



**BOBADILLA**  
FINANCE TEAM  
HOME LOANS

**IF YOU THINK A REVERSE  
MORTGAGE IS FOR YOU  
THEN HERE IS WHAT YOU  
NEED TO KNOW**

# Eligibility

- **Age:** You (and any co-borrowers) must be 62 or older.
- **Equity:** You must own at least 50% equity in your home. Eligible homes include houses, condos, townhouses, or manufactured homes built after June 15, 1976.
  - **Note:** Co-op housing owners aren't eligible, as they don't own the land.

# *Income and Credit*

- Unlike traditional loans (like HELOCs), reverse mortgages **don't require income verification or a credit check.**

# *Counseling*

- Applicants must complete a **HUD-approved counseling session**. This explains the **pros and cons** of reverse mortgages and their impact on things like **Medicaid** or **SSI**.

# Costs

- Borrowers must pay:
  - **Origination fee.**
  - **Up-front mortgage insurance premium.**
- These costs can come out of the loan itself, but they can be high, so decide if you want to pay out-of-pocket or from your home's equity.

# *Responsibilities*

- You still need to pay **property taxes and homeowners insurance.**
- If payments are missed or you move to long-term care, the loan must be repaid, often by **selling the home.**

# *Disqualifications*

- You must live in the home as your **primary residence. Vacation homes and rental properties don't qualify.**

**A reverse mortgage can help unlock the equity in your home, but it's important to understand the requirements and costs involved.**



