



Equitable Bank

Reverse Mortgage

Here are answers to some common questions you may have.

1. How do I sign into myEquitable?

myEquitable is an easy way to keep current with your mortgage details. Once you've created an account, you may conveniently generate statements, submit service requests and view details of your mortgage or loan with Equitable Bank.

Follow the instructions below to create a myEquitable account:

1. Go to <https://my.equitablebank.ca/>
2. Scroll to the bottom and select "Sign Up"
3. Enter your email address, desired password and personal information. This is used to locate your account. It is important that your name is entered exactly as it appears on your mortgage documents.
4. Click 'Create Account'. You will receive an email with a passcode.

Once you have entered the passcode, you will be asked for your Equitable Bank mortgage number and the date of your first mortgage advance.

If you are experiencing any issues signing up or logging in, please contact us at 1-888-334-3313 or customerservice@eqbank.ca.



2. How do I make optional interest payments?

Monthly interest can be paid through your online bank account (electronic bill payment) or via monthly cheque. Please note that payments must be made from your account, not from someone else's account and that a minimum balance outstanding of \$25,000 must be maintained. You can view your accrued interest balance at any time by signing into myEquitable or by contacting us at 1-888-334-3313 or customerservice@eqbank.ca.

Bill Payee: Equitable Bank Mortgages

Account Number: 6-digit mortgage number

If you'd like to pay a set amount of interest each month, you can organize a recurring bill payment in the desired amount through your online bank account, bank branch or over the telephone with a representative. It's important to take note of what your monthly interest balance is when organizing this. Confirm this through myEquitable or by contacting us. The reason for this is should an overpayment be made, the overage will be applied to principal and will be counted as your one annual principal repayment privilege of up to 10% within a 12 month period. This matters to those who are closely managing their principal prepayment privileges. Clients making a one-time prepayment are encouraged to contact Equitable Bank Customer Service to verify the amounts.





3. What are my options when it comes to receiving single or recurring advances?

You can receive advances via cheque or direct deposit. To receive future advances directly in your bank account, we require your banking information to be on file (i.e., a void cheque or direct deposit form). This can be sent to us in the following ways:

- Through your myEquitable account (via a secure message)
- Faxed to 1-888-270-3954
- By phone to 1-888-334-3313
- Emailed to customerservice@eqbank.ca.

Once we have your banking information on file, you can request an advance via your myEquitable account through the “Request an Advance” button. Alternatively, you can give our Customer Service team a call!

4. What’s the most I can prepay monthly, without incurring a charge?

You may pay up to the total amount of accrued interest once per calendar month. You may get the most updated amount of accrued interest at any time online from myEquitable. You may also contact customer service for this information. There is no charge for prepaying interest and up to 10% of your Principal within a 12-month period. Note that a minimum balance of \$25,000 must be maintained.

5. How does Equitable Bank confirm receiving prepayments to the loan balance?

You may view your updated loan balance, including prepayments, online through the myEquitable portal or by calling Equitable Bank’s Customer Service. Remember that any payments you elect to make will first be applied to accrued interest and fees, then to principal.



- 6. Do prepayments show up on the Information Statements?**
The individual prepayments are not specifically identified on the Statements. You will see the updated principal and accrued interest balances after a prepayment has been applied.
- 7. Is there a monthly date that prepayment monies may be paid? If so, please advise on the best procedure.**
You can make interest payments one time in each calendar month on any date. You may not make two payments within the same calendar month, but you do not have to wait for a certain date in the next calendar month.
- 8. At interest rate reset, do I need to get another appraisal on my home?**
No re-appraisal is required.
- 9. At interest rate reset, do I need to send a copy of my insurance policy?**
No, you do not need to send. That said, keeping a fire insurance policy active is a requirement of the mortgage.
- 10. Are there any service fees on my account?**
The fees applicable to your mortgage are only charged when certain events occur. Please refer to your Equitable Bank Credit Agreement (which contains the Fee Schedule) and Statement of Disclosure for more information about fees and borrowing costs.
- 11. How do I return my signed Interest Rate Reset Agreement?**
We kindly ask that you return the Agreement which has been initialed for the option you selected and signed by you. You may send this by scan and email or by fax at 416-515-7001 (attention: Mortgage Renewals).



12. How is interest calculated on my reverse mortgage?

Interest is calculated off the Outstanding Balance which is the combination of completed advances, accrued interest and fees, charges or costs incurred in connection with your Reverse Mortgage less any payments.

