Trust Attorneys

We have worked for over three decades in the residential lending industry. During this time, many of our clients, family, and friends have become seniors. Recently, our team started receiving a lot of calls related to Reverse Mortgages. As those questions increased, we realized that we really needed to do some deep comprehensive research into these specialty products.

Most of what we discovered was very positive. There have been significant improvement to these programs recently. However, we also discovered a few things that concerned us.

One of the things that convinced us that we needed to start personally assisting our clients, family, and friends with their needs in this area was the discovery that one of the changes that was put in place to protect seniors with these loans may actually be creating a false sense of security.

After the last eligible borrower (*or qualified non-borrowing spouse*) passes away, heirs generally have a limited period of time to satisfy the Reverse Mortgage. Under certain circumstances, that period may extend up to 12 months. If probate or other estate-transfer delays prevent the property from being sold or refinanced in time, heirs can potentially lose the home and its equity beyond the loan balance.

For properties that are not held in a trust, it is very common for it to take longer than 12 months for a home to be cleared for sale by the heirs. For this reason, we strongly encourage Reverse Mortgage clients to discuss their estate plan with a qualified estate-planning attorney, including whether placing the property in a trust may be appropriate for their circumstances.

We are also working with estate-planning attorneys to raise awareness of this issue so they can better advise clients who have, or are considering, a Reverse Mortgage.

We are currently in the process of creating additional resources to support the efforts of those involved in creating trusts. We will be adding some resources they can share with those who need it. In the meantime, if you know of anyone who could benefit from this information, please feel free to connect them with us directly.