

Elderly woman in a dire straits gets needed cash

Cameron Wood
Mortgage Associate

After I recently helped an elderly woman enjoy her golden years by avoiding the dire situation she was in, I quickly realized that you might not know that there is an option for you too.

She is single and had a small mortgage with lots of equity in her home. We first looked at the option of getting a regular mortgage. Unfortunately, she couldn't afford a new mortgage with the little retirement income she had. Actually, she couldn't even afford to get a new mortgage for the same amount that she currently had. Her situation was dire. There was not enough money to last to the end of the month. She had pennies in her pocket and not much food in the fridge. Her fire insurance had lapsed, because she did not have the money to pay it. She is 74 years old. Now that she's in her "Golden Years", doesn't she deserve to live more comfortably than this? Unfortunately, this scenario is all too familiar for many of our elderly.

After looking at her options, one option became obvious as the best solution for her. Let's look at this unique solution that is available to a growing number of elderly Canadians and in these economic times it might be the best solution for you.

A reverse mortgage? What the heck is that? For those of you that know, a reverse mortgage has some negative associations. Many of them might be because you have to be over 60 years old. And we've all heard the horror stories of people abusing and preying on the elderly. The senior's

children may think that the reverse mortgage is stealing their property and that they lose control of their home and on and on.

The truth is a reverse mortgage is similar to refinancing your home to take equity out. It can be used for whatever purpose, which could be to provide a quality of life in one's declining years. The difference is that you do not have any payments to make. This option is ideal for some people who have large equities in their home, and who meet the criteria, but not all. Let's cover some main points of a reverse mortgage to shed the light on this subject that maybe getting a bad and unjustified rep around the coffee machine.

The first point of a reverse mortgage is there is an age restriction. You must be 60 years or older and this age qualification applies to both you and your spouse.

You can receive up to 40% of the value of your home. This can range from a minimum of \$20,000 to a maximum of \$500,000. The specific amount is determined by the current appraised value of your home, your age and that of your spouse, and the location and type of home you own. You receive the money tax-

free. Because it's a loan, it's not added to your taxable income, so it doesn't affect Old Age Security (OAS) or Guaranteed Income Supplement (GIS) government benefits you may receive. This is a definite plus.

No payments are required while you or your spouse live in your home. The full amount only becomes due when your home is sold, or if you move.

You maintain ownership and control of your home. This is critical. You will never be asked to move or sell to repay your reverse mortgage. All that's required is that you maintain your property and stay up-to-date with property taxes, fire insurance and any condominium or maintenance fees.

You keep all the equity remaining in your home. Typically, 99 out of 100 homeowners have money left over when their reverse mortgage is repaid. And on average, the amount left over is 50% of the value of the home when it is sold.

HomesPlus
Would you like more information on advertising in our **HomesPlus** section?
Call **780-986-2271** or **780-987-3488** and ask for a sales consultant
HomesPlus

New Listing - Calmar
Character home with most of the original features, arched windows, hardwood flooring, butlers pantry and more, but with all the upgrades done, electrical, plumbing, some new windows, newer furnace and water heater. New fence and exterior paint. 4 bedrooms. 2077 sqft. Full unfinished basement. Across the street from skating and curling rinks. \$199,900 MLSE3195896

New Listing - Leduc
2 storey, backing treed green space in Tribute. 3 bed, 3 bath. Good size kitchen and living room. Single garage with extra head room. Deck out back w/ privacy screen. Chain link fencing. \$294,000 MLSE3194714

Winfield Farm
155 acres of pasture land with a good mix of trees. Services on property. All fence panels and gates included. Property currently used for horses. Close to Buck Lake and the town of Winfield. Call for details of what all you get for \$250,000. MLSE# E3189541

Come On In
and check out my new interior. I may be a 1940 solid construction, but my effective age is 15 yrs. Priced below assessed value. I need new owners asap. I have a new furnace, water heater, roof, updated electric, plumbing. No need to do anything for you to enjoy my spacious 185 ft lot with dbl garage. You'll be pleasantly surprised for the reduced price of \$269,900. E3193222

Foreclosure in Calmar
The bank says sell this home. Located on crescent backing green space. Fenced, landscaped and move in ready. 4 bedrooms, master en suite, 3rd floor laundry, gas fireplace, hardwood floors on 2 levels. Entertain friends on the main level and the kids can hang out on the 3rd level and still be within earshot or finish the basement for even more space. MLSE# E3187608 Priced to sell at \$315,000

1/2 Acre in Town
1/2 acre lot with older home and newer dbl garage on corner facing main street in Calmar. Priced to sell at \$199,950. MLSE# E3179571

Lot in Warburg for sale \$21,900 51x121

Century 21 Hi-Point Realty
4714 - 50 Ave. Calmar
Email: galavan3@telus.net
www.century21.ca/barbara.sorenson
780-985-3255
Barbara Sorenson

READY TO BUILD THIS FALL?



JACOB'S Construction Ltd.
Custom Built Homes

For More Information call Clancy at 780-499-4116

Loretta Hawthorne
RE/MAX 780-504-7211
HERITAGE www.starseller.net
#101, 5001-30 Ave., Beaumont

SUPER STARTER HOME IN BEAUMONT. PRICED AT \$319,900. NOW SOLD...



Mobile to be moved. 2x6 construction, 1990 Triple E, very well maintained, newer vinyl windows. Newer fridge & dishwasher, well insulated... excellent value at \$69,900. Close to Leduc. Call Loretta to view. 780-504-7211.

PRIME BEAUMONT LOCATION
Bonus room with fireplace, laundry on upper level, flex room on main. Jacuzzi tub. 2420 sq. ft. with unlimited quality. Priced at \$479,500. Call Loretta direct at 780-504-7211.

OPEN HOUSES

#88 WINDROSE DRIVE, LEDUC
Cornerbrook Homes
Mon. - Thurs. • 5 pm - 8 pm Sat., Sun. & Holidays • 12 pm - 5 pm
For info call **Grant, Harry or Rod**
Royal LePage Gateway Realty
780-986-8407

#92 WINDROSE DRIVE, LEDUC
Tues. - Thurs. • 5 pm - 8 pm Sat. Sun. & Mon. Noon - 5:00 pm
Sher-Bilt Homes
COLDWELL BANKER HAIDA REALTY
780-986-4711

4116 - 46 ST., LEDUC
Sunday, August 30 • 2-4 pm
For info call **Jason DeFraine or Kathy Massie**
Coldwell Banker Haida Realty 780-986-4711

35 BIRCHMONT DRIVE, LEDUC
Sunday, August 30 • 1-4 pm
For info call **Beth Rice**
Coldwell Banker Haida Realty 780-986-4711

#15 KRAHN COURT, WEST HAVEN, LEDUC
Sunday, August 23 • 1-4 pm
For info call **Zdenka Turner**
Coldwell Banker Haida Realty 780-986-4711

5103 - 51 ST., LEDUC
Sunday, August 30 • 1-4 pm
For info call **Harry Pedersen**
Royal LePage Gateway 780-986-8407

