



00;00;10;10 - 00;00;33;19

Peter Ward

My name is Peter Ward and welcome to the Solutions to Go podcast. Your source for information on investing, insurance, banking, tax planning and healthy living. If you'd like to know more about anything discussed on this podcast, please visit [mysolutionsonline.ca](https://mysolutionsonline.ca) where you'll find a wide variety of articles and videos. Is it just me or does everything seem more expensive these days? Inflation has been picking up over the last few years, but it does seem to be slowing down a bit. The one thing that's had a longer, steeper price acceleration is real estate in Canada with relatively low supply and increasing demand, pushing the average price for a house in Canada from \$200,000 in 2005 to almost \$700,000 in January of 2023.

00;01;00;16 - 00;01;26;04

Peter Ward

Home prices have steadily outpaced wage growth since the 1970s. Couple that with increasing rents and food prices and homeownership seems like a pipe dream for many Canadians, even those earning a decent wage. So, the bank of mom and dad may have to step in sometimes. Helping your kids get on the property ladder and into their first home can be extremely rewarding. If you're thinking about helping your kids buy their first home there may be some tax considerations you want to make before going ahead. Today, I'm talking to Curtis Davis, who is with the Tax Retirement and Estate Planning Services team here at Manulife. We're going to talk about some ways that you can give the gift of homeownership to your kids and some of the tax considerations you may want to make.

00;01;49;25 - 00;01;51;07

Peter Ward

Welcome to the show, Curtis.

00;01;51;09 - 00;01;52;23

Curtis Davis

Well, thanks, Peter. Good to be here.

00;01;52;24 - 00;02;09;02

Peter Ward

So today we're going to talk about some of the tax implications of gifting children money to buy a home. So, let's say I've decided to give one of my children \$100,000 for a down payment on a house. I have that sitting in the bank, which is probably rare. I can just withdraw that from my savings account and give it as a gift.

00;02;09;03 - 00;02;13;00

Peter Ward

There are no strings attached and it's not taxable in my child's hands. Is that correct?

00;02;13;02 - 00;02;33;16

Curtis Davis

That's correct, yes. Peter, I also wonder if you had any extra money lying around for a good friend. Yeah. All kidding aside, though. So, assuming there's no foreign exchange, I'll just throw that out there. That's Canadian cash we're talking about, which is probably the case then. Yes, you're right. There's no tax consequences for cash gifts. Now, the reason for that really is twofold.

00;02;33;21 - 00;02;54;03

Curtis Davis

The first is in Canada, we have no gift taxes. Other countries like the United States do have gift taxes. We won't get into here, but we don't have that that gift tax structure here in Canada. And the second is the fact that it's cash, right? There's no capital gains or losses to worry about. It's not in an RRSP or a RRIF, so it's just cash sitting there.

00;02;54;03 - 00;03;08;19

Curtis Davis

So, no tax involved with gifting cash to adult children I'll include just for kind of thoroughness, you know, things like GICs, you know, guaranteed investment certificates, money market funds. I don't think they're overly popular, but those are other examples of what I would consider cash.

00;03;08;22 - 00;03;22;20

Peter Ward

It's funny that there's no intergenerational tax triggering, like when you pass down, you know, obviously a house is, you know, has that exemption. But normally when you when you're dealing with intergenerational transfer, there is some kind of tax liability. So that's interesting to note.

00;03;22;21 - 00;03;45;03

Curtis Davis

Yeah. And I would almost think if you're wondering what the tax implications will be and I know we're going to flush some of these out as we go along, you know, almost think about it is what would it be, what would the tax implications be if I sold this to someone that's completely unrelated to me? That's essentially what the implications will be for gifts here for our purposes, it's just like a normal transaction of two unrelated parties selling property between each other. Right. So, if it's taxable in that scenario, it's probably would be taxable here in a gift scenario.

