



Tips for a smooth reverse mortgage application

A broker's guide to seamless deals

Reverse mortgage requirements

- Clients must be 55 years +
- Client's home must be their principal residence for at least 6 months of the year
- Client must live in Ontario, Quebec, British Columbia, or Alberta
- All title holders must apply as joint borrowers

Primary guidelines

- Minimum property value of \$250,000
- Minimum initial advance amount of \$25,000
- Minimum \$5000 for each subsequent advance (Flex & Flex PLUS)
- Minimum \$500/month for each scheduled advance (set at origination)
- Property taxes and insurance must be paid and current (can be paid out using mortgage proceeds)

Application

Client information

- As the agent submitting the deal, please provide your name, email address, and phone number
- In the “applicant” section of the application, please enter the client’s contact information (email address and phone number)
- Provide the client’s property details, including the estimated value
- Confirm client’s marital status (married, single, divorced, widowed)
- Provide the age of all applicants
- Tell us your client’s income type (pension, salaried, business-for-self)
- **Please note:** Pension amount must be broken down to reflect current income, not predicted

Purpose of funds

What is the purpose of the deal?

- Debt consolidation
- Purchase
- Gift
- Other (please specify)

Credit details

- Our team will need to review the client’s recent credit bureau dated within 90 days of intended closing
 - No minimum credit score required; however, if the Beacon Score is less than 680, proof of income will be requested
- Include reasons for poor credit (bankruptcies, late payments, collections, and judgments, debts reporting past due)
- If the file is under power of attorney, please indicate in the application, as additional documents will be required
- If a title change is occurring (minimum 1 borrower must be on the title), submission notes should include the reasons why
- **Please note:** Equitable Bank does not allow second mortgages behind our first position reverse mortgage

Liabilities

- Please note, all debts secured against the title must be paid from the proceeds (some unsecured debts may be conditioned to be paid from the proceeds or personal savings, depending on deal)
- Rental property cash flow deficits, along with unpaid debts, will be added to liabilities

Income type

- Pension breakdown, type, and source must be added to the notes (e.g. OAS vs. CPP)
- If the client receives rental income, property address, monthly rental income, and mortgage balance to be noted
- For Business-for-self (BFS) clients, include brief description of the client’s business, including business name, nature of the business, and number of years operating
- For salaried clients, provide the name of their employer, how long they’ve worked there, how long they’ve been in the industry, and annual salary

Typical documentation requirements

- Signed Equitable Bank Reverse Mortgage Commitment Letter
- Two pieces of government issued identification
 - One to confirm name and date of birth
 - One to confirm name and address
- Fully signed and completed Consent for Electronic Delivery of Documents (must be signed by each borrower on the deal)
- Income (underwriting to confirm if required)
 - **Pension income**
 - ♦ Most recent year's pension statement (T4A) **OR** recent bank statement confirming pension deposits
 - **Salaried income**
 - ♦ Letter of employment, no more than 60 days old
 - ♦ Pay stub, no more than 60 days old
 - **Business-for-self income**
 - ♦ 3-6 months of bank statements, financial statements, **OR** 1-2 years NOAs (depending on deal)
 - ♦ Business license or Articles of Incorporation
- Subject property, current year's final tax bill, and mortgage statement (if applicable)
- Closing lawyer contact details
- Independent Legal Advice (ILA) contact details
- Appraisal (underwriting to confirm if required)

Upload documentation through Equitable Connect



Equitable Connect is an online document management platform, where brokers can easily upload their client's documentation, view all things associated to the deal, and communicate with underwriters and mortgage officers throughout the process.

Equitable Connect provides:

- A secure way to exchange and manage client documentation
- Enhanced communication throughout each deal
- Real-time status tracking

Contact your sales representative to learn more!

Process overview

1

Application

- Submit your client's application
- You'll receive an application acknowledgement email through Equitable Connect

2

Receive conditional approval

- The application will be reviewed by our underwriting team; this includes confirmation of client's eligibility and credit history
- If the underwriter confirms client is eligible to proceed without a full appraisal, an Equitable Bank Reverse Mortgage Commitment will be issued. This includes the amount your client may be eligible to receive, the initial advance, interest rate, terms, fees, and conditions
- If the underwriter confirms a full appraisal is required, an initial quote outlining available product options and interest rates will be issued based on the declared appraisal value. You have 7 days to confirm which option your client would like to proceed with. Once a full appraisal has been received, an Equitable Bank Reverse Mortgage Commitment will be issued based on the full appraisal results
- The client must sign and complete the Equitable Bank Reverse Mortgage Commitment within 14 days of receipt

3

Valuation & document submission

- Once we receive the Equitable Bank Reverse Mortgage Commitment, we will review the required documentation via our online portal, Equitable Connect
- Review of home appraisal (underwriting to confirm if required)
- Confirm client's preferred closing option, which is required for instructing the file (we will send an update when instructions are sent)
 - Please refer to our [Reverse Mortgage Closing Guide](#) for information on closing options

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Independent Legal Advice

- Documents will be sent to ILA lawyer by closing service or closing lawyer for client signing
- Client to sign documentation and ILA certificate to close the transaction

5

Approval & funding

- Closing lawyer to connect with client for execution of the mortgage
- Lawyer to confirm with client when funds are released



Ready to help your clients get started?

Browse the resources below and contact your sales representative to discuss opportunities.

- [Broker resource library](#)
- [Reverse mortgage solutions and rates](#)
- [FAQ](#)
- [Get a reverse mortgage estimate](#)
- [How to navigate Equitable Connect](#)

equitablebank.ca/reversemortgage