

Fact Sheet

Purpose of Funds

- Finance, refinance, purchase (owner occupied principal residence)
- Fund retirement using all assets (front end of retirement)
- Cover life expenses (renovations, debt, home improvement, travel, help children/grandchildren)
- Pay for in-home care or medical expenses
- Tax-free cash flow

Maximum LTV

- Up to 55% (dependent upon age, location and type of home)

Mortgage Amount

- Planned advances from \$1,000/month or \$3,000/quarter
- Minimum initial advance \$20,000

Terms (see Rate Sheet for rates)

- Lump-sum account: 1-year fixed, 3-year fixed, 5-year fixed, and variable rate
- Planned advance account: variable rate mortgage only

Options to Receive the Funds

- Scheduled advances, either monthly or quarterly
- Lump-sum account: A fixed or variable interest rate account with funds received as an initial lump-sum and advances as needed, but each subsequent advance must be a minimum of \$5,000, or if funds are less, the remaining balance
- A variable interest rate account for regularly scheduled advances, either monthly or quarterly
- A minimum of \$1,000/month or \$3,000/quarter is required, if applicable

Prepayment Privileges

No prepayment charge applies:

- On a single prepayment up to 10% of the outstanding principal and interest made within 30 days following each anniversary date
- After 5 years of the initial advance, give HomeEquity Bank three months written notice of your intention to make a payment and the three month interest charge is waived¹

Amortization

- None

Payments

- No regular monthly payment are required

Current Rates and Fees

- Please see rate sheet for current rates and closing fees and homeequitybank.ca/fees for all other fees

Appraisal

- Required (approximately \$350–\$500 for most properties)

Property Taxes

- Must be up-to-date, if not, it can potentially be paid out of the mortgage proceeds

Portable

- Yes, Income Advantage is portable

Independent Legal Advice

- Required (approximately \$700–\$1,000)²

Documentation Requirements³

- A copy of the confirmation of property taxes paid
- A copy of current home insurance policy
- A copy of your up-to-date government photo identification such as a passport, driver's license, etc.
- A copy of the confirmation of school taxes paid

¹Interest rate act requirement.

²Additional legal costs may apply if additional legal work is required (eg. title issues). The independent legal advice charge is an estimate only and may vary beyond the specified range depending on individual circumstances.

³More information and documentation may be required at HomeEquity Bank's discretion.

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