

Your Winter Home in Mexico

Financial Options Available to
Increase your ROI and your Lifestyle

Mortgage Specialists in Canada

www.adanaranda.ca

AA MORTGAGE
ARCHITECTS®

Brokerage 12728

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ABOUT US

The most important and reliable Mortgage Brokerage in Canada, with very solid relationships with +60 Banks & Lenders among we will find the best financial solution for you.

We are here for you who are looking for your first home, your dream home, a second home or your vacation home. Canadian & Permanent Residence, New to Canada, Expats and for all generations Baby Boomers, X Generation and Millennials.





Marialba Cipriani

www.Marialba.ca

- Mortgage Agent Specialist in Banks & Lenders A, B or C
- More than 10 years of experience



English & Español

MA MORTGAGE ARCHITECTS®

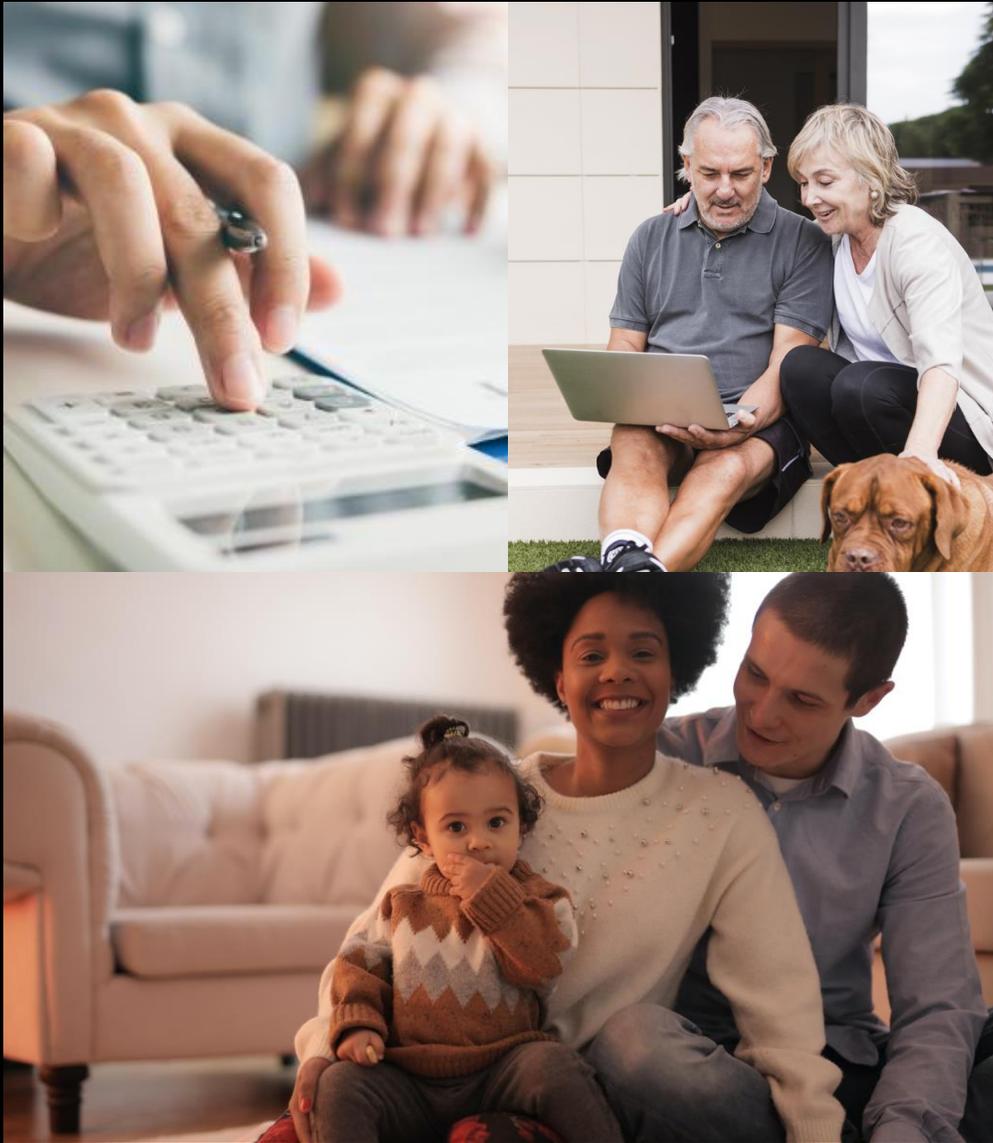
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Adan Aranda

www.AdanAranda.ca

- Mortgage Agent Specialist in Banks & Lenders A, B or C
- Real State and Compliance Lawyer in Mexico



