# Reverse Mortgage Basics

## What it is

A reverse mortgage lets homeowners 62 and older turn part of their home equity into cash without making monthly mortgage payments. The loan is repaid when the last borrower sells, moves out permanently, or passes away.

## Who qualifies

- At least one borrower is 62 or older (an eligible non-borrowing spouse may be younger).
- The home is your primary residence.
- You have significant equity in the home.
- You complete counseling with a HUD-approved counselor.
- You can keep paying property taxes, homeowners insurance, HOA dues and upkeep.

## Ways to receive funds

- Lump sum (fixed-rate loans)
- Monthly payments for life or for a set term
- A line of credit that can grow over time
- A combination of the above

## Your responsibilities

You keep the title to your home. You must live in it, keep it in good repair, and stay current on property taxes, insurance and HOA dues. Falling behind on these can make the loan come due.