

REVERSE MORTGAGE

What is a Reverse Mortgage?

A reverse mortgage is a loan secured against the value of your home. It is designed exclusively for homeowners aged 55 years and older. It enables you to convert up to 55% of your home's value into tax-free cash. Repayment of the loan is only required once you choose to move, sell or the sole homeowner passes.

Monthly payments are optional, but you can also choose the no payment option.

Reverse mortgages are growing by over 28% annually.

Benefits:

- As home values have increased, you can unlock the key to equity
- No monthly payments
- Improve your cash flow

Uses of a Reverse Mortgage:

- Increase your monthly cash flow
- Modify your current home or layout to suit your needs
- Renovations to prepare your home for sale to increase the price
- Be able to "Right Size" your home as opposed to downsizing
- Purchase a rental property or a cottage property
- Pay off debt/mortgage/car loan
- Create wealth
- Be able to stay in your home until you are ready to move
- Complete your bucket list
- Travel to see family or friends
- Provide in home health care or services for yourself or a loved one
- Provide a living inheritance to your children or grandchildren
- Help your kids or grandkids purchase a home

Requirements:

- You must be a Canadian citizen
- Be aged 55 years or older (if you have a spouse, both of you must be at least 55 years old to be eligible)

What Factors Are Assessed to Qualify:

- Your age
- Location of your home
- Type of home (detached, condo, townhouse, ect)
- Appraised value of your home
- Condition of your home
- Your home equity

True and False:

- You no longer own your home - False
- You no longer will earn equity - False
- If your spouse dies, you have to move - False
- The money I take from my home will be taxable - False
- You end up owing more than your house is worth - False
- I need independent legal advice - True
- I don't have to pay tax on the money received - True
- I cannot be evicted if I opt out of monthly payments - True
- I do not need mortgage insurance with a reverse Mortgage - True
- I do not need to make any payments on the mortgage - True

Fees Involved:

- An appraisal fee
- Independent Legal Advice Fee
- Lender set up fee

Did You Know?

25% of First Time Home Buyers received gifted funds for a down payment.

To Learn more about Reverse Mortgages and if it is right for you, please reach out so we can discuss the benefits of unlocking equity in your home.

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