

Eligible properties

Existing one-to-four unit properties where construction has been completed and the property is habitable as evidenced by local jurisdiction issuance of certificate of occupancy or its equivalent.

Benefits

Home Equity Conversion Mortgage for Purchase can give you the flexibility and security to make the most of your retirement years.



Call your lending professional today to discuss is a HECM for Purchase is a good program for your needs.

**For expert advice
on HECM for Purchase
and other lending
options, please contact;**



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HOME EQUITY CONVERSION MORTGAGE FOR PURCHASE



**Finance
a new
home
without
mortgage
payments!**



**Get the home
you want, where you want,
while preserving
or even supplementing
your cash flow.**

What is HECM for purchase?

HECM for Purchase allows seniors, age 62 or older, to purchase a new principal residence using loan proceeds from a reverse mortgage.



The Home Equity Conversion Mortgage (HECM) program was created in 2008 to allow seniors to move into a new home without having to take on a new mortgage payment. It is administered by the FHA. It's the same general model as a traditional reverse mortgage, but this can be applied to make a purchase as opposed to an existing home.

Who uses HECM for purchase?

HECM for purchase is for seniors who would like to relocate, downsize, move to a senior housing community, move closer to family and/or friends or purchase a new qualified primary residence for any reason without taking on a new mortgage payment.

Eligibility Requirements:

The youngest borrower must be at least 62 year old. The home must be your primary residence (not an investment property) and you must move into the new home within 60 days. Independent HUD counseling is required prior to loan application. Down payment funds must be verified.

How does it work?

The required down payment is dependent on the age of the borrower(s) and the value of the property. Typically the down payment will be between 40 and 50 percent of the total purchase price.



As long as at least one of the homeowners continues to live in the home, no mortgage payments are made and you may even be able access your equity through regular payments or a line of credit. When the home is sold or the homeowners pass away or for whatever reason no longer continue to reside at the residence, the loan may be repaid through sale of the property, life insurance proceeds or other means. However, the lender cannot seek to recover more than the value of the property, regardless of the outstanding balance.

Down payment funds

Borrowers may use their own money or money obtained from the sale of assets such as their current home. Gift money is also allowed, including gifts from family members, employers, a charity or government organization with an interest in home ownership initiatives, or a friend who has a documented interest in the borrower. Gifts from anyone involved in the transaction in any way are not allowed.

