

Percentage of House Value That Could Be Borrowed Through Reverse Mortgage at Ages 65, 75, and 85, 1990-2005

By Editor Test Tue, Jul 7, 2009

Percentage of House Value That Could Be Borrowed Through Reverse Mortgage at Ages 65, 75, and 85, 1990-2005 Year 65 75 85
 1990 20.4% 34.1% 51.7% 1991 26.5% 40.2% 57.0% 1992 28.8% 42.6% 58.7% 1993 35.1% 48.2% 63.1% 1994 22.2% 36.0% 53.4%
 1995 36.1% 49.1% 63.7% 1996 28.8% 42.6% 58.7% 1997 37.1% 50.0% 64.4% 1998 43.7%... [Read more »](#)

| Percentage of House Value That Could Be Borrowed Through Reverse Mortgage at Ages 65, 75, and 85, 1990-2005 | | | |
|---|-------|-------|-------|
| Year | 65 | 75 | 85 |
| 1990 | 20.4% | 34.1% | 51.7% |
| 1991 | 26.5% | 40.2% | 57.0% |
| 1992 | 28.8% | 42.6% | 58.7% |
| 1993 | 35.1% | 48.2% | 63.1% |
| 1994 | 22.2% | 36.0% | 53.4% |
| 1995 | 36.1% | 49.1% | 63.7% |
| 1996 | 28.8% | 42.6% | 58.7% |
| 1997 | 37.1% | 50.0% | 64.4% |
| 1998 | 43.7% | 55.4% | 68.3% |
| 1999 | 28.8% | 42.6% | 58.7% |
| 2000 | 40.3% | 52.6% | 66.3% |
| 2001 | 41.4% | 53.6% | 67.0% |
| 2002 | 51.3% | 61.4% | 72.3% |
| 2003 | 49.9% | 60.4% | 71.6% |
| 2004 | 48.6% | 59.3% | 70.9% |
| 2005 | 47.4% | 58.4% | 70.3% |

Note: This figure assumes a \$200,000 house, a 1.5 percent lender’s margin and the closing cost estimates used in AARP’s online reverse mortgage loan calculator.

Calculations based on: 1) Federal Reserve Bank of St. Louis. 2006. “Series: GS10, 10-Year Treasury Constant Maturity Rate.”; 2) U.S. Department of Housing and Urban Development. 2006c. “Table of Principal Limit Factors.” News Release No.06-001. Washington, DC.; 3) AARP. 2006b. “Reverse Mortgage Calculator.”

Source: Center for Retirement Income at Boston College