00;03;49;12 - 00;04;08;27

Peter Ward

Everyone is screaming at their phone or however they listen to this podcast that not everyone has \$100,000 just lying around. And to be honest, it's not the best use for it to keep \$100,000 in your checking account or savings account. So typically, you would be invested. So maybe we can talk about the tax implications of taking money from a registered account like an RRSP.

00;04;09;04 - 00;04;28;15

Curtis Davis

So, I now include as well Peter for the RRSP and I'll say RRIF and only because they're the exact same for this purpose. And that being very simple, if you withdraw from an RRSP or RRIF, it doesn't matter if it's in cash or you take the assets out, it's coming out of that RRSP, or RRIF it is fully taxable income for the total amount of the withdrawal.

00;04;28;17 - 00;04;40;19

Curtis Davis

Right? So, if I stick with the \$100,000 example, we'll walk it through. If I take out 100,000 or you take out 100,000 and give it to your child, you're going to have \$100,000 of income in addition to all any other income you have for.

00;04;40;19 - 00;04;44;06

Peter Ward

The tax, have a marginal tax rate whenever that is.

00;04;44;08 - 00;05;09;16

Curtis Davis

Right? Correct. That's the first step. The second is you don't get the 100,000 completely. There's a withholding tax that the financial institution has to hold back and pay Canada Revenue Agency. So that'll be 30% in this case. So, \$30,000 of it is you doesn't even hit your bank account. So, it's you're only giving your child \$70,000. You file your tax return. If your marginal tax rate is higher than 30%, you might actually owe more tax.

00;05;09;16 - 00;05;17;10

Peter Ward

I was going to ask about is like, how did they get the 30%? So, but it is your marginal tax rate but they withhold 30 on the basis that it could be a little bit more or less.

00;05;17;12 - 00;05;38;10

Curtis Davis

More or less. So yeah. So, if your rate happened to be less then then there would be some refund of that. So, it's a bit of a kicker. It's expensive. It's a that's a really an expensive way to go. It's fully taxable income. Your child doesn't even get the full amount. Right. And then depending on your tax rate, the withholding tax may not even be enough to cover the full cost.

00;05;38;10 - 00;05;57;14

Peter Ward

It might not be the best for parents, too. I mean, that's you're in an RRSP for retirement, right? Essentially. So, it might not be the best way to go about that. But instead of using RRSP assets, can the parents transfer stocks, mutual funds and ETF holdings from their non-registered accounts to the child? Would this make sense?

00;05;57;14 - 00;05;59;14

Peter Ward

And what would be the tax treatment in this case?

00;05;59;15 - 00;06;08;14

Curtis Davis

Now we're looking at assets in a taxable type environment, the taxable account like a non-registered. So yes, you can transfer those in-kind.

00;06;08;15 - 00;06;11;21

Peter Ward

So, I would transfer a stock of like ABC to my son or daughter.

00;06;11;22 - 00;06;30;09

Curtis Davis

Right. And let's say that stock, the total holding you have is \$100,000. But remember what I said a little earlier, it's treated as if you sold it. Okay? Right. So, if you have a capital gain, even though your child's getting the stock, we're still treating it as if you sold it. So, if your adjusted cost base of your cost is less than 100,000, you're going to have a capital gain.

00;06;30;09 - 00;06;49;11

Curtis Davis

If it's the opposite. So, if the value right now is less and you're going to have a capital loss. If you're in a loss position, that might not be a bad idea. Like, you know, losses can be used to offset gains in the future or even carry back. You may be able to sell or do this with multiple maybe have two or three.

00;06;49;11 - 00;07;12;26

Curtis Davis

So you look at your portfolio and you pick maybe a combination that where the gains and the losses would offset and you kind of get down to a maybe a zero. So, I think it depends on your kind of your current portfolio and your current tax position. If you realize gains, do you have some losses you can use to offset maybe you have some losses from past years you've been allowed to carry forward because capital losses can go back three years, forward indefinitely.

