

Generating Retirement Income

Meet Javier



Client Profile

Homeowner:
Male, Age 68

Location:
Ottawa, Ontario

Home Type:
Condo

Home Value:
\$599,900

Registered Portfolios:
\$140,000

Debt:
\$100,000

Debt Payments (interest only):
\$640 monthly | \$7,680 annually

Situation

- ✓ Javier moved to Canada later in life, seeking a peaceful retirement. He now lives alone in a modest 2-bedroom condo, a comfortable home he has grown attached to over the years.
- ✓ While financially stable, Javier faces growing concerns. He owes \$100,000 on his mortgage and has \$140,000 in registered investments, including his RRIF, managed by his Financial Professional. He also has a defined benefit pension plan worth \$86,000, providing a steady income.
- ✓ Despite careful planning, Javier's financial future looks uncertain. His registered investments are projected to run out by age 83, leaving him with an annual cashflow shortfall of nearly \$18,500. This gap could total \$142,500, putting him in a tough spot.
- ✓ Javier knows he will face a difficult decision impacting his lifestyle: either cut back on the comforts he enjoys or sell his condo and downsize, losing a home he loves.



Let's find a solution!

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Recommended Approach for Javier

Financing Debt Through a HELOC vs CHIP	HomeEquity line of credit (HELOC)	CHIP
	HELOC 2024	
Interest Rate*	7.20%	6.99%
Home Value	\$599,900	\$599,900
Loan Amount	\$100,000	\$100,000 <i>approved up to \$255,000</i>
Monthly Interest-Only Payments	\$600	\$0
Annual Interest-Only Payments	\$7,200	\$0

*Interest rate subject to change.

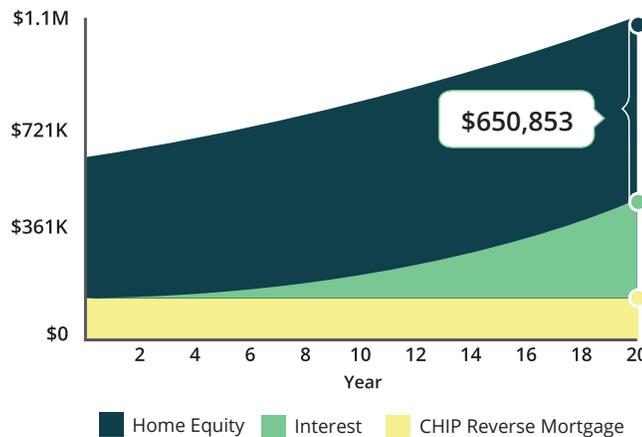


CHIP Reverse Mortgage Enabled Plan Debt relief + access to extra cash for future needs



Approved up to \$255,500

- ✓ No payments required
- ✓ Javier can pay off his mortgage and avoid the monthly debt payments
- ✓ He can blend his investment portfolio with the remaining \$155,500 from his CHIP Reverse Mortgage
- ✓ Maintains relationship with his Financial Professional
- ✓ \$650,000+ of home equity remaining after 20 years



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