



Reverse Mortgages Give Some Retirees the Power to Stay Put

By Alex Leone

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You and your partner have decided that you will stay in your home for the foreseeable future. It was bought at the height of your career, and the memories you have created in that home as a family are precious to you. After leaving the workforce with the idea of enjoying your remaining years to the fullest, you find yourself revisiting your current financial plan and looking ahead to accomplishing your goals.



Like many other retirees in the Bay Area, with so many years in the home you have accumulated sizeable equity in the property, so you begin to consider options to supplement your retirement income in order to ease the burden of bills and having a safety net in place in case of emergencies both medical and financial. There are many solutions that may come to mind: Should you look into a line of credit? What if you rented out the in-law unit in your home? While many have heard of reverse mortgages, the prospect seems a bit scary. With so many commercials on TV and radio, it just seems too good to be true.

A Home Equity Conversion Mortgage, better known as a Reverse Mortgage, is rapidly becoming the most popular method of enjoying the benefits of home equity, especially here in the Bay Area where home equities have skyrocketed along with the values of properties. It

allows you to access a substantial portion of your home's equity to obtain tax free funds without having to make monthly mortgage payments.

The amount received is based on current interest rates, the age of the youngest borrower and the lesser of the appraised value of your home, sale price, or maximum lending limit. In general, the older you are, the more equity you have in your home and the lower your mortgage loan balance is, the more money you can expect from a reverse mortgage. It is required that you be 62 years or older, and loan repayment is not due as long as you meet the other loan obligations such as living in the home as your primary residence, continue to pay required property taxes and insurance, and maintain the home so that it remains intact.

You or your heirs will not be required to pay more than the value of your home at the time the loan is repaid, even if your loan balance exceeds the value of your home. Also, any remaining Equity goes to you or your heirs once the loan is repaid.

Many people use their reverse mortgage funds to build a safety net for unplanned expenses, paying of existing loans, and to fund necessary home renovations. Whatever you decide to use your reverse mortgage funds for, keep in mind that your happiness and financial soundness are priorities. Working with a reputable professional, dedicated to transparency is crucial to find the right solution for you.

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Nice 'n' Soft Sugar Cookies Recipe

Taste of Home – Cathy Hall – December/January 2008 – tasteofhome.com



Nice 'n' Soft Sugar Cookies Recipe photo by Taste of Home

Total Time: Prep: 1-1/2 hours + chilling

Bake: 5 min./batch + cooling

Makes: 42 servings

Ingredients

1 cup butter, softened
1-1/2 cups confectioners' sugar
1 egg
1-1/2 teaspoons vanilla extract
2-1/2 cups self-rising flour

Frosting:

2-1/2 cups confectioners' sugar
1/4 cup water
4 teaspoons meringue powder
1/4 cup light corn syrup
Green, red and yellow food coloring

Directions

1. In a large bowl, cream butter and confectioners' sugar until light and fluffy. Beat in egg and vanilla. Gradually add flour. Divide dough in half. Cover and refrigerate for 2 hours or until easy to handle.
2. On a lightly floured surface, roll out one portion of dough to 3/16-in. thickness. Cut with floured cookie cutters. Place 2 in. apart on ungreased baking sheets.
3. Bake at 375° for 5-7 minutes or until set. Cool for 2 minutes before removing from pans to wire racks to cool completely. Repeat with remaining dough.
4. For frosting, in a small bowl, beat the confectioners' sugar, water and meringue powder on low speed just until combined. Beat on high for 4 minutes or until soft peaks form. Add corn syrup; beat 1 minute longer.
5. Tint with food coloring of your choice. Cover frosting with damp paper towels or plastic wrap between uses. Spread and/or pipe frosting on cookies. Let stand until set. Yield: 3-1/2 dozen.

Editor's Note: As a substitute for each cup of self-rising flour, place 1-1/2 teaspoons baking powder and 1/2 teaspoon salt in a measuring cup. Add all-purpose flour to measure 1 cup. As a substitute for each 1/2 cup of self-rising flour, place 3/4 teaspoon baking powder and 1/4 teaspoon salt in a 1/2-cup measuring cup. Add all-purpose flour to measure 1/2 cup. Meringue powder is available from Wilton Industries. Call 1-800/794-5866 or visit wilton.com.