Realtor Collaboration

I have heard people refer to seniors as the invisible population. This is particularly true when it comes to the residential lending and mortgage industries. Think about it, over 50% of the people purchasing homes right now are above the age of 55, and only 21% of home buyers are first time home buyers. However, our industry is inundated with people who are out there promoting their expertise as "*First Time Home Buyer Specialists*". As far as I know, our team "The Golden Age Lending Team at Empire Home Loans" are the only ones out there who are focusing on the needs of the *Last Time Home Buyers*.

The overwhelming majority of seniors (55 and above) are currently living in the wrong house. This certainly isn't because there is a shortage of Realtors that could help them get into a house they would prefer. So, why are seniors remaining in houses that don't meet their current needs, and why aren't Realtors helping them to move into a house that better suits them? It's because neither the seniors nor the Realtors who could be assisting them are aware of the advantageous options available to help them purchase a more suitable home.

It is not uncommon for us to talk to seniors who are looking at doing a Reverse Mortgage because they are in need of additional funds to meet their monthly expenses or to make the most of their golden years. Before we proceed with this request, we always ask them if they are living in the house that best serves their current needs. The majority of them would move if they knew a way to do it. They are excited to learn that the new Reverse Mortgages can actually be used for the purchase of the home. These conversations have really made us see the need to raise awareness of the Reverse for Purchase opportunities.

Why don't their current houses work for them?	
Size	Usually seniors are looking for a smaller home to reduce their maintenance and upkeep. In some cases, they're actually looking for a larger home to make it easier for family and friends to visit them (usually grandchildren). In either case, a Reverse for Purchase loan can be used to make that move possible for them.

Accessibility	Sometimes it has just gotten very difficult to get up and down those stairs. They are ready for a house that's on one story.
Location	Some people want to move closer to family, and some just want to move closer to the activities they enjoy and now have time to pursue.
Suitability	We just assisted a senior with a reverse mortgage for purchase to acquire a new home a couple of blocks from the home she currently owned. The new house had a much bigger yard and she loves to garden.
Affordability	Some seniors are living in large houses that have very high utility bills and are expensive to maintain. Moving to a smaller home can allow them to reduce these costs. By leveraging the Reverse for Purchase mortgage, they can invest some of their equity from their departing equity to increase their monthly cash flow.

What Seniors Need to Know	
A Reverse Mortgage can be used to purchase a home	This is one of the most tragic secrets out there. In California seniors are sitting on over \$2,000,000,000,000.00 (*yes, that's \$2 Trillion*) in stagnant equity while being denied the opportunity to live their best lives in their golden years.
Today's Reverse Mortgage products are very different than yesterday's	Many people are completely unaware of the significant improvements' safeguards and consumer protections that have recently been incorporated into these products. It is a bit like people deciding that they don't want to fly on airplanes because of the high accident rates back in the 70s.
They Still Own the House with a Reverse Mortgage	It is amazing how many people still think they are giving up the ownership of their house with a reverse mortgage. A reverse mortgage is just like a forward mortgage. When homeowners or their heirs are ready, they sell the house, pay off the mortgage with part of the proceeds, and keep the remaining. (Please go to our "*Myths and Misunderstandings*" document for some of the other common misunderstandings on reverse mortgages).

Property Tax Basis Transfer	One of the reasons that many seniors think they are stuck in their current home is related to their Proposition 13 tax limitations. They are unaware of their ability to transfer their current tax basis to a more suitable home.

Opportunities for Realtors	
Listing appointments	It is not uncommon for an agent to go on a listing appointment for a senior who is ready to sell a house that is now much larger than they need, or maybe they just want to move closer to their grandchildren. Many of these homeowners are not looking to purchase another home because they are unaware of strategic programs available to them for home purchases. By explaining this opportunity to them, the Realtors are able to gain a buyer in addition to the listing.
Sphere of influence	Every client a realtor has worked with is either over the age of 55 or has friends and family who are. All of those people would benefit from knowing that this opportunity is out there.
Senior homeowners in your farm area	Realtors have the ability to send out flyers or knock on doors of senior homeowners that would appreciate this opportunity being brought to their attention. Since many of these clients would be purchasing homes within the same area, this is an opportunity to pick up two transactions with one client.
Vacation homes	Nobody thinks of Reverse Mortgages as an option to purchase a vacation home since Reverse Mortgages can only be done on a primary residence. In reality, a reverse mortgage can be a great way to purchase a second home. There is no reason that somebody cannot do a reverse mortgage on their primary residence and use the funds to pay cash for a vacation home for their extended family. In fact, with our new standalone reverse second loan product, it opens up even more opportunities for this.

2 to 4 unit properties	Reverse mortgages can be used to purchase up to four-unit properties. Since there are no required payments on a reverse mortgage, this can be a good option for people who want to have their property generate some additional income. This can also be a good option for people who need to create housing opportunities for other family members.