

Published based on [Avoiding Reverse Mortgage Scams](#)

Avoiding Reverse Mortgage Scams

Reverse mortgages are gaining in popularity as more senior's start looking for ways to supplement their retirement incomes. And as the interest in reverse mortgages improve, so are the cases of inverted home loan fraud and scams. Numerous seniors are finding that they have lost thousands bucks of their hard earned equity to these reverse mortgages scams. Since inverted mortgages usually involve our largest asset (your house), this type of fraud can possess a serious negative impact on your retirement. The following inverted mortgage fraud info will help you avoid becoming a victim of a reverse home loan scam.

Reverse Home loan Scams

There are a number of kinds of reverse mortgage scams that may end up costing you thousands and even tens of thousands of bucks in equity in your home in case you turn out to be a victim.

Charging for free info on inverted mortgages

Several estate planning businesses have been charging thousands of dollars for information provided free of charge from HUD. Usually these companies charge for this info as part of an estate planning program.

Pushing reverse mortgages like a method to pay for purchases

Some companies that sell large ticket items or services, like annuities or insurance products, may try to suggest using a reverse home loan like a way to fund these purchases. When the additional cost of the reverse mortgage is factored into the purchase, it ends up costing the homeowner much more than the benefit provided by the product or service.

Unethical inverted home loan terms

Some lenders slip in excessive fees and conditions into their contracts. These conditions can have a significant effect on a Seniors' equity. In some cases, lenders have used shared equity or shared appreciation terms, which gives the lender the right to collect a portion of the appreciation when the home is sold or refinanced.

Protecting your self from inverted home loan scams

If you are looking into reverse mortgages, there are several things which you can do to protect yourself from falling victim to these types of scams.

1. Speak with a HUD approved reverse mortgage counselor. The counselor will assist you to understand reverse mortgages and help you evaluate your situation.
2. Obtain several offers from different reverse home loan lenders in order to compare different choices. The rule of thumb is to get at least three separate offers to ensure that you've a great comparison from the conditions offered.
3. Make certain you understand all the terms and conditions within the inverted home loan contracts. Your reverse home loan counselor can guide you through the contracts.
4. You usually have three company days after signing the loan document to cancel it for any reason.

If you suspect that a organization is operating in violation of the law, let your reverse mortgage counselor know and then file a complaint with your State Attorney General's office or banking regulatory agency and the Federal Trade Commission (FTC) at www.ftc.gov.

Getting the best information on Reverse Mortgage Calculator, is no easy task nowadays.

If you are looking for more information on [Reverse Mortgage Calculator](#), then I suggest you make your prior research so you will not end up being misinformed, or much worse, scammed.

If you want to know more about Reverse Mortgages Pros and Cons, go here: [Reverse Mortgages Pros and Cons](#)