



CHIP Home Income Plan or Secured Line of Credit: What's right for you?

Compare the key features of your borrowing options to see which one best fits your personal situation

	CHIP Home Income Plan	Secured Line of Credit
Amount Available	<ul style="list-style-type: none"> Up to 40% of the value of your home, based on your age and the value, location and type of home you own No income qualification required 	<ul style="list-style-type: none"> Up to 75% of your home's current appraised value
Eligibility	<ul style="list-style-type: none"> Age 60 or older Living in principal residence Outstanding loans secured by the home must be less than the funds available from CHIP 	<ul style="list-style-type: none"> Based on credit history, income and property value Reviewed annually and can be withdrawn
Monthly Payments	<ul style="list-style-type: none"> No regular payments required If you choose to pay the full year's accrued interest (monthly or annually) you qualify for a 1.00% discount on your discount review date 	<ul style="list-style-type: none"> Principal and/or interest-only payments required Current cash flow must be able to accommodate monthly payments
Repayment Options	<ul style="list-style-type: none"> Full amount only becomes due when both spouses pass away, when the home is sold, or if you move out Option to pay in full at any time 	<ul style="list-style-type: none"> In full or in part at any time
Interest Rate Options	<ul style="list-style-type: none"> Option of Fixed or Variable rates Discounts up to 1.50% available 	<ul style="list-style-type: none"> Variable
Fees	<ul style="list-style-type: none"> Appraisal Fees: \$175 – \$400 Independent Legal Advice: \$300 – \$600 Legal & Closing Costs (added to the CHIP Home Income Plan so you don't have to pay them directly): \$2,495 	<ul style="list-style-type: none"> Appraisal Fees: \$175 – \$400
Other Considerations	<ul style="list-style-type: none"> No regular payments required, and household income does not affect eligibility Property taxes, fire insurance, condominium or maintenance fees must be up-to-date Property must be maintained in good condition 	<ul style="list-style-type: none"> Payments continue to be required regardless of changes in personal circumstances or household income Repayment of full amount required if loan is not re-qualified during credit review Missed payments may affect credit rating



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Use this worksheet to see which option best suits your personal situation

	CHIP Home Income Plan	Secured Line of Credit
Amount Available	\$ _____	\$ _____
Minimum Monthly Payments	\$0	\$ _____
Interest Rate	_____ %	_____ %
Set-up Fees	<ul style="list-style-type: none"> • Appraisal Fees: \$175 – \$400 • Independent Legal Advice: \$300 – \$600 • Legal & Closing Costs (added to the CHIP Home Income Plan so you don't have to pay them directly): \$2,495 	Appraisal Fees: \$175 – \$400 \$ _____
Can the Lender Request Repayment?	No: you just have to maintain your property and pay your property taxes, fire insurance and condominium or maintenance fees	Yes, if you miss a payment or don't re-qualify
Payment Protection	Not required	Do you qualify for creditor insurance? <input type="checkbox"/> No <input type="checkbox"/> Yes Cost: \$ _____

CHIP presents this information as an example only and not as advice. Contact your financial advisor to discuss how these examples may relate to your personal situation.

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