



Scot Morgan is President of Paon Mortgage. Scot began his career in the mortgage industry in 1985 and worked for several local mortgage companies until he

established Paon Mortgage Company in 1992. Throughout his career, Scot has gained a great deal of knowledge about the mortgage industry, and has an especially good grasp of the FHA loan programs and FHA's Reverse Mortgage Program's. Whether you are considering a Reverse Mortgage, or are looking to learn about the sale of Reverse Mortgages, Scot and the staff at Paon Mortgage are prepared to help you with any questions you may have.



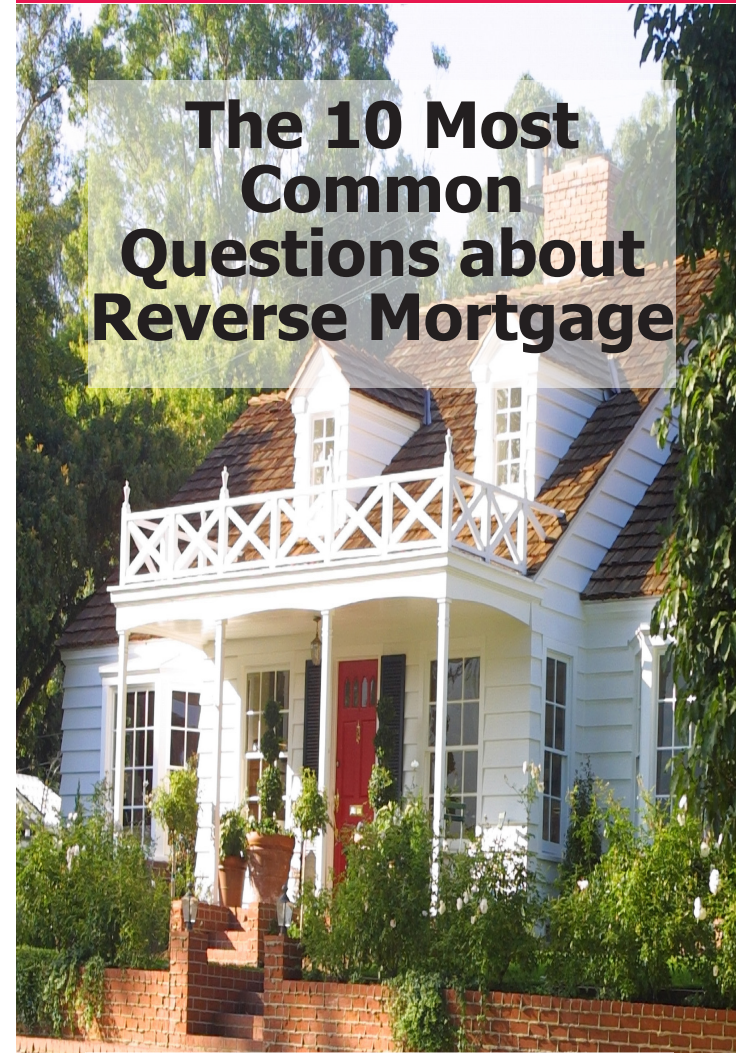
Jon G. Peters is Vice President of Paon Mortgage. Jon brings more than 40 years of mortgage industry experience to the table. He

has been a Mortgage Banker, Mortgage Broker, Accounting Manager and Financial Manager. Jon helped establish Paon Mortgage in 1992 and his primary focus since 2004 has been the FHA HECM loan for seniors. The Home Equity Conversion Mortgage Program allows seniors to age in place. Jon is a great resource when it comes to any questions on Reverse Mortgages. Consumers and Advisors can look to Jon for answers to all their Reverse Mortgage questions.

Paon Mortgage
 4100 E. Mississippi Ave., Suite 802
 Glendale, CO 80246
 303 329 8736

PAON MORTGAGE

The 10 Most Common Questions about Reverse Mortgage



BROUGHT TO YOU BY:

PAON MORTGAGE

Paon Mortgage
 4100 E. Mississippi Ave., Suite 802
 Glendale, CO 80246
 303 329 8736

Not familiar with a Reverse Mortgage?

What is a Reverse Mortgage?

A Reverse Mortgage is a special type of home loan that lets the homeowner turn the equity of their home into cash. Either in the form of a monthly payment, line of credit, or a lump sum. No repayment is required until the borrower no longer uses the home as their principle residence. This program is Federally insured and gives the borrower the money they need.



Are the payments taxable?

No, the payments are not subject to income taxes because the borrower is just borrowing on their own home. Although the borrower still needs to pay the property taxes and insurance on the home.

How much can be borrowed?

That depends on a number of factors such as property value, the FHA loan limits in the area the home is located, and the type of loan the borrower is looking to obtain.



What are the age restrictions for a Reverse Mortgage?

All parties on the title of the property must be at least 62 years of age. The older the borrower is, the more money they can receive.

Why is a Reverse Mortgage better than an home equity loan?

There are a number of reasons why a Reverse Mortgage may be better suited than a home equity loan. First, there are no repayments that are required with a reverse mortgage. Second, there is no credit or income qualification that must be met.

Can a Reverse Mortgage be done if there is already a mortgage on the home?

Absolutely! Though the proceeds from the Reverse Mortgage would be used to pay off any existing mortgage first with any excess being given to the borrower. There are no monthly payments with a Reverse Mortgage, so the borrower saves money.



Does the Lender take the home if the borrower dies?

NO - Absolutely not- When the last surviving spouse passes away the loan becomes due. The heirs or the estate can either sell the house or just pay off the loan and keep the property. If for some reason the value of the home is less than the loan itself, the heirs or estate would then deed the property back to the FHA if so desired.



What would happen if one spouse passed away?

As long as one spouse is living in the house as their primary residence and their name is on the title, no repayment of the loan is due. Only when none of the original borrowers are living or using the house as their primary residence does the loan become due.

How does this affect my heirs?

A Reverse Mortgage is a great way for a borrower to share in their family's inheritance while they are alive to enjoy it with them. Additionally, as a borrower works to plan their financial future, they can use the proceeds to increase the stream of money received.

**You should be!
Let us show you how.**