

B Online Appendix: Survey Questionnaire

INSTRUCTIONS INCLUDED WITH THIS ANONYMOUS QUESTIONNAIRE

FINANCIAL PRODUCTS FOR RETIREMENT

The following pages contain an anonymous questionnaire, which we invite you to complete. This questionnaire was developed as part of a research project at HEC Montréal.

Since your first impressions best reflect your true opinions, we would ask that you please answer the questions included in this questionnaire without any hesitation. We ask, however, that you take the time needed to consider certain questions on knowledge, which might involve concepts with which you are less familiar. There is no time limit for completing the questionnaire, although we have estimated that it should take approximately 15 minutes.

The information collected will be anonymous and will remain strictly confidential. It will be used solely for the advancement of knowledge and the dissemination of the overall results in academic or professional forums.

The online data collection provider agrees to refrain from disclosing any personal information (or any other information concerning participants in this study) to any other users or to any third party, unless the respondent expressly agrees to such disclosure or unless such disclosure is required by law.

You are free to refuse to participate in this project and you may decide to stop answering the questions at any time. By completing this questionnaire, you will be considered as having given your consent to participate in our research project and to the potential use of data collected from this questionnaire in future research. Since the questionnaire is anonymous, you will no longer be able to withdraw from the research project once you have completed the questionnaire because it will be impossible to determine which of the answers are yours.

If you have any questions about this research, please contact the principal investigator, Pierre-Carl Michaud, at the telephone number or email address indicated below.

HEC Montréal's Research Ethics Board has determined that the data collection related to this study meets the ethics standards for research involving humans. If you have any questions related to ethics, please contact the REB secretariat at (514) 340-6051 or by email at cer@hec.ca.

Thank you for your valuable cooperation!

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Section 1: Background

A Are you...?

- 1.1. Male
- 1.2. Female

B How old are you?

- 2.1. *Please Enter (terminate if not 55-75 INCLUSIVELY)*
[PN: MUST ENTER THE 2 CHARACTERS]

QC. Which province or territory do you live in?

- 1.1. British Columbia
- 1.2. Alberta [Screen Out]
- 1.3. Saskatchewan [Screen Out]
- 1.4. Manitoba [Screen Out]
- 1.5. Ontario
- 1.6. Quebec
- 1.7. New Brunswick [Screen Out]
- 1.8. Nova Scotia [Screen Out]
- 1.9. Prince Edward Island [Screen Out]
- 1.10. Newfoundland [Screen Out]
- 1.11. Northwest Territories [Screen Out]
- 1.12. Nunavut [Screen Out]
- 1.13. Yukon [Screen Out]
- 1.14. None of the above [Screen Out]

Q0 Can you please enter the first 3 characters of your postal code? Please type in below [PN: MUST ENTER FIRST 3 CHARACTERS] *FSAs validated with FSA file

Q1 What is the highest degree, certificate or diploma you have obtained?

- 1 Less than high school diploma or its equivalent
- 2 High school diploma or a high school equivalency certificate
- 3 Trade certificate or diploma
- 4 College, CEGEP or other non-university certificate or diploma (other than trades certificates or diplomas)
- 5 University certificate or diploma below the bachelor's level
- 6 Bachelor's degree (e.g. B.A., B.Sc., LL.B.)
- 7 University degree above the bachelor's level

Q2 What is your marital status?

- 1 married
- 2 living common-law
- 3 widowed
- 4 separated

5 divorced

6 single, never married

IF Q2 ==1,2

 Q2a How old is your partner (spouse)?

 Numeric (>0)

END IF

Q3 Do you have children?

1 Yes

2 No

IF Q3==1 ask Q3b

IF Q3 = 2 skip to Q4

Q3b Have you experienced a loss of a child?

1 Yes

2 No

IF Q3b = 1 ask Q3a

IF Q3b = 2 ask Q3c

 Q3a How many of your children are alive today?

 Numeric (>=0)

Q3c How many children do you have?

Numeric (>=0)

END IF

Q4 For 2016, what is your best estimate of the total income received by all members of your household, from all sources, before taxes and deductions?

Numeric (>0)

9999999 Don't know or prefer not to say

IF Q4==9999999

 Q4a Is it more than \$60,000? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

 IF Q4a==1

 Q4b Is it less than \$120,000? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

 IF Q4b == 1

 Q4c Is it more than \$90,000? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

 END IF

 ELSE IF Q4a==2

 Q4d Is it more than \$30,000? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

 END IF

END IF

Q5 Do you consider yourself retired?

1 Yes

2 No

IF Q5==2

Q5a What is your best estimate of what total income received by all members of your household will be once you are fully retired, as a fraction of your current income?

