



Debt Optimization: Meet Tina and Frank



Client Profile

Homeowners:	Female Age 71 Male Age 73
Location:	Kitchener, Ontario
Home Type:	Single, Detached
Home Value:	\$875,000
Registered Portfolios (Joint):	\$350,000
Debt:	\$175,000
Debt Payments (interest only):	\$1,123 monthly / \$13,475 annually



Situation

- Tina and Frank were both fortunate enough to take advantage of their company's early retirement packages and retired in their early 60's
- Together, over the last 10 years, they lived out their dream retirement lifestyle with luxury vacations, home renovations, and splurging on their grandkids
- Unfortunately, they miscalculated the cost of their new lifestyle and, over time, became overwhelmed with debt in excess of \$175,000
- As bills started to pile up, so did their financial stress. It has become more challenging to service their payments while on a fixed income, especially with today's fluctuating interest rates





Financing Debt Through a HELOC vs CHIP

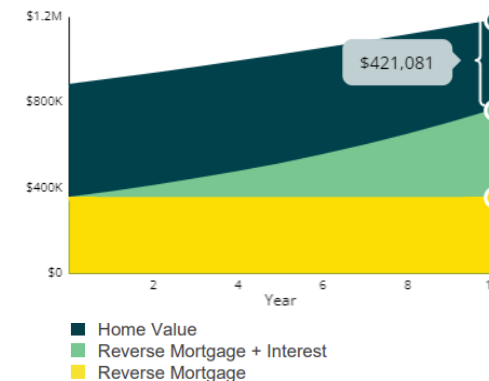
	HELOC (2022)	HELOC This Year	CHIP Reverse Mortgage
Interest Rate	2.70%	7.70%	7.69%*
Home Value	\$875,000	\$875,000	\$875,000
Loan Amount	\$175,000	\$175,000	\$175,000 <i>approved up to \$346,500</i>
Monthly Interest-Only Payments	\$394	\$1,123	\$0
Annual Interest-Only Payments	\$4,725	\$13,475	\$0

CHIP-Enabled Plan

Debt relief + access to extra cash for future needs



CHIP Reverse Mortgage
by HomeEquity Bank



Approved up to \$346,500.

- ✓ No payments required
- ✓ Able to repay outstanding debt, plus access an additional \$171,500 of tax-free cash
- ✓ Preservation of investments
- ✓ \$421K+ of home equity remaining after 10 years

*Interest rate subject to change.

For illustration purposes only.