



Recently there was an article about a 100+ senior homeowner in Detroit who was kicked out of their house by HUD because they neglected to pay their property taxes and having a reverse mortgage required them to pay those taxes.

As it turned out it was not HUD who was the root cause of the action, but the loan servicing company. In addition, the notices that were being sent to the homeowner were being retrieved by the homeowner's elder son. He took it upon himself to ignore the "let's work this out" notices.

Once HUD discovered the facts and determined that the homeowner never saw the notices so never had an opportunity to work out an arrangement to pay the property taxes, HUD withdrew the foreclosure process and returned the woman to her home. They also paid the taxes for her.

This is a good story to tell because most people who benefit from a reverse mortgage loan do not tell their story to family and friends. But if someone hears a tale of horror, it is generally recycled over and over again.

John G. Karavas
888-933-9562