

# REVERSE YOUR THINKING™ ABOUT REVERSE PRODUCTS

*Everything you think you learned about reverse mortgages before 1988 is probably wrong*

The current crop of reverse financial products has only been permanently around for 21 years. Systematized by the Federal Government via The Department of Housing and Urban Development (HUD), these government programs were designed to solve the one big problem with home ownership as an investment; the value of your home is not liquid when you need the money.

The government-designed program was the only option for many years. It has remarkable features like an increasing line of credit that, unlike a HELOC cannot be cancelled, reduced or frozen and a monthly payment feature that, depending on your age, can provide up to \$100,000 of yearly income for life, no matter what. The program was modified and improved periodically but the limits on loan size made it of limited use in some retirement planning. In response to this, new, safe programs became available in the marketplace.

Today your options have expanded. There are reverse programs that can be made as a second mortgage, the loans can be as large as six million dollars, and there is even a class of products that are available to residential property owners of any age to unlock the wealth in their homes.

The most popular features that all of these financial products have in common is that there are no monthly payments required, the title to your property stays in your name and the money you receive is not taxable income according to the IRS.

Enlightened financial planners and estate attorneys now consider reverse programs as a viable option in designing a retirement program, purchasing a home or paying off consumer debt. Accountants and CPAs recommend their clients consider them before selling their home and encountering huge tax consequences. And some products are an excellent source of funds for high school or college tuition or to supplement a 529 education plan.

A collaborative reverse specialist who is personally a member of the National Reverse Mortgage Lenders Association is probably your best source for more information. No longer a one size fits all product, it's all about custom designing a plan that fits your needs and lifestyle. Whatever your age, credit, wealth or employment, as long as you own a residential property, there is nearly always a reverse-style program that will fit your needs and assist in solving financial issues for you.

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