

Massachusetts Opt In Form



Important Information for Elder Homeowners: Is a Reverse Mortgage Right for You?

A reverse mortgage loan lets you use the equity you have built up in your home (that is, the market value of your home) as a source of cash. **If you get a reverse mortgage loan, you will sign binding legal documents that have serious legal and financial consequences for you, your family, and your estate.** Therefore, it is important to understand the terms of the reverse mortgage and its potential risks.

- I understand that a reverse mortgage is a loan that I or my beneficiaries will have to repay.
- I understand that my loan balance will increase over time because I will be charged interest and other loan fees. This may substantially deplete the equity that I have built up in my home
- I understand that there may be less expensive alternatives to a reverse mortgage, such as a home equity loan, that meet my needs.
- I understand that as part of my application for this loan, I am required by law to receive counseling about the features of a reverse mortgage as well as possible alternatives. This counseling must come from a government-approved counselor that is not affiliated with the lender in any way.
- I understand that I should also ask my own attorney, estate planner, financial advisor, and/or trusted family members whether a reverse mortgage is right for me.
- I understand that I will continue to own my home and therefore will be required to pay real estate taxes and homeowners insurance premiums. If I do not pay these costs I will be in default of the terms of the reverse mortgage loan. If this happens, the lender may require me to immediately pay back the entire amount of the loan, plus interest and fees.
- I understand that with a reverse mortgage I am required to maintain the property. If I do not properly maintain the property, I will be in default of the terms of the reverse mortgage loan. If this happens, the lender may require me to immediately pay back the entire amount of the loan, plus interest and fees.
- I understand that I can change my mind and decide not to get this reverse mortgage at any time prior to closing.

By signing below, I acknowledge that I have read and understand the information above and want to proceed with this reverse mortgage.

John Doe

Date

Property Address: **TBD, ALLSTON, MA 02134**