortgage payment every month.

So, I decided to get to work! As the months went along, our new mortgage banking company, New South Mortgage, was able to secure specialized computer software that could run the illustrations using the algorithms that FHA and HUD required to determine eligibility. Things began to fall into place to offer the program locally to our seniors. Seniors prefer dealing with local folks instead of calling a 1-800 number on TV.

I contacted the Atlanta HUD Home Office Center and was directed to submit the required test cases so my new mortgage bank could be approved as a direct endorsed underwriting Lender and insurer. I was blessed to have as a mentor a gentleman that had actually been a reverse mortgage underwriter in his former career before joining HUD. He was very gracious and taught me and my staff the ins and outs of the Home Equity Conversion Mortgage. He has now been elevated to Branch Chief and in charge of training all the HUD Home Office Centers nationwide on the HECM program. We still talk from time to time and I have been fortunate enough to have been asked for my opinions as it pertains to underwriting changes and other field observations we see as a Lender.

In the next paragraphs, I will hopefully explain the Home Equity Conversion Mortgage in plain English so that it might help those with questions and concerns. The "12 Myths and Facts" are not all inclusive, but they do encompass the majority of the most frequently asked questions and concerns we receive about this loan program.

## Myth #1 - The government gets my home when I die

The reverse mortgage is exactly that- a mortgage. A mortgage is a recorded security instrument that describes and secures real property as collateral for a cash advance or loan. A mortgage is recorded at the county courthouse record room and secures the Lenders rights for the collateral used in securing the loan. The DEED is something different. The deed establishes an ownership chain of title to the property. Deeds exchange hands in a purchase and sale transaction from Seller to Buyer. Since a reverse mortgage is NOT a sale, there is no deed transfer to the Lender or the government. The borrower retains title and deed to his home.

**Here's how it works.** Let's say a potential borrower wants to access the equity in his or her home and get some cash out for debt consolidation and home improvements. The borrower(s) execute a mortgage (the recorded security instrument) to the Lender. The borrower signs a promissory note which is the obligation to repay the debt.

**Interesting fact –**

The reverse mortgage note is a non-recourse note. On page two of the NOTE, (C) Limitations of Liability, it reads:

> "Borrower shall have no personal liability for payment of the debt. Lender shall enforce the debt only through the sale of the property covered by the Security Instrument ("Property").

**So what does this mean specifically?**

When the last senior that holds title to the house leaves the home permanently; either through death or vacancy, the heirs or appointees have 12 months to pay off the reverse mortgage balance. They can sell the house or get their own loan for it. Once the HECM reverse mortgage is paid off, any remaining equity from the proceeds of the sale go to the heir(s) or designated appointees. A designated appointee could be a Non Profit Group, a Church or Synagogue, or a Charity, if there are no heirs.

It works exactly like a conventional mortgage loan. The biggest difference is that with a conventional mortgage, if you miss three consecutive payments, the Lender/ Servicer will foreclose and get the home and retain any equity remaining! With the HECM, the surviving appointees have 12 MONTHS to work things out.

It is NOT FHA and HUDs intention to own real estate and take homes. They would rather have the heirs and/or appointees take care of the final disposition of the property. However, should the heirs and/or appointees fail to perform, then HUD will take possession of the property, enforce their rights as a lien holder, and sell it.

A Simultaneous First and Second Mortgage and Note

For borrowers desiring the Line of Credit feature, the Lender will have them execute TWO mortgages: The FIRST mortgage and note for the initial Principal Limit and any withdrawals at the closing, and a SECOND mortgage and note that allows for draws from the line of credit in the future. HUD takes assignment of the mortgages and the original second lien note.

Lenders gross up the mortgage amount to 150% of the appraised value. Why? Because the new reverse mortgage offers a Line of Credit feature that gives borrowers access to an increasing amount of their home's equity over time as they age! The available Line of Credit APPRECIATES at 5-6% annually. The potential to access equity in the home as it appreciates in value in the future requires HUD and the Lender to plan for future advances and secure their interests accordingly. Think of it like an Advanced Mortgage Note that one would sign for a conventional construction loan at the bank when building a home. A preset maximum loan amount is determined in advance when the loan closes. Draws are made as needed until the home is finished. The HECM line of credit feature works in the same way. Except the borrower is given credit for his home appreciating in value, sometimes as much as 4% per year! So as the borrower ages, more and more of the remaining equity is made available for withdrawal!

