



Helping you stay in the home you love

with an Equitable Bank Reverse Mortgage



equitablebank.ca/reversemortgage



EQB-2210-112024



What is a reverse mortgage?

With a reverse mortgage, you can turn a portion of your home equity into a source of cash, providing access to a reliable source of tax-free funds with no monthly payments—all while maintaining home ownership.

You may be eligible for an Equitable Bank Reverse Mortgage if:

- You are a homeowner, aged 55 or older
- You live in a city or large town in British Columbia, Alberta, Ontario, or Quebec
- Your home is your principal residence for at least 6 months per year
- All title holders of the residence apply as joint borrowers



Contact your mortgage professional today to learn more.

Unlock financial peace of mind with a reverse mortgage.



Our Process

1 Apply & Receive Conditional Approval

Application reviewed by Equitable Bank. This includes a confirmation of eligibility and credit history review.

If eligible, we'll provide a Commitment Letter detailing the terms, qualifying amount, and interest rate.

In certain instances, we may send a preliminary quote detailing additional information required before issuing the Commitment Letter.

The Mortgage Commitment document should be signed and returned within 21 days.

2 Valuation/Appraisal & Document Submission

If not previously provided and required, a full appraisal will be requested at this time.

All requested documents outlined in your conditional Mortgage Commitment should be sent to Equitable Bank.

Confirm the closing arrangement you'd prefer to move forward with. Your advisor can help determine the best approach for you.

3 Meet With Your Lawyer(s)

Depending on the closing arrangement you've selected, your closing lawyer or the closing service provider will manage the closing process.

In both cases, you'll need to meet with a lawyer of your choosing for Independent Legal Advice (ILA). ILA is a mandatory measure taken to ensure that all parties (titleholder and non-titleholder, if applicable) to the mortgage receive an explanation of the nature and effect of the documents from an impartial third-party lawyer.

4 Close Your Mortgage

The closing service or your closing lawyer will use the signed documents from your lawyer(s) to finalize the mortgage funding and confirm method to receive funds (i.e. direct deposit or cheque).

Before any net proceeds of the mortgage are dispersed on the closing date, the closing service or your closing lawyer will pay any outstanding mortgages and any other applicable debts, as outlined in your mortgage documents.

Equitable Bank Reverse Mortgage Flex

As Canada's Challenger Bank™, we've been innovating Canadian banking for 50 years—and that goes for our reverse mortgage.

Our suite of reverse mortgage solutions can help you access the amount of home equity that's right for you, at our best rates. Whether you prefer your funds as an upfront lump sum, an undrawn reserve for later, automatic recurring advances, or a combination of each, our Reverse Mortgage Flex solutions provide the flexibility and value you need.

With the Equitable Bank Reverse Mortgage, you:

- Are determined eligible using age and a percentage of your home's appraised value
- Can choose to make prepayments at specific times; otherwise, payments are only required when the mortgage becomes due
- Accrue interest until the reverse mortgage is repaid (as such, your home's equity may decrease as the interest increases throughout the life of the mortgage)
- Receive a non-amortizing loan with no maturity date
- Repay the mortgage in full when the property is sold or transferred, when the last borrower dies or moves out of their home, or defaults

Primary guidelines include:

Minimum property value

\$250,000

Minimum initial advance amount

\$25,000

Minimum borrowing amount

\$25,000

You have the following flexible advance options:



Initial advance



Single/Ad-hoc advances



Recurring/Scheduled advances



The Equitable Bank Difference

We're confident that our reverse mortgage stands out as an effective way for you to access home equity—how you want, when you want.

At Equitable Bank, we believe that Canadians should consider their entire portfolio of assets in retirement planning. Homes commonly represent the largest asset in a person's portfolio, and accessing some equity from it may be the optimal strategy, depending on your circumstances.

Whether you currently have a mortgage and are looking to pay it out with a reverse mortgage, or are simply considering your options to access more cash, we can help.



What Equitable Bank Reverse Mortgage Clients Are Saying



"A **convenient and clear** transaction with professional and knowledgeable assistance." **-Cleopatra**

"I feel that this reverse mortgage will enable me to live better on my current income, with **less financial pressure**. I think my house value will continue to increase over time with the idea that when I eventually sell the house, I will still be able to afford some kind of home ownership." **-Sue M**

"**Simple and easy process** to get approval and to make all the arrangements!" **-Sue H**

"The end result was **exactly what we were looking to achieve**. I have already recommended Equitable Bank to a friend who has received a reverse mortgage." **-Ken**

"Equitable Bank had **lower interest rates than their competitors**, which can make a huge difference as the years go on." **-Diane**



Why choose an Equitable Bank Reverse Mortgage?

