

STRATEGIC USES FOR A *Reverse Mortgage*

SELF-EMPLOYED **BORROWER**

Many businesses have cash-flow challenges during certain times of the year, and borrowers become delinquent on their mortgage. Since no payment is required on a Reverse Mortgage they can skip a payment or make a payment in any amount at any time, and now worry about collections calls.

NEED A FEW EXTRA DOLLARS PER MONTH **BORROWER**

If you currently have a traditional mortgage payment of \$1,000 per month, but need a few more bucks per month, make a \$500 payment on the Reverse, and put the other \$500 in your pocket. This strategy keeps more equity intact.

PORTFOLIO **BORROWER***

If you are taking distributions from your retirement and it is dwindling fast, plus paying income tax on this, use proceeds of the Reverse Mortgage to supplement your income while your portfolio continues to grow.

WAITING TO TAKE SOCIAL SECURITY **BORROWER***

If you can wait until you are 70 to get the most social security income, use the Reverse Mortgage proceeds to supplement your income until then.

EMPTY NESTER **BORROWER**

Downsize to a smaller, more manageable home. Perhaps a new home with all the bells and whistles. Use Prop 60/90 to transfer your existing property tax base to your new home of equal or lesser value

AGE IN PLACE **BORROWER**

Remodel to your dream home. Repair deferred maintenance or simply extinguish your monthly mortgage payment for more cash flow. We were not meant to have a mortgage payment until we die.

DIVORCING **BORROWER**

The bottom line is both parties must live somewhere, however divorcing later in life can present challenges if you are already retired. How do you afford a mortgage / rent payment on your own? If there is enough equity in the house to do a cash-out refinance here are some options:

- One spouse buys the other out with a Reverse Mortgage and has no mortgage payment.
- The departing spouse can purchase a new home with a Reverse Mortgage with 60% down (less if older than 62) and have no mortgage payment.
- Sell the home, split the proceeds and each buy a new home with 60% down using a Reverse Mortgage for Purchase with no mortgage payment.
- Purchase a smaller home / condo with a traditional mortgage that has a low monthly payment.
- Use Prop 60/90 to transfer your tax base.

CASH STRAPPED **BORROWER**

Establish a Reverse Mortgage line of credit for emergencies or health expenses not covered by insurance, or any other issue that arises.

CALL ME FOR YOUR STRATEGIC PLAN:



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