Our Mortgages Services

- Residential
- 95% Financing
- Refinancing & HELOC
- Equity Take-Out
- Second Home
- Rental or Investment Properties
- Vacation Home or Cottages
- Self-Employed
- Reverse Mortgage
- Credit Improvement
- Commercial and
- Industrial Mortgages



SECTION ONE

Your property in Canada financing
your property in Mexico

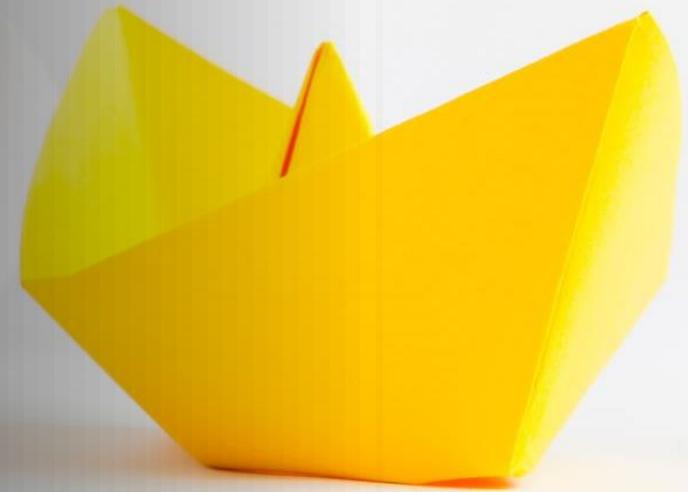
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[This is our VIDEO](#)



This Section One is an overview of 2 mortgage options: Refinance and HELOC, and how these can be used to purchase a second home, such as a winter foreign property in Mexico, the same as it works for a cottage, rental, or recreational property here in Canada.



Use equity on 1st  for a 2nd 

= Smart Investment



Fall & Winter

Enjoy your Winter Home in Mexico *with warm weather and close to beaches* with the lifestyle you enjoy.



Spring & Summer

Stay in Canada and allow your Winter Home *Rental Property or Airbnb to maximise your ROI* to pay the mortgage portion used for the Refi or HELOC.

Refinancing and Home Equity Loans

These 2 financial options are the most common ways here in Canada to finance a second foreign property. **In Section 2, you will see that there are other 5 options available for you.**

Your home is not just a place to live, and it is also not just an investment. Your home can moreover be a handy source of ready cash to cover emergencies, repairs, upgrades, investments and/or to purchase a second home for rental or recreational purposes; obtained either through a Mortgage Refinancing or a Home Equity Loan.

- **Refinancing** pays off your old mortgage in exchange for a new mortgage, ideally at a lower interest rate.
- A **Home Equity Loan** gives you cash in exchange for the equity you've built up in your property as a separate loan.



Refinancing

There are two common methods for a mortgage refinance, or "refi": a rate-and-term and a cash-out loan.

- **A rate-and-term refi** does not involve any money changing hands, other than costs associated with closing and funds from the new loan paying off the old loan.
- **The cash-out refi** effectively hands over some of the equity in your home as cash. You emerge from the closing with a new loan and a check for cash.



Home Equity Loans

Home equity loans tend to have lower interest rates than personal, unsecured loans, because they're collateralized by your property, and that's the catch: The lender can come after your home if you default.

Home equity loans also come in two flavors: the traditional home equity loan, in which you borrow a lump sum, and the Home Equity Line of Credit (HELOC)

- A HELOC is like a credit card that's tied to the equity in your home. For a set time period after you receive it, known as the draw period, you can generally borrow as little or as much of that credit line as you want, although some loans do require an initial withdrawal of a set minimum amount.



First Mortgage



Second Mortgage

A traditional home equity loan is often referred to as a second mortgage. You have your primary mortgage, and now you're taking a second loan against the equity you've built in your property. The second loan is subordinate to the first, should you default, the second lender stands in line behind the first to collect any proceeds due to foreclosure.