00;07;12;26 - 00;07;28;19

Curtis Davis

So, this might be a time to say, oh, I will trigger gains on purpose knowing I have those losses to offset it and get me down to a near zero kind of situation. It would be exactly the same as if you sold the stock, took the cash and gift it. No matter which way you go, the tax treatment would be the same.

00;07;28;19 - 00;07;45;12

Peter Ward

Is there any advantages? The only thing I can think of is you transfer it to your child and then if they don't need the money right away, they can maybe benefit from the growth in the stock and but then it would be it would still be taxable in their hands, whatever growth happened once they sold it.

00;07;45;12 - 00;08;02;17

Curtis Davis

Right. Right. Because they would receive the gift at the stock's fair market value. So that fair market value was 100. And then while they had those stocks, it grew to 110. That \$10,000 would be a capital gain for them. The other risk is if it goes down. Yeah, it goes from 100 down to 90 and they really needed it to be 100.

00;08;02;18 - 00;08;08;27

Curtis Davis

So, you start taking in, you got to look at their time horizon and risk tolerance as well as whether it makes sense to hold on.

00;08;09;01 - 00;08;35;06

Peter Ward

They always say, look, when you're saving for a house that's like money that you definitely need. So, don't be investing in risky stocks to try and get your down payment faster because it might go down, right? Yeah, right. And you absolutely need that money at that certain time. So yeah. Okay. That makes a lot of sense.

00;08;36;14 - 00;08;45;24

Peter Ward

So let's just quickly touch on pulling the money out of a TFSA. There are no tax implications there because the TFSA is funded with after tax income. It would be the same as making a cash gift. Is that right?

00;08;46;01 - 00;09;01;26

Curtis Davis

Yeah. You got it. Yeah. Yeah. So simple as that. Now, the TFSA, though, offers a couple of other advantages over just pure cash. So for those parents that maybe are planning ahead, maybe the children are younger and you're going, well, this might be future mees problem or thing. I want to look at five or ten years down the road.

00;09;01;26 - 00;09;20;07

Curtis Davis

You could use that TFSA, as you said, no tax implications when it's in there to invest in more growth focused investments and try and get that gift to grow. And also when you withdraw. So no tax implications to you as we talked about non to your child. And then the nice thing is that withdrawal gets added back to your TFSA limit the following year.

00;09;20;07 - 00;09;32;29

Curtis Davis

So, if you want to rebuild for the next goal as you as the parent, well that you get that limit back to kind of start over again where you would not have that benefit within hours period as an example. So, the TFSA adds a couple of other layers of benefits.

00;09;34;27 - 00;09;52;19

Peter Ward

Yeah, that's great to know. Okay, so let's now talk about keeping the retirement accounts in good order because we've touched on it that it's your retirement. You might not want to give it to your kids, but the money has to come from somewhere. So, what about adding a mortgage to pass on the money to the child's taking on that debt?

00;09;52;19 - 00;09;55;27

Peter Ward

And then what? What considerations would there be then for the parents?

00;09;55;27 - 00;10;14;01

Curtis Davis

Yeah, I think the first one for parents is that how they feel about debt? You know, I know some people that are very diverse. So that option isn't even a starting point. But for those that would be open to the idea and looking at it, I think the biggest consideration for them is the cash flow is, you know, so what's that new payment look like?

00;10;14;03 - 00;10;32;05

Curtis Davis

How long is this thing going to last and how is that going to impact my other goals if I'm saving for retirement, is that taking my cash flow away from what I was putting away in my retirement? What's that going to do to my plan? If I'm already retired, I now have an extra fixed payment. Am I going to go out and work to make up the difference?

00;10;32;05 - 00;10;51;10

Curtis Davis

Do I cut other lifestyle aspects? There's this sort of ripple effect, right, with the debt. I didn't say anything about the interest rate. I don't think it's as important in this case, only because I think it's what will help drive the payment. You know, I think it's the payment that impacts the parents plan and cash flow and the rates are going to be whatever they are at the time.

