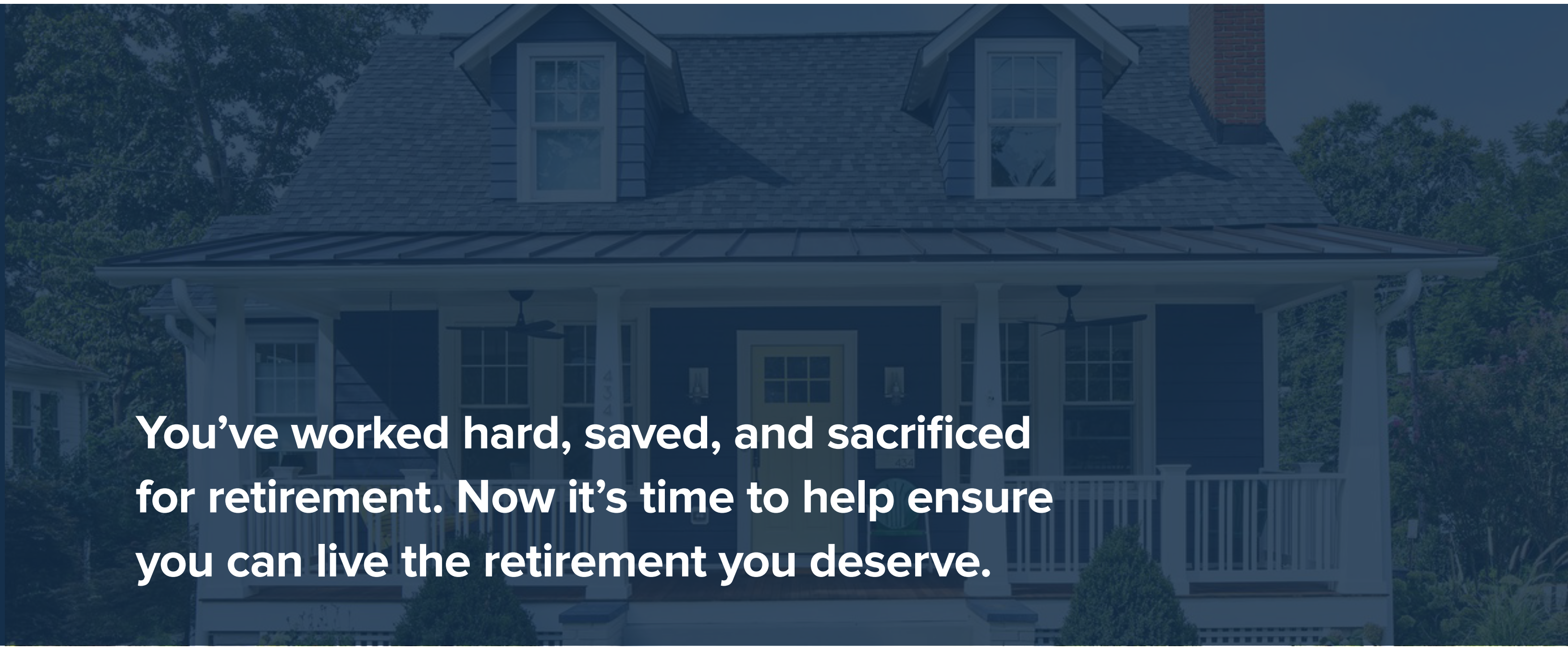
Retire on Your Terms

A home equity solution can give you financial flexibility.

Longbridge
Financial, LLC

Today's reverse mortgage can help you live more comfortably tomorrow.



If you're a homeowner or homebuyer aged 62 or older, did you know your home can help you meet your retirement goals? You owe it to yourself to consider a Home Equity Conversion Mortgage (HECM), commonly known as a reverse mortgage.

While similar to a traditional mortgage or home equity loan, it's specifically designed to help those who are approaching or settling into retirement. That means it has important advantages for older adults – including the flexibility to make optional monthly mortgage payments, or none at all. You just have to meet your loan terms and obligations – keeping current with property taxes, homeowners insurance, and home maintenance as you do now.

As with any mortgage, you'll continue to own your home.[1] And when you sell it, any remaining equity belongs to you.

At Longbridge, we can help you determine if your home qualifies for a reverse mortgage – and decide if this flexible loan option is right for you.

"Everything went well. I got an increase in my monthly income, plus cash and a line of credit. I'm very happy with the outcome."

— Laurel B., via Trustpilot

A loan that's flexible, secure, and tailored to you.

Why are reverse mortgages gaining popularity?

They let you tap into the equity you've built in your home, giving you the benefits of a home equity loan or home equity line of credit – and a lot more. Plus, the proceeds are generally not considered taxable income.[2]

How are reverse mortgages different?

Unlike conventional mortgages or home equity loans, reverse mortgages have a **flexible repayment feature**. Pay as much – or as little – as you'd like each month, or nothing at all.[1] It's up to you. As long as you meet the loan terms, a reverse mortgage doesn't have to be repaid until the home is sold, or is no longer your primary residence.