Numeric (0%-200%)

9999999 Don't know

IF Q5a==9999999

Q5b Is it more than 50%? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

IF Q5b==1

Q5c Is it less than 75%? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

IF Q5c == 1

Q5d Is it more than 62.5%? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

ELSE IF Q5c == 2

Q5e Is it less than 87.5%? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

END IF

ELSE IF Q5b==2

Q5f Is it more than 25%? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

IF Q5f == 1

Q5d Is it more than 37.5%? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

ELSE IF Q5f == 2

Q5e Is it less than 12.5%? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

END IF

END IF

END IF

END IF

Q6 Do you own your primary residence?

1 Yes

2 No

IF Q6==1

Q6a Which set of property type best fits your primary residence?

1 Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link home / Semi-Detached.

2 Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex, Triplex or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home

3 Condo-Townhouse / Mobile Home / Condo – Apartment Style

7777777 Don't know

Q7 What is the current market value of your residence?

Numeric (>0)

9999999 Don't know or prefer not to say

IF Q7==9999999

Q7a Is it more than \$300,000? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

IF Q7a==1

Q7b Is it less than \$600,000? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

IF Q7b == 1

Q7c Is it more than \$450,000? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

ELSE IF Q7b ==2

Q7d Is it less than \$750,000? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

IF Q7d == 2

Q7e Is it more than \$900,000? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

END IF

END IF

ELSE IF Q7a==2

Q7f Is it more than \$150,000? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

END IF

END IF

Q8 What proportion of the current market value of your residence do you still owe on your mortgage?

Numeric (0%-200%)

9999999 Don't know or prefer not to say

IF Q8 == 9999999

Q8a Is it more than 50%? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

IF Q8a == 1

Q8b Is it less than 75 %? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

IF Q8b == 1

Q8c Is it more than 62.5%? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

ELSE IF Q8b == 2

Q8d Is it more than 87.5%? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

END IF

END IF

ELSE IF Q8a == 2

Q8e Is it less than 25 % 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

IF Q8e == 1

Q8f Is it more than 12.5%? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

IF Q8f == 2

Q8g Is it less than 5%? 1 Yes 2 No 8888888 Refuse to answer 7777777
Don't know
END IF

ELSE IF Q8e == 2

Q8h Is it more than 37.5%? 1 Yes 2 No 8888888 Refuse to answer
7777777 Don't know

END IF

END IF

END IF

END IF

Q9 We are interested in your pension plan and its nature, if you have one. Do you currently contribute to, or receive benefits from (in the form of regular payments), an employer-provided pension plan?

1 Yes

2 No

3 Don't Know

IF Q9==1

Q9a Do you agree with the following statement: "I have/expect to have sufficient pension income"?

1 Completely disagree

2 Disagree

3 Somewhat disagree

4 Neither agree nor disagree

5 Somewhat agree

6 Agree

7 Completely agree

END IF

Q10 What is your best estimate of how much you have accumulated in Registered Retirement Savings Plans (RRSPs), Tax-Free Savings Accounts (TFSA) and other non-employer provided savings accounts?

Numeric

9999999 Don't know or prefer not to say

IF Q10==9999999

Q10a Is it more than \$50,000? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

IF Q10a==1

Q10b Is it less than \$200,000? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

ELSE IF Q10a==2

Q10c Is it more than \$10,000? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't know

END IF

END IF

Q11 Looking at the following list of health conditions, has a doctor ever said you suffered from:

[Check any of:]

1 Heart disease

2 Stroke

- 3 Lung disease
- 4 Diabetes
- 5 Hypertension
- 6 Depression or other mental health problems
- 7 Cancer
- 8 None of the above

Q12 At the present time, do you smoke cigarettes daily, occasionally or not at all?

- 1 Daily
- 2 Occasionally
- 3 Not at all

IF Q12==1 GOTO Q13

ELSE IF Q12==2,3

 Q12a Have you ever smoked cigarettes daily?

- 1 Yes
- 2 No

 IF Q12a==1 GOTO Q13

 ELSE IF Q12a==2

 Q12b Have you smoked 100 cigarettes or more in your life?

- 1 Yes
- 2 No

 IF Q12b==1 GOTO Q13

 ELSE IF Q12b==2

 Q12c Have you ever smoked a whole cigarette?

- 1 Yes
- 2 No

 END IF

 END IF

END IF

Section 2: Risk Perception

Q13 On a scale of 0 to 100, where 0 is absolutely no chance and 100 is absolutely certain, what do you believe is the percent chance you will live to age 85 or more?

Numeric (0-100)

999999 Don't know

IF Q2==1,2 & Q2a < 85

 Q13a On a scale of 0 to 100, where 0 is absolutely no chance and 100 is absolutely certain, what do you believe is the percent chance your partner (spouse) will live to age 85 or more?

