SENIOR RESOURCES MORTGAGE

The Senior Second Mortgage Guide

Financial Advisor Edition

A reference guide for financial professionals serving senior homeowners.

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Introduction

A Resource for Financial Professionals Whose Clients Are Asking About Home Equity

At some point in almost every financial planning relationship, the question comes up.

A client in their late 60s or early 70s, equity-rich, income-constrained, or simply looking for options, asks what they should do with the equity sitting in their home. It's often their largest single asset. It's illiquid. And the conventional answers, sell, refinance, or open a traditional HELOC, frequently don't serve them well.

If you've ever found yourself uncertain how to respond to that question, or uncertain which products actually exist beyond the standard HELOC and cash-out refi, this booklet was written for you.

Why This Matters to Your Practice

Your clients' home equity is increasingly a planning variable that can't be ignored.

For many of the seniors you serve, the home represents 40–60% or more of their total net worth. That equity can fund long-term care, support a distribution strategy, extend a portfolio's runway, or address the unexpected costs that derail retirement plans. But accessing it intelligently requires knowing what products exist, and which ones are appropriate for which situations.

The landscape has changed significantly in the past several years.

There are now second-lien reverse mortgage products that preserve a client's existing first mortgage while eliminating any new monthly payment obligation.

There are senior-specific HELOCs that carry interest-only payments for life, avoiding the payment shock that traditional HELOCs impose on fixed-income borrowers.

There are equity-first second mortgages designed specifically for clients whose income doesn't document well under conventional underwriting, retired business owners, self-employed professionals, investors drawing from accounts rather than earning a salary.

Most financial planners and CPAs I talk to haven't worked with any of these products directly. That's not a criticism, it's simply that specialty mortgage products don't come across your desk the same way investment vehicles do.

But when your client's situation calls for one, not knowing they exist can mean leaving a significant planning tool on the table.

What This Booklet Covers

This guide walks through five product categories in enough detail that you can evaluate whether they're relevant for a given client and ask informed questions when the time comes. The products covered:

The HomeSafe Second — A proprietary reverse second lien for clients 55+ who have an existing first mortgage they want to preserve. Lump sum access, no monthly payment required, non-recourse structure. Particularly useful for clients who are equity-rich but cash-flow constrained and don't want to disturb a low first mortgage rate.

The HELOC For Seniors® — A revolving line of credit for homeowners 62+ with interest-only payments for the life of the loan. Designed to address the payment shock problem that traditional HELOCs create for fixed-income clients. Useful for clients who want revolving access to equity and can comfortably carry a monthly interest obligation.

The EquitySelect™ Second Lien — An equity-first second mortgage with flexible payment options (minimum, interest-only, or full) and DTI tolerance up to 50%. The underwriting model is designed for borrowers whose income doesn't conform to standard W-2 documentation — making it particularly relevant for retired clients, self-employed clients, or those drawing from investment accounts.

The Figure HELOC — A fully digital, fixed-rate home equity line with approval in minutes and funding in approximately five business days. Included specifically for time-sensitive situations where speed is the determining factor.

Home Equity Investment / Shared Appreciation (Splitero and others) — I've included this product category because your clients may encounter it through advertising or other channels. I've written this chapter as an honest assessment of how these products work, what they actually cost in effective APR terms, and why the Consumer Financial Protection Bureau has issued formal consumer warnings about the category. Consider this the chapter that helps you help your clients ask the right questions if they bring one of these products to you.

A comparison matrix at the end of the booklet lays all five products side by side across key dimensions: age requirements, payment structure, lien position, qualification approach, and risk profile.

How I Can Help Your Clients

I'm David Rider, CRMP, a Certified Reverse Mortgage Professional working with senior homeowners throughout Arizona, California and Tennessee.

The CRMP is a specialty credential held by fewer than 1,000 practitioners nationally.

My practice focuses specifically on the senior second mortgage and home equity space.

When one of your clients has a home equity question that falls outside the standard planning toolkit, I'm the resource I'd ask you to send them to.

I'm not a financial planner, I won't cross into your lane.

My job is to evaluate the mortgage side of the picture, explain the options honestly, run the numbers, and help your client make a decision that complements the broader financial plan you've built together.

I'm also available for advisor education. If you'd like to walk through any of these products in more depth, either one-on-one or in a group setting with colleagues, I'm happy to schedule time for that conversation.

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To schedule a referral conversation or an advisor education session, contact me directly.

Chapter 1: The HomeSafe Second

Keep the Rate You Fought For! And Still Get the Cash You Need

Here's a scenario I run into all the time right now.

A homeowner calls me, usually somewhere between 60 and 75 years old.

They've done everything right.

They refinanced back when rates were at historic lows. Their first mortgage payment is manageable, sometimes shockingly low compared to today's market. And they've got real equity. Decades of it. The house has appreciated, they've been paying it down, and the math is genuinely good.

But they need cash. Maybe the roof is a problem. Maybe a healthcare cost hit them sideways. Maybe they're just tired of watching their retirement savings be the only thing standing between them and any unexpected expense. Whatever the reason, they need to access some of that equity.

And here's the trap:

The obvious move, a cash-out refinance, would mean giving up that low first mortgage rate. They'd be rolling everything into a new loan at today's rates. In a lot of cases, that would raise their monthly payment by hundreds of dollars. Possibly more.

So they're stuck. Right?

That's exactly the problem the HomeSafe Second was designed to solve.

What It Is

The HomeSafe Second is a proprietary reverse mortgage product, this is a second lien, built specifically for homeowners who have a first mortgage they don't want to touch.

Instead of replacing your existing loan, this product sits *behind* it as a second lien. You keep your first mortgage exactly as it is. The HomeSafe Second gives you access to a portion of your remaining equity on top of that.

And here's the part that makes it different from a home equity loan or a HELOC: there's no new monthly principal-and-interest payment required on the HomeSafe Second itself. The interest accrues over time rather than coming out of your pocket every month.

So you keep your low first mortgage payment. You get a lump sum from the equity you've built. And you don't add a second bill to your mailbox every month.

That's a fundamentally different proposition than anything else on the market right now.

How It Actually Works

Let me walk you through the mechanics so you understand what you're agreeing to.

The HomeSafe Second is a fixed-rate product. You receive your funds as a lump sum at closing. The loan balance, that lump sum plus the interest accruing on it, grows over time. Nothing is due and payable until a triggering event: you sell the home, you permanently move out, or the loan's terms aren't met (like falling behind on property taxes or homeowners insurance).

At that point, whenever that is, the loan gets paid off, typically from the sale proceeds of the home.

It is a non-recourse loan, which means if the home sells for less than the total amount owed, you or your heirs generally aren't personally on the hook for the difference.

You remain on title. It's still your home. You're just borrowing against the equity in it.