At Longbridge, we offer a full suite of home equity solutions, with FHA-insured[3] HECM loans and our proprietary suite of products – including Longbridge Platinum, available to borrowers as young as 55.[4]

Our **Longbridge Platinum** jumbo reverse mortgage offers more cash than a standard reverse mortgage – depending on your home's value, **up to $4,000,000[5]** – with low costs and customizable features: interest rates, how much money you can access, how you receive the proceeds, and closing costs.

Did you know?

You can buy a home with a reverse mortgage.

Would you like to relocate closer to family? Or, could right-sizing to a new home help you live the retirement lifestyle you desire? A HECM For Purchase loan can provide the money you need to buy a new home for use as your primary residence.

- **Buy the home you want** using reverse mortgage financing, instead of a regular mortgage or all cash
- **Eliminate monthly mortgage payments[1]** and keep more cash on hand for what matters most

Discover all the ways a reverse mortgage can help.

How you use the proceeds is totally up to you:

- Keep more money on hand to pay bills and help cover everyday expenses
- Reduce or eliminate credit card balances or other high-interest debts
- Get help with healthcare costs, or set aside funds to pay for future long-term care
- Make home updates, repairs, or modifications to help you comfortably "age in place"
- Avoid taxable withdrawals from 401(k) or other retirement plans by using your income tax-free[2] reverse mortgage funds instead
- Establish a line of credit as a safety net for unexpected expenses
- Help a child or grandchild with major expenses, like college tuition or a down payment on a home
- Boost your purchasing power to buy a new home

Case study: Meet Gloria, age 71

She paid off her first mortgage, but has a home equity loan that burdens her with monthly principal and interest payments. With a reverse mortgage and its flexible repayment feature, she can refinance the loan to significantly reduce or even eliminate those payments.[1]

Once the home equity loan is paid off, Gloria can take the remaining reverse mortgage funds as a steady stream of monthly disbursements for as long as she lives in her home, or set them aside as a growing line of credit[6] to use as needed. She could even choose to do a combination of the two.[7]

As a result, Gloria can keep more money each month, be more financially prepared for the future, and avoid tapping into her invested assets.

Who can get a reverse mortgage?

Homeowners can qualify for a reverse mortgage if they have sufficient equity in their home, and intend to continue living in it as their primary residence. The most common type of eligible property is a single-family home, according to the US Department of Housing and Urban Development (HUD) – but other properties, such as HUD-approved condominiums and some manufactured homes, may also qualify. The home must meet HUD's minimum property standards.

HECM reverse mortgages are available to homeowners aged 62+ – but our jumbo reverse mortgage, **Longbridge Platinum**, is available to those as young as 55, depending on your state.[4]

How is the loan repaid?

If you meet your obligations, the loan doesn't have to be repaid until you sell the property, no longer live in the home as your primary residence for longer than 12 months, or pass away. Like a traditional mortgage, the loan becomes due if you fail to comply with the terms, which include keeping up with property taxes, insurance, and maintenance.

Typically, the loan (plus accrued interest and fees) is repaid with funds from the sale of the home, and you or your heirs keep any remaining money. If you or your heirs want to keep the property, the loan can be repaid at any time using a traditional mortgage or other assets.

Let’s debunk reverse mortgage misconceptions.

MYTH #1:
“The bank will own my home.”

FACT: You continue to own your home[1] with your name on the title.

This is one of the most common misconceptions – but a reverse mortgage is just like any traditional mortgage or home equity loan in this case.

MYTH #2:
“Reverse mortgages take advantage of retirees.”

FACT: Reverse mortgages were specifically designed to help retirees.

Traditional sources of retirement income (Social Security, pensions, savings, and investments) are no longer enough for many seniors to avoid outliving their assets. Accessing home equity can help increase cash flow and financial flexibility, and provide a greater sense of security.

Plus, today’s reverse mortgage industry is highly regulated: lenders must follow strict state and federal guidelines and regulations that help protect borrowers. Members of the National Reverse Mortgage Lenders Association (NRMLA), like Longbridge, pledge to uphold the highest ethical standards.

MYTH #3:
“I probably won’t qualify because I already have a mortgage.”

FACT: You may still be eligible.

If there’s an existing mortgage on your home, the money from the reverse mortgage is first used to pay off that loan. Any remaining proceeds are yours to use as you wish.

MYTH #4:
“I won’t be able to leave my home to my heirs.”

FACT: Your heirs can inherit your home, just as with any mortgage.

When the loan becomes due, your heirs can choose how to repay the balance. They can arrange their own financing, pay off the loan, and keep the house for themselves; they can sell the house, pay off the balance, and keep any extra funds; or they can do nothing and deed the house to the lender.

MYTH #5:
“A reverse mortgage is a loan of last resort.”

FACT: It’s a useful financial tool, as part of a total retirement funding strategy.

A reverse mortgage is a type of loan specifically designed to give older homeowners and buyers more financial flexibility. In the past, many reverse mortgage borrowers were “house rich and cash poor” – and indeed, it can be helpful in that situation.