00;10;51;11 - 00;11;01;14

Curtis Davis

It's a pretty competitive space as far as mortgage rates, obviously, lower is better, but I think the bigger consideration is that cash flow and how long this is going to be outstanding.

00;11;01;14 - 00;11;21;15

Peter Ward

And I think that makes a lot of sense because when I when I originally was thinking about this, I thought, you know, if you're invested in and you're making 8% a year or whatever, then sure, maybe it makes more sense to only have a 5% mortgage rate. But at the end of the day, you're just you're adding that debt and you have to be really comfortable with what that payment is before you before you take that on.

00;11;21;18 - 00;11;31;03

Curtis Davis

That's right. That's right. And that's you, the parent, because it's your mortgage on your property. It's your cash flow. Yeah. Your child would have no obligations. They're on payments.

00;11;31;03 - 00;11;46;13

Peter Ward

So, what if parents wanted to set up this as a loan instead? Maybe the thinking that their kid could use the cash now. But as they progress in their career, etc., cash flow may not be a problem for them. They might just need a leg up and you know, in getting the down payment. And so right now it's more about getting on the property ladder.

00;11;46;13 - 00;11;48;08

Peter Ward

Any special considerations there?

00;11;48;10 - 00;12;06;11

Curtis Davis

Yeah. So this would be a case where, say as a parent, I instead of giving \$100,000 to my son to buy a house, I'm going to say, here's 100, but you're going to pay me. We're going to set up a loan agreement type thing and have a loan. You know, it's certainly an option. I think, you know, this is not a do it yourself type option.

00;12;06;11 - 00;12;24;10

Curtis Davis

I really think this is where legal advice is needed, especially since we have, you know, kind of related parties. Right. And just kind of ask yourself a few questions like, well, what happens if my child sells the home? How do I do I if I was truly alone, I should get repaid. How do I want to enforce that?

00;12;24;13 - 00;12;43;20

Curtis Davis

You know what if what if I die and the loan is still outstanding? Have I made provisions in my will for that? Or what impact would that have? Especially if there might be another child in the mix who might be sitting there saying, okay, well, my sibling got a loan from mom and dad, what about me? Or how does this impact me right there?

00;12;43;23 - 00;13;06;17

Curtis Davis

I mean, I don't want it to sound like I don't want to villainize the other sibling, but those are fair questions. So, there could be some legal ramifications. And I think those are things if you set them up in writing and establish it, then you take some of the emotion out when if those circumstances get triggered over time, rather than trying to do it after the fact on a handshake, there's a reason we can't go to the bank and get a mortgage on a handshake.

00;13;06;17 - 00;13;07;26

Curtis Davis

All right.

00;13;07;26 - 00;13;08;17

Peter Ward

So no handwritten IOUs?

00;13;08;18 - 00;13;18;14

Curtis Davis

Exactly. So, yeah, in this case, you do take a similar approach as an almost as a business transaction with the right legal adviser before going ahead.

00;13;18;14 - 00;13;24;13

Peter Ward

So definitely, people should seek legal advice and set it up properly and go through all the hoops, is what you're saying?

00;13;24;13 - 00;13;57;29

Curtis Davis

Absolutely. And go and ask all the questions. And yes, have somebody advise on how best and what the almost the ripple effect or the additional implications are. Do I need to update my will? Is there something I might need to do with my advisor on my financial plan, know those things and kind of get those in order ahead before it gets set up?

00;13;58;02 - 00;14;07;13

Peter Ward

Parents may feel pressured to help their kids buy that first home, but is it really a good idea? And do you have any concerns about this strategy there?

00;14;07;16 - 00;14;25;28

Curtis Davis

Good question. I think this is this is a hard one. And because when I look at kind of at this scenario, I kind of take it right to the beginning. And I ask, I guess, the first question as a parent, I might ask myself, do I have any money set aside that doesn't really isn't earmarked for any other particular goal?



