

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.



Let's find
a Solution!

Recommended Approach for Tina and Frank

Financing Debt Through a HELOC VS CHIP	HELOC		CHIP
	HELOC 2022	HELOC 2023	
Interest Rate*	2.7%	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

*Interest rate subject to change.

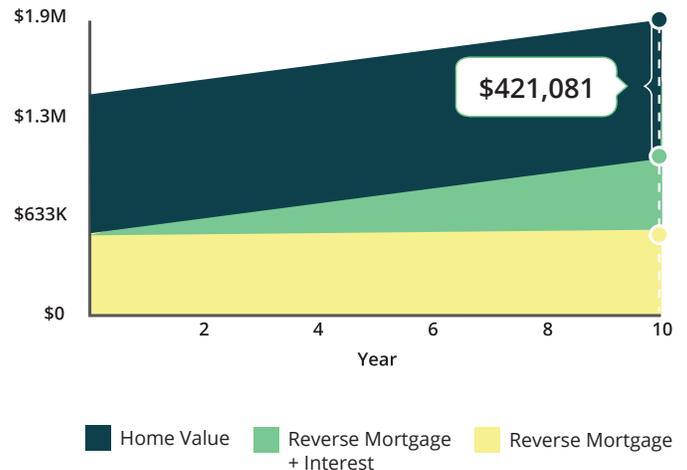


CHIP Reverse Mortgage Enabled Plan Debt relief + access to extra cash for future needs



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



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