

Understanding Subsequent Advances

What is a Subsequent Advance?

When you set up your Reverse Mortgage with HomeEquity Bank, if you choose not to take all the funds that you qualify for initially, the remainder can be set aside as Subsequent Advances, which you can request at any time, subject to our lending approvals.

Once you decide to request funds from your Subsequent Advances, the funds will be added to your existing Reverse Mortgage balance and of course, no regular payments of principal or interest are required on your new balance for as long as you abide by your mortgage obligations/promises.

Is my Subsequent Advance amount guaranteed?

The amount available to a client is determined by a number of different factors but is centered around the current **Loan-to-Value (LTV)** ratio, which is a measure comparing the amount of your mortgage with the appraised value of the property. Other factors include but are not limited to, the most recent appraisal of the home, current balance, interest rate, and age of the clients. You are encouraged to call a Client Accounts Mortgage Specialist to determine the current available amount as a new appraisal may be required to release funds.

What is the process for obtaining a Subsequent Advance?

Clients can begin the process by calling a Client Accounts Mortgage Specialist, who will authenticate the identity of all borrowers through security questions. If you're qualified for a Subsequent Advance, then the funds can be accessed either through a verbal request (if eligible) or by submitting a Subsequent Advance request form.

KEY FEATURES

Receiving Subsequent Advance Funds

You have two options for receiving your funds

- ✓ In a single lump sum advance
- ✓ As a lump sum now, with the rest later
- The minimum Subsequent Advance amount is \$5,000 or your remaining available balance for subsequent advances, whichever is less.



Blended Rates

- If you currently have a fixed interest rate and the posted interest rate for the same term is different, then your new mortgage interest rate will become a weighted average of the two rates.

Please see your mortgage agreement for more information.



Costs for Subsequent Advances

- There is a \$50 processing fee for each request.



Repayment options

- No regular payments of principal or interest are required.
- Payment options are available for you. Please call us toll-free at **1-888-457-2447** for more details.



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Will I need to provide any additional information or documentation?

If any up-to-date property or personal information is required, additional documentation may be requested. This may include, but not limited to, current property tax statement and proof of payment, home insurance policy, proof of use of funds and Identification Documents.

Why do I have to provide additional documentation regarding my funds request?

In line with your mortgage obligations/promises and ours, HomeEquity Bank may request supporting documents to verify the accuracy of our information and/or to verify the intended use of funds.

What is the estimated timeframe for me to receive my funds?

The processing time can vary depending on your unique situation. While many requests can be processed within 24 hours, in some rare situations it can take up to two weeks, depending on requested documentation and how timely this is provided.

How can I request a Subsequent Advance of funds?

You can request a subsequent advance of funds by calling us toll-free at **1-888-457-2447** or by emailing us at **fundrequest@heb.ca**.

What are common uses of funds for Subsequent Advances?

- ✓ Renovating your home
- ✓ Supplementing your living expenses
- ✓ Consolidating high interest credit card

What if I don't have any more Subsequent Advance funds available?

Please call our Client Accounts Mortgage Specialist team, as a reverse mortgage refinance option might be available to you.

Who are the Client Accounts Mortgage Specialist team?

Client Accounts Mortgage Specialists are experts in the Subsequent Advance process and can provide you with client-tailored options, and other solutions, based on your circumstances.

Contact us for more information or to find out how to request a Subsequent Advance.

1-888-457-2447
fundrequest@heb.ca



Subsequent Advances are subject to our lending approvals and are conditional on your adherence with all of your mortgage obligations as outlined in your mortgage contract. Terms and conditions may apply. The amount of Subsequent Advance funds available to you may be subject to change. A minimum of \$5,000 must be taken. Graphic is for illustration purposes only, amounts may vary. TMTrademark of HomeEquity Bank.