Loangevity Announces Reverse Mortgage with Line of Credit that Grows

5 Facts about how a Reverse Mortgage Line of Credit Works


Paul Scheper, CRMP

ORANGE COUNTY, CA, UNITED STATES, May 16, 2025 /EINPresswire.com/ -- As more Americans seek smarter ways to tap into their home equity in retirement, the Home Equity Conversion Mortgage (HECM) line of credit has become a powerful, yet often misunderstood option. Real estate and mortgage expert, Paul Scheper, is on a mission to clear up the confusion and educate homeowners on how this federally insured tool can provide financial flexibility in retirement and beyond.

“The HECM line of credit isn’t just a loan—it’s a financial planning tool,” says Scheper. “It’s designed to grow over time, and is available when you need it. The best part? You don’t owe anything on it until you draw from it. Most people don’t understand how strategic this can be.”

Scheper outlines the five essential facts every consumer should know about an HECM line of credit:

1. It’s not just a Fixed Rate Reverse Mortgage—It's Flexible Like a Credit Line
Unlike a traditional reverse mortgage that pays out in lump sums or monthly installments, the HECM line of credit gives you access to funds only when you need them. Monthly payments are deferred, paid later, not monthly. It's available exclusively to homeowners aged 62 or older and is backed by the FHA.

2. Senior Homeowners Don’t Pay Interest Until Money is Used
“One of the most powerful features is that homeowners are not charged interest on the unused

portion," explains Scheper. "You're not accumulating debt until you access the funds." Scheper explains that most consumers want this equity line as a "stand-by" or "emergency" line of credit, just to have. This offers peace of mind and access to tax-free cash during uncertain times. Scheper gives sage advice to his customers by instructing them that "it's better to have the money, and not need it, than to need it and not have it."


A Credit Line that Grows

3. The Unused Line Actually Grows Over Time

This is not widely known: the available line of credit increases every year, based on the current interest rate, which is the same rate as what the borrowed money accrues at. That means homeowners' ability to access cash grows the longer they leave it untouched. "It's almost like FHA rewards you for resisting the temptation to borrow funds," says financial planner, Victoria Leonard. The equity line gets bigger, it grows on the unused portion of the line of credit, regardless of future home values.

> A Reverse Mortgage Line of Credit is a prudent way to have money set aside, just in case, you need it down the road - for unexpected home repairs or family emergencies."
>
> *Paul Scheper, CRMP*

4. The Reverse Mortgage Equity Line is Tied to Home Equity

Eligibility is based primarily on age, home value, and equity—not credit score. The interest rates are also a factor in the formula for how much a consumer can access. The line of credit is secured against the home, and repayment isn't required until the homeowner sells, or passes away. Leonard believes that in most cases, it's better to not withdraw money from investments during volatile times, but it's better to convert some, not all, of the tax-free home equity funds into spendable retirement cash. Says Leonard, "A reverse mortgage credit line is part of a holistic, comprehensive retirement plan that incorporates the strategic use of home equity into the retirement equation." A reverse mortgage allows many seniors to age in place and to never outlive their money.

5. It's a Safe, Government-Insured Option

Many don't know this one either: HECM lines of credit are insured by the Federal Housing

Administration (FHA), offering protections to borrowers. Senior homeowners will never owe more than their home is worth when the loan becomes due.

“Many retirees are sitting on significant home equity while worried about running out of cash,” adds Scheper. “A HECM line of credit offers peace of mind—it’s there when, and if, money is needed, and actually grows when unused, or untapped."


Have Your Equity Pay You

For more information or to how to qualify for a [Reverse Mortgage line of credit](), contact Paul Scheper at [www.LoangevityMortgage.com]() or his personal website, [www.PaulScheper.com](), or at 800.662.6784.

About Paul Scheper

Paul Scheper is a seasoned real estate and mortgage professional specializing in retirement financing solutions, including reverse mortgages. Based in Orange County, CA, Scheper helps homeowners across California make smart, informed decisions about their financial futures with all types of mortgages — traditional loans, reverse mortgages, and reverse second mortgages.

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