Proprietary Reverse Mortgages

Just like every other demographic the needs and circumstances of seniors vary. When it comes to Reverse Mortgages, there is no one-size-fits-all program. The FHA backed HECM program offers advantages for a lot of seniors, but it also has some limitations. Some seniors may not meet the qualifying requirements of the HECM product. Others are just better served by one of the proprietary programs based on their needs, priorities, and circumstances. Our team has access to a full menu of Reverse Mortgage options for them and new ones are being added all the time.

The information below is for reference purposes only. An important part of the services we provide to seniors here at The Golden Age Lending Team is a comprehensive assessment of a borrower's needs, priorities, and circumstances. This is done to confirm that Reverse Mortgage is the best option for them, _and_ to determine which Reverse Mortgage product and structure will best serve their needs.

Expanded Opportunities with Proprietary Programs	
Ages 55 to 62	The HECM (*Home Equity Conversion Mortgage*) products require a minimum age of 62. Most of our proprietary Reverse Mortgage products will allow borrowers all the way down to the age of 55.
Access to Funds	The HECM restricts the amount of the loan funds a borrower can access in the first year after the loan is taken out. It is limited to the greater of 60% of the loan amount or mandatory obligations plus 10% (*See below for an explanation of Mandatory Obligations*). The proprietary program options allow access to all loan funds with no first year restrictions.
Second Loans	The HECM products are only available as first position loans. This means that any current mortgages are absorbed into the HECM loan. If a homeowner has a current first mortgage at favorable rates and terms, and they do not need, or want, to pay that off, our Proprietary Reverse Second may be a better option for them.

Higher Loan Amounts	The proprietary products will generally allow borrowers to access a higher percentage of their home's equity than a HECM will.
Higher Loan Limits	The percentage of the equity a borrower can access on all Reverse Mortgage products is calculated based on their age and the properties value. For HECM products, the value used for this calculation is currently capped at $1,249,125. This means that even if the property is valued at $10,000,000, the loan is calculated on the $1,249,125 cap. The proprietary products do not limit the value used to calculate the loan amount. They will allow the full property value to be considered, and loan amounts up to $4,000,000.
No Legacy Concerns	The proprietary options will generally allow borrowers to access a higher amount of the equity in their home than a HECM. However, with this higher loan amount and the higher interest rates when compared to a HECM, the loan balance can climb at a faster rate. For borrowers who are just interested in maximizing the funds they can access, and they are not concerned about preserving equity for heirs, a proprietary Reverse Mortgage may better meet their needs.
Equity Preservation Option	We generally recommend HECM products when equity preservation for heirs is a high priority for borrowers. However, HECM is not always an option based on the borrowers age, loan amount needed, and other factors. Fortunately, we do have a proprietary solution for them. One of our Proprietary Programs will allow a portion on the home's equity to be set aside for the heirs. The loan will be based on the home's value with that set-aside portion excluded.
Reduced Documentation	Some of our Proprietary Reverse Mortgage options do not require any income documentation at all. This can make the process easier than a HECM for the borrowers. *Please note, although little to know income is required to qualify for most Reverse Mortgage products, a minimal financial assessment is done for consumer protection purposes.*

We are available to answer any questions you may have about the programs outlined in this table. If you would like to explore whether a Reverse Mortgage may benefit you based on your individual circumstances, priorities, and objectives, we welcome the opportunity to discuss the available options with you.