



Your Guide to a Better Retirement

Understanding Reverse Mortgage Loans

For more information, schedule a call or send mail
seniorfinancialsolutions.com | (800) 608-6004



“Senior Financial Solution is solely dedicated to helping older Americans use their home equity for a better retirement. We know they care and want to help. We trust them and we think you can, too.”



LIST OF CONTENTS

| | | | |
|-----------------|----|---------------------------|----|
| Welcome Letter | 01 | Mortgage Responsibilities | 09 |
| Mortgage Loan | 02 | Who We Are? | 10 |
| Quick Facts | 03 | Advantages | 11 |
| How to Qualify? | 04 | 10 Mortgage Strategies | 12 |
| Funds Process | 07 | HECM Line | 14 |
| Testimonial | 08 | Stronger & Safe | 16 |

LIST OF CONTENTS

Mortgage Insurance ————— 18

Popular Myth ————— 19

FAQs ————— 20

Mortgage Process ————— 22

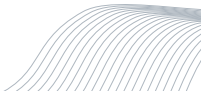
Why Choose Us? ————— 23

Our Partners ————— 24

Our Promise ————— 25

Policies ————— 26

Contact ————— 27



Dear Homeowner,

For all that a home gives us—things like safety, stability, security and a place to create and store our memories—one gift we tend to overlook is the future it can also give us.

You can begin to unlock that future by using some of your home's equity, which has likely increased over time, becoming your most valuable asset.

There are, of course, different ways to access your home equity, but if you're 62 or older, you may want to consider a reverse mortgage. Not only can you use it to access tax-free cash, but you don't have to repay your loan until you leave the home.

This way, you'll have the financial freedom and flexibility to design the retirement you want, whether that's paying off bills, fixing up the house, traveling or investing more, or helping out your children.

Use this helpful guide to bring greater clarity and certainty to your future, with the open invitation to call Senior Financial Solutions any time about whether a reverse mortgage—or another of their home equity solutions—can help you achieve a better retirement.

Best Regards,
CEO, Senior Financial Solutions

MESSAGE FROM OUR FOUNDER

WHAT IS A REVERSE MORTGAGE LOAN?

Unlike a traditional home equity loan, such as an FHA or refinance loan that you begin paying back soon after your loan closes, a reverse mortgage doesn't have to be repaid until you leave your home*. In addition to having no monthly mortgage payments, you will receive tax-free proceeds from your reverse mortgage, and you can designate how you want to receive them. Reverse mortgages were specifically designed to help those 62 and older supplement their retirement.



The most widely available reverse mortgage loan is a Home Equity Conversion Mortgage (HECM), insured by the Federal Housing Administration (FHA). For higher-value homes that exceed the limit set by the FHA, borrowers may be better suited with a non-HECM loan, also known as a jumbo or proprietary reverse mortgage.

* You must continue to maintain your property, pay property taxes and homeowners insurance, and otherwise comply with all loan terms.

QUICK FACTS

Fact 01

More than 1 million homeowners 62 and over have used a HECM reverse mortgage to age in place.

U.S. Dept. of Housing and Urban Development, HECM Endorsement Summary Report, 2017

Fact 02

Since obtaining a reverse mortgage, 8 out of 10 Senior Financial Solutions customers said their lives have improved.

(Based on Senior Financial Solutions customer surveys between June 1, 2013 and October 30, 2018)

Fact 03

Home equity levels for homeowners aged 62 and older grew to \$7.1 trillion in the fourth quarter of 2018.

(NRMLA/RiskSpan Reverse Mortgage Market Index (RMMI) Q1 2000 - Q4 2018)



97% of Senior Financial Solutions customers are pleased with our service.

Based on Senior Financial Solutions customer surveys between June 1, 2013, and January 31, 2019

HOW DO YOU QUALIFY?

To be eligible for a reverse mortgage, you must:



FINANCIAL ASSESSMENT

Undergo a financial assessment to ensure a reverse mortgage can serve you as a sustainable, long-term retirement solution.



RECEIVE COUNSELING

By an independent, HUD-approved third-party to confirm you understand your obligations and responsibilities with a reverse mortgage.



MAINTAIN THE PROPERTY

And continue paying property taxes, homeowners insurance, homeowner association and any other applicable fees.



BE 62 YEARS OR OLDER

A non-borrowing spouse may be under age 62



PRIMARY RESIDENCE

Own and live in your home as your primary residence.