00;14;26;01 - 00;14;46;18

Curtis Davis

Yeah, I know you joked at the beginning, oh, who has 100,000 sitting around, but I'm kind of addressing that part first. If I have that extra money, whether it's in a cash account or my TFSA, it doesn't really matter. And I don't really, I know I don't really need it for anything else. You know, if that's the case I'm in, this might be a pretty easy comparatively speaking process.

00;14;46;18 - 00;15;03;13

Curtis Davis

Okay. Do I want to give the gift? How much? And then if I have multiple choices, small, just pick the one that's the cheapest to me, right? My TFSA is an example. I might say there's step number one. I'll use that to fund the gift. Let's square the amounts off. Write the check. Yeah, and we're done.

00;15;03;16 - 00;15;19;10

Curtis Davis

I think where it gets much more complicated is when the parents say, Well, I do want to help, but all those assets I have are already there for something else. So now I have to walk through. If I take money out of my RRIF that's now future income I don't have, what am I going to do to make up for that?

00;15;19;16 - 00;15;35;21

Curtis Davis

I borrowed as we talked about. Now I have a new payment, so there's these trade offs that have to come into play. And I think that's where the decisions get harder because it's almost like you're as a parent, you're helping, you want to help your child, but there's a bit of a price to pay for yourself and can you afford to do that?

00;15;35;21 - 00;15;53;07

Curtis Davis

I do find in just casual conversations around the neighborhood and things like that, it's, you know, people are starting to say, okay, well, like what are some of the other options? They don't know how to start the conversation, but they almost want to brainstorm. Let's throw some things out there and see if it sticks. So, you know, could you look at and I'll throw some questions out with answers?

00;15;53;07 - 00;16;21;08

Curtis Davis

I don't know the answers myself. Yeah. What could you as a parent renovate your existing home maybe for that would be better for multi-generational, you know, maybe duplexes. That's an example. Separate entrance. Does that make sense? Yeah. You know, do you buy maybe you sell your current home and buy one that's already set up that way and maybe that gives the there's

a mortgage perhaps, but it's a much more affordable mortgage for your child than if they went on their own.

00;16;21;08 - 00;16;41;06

Curtis Davis

Is there some kind of deal you can work out? They pay. They help with the maintenance, but they have their own living space. You have a downsized, reduced living space. Does that make sense? You know, do you downsize and help them, you know, some of the equity take out? I know that was part of the sort of dream, I think of my parents that was sort of the model they were supposed to follow.

00;16;41;06 - 00;16;58;29

Curtis Davis

I don't know how doable it is with the markets, but, you know, is that an option? The other thing I was thinking is, you know, some families have secondary homes, a cottage, some kind of vacation property, and maybe the intention was that was to be inherited by the kids. But maybe the kids are saying, well, I love it, but what I really need is a primary residence.

00;16;58;29 - 00;17;15;29

Curtis Davis

Does it could it make sense to sell that secondary and use that to fund the primary residence of the next generation? You know, if there's multiple children, how do you find that? So, I think it's I think a lot of people are kind of at that stage where maybe I haven't dealt with this before. My parents didn't deal with it when I was younger.

00;17;15;29 - 00;17;41;19

Curtis Davis

My parents didn't do it. So what do we do? I don't even know where to start. And I think that's where we could be at for some households. And just asking those questions as advisors, it might be just throwing some questions up some field or discovery type questions out there is clients or individuals. If you have an advisor, start that conversation, throw it out there and see what happens and just evaluate what options could be out there that you're not considering.

00;17;41;23 - 00;18;00;16

Peter Ward

Absolutely. And another thing that I think people need to think about is just take the example. 100 K is a significant amount of money. Can your kids afford the mortgage after that? Because the way property prices are now, that isn't going to put a huge dent into a mortgage. And with rates going up as well, I think there's something to consider there too.