 Numeric (0-100)

 999999 Don't know

END IF

Q14 On a scale of 0 to 100, where 0 is absolutely no chance and 100 is absolutely certain, what do you believe is the percent chance you will leave a bequest of more than \$10,000?

Numeric (0-100)

9999999 Don't know

IF Q14 >0 & Q6 ==1

Q14a How likely is it that your primary residence will play a role in the bequest you plan to leave?

1 Not likely at all

2 Not very likely

3 Somewhat likely

4 Very likely

5 Extremely likely

END IF

Q15 On a scale of 0 to 100, where 0 is absolutely no chance and 100 is absolutely certain, what do you believe is the percent chance that your family would take up the responsibility of taking care of you if you had important limitations in activities of daily living such as bathing, eating, cleaning?

Numeric (0-100)

9999999 Don't know

Q16 On a scale of 0 to 100, where 0 is absolutely no chance and 100 is absolutely certain, what do you believe is the percent chance that your family would take care of you financially if you needed financial support?

Numeric (0-100)

9999999 Don't know

IF Q6==1

Q17 Here are three possibilities concerning your future expected residence. On a scale of 0 to 100, where 0 is absolutely no chance and 100 is absolutely certain, what is the percent chance that each of these possibilities comes true. Given that only one of these possibilities can occur, the sum of the three probabilities must equal 100.

Q17a I'm going to stay in my current home until I die.

Numeric (0-100)

Q17b I will eventually move from my current home to live in another house or apartment.

Numeric (0 to (100 – Answer Q17a))

Q17c I will eventually move from my current home to live in a long-term care home.

Numeric (0 to (100 – Answer Q17a – Answer Q17b))

[NOTE: SUM OF ANSWERS TO Q17a, Q17b AND Q17c MUST EQUAL 100.]

[NOTE: MAKE SURE THE QUESTION IS PROPERLY NUMBERED ON THE SCREEN.]

[NOTE: WOULD IT BE POSSIBLE TO INCLUDE A COUNTER TO LET THE RESPONDENT KNOW HOW MANY % LEFT TO FILL IN?]

Q18 Over the **next** five years, do you think the value of your home will:

1 Increase a lot (greater than 20 %)

2 Increase moderately (between 5% and 20%)

3 remain rather stable (between +5% and -5%)

4 decrease moderately (between -5% and -20%)

5 decrease a lot (less than -20%)

Q19 Do you agree with the following statement: “House prices can fluctuate a lot”?

1 Completely disagree

2 Disagree

3 Somewhat disagree

4 Neither agree nor disagree

5 Somewhat agree

6 Agree

7 Completely agree

END IF

Q20 Do you agree with the following statements? (Answers: 5 Strongly Agree; 4 Agree; 3 Disagree; 2 Strongly Disagree; 1 Don’t know)

Q20a It is the responsibility of the family, when feasible, to take care of elderly parents

Q20b Parents should set aside money to leave to their children or heirs once they die, even when it means somewhat sacrificing their own comfort in retirement

Q20c Children should inherit their parents’ family home

Q20d A house is an asset that should only be sold in case of financial hardship

Q20e Being in debt is never a good thing

[NOTE: Make sure the question is properly numbered on the screen.]

[NOTE: Might the scale for each statement be inverted (i.e. “increasing” from left to right)? We leave this with your expertise.]

Q21 Which of the following statements comes closest to describing the amount of financial risk that you are willing to take when you save or make investments?

1 I am willing to take substantial financial risks expecting to earn substantial returns

2 I am willing to take above average financial risks expecting to earn above-average returns

3 I am willing to take average financial risks expecting to earn average returns

4 I am willing to take below average financial risks expecting to earn below-average returns

5 I am not willing to take any risk, knowing I will earn a small but certain return

Section 3: Literacy and Knowledge

Now we would like to ask some questions about your familiarity and comfort with financial concepts. Please answer these questions the best you can.

Q22 Suppose you have \$100 in a savings account, the interest rate is 2% per year and you never withdraw money. After 5 years, how much will you have in this account in total?

1 More than \$110

2 Exactly \$110

3 Less than \$110

4 Don’t know

Q23 True or false? You should invest most of your money in a single stock that you select rather than in lots of stocks or in mutual funds.

1 True

2 False

3 Don't know

Q24 Imagine leaving \$1,000 in a savings account that pays 1% interest and has no charges. Imagine that inflation is running at 2%. Do you think that if you withdraw the money in a year's time you will be able to buy more than, exactly the same as, or less than today with the money in this account?

- 1 More than today
- 2 Exactly the same as today
- 3 Less than today
- 4 Don't know

Q25 Suppose the chances of someone aged 50 living to age 85 are 60%. What do you think the chances are that this same person will live to age 60?