RATES Examples This offer may be withdrawn at any time without notice

Purchase/ Refinance	680+	650 - 679	Comp (Bps)
1 Year	2.74%	2.84%	50
2 Year	2.74%	2.84%	60
3 Year	2.84%	2.94%	75

NEW BUSINESS ONLY

- Limited time only
- Owner-occupied only
- Purchases & Refinances up to 80% LTV
- 120 day commitment period for purchases
- 90 day commitment period for refinances
- Lender Fee 1%

*This offer may be withdrawn at any time without notice

REFINANCE

Rate Update

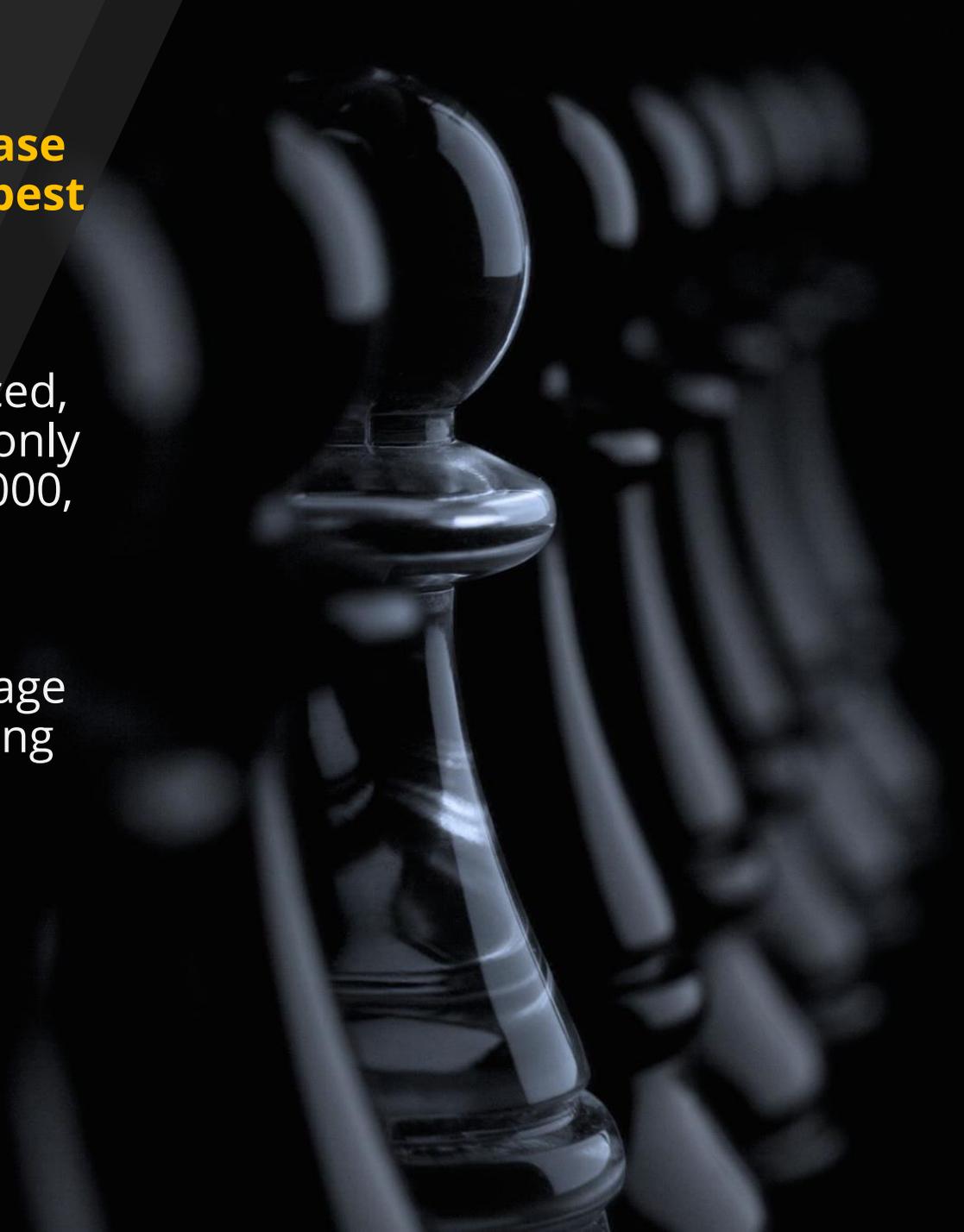


Effective Date: June 1, 2021	nk Prime Rate¹: 2.45%
Bulletin #: 13-21	5 Year Qualifying Rate: 5.25%
	HOK/HELOC Qualifying Rate: 5.25%

HELOC

For many, Refinancing or HELOC your principle Canadian residence and using the equity to purchase your foreign home is by far the simplest and cheapest finance solution.

