

The NY Times article was published on September 26, 2014

The New York Times

The time is coming for reverse mortgage loans, like it or not, writes the New York Times' Ron Lieber in an [article](#) this week.

“It’s been fascinating to watch the reverse mortgage industry grow up — or try to — in recent years,” he says, noting reverse mortgage naysayers who have written in response to past New York Times articles on the products.

But, reverse mortgages will, and must, play a role in the retirement of many, Lieber writes, even if those many are not the typical readers of the publication for which he writes.

“These are easy critiques to make when you have enough savings or pension and Social Security income to get by,” he says. “But given that older Americans’ homes are worth, on average, more than their other combined savings there is a begrudging inevitability about reverse mortgages. As more people enter retirement in the coming decades with modest savings and no private pension, they’re going to need some of that home equity back during their increasingly long lives.”

The article cites several positives that have developed in recent months around the reverse mortgage market: the re-entry of BNY Mellon to the space this year following big bank exits of the past; the personal investments of two well-known economists and academics into one reverse mortgage startup company; and the embrace of a growing group of financial planners who at once would never have recommended reverse mortgages to clients but who today are incorporating them into retirement plans even for those who have saved and invested wisely for retirement.

Recent research conducted at The Ohio State University also bodes well for the loans, he writes, in shedding light on factors leading to defaults and being able to recommend product overlays that may be able to reduce defaults by as much as 45%.

“Call the loans and the lenders and the executives who run them all the names you want,” Lieber writes.

“But the tool they sell is one whose time is coming, and people who refuse even to consider a reverse mortgage in the coming years may do themselves a disservice.”

Our Story



THE BANK

FirstBank is the third largest Tennessee bank, with 57 locations across the Southeast. The bank, headquartered in Lexington, TN, serves every major metropolitan market in the state and across the United States. With more than \$2.3 billion in total assets, FirstBank has the resources to provide a variety of financial services and products while maintaining its community-banking approach to business.

THE REVERSE MORTGAGE DIVISION

FirstBank is an FDIC regulated and fully delegated Home Equity Conversion Mortgage lender with the Federal Housing Administration (FHA). This means you are doing business with an entity that will stand behind the products we offer and will be committed to your satisfaction



Contact your FirstBank Professional today at: 1-800-890-0372