DOES YOUR PROPERTY QUALIFY?

For HECMs



2-4 UNITS

Single-family homes or 2-4 unit homes (You must occupy one of the units).



HUD-APPROVED

HUD-approved condominiums*



FHA REQUIREMENTS

Manufactured homes that meet FHA requirements.

*Senior Financial Solutions advantage loans do not require FHA approval

To learn more, call: (800) 608-6004

HOW MUCH MONEY COULD YOU QUALIFY FOR?

The size of your loan amount is based on three primary factors.



1. Your Age:

The age of the youngest borrower or eligible non-borrowing spouse—the older you are, the more funds may be available.



2. Your Home's Value:

The higher your home appraises at, and the more equity you have in your home, may make more funds available.



3. Current Interest Rate:

Fixed and adjustable rate options are available—the lower the interest rate, the more funds may be available.

HOW CAN YOU ACCESS YOUR FUNDS?

Choose the payout plan that works best for you:



*Available with Tenure-Based or Modified Tenure plans, so long as Borrower does not default on the loan. Borrower must maintain home as principal residence, pay all taxes, insurance, maintain the home, and comply with all other loan terms. With Modified Tenure plans, lender will set aside a specific amount of money for a line of credit.



“The entire process was very smooth and concise. It was just the boost in the cash flow we needed to live a good life without dipping into our stocks and bonds. This was the perfect solution for us.”

-LINDA MICHAEL



YOUR REVERSE MORTGAGE RESPONSIBILITIES



Although a reverse mortgage can eliminate monthly mortgage payments (principal and interest), you must continue to maintain your property, pay all property taxes, homeowners insurance and comply with your loan terms, as you would with any mortgage. To ensure that you can meet these ongoing financial responsibilities you can establish a set-aside account that can be financed into your reverse mortgage to limit your initial, out-of-pocket expenses.

If you don't comply with your loan terms, however, your home could go into default, which could lead to foreclosure.

It's also important to note that while you can sell your home and pay off your loan balance any time without a prepayment penalty, reverse mortgages make more sense financially the longer you plan to stay in your home, as you're spreading your initial loan costs out over a longer period.

Receiving funds from a reverse mortgage will not affect your Social Security or Medicare. A reverse mortgage, however, could impact Medicaid or Supplemental Security Income (SSI), so please speak with your accountant or tax advisor for more information.

WE ARE



CARING



DRIVEN



ETHICAL

Learn more or speak with one of our reverse mortgage professionals today

Call: (800) 608-6004

ADVANTAGES OF REVERSE MORTGAGE

Choose the payout plan that works best for you:



ADVANTAGE 01

The home equity you access is tax-free (Consult your tax advisor).



ADVANTAGE 02

Use your proceeds almost any way you wish (See Strategies).



ADVANTAGE 03

HECMs are federally insured, meaning if your lender defaults, you still receive your payments.



ADVANTAGE 04

Because reverse mortgages are non-recourse loans, neither you nor your heirs will ever owe more than your home is worth.

* In addition to maintaining your property, you must continue to pay property taxes, homeowners insurance, HOA fees, and otherwise comply with all loan terms.

10 REVERSE MORTGAGE STRATEGIES

The ways people are responsibly using their reverse mortgages for a better retirement are virtually unlimited.

1

Pay Off My Existing Mortgage To Increase Cash Flow.

Paying off your current mortgage is a reverse mortgage requirement. By removing your monthly mortgage payments, your cash flow increases.

2

Renovate My Home To Make It Safer And More Enjoyable.

The right home improvements can also help maintain or even increase the value of your home.

3

Give My Retirement Savings Accounts More Time To Grow.

By tapping home equity and leaving your investment accounts intact, your assets can continue to grow through the magic of compounding interest.

4

Delay Taking My Social Security For Larger Payouts Later.

Social Security benefits increase by a certain percentage each year if you delay your retirement beyond full retirement age. That's an effective savings plan.

We're here to help. Call Us Today. (800) 608-6004

5

Build A Stronger Safety Net.

The best defense against unexpected expenses, such as medical emergencies, sudden market downturns and other life events, is to ensure you have financial resources standing by to deal with them.

6

Gain Greater Peace Of Mind For My Long-Term Healthcare Needs.

By creating a reverse mortgage line of credit, which grows over time, you can have money for your care when you need it.