- Up to 80% of the value of your home can be refinanced, **for example:** if you have a home worth \$800,000 and only hold a mortgage of \$400,000 you can refinance \$640,000, payoff the \$400,000 mortgage and use the other \$240,000 to buy your foreign vacation home.
- The **interest rate** will be lower because you re-mortgage your permanent residence and have no mortgage owing on the vacation home.
- Makes it **simpler and faster** to buy in the foreign location.
- There are no restrictions on the use of the vacation home, so you can **use it for a rental and Airbnb to increase your ROI and pay off your mortgage.**

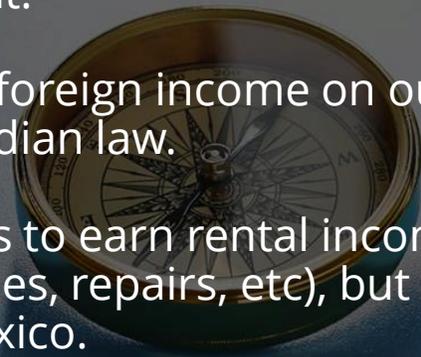


Some have this question: **Could we write off the mortgage interest expense on our taxes?**

Imagine the purchase price of a potential second home in Mexico is \$240,000 and we are going to refinance our Toronto home and use the equity to pay cash for the second home.

The answer to this question is "yes".

- The Mortgage Refinance or HELOC on our Toronto home would have to be specifically used to purchase the property in Mexico as an investment.
- We would also have to report our foreign income on our personal taxes as required by Canadian law.
- We can claim reasonable expenses to earn rental income (mortgage interest, insurance, utilities, repairs, etc), but we cannot claim travel to and from Mexico.
- Mexican government will require us to pay tax on (deemed) rental income and Canada Revenue will then claim a foreign tax credit so that we are not double taxed.





