



2024 Market Study

# Attaining Freedom: Embracing Growth, Fulfillment, and Financial Health as We Age

HomeEquity Bank™ 



# Introduction

**This study explores the financial and social experiences of over 2,000 Canadian homeowners aged 45 and older, with home equity. It reveals that when essential needs are met, Canadians experience increased satisfaction, better financial health, and a more positive outlook as they age. While aging is linked to increasing independence and community involvement, challenges like isolation and debt management remain.**

Overall life satisfaction was examined alongside three factors: **strong personal relationships, financial control, and a sense of purpose**, which have been identified as key elements necessary to achieve the **“Golden Triangle of Happiness”**. These factors are further related to the aspiration of freedom, a central theme uncovered in the study.

Older Canadian homeowners should not feel alone in their fears about managing their finances. There are resources and strategies available that allow homeowners to embrace their homes as both sources of security and opportunity, helping them to enhance their day-to-day life and offer peace of mind around aging in place.

Accessing home equity seems like a promising solution to provide older Canadians with the resources they need for a secure and fulfilling life. Given the substantial size and growth of the 55+ population and their significant home equity wealth, estimated at over \$2.5 Trillion<sup>1</sup>, this approach could have a profound impact.

<sup>1</sup>Figure derived by HomeEquity Bank leveraging Environics Analytics datasets (i.e. WealthScapes, DemoStats and AgebyDebt)

## Key Findings on Life Satisfaction



### 50s

Life can be challenging due to family, career demands, and for women, menopause. Financial concerns feature prominently at this stage of life.

### 70s-80s and beyond

Life satisfaction peaks, driven by intellectual engagement, friendships, active community involvement, and financial stability.

## Differences in life satisfaction between men and women:



**Women:** Though they typically have fewer financial resources, they excel in community involvement, family support, and leaving a legacy, achieving more with less.



**Men:** Focus on maximizing financial resources, investments, and property management, possibly deriving greater sense of purpose from these activities.

## Freedom: The Core Aspiration of Aging

For Canadian homeowners aged 45+, freedom is a central aspiration. As they age, priorities shift toward gaining more control over their lives and making choices that foster personal fulfillment. This freedom encompasses both emotional desires—such as living independently and enjoying a meaningful life—and practical goals like financial security, travel, and home improvements. The balance between these emotional and practical needs defines the outlook of many in this demographic.

# Freedom to...



## Achieve Financial Peace

The freedom that comes from having financial control and being free from unsustainable debt to live with the assurance of a reliable, ongoing source of disposable income.



## Build Wealth And Ensure Financial Stability

The freedom to invest wisely, grow wealth, and confidently secure a stable financial future.



## Travel And Explore

The freedom to visit new places and fulfill lifelong dreams of exploring desired destinations.



## Pursue Passions And Hobbies

The freedom to invest more time in the activities and interests that bring them joy and fulfillment.



## Strengthen Relationships and Support Family

The freedom to nurture meaningful connections with loved ones while providing support and contributing to my family's well-being.



## Thrive Independently with Quality Healthcare

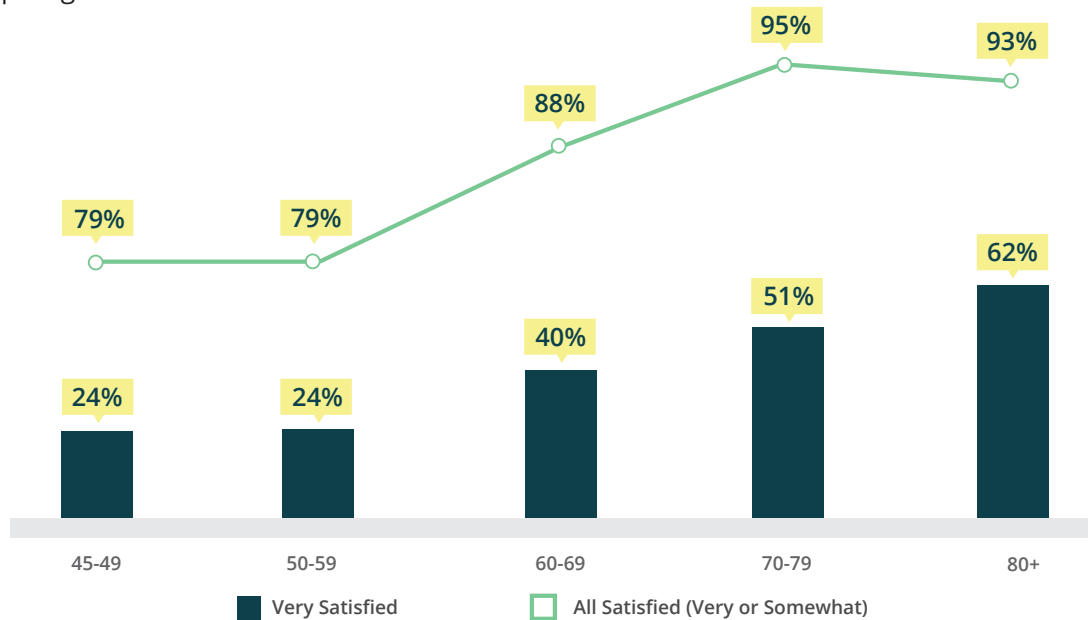
The freedom to live vibrantly with access to top healthcare services, ensuring well-being and independence.