- 1 Less than 60%
- 2 Greater than 60%
- 3 Don't know

Section 4: Annuities

For the purposes of this section, when we use the term '**annuity**', we are referring to a financial product that guarantees you a regular payment every month or year until death (the "benefit"), in exchange for an initial one-time payment (the "premium").

Q26 This section is going to ask you questions about annuities. Which of the following best describes your current knowledge about this type of product?

- 1 A lot
- 2 A little
- 3 None at all

Q27 Have you purchased an annuity in the private market, for which you are currently receiving or will eventually receive benefits (please exclude all government provided annuities such as your provincial pension plan, the Canada Pension Plan and Old Age Security)?

- 1 Yes, I have purchased an annuity
- 2 Yes, I have purchased more than one annuity
- 3 No
- 4 Don't know

IF Q27==4(Don't know) GOTO Q28

ELSE IF Q27==3 (No)

Q27a Why haven't you bought an annuity? Choose the main reason.

- 1 I never thought about buying one, and I have never been offered one (for instance by a financial advisor).
- 2 I thought about buying one, but I have not (yet) made a decision.
- 3 I do not have sufficient savings to purchase one.
- 4 Such products do not offer good value for money.
- 5 Such products do not cover my needs.
- 6 I do not think I will need such a product.
- 7 I don't know what an annuity is.
- 8 Other, open...

GOTO Q28

ELSE IF Q27==1,2 (Yes)

Q27b How did you come to purchase the annuity? If you have purchased more than one annuity, please think about the one you purchased most recently.

1 I was offered an annuity (by my financial advisor, pension plan representative, insurance company, etc.)

2 I searched myself for an annuity

3 Other, open ...

Q27c What was the premium of the annuity (what did you pay)? If you have purchased more than one annuity, please indicate what you paid for the one you purchased most recently.

Numeric (>\$0)

7777777 Don't know

IF Q27c==7777777

Q27d Was it more than \$250,000? 1 Yes 2 No 8888888 Refuse to answer 7777777
Don't know

IF Q27d==1

Q27e Was it less than \$1,000,000? 1 Yes 2 No 8888888 Refuse to answer
7777777 Don't know

IF Q27e == 1

Q28f Was it more than \$500,000? 1 Yes 2 No 8888888 Refuse to answer
7777777 Don't know

END IF

ELSE IF Q27d ==2

Q27g Was it more than \$150,000? 1 Yes 2 No 8888888 Refuse to answer
7777777 Don't know

IF Q27g == 2

Q27h Was it less than \$100,000? 1 Yes 2 No 8888888 Refuse to answer
7777777 Don't know

IF Q27h==1

Q27i Was it more than \$50,000? 1 Yes 2 No 8888888 Refuse to
answer 7777777 Don't know

END IF

END IF

END IF

END IF

Q27j What is the benefit amount the annuity pays out (monthly)? If you have purchased more than one annuity, please indicate the benefit paid by the one you purchased most recently.

Numeric (>\$0)

7777777 Don't know

IF Q27j==7777777

Q27k Is it more than \$1,000? 1 Yes 2 No 8888888 Refuse to answer 7777777 Don't
know

IF Q27k==1

Q27l Is it less than \$4,000? 1 Yes 2 No 8888888 Refuse to answer 7777777
Don't know

IF Q27l == 1

Q27m Is it more than \$2,000? 1 Yes 2 No 8888888 Refuse to answer
7777777 Don't know

