

## **Reliable's "It's a Done Deal" #31**

### **Particulars**

Property: A single family home in Vancouver, BC

Value: \$595,000 "as is", \$695,000 "100% complete" (confirmed by Reliable approved appraiser – Hossack Newby)

Mortgage Request: \$521,000 1<sup>st</sup> mortgage

### **Notable Details**

- The house has had its occupancy permit revoked due to an illegal grow-op.
- The existing mortgagee, TD, has demanded on the mortgage due to the grow-op.
- The property is a tenanted property, not a principal residence, the owners were not aware of the grow-op.

### **What Reliable Did**

- Reliable reviewed documents from the City of Vancouver's License & Inspection By-Law Compliance Division. These documents explained what needed to take place in order for a re-occupancy permit to be issued.
- Reliable reviewed their contractor's budget for remediation.
- Reliable registered a 1<sup>st</sup> mortgage on the property for 75% of the remediated value.
- Reliable made a first advance of 75% of the "as is" value with the remaining funds being advanced on a draw basis (to complete the remediation).
- Reliable wrote the mortgage such that once the re-occupancy permit was issued, our interest rate would be reduced.

### **Key Points**

- Reliable will lend on properties that had a grow-op or remediated grow-ops.
- Reliable will lend on a draw basis, allowing your clients to pay interest on only the funds they require.
- Reliable provides unique financing for your clients.

"The Reliable Team"

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