

Dear Valued Partner,

Below you will find copy explaining the criteria our underwriting team takes into consideration when reviewing a reverse mortgage for your client. You may use this text and the accompanying chart and image assets on your website. If you have any questions, please contact your Business Development Manager.

Thank you,
HomeEquity Marketing Team

Quick Underwriting Facts for Reverse Mortgages

In order for your client to be approved for a reverse mortgage, there is specific criteria that the underwriting team reviews. Outlined below are several key areas HomeEquity Bank considers before approving your clients.

Criteria

Do you meet the minimum requirements?

- Homeowners must both be 55 or older, own the home, and live in a province.
- The appraised home value must be at least \$150,000.
- Secured debt is less than what the amount a client is approved for.

What is the property type?

- HomeEquity Bank will provide a reverse mortgage on most home types (detached, semi-detached, townhomes, condos, mobile homes).
- Exceptions include: the three territories (Nunavut, Northwest Territories, and Yukon), or on native reserves.

How will the funds be used?

Did you know that reverse mortgage funds can be used in many ways? Such as:

- Travel, medical expenses, and an early inheritance to children.
- More commonly, many homeowners use the funds to purchase property.

How much can they be approved for?

Below is an example of how much your clients can get with a CHIP Reverse Mortgage. The age of the clients is one of the determining factors when calculating the percentage. In general, the older your clients are, the more they can get approved for.

Protecting the remaining equity in the home is important to HomeEquity Bank and our conservative lending rules allow clients to retain more of the equity in their home. To get a tailored view of how much your clients can get, use our online calculator at CHIPAdvisor.ca/calculator.

This chart is for illustration purposes only. It is based on a husband and wife who are the same age. HomeEquity Bank will lend less on rural properties and non-detached homes or condos.

This chart is for illustration purposes only. The amount the client is approved for may be adjusted due to many factors such as home type, location, outstanding home mortgage amount, single homeowner compared to dual homeowners.

All secured debt must be paid from the approved amount. If the estimated amount is not sufficient to pay out all secured debt, please contact your Business Development Manager.

Age	Approximate Loan to Value
55	11 - 14%
60	16 - 21%
65	22 - 30%
70	26 - 37%
75	32 - 44%
80	37 - 53%
82+	39 - 55%

For more information, please contact me.