7

Purchase Another Home That Will Better Fit My Needs.

Instead of using all cash, put down only a portion of the purchase price (from your previous home's sale or from other savings and assets) and use a HECM to cover the rest, leaving you with no future monthly mortgage payments.*

8

Protect My Portfolio In A Down Market.

Instead of being forced to sell an investment in a down market, you could wait for the market to rebound by using proceeds provided by a reverse mortgage to make up any shortfall.

9

Create A Lifetime Income Stream For My Family And Me.

A reverse mortgage gives you multiple payment options, including monthly disbursements for life as long as you live in your home**.

10

Pay Off Other Debt, Like High-Interest Credit Cards.

Using a reverse mortgage to pay off credit cards or other high-interest debt may prove a sound financial strategy. What a reverse mortgage shouldn't be used for, is an excuse to overspend or avoid addressing what caused the debt in the first

A HECM LINE OF CREDIT CARD CAN

Be a better Retirement Solution than a HELOC
(Compare the two charts)

| HOME EQUITY LINE OF CREDIT (HELOC) | | |
|------------------------------------|---|---|
| Payments | ⊘ | A HELOC requires you to pay a monthly interest payment, at a minimum, often for 10 years, then amortize the principal over the remaining 20, which can substantially increase your payment. |
| Line of Credit Growth | ⊘ | Does not grow under normal circumstances. You must request increase and often require full credit application, appraisal, income verification, and associated fees. |
| Accessibility | ⊘ | Line of credit can be decreased or closed without warning. |
| Due Date | ⊘ | Typically due at the end of 10, 20, or 30 years. |
| Pre-Payment Penalty | ⊘ | May have a penalty. |
| Government-Insured | ⊘ | Not insured by the Federal Housing Administration. |
| Annual Fee | ⊘ | A HELOC often requires an annual fee to keep the loan open. |

MOST HOMEOWNERS ARE AWARE OF

Benefits and downsides of a home equity line of credit (HELOC). Though only available to those over the age of 62, a HECM Line of Credit can offer greater advantages. Compare the two charts.

| HECM LINE OF CREDIT | | |
|---------------------------|---|---|
| No Payments | ✔ | No monthly mortgage payments are required (Borrowers must continue to pay property taxes, homeowners insurance, and maintain the property.) |
| Line of Credit Growth | ✔ | Unused line of credit grows at the same rate the borrower is paying on the used credit, thus the LOC amount increases. |
| Accessibility | ✔ | Line of credit remains open as long as the borrower lives in the home and complies with all loan terms. |
| Due Date | ✔ | Typically due when the last borrower or eligible non-borrowing spouse leaves the home or does not comply with the loan term. |
| No Penalty of Pre-Payment | ✔ | No pre-payment penalties. |
| Government-Insured | ✔ | Insured by the Federal Housing Administration. |
| Annual Fee | ✔ | There are no fees to keep the HECM line of credit open. |

STRONGER SAFEGUARDS AND PROTECTIONS

Reverse mortgage loans come with many safeguards for your financial protection.



LIMITED FEES

HECM origination fees are regulated by the U.S. Department of Housing and Urban Development (HUD). HECM loan costs may vary among creditors and loan types.



FIRST-YEAR WITHDRAWAL CAP

HUD established limits on the amount of money you can access your first year to help you better balance your short- and longer-term financial needs.



CREDIT LINE GROWTH

The unused portion of your credit line continues to grow—giving you an incentive to responsibly access only the credit you need.



NON-RECOURSE LOAN

When repayment is due, neither you nor your heirs will ever owe more than your home is worth.

STRONGER SAFEGUARDS AND PROTECTIONS



NON-PRE PAYMENT PENALTY

You can choose to repay your reverse mortgage anytime without penalty. You will undergo a financial assessment to determine whether a reverse mortgage or another financial option can best serve you.



COUNSELING

You will receive counseling by an independent, HUD-approved third-party to help you explore and address whether a reverse mortgage or another alternative may offer you the best financial solution for your needs and goals.



FINANCIAL ASSESSMENT

Before you can formally apply for a reverse mortgage, you will undergo a financial assessment to determine whether a reverse mortgage or another financial option can best serve you.

Learn more or speak with one of our reverse mortgage professionals today

Call: (800) 608-6004

FHA MORTGAGE INSURANCE

What You Need to Know

1

Continue Payments Beyond Life Expectancy

Should you opt for a tenure plan, and you exceed your life expectancy, insurance covers the difference so you continue to be paid.