One thing I want to be clear about: you still have to keep up with your first mortgage payment, your property taxes, your homeowners insurance, and basic home maintenance.

Those obligations don't go away.

This product removes the burden of a second monthly mortgage payment, it doesn't remove all financial responsibility for the property. That's an important distinction.

Who This Is Built For

Not every product is right for every person, and I'll tell you straight: I only recommend this when the situation actually calls for it.

The HomeSafe Second makes the most sense for homeowners 55 and older who have built substantial equity, carry a first mortgage they genuinely want to preserve, and need access to a meaningful lump sum of cash. The minimum loan amount is $50,000 and the maximum is $1 million, with higher principal limits available in some cases depending on the property and underwriting, so the borrower needs enough equity to support the second lien alongside whatever is owed on the first.

It works particularly well for someone who is cash-flow constrained but equity-rich, the classic retirement profile. The income might be fixed, but the house has been appreciating for 20 or 30 years. This product bridges that gap without blowing up a monthly budget.

It's also worth knowing that this product is available starting at age 55, which is younger than the minimum age for a federally-insured HECM reverse mortgage. That makes it relevant for a broader slice of the senior market.

What it's *not* for: someone planning to move in the next couple of years, someone with limited equity remaining after the first mortgage, or someone whose real problem is the first mortgage payment itself.

In those cases, there are probably better tools for the job, and we'd work through that together.

The Costs — Let's Be Straight About Them

I don't hide costs from people. You need to know what you're getting into.

The HomeSafe Second comes with real closing costs. This product normally has an origination fee.

Beyond that, you're looking at an appraisal, counseling, title charges, credit report fees, and standard closing costs, much like any mortgage transaction.

There is no monthly mortgage insurance premium required, which distinguishes it from FHA-backed reverse products.

And then there's the ongoing cost that doesn't show up on a closing disclosure: the interest that accrues on the loan balance over time. Because you're not making monthly payments, that interest compounds. The longer you hold the loan, the larger the balance grows and the more equity it consumes.

That's not a reason to avoid the product, it's a reason to go into it with clear eyes and a realistic plan.

The right question isn't "*is there a cost?*" There always is. The right question is whether the value of the cash you're accessing today is worth the equity you're trading over time. For a lot of people in the right situation, the answer is clearly yes.

When the Loan Comes Due

The HomeSafe Second becomes due and payable when you no longer occupy the home as your primary residence, when you sell, or when you pass away. At that point, the loan, the original balance plus accrued interest, gets repaid, most commonly from the sale of the home.

Heirs have options.

They can sell the home and use the proceeds to repay the loan, keeping whatever equity remains. Or in some cases, they can refinance and pay it off that way.

The non-recourse feature means they won't owe more than the home's fair market value, which matters in a scenario where the market has moved against you.

The Bottom Line

The HomeSafe Second isn't magic. No mortgage product is.

What it is, is a smart solution for a very specific problem that a lot of older homeowners are facing right now, and that's the tension between a great existing mortgage they don't want to lose and the equity they need to access.

If you are locked into a low rate and you want to keep it, this product deserves a serious look.

If you need access to your equity without blowing up your monthly budget, this product deserves a serious look.

What I always tell people is this: the product doesn't matter nearly as much as whether it fits your situation.

Let's figure that out first, and then we'll talk about which tool gets the job done.

The HomeSafe Second is a proprietary product available in select states. Terms, loan limits, and eligibility requirements are subject to change. This chapter is for educational purposes only and does not constitute a loan offer or commitment. Contact a licensed reverse mortgage professional to determine eligibility based on your specific situation.

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Chapter 2: HELOC For Seniors®

The Line of Credit That Doesn't Turn Into a Trap

A lot of seniors have been burned by the traditional HELOC.

Not because they did anything wrong, but because nobody explained to them what was coming.

Here's how it usually goes. They're in their late 60s, they've got significant equity, and they open a home equity line of credit. For the first ten years, the draw period, they're making interest-only payments.

Manageable. Predictable. They're comfortable.

Then the draw period ends.

Suddenly, the lender wants the principal back. The monthly payment jumps, sometimes by hundreds of dollars.

For someone on a fixed income, that's not an inconvenience. That's a crisis. They didn't plan for it because nobody sat down with them and walked through what was actually going to happen when the clock ran out.

That's what the industry calls payment shock. And it's a real problem for the senior market.

The HELOC For Seniors® was built specifically to address it.

What It Is

The HELOC For Seniors® is a home equity line of credit designed exclusively for homeowners 62 and older. It works like a hybrid, borrowing some structural ideas from traditional HELOCs and some from reverse mortgages, with the specific goal of giving older homeowners flexible access to their equity without the payment shock trap that can devastate fixed-income budgets.

The core distinction is this: you make interest-only payments for the life of the loan, not just for a temporary draw period.

There's no date on the calendar where the payment structure flips and the principal starts coming due on a schedule. As long as you're living in the home and meeting your obligations, property taxes, homeowners insurance, basic maintenance, you're only paying interest.

The principal itself doesn't come due until a maturity event: you sell, you move out permanently, or you pass away.

Sound familiar?

It should. That's the same basic structure that makes reverse mortgages work. The lender took that concept and wrapped it in a line-of-credit format that feels more familiar to people who aren't quite ready for a full reverse mortgage.

How It Actually Works

Here's what you need to understand about the mechanics.

You open a credit line, currently ranging from $50,000 to $400,000, depending on your equity position and the lender's underwriting.

At closing, you're required to take an initial draw of at least 80% of your total available credit.

So this isn't like a traditional HELOC where you open the line and draw from it gradually over time. You're accessing the majority of the funds upfront.

After that initial draw, you can repay principal and redraw from the line during a ten-year draw window, up to approximately 25 draws total.

So if you pay some of it back, you can access it again. That makes it genuinely useful for periodic expenses, a home modification project, in-home care costs, medical bills, debt consolidation, rather than one-time large lump-sum needs only.

The interest rate is fixed, but here's the nuance: each draw gets its own fixed rate based on market conditions at the time of that advance.

Your initial draw locks in at whatever the rate is at closing. A draw you take two years later locks in at whatever the rate is then.

This is different from a single fixed rate on the entire line, so you need to think about it that way.

Each month, you make an interest-only payment on your outstanding balance.

That payment is predictable because each tranche of what you've borrowed is at a fixed rate. No variable-rate surprises, no sudden escalation when an index moves against you.

And through all of it, you remain on title. It's still your home.

Who This Is Built For

This product works best for a specific profile, and it's worth being honest about that.

If you're 62 or older, have meaningful equity in your home, typically around a combined loan-to-value of around 75% or less, have a credit score in the neighborhood of 660 or better, and can comfortably handle an ongoing monthly interest payment, this product deserves serious consideration.

It was also designed with retiree income in mind.

