



Your Lifestyle Mortgage

"Your Lifestyle-your Mortgage-at your P.A.C.E."

Equity Release Mortgage
Helping you live a more comfortable life

Peace of Mind

You can turn a portion of your home equity into a source of cash, to help live a more comfortable life.

Through equity release you will have

- Access to a dependable source of funds
- No stress of any payments to made to the lender
- Be able to keep the home ownership within the family
- Tax-free cash flow



Difference between Equity Release and a standard mortgage



The main difference between an equity release mortgage and a standard one is that with the equity release mortgage you have

- A long term financing solution
- No payments until mortgage is due
- Full repayment when the property is sold or transferred, a client passes away, moves, or defaults
- Eligibility determined by client's age, and based on the appraised home value
- No amortizing and there is no maturity date
- Allows for an initial advance, single advances or recurring advances

What you will need for an Equity Release Mortgage

In order to see if you will qualify for an equity release mortgage you will need

- Proof that you have received independent legal advice
- If you have debt secured against the residence you will need to provide those statements
- Verification that you will be able to cover property-related expenses such as property tax, condo fee and utilities
- Home appraisal
- Power of Attorney (if applicable)



Frequently Asked Questions

Will the bank own my home upon receiving the equity release mortgage?

No, you are not transferring ownership to the bank upon receiving the equity release mortgage

How much equity will we have left?

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

Can the bank sell or foreclose our home?

As long as you meet the mortgage obligation there is no concern about losing your home to the bank, just like a standard mortgage.

What options do we have for receiving the funds?

You can take the mortgage proceeds as an initial advance, or take a large sum upfront and the remaining amount as single and/or recurring advances.

Frequently Asked Questions

Is a credit bureau report required?

Yes, it is required for each applicant.

Could we owe more than the value of the home?

As long as you meet the mortgage obligation, the amount you owe on the due date will not be more than the fair market value of the home.

Are Equity Release Mortgage rates higher?

As there is no payment required, Equity Release Mortgage rates tend to be higher than standard mortgages. However, there are both fixed and variable rate options available.

What if we already have a mortgage on the property?

If there is an existing mortgage, it must be paid off so that the Equity Release Mortgage can be registered as the first mortgage. Proceeds from the Equity Release Mortgage can be used to help pay any existing mortgage, outstanding debt or lien registered against the property

Frequently Asked Questions

Can a Power of Attorney apply on a client's behalf?

Yes, a Power of Attorney may be used when applying for an Equity Release Mortgage. The attorney must have the ability to deal with the real property, and will not be allowed to apply on behalf simply because the client is out of the Country.

Who is responsible for paying property taxes?

You are responsible to pay the property taxes, utilities and any condo fees.

How can we reduce the interest owing on our Equity Release Mortgage?

You can limit the amount of interest by reducing the amount of initial advance, and only drawing from the funds when needed. You can also pay down the interest without a prepayment charge.

How can we use the funds?

You can use the funds to cover your daily expenses, including renovations, medical bills, trips and more. It is really up to you to decide how to best spend it that helps you live more comfortably.

Frequently Asked Questions

If one of us passes away, do we have to sell our property?

If both spouses are registered, the surviving spouse can continue to be a borrower and is still entitled to all the benefits of an Equity Release Mortgage.

When is a holdback done?

At the time of application or during the life of the Equity Release mortgage the lender may require a holdback to cover home repairs if deficiencies could affect livability or have potential to materially affect the home's future value. The lender may also require a holdback if there are tax or condominium arrears.

Is there a setup fee?

There is a setup fee (that may vary from lender to lender), which is deducted from the initial advance.

Frequently Asked Questions

If you feel that an Equity Release Mortgage is the right choice for your lifestyle, then please feel free to reach out.

We will be happy to go over it in more detail, and assist you through the process.

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