

Purchase plus Improvements

Buy now and add your renovation fees to your mortgage



A Purchase Plus Improvements Mortgage, allows qualified purchasers to buy a home or condo and include a Renovation Allowance, even with as little as 5% down.

STEP 1: Obtain a mortgage pre-approval from Spire Mortgage Team, to determine your maximum approval amount.

STEP 2: You must find a home and have a general idea of what renovations will be completed at what cost to you. The purchase price plus the renovation cost cannot exceed your maximum approval amount. You will be required to provide the lender with a written quote, outlining the work to be completed and the cost to do it.

Pro tip: Do not include chattels, waste costs or demolition in the quote.

STEP 3: Once your offer is accepted we will have the lender approve the mortgage with the cost of the renovations included in the mortgage.

STEP 4: Once you take possession of your home, you can begin the renovations. The Lender will instruct the Solicitor to "hold" the Renovation funds in trust, until the lender confirms the work has been completed.

Once the renovations are complete, notify your Mortgage Broker and they will send an appraiser to complete an inspection to verify the work is completed as per the quotes that were provided.

For Example:

Purchase Price: \$350,000

Cost of Renovations: \$ 35,000

Revised Purchase Price: \$385,000

Mortgage Amount: \$365,750 (Plus CMHC \$13,167) \$378,917

Down Payment Required: \$ 19,250

*(*Down Payment is 5% of the Purchase Price including the renovations*)*

STEP 5: The lender will receive the inspection report from the appraiser and validate that the work has been completed. They will instruct the lawyer to release the funds to you, so that you are able to pay the contractor.