## Myth #2- Once I do the Reverse Mortgage, I am locked in and cannot sell my house

*What if I want to sell my house later?*

You can sell the property at any time without a penalty. Just keep in mind if you haven't made payments in some time, you may owe more than the house would sell for! This is especially true if you live in a declining market with home values going down.

*Can I make a Payment on my HECM?*

Payments are not required but can be made by the borrower(s). A statement is sent usually monthly or quarterly and the amount of accrued interest and principal is detailed on the statement. The borrower can elect to pay interest only or any amount desired. Any principal payments reduce the outstanding balance and are applied to increase the Line of Credit which is growing at 5-6% per year! This is a great feature.

I have seen seniors who have adult children living in the home with them that want to inherit the property when their parents die. Many are caregivers for their elderly parents. Since death of the last surviving senior triggers the 12 month sale or disposition clause, the adult children would be wise to help the parents pay the interest on the loan monthly to keep the loan balance from increasing. This is a viable option.

I had a well-known country music artist from Nashville contact me one day. He had visited his parents in Arizona and discovered they had taken out a reverse mortgage 12 years prior. He was very worried and sent me all the documentation and asked that I explain to him how it worked.

This was the upshot of my review: The parents paid off an onerous conventional mortgage 12 years ago for $200,000 and replaced it with a HECM. Their former house payment was $2300.00 per month. After the reverse mortgage paid off their old loan 12 years ago, they never made another payment.

The Reverse Mortgage had a variable rate and grown to an unpaid principal balance of $250,000. Their home had appreciated in value from $400,000 to $500,000 during that 12 year time period. They had saved over $331,200 by not having to have made any mortgage payments.

When I explained this to the worried son, he remarked, "so Mom and Dad did well..." Yes they did, indeed. I informed him of the "due on sale" provision if his parents should pass. Now he understood what he needed to do to financially prepare for the future.

## Myth #3- Closing Costs are high. Why FHA Insurance?

Often the biggest part of the closing costs is composed of the mandatory FHA insurance or MIP. The Federal Housing Authority (FHA) acts as the insurer to protect the secondary markets and the borrowers from default and for insufficient equity should markets fall or the borrowers die and owe more on the home than its current value. In exchange for this insurance which is called Mortgage Insurance Premium or MIP, FHA guarantees performance of the loan to potential investors. It is also a protection for the borrower since it is a non-recourse loan.

The borrower pays the upfront IMIP as part of the closing costs and a monthly MIP premium on the unpaid principal balance monthly. If the borrower owes more on the loan than the house is worth when they pass away, the MIP insurance fund kicks in and satisfies any shortfall. It is the cheapest insurance one can buy!

So, let's say John Borrower gets a reverse mortgage at age 70. The house appraises for $200,000. John borrows $100,000 and lives to be 90 and dies. John never made a payment on the loan for 20 years. The payoff now is $250,000 but John's house will only sell for $200,000 even after 20 years. John's heirs decide it's not worth redeeming the house so they execute a Deed in Lieu of Foreclosure to the Lender Servicer on FHA's behalf and hand over the keys. The FHA insurance fund kicks in and provides a claim payment to the Lender/Servicer for the shortage of $50,000. As previously stated above and in the note "Borrower shall have no personal liability for payment of the debt. Lender shall enforce the debt only through the sale of the property covered by the Security Instrument."

*So why is this program still available and why has it not gone bust?*

To understand the longevity and viability of the product, one needs to understand the profile of the borrower. Nationwide, the average age borrower is a 71 year old, single female. The average loan stays on the books for 7 years. So HUD has established certain underwriting and actuarial guidelines based on age, home value, and life expectancy. Over the last 27 years, the program has remained viable and a blessing to the senior community.

## The Perfect Storm 2008-2014

During the housing collapse and stock market collapse of 2008-2010, coupled with the Dodd- Frank Act imposed on Lenders, many seniors found themselves in difficult financial straits. They couldn't liquidate their investment portfolios without losing money. They couldn't borrow money due to lending restraints on banks that now required sufficient income verification to qualify for a home equity loan or mortgage loan, and interest had fallen to almost zero on their CDs at the bank. HUD amended the program and allowed for a Line of Credit to be set up on the home in October of 2013. The line of credit could be accessed anytime and used as a safety net during tough times. And the best part of all, the home's equity was not taxable when it was withdrawn! All of a sudden, the Reverse mortgage was no longer "the loan of last resort". It was now a financial planning tool that gave seniors flexibility. Any amounts borrowed from the Line of Credit could either be repaid at any time, deferred, or simply ignored and allowed to accumulate interest over the life of the borrower. The availability amount to the senior on the line INCREASES at 5-6% over the life of the borrower. That's right. As the senior ages, more and more of the home's equity is made available for withdrawal. I have actually seen illustrations where the line of credit growth EXCEEDS the home's present value after 15-20 years!

