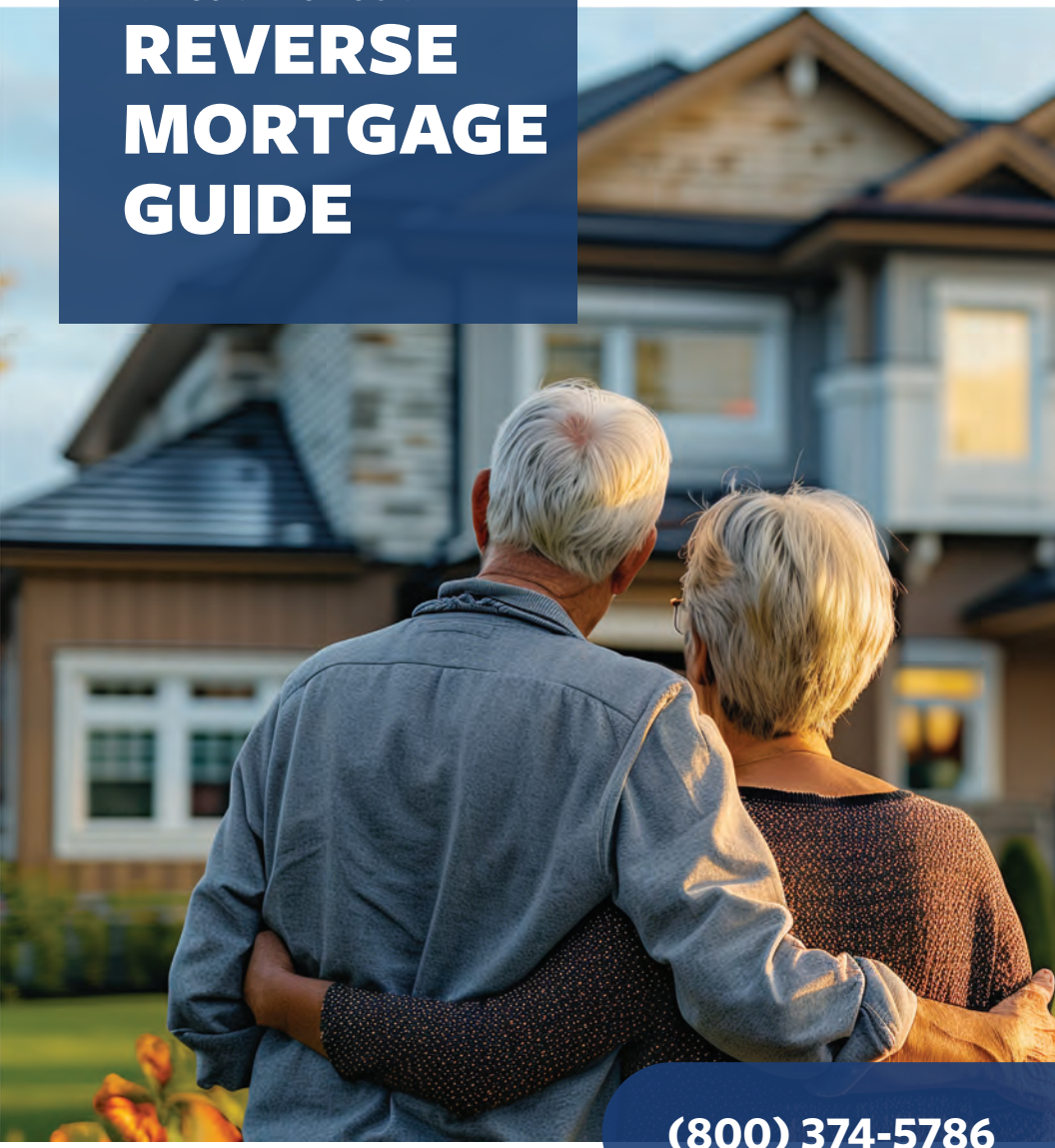
WELCOME TO YOUR

# REVERSE MORTGAGE GUIDE



(800) 374-5786

Mutual of Omaha MORTGAGE



# WE'RE HERE TO HELP YOU FINANCIALLY PREPARE FOR YOUR RETIREMENT YEARS

Although the home is typically one's largest asset, it is often overlooked when seeking ways to fund retirement.

For many retirees it provides both financial security and peace of mind. It's a safe and proven way to generate additional cash flow and financial flexibility utilizing the value you've built up in your home.

Use this helpful guide to bring greater clarity and certainty in your retirement. A reverse mortgage could help you live more comfortably today, and more importantly be better prepared for the future.

