

Purchase Plus Improvements

It is common for people to purchase a home that is in need of some renovations. Many individuals want to customize their living space. There are programs in place to help home buyers pay for these renovations with one manageable mortgage. This option is available with as little as 5% down.

Purchase Plus Improvements is ideal for customers who wish to buy a home that offers great potential but needs a little tender love and care. This program enables you to begin making improvements after taking possession of your new home. It is much easier when the renovation costs are rolled into one simple to handle mortgage.

Acceptable Loan Purpose

- a) Available for extended amortizations up to 30 years
- b) Refinances up to 80% Loan-to-Value and Purchase transactions up to 95%

Eligible Properties

- a) Existing properties or new construction are available
- b) Maximum 4 units with at least 1 unit occupied as the principal residence

The Process

Step 1 - It is important to decide on a property and have an idea of what kind of renovations need to be completed as well as a general estimate of how much it will cost.

Step 2 - The house will receive an approval based on an "as-is" condition. Next you can go and get firm price quotes for the required work. Ensure that the quotes specifically state the work that is to be done.

Step 3 - Your mortgage approval will be released and revised to include the price of the renovations you are planning.

Step 4 - You will start the renovations once you have taken possession of your home. The work can be completed by anyone as long as it is quality work.

Step 5 - After the work has been finished, a bank representative will be sent out to ensure the renovation has been completed as required.

Step 6 - The funds are released. Your lawyer will be instructed by the lender to release the money that is needed for the renos.

Notes:

Please note that you will not receive any money for the renovations until after the work has been completed. As well, the mortgage interest rate is not affected by this program. Lastly, it is completely necessary to have a firm price quote prior to possession of the subject property.