



# INTERIM DEVELOPMENT MORTGAGE

Successful use of an Interim Development mortgage *to secure infill property.*

## CLIENT SITUATION

As municipalities increasingly support densification to boost housing supply, real estate investors are struggling to bridge the gap between property acquisition and construction financing. One investor in Kitchener, ON, identified a **prime site for a mid-sized infill development but required interim financing** to secure the property before applying for a construction mortgage—a product that demands extensive preparation, including drawings, permits, planning, and appraisals. Seeking a flexible, tailored solution, their mortgage broker turned to Calvert Home Mortgage.

## INTERIM MORTGAGE SOLUTION

Calvert Home Mortgage offers short-term financing via Interim Development mortgages to secure properties, providing **up to 75% of the as-is value, so real estate investors can access more capital upfront** and smoothly transition to construction.

**Intact properties:** We lend based on as-is market value (up to 75% LTV)\*

**Demolition planned:** We lend based on land value (up to 65% LTV)\*

Using our Interim Purchase mortgage solution, we delivered:



Valuation within  
24-hours



Funded on the  
as-is value



Funded within 8  
business days



Common-sense  
underwriting

## THE CALVERT HOME MORTGAGE ADVANTAGE

### SPEED & EFFICIENCY

Calvert Home Mortgage provided a free in-house property valuation within 24 hours, ensuring a quick assessment and financing terms. The deal moved quickly—from initial contact to funding within 8 business days.

### BROKER COLLABORATION

By collaborating with the client's mortgage broker, we were able to quickly assess and fund the mortgage to meet the client's timeline. Our efficient process ensures smooth transactions for brokers and clients.

### FLEXIBLE TERMS

The mortgage was customized to fit the borrowers timeline and development plans, offering terms aligning with the construction financing.

### MORTGAGE DETAILS

LTV (As-Is)*	60% (\$680,000)
LTV (Purchase Price)*	66% (\$620,000)
Down Payment	\$220,000
Loan Amount	\$400,000
Interest Rate**	10.74% <i>Contact us for current rates</i>
Term	6 months
Prepayment	Fully Open (No Penalty)
Payments	Interest Only
Total Fees (including Broker)	2.5% (\$10,000)

## SUBMIT A DEAL



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\*Maximum Loan to Value (LTV) of 80%, subject to loan size, down payment, property location, type, and borrower strength. For properties exiting through construction financing while remaining intact, lending is based on "as is" market value (up to 75% LTV) with an underwritten exit plan. Safeguards may be required. If demolition is planned, lending is based on land value (up to 65% LTV). \*\*Rates are subject to change. Contact us for current rates.