END IF

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ELSE IF Q27k ==2
  Q27n Is it more than $600? 1 Yes 2 No 8888888 Refuse to answer 7777777
  Don't know
  IF Q27n == 2
    Q27o Is it less than $400? 1 Yes 2 No 8888888 Refuse to answer
    7777777 Don't know
    IF Q27o==1
      Q27p Is it more than $200? 1 Yes 2 No 8888888 Refuse to answer
      7777777 Don't know
    END IF
  END IF
END IF
END IF
END IF
END IF
```

Q28 Do you have life insurance for which you currently pay a premium or that is fully paid and still in force?

1 Yes
2 No
3 Don't Know
IF Q28==1 (Yes)

Q28a What type of life insurance policy do you have?

1 Term life insurance
2 Whole life insurance or Universal life insurance
3 Don't know
4 Other, open...

END IF

Section 6: Preferences for Annuities [SCENARIOS]

We are going to show you some simple annuities and ask you to rate them. You can assume that the institution offering the annuity will pay the monthly benefit no matter the circumstances. Once you pay the premium, you receive monthly benefits and have nothing else to pay.

Each product has two attributes:

- a) a premium you have to pay;
- b) a monthly benefit starting at a given age and lasting until death.

The benefit is adjusted for inflation (indexed).

Q30-34
[SCENARIOS]

What are the chances, 0% meaning no chance and 100% meaning for sure, that you would purchase this product if it were offered to you by [a trusted / an] insurance company within the next year?

Numeric (0-100)

Randomize [a trusted / an] across individuals with probability 0.5, and keep constant for each respondent for questions 30-34 (i.e., present all of Q30-34 either with [a trusted] or with [an] for a given individual).

Scenarios randomization scheme

Parameters:

Age_benefit = [(age+1), 75,85] with probability [2/5, 2/5, 1/5]
where (age+1)=the age of the respondent+1

Benefit = [200,600,1000] each with probability 1/3

Load = [0.5, 0.6, 0.7, 0.8, 0.9, 1.0, 1.1, 1.2, 1.3, 1.4, 1.5, 1.6, 1.7, 1.8, 1.9, 2.0]
each with probability 1/16

For each combination of Age_benefit and Benefit we provide EPremium, which is the fair premium by age and sex (3 x 3 = 9 data points; see table attached).

The premium for the contract is given by (please round to nearest \$500):

$$\text{prem} = \text{EPremium} \times \text{Load}$$

Randomize Age_benefit, Benefit and Load independently (3 x 3 x 16 possibilities) for 5 draws (i.e., each respondent is presented with 5 combinations of Age_benefit, Benefit, and “prem” according to the above probabilities).

Present each draw following this example:

<i>When you buy the annuity</i>	<i>Starting at age [Age_benefit]</i>
---------------------------------	--------------------------------------

You pay \$[prem]	You receive \$[Benefit] per month until death, indexed annually for inflation
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FAIR PREMIUMS (VALUES FOR "EPremium")

For Age_benefit=age+1

Benefit = 200			Benefit = 600			Benefit = 1000		
Age	Male	Female	Age	Male	Female	Age	Male	Female
55-59	45,111.40	49,890.91	55-59	135,334.20	149,672.72	55-59	225,557.00	249,454.53
60-64	38,942.44	43,719.50	60-64	116,827.32	131,158.51	60-64	194,712.20	218,597.52
65-69	32,755.36	37,352.10	65-69	98,266.07	112,056.30	65-69	163,776.79	186,760.50
70-75	26,135.90	30,292.54	70-75	78,407.71	90,877.61	70-75	130,679.51	151,462.69

For Age_benefit=75

Benefit = 200			Benefit = 600			Benefit = 1000		
Age	Male	Female	Age	Male	Female	Age	Male	Female
55-59	13,691.16	17,442.92	55-59	41,073.47	52,328.77	55-59	68,455.79	87,214.61
60-64	15,677.30	19,700.10	60-64	47,031.89	59,100.30	60-64	78,386.48	98,500.51
65-69	18,361.54	22,559.95	65-69	55,084.62	67,679.85	65-69	91,807.70	112,799.74
70-75	22,467.80	26,560.34	70-75	67,403.40	79,681.01	70-75	112,339.00	132,801.69

For Age_benefit=85

Benefit = 200			Benefit = 600			Benefit = 1000		
Age	Male	Female	Age	Male	Female	Age	Male	Female
55-59	3,912.57	5,959.01	55-59	11,737.70	17,877.03	55-59	19,562.83	29,795.06
60-64	4,480.15	6,730.13	60-64	13,440.45	20,190.39	60-64	22,400.75	33,650.65
65-69	5,247.24	7,707.14	65-69	15,741.71	23,121.41	65-69	26,236.18	38,535.69
70-75	6,535.00	9,210.44	70-75	19,605.01	27,631.32	70-75	32,675.02	46,052.19

IF Q6 == 1

Section 5: Financial product to extract the equity value of a primary residence

For the purposes of this section, when we use the expression “**current home equity**”, we are referring to the current market value of your primary residence after subtracting outstanding mortgage balances. This section is going to ask you questions about financial products on the basis of your current home equity.

