

# CHIP Health

**Your guide to maintaining independence & achieving financial health**

Discover how CHIP Health is the perfect solution to achieve your financial health while staying in the home you love.



SPECIAL SUPPLEMENT PRESENTED BY

CHIPReverseMortgage™   
by HomeEquity Bank

Reader's  
Digest

# Older Canadians Face Many Challenges

Canadians are living longer than ever before, but many don't have enough saved up for retirement. A survey showed that 30% of Canadians have no retirement savings, and 19% have less than \$50,000 saved. And many Canadians don't have pensions.<sup>1</sup> Only 37% of paid workers were covered by a registered pension plan in 2017.<sup>2</sup>

Medical expenses are increasing. Between 2009 and 2019, the cost of public healthcare insurance rose by 20.9%.<sup>3</sup> And public healthcare covers only about 70% of total medical expenses. Those without private insurance spend over \$5,000 per year for things like prescription drugs, mobility aids, dental care, physiotherapy, hearing aids and glasses. An accident, illness or long-term disability may lead to expenses you haven't budgeted for.

## There's No Retirement Like Home

Did you know that 93% of Canadians aged 65+ want to stay in their current home during retirement? It's not surprising that many Canadians, like you, don't want to leave the home they've worked hard for and built so many memories in. In addition to physical and mental health benefits, staying in your home lets you maintain your independence and remain close to family and friends.

The largest asset that most people have is their home. If you're thinking about selling yours, keep in mind that the average rent is considerably higher than the average cost of home ownership. Moving to a retirement home is another option, but it can cost over \$5,000 per month.<sup>4</sup>

The CHIP Reverse Mortgage® is the perfect financial solution for Canadians aged 55+, giving you the freedom to live retirement your way, in the home you love.

## What Is a Reverse Mortgage?

A reverse mortgage is a loan secured against the value of your home that enables you to convert up to 55% of your home's value into tax-free cash. You maintain full ownership and title of your home, and there are no monthly mortgage payments required. As long as you meet all your mortgage obligations, repayment is only required once you choose to move or sell. The amount you eventually repay will never exceed the fair market value of your home.<sup>5</sup> All you must do is maintain your property and pay the taxes and insurance.



## How Do I Qualify?

To be eligible for a reverse mortgage, you must be a Canadian homeowner aged 55+, and the home must be your primary residence.

The CHIP Reverse Mortgage is provided by HomeEquity Bank, a federally regulated Schedule 1 Canadian bank that was founded in 1986 and is endorsed by partners like CARP and the Royal Canadian Legion.

## Spend Your Tax-Free Cash Any Way You Like

The money from a reverse mortgage can be accessed in one lump sum or in instalments over time – it's your choice! After paying off any existing loans secured by your home (like a conventional mortgage), you can use the remaining cash for whatever you like.



Pay for healthcare



Cover monthly expenses



Renovate or retrofit your home



Pay off existing debt



Travel

**& so much more!**

1. CIBC. (2018). Am I saving enough to retire? Vast majority of Canadians just don't know: CIBC poll; 2. Statistics Canada. (2019). Pension plans in Canada, as of January 1, 2018; 3. Fraser Institute. (2019). The price of public health care insurance, 2019; 4. Ontario.ca. (2019). Find a retirement home; 5. The guarantee excludes administrative expenses and interest that has accumulated after the due date.

# How to Use the CHIP Reverse Mortgage to Age in Place



## 1. Supplement Your Income

Many Canadians find they don't have sufficient savings or pension income to manage day-to-day expenses in retirement. The CHIP Reverse Mortgage can be used to supplement your income to pay for home maintenance.

As you age, getting some help for chores may be necessary so you can stay in the home you love. This can include getting someone to regularly:

**Clean your house | Cut the grass | Remove snow | Service the pool**

If you like to cook at home, you can also use a shopping service, where someone does your shopping and delivers it to you or accompanies you to the store.

## 2. Make Minor Home Improvements

Is your home showing signs of wear and tear after all these years? Use the money you receive from the CHIP Reverse Mortgage to make minor improvements around your home, whether they're to:

- Fix the growing list of repairs (e.g. new roof, repaving the driveway, window screens, grouting tiles, deck boards)
- Replace a water heater or furnace
- Install small mobility aids (e.g. grab bars, lever or touch faucets, sprayer attachment for showerhead, shower chair)

You could also choose to modernize decor with fresh paint and new furniture. Or maybe it's time to update your appliances. By keeping your home up to date and in good repair, you could increase its value and, most importantly, you'll enjoy living in it even more.

## 3. Invest in Major Home Modifications

Aging in place safely means you may have to invest in certain devices or home modifications that you didn't budget for. Many people need to carry out some kind of renovations, inside and out, to make their home more accessible.

The fact is, 63% of injuries involving those aged 65+ are the result of a fall, and 55% of them occur at home.<sup>6</sup> The tax-free cash from your CHIP Reverse Mortgage can be used to make bigger home modifications so that you can be safe and comfortable in your home for many years to come. You may need to make larger investments; one-time costs of up to \$50,000, such as:

- Handrails
- A chair lift
- Ramps
- Adaptive furniture
- A specialized wheelchair
- A first-floor bathroom

- Widened doorways
- A renovated kitchen
- A new vehicle

## 4. Afford At-Home Care

If you find that some daily chores are becoming too much for you, you can use the money from your reverse mortgage to pay for at-home care. You could have a personal care worker or nurse come during the week. These services will do everything from helping you get in and out of bed to cleaning the house, doing the laundry and preparing meals. This can be particularly valuable after a release from a hospital post-surgery. On average, it can cost **\$1,000 to \$3,500 per month**, depending on the number of hours.