SECTION TWO

Mexican mortgages for foreigners
over your target winter home

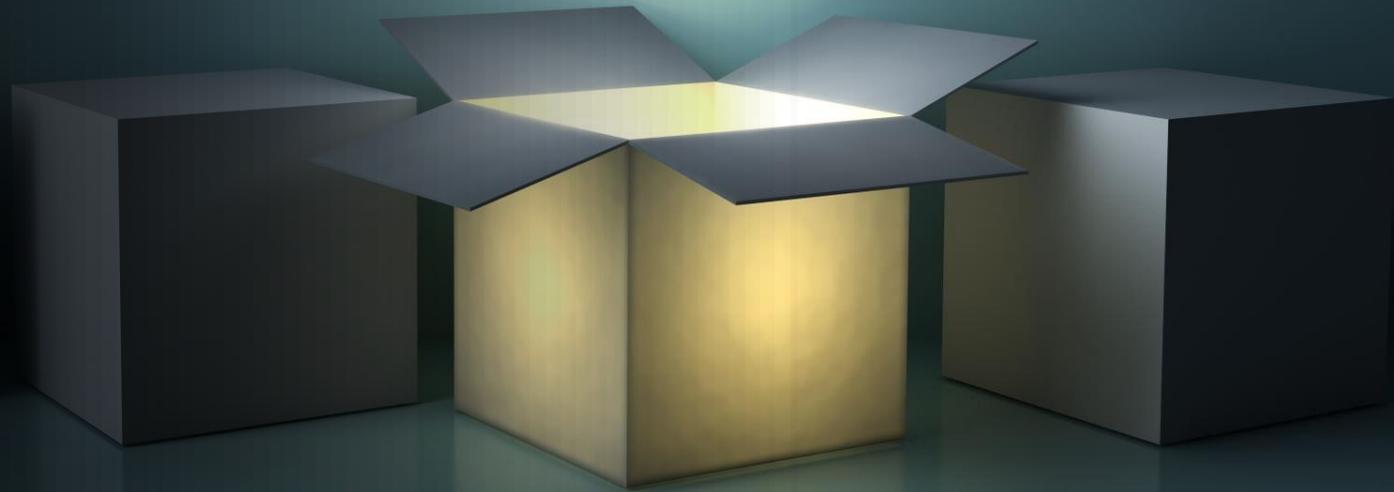
IMPORTANT

We are mortgages agents here in Canada, we don't advise to get a mortgage in Mexico, nevertheless you can keep this information in mind to ask lenders in Mexico, because it can be a good option to finance your winter home in Mexico and may increase your financial portfolio.





This Section Two is an overview of 5 other options, and how foreign mortgages can also be a great option to purchase a winter home



These are the Other 5 Options to Finance a Winter Home in Mexico

1. Mexican Mortgage for Canadian Citizens
2. Mexican Mortgage for Canadian or Non-Canadian Citizens, with an option to building solvency and credit history in Mexico within 6 months
3. Loans for Mexicans living in a foreign country.
4. Direct Developers Financing
5. Funds for investors in foreign properties

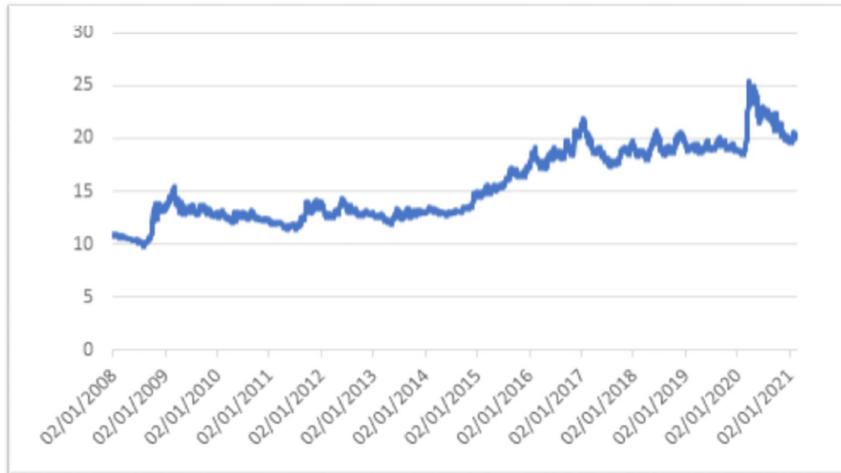


These options provide the following advantages:



1. You can use your income and Canadian credit report to qualify for these mortgages.
2. These mortgages will be secured over the winter home, not on your Canadian home, so you have the equity on your Canadian home free to be used for a second home in Canada or other needs.
3. Over the last 10 years Mexican Peso (MXP) has slipped 104% vs US Dollar (USD). This means less USD needed to pay for your MXP Peso denominated loan over time.
4. There are a lot of strategies to purchase and manage your winter home with a condo-hotel property management company, that allow you to enjoy your home as you get the ROI to get cash flow and pay the mortgage at the same time.

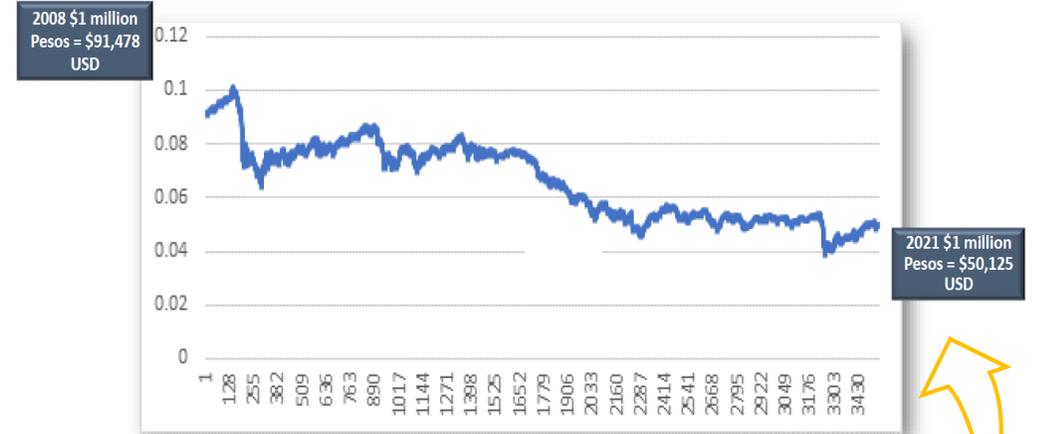
Mortgages Denominated in Mexican Pesos



Exchange rate
\$19.9 pesos



This is great news for US, Canadian & European home buyers looking to close their mortgage denominated in Pesos



