
Seniors' home equity reaches \$5.76 trillion

By Editorial Staff *Wed, Dec 23, 2015*

Mortgage debt held by seniors increased slightly, to \$1.46 trillion from \$1.45 trillion, between the second and third quarters of this year.

An estimated \$147 billion increase in the aggregate value of homes owned by seniors drove their share of home equity to \$5.76 trillion, according to the National Reverse Mortgage Lenders Association.

The new figures boosted the NRMLA/RiskSpan Reverse Mortgage Market Index (RMMI) to a record in Q3 2015 of 200.19, from 195.42 in Q2, even though mortgage debt held by seniors increased slightly, to \$1.46 trillion from \$1.45 trillion during that period.

The Q3 numbers are based on data from the 2013 American Community Survey and the Federal Reserve's Z.1 Release to estimate the value of aggregate senior home equity underlying the RMMI.

"The recalibrated index uncovered something we didn't expect to see, which was that senior housing values outperformed the general population. In metro areas hard hit by the Great Recession, for example, senior home values were more resilient to declines. It's great news for seniors who are considering tapping their housing wealth to support their retirement planning," said NRMLA President and CEO Peter Bell in a release.

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