The underwriting process is structured to accommodate seniors living on Social Security, pensions, or disability benefits rather than employment income.

That matters.

One of the most frustrating things about traditional HELOCs for this age group is that the qualification process wasn't built with fixed retirement income in mind.

This one was.

It tends to fit best for seniors who want the flexibility of a revolving line rather than a single lump sum, who are comfortable making a monthly payment, and who have the cash flow to do so reliably without strain.

The key phrase is *without strain*.

If making a monthly interest payment is going to be a stretch, this product is putting you in the same position a traditional HELOC does, just with a longer runway before the difficulty starts.

In that situation, something with no required monthly payment might be a better fit.

This product is only available in select states. State availability will be confirmed at the time of application.

The Costs — What You Need to Know

The HELOC For Seniors® doesn't carry FHA mortgage insurance premiums, which is one meaningful cost difference compared to a HECM reverse mortgage. You're still looking at standard mortgage closing costs, origination, title, recording, appraisal, but without the MIP layer that comes with government-backed products.

The trade-off is speed and simplicity.

This product is a fully online application process, e-closing capability where permitted, and closings can happen in as few as five to seven business days in straightforward cases.

Whether your specific situation allows for that timeline depends on your county's recording requirements and the complexity of your application, but the process is genuinely designed to be faster and less burdensome than a traditional reverse mortgage closing.

For specific fee numbers, you'll need to review your Loan Estimate when you apply. I'll always walk through that document with you in detail so nothing surprises you.

What you should keep in mind over time: because the interest-only structure means you're not paying down principal, your balance doesn't shrink on its own.

If you're borrowing heavily and only making the minimum interest payment, the equity you're consuming is real. That's not a reason to avoid this product, it's a reason to use it with a clear understanding of your longer-term plan for the property.

When the Loan Comes Due

The principal balance comes due at a maturity event, the same concept as a reverse mortgage.

Sale of the home, permanent relocation, or death of the borrower triggers repayment. At that point, the outstanding balance is repaid from sale proceeds or another payoff method.

What doesn't happen:

A clock running out on a fixed term that forces repayment while you're still living in the home and meeting your obligations. That's the key distinction from a traditional HELOC, where the end of the repayment period can force your hand regardless of your living situation.

For heirs, the math is straightforward. Whatever the home sells for, minus the outstanding balance, is what remains.

This product reduces the equity available to pass on, all borrowing does, but it doesn't eliminate it, and it doesn't trap the estate in a complicated payoff structure.

How It Compares to the Other Products in This Booklet

Here's the honest positioning, and I think this is important.

The HELOC For Seniors® sits in the middle of the product spectrum. It's not as payment-heavy as a traditional HELOC or a home equity loan. It's not as payment-free as a reverse mortgage. It's the option that makes sense for someone who has the cash flow to handle a monthly payment, wants the flexibility of a revolving line, and isn't yet ready, or doesn't need, a full reverse mortgage structure.

If you have the income to make a monthly payment comfortably, and you want to keep your options open rather than locking into a lump sum, this product deserves a serious look.

If you're cash-flow constrained and the monthly payment is the problem you're trying to solve, you probably want to look at what a reverse mortgage makes possible instead.

Neither answer is wrong. The right product is always the one that fits your actual situation, not the one that sounds best in a brochure.

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Chapter 3: EquitySelect™ Second Lien

When Life Doesn't Fit a Fixed Payment Schedule

Let me tell you about a situation I run into more than you might expect.

Someone calls me, typically in their 60s, sometimes early 70s.

They've done well. They own their home outright or nearly so, or they're carrying a first mortgage at a rate that would look laughable on today's rate sheets.

Could be 2.5% or 3%, something in that neighborhood from when rates were historically low.

The home has appreciated. The equity is real and substantial.

But the income side of the picture is complicated.

Maybe they retired early and they're drawing down assets. Maybe they do some consulting and the 1099 income is real but lumpy, good months and quiet months.

Maybe it's a combination of Social Security, some investment income, and the occasional distribution from a retirement account.

None of it looks like a W-2, and lenders who built their underwriting systems for W-2 borrowers can struggle to accommodate it.

And here's what makes the situation genuinely frustrating:

The equity is there.

The wealth is there.

But the product that would help them, a conventional second mortgage with a fixed monthly payment, assumes income stability that retirement often doesn't provide.

A payment that's completely manageable in a good month can feel pressured in a quieter one.

That's the problem the EquitySelect™ Second Lien was built to solve.

And it solves it in a way I haven't seen any other product in this space quite replicate.

What It Is

The EquitySelect™ is a second-lien home equity product, it sits behind your existing first mortgage and doesn't disturb it.

But the way it handles payments is fundamentally different from anything else we've covered in this booklet.

The lender describes it this way: it's "a loan against the home that behaves like a credit card."

That analogy is worth sitting with, because it's actually accurate.

Think about how your credit card works. You have a balance. Every month you get a statement. And you have a choice: pay the minimum, pay only the interest, or pay as much as you want toward the principal.

The card doesn't tell you which to choose. You decide based on what your cash flow looks like that month.

The EquitySelect™ applies that same logic to home equity lending.

You borrow against your equity as a second lien, and every month you have genuine options:

Pay a very low minimum (as low as approximately 1% of your balance on an annualized basis)

Pay interest only to keep the balance flat, or pay more and reduce what you owe faster.

The product doesn't lock you into one payment for the next 20 years. Your income varies month to month, so why should your required payment be the same regardless?

That's a genuinely different way of thinking about a second mortgage. And for the right borrower, it changes the math entirely.

How the Payment Options Actually Work

I want to walk through this carefully, because flexibility is the whole story here, and I want to be honest about both what it gives you and what it costs you.

The minimum payment option

This one gets the most attention, and for good reason. At roughly 1% of your outstanding balance annualized, it keeps the required monthly payment remarkably low.

On a $300,000 balance, that's in the range of $250 per month. For a second-lien loan of that size, that number stands out.

The product uses a framework called a "40-year capped payment" structure. This means the minimum is anchored to a long-horizon amortization calculation, not an arbitrary floor. It's been engineered to keep required payments as low as the lender's risk model will support.

The interest-only option

This covers what's accruing each month without touching principal. Your balance stays flat. You're not reducing what you owe, but you're also not letting it grow.

Paying more, above interest only, reduces principal and builds back equity faster.

This option is always available, and for months when cash flow is stronger, it's the right move.

Here's what I want to be completely transparent about:

If you consistently choose the minimum payment and that minimum is less than the interest accruing, the difference can get added to your balance.

That's negative amortization, your loan balance grows rather than shrinks.

It's not a hidden trap, it's a structural feature of how very low minimum payments work.

But it has a real consequence over time: it erodes the equity you've built in your home.

The minimum payment is a tool.

