

A Debt Free Alternative to Reverse Mortgages

Now there is a product that allows a property owner to own and control all of their existing equity and obtain cash today in exchange for future appreciation. Like a reverse mortgage, there are no monthly payments, but this is where the similarities end. This is a program that can add \$1,000 or more a month to your retirement income with no taxes due upon receipt. It can also assist you with restructuring your debt to lower your monthly payments.

EquityKey™ launched over a year ago. It is backed by KBC Bank of Belgium with over \$450B in assets and 50,000 employees worldwide. EquityKey™ is rapidly expanding across the U.S. coastal states.

The key features of the program include:

- Property owners receive cash of 10-30% of the property's fair market value in exchange for the ability for EquityKey™ to share in your property's future appreciation
- None of your existing equity is touched and you will still have the ability to borrow against your equity in the future, up to 70-80% of the initial fair market value
- No interest charges because this is a real estate option agreement
- No closing costs, only a \$300 refundable deposit
- The cash is not taxable upon receipt
- Credit scores are not considered
- All real property may qualify (e.g. residential, land, investment & commercial)
- Minimum value for residential and investment property is \$500,000
- If a qualified participant passes away prematurely and the property has not appreciated, none of the cash received is required to be repaid. Payback is based entirely on appreciation at the end of the agreement.
- EquityKey™ is subordinated to all debt-present and future
- Because this is not a loan, there is no lien

This program has been created for those 65 to 85 years of age. Because of the numerous benefits of EquityKey™, it is also more restrictive than reverse mortgages. There are income and estate tax benefits that are outside the scope of this article. Because clients are given a lump sum payment, it is required that all participants consult with an Advisor, Attorney and/or CPA. Call us to see if EquityKey is right for you.