

# Home Equity Conversion Mortgage (HECM) for Purchase

## Approximate Down-Payment Required by Borrower

HECM for Purchase financing can make it easier and more affordable for your clients age 62 and older to buy a home that better fits their life, without having to take on monthly mortgage payments.\* (Of course, they'll still be responsible for paying property taxes and required homeowners' insurance.) This may help them more comfortably afford an upgrade, or spend less money out-of-pocket. The chart below shows hypothetical examples of the down payment required with this mortgage option.

For example, a 62-year-old borrower wants to purchase a \$250,000 home in Texas. Using the HECM for Purchase, the borrower needs to provide \$132,000 of his or her own funds for the down payment. The HECM for Purchase reverse mortgage will finance the rest of the proceeds toward the purchase price.

Home Purchase Price	Approximate Down Payment Required by the Borrower				
	AGE 62	AGE 65	AGE 70	AGE 75	AGE 80
\$250,000	\$132,000	\$127,000	\$119,000	\$109,000	\$88,000
\$300,000	\$156,000	\$152,000	\$141,000	\$130,000	\$105,000
\$350,000	\$181,000	\$176,000	\$164,000	\$151,000	\$121,000
\$400,000	\$207,000	\$199,000	\$186,000	\$171,000	\$137,000
\$450,000	\$232,000	\$223,000	\$209,000	\$192,000	\$153,000
\$500,000	\$257,000	\$247,000	\$230,000	\$212,000	\$170,000
\$550,000	\$282,000	\$271,000	\$254,000	\$233,000	\$186,000
\$600,000	\$307,000	\$296,000	\$276,000	\$253,000	\$202,000
\$625,500	\$320,000	\$308,000	\$288,000	\$264,000	\$211,000

Illustration is for educational purposes only and assumes a borrower who resides in Texas, with a fixed interest rate of 4.99% (6.876% APR) and financed fees of approximately \$13,000. Rate quote generated 11/9/2015. Rates are subject to change.

\*If the borrower does not meet loan obligations such as taxes and insurance, then the loan will need to be repaid.

**More information on reverse »**



## How real estate professionals benefit from the program

Retiring Boomers are choosing to maintain a comfortable lifestyle in a home that better fits their needs. This opens up a huge market of potential clients who can benefit from selling their current home and purchasing another for retirement. This could help you:

- Increase Your Listings
- Produce More Sales
- Expedite Closings



**HomeSafe®**  
Loan amounts up to **\$2.25 Million**

Homebuyers 62 or older who want to purchase a property that's valued at \$1 million or more can finance a significantly larger portion of the purchase price using this proprietary HomeSafe® financing tool. Condos appraised at \$500,000 or more do not require FHA approval.

**For any questions or if you have a client scenario you would like to discuss, please contact me today:**

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