

## ***COTTAGE FINANCING IN HALIBURTON***

One wonderful feature of Haliburton County is that each home/cottage is unique. Over the years of assisting home/cottage buyers with financing these unique properties has educated me in different lender's (financial institutions) requirements of rural vacation/cottage mortgages.

I break vacation/cottage properties into two categories, **A** and **B** cottages.

An **A** cottage is more like a home while a **B** cottage has more rustic features like sitting on piers or water access only as a couple of examples. Lenders also are not all equal with their guidelines with cottage properties. Some of the lenders only do **A** cottages. I have assisted clients over the years with purchasing **B** cottages after being turned down by their (only **A** cottage) lender.

Three of the biggest difference in financing an **A** and **B** cottage are the down payment requirements, amortization allowed and the interest rate charged.

An **A** cottage is just like financing a home. Lenders require 5% down payment (which can be from your own savings, borrowed or gifted to you) with a maximum amortization of 30 years and the rate is always my best discounted rate, fixed or variable.

A **B** cottage requires a down payment of 10% (from your own resources and must have a deposit history of 90 days) with a maximum amortization of 25 years and the rate is usually ½% to 1% above my best discounted fixed rate.

With the uniqueness of the area's properties and lending guidelines I recommend anyone thinking about buying a cottage to get pre approved and not just you but the properties you are considering buying.

Because I deal with rural vacation homes all the time I can very quickly assess a property and let you know if it is an **A** or **B** cottage because as you can see above they are not treated equally by the financial institutions.

Just email me the MLS listing to [susanlee@mortgagebrokers.com](mailto:susanlee@mortgagebrokers.com).

Please feel free to call me @ 705-457-3207 if you want to discuss in more detail financing cottages in Haliburton County.

Helping you plan your future.

Susan Lee