

# HOUSING WEALTH IN RETIREMENT: BEST PRACTICES

Don't continue to ignore home equity as part of the retirement income equation. 25% of retirees are willing to use it strategically in retirement.



## DEBT MANAGEMENT

Eliminating debt – such as a mortgage – is critical for creating secure retirement income.

A reverse mortgage can be used to pay off a traditional mortgage. By tapping into existing home equity, retirees can eliminate existing debt payments with the equity they already have.

## LONG-TERM CARE FUNDING

The home can serve as a long-term care funding tool for expenses such as moving into a nursing home, a continued care retirement community, or an assisted living facility. The home equity can be used to support the costs associated with institutional care or tapped into to support home care.



## A LEGACY ASSET

The home is often a retiree's largest asset and the best thing to leave behind for heirs. Most adult children, however, do not actually want the parents' home, they want the value of the home, which makes a case for the home's equity to be used as a legacy asset.

## DIVERSIFICATION OF INCOME

Using home equity in certain situations helps create diversity of income so that retirees can reduce reliance on market returns. Help protect the longevity of a retirement investment portfolio by establishing a line of credit or reverse mortgage line of credit. Having a non-market correlated asset to rely on during down markets can be a saving grace for retirees with limited savings.



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