“ The freedom to do most of the things I want to do without too much financial worry.”

- Katherine, Age 78

# Happiness and Aging; Exploring Well-Being from age 45 to 100

The pursuit of happiness and life satisfaction remains a core emotional desire, and it tends to grow rather than fade as people age.



The rise in life satisfaction with age is likely due to greater fulfillment of **personal, social, financial, and legacy** needs.

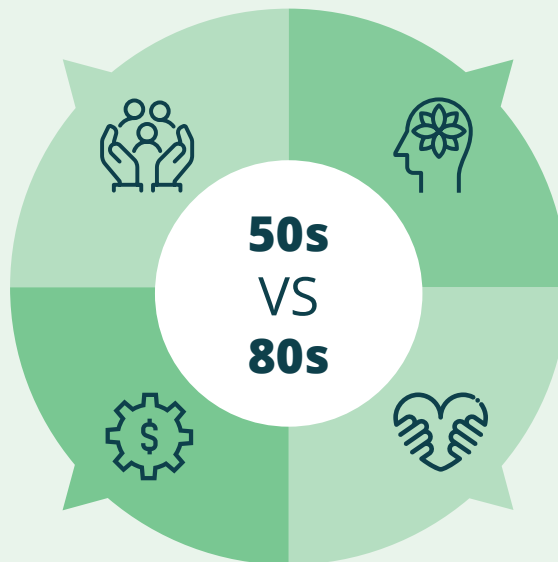
## Increase in satisfaction across social, personal, financial and legacy dimensions as one ages from 50 to 80s and beyond

### Social

- Friendships to prevent loneliness and isolation **+12%**
- Active and relevant in the community **+21%**

### Personal

- Maintaining physical well-being **+14%**
- Strong mental health **+13%**
- Independent decision-making **+8%**



### Legacy

- Giving back generously to the community **+27%**
- On track to leave assets for family or charity **+25%**
- Maintaining current lifestyle throughout retirement **+25%**
- Maximizing returns on investments **+14%**

### Financial

- Able to handle major unexpected expenses **+19%**



## Attitudes Toward Aging Become More Positive Over Time

As life satisfaction increases with age, so does positivity toward aging. In the study, 43% of participants in their 50s had a positive outlook on aging, rising to 61% for those 80+. The number of Canadian homeowners who felt very positive about aging doubled between their 50s and those 80+.

A positive outlook on aging not only boosts life satisfaction but also extends lifespan. Research in the *Journal of Personality and Social Psychology* found that older adults with positive self-perceptions of aging lived 7.5 years longer than those with negative views, even when that perception was measured up to 20 years earlier.



### The Keys to Positive Aging

The exploration focused how three factors—**Personal Relationships, Standard of Living (Financial Control), and Achieving in Life (Purpose)**—combine to shape positive aging outcomes. This “**Golden Triangle of Happiness,**” developed by researchers at Deakin University and Australian Unity, has been studied for over 20 years. The findings highlight that financial well-being is driven more by one’s perception of financial control than by absolute wealth. In this study, once core needs were met, perceived financial control was strongly linked to life satisfaction.

