



Fee-Only Investment Advisory And Financial Planning

David M. Taube in Washington Post's "Ask the Experts" Column

ASK THE EXPERTS

David M. Taube

Founder, Kalorama Wealth Strategies in the District

Sunday, September 14, 2008; Page F04

Is a reverse mortgage ever a good idea?

Yes, if your sources of retirement income (savings, investments, pensions, Social Security) no longer cover your spending. But using the equity in your home should be a last resort after all other resources have been exhausted.

The payments to the homeowner from a reverse mortgage can be received in the form of a monthly annuity, lump sum, or as a revolving line of credit. Compared with a typical home-equity line of credit, reverse mortgages carry significant fees to establish, so the decision to obtain one should be extensively evaluated.

You should make sure your reverse mortgage comes under the Federal Housing Administration Home Equity Conversion Mortgage program, so that mortgage insurance will cover the lender in the event the proceeds from the eventual sale of the home are not sufficient to pay the amount owed.



For further information or to schedule a complimentary consultation, please contact:

David M. Taube, CPA, CFA, CFP®, CRI
2136 12th Place, N.W., Suite 100, Washington, D.C. 20009
Phone: (202) 550-7262 **Fax: (480) 247-5620**
dtaube@kaloramawealth.com **www.kaloramawealth.com**

Investment advice offered through Medallion Advisory Services, LLC*, Registered Investment Adviser.
*Wholly owned subsidiary of TMG Holding Company, Inc. T/A The Medallion Group.
Kalorama Wealth Strategies and TMG Holding Company are not affiliated companies.