



Term Reverse Mortgage

Access home equity when there is a well-defined exit strategy

When there is a change in household income later in life, it can become challenging for a homeowner to make their mortgage payments.

Our Term Reverse Mortgage can provide payment relief. To qualify, there must be a defined exit strategy in place; either their home is sold within one to three years or refinanced with a traditional reverse mortgage at the end of the term.

This mortgage is an ideal interim option for the mature borrower who plans to sell, whether that is to downsize, right-size or transition to assisted or senior living.

Want to know more? Talk to us.



**Mortgage
Broker
Services**



Term Reverse Mortgage

Loan purpose	Refinance only
Mortgage type	First mortgage only
Maximum loan amount	\$800,000
LTV	Up to 55% including accrued interest
Term	1–3 year closed
Commitment fee	1%
Income documentation	Borrower(s) must confirm they have the income to pay property taxes, insurance and maintenance, including utilities such as heat, hydro, etc.
Beacon score	650 minimum
Borrower's age	Minimum 60 years for all borrowers
Property type	• Only owner-occupied residential properties with 1–4 units • In prime markets with continuing demand for resale
Ineligible properties	Rentals, high-rise condominiums
Renewals	• Borrowers must pay out the mortgage at the end of the term. • Renewal for one additional year may be considered subject to having a defined exit strategy and a desired LTV at maturity.
Client interview	Mandatory interview with IC Savings prior to funding
ILA	Required for all borrowers at their expense
Appraisal	• Full appraisal is always required. • See listing of approved appraisers at icsmb.ca.
Rate hold	60 days
Early payout	• Closed, unless arm's-length sale agreement is provided • Penalty is the greater of 3 months' interest or IRD. • Prepayment privilege 20%+20% allowed on anniversary date.
Payments	While borrowers are not required to make payments, they may choose to make principal and interest (P&I) payments with their own resources to minimize the cost of borrowing.
Property taxes	To be paid by borrower. Proof no taxes owing.
Exit strategy	Sale of subject property or refinancing to a traditional reverse mortgage
Lawyer	Borrower to use an IC Savings-approved solicitor for funding.