Reverse Mortgage Suitability

At The Golden Age Lending Team, we take the time to understand each client's needs, priorities, and objectives before recommending a financing solution.

An important part of our role is determining whether a Reverse Mortgage is appropriate—and, if so, which program and structure best fit the client's circumstances.

Although today's Reverse Mortgage options are more varied than ever, the best solution may sometimes be a different loan product altogether. In those cases, we will either assist with that option or direct the client to an appropriate specialist for the product that best serves their needs.

Here are some of the questions we ask as part of our suitability review:

Question	Answer	Relevance
Are you at least 55?		Age 55 is the minimum for our Reverse Mortgage products.
Are both you and your spouse over the age of 62?		Some programs require borrowers to be 62 or older. However, these programs may still be an option with protections available for an eligible non-borrowing spouse who is not yet 62.
How long are you planning to stay in your home?		Your expected time in the home helps us determine whether a Reverse Mortgage is advantageous and which program may fit best.
What year were you born?		Age, along with property value, is a key factor in determining available loan proceeds on the Reverse Mortgage products.
What is the approximate balance of your current mortgage(s)?		Among other things, this helps us estimate how much equity may remain available after paying off existing mortgage debt.

What is the interest rate on any current mortgages?		A favorable first-mortgage rate may make a Reverse Second worth considering because it can allow the first mortgage to remain in place.
What is your estimated home value?		Home value helps determine available proceeds and which programs may be most advantageous.
Does your home currently need repairs?		Reverse Mortgage funds may be used for required or elective repairs. Many required repairs can be completed after closing; some may need to be addressed beforehand. If repairs are required prior to closing the loan, we have strategies and solutions to assist clients with that.
Are there additional updates and upgrades that you would like to make to your home?		Knowing your improvement goals helps us determine whether enough funds will be available to complete them.
Is your primary goal to eliminate your current mortgage payment?		Your primary objective helps us identify the most appropriate program and structure.
Would you like to improve your monthly cash flow?		Reverse Mortgage proceeds may improve cash flow by eliminating required mortgage payments, paying off other debts, or reducing recurring expenses.
Are you needing money right away for some other purpose?		Not all Reverse Mortgage products allow you to access all of the available funds within the first year.
If so, how much cash do you think you will need for this?		The amount needed helps us identify programs that can provide the required access to funds.
How would you prefer to receive the funds?		Disbursement options vary by program and may include a lump sum, monthly advances, or a line of credit.

Is your current home still the best fit for you?		If your current home no longer fits your needs, a Reverse Mortgage for Purchase may help you move to a more suitable home.
Are there other priorities or circumstances we should consider?		Every situation is different. Understanding all important priorities helps us evaluate suitability and select the right program.
How important is having a rainy-day reserve?		Some programs offer a line of credit that can remain available for future needs.
How important is preserving equity for your heirs?		Programs differ in how much equity they allow you to access and how quickly the loan balance may grow. Your legacy goals can influence the best fit.

Please note:

There are many ways to leverage the benefits of a Reverse Mortgage. As a part of our commitment to serve the needs of the senior community, we are glad to share our experience with aging-in-place improvements, energy-efficiency upgrades, ADUs, indoor-air-quality improvements, and other strategies that may benefit seniors. We do not sell these products or services and do not accept referral fees, gifts, or compensation from providers.