# QUICK FACTS

**More than 1.33 million Americans 62 and over have already taken advantage of this unique loan.**

*https://www.nrmlaonline.org/annual-hecm-endorsement-chart*

**Senior homeowners in the US are now sitting on more than 14 trillion dollars of unused home equity.**

*https://www.reversemortgage.org/2024/10/03/senior-home-equity-hits-14-trillion-in-q2*

# WHAT IS A REVERSE MORTGAGE?

Many retirees find themselves on a fixed income that barely covers their monthly expenses, leaving little for unexpected costs.

A viable solution for senior homeowners who are 62 and older is a reverse mortgage.

A reverse mortgage loan, like a traditional mortgage, allows homeowners to borrow money using their home as security for the loan. Also like a traditional mortgage, when you take out a reverse mortgage loan, the title to your home remains in your name. However, unlike a traditional mortgage, with a reverse mortgage loan, **borrowers don't make monthly mortgage payments*.**

**Homeowners are required to pay property taxes and homeowners insurance, use the property as their principal residence, and keep their house in good condition.*



# WHAT ARE THE BENEFITS OF A REVERSE MORTGAGE?

*Reverse mortgages offer numerous advantages, making them an attractive option for many homeowners. Some of these benefits include the following:*

## ELIMINATE MONTHLY MORTGAGE PAYMENTS*

A reverse mortgage grants access to home equity while eliminating monthly mortgage payments, improving retirees' cash flow by reducing a significant monthly expense.

## RETIRE IN PLACE

A reverse mortgage allows you to stay in your home as long as it remains your primary residence — particularly appealing for those who wish to age in place and maintain their independence.

## TAX-FREE INCOME**

Reverse mortgage funds are loans, not income, which means they are not subject to income taxes.

## FLEXIBILITY

Reverse mortgage proceeds can be used however needed. And there are several options for receiving their funds, so you can choose the option that best suits your financial goals and needs.

## PROTECTIONS

A reverse mortgage is a federally backed loan with several safeguards and protections. For example, a reverse mortgage is a non-recourse loan, meaning you will never owe more than the home's value.

**Please consult a tax advisor



# HOW DO YOU QUALIFY?

To be eligible for a reverse mortgage, you must:

- Be **62** years or older
- **Own** and live in your home as your **primary residence**
- Undergo a **financial assessment** to ensure a reverse mortgage can serve you as sustainable, long-term retirement solution
- **Receive counseling** by an independent, HUD-approved third-party to confirm you understand your obligations and responsibilities with a reverse mortgage.
- **Maintain the property** and continue paying property taxes, homeowners insurance, homeowners association and other applicable fees.

# HOW MUCH MONEY COULD YOU QUALIFY FOR?

The size of your loan amount is based on three primary factors.

## AGE

The age of the youngest borrower or eligible non-borrowing spouse - the older you are, the more cash that may be available





## HOME VALUE

Subject to an appraisal, a rise in your home's value could increase the amount of home equity and make more funds available

## CURRENT INTEREST RATE

Fixed and adjustable rates options are available - the lower the interest rate, the more funds may be available





# FAQ

# TRUTHS ABOUT POPULAR REVERSE MORTGAGE MYTHS



## 1 CAN MY CHILDREN STILL RECEIVE AN INHERITANCE?

**YES.** After the home is sold and the reverse mortgage is paid off, all remaining equity will belong to your heirs. No other assets besides the home are used to secure the loan.

## 2 WILL THE BANK OWN MY HOME?

**NO**. When taking out a reverse mortgage loan, you retain title to the property. The lender puts a lien onto the title to ensure repayment of the loan. This is the same for a reverse or a traditional mortgage.

## 3 WILL I BE RESTRICTED ON HOW I CAN USE MY REVERSE MORTGAGE PROCEEDS?

**NO**. You can use the proceeds for almost any purpose.

## 4 WILL I QUALIFY BECAUSE I DON'T HAVE ENOUGH INCOME?

**NO**. You don't have to earn a certain amount of money. Rather, you need to show you have the financial ability to pay your ongoing property taxes, home insurance and other property related expenses.

## 5 IS A REVERSE MORTGAGE A LAST RESORT?

**NO**. A reverse mortgage is a powerful financial tool that can be an important part of your overall financial plan. It is a flexible option designed to give you options.



# THE PROCESS WHAT TO EXPECT

*Here's an overview of the reverse mortgage process you can expect when working with Mutual of Omaha Mortgage:*

## 01 MEET AND DISCUSS

Talk to a reverse mortgage loan advisor to discuss your options, how much you may qualify for, and go over any questions or concerns.

