



Affordable Home Ownership Re-imagined

PENSIO EQ2

Homebuyer Shared Equity Option



Home Ownership

You're looking to buy a home, EQ2 can help. With rising home prices and changing lending requirements, we know how difficult it can be to come up with the funds for a down payment.

Typically, 20% down payment is needed on conventional mortgages and anything less than 20% will require mortgage loan insurance. EQ2 is your financial partner in helping you towards your path to affordable home ownership.





EQ2 can contribute to the purchase of your new home

- EQ2 can contribute up to 10% or half of the down payment.
- In exchange for the down payment contribution, EQ2 typically earns 35% (depending on contribution amount) of your home's property value.
- There are no monthly payments to EQ2 while you live in your home, EQ2 is not debt financing but rather a financial partner.
- EQ2 is not registered on title nor does it have ownership rights, EQ2 is registered as second position on the property.
- When you sell your home, EQ2 shares in the increase or decrease in property value.

Benefits of EQ2



Decreases the size of your loan



No need to bridge finance or
break long term investments



Lowers your monthly
mortgage payments

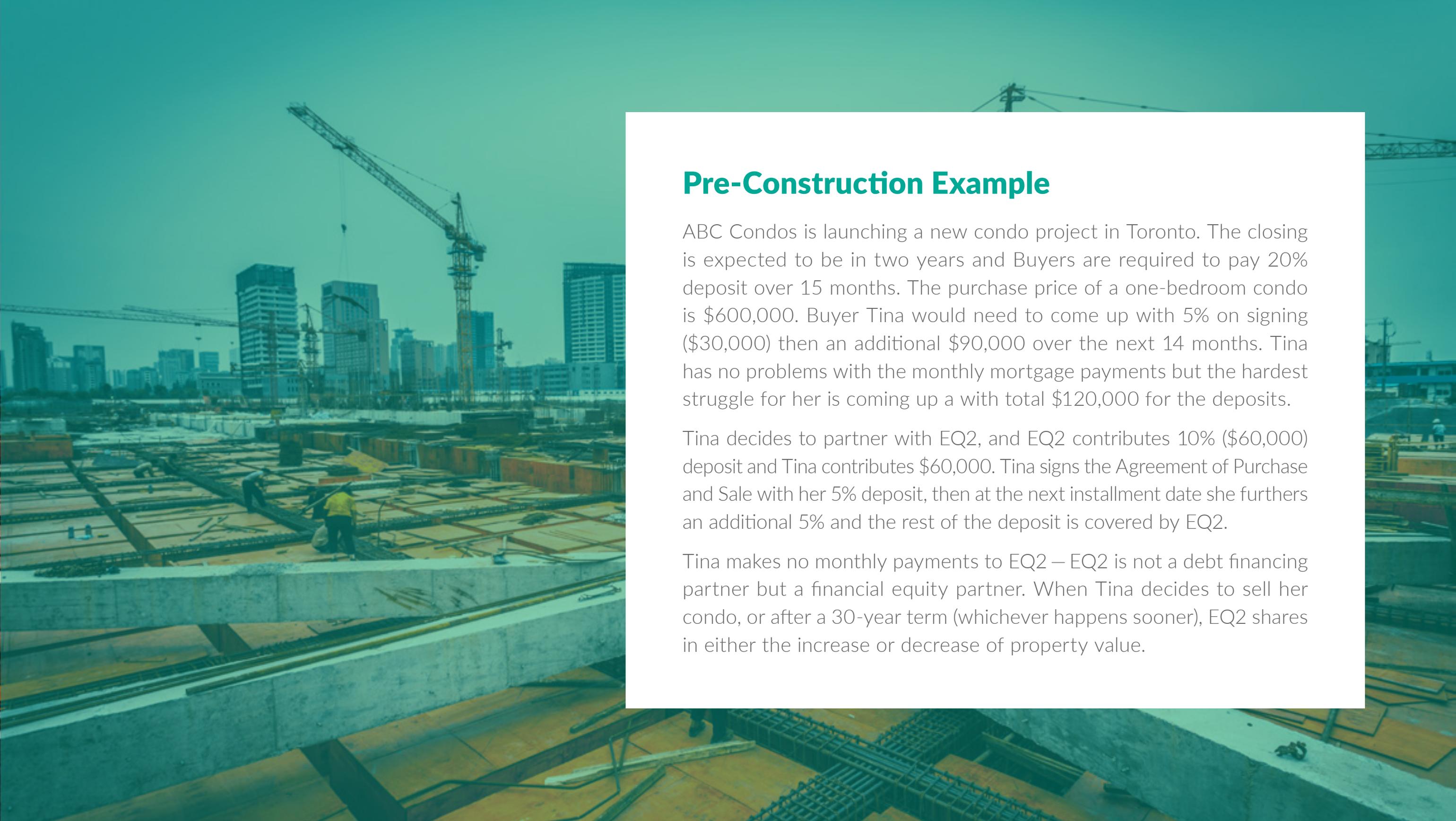


Buyer does not need
mortgage loan insurance

The Solution for Pre-construction Homes

Love the idea of a new condo but hate the idea of having your money tied up for up to two years? Preconstruction condos normally take up to 25% deposits which are held up until closing which can take up to two years. We know how difficult it can be to come up with the cash so that's why EQ2 is the perfect solution for you. We will match your deposit or contribute up to 10% of the deposit. This way, you can purchase that new condo with a minimal deposit – there's no need to break long term investments.





Pre-Construction Example

ABC Condos is launching a new condo project in Toronto. The closing is expected to be in two years and Buyers are required to pay 20% deposit over 15 months. The purchase price of a one-bedroom condo is \$600,000. Buyer Tina would need to come up with 5% on signing (\$30,000) then an additional \$90,000 over the next 14 months. Tina has no problems with the monthly mortgage payments but the hardest struggle for her is coming up with total \$120,000 for the deposits.