Imagine a financial product that lets you turn part of your current home equity into cash. You’re not obligated to make any payments until you move, you sell your home, or you die. You have the certainty that once your residence will be sold, the required amount to repay the loan will not exceed the selling price of the residence.

Q29 Have you ever heard of the existence of this type of financial product in Canada?

1 Yes

2 No

IF Q29 == 1

Q29a Can you name that product?

1 Yes

2 No

IF Q29a==1

[DROP-DOWN]

Q29b What is it called?

1 Annuity

2 Reverse mortgage

3 Life insurance

4 Line of credit

5 None of the above

END IF

END IF

Section 7: Preferences for Reverse Mortgages [SCENARIOS]

We will refer to a **reverse mortgage** as a financial product that lets you turn part of your current home equity into cash. Unlike many mortgage-based financial products, you're not obligated to make any payments until you move, you sell your home, or you die. Importantly, you have the certainty that once your residence will be sold, the amount required to repay the loan will not exceed the selling price of the residence.

When we use the expression "**current home equity**", we are referring to the current market value of your primary residence after subtracting outstanding mortgage balances. For the rest of this section, try to have your current home equity in mind.

We are going to show you some simple reverse mortgage products and ask you to rate them.

Each reverse mortgage has three attributes:

- a) The percentage of your current home equity that you can borrow. The amount borrowed must be a minimum of \$25,000.
- b) A fixed annual interest rate on the balance of the loan, generating interests that you do not need to pay before you move, sell or die.
- c) A fixed fee of \$2,245 that you only have to pay once. The money you obtain from the reverse mortgage will be used to pay this fee.

[Suppose you have the certainty that you will never be put under pressure to sell your residence and that the contract terms will be respected.]

Randomize the presence of the sentence above for each respondent with probability 0.5 and keep constant for questions 35-39.

Q35-Q39

[SCENARIOS]

What are the chances, 0% meaning no chance and 100% for sure, that you would buy this reverse mortgage if a trusted financial institution offered it to you within the next year?

Numeric (0-100)

IF Q35>0

Q35a In the event you purchased this reverse mortgage, considering you must borrow a minimum of \$25,000 and taking into account the maximum amount that can be borrowed (« Reverse Mortgage » of your current home equity), what amount of money do you think you would borrow?

Numeric (>=\$25,000)

END IF

[NOTE: REPEAT THE ABOVE SUB-QUESTION AFTER EACH OF Q35 TO Q39, USING THE EXACT SAME LOOP, WORDING AND CRITERIA]

END IF

Scenarios randomization scheme

Parameters:

Interest_rates = [3.8%, 4.1%, 4.4%, 4.7%, 5%, 5.3%, 5.59%, 6%, 6.5%, 7%] each with probability 1/10

Load = [0.5, 0.75, 1, 1.25, 1.5] each with probability 1/5

With these products we provide Borrow (see tables attached), which is the proportion that can be borrowed by city, marital status, age and sex.

The contract of the reverse mortgage is given by (please round to nearest percentage point):

$$\text{Reverse Mortgage} = \text{Borrow} \times \text{Load}$$

Randomize both Interest_rates and Load independently (10 x 5 possibilities) for 5 draws (i.e., each respondent is presented with 5 combinations of Interest_rates and “Reverse Mortgage” according to the above probabilities).

Present each draw following this example:

You can borrow a minimum of \$25,000 and up to [Reverse Mortgage] of your current home equity.
You will be charged a fixed annual interest rate of [Interest_rates] on the balance of the loan for as long as you hold the loan. <i>Reminder: You're not obligated to make any payments until you move, you sell your home, or you die; and you have the certainty that once your residence will be sold, the amount required to repay the loan will not exceed the selling price of the residence.</i>
There is a fixed fee of \$2,245 that you only have to pay once. The money you obtain from the reverse mortgage will be used to pay this fee.

VALUES FOR “Borrow”

[FOR COUPLES, PLEASE USE THE AVERAGE AGE OF THE COUPLE : $\frac{age+Q2a}{2}$, WHERE *age* IS THE RESPONDENT’S AGE GATHERED FROM THE SAMPLING/TARGETING. PLEASE ROUND THE RESULT TO THE NEAREST INTEGER AND SET THE AGE OF THE COUPLE AS 55 IF $\frac{age+Q2a}{2} < 55$ AND AS 79 IF $\frac{age+Q2a}{2} > 79$.]

If Q0 begins with H1, H2, H3, H4, H5, H8, H9 & Q2==1,2
(Island of Montreal, Couple)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	16.10%	23.10%	31.90%	39.10%	46.70%
