

# CHIP REVERSE MORTGAGE FACT SHEET

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 \$10,000 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>	<p>No prepayment charge applies:</p> <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>Credit Bureau</b>	<ul style="list-style-type: none"> <li>None required.</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>Variable, 6 month and 1 year terms: \$1,495.</li> <li>3 year term: \$995.</li> <li>5 year term: \$995.</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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