

Purchase Your Retirement Home With The New Smart Reverse Mortgage



Enjoy Your Retirement. You Earned It.

What is a Reverse Mortgage?

A reverse mortgage, or HECM (Home Equity Conversion Mortgage), is a way to turn the equity in your home into tax-free cash without having to make any monthly mortgage payments. Instead of monthly payments, the loan is repaid in one lump sum when the last borrower leaves the home. As part of the loan, the borrower is required to continue paying property taxes and insurance and maintain the home. According to the U.S. Department of Housing and Urban Development, more than half of a million households across the nation are using a HECM reverse mortgage insured through the Federal Housing Administration (FHA) that enables seniors to gain financial independence from their ever-increasing living expenses.

Discover the HECM for Purchase Loan

If you are 62 years or older, the HECM for purchase loan may help you buy your next home without required monthly mortgage payments, except for taxes, insurance, and general maintenance.

The HECM for purchase is a reverse mortgage insured by the Federal Housing Administration (FHA) that allows seniors to use the equity from the sale of a previous residence to buy their next primary home in one transaction. Regardless of how long you live in the home or what happens to your home's value, you only make one initial investment (down payment) towards the purchase.



Cora Josephine, who is 62, is selling her home that is free and clear for \$400,000 and wants to buy a mountain home property close to her daughter. The Realtor® showed her three properties priced at \$400,000 close to her daughter, but none of them were cabin properties. The next day she drove around the mountains on the way to her daughter's house and saw an open house sign on what could be her dream home. The Realtor® talked to her as she showed her the granite kitchen, view of the surrounding forest, and the steps going down to the trail. Cindy told the Realtor® she absolutely loved the cabin but couldn't afford the \$600,000 price tag. The Realtor® told her, with a reverse mortgage, she may be able to make her dream come true!



\$400,000

Sam could buy this home for \$400,000.

OR



\$600,000

She could buy her dream cabin for \$600,000 using the same \$400,000 down payment.

Client is able to buy her dream \$600,000 mountain home for \$400,000 down with no monthly mortgage payments other than taxes, insurance, and maintenance.



James and Patricia, who are both 75, want to live in a charming historic downtown area where they can walk to local shops, restaurants, and community events. They currently live in a \$475,000 home that is free and clear and are cautious about dipping into their retirement savings. After talking with a Realtor® friend, they learned they could sell their current home and use those proceeds with a Smart Reverse Mortgage for Purchase to buy a home in the historic downtown area they've always dreamed of.



\$475,000

James and Patricia could stay in their current home that is worth \$475,000.

OR



\$800,000

They could buy this downtown home for \$800,000 with the same \$475,000 down payment.

Clients are able to buy their dream \$800,000 downtown home for \$475,000 down with no monthly mortgage payments other than taxes, insurance, and maintenance.



Denton and Amy, who are 62 and 59, want to move to Colorado from Indiana as they prepare for retirement. They would like to keep the same size home they currently live in, but home prices in Colorado are significantly higher than what they are used to. A Realtor® explained that with a reverse mortgage for home purchase, they could sell their current home and buy a similar home in Colorado without taking on monthly mortgage payments.

Note: One spouse must be 62 years or older to be eligible for a reverse mortgage.



\$320,000

Paul and Amy could continue to live in this \$320,000 home.



\$600,000

They could move to a \$600,000 home for \$320,000 down with no monthly mortgage.

OR

Clients could sell their house for \$320,000 and purchase a home in beautiful Colorado for \$600,000.



Sergio, who is 75, was sitting at a coffee shop with some of his investment friends. He wants to downsize his \$750,000 home and use part of the proceeds to set up an annuity to help his grandkids pay for college.

*The information in this advertisement does not constitute financial planning advice. Please consult a financial planner regarding purchasing an annuity and your specific retirement plan.



\$750,000

Sergio could stay in his current home worth \$750,000.

OR



\$450,000

He could buy a \$450,000 house with \$270,000 down.

&



\$480,000

Have \$480,000 in an annuity to pay for his grandkid's college.

Clients could downsize his \$750,000 home, purchase a \$450,000 house and have \$480,000 to spend on an annuity.

Reverse Mortgage Benefits

Take advantage of some of these reverse mortgage benefits that increase your purchasing power and flexibility.

- No monthly mortgage payments*
- Tax free cash from loan proceeds**
- Increased discretionary cash flow
- Can sell YOUR home at any time
- No credit score requirements, but some income and credit qualification for property taxes is required

*You must continue to pay taxes, insurance, and maintenance. **This advertisement does not constitute tax advice. Please consult a tax advisor regarding your specific situation.

Eligibility Requirements

- One borrower must be 62 years or older
- Purchased home is required to be your primary residence
- New property must be: single-family home, 2-4 unit dwelling or FHA approved condo
- Must receive reverse mortgage counseling from a HUD approved counseling agency
- You must have an adequate down payment for your new home or a gift from a family member



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