

# 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



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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

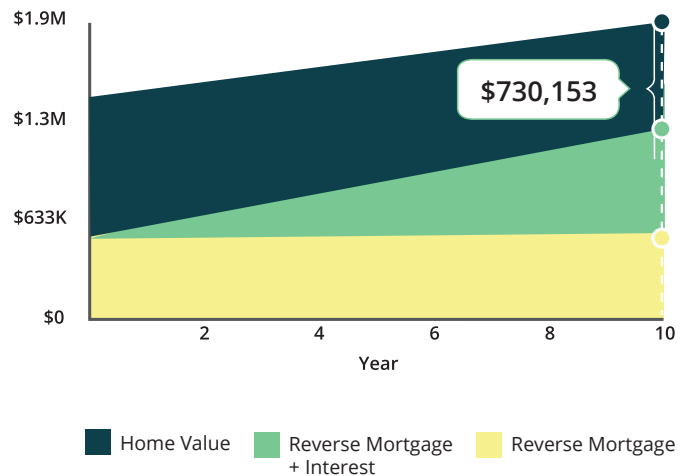


**Option 4: CHIP Reverse Mortgage**



### 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: