Accessing home equity for bridge financing

Client Profile

Homeowners:
Female, Age 73 | Male, Age 80

Location:
Victoria, BC

Home value:
$2,600,000

Home type:
Single, detached

Registered & non-registered investments:
$1,000,000

Situation

Meet Miko and Ren

- Miko and Ren have decided it's the right time to rightsize. They would like to move closer to their daughter and grandchildren while reducing the responsibilities that come with maintaining a large, detached home.
- They've found a condominium in the same neighbourhood as their family that they would like to purchase, but the equity in their current home remains tied up until it sells.
- They're concerned the condo they want may no longer be available by the time their home sale is finalized, meaning they could miss the opportunity to live within walking distance of their family.
- They don't want to feel pressured to sell their current home quickly or accept a lower offer simply to make the timing work.
- While they could liquidate investments to fund the purchase, doing so could trigger tax implications and reduce the strategic flexibility that comes from preserving a range of financial options.

Traditional Options

Sell investments

- Disrupts financial plans and retirement portfolios
- May trigger large tax hit when investments are sold
- Drains their nest egg

A bridge loan

- Typically requires a firm sale agreement for the current home
- May require income qualification
- May not provide the flexibility needed if the sale takes longer than expected

Wait until the current home sells

- Risks losing out on their desired condo
- Delays the ability to move on their preferred timeline

HomeEquity Bank Enabled Plan

- ✓ Their financial professional recommends **HomeEquity Bank Custom Solutions**, which enable them to unlock home equity before their current home sells
- ✓ Approved up to **$1,328,500**
- ✓ Planned initial access of **$800,000** to purchase the condo
- ✓ **$528,500** remains available for future use without requalification to help cover moving expenses, furnishing the new home, or other needs

Outcome

- ✓ Able to secure purchase of their desired condo before the opportunity was lost
- ✓ Gained certainty and control over their move, allowing them to sell their current home on their own timeline and for the best possible value
- ✓ Able to transition seamlessly into their new condo
- ✓ Preserved investment portfolios and avoided potential tax consequences
- ✓ Access capital with no required monthly mortgage payments
- ✓ Flexibility to repay the borrowed funds at any time without prepayment penalties

To integrate reverse mortgage solutions into your business, speak with your **HomeEquity Bank BDM**. For more information, visit **HEBAdvisor.ca**.