



## Fair Lending Project

Our mission is to create equal opportunity in lending for all persons through education, investigation, and enforcement. CLSMF provides a full range of fair lending services in Orange, Osceola, Brevard, Citrus, Sumter, Volusia, Hernando, Putnam, Seminole, Flagler and Lake Counties.

- **Community education presentations which explain the rights and responsibilities of renters and home buyers under fair lending laws;**
- **Investigations of discriminatory lending practices;**
- **Assistance with processing fair lending complaints;**
- **Referrals of discrimination cases to attorneys for legal representation.**

This brochure is a publication of CLSMF's Fair Lending/Mortgage Rescue Scam Prevention project and is made possible by a Fair Housing Initiative Program grant from the US Department of Housing and Urban Development. The information in this brochure is for general education only, and is not intended to be used to solve individual problems, nor should it replace the advice of an attorney. The law which supports conclusions contained herein is subject to change.

*The mission of CLSMF is to provide access to justice through high quality legal assistance to low-income people.*

## **Community Legal Services of Mid-Florida Offices**

\*BREVARD: 1-866-469-7444

CITRUS & SUMTER

106 N. Osceola Ave., Inverness, FL 34450  
(352) 726-6592 — CITRUS  
1-800-984-2918— SUMTER

FLAGLER: 1-800-405-1417

HERNANDO: 1-866-801-5566

LAKE— (352) 343-6351  
226 West Main St., Tavares, FL 32778

MARION— (352) 629-6257  
2300 SE 17th St. Suite 201  
Ocala, FL 34471

\*ORANGE — (407) 841-7777  
122 E. Colonial Drive, Suite 200  
Orlando, FL 32801

OSCEOLA — (407) 933-1791  
800 North Main St., Kissimmee, FL 34744

PUTNAM: (386) 385-0928  
216 S. 6th Street, Palatka, FL 32177

\*SEMINOLE: (407) 322-6673

VOLUSIA — (386) 258-5600  
128 Orange Ave., Suite 100,  
Daytona Beach, FL 32114

Client toll-free number: 1-800-363-2357

Florida Relay TTY calls Dial 711

Apply for help online at  
[applyforhelp.clsmf.org](http://applyforhelp.clsmf.org)

ADMINISTRATIVE OFFICE:  
(386)506-5396

[info@clsmf.org](mailto:info@clsmf.org)  
[www.clsmf.org](http://www.clsmf.org)

*\*Offices currently not offering  
Family Law services*

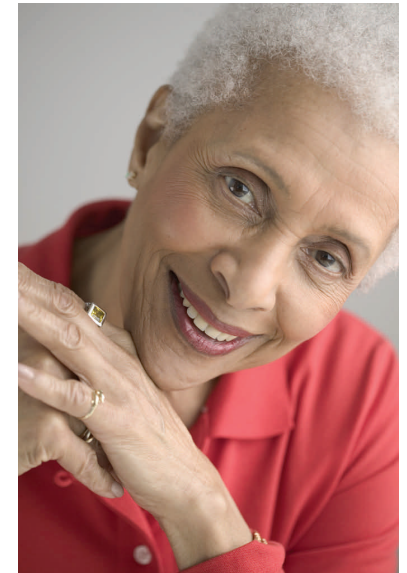


All CLSMF offices are  
wheelchair accessible

## **FAIR LENDING PROJECT**



# **Considering a Reverse Mortgage?**



Here's what you should know...



## What is a Reverse Mortgage?

A **Home Equity Conversion Mortgage (HECM)** sometimes called a **Reverse Mortgage** is a special type of home loan offered by the Federal Housing Administration (FHA) which allows you to withdraw some of the equity paid into your home.

An FHA HECM is a safe product that can afford older Americans access to funds for medical expenses or supplemental income. Unlike a traditional mortgage, borrowers do not have to repay the mortgage until they no longer own the home or no longer use the home as a primary residence.

Generally, the proceeds are paid in equal monthly payments to the homeowner but homeowners can also opt to receive payments as a line of credit. Many seniors use the funds for unexpected medical expenses, to supplement Social Security, or to make home improvements.

Some frequently asked questions about HECM loans are contained in this brochure to assist you in determining if a HECM is right for you.



## What are the requirements to qualify for the FHA HECM Program?

- Be 62 years of age or older
- Be owner of the property or have a considerable amount of equity
- Occupy the property as principal residence
- Not be delinquent on any federal debt
- Participate in a consumer information session with a HUD-approved HECM counselor.

## What kinds of properties are eligible for the FHA HECM Program?

- Single Family homes
- 2-4 unit homes that are owner occupied
- HUD Approved condominium project
- Manufactured homes that meet FHA requirements.

## What if my mortgage is not an FHA loan?

You can apply for a HECM regardless of whether or not you purchased your home with an FHA-insured mortgage.

## How much money can I get from my home?

The amount you may borrow depends on:

- Age of the youngest borrower
- Current interest rates
- Lesser of the appraised value or the HECM FHA mortgage limit of \$625,000
- Initial Mortgage Insurance Premium

## Will there be an estate to leave to my heirs?

All proceeds beyond the HECM finance charges, interest, and cash will be passed along to the spouse or estate. In other words, remaining equity can be transferred to heirs.

## Should I use an estate planning service to find a reverse mortgage lender?

FHA and HUD have provided free counseling services for seniors considering an FHA HECM loan. It is not recommended that consumers utilize any service that charges a fee to assist with these services.

I still have questions. Who can I contact for more information?

You may contact :

**Community Legal Services  
Of Mid-Florida**  
407-841-7777 x2117  
Website: [www.clsmf.org](http://www.clsmf.org)

**The Federal Housing  
Administration (FHA)**  
1-800-CALL-FHA  
Website: [www.fha.gov](http://www.fha.gov)

**U.S. Department of Housing & Urban  
Development (HUD)**  
1-800-569-4287  
Website: [www.hud.gov](http://www.hud.gov)

**The National Council on Aging**  
1-800-510-0301  
Website: [www.ncoa.org](http://www.ncoa.org)