Funds from the CHIP Reverse Mortgage can also be used to pay for 24-7 home care. For overnight care or live-in arrangements, the cost ranges from **\$58,000 to \$75,000** per year, whereas for 24-hour in-home care service, you may have to pay over **\$200,000** per year.<sup>7</sup>

6. Statistics Canada. (2015). Injuries in Canada: Insights from the Canadian Community Health Survey; 7. Financial Post. (2015). Life after retirement: Health care costs require careful planning.

# Let Your Home Take Care of You

With a CHIP Reverse Mortgage, you can use your home's equity to afford a range of health and wellness expenses, including prescription drugs, alternative therapies, post-surgery recovery or ongoing care for a chronic illness. You'll also be able to pay for the upkeep and retrofits needed to stay in your home.



## Health & Wellness

Prescription drugs	\$450/year <sup>8</sup>
Private health insurance premiums	\$550/year <sup>8</sup>
Gym membership	\$800/year <sup>9</sup>
Massage, physiotherapy & acupuncture	\$700/year <sup>9</sup>

## At-Home Care<sup>9</sup>



Post-surgery care	\$1,000 – \$3,500/month
Personal care worker or nurse	\$12,000 – \$42,000/year
Overnight or live-in care	\$58,000 – \$75,000/year
24-hour in-home care	\$200,000+/year

## Home Maintenance<sup>9</sup>



Cleaner every 2 weeks	\$3,120/year
Grass cutting or snow removal	\$1,200/year
Monitoring system	\$1,000/year
Pool opening, closing & monthly cleaning	\$2,000/year

## Home Improvements & Mobility Aids<sup>9</sup>



Stair lift	\$1,200
Ramps	\$8,000
Cane or walker	\$150 – \$400
Scooter	\$2,400
Wheelchair	\$4,000
Curbside shower or walk-in tub	\$5,000
Kitchen reno	\$25,000



# What Customers Say About CHIP

Discover how the CHIP Reverse Mortgage has helped Canadian homeowners aged 55+ get the financial independence they need to live retirement their way.

## Very pleasant experience

Very pleasant experience. Process was easy and although we had problems (my wife had to have open heart surgery midway through the process), everything went well; we now have our money, and our line of credit paid off. Life is easier. Thanks to all involved.

– William

## We needed money to retrofit our home...

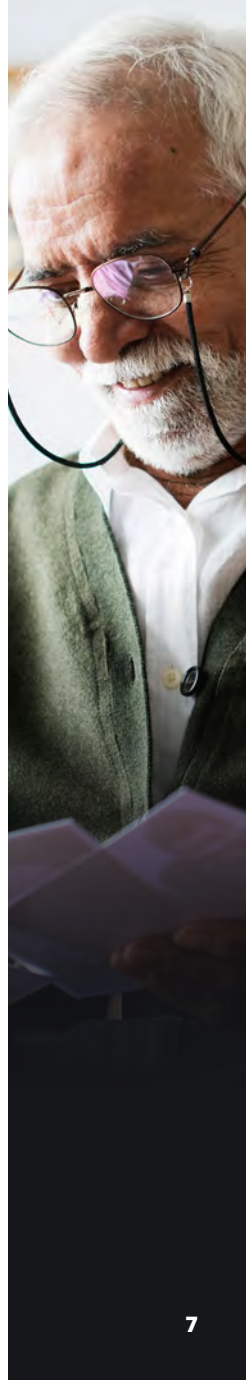
We needed money to retrofit our home after some recent health problems. The reverse mortgage helped us pay for significant improvements with a smarter design. Now both of us can get around safely and easily. It looks great too!

– Janice N.

## The reverse mortgage helped us...

The reverse mortgage helped us get the cash and support we needed to stay in the home we love. Because of my wife's Parkinson's, it was hard for us to manage the housework, her extra care and the medical expenses. Now we can afford a personal support worker who cooks, cleans and helps my wife with daily tasks. I couldn't be more grateful for the financial peace of mind, knowing we can live at home together for many more years.

– Jan M.





**92%** Recommended  
**Excellent**

Rated 4.6 out of 5 based on 439 reviews on Trustpilot

### Thanks to CHIP Reverse Mortgage

Thanks to CHIP Reverse Mortgage, I am able to stay in my home after the death of my husband. The thought of having to move while dealing with grief was overwhelming. With the funds from CHIP, I was able to eliminate debt from mortgage and vehicle payments while I have the ability to travel. I have time to figure out where my next home should be.

- Carol

### Since I completed my transaction my...

Since I completed my transaction, my life has changed for the better in every way, even my health, but most of all my feeling of security. For that I am most grateful and for that I thank you.

- J. William

### Best decision ever!

I no longer have to worry about my future, knowing I have the funds to comfortably deal with future healthcare needs and in the meantime, can enjoy my life!

- Susan D.

## Need some extra cash?

Call now to find out how much tax-free cash you can get with the CHIP Reverse Mortgage! Access up to 55% of the value of your home - with no monthly payments required.

**Call 1-866-758-2447**

Proud Supporter and Partner