2008 \$1 million
Pesos = \$91,478
USD

2021 \$1 million
Pesos = \$50,125
USD



Over the last 10 years Mexican Peso (MXP) has slipped 104% vs US Dollar (USD)

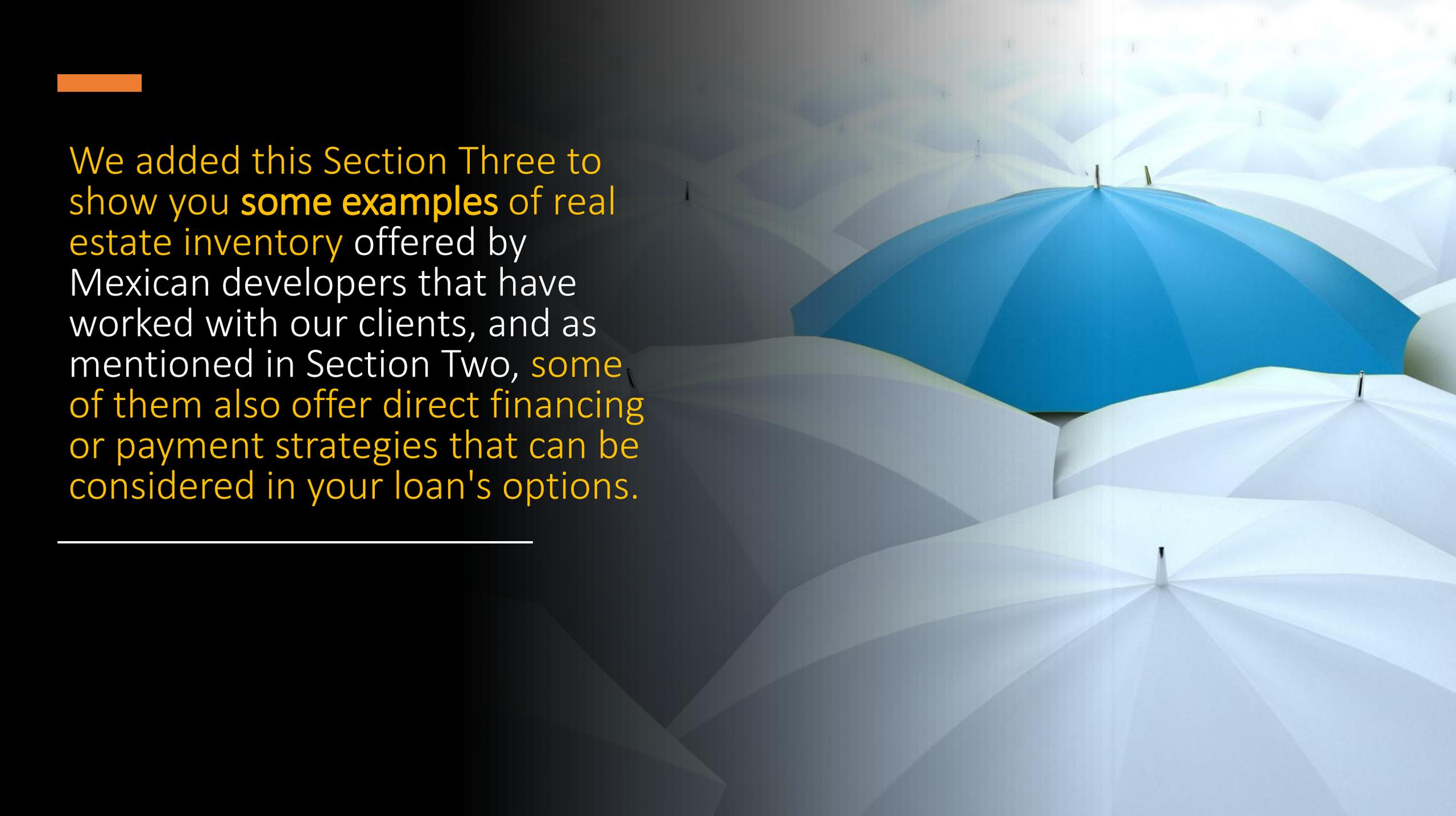
This means less USD needed to pay for your MXP peso denominated loan over time