It's designed for the months when you need room to breathe.

Used strategically, in tighter months, with more aggressive paydown when cash flow allows, it's genuinely powerful.

Used as a default, year after year, without a plan, it can quietly work against your long-term financial picture.

That's the conversation I'd insist on having before we ever talked about whether this product is right for you.

The Underwriting Model: Why Age and Equity Work in Your Favor

This is where the EquitySelect™ does something that genuinely benefits the senior borrower profile.

The underwriting model is built around equity, age, and your chosen payment plan, not a rigid income-to-payment ratio.

The lender's CEO puts it plainly: "The older the borrower, the more we can lend."

That's not a casual remark.

It reflects a risk model that treats your equity position and your age as primary variables, which is a fundamentally different approach from lenders that focus almost exclusively on current income.

What that means in practice:

If you're 68 years old with $600,000 in equity and modest fixed income from Social Security and a pension, you may qualify for a meaningful loan amount here even if a conventional lender's DTI calculation would show you as over the line.

The DTI tolerance goes up to roughly 50%, and the equity-focused underwriting means the lender is looking at your home's value and your stake in it as the primary security, the way asset-backed lending is supposed to work.

Self-employed borrowers benefit from the same logic.

If your income comes from 1099s, consulting, or investment distributions, the standard wage-earner underwriting model often undersells your actual financial strength.

This product's equity-first approach is designed to accommodate exactly that.

Who This Is, and Isn't, Built For

One thing worth stating clearly in the context of this booklet: the EquitySelect™ Second Lien doesn't have a senior-specific age minimum.

It's available starting at age 40, which is broader than the 62+ requirements on the products in the two preceding chapters.

I've included it here because it serves older, equity-rich borrowers particularly well, but it's built for anyone with income complexity and significant home equity, not exclusively for retirees.

It's a strong fit if you're equity-rich, comfortable managing a line with payment choices, and have income that fluctuates or doesn't document cleanly under conventional underwriting. It can also handle loan amounts that the other products in this booklet can't, the range runs from approximately $75,000 to $3,000,000, which covers high-value properties that would hit ceilings elsewhere.

It's not the right product if you need the certainty of a predictably declining balance every month, or if your cash flow is so constrained that you can only ever pay the minimum.

In that second scenario, where the monthly payment itself is the problem, not just the flexibility of it, a product with no required monthly payment may serve you better.

That's a different conversation, and we'd have it.

Why Second-Lien Position Matters Here

Like the products in the two chapters before this one, the EquitySelect™ sits in second-lien position by design. That means your existing first mortgage stays exactly where it is.

I'll keep saying this throughout this booklet because it genuinely matters:

If you locked in a first mortgage at 2.75% or 3.0% and you do a cash-out refinance today to access equity, you don't just get the cash, you lose the rate.

Your entire remaining balance gets repriced to whatever the market looks like now.

For most people in that situation, the monthly payment increase on the refinanced first mortgage alone is more than the second-lien payment on a product like this.

Second-lien products solve that problem. The first mortgage doesn't move. You access what you need behind it, pay a second obligation, and preserve the financial position you've built.

Costs and Availability

Standard second-mortgage closing costs apply, origination, title, recording, appraisal. No FHA mortgage insurance premium, which keeps the cost structure cleaner than government-backed products.

For specific fee numbers on your loan, your Loan Estimate will be the authoritative document, and I'll walk through every line with you before you make any commitment.

Available states at time of writing include Arizona, California, Colorado, Florida, Georgia, Idaho, North Carolina, New Jersey, Nevada, Ohio, Oregon, South Carolina, Utah, and Virginia. State availability on newer products can expand over time, so current availability should always be confirmed at application.

The Bottom Line

The EquitySelect™ Second Lien exists because the mortgage industry's payment structures were largely built for W-2 earners with predictable income, and a significant and growing portion of the homeowners with the most equity in this country don't fit that profile.

If your income is real but irregular.

If your equity is substantial but your lender keeps looking at your DTI and shaking their head.

If you need the ability to manage your payment around your cash flow rather than the other way around.

This product was built with you in mind.

What I always tell people:

The flexibility is the feature, not the fine print. But like any feature, it only works if you use it with a clear plan.

Know what you're borrowing for.

Know what you can realistically pay in a typical month.

And go in with an honest look at how you're going to manage the balance over time. Do that, and this product can be a genuinely powerful tool. Skip that, and the flexibility can work against you as easily as it works for you.

That's the conversation worth having first.

EquitySelect™ is a proprietary product available in select states. Terms, loan limits, payment options, fees, and state availability are subject to change. All payment examples in this chapter are illustrative only and do not represent a current loan offer or commitment. This is a mortgage secured by your home; failure to meet payment obligations or property-charge requirements, including property taxes and homeowners insurance, can result in foreclosure. Paying only the minimum payment for extended periods may result in negative amortization, higher total interest cost, and reduced remaining equity. Please review all program documents, your Loan Estimate, and your Closing Disclosure carefully. Consult a licensed mortgage professional to determine whether this product is appropriate for your specific situation.

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Chapter 4: Figure HELOC

When Speed Is the Variable That Matters Most

Every other product in this booklet has a deliberate pace to it. There are counseling sessions, appraisals, title reviews, multi-week timelines.

For most home equity decisions, that's appropriate, you're making a significant financial choice, and taking the time to get it right matters more than getting it fast.

But life doesn't always give you the luxury of a deliberate pace.

The roof starts leaking in January and the contractor has a slot next week or not for three months.

A medical bill arrives that needs to be addressed now.

A family situation develops that requires liquidity faster than any traditional process can provide.

Or maybe you've already done your homework, you know what you need the money for, and what you want is the simplest, fastest path to getting it done.

That's the conversation where the Figure HELOC belongs.

The Figure HELOC is not designed for the same borrower profile as the products in the three chapters before this one.

It doesn't carry age restrictions.

It's not built around reverse mortgage logic or payment flexibility for retirees.

I've included it in this booklet for a specific reason:

For certain situations, particularly those where speed and simplicity are the deciding factors, it offers something the other products here simply can't match.

Approval in about five minutes.

Funding in roughly five business days.

Entirely online, from application to closing.

That's not a minor distinction. In the right circumstances, it's the whole thing.

What It Is

Figure is an online lender offering a fixed-rate home equity line of credit, and when I say fixed-rate, I mean it in a way that's genuinely unusual for HELOCs.

Most home equity lines are variable rate, tied to an index that moves as the market moves.

Figure's product locks your rate in, which gives you predictability that traditional HELOCs typically don't offer.

The loan range runs from approximately $15,000 to $400,000, with repayment terms from 5 to 30 years.

For borrowers with strong credit, advertised starting APRs can be competitive with conventional home equity products. Rates climb from there based on credit profile, mid-tier credit scores can push APRs into the double digits, so this product rewards strong credit more than most.

