

# This is how to buy and renovate



Many homebuyers looking at older properties find themselves in a common predicament: they've found a property that suits them, but it needs some costly and immediate upgrades. Good news. We've got a mortgage that will keep you financially afloat!

A Purchase Plus Improvements mortgage adds the cost of those immediate renovations into your mortgage, so you don't have to rack up credit card bills or sell investments to pay for the upgrades. This mortgage will cover the sale price of the home, plus any renovations that would increase the value of the property, up to \$40,000. This way you can spread your payments over the life of the mortgage and have a cost-effective way to get into your dream home. You can then use your pre-payment privileges to pay the renovation off faster.

Here is an overview of the process:

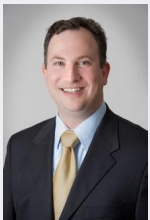
1. Obtain cost estimates for the upgrades.
2. An appraisal with two separate values will be required: first the value of the property "as is" and the estimated value of the property once the improvements are completed.

3. Your lender will add the estimated cost of the renovation into your mortgage. The committed amount of the mortgage will be advanced to your solicitor, who will be instructed to hold back the renovation funds until the work has been completed and inspected.

4. Complete your upgrades; funds are released upon completion.

5. There are options we can discuss for carrying your expenditures until the funds can be released.

So if you find a home with "great bones" that can be renovated into the home of your dreams, get in touch early. I'm here to make sure your homebuying journey has a happy ending.



## Warren Ross

Chartered Real Estate Mortgage Broker

T: 514.731.2333

M: 514.994.9377

warren@warrenross.com

www.warrenross.com

