

WORK LONGER? OR USE HOME EQUITY TO FUND RETIREMENT?

Clients need to be aware of their options for creating secure, sustainable retirement income



\$100,000

AVERAGE RETIREMENT SAVINGS
OF A 65-YEAR-OLD U.S. COUPLE.

\$4,000

ANNUAL RETIREMENT INCOME ON
\$100K OF SAVINGS, BASED ON
A "SAFE" 4% WITHDRAWAL RATE

\$200,000

MEDIAN HOME EQUITY OF AMERICANS
65 YEARS AND OLDER

THE UPSIDE OF DOWNSIZING

Retirees willing to relocate can benefit from the reduced expenses and freed equity created by downsizing. By using a HECM for purchase, the homeowner can relocate to a smaller home, free up some equity, and still turn off the monthly outflow of mortgage payments.



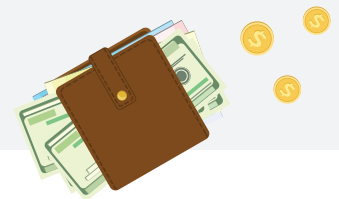
"More retirees could benefit from accessing home equity strategically through the use of a reverse mortgage."

SHELLEY GIORDANO

CHAIR, FUNDING LONGEVITY TASK FORCE

4 STRATEGIC WAYS TO USE A REVERSE MORTGAGE IN RETIREMENT

1. Fund unexpected and costly expenses, such as a new roof
2. Create a monthly flow of cash by effectively annuitizing home value over the course of retirement
3. Establish a non-market correlated asset via reverse mortgage line of credit, use it as an alternate income source during a bad stock market.
4. Flip a traditional mortgage into a reverse mortgage at retirement for additional flexibility on monthly payment obligations



RICP[®] RETIREMENT INCOME CERTIFIED PROFESSIONAL[®]

Advisors need to have a complete understanding of the numerous strategies and tactics available to help clients create secure, sustainable retirement income. Using home equity as a retirement income source is just one of many topics covered in the three-course Retirement Income Certified Professional[®] (RICP[®]) designation. **Join more than 15,000 advisors who have signed up for the program and committed to serving their clients for life.**



**FUNDING
LONGEVITY**
TASK FORCE

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Sources: forbes.com/sites/jamiehopkins/2017/04/24/how-your-house-can-help-pay-for-retirement/#68081ea3514e
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