Tina decides to partner with EQ2, and EQ2 contributes 10% (\$60,000) deposit and Tina contributes \$60,000. Tina signs the Agreement of Purchase and Sale with her 5% deposit, then at the next installment date she furthers an additional 5% and the rest of the deposit is covered by EQ2.

Tina makes no monthly payments to EQ2 – EQ2 is not a debt financing partner but a financial equity partner. When Tina decides to sell her condo, or after a 30-year term (whichever happens sooner), EQ2 shares in either the increase or decrease of property value.

Real life solutions

Buyers Oliver and Lily are looking to purchase a bigger home as they are outgrowing their downtown condo. They are worried about the rising house prices and being able to have enough down payment to qualify for a mortgage. They fill in an online application with EQ2 and instantly get approved for the EQ2 Home Buyer Shared Equity Option. They know that typically a minimum of 20% down payment is required to qualify for a mortgage and in order to not require mortgage loan insurance. They also want to reduce their monthly mortgage payments to stay within their budget, so having a larger down payment is the right solution for them.

Oliver and Lily find the perfect home, the purchase price is \$900,000 so they will need to come up with \$180,000 down payment. Luckily for them, EQ2 will contribute half of the down payment (10%) and they will only have to come up with 10% down payment. So instead of having to break long-term investments or borrow money from family, EQ2 becomes their financial partner during the length of the term while they live in the house up to 30 years or until they decide to sell (whichever comes first).





Affordable Solutions

Our goal with the Pensio EQ2 Homebuyer Shared Equity Option is to help make Home Buying more affordable. Our program is designed to allow you to access the market right away without having to break long term investments or be forced to take private mortgage loans due to lack of adequate down payment. With a larger down payment by partnering with EQ2, you effectively reduce your risk by obtaining a smaller mortgage loan and reduce your monthly mortgage and interest payments as charged by your lending institution.

You have created more equity in your home right away by placing a larger down payment thus reducing your credit risk and giving your more financing flexibility.



Get in touch!

Brandon Keks | +1 (416) 843-9010 | b.keks@pensioglobal.com

Kristen Young | +1 (647) 927-5680 | kristen@pensiogroup.com