

**Consumer Credit
Counseling Service
of
Greater San Antonio**

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Did You Know?

A Reverse
Mortgage is
not a credit
score based
loan.

Call CCCSSA today.

We can help.

Other locations to serve you:

Please Note.

By HUD regulation, all prospective borrowers **MUST BE** counseled and will receive a Certificate of Counseling. The Certificate of Counseling **MUST ALSO BE** filed with the Reverse Mortgage Application.

**Northeast SA
Southside SA
Southwest SA
Del Rio
Eagle Pass
Hill Country
Laredo
San Marcos
Seguin
Uvalde**

Mission Statement: To provide professional and affordable personal finance education, counseling, and debt management.

Exploring Reverse Mortgages



***A non-profit, full-service
financial counseling agency***



What is a Reverse Mortgage?

A “Reverse” Mortgage is a loan against your home that you do not have to pay back for as long as you live there. With a reverse mortgage, you can turn the value of your home into cash without having to move or to repay the loan each month. Nothing typically has to be paid back until you die, sell your home, or permanently move out of your home.

Who is eligible for a Reverse Mortgage?

To be eligible for a Reverse Mortgage, **all owners** listed on the **title of the home must be 62 years and older**. The owners **must also have resided in the home for the majority of the year**.

What type of homes qualify for a Reverse Mortgage?

To qualify your property must be a single-family or a two-to-four unit dwelling. Examples of this include



townhomes, detached homes, condominium units, planned unit developments (PUDs) and certain types of manufactured homes.

Reverse Mortgages differ from other home loans in these important ways:

- You don't need an income or a credit score to qualify for a Reverse Mortgage
- You don't have to make monthly repayments
- No mortgage payments
- Can be used for any purpose

What is the difference between a Reverse Mortgage and a bank Home Equity Loan:

A home equity loan requires you to be in good credit standing and to have enough money to make the required monthly mortgage payments. The Reverse Mortgage pays you either in a lump sum or monthly advances. The Reverse Mortgage is not based on your current level of income.

Possible Uses of a Reverse Mortgage:

- Provide a cushion against the unexpected
- Fund home repair
- Eliminate mortgage payments
- Pay off high-cost debt
- Fund medical expenses
- Purchase long-term care insurance

You must repay a Reverse Mortgage Loan in full when the last surviving borrower dies or sells the home.

It also may become due if:

- You fail to pay property taxes or hazard insurance, or violate any other borrower obligation;
- You allow the property to deteriorate, except for reasonable wear and tear, and you fail to correct the problem;
- All borrowers permanently move to a new principal resident;
- The last surviving borrower fails to live in the home for 12 months in a row because of physical or mental illness.



Our Role:

The role of the counselor in the Reverse Mortgage Program is to discuss information with you that will help you make your own informed decision about these loans and other alternatives.

