

Divorce in Later Years: Managing the Marital Housing Asset

Advisors increasingly are encountering clients who are dissolving their marriages in or near retirement¹. Traditionally, the home would either be sold and the equity divided or one spouse would “buy out” the other. Often this arrangement necessitated reliance on mortgages or cash distributions from the portfolio. Diminished resources caused one or both spouses to scramble for housing equal to their marital home.

For clients in this situation who qualify, the HECM reverse mortgage provides two options that may restore desirable housing to both spouses. By providing financing without a monthly debt obligation, each can enjoy equal housing without necessarily requiring portfolio distributions. Retirement income security is enhanced without downgrading the living situation for either.

A HECM on marital home provides funds for departing spouse's down payment on a new home. A Home-Purchase HECM pays the rest of the purchase price. NO debt-service obligation for either spouse. And NO forced sale of the marital home! In addition, the chances that both spouses retain homes of comparable value are enhanced.



SOLUTION #1



Marital Home: Remains with First Spouse

New Equivalent Home for Second Spouse

Marital home is sold and proceeds divided. Each spouse uses their share to cover down payment on new home they desire, using a Home-Purchase HECM to pay the rest. No debt service obligation for either spouse. Additionally, this solution may reduce or eliminate the need to take money from either spouse's portfolio while acquiring desirable housing for both.



SOLUTION #2



Marital Home: Sold and Equity Divided

First Spouse

Second Spouse

¹ The New York Times



Kerry McKinney

Reverse Mortgage Advisor | NMLS # 1163021

www.ReverseMortgageReno.com

5470 Kietzke Lane | Ste 320 | Reno | NV 89511

775.313.6396

KMckinney@RFSLends.com



**RETIREMENT
FUNDING
SOLUTIONS**

FUNDING AMERICA'S RETIREMENT

NMLS #1025894

For use by financial planners only. This is not a solicitation for a home loan.

Synergy One Lending, Inc., dba Retirement Funding Solutions. NMLS ID 1025894. Nevada Mortgage Broker License #4317

Synergy One Lending Inc. d/b/a Retirement Funding Solutions, NMLS 1025894; Alabama Consumer Credit License #22123; Department of Financial Institutions - Arizona Mortgage Banker License 0926603; Licensed by the Department of Business Oversight under the California Residential Mortgage Lending Act - California License 4131356; Licensed by the Connecticut Consumer Credit Division - Mortgage Company Registration ML-1025894; Regulated by the Colorado Division of Real Estate, Colorado Mortgage Company Registration 1025894; Delaware Licensed Lender #020926; District of Columbia Mortgage Deal Authority License MLB1025894; Florida Mortgage Lender License ML1079; Idaho Mortgage Broker/Lender License MBL-8537; Georgia Residential Mortgage License, Georgia Mortgage Lender License #46648; Illinois Residential Mortgage License #MB6850062; Licensed by Indiana Department of Financial Institutions - First Lien Mortgage Lending License 27156; Iowa Division of Banking - Mortgage Banker License 2015-0038; Kansas Licensed Mortgage Company License #MC0025258; Kentucky Mortgage Company License #MC327694; Maine Supervised Lender License 1025894; Maine Supervised Lender License 1025894; Maryland Commissioner of Financial Regulation - Mortgage Lender License 21678; Michigan 1st Mortgage Broker/Lender License FLO019960; Minnesota Residential Mortgage Originator License #MN-MO-1025894; Mississippi Mortgage Lender License #1025894; Montana Mortgage Lender License 1025894; Montana Mortgage Broker License; Nebraska Mortgage Banker License 1025894; Licensed by the New Hampshire Banking Department: 19926-MB; Licensed by the New Jersey Banking and Insurance Department - New Jersey Residential Mortgage Lender License 1025894; Licensed by the North Carolina Commission of Banks office - North Carolina Mortgage Lender License L-164411; Licensed by the Ohio Department of Commerce Division of Financial Institutions - Ohio Mortgage Broker Act Mortgage Banker Exemption 1025894; Oklahoma Mortgage Lender License #ML010730; Oregon Mortgage Lending License ML-5208; Pennsylvania Department of Banking and Securities License 49997; South Carolina - Board of Financial Institutions Mortgage Lender / Servicer License MLS-1025894; Tennessee Mortgage License #125659; Texas Mortgage Banker Registration 1025894; Utah DRE Mortgage Entity License 8954729; Virginia Mortgage Broker and Lender License, NMLS ID 1025894; Washington Consumer Loan Company License CL-1025894; Wisconsin Mortgage Lender License #1025894A; Wyoming Mortgage Lender/Broker License 2677.

These materials are not from HUD or FHA and the document was not approved by HUD, FHA or any Government Agency.