

Living Inheritance

▶ Meet David
(and his adult children)



Client Profile

Homeowner:

Male, Age 74 | Widow

Location:

Richmond Hill, Ontario

Home Value:

\$1,400,000

Home Type:

Single, Detached

Registered Investments:

\$700,000

Down Payment Needed:

\$200,000

Equalization Payment Needed:

\$200,000

Eligible CHIP Reverse Mortgage Total:

\$528,500

Situation

- ✔ David, a recent widow aged 74, is financially secure and is now considering ways to financially help his two adult children in their 40s by providing living inheritance benefits to them
- ✔ David's daughter has recently separated and is struggling financially as the sole provider to his grandchild. She identified a modest \$600,000 condominium to purchase but **needs help with the initial \$200,000 downpayment**
- ✔ A gift to David's daughter for a downpayment, for fairness, will require an **equalization payment** to his son, who equally shares in David's eventual estate
- ✔ For tax purposes, David is **hesitant to cash in investments** too early, which may, in turn, jeopardize his retirement lifestyle



Wealth

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Let's find
a Solution!

Living Inheritance

Recommended Approach for David

Traditional Options Available to David



Option 1:
Deplete Investments early

- ! Large tax hit
- ! Drains David's financial nest egg



Option 3:
Seek conventional credit financing

- ! No guarantee on qualification
- ! Regular payments required



Option 2:
Sell the existing home and downsize

- ! Emotionally and financially exhausting
- ! Market dependent

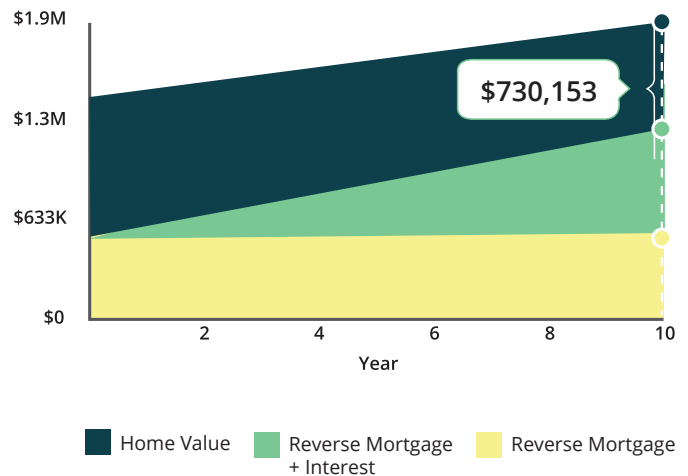


Option 4: CHIP Reverse Mortgage



Up to \$528,500 with a CHIP Enabled plan

- ✓ No payments required
- ✓ Preservation of investment portfolio
- ✓ Tax-free cash
- ✓ \$730K+ of home equity remaining after 10 years



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Contact me today: