

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 »](#)

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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

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