

Reverse mortgage info.

(A)

At the conclusion of the term of the reverse mortgage loan contract, some or all of the equity in the property that is the subject of the reverse mortgage no longer belongs to the person and the person may need to sell or transfer the property to repay the proceeds of the reverse mortgage from the proceeds of the sale or transfer or the person must otherwise repay the reverse mortgage with interest from the person's other assets.

(B)

The lender will charge an origination fee, a mortgage insurance premium, closing costs or servicing fees for the reverse mortgage, all or any of which the lender will add to the balance of the reverse mortgage loan.

(C)

The balance of the reverse mortgage loan grows over time and the lender charges interest on the outstanding loan balance.

(D)

The person retains title to the property that is the subject of the reverse mortgage until the person sells or transfers the property and is therefore responsible for paying property taxes, insurance, maintenance and related taxes. Failing to pay these amounts may cause the reverse mortgage loan to become due immediately and may subject the property to a tax lien or other encumbrance or to possible foreclosure.

(E)

Interest on a reverse mortgage is not deductible from the person's income tax return until the person repays all or part of the reverse mortgage loan.