00;18;00;24 - 00;18;20;21

Curtis Davis

Especially in the big markets. The Greater Toronto or Vancouver areas are probably the top two in terms of expense and how expensive it is. But I'm sure there are other markets where on a

relative basis the housing has gone up considerably compared to the local area incomes. So, they're facing a very similar challenge. Right. And, you know, I know the kind of idea is well, I'll just move further away. But it gets to a point where, you know, if somebody has to commute 2 hours one way, because that's how far away they have to be to afford the house. There is a bit of a, At what point is it? Is it too much absence? So, I agree with you, Peter. Yeah, the costs, even with the help, could be too high, right?

00;18;38;20 - 00;18;46;21

Peter Ward

And it's just it's like one. It's like one of those things, It's like one of those questions you talk to your advisor about and you say, you know, this is, this is our situation. What do you think the best idea is?

00;18;46;21 - 00;18;48;22

Curtis Davis

You know? Yeah.

00;18;48;25 - 00;19;02;21

Peter Ward

So, but the strategy might make sense from an inheritance point of view, doling out the funds sooner rather than later. So the parents get to see their, you know, the effects of all their hard work and reward it on their kids. Does that strategy make sense to you from a tax perspective?

00;19;02;28 - 00;19;20;07

Curtis Davis

Yes, I am, again, because as we said, with gifting, Right. It's think of it as it's taxes. The gift is taxed the same way as if you sold. Right. So if there's no tax, there's no tax in that scenario. If there is there is a similar idea on the estate. Right. When you die, it's we're deemed to have sold everything we owned.

00;19;20;10 - 00;19;38;20

Curtis Davis

Now, if it passes through our state, there's probate in most provinces, which the cost can vary. Ontario here we're pretty sensitive. It's higher, but Quebec is zero. So we have a quite a wide range across the country in costs that wouldn't apply on a gift, of course, because you're not passing it through your estate. So there could be some savings.

00;19;38;20 - 00;19;56;24

Curtis Davis

So I think if I were to put myself back in my shoes when I was the adult child looking to buy a house, I would vote for, yeah, I would take the money today, you know, like as the adult child, I think there's benefits to getting it today to buy that primary house rather than when I'm maybe, you know, 40's or 50's 60's whatever.

00;19;56;24 - 00;20;22;29

Curtis Davis

And maybe those major life milestones kind of are done and there might be less need or I'm using it to fund my kids. Yeah my kids like I could have used it, but now I'm using it for the next generation. So, I think the timing would be attractive to the recipient and maybe for parents to saying, you know, if I, if I know I don't need it now, what difference does it make if I wait and give it away when I'm gone, if I don't need it now and they need it now, why not?

00;20;22;29 - 00;20;31;17

Curtis Davis

So, I do see a real benefit, not as much from a tax perspective as just maybe from a kind of practical perspective.

00;20;31;19 - 00;20;53;14

Peter Ward

And I agree with you. I mean, just as an example, my dad is 63 and he's pretty much retired and both of his parents are still alive. So, you know, it's like, maybe he could have used that when he had a young family and, you know, trying to get a house and things like that. But now he's like, you know, I'd rather them just be here because, you know, I'm set, I'm set and I'm almost retired.

00;20;53;14 - 00;21;05;18

Peter Ward

So, when you think about how much longer people are living like maybe that early inheritance conversation starts to take more effect because, you know, there's certain times in your life when you can use it more than others, you know?

00;21;05;18 - 00;21;25;18

Curtis Davis

Yeah, that kind of a pay it forward approach on an estate planning might become more attractive now because that's a good point. And, you know, I mean, both my parents are alive and I'm at the stage, I'm telling you, you know, make sure you're spending it. Don't you know, but it could potentially be the same where you know, the way you're right with longevity, I could be just like your dad and have both my parents alive.

00;21;25;18 - 00;21;29;29

Curtis Davis

And but anyway, and maybe I'm more like, no, now it needs to go to my kids, obviously.