The process is fully digital end-to-end. No branch visit. No in-person appraisal for most borrowers, Figure uses an automated valuation model to assess property value, which is a meaningful part of how they compress the timeline.

You prequalify with a soft credit pull (no credit score impact), submit your application online, and in most cases you have an approval decision in about five minutes and funded proceeds in approximately five business days.

For a home equity product, that timeline is remarkable. Conventional HELOCs at traditional banks routinely take four to eight weeks or more. Figure has built its entire model around eliminating that wait.

The Structural Reality: This Behaves More Like a Home Equity Loan

Here's something I want to be clear about, because it's the most important thing to understand before you consider this product.

Despite being called a HELOC, a line of credit, Figure requires you to draw 100% of your approved amount at closing. All of it. On day one.

That makes it functionally very different from the revolving, draw-as-you-go experience most people associate with a home equity line.

You're not opening a credit line to access gradually over time.

You're taking a lump sum, and you're paying interest and origination fees on that full amount from the moment you close.

The draw period runs approximately three to five years, shorter than the typical ten-year HELOC draw window. During that window, as you pay down principal, you may be able to draw additional funds up to your credit limit.

After the draw period ends, the loan converts to a standard repayment phase with level payments for the remaining term.

So think of it this way: it's a fixed-rate lump-sum loan with a short window to re-borrow if you pay some back, followed by a long repayment tail.

If that's what you need, it's a clean, fast, well-executed product.

If you were hoping for a flexible revolving line you could tap gradually over many years, this isn't it.

The Origination Fee — Let's Talk About It Directly

The Figure HELOC carries an origination fee of up to 4.99% of the drawn amount, which can run up to approximately $12,000.

That's on the higher end of the home equity product landscape.

On a $200,000 loan, a 4.99% origination fee is approximately $9,980, typically rolled into the loan balance or deducted from your proceeds.

That fee matters. It's real money, and it comes out of the equity you're accessing. You should factor it into any comparison you're making between this product and alternatives.

There are no annual fees, which is a positive.

Figure also reports that some borrowers can elect a higher origination fee in exchange for a lower interest rate, a rate-buydown structure.

Whether that trade is worth making depends entirely on how long you hold the loan and what your rate environment looks like.

My honest take: the origination fee is the price of the speed and simplicity.

For a borrower who needs funds fast and values not having to schedule an appraiser, sit through a branch meeting, or wait six weeks for a traditional process to complete, there's a legitimate argument that the fee is worth it.

For a borrower who has time and wants to shop the lowest total cost, it's worth comparing this against conventional alternatives that may have lower upfront costs even if the process takes longer.

Who This Works For

Given what I've described, the right profile for this product is fairly specific.

You have meaningful home equity, strong enough credit to access the competitive rate tiers (640 is the approximate minimum, with better rates at 670 and above), and you need a lump sum, not a revolving line you'll tap gradually. You may also value, or genuinely require, a fast process. And you're comfortable managing your loan entirely online without in-person support.

That profile exists in the senior market. Not everyone who's 65 or 70 wants or needs the specialized structures of the age-specific products in this booklet.

Some people just need cash, have clear credit and equity, and want the simplest path from application to funded loan without a lot of complexity layered on top.

For that person, the Figure HELOC is genuinely worth a look.

The speed advantage is real.

The fixed-rate structure is appealing. And the fully online process, no branch visits, no face-to-face appraisal, is something a growing number of borrowers across all age groups actually prefer.

What Figure is not suited for: borrowers who want to draw funds gradually over time, who have mid-tier credit and can't access the lower rate tiers, are moving soon and don't want a high upfront fee amortized over a short hold period, or who value in-person guidance through the process.

In any of those cases, one of the other products in this booklet, or a more traditional second mortgage, will likely serve you better.

How It Compares to the Other Products Here

Since I've included this product specifically as a contrast to the senior-focused options in the preceding chapters, it's worth being explicit about where it sits in the landscape.

The HomeSafe Second and the HELOC For Seniors® are both built around the logic of keeping a first mortgage in place and deferring principal until a maturity event, designed for seniors who want to eliminate or reduce monthly payment obligations.

The Figure HELOC doesn't work that way. It's a standard-amortization product with a monthly payment obligation from day one and a fixed repayment schedule.

The EquitySelect™ is built around payment flexibility, the ability to dial your required payment up or down based on cash flow. Figure doesn't offer that. Your payment is determined by your balance, your rate, and your term. It's fixed.

What the Figure HELOC offers that none of the other products in this booklet do: the combination of speed, simplicity, and a fixed rate on a lump-sum draw. If those are the variables that matter most in your situation, it stands apart.

The Bottom Line

I'll say it plainly: Figure is a good product in the right situation, and not the right product if that situation doesn't describe you.

If you need money quickly, have solid equity and credit, and want a clean fixed-rate lump sum with a fully digital process, this works.

If you're evaluating it because you want a flexible revolving line, or because you're trying to eliminate your monthly payment obligation, or because you need a product that accommodates retirement income in its underwriting, one of the other options in this booklet will serve you better.

The thing I always come back to, regardless of which product we're talking about: the product doesn't lead, your situation does.

Tell me what you're trying to accomplish, what your numbers look like, and how much time you have, and we'll find the right fit together.

The Figure HELOC is a product originated through a licensed mortgage lender. This chapter is for educational purposes only and does not constitute a loan offer or commitment. This is a mortgage lien secured by your home; failure to make payments or meet property obligations, including taxes, insurance, and maintenance, can result in foreclosure. Interest and origination fees accrue on the full drawn amount from closing. APRs, fees, terms, and state availability vary by credit profile, loan amount, and other factors and are subject to change; all figures in this chapter are illustrative only. Review your Loan Estimate and all program disclosures before making any borrowing decision. Consult a licensed mortgage professional to determine whether this product is appropriate for your specific situation.

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Chapter 5: Home Equity Investment / Shared Appreciation

When Someone Offers You Cash for a Piece of Your Future — Read This First

I'm going to do something a little different in this chapter.

For the four products that came before this one, my job was to explain each one fairly, walk through the mechanics, and help you figure out whether it fits your situation. Some products are better fits than others depending on your circumstances, and I tried to be straightforward about that throughout.

This chapter requires a different approach.

Home equity investments, also called shared appreciation agreements, home equity sharing contracts, or home equity contracts, are a category of product I include here because they exist, because you may encounter them, and because you deserve to understand exactly what they are before you ever sign one.

I'm not here to tell you they're automatically wrong for everyone. But I am here to tell you they carry risks that are serious enough, and complicated enough, that you should go into any conversation about them with both eyes open.

The Consumer Financial Protection Bureau has issued formal warnings about this product category.

