

# Rate Sheet

| Term                         | Interest Rate | Closing Fee <sup>1</sup>                            | Annual Percentage Rate (APR) <sup>2</sup> |
|------------------------------|---------------|---|---|
| Variable Open <sup>3,4</sup> | 11.45%        | Greater of \$2,995<br>or<br>1.25% of Loan<br>Amount | 12.04%                                    |

<sup>1</sup> These costs may vary based on individual circumstances. Closing cost is the greater of \$2,995 or 1.25% of the Loan Amount

<sup>2</sup> APR is the estimated cost of borrowing for 5 years expressed as an annual percentage. It is based on a mortgage of \$150,000 and a closing cost of \$2,995. APR will vary based on loan amount and applicable closing costs.

<sup>3</sup> Variable refers to the HomeEquity Bank Prime rate plus a fixed spread of 4.50%. The fixed spread is guaranteed for 3 years.

<sup>4</sup> Open refers to the ability to repay 100% of the CHIP Open Reverse Mortgage Balance at any time without paying a prepayment charge. Partial payments are not allowed.

## Options to Receive the Money

- Single lump-sum: 100% of funds the borrower is approved for.
- Initial lump-sum with subsequent advances: borrower takes less than 100% of approved funds initially and sets aside the rest for future advances.
- The minimum initial advance is \$25,000.

## Setup Costs

### Home appraisal

- Fees typically range from \$300 to \$600, depending on the province and whether it's an urban or rural property.

### Independent legal advice is required

- Fees typically range from \$500 to \$900.<sup>†</sup>
- Paid by the client or from mortgage proceeds.
- At borrower's request, HomeEquity Bank can provide clients with a list of legal advisors in their area who are familiar with CHIP Open.

### Closing Fee

- Fees will be deducted from mortgage proceeds.
- Includes title search, title insurance, and mortgage registration.
- Fees may vary depending on the interest rate, term chosen and/or province.
- Closing cost is the greater of \$2,995 or 1.25% of the Loan Amount.

## Prepayment

**No payments of principal or interest are required as long as the homeowner lives in the home.**

Should the borrower choose to make payments earlier, no prepayment charge applies:

- When you pay 100% of your Balance at any time.
- On regular interest payments of a fixed amount by automatic withdrawal.

## Interest Rate Options

- On the reset date, the interest rate will change to the variable rate in effect at that time as posted on [HomeEquityBank.ca/OpenRates](https://HomeEquityBank.ca/OpenRates).
- The borrower can choose to convert their CHIP Open Reverse Mortgage to a CHIP Reverse Mortgage at any time.<sup>††</sup>
- During the Conversion process, borrowers will be able to select from the current posted terms and interest rates for the CHIP Reverse Mortgage as stated on [HomeEquityBank.ca/CHIPRates](https://HomeEquityBank.ca/CHIPRates) and in effect on the Conversion Date.

<sup>†</sup>Other legal costs may apply if additional legal work is required (eg. title issues).The information listed in this Rate Sheet is subject to change without notice. The most current information is available at [HomeEquityBank.ca/CHIPRates](https://HomeEquityBank.ca/CHIPRates). CHIP Reverse Mortgage is a product of HomeEquity Bank.

<sup>††</sup>Conditions apply. Conversion fee of \$500 applies.

<sup>™</sup>Trademark of HomeEquity Bank.

