Reverse Mortgage Case Study 1:

Funding longevity

Your clients have questions: should they move more assets to cash? Will the market bounce back enough for them to retire? What if they're behind on savings? A reverse mortgage can help you offer them solutions. Here's an example.

Situation:

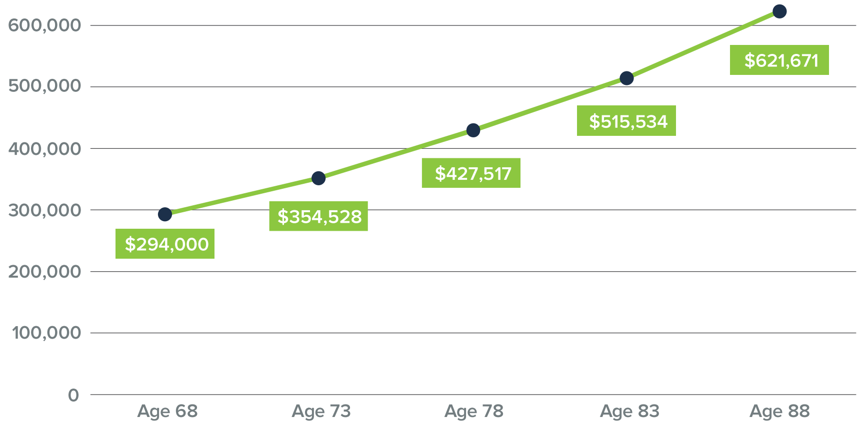
The Davises – a married couple, both 68 – have a $525,000 home with no mortgage. They have pension income and $500,000 in portfolio assets.

Can a reverse mortgage help them better meet their retirement goals?

Solution: Establish a HECM Line of Credit

By age 88, a Home Equity Conversion Mortgage (HECM) line of credit would be projected to grow to **$621,671** – guaranteed growth[1] even in unstable housing markets.

This would allow the couple to draw income tax-free[2] funds for in-home care, home upgrades or repairs, a bridge to maximize Social Security benefits, or any other purpose.



Information shown for illustrative purposes only. Assumptions are: (1) 68-year-old borrower; (2) CA home valued at $525,000; (3) LOC will grow at 0.50% above the Adjustable Rate Mortgage (ARM), which uses the 1-Year CMT plus a margin of 3%. Initial interest rate is 8.18% as of 06/09/2023 and 5% lifetime interest cap over the initial interest rate. Maximum interest rate is 13.18%. Lifetime Cap/Floor 5%. Assuming no draws by borrower. Interest rates and funds available may change daily without notice. Borrowers who elect a fixed rate loan will receive a single disbursement lump sum payment. Other payment options are available only for adjustable rate mortgages.

We're committed to giving financial advisors the support they need.

Offer clients more flexibility, tax efficiency, and improved cash flow while preserving other portfolio assets.

Contact me today:

Dave Kaufman

Owner & Loan Consultant

NMLS# 908155

Call: 541-941-4888

Email: dave@amkhomeloans.com

Visit: www.myreversesolutions.com

AMK HOME LOANS

Branch NMLS# 1782441
208 Oak Street, Suite 106K
Ashland, OR 97520

1. If part of the loan is held in a line of credit upon which the borrower may draw, then the unused portion of the line of credit will grow in size each month. The growth rate is equal to the sum of the interest rate plus the annual mortgage insurance premium rate being charged on the loan.
2. Consumer should consult a financial advisor and appropriate government agencies for any effect on taxes or government benefits.