Academic researchers have used the phrase "equity predators" to describe some offerings in this space. Those aren't casual characterizations, and I'm not going to pretend they are.

So let's get into it.

What It Is

A home equity investment (HEI) is not a loan. At least, that's how the companies offering them tend to describe it.

Here's what actually happens: a company like Splitero, Unlock, EasyKnock, or others in this space gives you a lump sum of cash today.

In exchange, they get a contractual right to a share of your home's future appreciation when you eventually sell, refinance, or reach the end of a contract term, which can run anywhere from 10 to 30 years.

There are no monthly payments. That's the headline feature that makes these products appealing, especially to cash-flow-constrained homeowners who need liquidity but can't afford to add a new monthly obligation.

And technically, there's no "interest rate" in the traditional sense. The company doesn't charge you 8% per year. Instead, they'll take, say, 35% of whatever your home appreciates from now until the day you settle up.

What I want you to understand clearly, before we go any further, is that "no interest rate" is not the same as "no cost."

These products can carry extremely high effective costs of capital.

The CFPB has flagged effective APRs in the double digits.

Splitero's own materials have cited effective costs in the range of 12.99-16.99% annually, with at least one published example showing an effective APR of approximately 14.32%.

No monthly payment does not mean no cost. It means a deferred, potentially very large cost, and that distinction matters enormously.

How It Actually Works — Using Splitero as an Example

Let me make this concrete, because the mechanics matter.

When you enter an agreement with a company like Splitero, here's what happens at the start:

First, they establish a "starting value" for your home using a third-party valuation, and then they typically discount that value by about 15%.

So if your home is worth $500,000, Splitero might set the starting value at $425,000.

This protects them against some downside and ensures they're measuring appreciation from a lower baseline than actual market value.

Second, you receive a lump sum, whatever you and Splitero agree on, and they record a lien against your property.

Yes, a lien.

Even though this isn't called a loan, there is a legal claim on your home that has to be satisfied before you can sell or refinance cleanly. That lien matters, and I'll come back to it.

Third, you agree to a specific share of future appreciation that goes to Splitero when you settle.

Public examples suggest this commonly runs between 25% and 40% of appreciation above the starting value.

Splitero's FAQ mentions caps in the 12.99-16.99% effective annual range. One widely cited example shows a 38% appreciation share.

When it comes time to pay them back, whether that's three years from now or twenty years from now, you owe:

The original investment amount, plus their agreed percentage of whatever the home has appreciated since the discounted starting value.

If the home has appreciated strongly, that number can be very large.

Let's Do the Math — Because This Is Where It Gets Real

I want to show you a simple example, because the numbers are the most important thing in this chapter.

Say you take $100,000 from a home equity investment company today.

Your home is currently worth $500,000.

They set the starting value at $425,000 and take a 35% share of appreciation.

Ten years later, you sell the home for $700,000.

The appreciation above the starting value is $700,000 - $425,000 = $275,000.

Their 35% share of that appreciation: $96,250.

So you owe the original $100,000 back, plus $96,250, plus origination fees (often 2-4% of the investment, so another $2,000-$4,000 or more), plus third-party closing costs.

Total repayment in this example: somewhere around $200,000 in exchange for the $100,000 you received a decade ago.

That's not a fringe outcome, it's a straightforward consequence of strong appreciation, which is exactly what most Arizona, California and Tennessee homeowners have experienced over the past decade and expect going forward.

In a market where home values are rising, the effective cost of an HEI grows right alongside them.

That's not a side effect, it's the design.

What if the home doesn't appreciate?

That's where the "shared downside" language comes in. Most HEI providers, including Splitero, state that if your home declines in value from the starting point, they share in the loss.

That's genuinely a real feature.

But remember: the starting point was already discounted from market value. The company has built a buffer into the baseline that protects their position before any "shared downside" kicks in.

What You're Actually Giving Up

This is the part I want you to sit with.

For most senior homeowners I talk to, their home is their single largest asset.

It represents decades of equity accumulation, mortgage payments made, appreciation captured, wealth built.

When you sign a shared appreciation agreement, you are selling a contractual interest in that accumulated wealth to an investor.

Not for cash flow, not for a monthly income stream, for a lump sum today, in exchange for a meaningful piece of whatever that asset produces in the future.

If you're 68 years old, have $400,000 in equity, and take a $100,000 HEI with a 30-year term, here's the scenario worth thinking through:

What happens when you're 98 and the contract comes due?

Or more realistically, what happens to your estate?

Your heirs settle the contract from the sale proceeds, at whatever the market has done over 30 years of appreciation they partially don't receive.

The CFPB has specifically called out this concern:

Homeowners and their families may face unexpected, large balloon payments at the end of the contract term, particularly if they've aged in place and a sale or refinance was not planned for.

The Regulatory Picture You Should Know About

I believe in giving you information that helps you make a real decision. So I'm going to tell you directly: this product category is under increasing scrutiny.

In 2024 and 2025, the Consumer Financial Protection Bureau issued a research report, a consumer advisory, and legal filings specifically addressing home equity contracts.

Their findings highlighted:

High costs that may not be transparent to consumers, complexity that many homeowners struggle to fully understand before signing, and the risk of financial distress and forced home sales when balloon obligations come due.

Academic and legal researchers have described some HEI offerings as targeting equity-rich homeowners in ways that serve the investor far more than the homeowner, particularly when appreciation is strong. At least one scholarly paper has called for a formal federal regulatory framework specifically because current consumer protections don't fully cover this product structure.

The regulatory environment is actively evolving.

That means the rules around these products may change. It also means anyone who signs a long-term HEI contract today is potentially entering an agreement that will be governed by a different legal landscape by the time it comes due.

I'm not saying these products will be banned or declared unenforceable.

I'm saying the risk is real and the regulatory uncertainty is real, and you should factor both into any decision.

The Lien Problem

Here's something that gets undersold in how HEIs are marketed.

Even though this isn't called a mortgage, the HEI provider records a lien on your property.

That lien has to be satisfied, paid off, before you can do anything significant with the home.

Refinance? The new lender has to be willing to work with an existing HEI lien in second or third position.

Some won't. Take out a HELOC later? Same problem. Sell? The HEI gets settled first, out of your proceeds.

The lien is real.

It affects your financial flexibility for however long you hold this contract.

That's not a hypothetical concern, it's a structural feature of the product you need to plan around from day one.

Who This Might Actually Make Sense For

After everything I've written in this chapter, I want to be honest: there is a narrow category of borrower for whom an HEI might be worth considering.

If you genuinely cannot qualify for any of the products covered in the preceding chapters, no credit, no income, equity that doesn't meet minimums elsewhere, an HEI might be the only practical path to cash.

For someone facing a genuine financial emergency, no monthly payment tolerance whatsoever, and a realistic expectation that they won't be in the home for a long time, the math could work out less adversely.

