



SUCCESSFUL INTERIM PURCHASE MORTGAGE FOR A NEW BUILD RESALE

We consider an Interim Purchase mortgage to be financing on a home purchase with a confirmed exit strategy within 12 months. As highlighted in this case study, the most common uses are to resell for profit or refinance on the appraised value, allowing borrowers to keep more of the down payment in their own pocket.

A COMMITMENT LETTER WAS ISSUED WITHIN 24 HOURS AND THIS DEAL WAS FUNDED WITHIN 10 BUSINESS DAYS OF RECEIVING THE REQUEST!

Client Situation

A client with excellent credit and a great income to support a loan approached us, seeking a solution to secure the purchase of a new build they intended to sell shortly after taking possession. Due to the short-term nature of the loan and because we could lend on the as-is value of the property, Calvert Home Mortgage was the best option.

Our Approach

To assist the client, we performed an internal valuation of the property at no cost and reviewed the condo documents internally to ensure there wouldn't be any complications. **This comprehensive review process allowed us to lend confidently based on the current market value of the property, enabling the client to make a smaller down payment.**

The Outcome

The client purchased the property for \$345,287 and sold it swiftly for \$396,500, resulting in a total profit of approximately \$40,000 after all costs.** They paid off our loan within 22 days without a prepayment penalty. By **lending on the current market value of the property** and providing flexible pricing options, we supported the client in choosing the most suitable interest rate and down payment options for their situation.

Mortgage Details

LOAN TO VALUE (LTV)*: 75.40%

Down Payment: \$20,787

Loan Amount: \$290,000

Interest Rate*: 11.74%

Term: 6 months

Prepayment: Fully Open (No Payout Penalty)

Payments: Interest Only

Commitment Fee: 1.4%



The required down payment was reduced because we funded this deal based on the current market value.

Get Approved

Contact Rob Maver to discuss your next deal.



Rob Maver, Senior Underwriter

FSRAO Mortgage Agent Level 2 - M23005256

Email: rob@chmic.ca

Phone: 403-278-0249 | 1-888-752-4642

Fast Funding

We understand the urgency that can come with securing a short-term mortgage and can provide funding on a rush basis within 1-2 business days in Alberta and 1-3 business days in Ontario after receiving all required documents. A rush fee of up to \$1,000 may apply.

*Maximum Loan to Value (LTV) of 80%. The rate, maximum LTV, and underwriting decision may differ depending on the size of the loan, the actual \$ down, property location, and the type of property. Rates are subject to change. Contact us for our current rates.

**Net profits are not guaranteed and will vary. Interest rates and fees are determined on a deal-by-deal basis and can change based on several different factors. The success of our clients is what motivates our business: if there is anything we can do to support you, let us know.