

Home Equity Line of Credit

An equity line of credit secured against your home is available to you if you have more equity in your home than your original down payment. A line of credit could help you to get cheaper financing with more flexibility. This product is available for both purchase (up to 95% LTV) and refinance (up to 90% LTV) applications with amortization periods up to 35 years.

You can use your line of credit in whatever manner you want. With any investment you make using your line of credit, the interest on the monies borrowed for the investment are tax deductible against your income earned.

A line of credit gives you the flexibility of withdrawing the money whenever you need to and can repay it either in one lumps sum payment or in parts. Lenders usually do not require that at least monthly payments be made on the principal, but will always require monthly interest payments be made. The interest rate on the line of credit is usually at a fixed rate at or above prime.

There are also fees that come with getting a home equity line of credit: appraisal fees, legal fees, disbursement fees, GST, etc. A mortgage consultant can help guide you with the fees.

For more details, contact:

Michelle Brienza
Senior Mortgage Consultant
T: 416.410.5761
E: michelle@michellemortgages.ca
W: www.michellemortgages.ca