As Canada's Challenger Bank™, Equitable Bank has grown to become the country's seventh-largest Schedule I bank. Through our proven branchless approach and customer service focus, we provide Canadians with residential lending, commercial lending, and savings solutions.

Here's where a reverse mortgage with Equitable Bank wins:

- Competitive rates and prepayment charges mean you preserve more home equity over time
- Flexible product: Take your funds how you want, when you want
- Top-quality, no-pressure service
- A bank you can trust: Managing almost \$37B of loans in Canada and publicly traded on the TSX



Equitable Bank Reverse Mortgage Solutions

	Flex	Flex PLUS	Flex Lite
Minimum age	55	70	55
How much of your home's value can you borrow?*	Up to 55%	Up to 59%	Up to 40%
Advance options (advance types can be combined)	Initial advance Single/Ad-hoc advances Recurring/ Scheduled advances	Initial advance Single/Ad-hoc advances Recurring/ Scheduled advances	Initial advance
Minimum appraised home value	\$250,000		
No negative equity guarantee (never owe more than the fair market value of your home**)	Yes		
Independent Legal Advice (ILA) required?	Yes		
Rates	Visit equitablebank.ca/reversemortgage		
Lending areas	Cities and most large towns across ON, AB, BC, QC		
Prepayment charge	<ul style="list-style-type: none"> • 5/4/3 months' interest in years 1/2/3, respectively • 3 months' interest in years 4-10 • No charge in year 11 onwards <p>Note: years 6 onwards, prepay entire balance with no charge with 3 months' written notice</p>		
Set-up fee	\$995 (plus appraisal, ILA, and legal/closing costs)		

* Subject to Equitable Bank's discretion, including any applicable lending guidelines.

** Subject to borrowers meeting their mortgage obligations. Must keep property taxes and home insurance paid and current, maintain property, and keep current all mortgage obligations. Excludes any fees and interest accrued after mortgage due date.

To learn more about Equitable Bank Reverse Mortgage rates, visit equitablebank.ca/reversemortgage.

Frequently Asked Questions

Will I continue to own my home?

Absolutely! Ownership of your home is not transferred to the bank when you receive a reverse mortgage.

A reverse mortgage is registered against your home in the same way most regular mortgages or home equity lines of credit are.

How much equity will I have left?

At any time, the remaining equity on your home will depend on the difference between the home's current value and the amount owing on the reverse mortgage.

Try our reverse mortgage calculator to test different future scenarios based on the mortgage term, interest rate, and expected home value increase (visit equitablebank.ca/reversemortgage).

How can I use the funds from a reverse mortgage?

You can use the funds to pay off your regular mortgage, cover daily expenses, make home renovations, pay for medical bills, in-home care, trips, or to help a relative with a down payment of a home of their own. It's completely up to you.

What if I already have a mortgage on my property?

If you have a mortgage, it must be paid off so that the reverse mortgage can be registered in first priority. You can use the proceeds from the initial reverse mortgage advance to pay off your existing mortgage, any outstanding debt, or a lien registered against your home.



Will I need to sell my house if my spouse passes away?

If both spouses are registered as joint tenants, the surviving spouse can continue to be a borrower and is entitled to all the benefits a reverse mortgage has to offer.

Who is responsible for paying property taxes?

You must pay property taxes directly to the municipality. BC residents can register for the British Columbia Tax Deferment Program once their reverse mortgage has funded.

Can a Power of Attorney (POA) apply on my behalf?

A POA for property may be used when applying for a reverse mortgage. Your attorney must have the ability to deal with real property. The POA will not be permitted to apply on your behalf simply because you are out of the country.

Is a home equity line of credit a better option?

A home equity line of credit may be a suitable option for you, but it does require income to service, and you'll need to make mandatory periodic payments. This can make it difficult for retirees to qualify and maintain.

Why do I have to get Independent Legal Advice (ILA)?

ILA must be obtained by the legal titleholder of the property and, if applicable, any non-title holding spouse. ILA is provided for your benefit to ensure you understand the terms and conditions of the reverse mortgage, are of sound mind and judgement, and that you are not being pressured to sign the mortgage documents.

How can I reduce my reverse mortgage interest?

To reduce interest accumulation, you can limit the amount of your initial advance and take out additional funds only as needed. There's also the option of paying down interest monthly, without a prepayment charge.

Can I apply for BC Property Tax Deferment if I have a reverse mortgage?

Yes.

Is my mortgage portable to a new property?

Yes. Our reverse mortgage is portable, subject to the new property meeting our eligibility conditions.