It might also warrant consideration for someone in a market with limited expected appreciation, where the "share" the investor receives amounts to less in actual dollars.

And for someone who has genuinely no other option and understands exactly what they're trading.

The key word in all of that is: *understands*.

Get an independent attorney to review the contract.

Get an independent financial advisor to model the scenarios.

Do not rely solely on materials provided by the company seeking to invest in your home's appreciation.

Who This Does Not Make Sense For

This product is the wrong choice for most of the senior homeowners I work with.

If you're in a growing market, and Arizona, California and Tennessee have been exactly that, you're likely selling a valuable piece of future wealth for cash today.

The longer your appreciation horizon and the stronger your local market, the more expensive the effective cost becomes.

If you can qualify for any of the four products covered in the preceding chapters, those alternatives almost certainly serve you better over the long run. Even the EquitySelect™ with its minimum payment option, even the HELOC For Seniors® with its interest-only requirement.

These products preserve your 100% interest in future appreciation. An HEI does not.

If you're thinking about aging in place for the foreseeable future, a 30-year balloon is not a plan. It's a deferred reckoning.

And if the complexity of this chapter has left you uncertain about how the product actually works, that uncertainty is your answer.

The CFPB's core finding about HEIs is that consumers frequently sign these contracts without fully understanding them.

You should not proceed with any product you don't fully understand.

How It Compares to Everything Else in This Booklet

The straightforward comparison is this: every other product in this booklet is structured debt. You borrow money, you pay interest in some form, either monthly (HELOC For Seniors®, EquitySelect™, Figure), or deferred and compounding (HomeSafe Second).

You repay the principal. Your home's future appreciation remains entirely yours.

An HEI is fundamentally different.

You're not borrowing against your home.

You're selling an investor a contractual stake in it.

That's a different transaction, with different implications, governed by different (and currently evolving) regulations.

The trade-off is real: no monthly payments versus giving up future wealth.

For a handful of borrowers, that trade might be justified. For most equity-rich senior homeowners with options, it is not the trade I would recommend.

The Bottom Line

I'll say what I actually think, because that's what this booklet is for.

Home equity investments are a product I include here so you can recognize them, understand them, and make an informed decision, not so you'll run toward them.

The right situation for an HEI is narrow.

The downside scenarios are significant, and they're the ones that are most likely in a market that keeps appreciating.

If someone approaches you with a no-payment cash offer in exchange for a share of your home's future value, the correct response is not to sign the contract.

The correct response is to call me, or call a licensed financial advisor, or call an independent attorney, and figure out together whether one of the other options in this booklet might solve the same problem with less long-term cost.

Your home is your wealth. It belongs to you. Be very careful about agreements that give any piece of that future value to someone else.

Home equity investments (HEIs), home equity contracts, and shared appreciation agreements are not traditional mortgage products and are not governed by the same federal disclosure requirements as conventional mortgages. They are complex, long-term contracts secured by a lien on your property. The effective cost of capital can be substantially higher than traditional mortgage products, particularly in appreciating markets. The Consumer Financial Protection Bureau has issued formal consumer warnings about this product category, citing high costs, complexity, and risk of financial distress and forced home sales. This chapter is for educational purposes only, reflects general product category characteristics, and does not constitute a loan offer, commitment, or financial or legal advice. Terms, costs, appreciation shares, and availability vary by provider and are subject to change. Splitero is referenced as an illustrative example only; David Rider and Senior Resources Mortgage do not originate or broker home equity investment products. Before entering any shared appreciation agreement, consult an independent licensed financial advisor and an independent attorney who has reviewed the specific contract documents.

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Chapter 6: Side by Side

How the Products in This Booklet Actually Compare

After five chapters, you have a lot of information in your head. Each product has its mechanics, its use case, its costs, its risks. That's useful context, but I've found that what most people actually need at this stage isn't more detail.

What they need is a way to see everything at once, so they can orient themselves.

That's what this chapter is for.

The tables below lay out all five products from this booklet side by side. Two tables: one covering structure and mechanics, one covering qualification and risk profile.

After the tables, I'll walk through the most common situations I see and point to where each one lands in the comparison.

One thing I want to say before you dive in: a table can tell you what a product does. It cannot tell you which product is right for your specific situation.

The goal here is to help you ask better questions, not to replace the conversation.

Table 1: Product Structure

	HomeSafe Second	HELOC For Seniors®	EquitySelect™ Second Lien	Figure HELOC	HEI / Shared Appreciation
Provider	Finance of America	Longbridge Financial	HighTech Lending	Figure Lending LLC	Splitero (and others)
Age Minimum	55+	62+	40+	No restriction	Typically no restriction
Product Type	Proprietary reverse mortgage (2nd lien)	Proprietary HELOC-style (2nd lien)	Equity-based second mortgage	Fixed-rate HELOC	Home equity investment / appreciation share
Lien Position	Second	Second	Second	First or second	Lien recorded; not a traditional mortgage
Loan / Investment Range	$50k–$4M	$50k–$400k	$75k–$3M	$15k–$400k	Varies by provider
Monthly Payment Required?	No	Yes — interest only	Yes — minimum, interest-only, or more	Yes — standard P&I	No
Rate Type	Fixed	Fixed per draw	Variable (equity-based structure)	Fixed	N/A (appreciation share, not interest rate)
How Funds Are Received	Lump sum at closing	80–100% initial draw; re-draw available	Line of credit, draw as needed	100% drawn at closing	Lump sum at closing
Repayment Trigger	Sale, move-out, or death	Sale, move-out, or death (maturity event)	Ongoing monthly (flexible); balance due at term or sale	Monthly P&I; term 5–30 years	Sale, refinance, or contract end (up to 30 years)
Preserves Existing 1st Mortgage?	Yes	Yes	Yes	Generally yes	Yes