But today’s advanced reverse mortgage products offer more options, and respected academic researchers have developed effective strategies for using them as part of a complete retirement plan. You can use the proceeds as you wish – buy a home, pay bills, offset healthcare costs, create a safety net for unexpected costs, and much more.

Comparing Your Options

Alternatives to a Reverse Mortgage:

Many homeowners refinance with a traditional mortgage or a Home Equity Line of Credit (HELOC). But for older borrowers, a reverse mortgage can be a more suitable option. Why? Because it's designed to be sustainable for people who are on a fixed or reduced income now, or will be in the future. Plus, the flexible repayment feature[1] makes a reverse mortgage more attractive to those in or approaching retirement.

Which financing option is right for you?

	Home Equity Line of Credit (HELOC)	Traditional Mortgage	Home Equity Conversion Mortgage (HECM)	Longbridge Platinum
Converts home equity into loan funds	YES	YES	YES	YES
Age-based lending	NO	NO	62 or older	55 or older[4]
Amount you can borrow	No set amount	No set amount	Up to HECM loan limit	Up to $4 million[5]
Flexible repayment feature	NO	NO	YES[1]	YES[1]
Minimum monthly payment required	YES	YES	NO[1]	NO[1]
Non-recourse protection: you'll never be required to repay more than the home is worth at the time of sale	NO	NO	YES	YES
Income qualifications	Stricter	Stricter	More lenient	More lenient
Can be used to buy a home	NO	YES	YES	YES

"All of the personnel at Longbridge were highly professional, patient, and helpful. Our Loan Officer was invaluable in assisting us with our mortgage from start to finish and made it an easy and pleasant experience."

—Bonnie A., via Google

"Very good experience. We felt we were served well, given good information, could reach out when necessary, and always got prompt and accurate responses."

—Del S., via Better Business Bureau

Taking Steps to Live the Retirement You Imagined

How a Reverse Mortgage Works:

STEP 1

Education

Your Longbridge loan officer has all the information you'll need to help you decide if a reverse mortgage is right for you. They can meet with you to go over all the details and answer all your questions.

STEP 2

Application

If you decide to move forward, you'll complete and submit your application, which includes some personal information. We'll then conduct a financial assessment, for your protection, to ensure you'll be able to continue paying your property taxes, insurance, and any home maintenance costs over the life of the loan. Your Longbridge loan officer will guide you through this process and let you know what documents you'll need.

STEP 3

Counseling

You'll meet with a HUD-approved, independent third-party reverse mortgage counselor to ensure you understand all aspects of the loan.

STEP 4

Loan Processing & Underwriting

Your home will be appraised by an independent appraiser to determine its value. The appraisal and loan package will be sent to a Longbridge underwriter for review and approval. The underwriter ensures that the information in the package is correct and complies with all laws and regulations.

STEP 5

Closing

After your loan application is approved, you'll sign your closing documents with a title officer or attorney (depending on your state's requirements).

STEP 6

Receiving Your Funds

Three days after closing, loan funds will be disbursed, and you can access them according to the payment plan you selected. The funds will first be used to pay off any existing mortgage on your home. Then, a new lien (the reverse mortgage) is placed on the home, and the remaining funds from your reverse mortgage are yours to use as you wish.

Contact us today to learn more.

Call: **855.523.4326**

Email: **info@longbridge-financial.com**

Visit: **longbridge-financial.com**

1. You must meet your loan obligations by keeping current with property taxes, insurance, and maintenance.
2. Consult a financial advisor and appropriate government agencies for any effect on taxes or government benefits.
3. This material has not been reviewed, approved, or issued by HUD, FHA, or any government agency. The company is not affiliated with or acting on behalf of or at the direction of HUD/FHA or any other government agency.
4. Available to borrowers as young as 55 in select states only. Higher minimum age requirements may apply.
5. The state of MA has a maximum loan amount/lending limit of $2,000,000.
6. If part of your loan is held in a line of credit you can draw from, the unused portion will grow each month, at a rate that's equal to the sum of the interest rate plus the annual mortgage insurance premium rate.
7. 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.

This material has not been reviewed, approved or issued by HUD, FHA or any government agency. The company is not affiliated with or acting on behalf of or at the direction of HUD/FHA or any other government agency.

Charges such as an origination fee, mortgage insurance premiums, closing costs and/or servicing fees, if applicable, may be assessed and will be added to the loan balance. As long as you comply with the terms of the loan, you retain title until you sell or transfer the property, and, therefore, you are responsible for paying property taxes, insurance and maintenance. Failing to pay these amounts may cause the loan to become immediately due and/or subject the property to a tax lien, other encumbrance or foreclosure. The loan balance grows over time, and interest is added to that balance. Interest on a reverse mortgage is not deductible from your income tax until you repay all or part of the interest on the loan. Although the loan is non-recourse, at the maturity of the loan, the lender will have a claim against your property and you or your heirs may need to sell the property in order to repay the loan, or use other assets to repay the loan in order to retain the property.

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