2

Guaranteed Payments Even if Lender Defaults

Should the lender default, you will continue to be paid, regardless.

3

Insurance Covers Loan if Balance Exceeds Home Value

Should the balance of the loan be larger than the value of the home when payment is due, the insurance fund covers the difference.

Learn more or speak with one of our reverse mortgage professionals today

Call: (800) 608-6004

THE TRUTH ABOUT SOME POPULAR REVERSE MORTGAGE MYTH

Although simple in concept—converting a portion of your home equity into cash while you continue to enjoy the comforts of living in your own home*—certain myths and misinformation have sprung up around reverse mortgage loans. Here we address a handful of these common mistruths:

*You must continue to maintain your property, pay property taxes and homeowners insurance, and otherwise comply with all loan terms.



FREQUENTLY ASKED QUESTIONS

The bank owns my home.

No. When taking out a reverse mortgage loan, you retain title to the property. The lender puts a lien onto the title to ensure repayment of the loan. This is the same for a reverse or a traditional mortgage.

I cannot get a reverse mortgage loan if I have an existing mortgage.

No. You just need sufficient home equity for the loan to make sense.

I won't qualify because I don't have enough income.

No. You don't have to earn a certain amount of money. Rather, you need to show you have the financial ability to pay your ongoing property taxes, home insurance and other property-related expenses.

FREQUENTLY ASKED QUESTIONS

The lender receives whatever money remains after the home is sold to pay off the reverse mortgage.

No. Any leftover funds go to the heirs or the estate.

I will lose my house if I exhaust my loan funds.

No. You cannot lose your home as long as you continue to comply with your loan terms, such as maintaining your home and paying your property taxes and homeowners insurance.

I will be restricted on how I can use my reverse mortgage proceeds.

No. You can use the proceeds for almost any purpose.

I will be taxed on my loan amount.

No. Because a reverse mortgage is a loan, your proceeds are not taxed. Consult your tax advisor for more information, however, as tax laws can change.

THE REVERSE MORTGAGE PROCESS



CALL SENIOR FINANCIAL SOLUTIONS

Senior Financial Solutions licensed reverse mortgage professional will help you assess whether a reverse mortgage or another home equity solution can help you achieve a better retirement.



COUNSELING AND APPLICATION

A HUD-approved counselor is specially trained and certified to help you understand how a reverse mortgage works and further evaluate whether the loan is a good fit for your situation.



PROCESSING AND APPROVAL

Senior Financial Solutions's powerful and proprietary system, Landforce™, will help propel your reverse mortgage loan to the finish line.



CLOSING

After all underwriting conditions have been met, a closing agent will contact you to sign the final documents and discuss any funding questions you might have.

Pick up the phone and call Senior Financial Solutions today.

Call: (800) 688-6004

WHY CHOOSE SENIOR FINANCIAL SOLUTIONS



When we started Senior Financial Solutions, we saw home equity as the missing financial piece for the millions of Americans who wanted to retire better.

From that early inspiration, Senior Financial Solutions has become one of the nation's leading home equity solutions providers and the No. 1 reverse mortgage lender in the nation.

Over that time, we have helped thousands of people gain the financial freedom to live retirement on their terms. For some, that has meant achieving the peace of mind that comes with paying off a large bill, making a long-overdue home repair or building a bigger rainy-day fund, and for others, that has simply meant getting out more, visiting friends and family, traveling, dining, taking longer, unhurried walks and pursuing the many joys that a good retirement can afford.

Whichever path you expect to follow for your better retirement, we look forward to helping you every step of the way.

OUR TRUSTED PARTNERS

Choose the payout plan that works best for you:



A Better Business Bureau
Torch Awards for Ethics
finalist.



A U.S. Department of Housing
and Urban Development
approved lender.



A proud and active member
of the National Reverse
Mortgage Lenders
Association.

Pick up the phone and call Senior Financial Solutions today.
Call: (800) 608-6004

OUR PROMISE



At Senior Financial Solutions, we believe education is empowering and your best course for determining whether a reverse mortgage loan, or another home equity solution, can help you achieve the retirement you've envisioned. In particular, we've addressed how reverse mortgages work and how they have been strengthened with additional borrower protections. While reverse mortgage loans offer many advantages, they also come with important borrower obligations and responsibilities. We've worked hard to highlight them all so you can make the most informed financial decision for you and your family.