Table 2: Qualification and Risk Profile

	HomeSafe Second	HELOC For Seniors®	EquitySelect™ Second Lien	Figure HELOC	HEI / Shared Appreciation
Minimum Credit Score	Varies by underwriting	~660	~620–640 (equity-driven)	640 minimum	Equity-driven; lower credit thresholds
Income Approach	Asset/equity-based	Retirement income accommodated	Equity-first; DTI up to 50%	Standard debt-to-income	Equity-based; minimal income scrutiny
Max CLTV	Varies by age/equity	~75%	Up to ~80%	~80–90%	Varies; must retain ~20% equity
Appreciation Preserved for Homeowner	100% (net of accrued interest)	100% (net of loan balance)	100% (net of loan balance)	100% (net of loan balance)	Partial — investor takes 25–40% of appreciation
Key Advantage	No monthly payment + keeps first mortgage + lump sum access	Interest-only for life (no payment shock); revolving access	Maximum payment flexibility for variable-income borrowers	Fastest funding (~5 days); fully digital process	No monthly payment; easier qualification for distressed credit
Key Risk	Accruing balance reduces estate equity over time	Ongoing monthly obligation; balance doesn't reduce without principal payments	Negative amortization risk if minimum-only payments long-term	High origination fee (up to 4.99%); full draw required at closing	Very high effective APR; sharing appreciation can be extremely costly in rising markets; CFPB-scrutinized
Regulatory Framework	Proprietary (state-licensed)	Proprietary (state-licensed)	Proprietary (state-licensed)	Traditional mortgage (TILA-governed)	Not a traditional mortgage; evolving regulation; CFPB has issued warnings
Best For	Equity-rich seniors who need a lump sum without any new monthly payment	Seniors who want revolving access and can comfortably handle a monthly payment	Borrowers with variable or non-W2 income who need payment flexibility	Borrowers who prioritize speed and simplicity over lowest cost	A very narrow profile — should not be the first option considered
Select State Availability	Select states	Select states incl. AZ	AZ, CA, CO, FL, GA, ID, NC, NJ, NV, OH, OR, SC, UT, VA	Nearly all states	Select metros and states

How to Use This Table: A Few Common Situations

The comparison above gives you the facts. Here's how to apply them.

"I need cash and I absolutely cannot add a monthly payment."

Two products address this, but they work very differently.

The HomeSafe Second has no monthly payment, preserves your existing first mortgage, and keeps 100% of your future appreciation in your name (minus the accrued loan balance).

The HEI/shared appreciation approach also has no monthly payment, but in exchange you give up a substantial share of future appreciation, and carry a contract with CFPB-flagged complexity.

For the vast majority of borrowers who qualify, the HomeSafe Second is the stronger choice.

The HEI is a last resort for people who can't qualify for anything else.

"I want access to a revolving line, not a lump sum, but I don't want traditional HELOC payment shock."

That's what the HELOC For Seniors® was designed for.

Interest-only for life, revolving access, no cliff at the end of a draw period.

The trade-off is a monthly payment obligation. If you can handle it comfortably, it's a thoughtful middle-ground product.

"My income doesn't look like a W-2, and I keep getting told no."

The EquitySelect™ Second Lien was built specifically for this situation.

Equity-first underwriting, DTI tolerance up to 50%, and payment options that flex around your cash flow.

If you've got meaningful equity and irregular income, this is the chapter to re-read.

"I need this done fast. Like, this week."

The Figure HELOC is the only product in this booklet built around speed.

Approval in minutes, funding in approximately five business days, fully digital.

You're going to pay an origination fee for that speed, and you need to draw 100% at closing, so be clear-eyed about what you're getting.

But if time is the constraint, no other product here comes close.

"I want to do something with my equity, but I'm not sure I need a lot at once."

That's a more nuanced conversation, and it often leads toward the HELOC For Seniors® or the EquitySelect™, both of which offer more flexibility than a single lump-sum draw.

What you're describing sounds like you want access more than you want cash, which is a different product decision.

What the Table Can't Tell You

A comparison matrix is a starting point, not a finish line.

These products differ not just in structure but in how they interact with your specific numbers, your home value, your remaining mortgage balance, your equity position, your income, your credit, your timeline, your goals.

A product that looks ideal on a matrix can be the wrong fit once we model it against your actual situation. And a product you'd dismiss from a table can turn out to be exactly right.

The other thing a table can't capture: the multitude of products available to the consumer now. With over 300 lenders and 30+ investors, including thirteen that specialize in the senior market, I wanted to highlight some lesser known options that most folks are not aware of.

How the lender experience feels, what the closing process looks like, what happens when you have a question six months after closing.

In my experience, those things matter.

A product with better mechanics and a difficult servicing relationship is worth less than a product that scores slightly lower on paper and is run by people who pick up the phone.

I've worked with the lenders behind these products. I have opinions. That's part of the conversation I want to have with you directly.

All product information in this chapter is for educational comparison purposes only and reflects general program characteristics at time of writing. Terms, rates, loan limits, credit requirements, and state availability are subject to change and vary by borrower. This is not a loan offer, commitment, or advice. Consult a licensed mortgage professional to determine eligibility and suitability for your specific situation. For home equity investment products: the Consumer Financial Protection Bureau has issued formal consumer warnings about this product category; see Chapter 5 for full disclosure.

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Working Together

You've now seen five home equity products that most financial planning practices don't encounter in the normal course of business, along with the framework for evaluating which one fits which type of client situation.

If anything in this booklet made you think of a client, that's probably the right instinct to follow.

How the Referral Works

When you send a client my way, here's what happens:

You make a warm introduction, however you typically connect clients with specialists. An email, a call, a direct referral. I'll take it from there.

I run a no-cost evaluation. I'll have a conversation with your client about their property, their existing mortgage, their income picture, and what they're trying to accomplish.

I'll identify which products they qualify for and what the numbers look like. If none of the five products in this booklet fit, I'll tell them that clearly, and we'll look at whether a traditional HELOC, home equity loan, or cash-out refinance makes more sense. I work with those too.

Either way, you'll get a straight answer to pass back to your client.

I keep you in the loop. You'll know what I found and what, if anything, I recommended. I'm not in the business of creating confusion for your clients,

I'm in the business of solving one specific type of problem and then getting out of the way.

The goal is that your client gets a clear answer on the mortgage side so you can continue building the financial plan around it.

What I Won't Do

I won't cross into financial planning territory. My role is the mortgage.

I won't give investment advice, comment on distribution strategies, or position myself as a replacement for the relationship you've built with your client.

I'm a specialty resource, useful in specific situations, scoped to the lane I'm in.

Education Options

If you'd like to go deeper on any of these products before making a referral, I'm available for that conversation too.

One-on-one: A 30–45 minute walkthrough of whichever product is most relevant to your book of business. No agenda other than making sure you have what you need to evaluate when these tools are appropriate.

Group sessions: I periodically offer continuing education sessions for financial advisors and CPAs. These are accredited where available and are designed to give your team a working knowledge of the senior home equity landscape, enough to recognize the situation, ask the right questions, and know when to refer.

If either of those would be useful, reach out directly and we'll find time.

Contact

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The CRMP (Certified Reverse Mortgage Professional) is held by fewer than 1,000 mortgage professionals nationally — it means the senior home equity space is my specialty, not a side product.

A Final Note

The products in this booklet aren't exotic. They're specialties, which is a meaningful distinction.

They exist, they close, they have real underwriting criteria and real terms.

What makes them underutilized isn't that they're obscure; it's that most advisors don't have a go-to resource for them.

If this booklet was useful, I'd ask you to keep it on hand.

And when the situation comes up, equity-rich, income-constrained, rate-locked, or simply needing options that don't disrupt the plan you've built, I'm the call to make.

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