HomeEquity Bank™

Effective February 20, 2026

CHIP Reverse Mortgage Fact Sheet

Purpose of Funds

- Finance, refinance, purchase (owner occupied principal residence)
- Help Canadians 55+ who want to remain in their homes
- Cover life expenses (debt, renovations/improvement, travel, help children/grandchildren)
- Pay for in-home care or medical expenses

Options to Receive the Funds

- Single lump-sum: 100% of the funds the borrower is approved for
- Initial lump-sum with subsequent advances: The borrower initially takes less than 100% of the approved funds and sets the rest aside. The funds may be available to them in the future, subject to HomeEquity Banks' approval and the terms and conditions of their loan agreement

Maximum LTV

- Up to 55% for a CHIP Reverse Mortgage (dependent upon age, location and type of home)

Mortgage Amount

- Minimum $25,000 for lump-sum initial advance
- Minimum $5,000 for each subsequent advance, if applicable

Terms *(see Rate Sheet for rates)*

- 6-month fixed, 1-year fixed, 3-year fixed, 5-year fixed, and variable rate

Prepayment Privileges

No prepayment charge applies:

- On regular interest payments of a fixed amount by automatic withdrawal
- On a single prepayment up to 10% of the outstanding principal and interest made within 30 days following each anniversary date
- After 5 years of the initial advance, give HomeEquity Bank three months' written notice of your intention to make a payment, and the three-month interest charge is waived[1]

Amortization

- None

Payments

- No regular monthly payment is required

Current Rates and Fees

- Please see rate sheet for current rates and closing fees and ***homeequitybank.ca/fees*** for all other fees

Appraisal

- Required (approximately $350-$500 for most properties)

Independent Legal Advice

- Required (approximately $700-$1,000)[2]

Property Taxes

- Must be up-to-date, if not, it can potentially be paid out of the mortgage proceeds

Portable

- Yes, the CHIP Reverse Mortgage is portable

Documentation Requirements[3]

- A copy of the confirmation of property taxes paid
- A copy of current home insurance policy
- A copy of your up-to-date government photo identification such as a passport, driver's license, etc.
- A copy of the confirmation of school taxes paid

[1]Interest rate act requirement.
[2]Additional legal costs may apply if additional legal work is required (eg. title issues). The independent legal advice charge is an estimate only and may vary beyond the specified range depending on individual circumstances.
[3]More information and documentation may be required at HomeEquity Bank's discretion. Interest rates, terms and products subject to change without notice. E. & O.E. ™Trademark of HomeEquity Bank.