



WHAT IS A PRIVATE ANNUITY?

A private annuity is an arrangement where in exchange for property sold, the seller/annuitant receives annual annuity payments for the remainder of their lifetime. An annuity is private if the purchaser is not in the business of making annuities. A private annuity might be advantageous if the seller's actual life expectancy is likely to be less than his or her actuarial life expectancy.