# Golden Triangle of Happiness



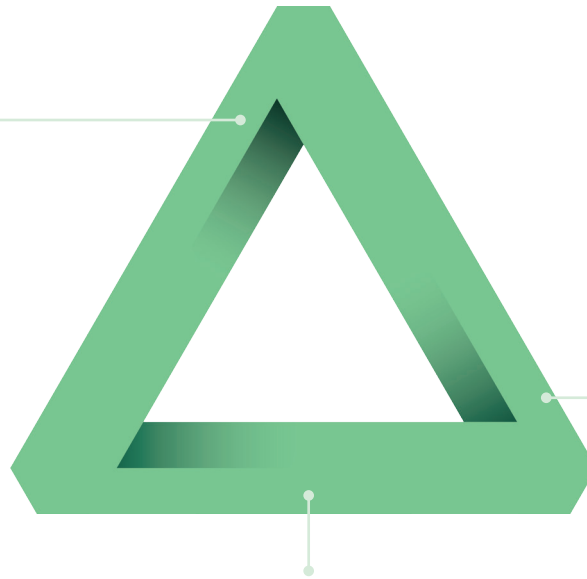
## Standard of Living (Financial Control)

Managing finances and maintaining a comfortable lifestyle are key to reducing stress and improving quality of life.



## Strong Personal Relationships

Building and sustaining meaningful connections with family, friends, and loved ones is essential for emotional support and happiness.



## Achieving in Life (Sense of Purpose)

Pursuing goals, finding personal fulfillment, and having a clear sense of purpose lead to a more rewarding and satisfying life.

Life satisfaction increased across all three areas—relationships, financial control, and purpose. However, the factors that matter most differ by gender.



Women

### As women age, they are more likely to

- Become more active in their communities
- Support charitable causes
- Maintain their independence.

They take pride in their achievements and continue to strongly support their families while contributing positively to society.



Men

### As men age they

- Strengthen their financial security and independence
- Maintain their mental and physical health
- Stay active in their communities

They are often driven by the desire to leave a legacy, primarily through financial assets for their loved ones.



## The Statistics

Through the study, it was found that while **absolute debt levels didn't significantly affect life satisfaction**, debt or financial insecurity that impacted day to day finances, did appear to reduce it significantly.

## Satisfied with life Very/Somewhat

### Total debt (\$)

No Debt | 91%

Less than 20,000 | 87%

20K - 99K | 86%

100K - 199K | 88%

More than 200K | 84%

### I have money left over at the end of the month

Always/Often | 95%

Sometimes | 85%

Rarely or Never | 65%

### Overall, how do you feel about your financial health

Excellent/Very Good | 97%

Good | 90%

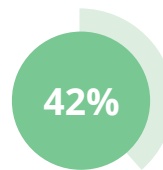
Fair/Poor | 59%

## Homeownership: Security and Opportunity

Homeownership offers more than just shelter; 81% of respondents, peaking at 85% among those aged 70-79, say staying in their home is crucial for quality of life. While downsizing happens, many don't consider it until their 80s, reflecting a strong desire to stay in their homes.

Homeownership also provides opportunities. Among homeowners 55+, 2 in 5 are open to using home equity for debt consolidation, stable income, home renovations, travel, or helping family.

Popular specific uses are for personal reasons include **funding travel (38%)** and **home repairs (27%)**. Many also considered **assisting family with finances (19%)**, **real estate purchases (11%)**, and **education costs (7%)**.



42% of those 55+ felt unable to financially support their children in taking the next major steps in life.



60% of those 55+ wish they could contribute more to their community or charitable causes.



*We love owning our home and taking the time to enjoy it, like planting a flower garden. With wonderful neighbors and no rent to worry about, we feel secure knowing this is our forever home—something we can pass on to our family when we're gone."*

- Penny, Age 67

*I was able to use my home's equity to pay off debt and finish my basement renovations. I'm especially grateful I didn't have to say no to my granddaughter and could help with her tuition."*

- Vivian, Age 78





## Transitions Across the Decades: Key Milestones and Shifts in Priorities

From the mid-40s and beyond, life undergoes significant transitions, including changes in daily routines, relationships, and attitudes toward time and money. As people age, their focus shifts from financial goals to family, travel, and ensuring access to quality healthcare.

Finances become less of a priority as individuals feel more secure, with the emphasis shifting from accumulating wealth to living a fulfilling life and supporting the next generation. The study examined common life events, changes in household structures, and evolving desires and concerns across different age groups, acknowledging that individual pathways and timelines may vary for career and family.