## Myth #4 Both borrowers have to be 62 years old or older to qualify.

Qualification: The age 62 requirement and Counseling Session

At least one of the borrowers must have attained the age of 62 to close on the HECM reverse mortgage. However, any borrower may APPLY and take the counseling by phone up to 60 days PRIOR to turning age 62. HUD requires any interested borrower, POA, or spouse, to participate in an approved phone counseling session prior to completing the application with the Lender.

A list of HUD approved counseling agencies is provided to the applicant by the Lender. These agencies charge $125-$150 for their services and the counseling session is normally 45 mins to an hour by phone. This is a protection to the borrower and gives them a chance to ask specific questions about the program without the Lender being involved. After the counseling session is finished, the borrowers receive a certificate of completion. The Lender then takes the certificate and enters it into FHA's data base and retrieves an FHA case number. This FHA case number follows the borrower throughout the remaining loan process.

Spouses- Married, Underage Non Borrowing Spouse, Who is Eligible?

In August 2014, HUD amended the guidelines to include under-aged spouses. This was a huge change. The key term here is MARRIED. Today, as long as one spouse is age 62, the other spouse can inure the benefits in the event of death of the older partner! The offset is that the benefits are based on the YOUNGER aged spouse. Since the algorithm is based on age and illustrations go to age 100, a good Lender can produce various illustrations and tailor the program uniquely to the customer based on wants and needs.

But here is the elephant in the room- since an individual must be age 62 to sign the note and mortgage and be an official borrower, the underage spouse is NOT allowed to be an official borrower on the transaction. They are referred to as a NON BORROWING SPOUSE (NBS). Even though the NBS can continue to remain in the home when the older spouse dies, they cannot access any more of the line of credit funds that may be available after the death of the spouse borrower. Further; before closing, a non-borrowing spouse must be removed from title, even if temporarily, to consummate the closing. The under aged spouse will sign the mortgage (the surety instrument) only as a Non Borrowing Spouse (NBS), not the note (obligation to repay). The NBS also signs a form acknowledging the rights to the property and receipt of all the benefits should something happen to the older spouse.

Interested spouses should consult competent legal advice before executing the paperwork.

I have seen non married individuals, both age 62 or older, both on title, obtain a reverse mortgage. There is no requirement for marriage; but if unmarried, both have to be on title and at least 62 years of age.

I have seen an age 64 year old daughter and her 86 year old mother, both on title to the property, obtain a reverse mortgage. If something happens to Mom, the surviving borrower daughter continues to inure the benefits of the HECM and age in place in the home. Because the daughter is in fact a borrower, she can access the line of credit the same as if both original borrowers were still alive.

It is important to know that HECMs can be refinanced after 18 months. In order to protect seniors from potential churning by bad Lenders, the new proposed refinancing Lender has to show proof of 5x the benefit of a refinance. So, a NBS could actually refinance the property once the age 62 was attained and be recognized as an official "borrower". The risk here is that if home values have collapsed or the original loan amount has increased beyond the maximum allowed loan to value, the refi would not be possible. Beware of solicitation mail by money grubbing Lenders who try and refinance your HECM when the 18 month anniversary hits....shame on them. It is never wise to refinance unless home values have increased considerably or there are vesting issues to be resolved that would drastically benefit the borrower.

*What is an INELIGIBLE NON BORROWING SPOUSE?*

Since the requirement is that the home be a primary residence and that borrowers must actually LIVE in the home, an ineligible NBS would be one that does not actually live in the marital house. Such a case would be an incarcerated spouse or a spouse living abroad permanently and estranged from the marital property.

## Myth #5 - I can't use the HECM for Purchasing a new home

*The best kept secret in America*

Many seniors find themselves in a home that is too big and requires lots of upkeep and maintenance. They choose to downsize. The HECM can be used to purchase a home! Here's how it works.

