

CHIP REVERSE MORTGAGE FACT SHEET

EFFECTIVE JULY 13, 2016

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

Purpose of Funds	<ul style="list-style-type: none">• Finance, refinance, purchase (owner occupied principal residence).• Help seniors who want to remain in their homes.• Cover life expenses (debt, renovations/improvement, travel, help children/grandchildren).• Pay for in-home care or medical expenses.
Plans Available	<ul style="list-style-type: none">• 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% for a CHIP Reverse Mortgage (dependent upon age, location and type of home).
Mortgage Amount	<ul style="list-style-type: none">• Minimum \$25,000 for lump-sum initial advance.• Minimum \$10,000 for each subsequent advance.
Terms (see Rate Sheet for rates)	<ul style="list-style-type: none">• 6 month fixed, 1 year fixed, 3 year fixed, 5 year fixed.• 5 year variable rate mortgage.
Amortization	<ul style="list-style-type: none">• None.
Payments	<ul style="list-style-type: none">• No regular monthly payment is required.
Prepayment Privileges	No prepayment charge applies: <ul style="list-style-type: none">• On regular interest payments of a fixed amount by automatic withdrawal• 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 reset date
Debt Servicing	<ul style="list-style-type: none">• None required (up to 55% LTV for approved CHIP amount).
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	<ul style="list-style-type: none">• \$1495*
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).

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

*May vary based on individual circumstances.

For more information, please contact me.

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