

INCOME ADVANTAGE FACT SHEET

EFFECTIVE NOVEMBER 23, 2017

The following is information pertaining to HomEquity Bank's Income Advantage product.

Purpose of Funds	<ul style="list-style-type: none">• Finance, refinance, purchase (owner occupied principal residence).• Fund retirement using all assets (front end of retirement).• More tax efficient cash flow in retirement (supports diversified financial plans).• Preserve investment assets.*• Cover life expenses (renovations, debt, home improvement, travel, help children/grandchildren).• Pay for in-home care or medical expenses.• Pay insurance premiums for estate planning needs.
Plans Available	<ul style="list-style-type: none">• Planned Advances are required monthly or quarterly.• Lump-sum (single advance of all available funds).• Subsequent Advance (partial initial advance and open for future advances).
Maximum LTV	<ul style="list-style-type: none">• Up to 55% (dependent upon age, location and type of home) .
Mortgage Amount	<ul style="list-style-type: none">• Planned advances from \$1,000/month or \$3,000/quarter.• Minimum initial advance \$20,000.
Terms	<ul style="list-style-type: none">• Planned Advance: variable rate mortgage.• Lump-sum: 5 year fixed, 3 year fixed, 1 year fixed, variable rate mortgage.
Amortization	<ul style="list-style-type: none">• None.
Payments	<ul style="list-style-type: none">• No regular payments are required.
Prepayment Privileges	No prepayment charge applies: <ul style="list-style-type: none">• On a single prepayment up to 10% of the outstanding principal and interest made within 30 days following each anniversary date.• After 5 years, on payments made within 30 days following a rate reset date.
Debt Servicing	<ul style="list-style-type: none">• None required.
Documentation Requirements	<ul style="list-style-type: none">• Valid and adequate fire insurance.• Property tax statement (current year or deferred property tax statement).• Two pieces of valid identification.• Power of Attorney and Power of Attorney Identification (if applicable).• Statements for any secured debt.
Portable	<ul style="list-style-type: none">• Not in a traditional sense, but refinancing available with fees waived.
Fees and Rates	<ul style="list-style-type: none">• Please see www.chipadvisor.ca/client-rates
Appraisal	<ul style="list-style-type: none">• Required (Approximately \$175 - \$400 for most properties).
Independent Legal Advice	<ul style="list-style-type: none">• Required (Approximately \$300 - \$600).†
Property Taxes	<ul style="list-style-type: none">• Must be up-to-date (can be paid out of the mortgage proceeds).

*Consult a financial or tax advisor for further information.

†Other 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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