Example: An age 65 yr. old borrower sells their home with no mortgage owed for say $250,000. After realtor fees etc., they have $240,000 cash from the sale. The senior finds a great patio home in a senior community. The sales price is $200,000. The senior borrower puts down about 50% of the purchase price, or about $100,000. The Lender provides a reverse mortgage for the remaining $100,000! The new senior homeowner has no mortgage payment! Keep in mind that the older the senior is at the time of purchase, the LESS they are required to put down. An 80 year old buyer may be required to make a down payment of only 30-40%. Again, a competent Lender can provide the exact numbers based on the purchase price and age of the proposed borrower.

The acronym for this product is H4P (HECM for Purchase). It is perhaps the best kept secret in the world and offers seniors an opportunity to downsize and live without the burden of a monthly mortgage payment.

## Myth #6 - All Single Family dwellings are eligible for the HECM reverse

*Eligible Properties- Single Family Homes. What if I live in a condo or am considering buying one?*

Single family homes are the most common collateral for Lenders and borrowers. Specialty farms, condos, and large tracts of land may present a challenge. The main underwriting guideline is that there must be a residential HOME on the property and it must be the primary residence of the Borrower(s).

Condominiums present a special challenge due to the nature of their construction and ownership. Since FHA insures the HECM loans, Condo projects are only eligible for a HECM if the Association is FHA approved. This approval makes the condominium project a "Warrantable Condo". In order to be approved, the Owners Association of the community must submit specific documents to FHA/ HUD in order to qualify as a Warrantable Condominium Project. The approval is good for 2 years and must be renewed before expiration. Lenders have access online to the status of condo projects, whether they are approved or not. Due to the mortgage collapse in 2008-09, condos have had more and more issues with availability of financing. An official FHA approval and warrantability provides Lenders and borrowers with financing options for both conventional and reverse mortgages.

If your Condo Association is NOT currently approved, be advised that there are companies that specialize in assisting HOAs with the paperwork for a small fee. Contact New South Mortgage at 1-800-288-5851 for a referral list of independent providers of this service.

*Fixed rate or Variable?*

At present, the Line of Credit option is only available with the variable rate loan. As mentioned above, the Line of Credit availability increases each year as the senior ages.

Example- Current LIBOR rate plus the Margin is 5.00%. This is the rate at which the unpaid principal balance or loan amount, will grow.

The Line of Credit rate of growth is 5.75%

Let's assume the rate on the loan balance goes up to 6%.

If that happens, the Line of Credit appreciation rate now ALSO increases proportionately from 5.75% to 6.75%! So you can never be underwater with a high interest rate and a declining Line of Credit growth rate. The algorithm remains constant.

To recap, even if the underlying loan rate is changing with the Index (LIBOR), if it does increase, the corresponding line of credit growth rate INCREASES at the same rate on a relative basis.

The fixed rate is an option but there is no line of credit feature and you are leaving thousands of dollars on the table!

## Myth #7 - I am leaving my kids with a financial mess

Most adult children want their parents to enjoy life and age in place comfortably. But just ask your kids to chip in a few extra bucks if your HVAC system fails or you want to take a vacation and see what they say!

The Reverse Mortgage allows borrowers to take care of themselves financially and get something back for all the years of hard work and paying into a mortgage! Use your equity while you are alive instead of someone else getting it and fighting over it when you're gone. As previously stated, your heirs have 12 months to either sell the home and payoff the mortgage balance, or get their own financing for it. If you owe more than the house is worth, there is no personal financial recourse since the house itself is the sole source of repayment of the loan. Heirs or designees can simply hand over the keys (a Deed in Lieu of Foreclosure) if they find themselves in this position.

The heirs or designees are not responsible for repaying the debt. Period.

## Myth #8

## Closing Costs are too high and I am on a fixed income and cannot afford the costs

There are costs associated with all real estate transactions and the HECMs are no exception. HUD sets limitations on fees charged by the Lenders. Today, Lenders are faced with increasing costs behind the scenes in order to assemble the mountain of paperwork required to get the HECM closed and insured. Items such as FraudGuard background checks to make sure you are who you say you are and live where you say you live, flood certifications, credit reports, SSA documentation, and funding fees, to name few. This does not include the man hours for staff in assembling the loan package. *But closing costs can be rolled into the new loan amount and very little out of pocket expense is required.* In many cases, only the $125 counseling fee is required to be paid upfront to the counseling agency provider.

