

Today's seniors are discovering...

# Home is where the money is.

Your home is where your heart is. It's also comforting to know your home is a substantial part of your personal wealth and an important asset that can benefit your retirement lifestyle.

So, what is the best way to tap into that asset? Manulife One provides an easy, effective and cost-efficient way of accessing the equity you've built in your home.

## One account is better than many

Manulife One combines all your borrowing, spending and income deposits into a single account. The account allows you to access up to 80 per cent of your home's market value whenever you need it and provides a way to repay that debt faster than if you kept your savings and income in separate accounts.<sup>1</sup>

## Repaying what you borrow is simple

When your regular income is added to your Manulife One account, any debt is instantly reduced when the deposit is made. Your money is immediately working for you to reduce loan interest costs until you need it for your monthly expenses.

## An attractive alternative to a reverse mortgage<sup>2</sup>

Most reverse mortgages allow you to access your home's equity but can have conditions that may make it a difficult financial product to understand and use. If you are considering a reverse mortgage, be aware of high set-up fees, lower credit limits, withdrawal schedules and a large interest charge when you sell your home.



With Manulife One, your first appraisal is free\*, and there is no minimum withdrawal required – borrow only when (and if) you need it. Plus, with your income flowing into the account, there should be no additional interest payment required when selling your home.

## Other Manulife One benefits include:

- For seniors age 60 and over, a discounted Unlimited Daily Banking fee of \$9.95 for unlimited banking transactions and account inquiries. The Unlimited Daily Banking fee will be waived when there's a total positive balance of \$5,000 or more across the account at the end of each month.
- When you don't need to borrow, you'll earn high interest on every dollar you deposit – no minimum balance, no limit on the amount of banking you do.\*\*
- You will always have quick and easy access to your funds. Your access card gives you self-serve control over your all-in-one account. You can use your card for online banking and to make debit purchases.

Your home is where your heart is – **but it can also be your best financial friend.**

\* Some conditions may apply.

\*\* Interest earned is calculated on the daily closing balance and added to your account monthly.

## A better alternative to a reverse mortgage

|                                 | Manulife One  | Typical reverse mortgage   |
|---------------------------------|---|--|
| <b>Eligibility</b>              | 18 years of age and over  | 55 years of age and over   |
| <b>Cost to open</b>             | None <sup>2</sup>   | Legal, appraisal and administrative fees   |
| <b>Interest rates</b>           | Rates for Manulife One are typically lower than the rates available for reverse mortgage products.  |  |
| <b>Credit limit<sup>3</sup></b> | Typically 50 per cent of the appraised value (available to 80 per cent) <sup>1</sup>  | Up to 50 per cent of the appraised value   |
| <b>Security position</b>        | First and second position   | First position only  |
| <b>Maximum amount</b>           | The lesser of:<br>a. \$3 million, or<br>b. 80 per cent of the first \$1.5 million plus 50 per cent of the remaining amount.   | Threshold is typically \$1 million   |
| <b>Minimum amount</b>           | \$75,000 for first position (\$50,000 for second position)<br>But no drawdown required  | <ul style="list-style-type: none"> <li>• \$20,000 for initial lump-sum withdrawal with subsequent or scheduled advances.</li> <li>• \$25,000 minimum for single lump-sum advance.</li> <li>• \$1,000 for planned advances (no initial lump sum).</li> </ul>  |
| <b>Withdrawal requirements</b>  | None. Client may withdraw as little or as much as they like, up to the borrowing limit, whenever they like.   | <ul style="list-style-type: none"> <li>• Client withdraws funds as an upfront amount and/or regular withdrawals over time.</li> <li>• Subsequent lump-sum advances can be made however, there is an administrative fee.</li> </ul>   |
| <b>Access to funds</b>          | <ul style="list-style-type: none"> <li>• ABM cash withdrawal and debit purchases using access card.</li> <li>• Cheque-writing capabilities.</li> <li>• Bill payments and fund transfers using online, mobile or telephone banking.</li> <li>• Unlimited <i>Interac</i><sup>®</sup> e-transfers</li> </ul> | <ul style="list-style-type: none"> <li>• Must wait for scheduled advances.</li> <li>• Must call for any subsequent advances that have a minimum amount and administration fees.</li> <li>• Balance of mortgage cannot be viewed online.</li> </ul>   |
| <b>Repayment</b>                | <ul style="list-style-type: none"> <li>• As much as the client would like, whenever the client would like.</li> <li>• We recommend that clients pay interest for the variable rate portion.</li> <li>• Principal and interest payments for amortizing term sub-accounts.</li> </ul>                       | <ul style="list-style-type: none"> <li>• Can make principal payment but must pay total amount if it is within the first five years.</li> <li>• Maximum one payment per year towards partial or accumulated interest (unless regularly scheduled).</li> <li>• Maximum one payment per year towards a portion of the principal after five years, penalty may apply.</li> <li>• If no payments are ever made interest accrues until house sold or death.</li> </ul> |

<sup>1</sup> Clients who request a credit limit between 65 and 80 per cent of the value of the home must allocate the amount above 65 percent to a non-readvanceable term sub-account.

<sup>2</sup> Some exceptions may apply. A "Certificate of Independent Legal Advice" will be required if one or more of the applicants is age 75 or older.

<sup>3</sup> With Manulife One, client withdrawals cannot exceed the maximum approved borrowing limit and you must pay any accrued interest and fees which would increase the total debt beyond the borrowing limit. This differs from a reverse mortgage, where a client may not be required to make deposits into the account.

**Note:** The Unlimited Daily Banking fee is \$16.95 per month (\$9.95 for seniors). Fees are subject to change. Transactions include debit card purchases, bill payments, transfers, *Interac* e-Transfers and withdrawals from THE EXCHANGE<sup>®</sup> Network ABMs. Additional fees apply for ABM services not on THE EXCHANGE<sup>®</sup> Network, cross-border debit transactions and other banking services not included in the account package.

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Any costs over and above normal title search are the responsibility of the account holder.

**For illustrative purposes only.** (Source for reverse mortgage information: www.chip.ca)

For more information, please visit [manulifebank.ca](http://manulifebank.ca)



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