# Life Transitions At-a-Glance



## 45-49

- Career pivot or reaching peak
- Divorce/ Separation
- Perimenopause
- Raising Teenagers
- Caring for or losing a parent

### DESIRES

- Achieve Financial Freedom
- Pay off debts

The late forties are a time of focus on finances, family and career goals. 46% of 45-49-year-olds are caring for children or parents, 93% are in paid work. Top desires are finance -related and financial fears feature more prominently for this group.



## 50s

- Career peak or start transition planning
- Children in higher education/marriage
- Caring for or losing a parent
- Grey divorce

### DESIRES

- Achieve Financial Freedom
- Pay off debts
- Strong family relationships

In the 50s, financial concerns remain prominent, while satisfaction with access to good healthcare declines. Women experience reduced independence and confidence in their personal legacy.



## 60s

- Transitioning to working less with 40% in paid work
- Grandchildren
- Caring for or losing a parent
- Caring for a partner

### DESIRES

- Strong Family Relationships
- Travel and Explore
- Secure future healthcare

The 60s are a peak time for transitioning out of paid work and increasing leisure travel. During this period, men feel less active and relevant in their communities and less involved in fulfilling family obligations.

*"I love being retired and not having to please anyone but myself. I'm finally doing things for myself and not a boss!"*

- Ana, Age 66



## 70s

- Most have ceased working. Only 15% in paid work
- Caring for or losing a partner

### DESIRES

- Strong Family Relationships
- Secure future healthcare
- Travel and Explore

The 70s are marked by peak financial stability and intellectual engagement, with more people feeling equipped to support their children or grandchildren through major life milestones.

*"I can't think of one challenge let alone a big one. Everything in my life is running along smoothly. It's fantastic!"*

- Paul, Age 73

## 80s +

- Move from family home with 19% looking to downsize and 16% looking to move to a retirement community in the next 5 years
- Losing a partner
- Grandchildren's weddings

### DESIRES

- Strong Family Relationships
- Secure future healthcare
- Maintain my circle of friends

The 80s and beyond are a time when women, in particular, feel confident giving back to the community and supporting charities, they also strengthen their connection to religion or spirituality. With only 4% of 80+ group in paid work and 11% needing to care for others, the focus shifts to friends and pursuing passions.



### Life in your 80s: Freedom to pursue passions

*"I love that I now have the freedom to do the things I have wanted to do since I was young! I have recently purchased a motorhome and have been able to go on trips with my home right with me."*