## Myth #9- My credit is terrible and I am afraid I cannot qualify

The Reverse Mortgage underwriting is NOT credit score driven. Lender underwriters manually underwrite all applications. They do not use an automated system in a computer like Fannie Mae requires when doing a conventional forward mortgage!

We look for patterns of payment in the mortgage history (if a current mortgage exists) and payment patterns for paying property taxes and home owners insurance.

If a borrower has credit difficulties, often a good Lender will accept a letter of explanation. The death of a spouse, loss of income, and an illness can temporarily ruin a person's credit. But the HECM is here to offer a hand up and is collateral based and not so much income and credit sensitive since there is no monthly payment required. In 2015, FHA and HUD established the LESA (Life Expectancy Set Aside) as a giant escrow account from which future property tax and home owner's insurance bills may be paid. The LESA can be voluntary or mandatory, depending on the pay habits of the borrower. If a LESA is established, the annual home owner's policy is paid straight from the set aside funds as is the annual property tax assessment.

*Property Tax Exemption- Can you qualify?*

In some states like Alabama, ad valorum or property taxes are greatly reduced or eliminated altogether when the homeowner reaches the age of 65. Many do not know this and the taxing authority isn't going to call you and tell you that you are now exempt! The exemption is based on income and age requirements but my experience is that MOST seniors qualify for the exemption. You can call the county Tax Assessor's office and get the details. This may save you THOUSANDS of dollars each year not having to pay property taxes! I was giving a talk at a local University to a room full of seniors as part of the Life Long Learning Center Continuing Ed. I mentioned this exemption and half the class got up and began walking out. I asked where they were going and they said "...we're headed to the Tax Assessor's Office to exempt out of paying our property taxes!" Knowledge is power and can save you money if you are informed.

## Myth #10 - All Lenders are the same

False- all Lenders are not created equal even though they all use the same HUD/FHA algorithm to determine benefits. How can this be?

First of all, there are Brokers, and there are Lenders. A Broker makes his money by referring your loan application to a Lender who actually makes the underwriting decision and puts up the money at closing. Brokers have very little skin in the game and have a reputation for dishonesty and ignorance. While there are many great Brokers out there, there are also some smarmy ones. Lenders spend most of their time weeding out the good ones from the bad ones. If you find yourself jumping through a lot of "hoops" to get your loan closed, you are probably dealing with an ignorant Broker. A good one knows what documentation to ask for and closes a transaction within 30 days. There are also ignorant Lenders who hire less than competent underwriting staff. They often request ridiculous documentation to protect themselves from making a mistake.

I once had a disgruntled borrower call us from Nashville, Tennessee. She was a retired nurse from Vanderbilt. She was simply trying to pay off her current mortgage and eliminate her house payment so she could retire. She was dealing with one of those TV Lenders from California. She had already sent them a photo ID, driver's license, deed to her house, etc. Still she was getting the run around. The big TV Lender had now asked her for birth certificate! Really? How many of us can locate a copy of our birth certificate? Not to mention finding it at age 70?

We closed her loan in 5 days. We found everything in order and we didn't need a birth certificate.

*Why is this difference between Lenders?*

Since the majority of the retail HECMs are originated by Brokers, Lenders have built in "overlays" to keep dishonest brokers from taking advantage of them. These overlays are often promulgated onto the retail borrower who called them on their 1-800 numbers.

HUD has specific guidelines and once those guidelines are met, the loan should close. **Period.**

Since seniors seldom have email accounts and they definitely cannot scan to email certain documents, Lenders should be able to accommodate our aged population with less stringent technological requirements.

We are dealing with a demographic that still reads the newspaper for good sake! And there's nothing wrong with that.

So find a Lender that speaks your language and can accommodate YOUR needs, NOT the other way around.

**Solution:** If you are getting beat up and getting the run around by a Broker or Lender, you can request your loan be transferred to a new different Lender. The original appraisal can be used by the new Lender. The requesting borrower signs a transfer request and the old Lender has 3 business days to transfer the file for you. I see this often being that we are located here in the South and California TV Lenders have trouble understanding certain geographical demographics.

(My colleagues will probably hate what I just wrote. Sorry but it is true.)

## Myth #11 My house is paid for so I don't qualify

**False.** A home with no mortgage owed is the BEST time to set up the line of credit and make the HECM your personal financial plan. If there are no liens on the property, your upfront MIP is much less. A borrower can choose the monthly tenure ( a monthly check), a lump sum payment, a line of credit, or a combination of the three. So, plans can be tailored to each individual's wants and needs. It is truly a financial planning tool for today's seniors.