Interest is calculated using the daily equivalent (i.e. rate/365 days) of your interest rate and accrues each day following the advance date. Fixed mortgages compound interest twice per 12-month period, not in advance, and adjustable mortgages compound each month.

Equitable Bank offers 1, 2, 3 and 5-year fixed rates and a 5-year adjustable rate (ARM) mortgages which is based off our Equitable Bank Reverse Mortgage Prime Rate.

13. How are prepayment charges calculated?

If you pay more than your Prepayment Privilege allows, you will incur a Prepayment Charge, which is based on the time of your prepayment, the amount being prepaid in excess of the Prepayment Privilege and the Annual Interest Rate at the time of your prepayment.

a. **Prepayment during Years One (1) to Five (5):**
The Prepayment Charge is:

- (i) **Five (5) Months' Interest Amount** for prepayment during Year One (1);
- (ii) **Four (4) Months' Interest Amount** for prepayment during Year Two (2); or
- (iii) **Three (3) Months' Interest Amount** for prepayment during Years Three (3) to Five (5).





- b. **Prepayment during Years Six (6) to Ten (10):** The Prepayment Charge is **Three (3) Months' Interest Amount**, unless you provide three (3) months' prior written notice in which case there is no Prepayment Charge.
- c. **Prepayment after Year Ten (10):** You may prepay the entire Outstanding Balance without a Prepayment Charge at any time.

Please note that, unless you are prepaying the entire Outstanding Balance of your Equitable Bank Reverse Mortgage, the Current Principal Amount after your prepayment, inclusive of any Prepayment Charge, must remain at least \$25,000.

Refer to your Statement of Disclosure for more information on prepayment rights and privileges.

To calculate your estimated charge, please visit our Reverse Mortgage Prepayment Charge Calculator [here](#).

14. What is the difference between a maturity date and the interest rate reset date?

The Equitable Bank Reverse Mortgage does not have a maturity date. The mortgage comes due when (i) the property is sold or title/ownership changes (ii) the last borrower on title passes (iii) the borrower no longer resides in the property for at least 6 months per year (iv) property taxes and / or fire insurance policy are not kept current and/or (v) the borrower defaults on other terms.

Your Annual Interest Rate will reset on the Interest Rate Reset Date throughout the life of your Equitable Bank Reverse Mortgage. The term you choose (i.e., 1, 2, 3, 5-Year Fixed and 5-Year Adjustable Rate) should depend on your outlook for interest rates (going up or down), convenience of setting a rate and leaving it for a period of time, and when you intend to payout your mortgage. Remember that if a prepayment charge is triggered, the rate applied is your current rate.



15. What are my options to prepay without incurring a charge?

Interest Payments:

Prepay any of the Interest outstanding once per calendar month, provided that the Current Principal Amount remains at least \$25,000. You can reduce interest accumulation by limiting the amount or frequency of planned advances and by requesting additional funds only as needed.

Lump sum Prepayments of Current Principal Amount:

Make a lump sum prepayment of up to 10% of the Current Principal Amount, once in each 12-month period starting on the Date of Initial Advance or the anniversary of that date, provided that the Current Principal Amount remains at least \$25,000 and all outstanding interest has been paid. To avoid any prepayment charges, your prepayment must not exceed your allowable Prepayment Privilege.

Prepay on the Interest Rate Reset Date:

After five (5) years, make a partial prepayment of the Current Principal Amount or pay the Outstanding Balance in full without a Prepayment Charge within thirty (30) days prior to the Interest Rate Reset Date, provided that, in the case of a partial Prepayment, the Current Principal Amount remains at least \$25,000 and all outstanding Interest has

Prepay after Ten (10) Years:

After ten (10) years, make a partial prepayment of the Current Principal Amount or pay the entire Outstanding Balance at any time without a Prepayment Charge, provided that, in the case of a partial prepayment, the Current Principal Amount remains at least \$25,000 and all outstanding Interest has been paid.

16. Is my reverse mortgage portable to a new property?

Yes. Our reverse mortgage is portable, subject to the new property meeting our eligibility conditions.

17. When and how can I refinance to access more equity as property value increases?

There is no minimum period to refinancing, however you must qualify for at least \$25,000 more than your current mortgage. Refinancing a reverse mortgage may require a payout of the existing mortgage and the creation of a new one which can include a prepayment charge along with appraisal, independent legal advice, mortgage closing and discharge fees.



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Mortgage broker contact information added for client convenience. Lender material remains Equitable Bank content.