Although we have seen reverse mortgages improve retirements for thousands of older adults, we realize they are not for everyone. They work best when they are used strategically and responsibly as part of a comprehensive and sustainable retirement plan. That's why, in addition to being the nation's No. 1 reverse mortgage lender, we offer a sweeping array of other home equity solutions, including FHA, conventional, VA and jumbo options. And if selling your home is your best path forward for achieving a better retirement, we can help with that, too!

Working together, we believe we can help find the right solution for your retirement!

NMLS# 9392 (www.nmlsconsumeraccess.org). Senior Financial Solutions is headquartered at 3800 W. Chapman Ave., 3rd & 7th Floors, Orange CA, 92668. AAG conducts business in the following states: AK (Alaska Mortgage Broker/Lender License No. AK9392), AL, AR, AZ (BK_0911141), CA (CA Loans made or arranged pursuant to a California Finance Lenders Law license (803F324) and Licensed by the Department of Business Oversight under the California Residential Mortgage Lending Act (4131144)), CO (Regulated by the Division of Real Estate; to check the license status of your mortgage loan originator, visit <http://www.dora.state.co.us/real-estate/index.htm>), CT, DC

(District of Columbia Mortgage Dual Authority License No. ML89392), DE, FL, GA (residential Mortgage License#22849), HI, IA, ID, IL (Illinois Residential Mortgage Licensee; Illinois Commissioner of Banks can be reached at 100 West Randolph, 9th Floor, Chicago, Illinois 60601, (312)814-4500), IN, KS (Kansas Licensed Mortgage Company MC: 0025024), KY, LA, MD, ME (SLM11356), MI, MN, MO (4824 NW Gateway Ave, Suite 201, Riverside, MO 64188), MS (Licensed by the Mississippi Department of Banking and Consumer Finance), MT, NC, ND, NE, NH (Licensed by the New Hampshire banking department), NJ (Licensed by the N.J. Department of Banking and Insurance), NM, NV, NY (Licensed Mortgage Banker-NYS Department of Financial Services; Senior Financial Solutions operates as Senior Financial Solutions, Inc. in New York.), OH (MBMB.850159.000), OK, OR (ML-4623), PA (Licensed by the Pennsylvania Department of Banking 28356), RI (Rhode Island Licensed Lender), SD, SC, TN, TX (Mortgage Banker Registration, 13785 Research Blvd, Ste. 125, Austin, TX 78750), UT, VA (Licensed by the Virginia State Corporation Commission MC - 5134), VT (Vermont Lender License No. 6384), WA (Consumer Loan # CL-9392), WI, WI, WY (WY-DBA AAG Reverse Mortgage Lender/Broker License No.2331). Senior Financial Solutions is an equal housing lender. These materials are not from HUD or FHA and were not approved by HUD or a government agency.

A reverse mortgage increases the principal mortgage loan amount and decreases home equity (it is a negative amortization loan). Senior Financial Solutions works with other lenders and financial institutions that offer reverse mortgages. To process your request for a reverse mortgage, Senior Financial Solutions may forward your contact information to such lenders for your consideration of reverse mortgage programs that they offer.

Reverse mortgage loan terms include occupying the home as your primary residence, maintaining the home, paying property taxes and homeowners insurance. Although these costs may be substantial, Senior Financial Solutions does not establish an escrow account for these payments. However, a set-aside account can be set up for taxes and insurance, and in some cases may be required. Not all interest on a reverse mortgage is tax-deductible and to the extent that it is, such deduction is not available until the loan is partially or fully repaid.

Senior Financial Solutions charges an origination fee, mortgage insurance premium (where required by HUD), closing costs and servicing fees, rolled into the balance of the loan. Senior Financial Solutions charges interest on the balance, which grows over time. When the last borrower or eligible non-borrowing spouse dies, sells the home, permanently moves out, or fails to comply with the loan terms, the loan becomes due and payable (and the property may become subject to foreclosure). When this happens, some or all of the equity in the property no longer belongs to the borrowers, who may need to sell the home or otherwise repay the loan balance. V2019.04.17

CALL SENIOR FINANCIAL SOLUTIONS TODAY!

Contact Info

Website: seniorfinancialsolutions.com

Phone: (800) 608-6004