IF Q6a == 2 (ownhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex. Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	15.30%	21.90%	30.30%	37.10%	44.50%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	12.90%	18.50%	25.50%	31.30%	37.50%

If Q0 begins with H1, H2, H3, H4, H5, H8, H9 & Q2==3,4,5,6 and sex is Male
(Island of Montreal, Single Male)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	25.10%	33.10%	39.10%	43.30%	49.90%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex. Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	23.90%	31.50%	37.30%	41.10%	47.30%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	20.10%	26.50%	31.30%	34.70%	39.90%

If Q0 begins with H1, H2, H3, H4, H5, H8, H9 & Q2==3,4,5,6 & sex is Female
(Island of Montreal, Single Female)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	26.70%	33.10%	37.90%	39.90%	44.90%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex. Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	25.50%	31.50%	36.10%	37.90%	42.70%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	21.50%	26.50%	30.30%	31.90%	36.10%

If Q0 is from Quebec and DOES NOT begin with H1, H2, H3, H4, H5, H8, H9 & Q2==1,2
(Rest of Quebec, Couple)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	15.03%	21.57%	29.77%	36.50%	43.63%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex, Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	14.30%	20.50%	28.30%	34.70%	41.50%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	12.03%	17.30%	23.83%	29.23%	34.97%

If Q0 is from Quebec and DOES NOT begin with H1, H2, H3, H4, H5, H8, H9 & Q2==3,4,5,6 & sex is Male
(Rest of Quebec, Single Male)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	23.43%	30.90%	36.57%	40.43%	46.50%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex, Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	22.30%	29.37%	34.77%	38.43%	44.17%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	18.77%	24.70%	29.30%	32.37%	37.23%

If Q0 is from Quebec and DOES NOT begin with H1, H2, H3, H4, H5, H8, H9 & Q2==3,4,5,6 & sex is Female
(Rest of Quebec, Single Female)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	24.97%	30.90%	35.43%	37.23%	41.97%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex, Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	23.77%	29.37%	33.70%	35.43%	39.90%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	20.03%	24.70%	28.37%	29.83%	33.70%

If Q0 begins with M2, M3, M4G, M4H, M4J, M4K, M4M, M4L, M4M, M4N, M4P, M4R, M4S, M4T, M4V, M4W, M4X, M4Y, M5, M6, M7A, M9L, M9M, M9N & Q2==1,2
(City of Toronto, Couple)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	14.50%	21.10%	29.70%	36.90%	44.50%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex. Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	13.70%	20.10%	28.30%	35.10%	42.30%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	11.50%	16.90%	23.70%	29.50%	35.70%

If Q0 begins with M2, M3, M4G, M4H, M4J, M4K, M4M, M4L, M4M, M4N, M4P, M4R, M4S, M4T, M4V, M4W, M4X, M4Y, M5, M6, M7A, M9L, M9M, M9N & Q2==3,4,5,6 & sex is Male
(City of Toronto, Single Male)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	23.10%	30.90%	36.90%	41.10%	47.70%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex. Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	21.90%	29.30%	35.10%	39.10%	45.30%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	18.50%	24.70%	29.50%	32.90%	38.10%

If Q0 begins with M2, M3, M4G, M4H, M4J, M4K, M4M, M4L, M4M, M4N, M4P, M4R, M4S, M4T, M4V, M4W, M4X, M4Y, M5, M6, M7A, M9L, M9M, M9N & Q2==3,4,5,6 & sex is Female
(City of Toronto, Single Female)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	24.70%	30.90%	35.70%	37.70%	42.70%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex. Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular)	23.50%	29.30%	33.90%	35.90%	40.70%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	19.70%	24.70%	28.50%	30.10%	34.30%

If Q0 is from Ontario and DOES NOT begin with M2, M3, M4G, M4H, M4J, M4K, M4M, M4L, M4M, M4N, M4P, M4R, M4S, M4T, M4V, M4W, M4X, M4Y, M5, M6, M7A, M9L, M9M, M9N & Q2==1,2
(Rest of Ontario, Couple)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	15.03%	21.77%	30.43%	37.63%	45.23%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex, Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	14.23%	20.70%	28.97%	35.77%	43.03%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	11.97%	17.43%	24.30%	30.10%	36.30%

If Q0 is from Ontario and DOES NOT begin with M2, M3, M4G, M4H, M4J, M4K, M4M, M4L, M4M, M4N, M4P, M4R, M4S, M4T, M4V, M4W, M4X, M4Y, M5, M6, M7A, M9L, M9M, M9N & Q2==3,4,5,6 & sex is Male
