

# CHIP REVERSE MORTGAGE FACT SHEET

EFFECTIVE DECEMBER 1, 2016

The following is information pertaining to HomEquity Bank's CHIP Reverse Mortgage product.

<b>Purpose of Funds</b>	<ul style="list-style-type: none"><li>• Finance, refinance, purchase (owner occupied principal residence).</li><li>• Help seniors who want to remain in their homes.</li><li>• Cover life expenses (debt, renovations/improvement, travel, help children/grandchildren).</li><li>• Pay for in-home care or medical expenses.</li></ul>
<b>Plans Available</b>	<ul style="list-style-type: none"><li>• Lump-sum (single advance of all available funds).</li><li>• Subsequent advance (partial initial advance and open for future advances).</li></ul>
<b>Maximum LTV</b>	<ul style="list-style-type: none"><li>• Up to 55% for a CHIP Reverse Mortgage (dependent upon age, location and type of home).</li></ul>
<b>Mortgage Amount</b>	<ul style="list-style-type: none"><li>• Minimum \$25,000 for lump-sum initial advance.</li><li>• Minimum \$5,000 for each subsequent advance.</li></ul>
<b>Terms</b> (see Rate Sheet for rates)	<ul style="list-style-type: none"><li>• 6 month fixed, 1 year fixed, 3 year fixed, 5 year fixed.</li><li>• 5 year variable rate mortgage.</li></ul>
<b>Amortization</b>	<ul style="list-style-type: none"><li>• None.</li></ul>
<b>Payments</b>	<ul style="list-style-type: none"><li>• No regular monthly payment is required.</li></ul>
<b>Prepayment Privileges</b>	No prepayment charge applies: <ul style="list-style-type: none"><li>• On regular interest payments of a fixed amount by automatic withdrawal</li><li>• On a single prepayment up to 10% of the outstanding principal and interest made within 30 days following each anniversary date</li><li>• After 5 years, on payments made within 30 days following reset date</li></ul>
<b>Debt Servicing</b>	<ul style="list-style-type: none"><li>• None required (up to 55% LTV for approved CHIP amount).</li></ul>
<b>Documentation Requirements</b>	<ul style="list-style-type: none"><li>• Valid and adequate fire insurance.</li><li>• Property tax statement (current year or deferred property tax statement).</li><li>• Two pieces of valid identification.</li><li>• Power of Attorney and Power of Attorney Identification (if applicable).</li><li>• Statements for any secured debt.</li></ul>
<b>Portable</b>	<ul style="list-style-type: none"><li>• Not in a traditional sense, but refinancing available with fees waived.</li></ul>
<b>Fees</b>	<ul style="list-style-type: none"><li>• Please see <a href="http://www.homeequitybank.ca/CHIPrates">www.homeequitybank.ca/CHIPrates</a></li></ul>
<b>Appraisal</b>	<ul style="list-style-type: none"><li>• Required (approximately \$175 - \$400 for most properties).</li></ul>
<b>Independent Legal Advice</b>	<ul style="list-style-type: none"><li>• Required approximately \$300 - \$600.†</li></ul>
<b>Property Taxes</b>	<ul style="list-style-type: none"><li>• Must be up-to-date (can be paid out of the mortgage proceeds).</li></ul>

†Additional legal costs may apply if additional legal work is required (eg. title issues).

**For more information, please contact me.**

Interest rates, terms and products subject to change without notice. E. & O.E.

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