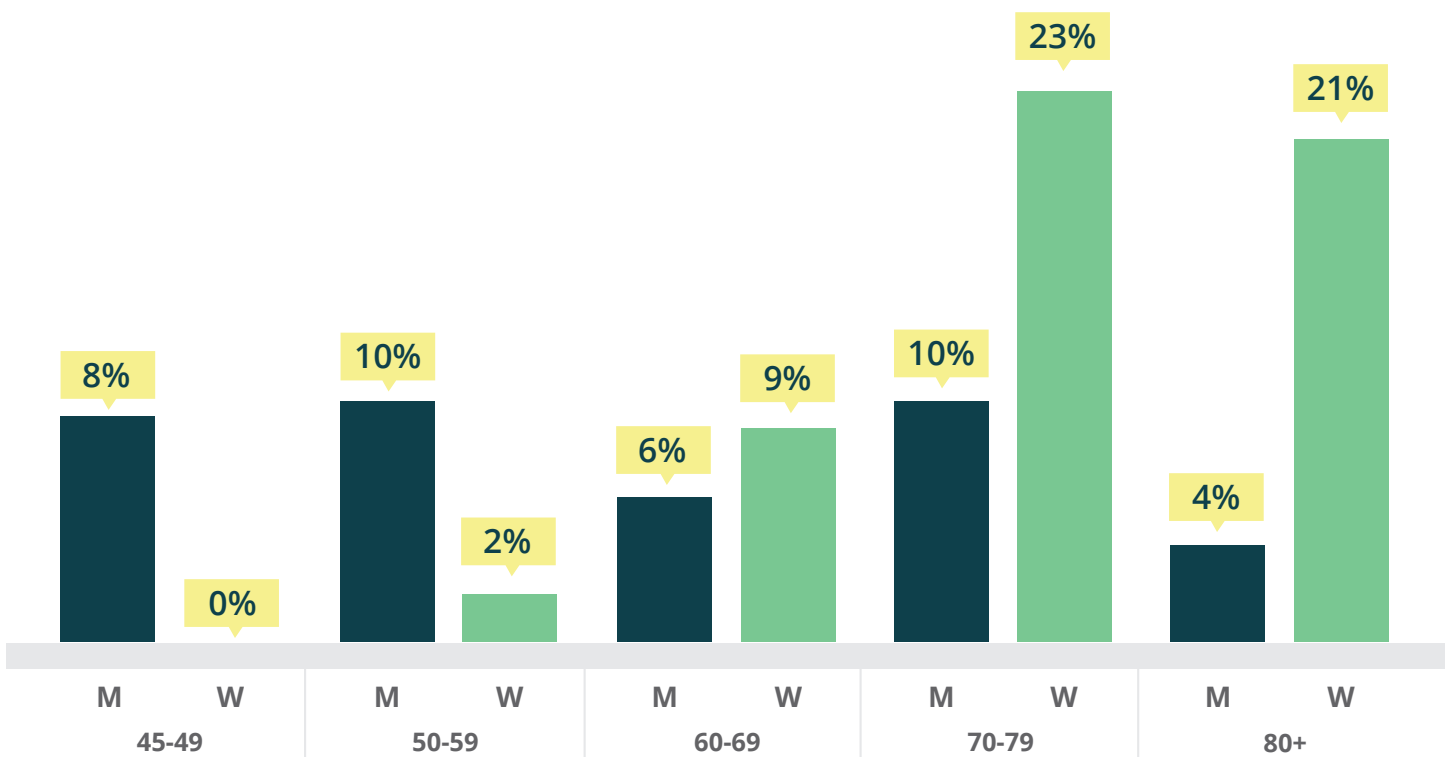
- Maria, Age 85



## Rebounding Financial Confidence and Legacy Planning in Later Life

Despite their perceived financial health being less strong than that of men, women take the lead in financial generosity and, more often than men, leverage home equity to support family and community. Significant financial gifts are more likely to come from women, who use these tools more frequently than men, especially in their 70s and beyond to provide for loved ones.

### Those that gift above \$250K\*



\*Within total who gift



## **Aging with Freedom: How Homeownership and Financial Security Drive Greater Happiness and Fulfillment**

As Canadians age, their aspirations shift from wealth accumulation to personal fulfillment, family support, and financial security. This study highlights that, for homeowners over 45, freedom becomes a central desire—freedom from financial constraints, freedom to pursue passions, and freedom to live life on their terms. Homeownership plays a pivotal role in achieving freedom, offering both security and opportunity, whether by accessing home equity for personal fulfillment or creating a legacy for the next generation.

While life satisfaction increases with age, it is heavily influenced by core factors such as strong personal relationships, financial control, and a sense of purpose. Women and men approach these factors differently, with women often excelling in community involvement and family support, and men focusing on financial security and how that can facilitate a financial legacy. Balancing personal aspirations with the practical steps to achieve them leads to a fulfilling and secure life.

Ultimately, the insights from this study suggest that the shift in priorities that comes with aging can enhance happiness and well-being, especially when essential needs are met. People should not feel alone in their fears, as solutions are available to help them navigate these challenges. Homeownership continues to provide Canadians with a solid foundation for stability and the opportunity to attain freedom to enjoy a rewarding, independent life.

Although well-being can differ, especially between men and women, we observed that as people age, their aspirations shift from accumulating wealth to seeking fulfillment. This transition, supported by growing financial security, community support, and personal fulfillment, often leads to opportunities for higher life satisfaction.



At HomeEquity Bank, we empower Canadian Homeowners aged 55 and better to live with independence, dignity, and empowerment by accessing the savings in their home. Our customers use the funds enabling them to travel, renovate, provide a living legacy to their children, grandchildren, or community, and to live the retirement they deserve in the home they love.

HomeEquity Bank is a Schedule 1, federally regulated Canadian bank offering a range of reverse mortgage solutions, including the CHIP Reverse Mortgage. As the leading provider of reverse mortgages in Canada, and trusted for nearly four decades, we have established the reverse mortgage category of safe, secure, and trusted financial solutions.

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