(Rest of Ontario, Single Male)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	23.77%	31.63%	37.63%	41.83%	48.43%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex, Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	22.57%	30.03%	35.83%	39.77%	45.97%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	19.03%	25.30%	30.10%	33.50%	38.70%

If Q0 is from Ontario and DOES NOT begin with M2, M3, M4G, M4H, M4J, M4K, M4M, M4L, M4M, M4N, M4P, M4R, M4S, M4T, M4V, M4W, M4X, M4Y, M5, M6, M7A, M9L, M9M, M9N & Q2==3,4,5,6 & sex is Female
(Rest of Ontario, Single Female)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	25.37%	31.63%	36.43%	38.43%	43.43%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex, Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	24.17%	30.03%	34.63%	36.57%	41.37%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	20.30%	25.30%	29.10%	30.70%	34.90%

If Q0 begins with V5K, V5L, V5M, V5N, V5P, V5R, V5S, V5T, V5V, V5W, V5Y, V6A, V6B, V6C, V6E, V6G, V6H, V6J, V6K, V6L, V6M, V6N, V6P, V6R, V6S, V6T, V6Z, V7G, V7H, V7J, V7K, V7L, V7M, V7N, V7P, V7R, V7S, V7T, V7V, V7W, V7X, V7T & Q2==1,2

(City of Vancouver, Couple)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	15.30%	22.10%	30.70%	37.90%	45.70%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex, Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	14.50%	21.10%	29.30%	36.10%	43.30%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	12.30%	17.70%	24.70%	30.50%	36.50%

If Q0 begins with V5K, V5L, V5M, V5N, V5P, V5R, V5S, V5T, V5V, V5W, V5Y, V6A, V6B, V6C, V6E, V6G, V6H, V6J, V6K, V6L, V6M, V6N, V6P, V6R, V6S, V6T, V6Z, V7G, V7H, V7J, V7K, V7L, V7M, V7N, V7P, V7R, V7S, V7T, V7V, V7W, V7X, V7T & Q2==3,4,5,6 & sex is Male

(City of Vancouver, Single Male)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	24.10%	31.90%	38.10%	42.30%	48.70%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex, Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	22.90%	30.30%	36.10%	40.10%	46.30%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	19.30%	25.70%	30.50%	33.70%	38.90%

If Q0 begins with V5K, V5L, V5M, V5N, V5P, V5R, V5S, V5T, V5V, V5W, V5Y, V6A, V6B, V6C, V6E, V6G, V6H, V6J, V6K, V6L, V6M, V6N, V6P, V6R, V6S, V6T, V6Z, V7G, V7H, V7J, V7K, V7L, V7M, V7N, V7P, V7R, V7S, V7T, V7V, V7W, V7X, V7T & Q2==3,4,5,6 & sex is Female

(City of Vancouver, Single Female)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	25.70%	31.90%	36.70%	38.90%	43.90%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex, Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	24.50%	30.30%	34.90%	36.90%	41.70%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	20.50%	25.50%	29.50%	31.10%	35.10%

If Q0 is from British Columbia and DOES NOT begin with V5K, V5L, V5M, V5N, V5P, V5R, V5S, V5T, V5V, V5W, V5Y, V6A, V6B, V6C, V6E, V6G, V6H, V6J, V6K, V6L, V6M, V6N, V6P, V6R, V6S, V6T, V6Z, V7G, V7H, V7J, V7K, V7L, V7M, V7N, V7P, V7R, V7S, V7T, V7V, V7W, V7X, V7T & Q2==1,2

(Rest of British Columbia, Couple)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	14.50%	20.97%	29.03%	35.77%	42.97%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex, Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	13.77%	19.97%	27.70%	34.03%	40.83%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	11.70%	16.83%	23.30%	28.70%	34.37%

If Q0 is from British Columbia and DOES NOT begin with V5K, V5L, V5M, V5N, V5P, V5R, V5S, V5T, V5V, V5W, V5Y, V6A, V6B, V6C, V6E, V6G, V6H, V6J, V6K, V6L, V6M, V6N, V6P, V6R, V6S, V6T, V6Z, V7G, V7H, V7J, V7K, V7L, V7M, V7N, V7P, V7R, V7S, V7T, V7V, V7W, V7X, V7T & Q2==3,4,5,6 & sex is Male

(Rest of British Columbia, Single Male)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	22.83%	30.17%	35.90%	39.77%	45.83%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex, Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	21.70%	28.70%	34.03%	37.77%	43.50%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	18.23%	24.17%	28.77%	31.77%	36.63%

If Q0 is from British Columbia and DOES NOT begin with V5K, V5L, V5M, V5N, V5P, V5R, V5S, V5T, V5V, V5W, V5Y, V6A, V6B, V6C, V6E, V6G, V6H, V6J, V6K, V6L, V6M, V6N, V6P, V6R, V6S, V6T, V6Z, V7G, V7H, V7J, V7K, V7L, V7M, V7N, V7P, V7R, V7S, V7T, V7V, V7W, V7X, V7T & Q2==3,4,5,6 & sex is Female

(Rest of British Columbia Single Female)

Age	55-59	60-64	65-69	70-74	75-79
IF Q6a == 1, 7777777 (Single Family Dwelling / Detached Duplex, Triplex or Quadruplex / Link Home / Semi-Detached)	24.37%	30.17%	34.70%	36.63%	41.30%
IF Q6a == 2 (Townhouse, Rowhouse / Fiveplex and Sixplex / Attached Duplex, Triplex, or Quadruplex / Stratified SFD, Bare Land Strata / Semi-Detached Strata Condo / Modular Home)	23.10%	28.70%	32.97%	34.77%	39.30%
IF Q6a == 3 (Condo - Townhouse / Mobile Home / Condo – Townhouse)	19.43%	24.10%	27.83%	29.30%	33.10%