## 02 COUNSELING SESSION

Attend a counseling session with a third-party counselor approved by the U.S. Department of Housing and Urban Development (HUD).

## 03 APPLICATION PROCESS

Submit your application. Your reverse mortgage loan advisor will walk you through each step of this process.

## 04 UNDERWRITING

Underwriting and loan processing reviews your application and documents. They handle tasks such as ordering your appraisal and approving the loan.

## 05 CLOSING

Sign your closing documents at home with the help of a mobile notary service or in person at the title company.

## 06 RECEIVE YOUR FUNDS

After a three-business-day waiting period, you will start receiving your funds in the method you chose during the application process.

# WHAT CAN YOU DO WITH A REVERSE MORTGAGE?

*Because of the flexibility that reverse mortgages come with, they can meet a variety of needs, including the following:*

### SUPPLEMENT MONTHLY CASH FLOW

Because a reverse mortgage loan requires no monthly payments, you can redirect that money toward other things like help cover living expenses, unexpected medical costs, and other bills. Keep in mind that you'll need to keep current with property taxes, homeowners' insurance, and maintenance.

### HOME UPGRADES AND RENOVATIONS

If your home is due for some much-needed upgrades, a reverse mortgage can provide the funds you need to turn your house into your dream home.

### AS A RETIREMENT TOOL

It boosts cash flow and offers support during market downturns. Research suggests it is often more beneficial when employed earlier in retirement rather than waiting until all other options have failed.

### LONG-TERM HEALTHCARE NEED

By creating a reverse mortgage line of credit, which grows over time, you can have money for your care when you need it.



# HOW CAN YOU ACCESS YOUR FUNDS?

Reverse mortgages offer ultimate flexibility as there are no restrictions on how your funds can be used.

Choose the payout plan that works best for you:



## LUMP SUM

*Maximize your cash payout*



## MONTHLY PAYMENTS

*Receive monthly payouts for a fixed term*



## LINE OF CREDIT

*Use as needed, interest charged only on portion you access*

# SAFEGUARDS AND PROTECTIONS

*Reverse mortgage loans come with many safeguards for your financial protection.*



## FIRST-YEAR WITHDRAWAL CAP

HUD established limits on the amount of money you can access your first year to help you better balance your short and longer-term financial needs.

## COUNSELING

FHA requires each applicant to complete a counseling session with an independent, HUD-Approved, third-party counselor to review the various programs. Mutual of Omaha Mortgage encourages counseling as it increases your comfort with the process and helps you understand all your options.

## NO PREPAYMENT PENALTY

You may choose, at any time, to repay the HECM reverse mortgage without any penalty or additional charges.

## LIMITED FEES

The loan origination fees charged are regulated by the U.S. Department of Housing and Urban Development (HUD).

## NON-RECOURSE LOAN

When repayment is due, neither you nor your heirs will ever owe more than your home is worth.



# WHY WORK WITH MUTUAL OF OMAHA

**Mutual of Omaha has Built a Legacy for more than 100 Years**

If you're considering a reverse mortgage with **Mutual of Omaha Mortgage** you can feel confident knowing that we are committed to doing right by our customers, every time. We understand that for some companies, a loan is transactional. That's not us, and it never will be.

Your home is where you have built a life and created cherished memories with loved ones. We are dedicated to helping you protect your kingdom and maintain the lifestyle you have worked so hard to achieve.

So, whether you're looking to supplement your retirement income, pay for unexpected expenses, or enjoy a better quality of life in your golden years, let **Mutual of Omaha Mortgage** help secure the financial future you deserve.



# GIVE US A CALL!

Find out if a reverse mortgage is right for you. Talk to one of our experienced reverse mortgage specialists today!

# (800) 374-5786

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At the maturity of a reverse mortgage loan, the lender will have a claim against the equity in your property and you may need to sell the property to repay the loan, or repay the loan from other assets. The lender will charge an origination fee, a mortgage insurance premium, closing costs and/or servicing fees, which fees will be added to the loan balance. The balance of the mortgage loan grows and the interest is added to the loan balance. You retain title to the property until you sell the property, and therefore you are responsible for paying property taxes, insurance, maintenance and related taxes. Failing to pay these amounts may cause the loan to become due immediately and may subject the property to a tax lien or other encumbrance or to foreclosure. Interest on a reverse mortgage is not deductible from your income tax until you repay all or part of the loan.

Mutual of Omaha MORTGAGE

EQUAL HOUSING LENDER

BBB ACCREDITED BUSINESS

10_2026