You may feel guilty about borrowing on your home AGAIN after having paid it off.....but it's YOUR money and YOUR home's equity that's available for you to enjoy while you are living. You can't take it with you. And you can make payments on the HECM reverse at your discretion, although it is not required.

The majority of the time, accessing the equity in one's home is not subject to income tax since it is not income but rather your hard earned equity you are tapping! The equity in your home was paid for with after tax dollars and therefore not subject to ordinary income tax. You should always consult your tax advisor, however (I am required to say this)!

By the way, any income or cash from the Home Equity Conversion Mortgage (HECM) Reverse mortgage does not affect medicare or social security benefits! Again, consult a competent CPA.

## Myth #12 I've already had a HECM reverse mortgage so I can't get another one.

Borrowers are limited to one HECM at a time but this doesn't mean you cannot sell the home with the HECM reverse mortgage on it and buy another and use the HECM for Purchase! I spoke to a senior in Florida last year who was on his third HECM transaction! He got a reverse mortgage on a home in Alabama and had it for 5 years. He sold the home and moved to Florida. He used the remaining equity from the sale in Alabama to buy a home in Florida and used the HECM for Purchase program. He went to his 50th year high school class reunion in Fayetteville, TN and decided to marry his high school sweetheart. So he sold his Florida home and used a HECM for purchase to relocate to a new home in Tennessee. He had it figured out!

## Conclusion

*Any downsides?*

The Home Equity Conversion Mortgage has been around for almost 28 years. President Reagan signed it into law to allow our baby boomers to "age in place" and use the equity in their homes as a safety net and potential income stream. He realized that social security is just not enough to live on.

The nickname, "Reverse Mortgage" has remained its brand despite efforts to change it or disguise it. It is simply a deferred mortgage that accrues interest and is due only after the last senior leaves the home. The actuarial tables go all the way to age 100, much like a life insurance policy.

**Pretty Simple.** There are some restrictions but for most seniors, they are easily handled. I tell folks all the time, there are three "downsides" to obtaining a reverse mortgage.

1- The senior has to pay their own property taxes and home owners insurance out of pocket each year. There is no escrow account like a normal mortgage. Unless you opt for the LESA which lessens the available equity remaining in the home.

2- The property has to be your primary residence. It cannot be a rental property.

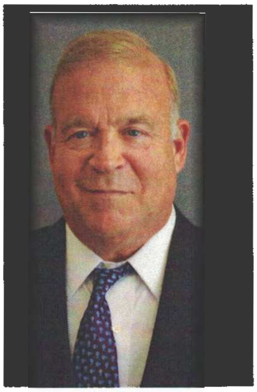
3- You have to take the mandatory HUD/FHA counseling by phone.

## No longer a "black eye" for the program

Up until 2014, underage spouses could be displaced from the home in the event of the death of their older spouse if they could not pay off the reverse mortgage with an alternative mortgage financing source. Thanks to HUD, this "black eye" to the program was fixed once and for all in August of 2014 with the Non Borrowing Spouse (NBS) provision. This guideline change allows under aged spouses to inure the benefits and remain in the home after the older borrowing spouse passes away.

Ask your Lender to tailor a specific illustration for you based on your age and home value that might accomplish your financial planning goals.

The "old" HECM reverse mortgage has been replaced with the new, Home Equity Conversion Mortgage. It is now a financial planning tool that helps our seniors' age in place with the dignity they deserve. It's time for our seniors to get something back from their efforts and no longer be held hostage to a stale and anemic economy.



## About the Author

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Will founded and served as CEO of Worthington Mortgage Group from the early 1990's to 2007. He founded Worthington Federal Bank in 2007 and served as its CEO and Chairman from 2007-2013. Will is an on air radio and TV personality and can be heard on WDRM, WRSA, WRVW, and a variety of IHeart Media stations throughout the Southeastern US every morning. He has appeared on NBC, ABC, and Fox affiliates in Tampa, Atlanta, Huntsville and Nashville.

Will Worthington lives in Huntsville, Alabama with his wife, Judy, and 3 children; Crockett, Ana, and Catherine. He is an active supporter of the Alzheimer's Foundation and regularly participates in charitable events for the Children's Advocacy Center and CASA.