00;21;29;29 - 00;21;42;16

Peter Ward

Obviously, the caveat to that is if it's you talk to your advisor, if it's in your retirement plan that you can do this and not need the money. Right. Because you can't sacrifice your own retirement for, you know, your kids to buy a house.

00;21;42;21 - 00;22;14;13

Curtis Davis

That's right. That's right. And, you know, even if it's possible, including the adult children in that conversation as well, if that's subject to the parents being open to it and having them involved, I think would be helpful for them to see the other side, too. I know they're you know, when you're in you're at that stage you're focused on, I want to buy a house or I need to, but it might be nice to see what your parents are facing in terms of their decision and some of the challenges they're facing and a good kind of opportunity to see financial planning and advice at work.

00;22;14;13 - 00;22;40;07

Curtis Davis

I think the scenarios are very customized, but I can't give you a here's the rules. If this, then that that should be the way we do it. I don't think that would work. I really think it's case by case and it's going to be customized approach and advice. I think the younger generation could benefit from seeing that at work and seeing it in a you know, doing well, I guess is something that is good advice and saying, oh, maybe someday I could really benefit from this advice as well.

00;22;40;07 - 00;22;59;20

Peter Ward

Are you seeing that adult children are getting included in their parents financial planning meetings with advisors more? Because I know we've been saying we've done a lot of research and things like that and shown that it's beneficial. But some people it's like a black box and you don't, you know, you don't know what your mom and dad have or whatever, like and it's, taboo to talk about money, right?

00;22;59;20 - 00;23;23;21

Curtis Davis

Yes. Yes it is. Yeah. I, I can't say I'm seeing more of it, and I don't want to say that I'm not criticizing anyone involved. I, I think you're right. I think there's the taboo because if the parents want to keep it private. You know, it's not happening. Yeah, kind of thing. Right? You know, maybe. I know it's hard sometimes for advisors to meet that younger generation because you almost need a reason to get in front of them.

00;23;23;21 - 00;23;41;18

Curtis Davis

I mean, I'm not going to go spend an hour if I don't see the value in it. Right. I need to be kind of sold a bit on that. And this could be a scenario where it's worth it. You know, there might be other cases as well. And I mean, I know we're bombarded with, you know, different advertisements and stuff about doing it yourself, and there's certain value there.

00;23;41;18 - 00;23;57;09

Curtis Davis

But I think there's this there's kind of a components in seeing some of those more intangible things in the background. That's something you won't be able to get from a kind of an algorithm. You're kind of I think you need a human being to talk to and just see the emotions at play, see, see the variables that are competing.

00;23;57;09 - 00;24;09;14

Curtis Davis

You know, your which goal. I think it changed your view. If I'm an adult child and I see that my parents might be sacrificing their retirement lifestyle to help me, that might change my view a bit from what it might have been before if I didn't realize that was going on. Right.

00;24;09;17 - 00;24;17;17

Peter Ward

It'll just give you some perspective. Yeah. So. Well, I think that's a great place to leave it. So, Curtis, thank you so much for being on solutions to go. I hope you come back soon.

00;24;17;18 - 00;24;19;00

Curtis Davis

Appreciate it. Thanks for having me, Peter.

00;24;19;06 - 00;24;49;27

Peter Ward

Thanks a lot. I had a great time chatting with Curtis about this. Given the expense of homeownership and seeming the impossible task of getting on the property ladder for young people, it makes total sense to want to help out a child. I think what this really comes down to is having those conversation lines, talking to your kids about the reality of owning a home mortgage costs and the never ending maintenance that comes with it.

00;24;49;29 - 00;25;13;15

Peter Ward

Talking to your significant other, is this something you can afford to do? Will it affect your future plans? Does it delay your retirement? And finally, your advisor? They may be able to work with you on your overall financial plan and goals. If you enjoyed this episode of Solutions to go, please like and subscribe wherever you get your podcasts.

00;25;13;18 - 00;25;47;08

Peter Ward

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