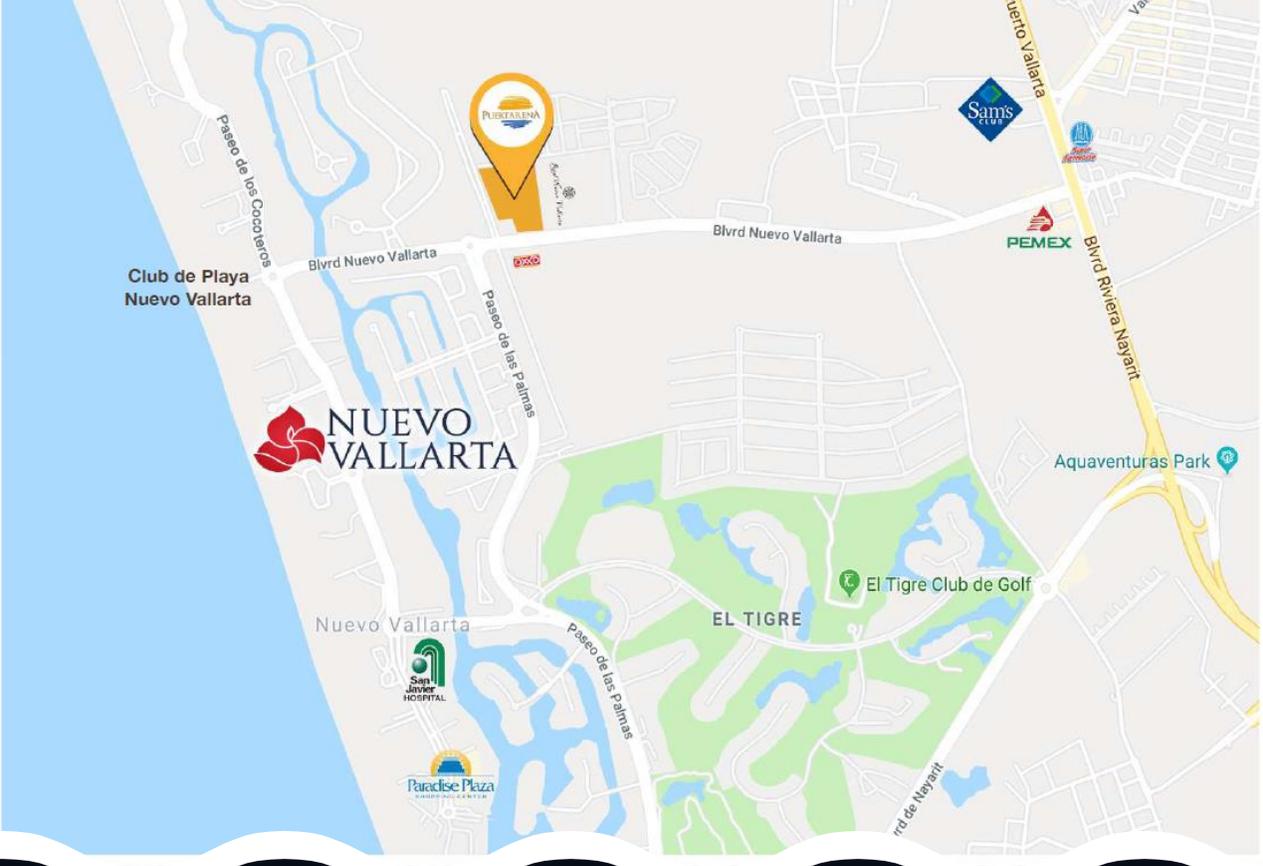
SECTION THREE

Alliances with Developers





We added this Section Three to show you **some examples** of real estate inventory offered by Mexican developers that have worked with our clients, and as mentioned in Section Two, **some of them also offer direct financing or payment strategies that can be considered in your loan's options.**



Puertarena

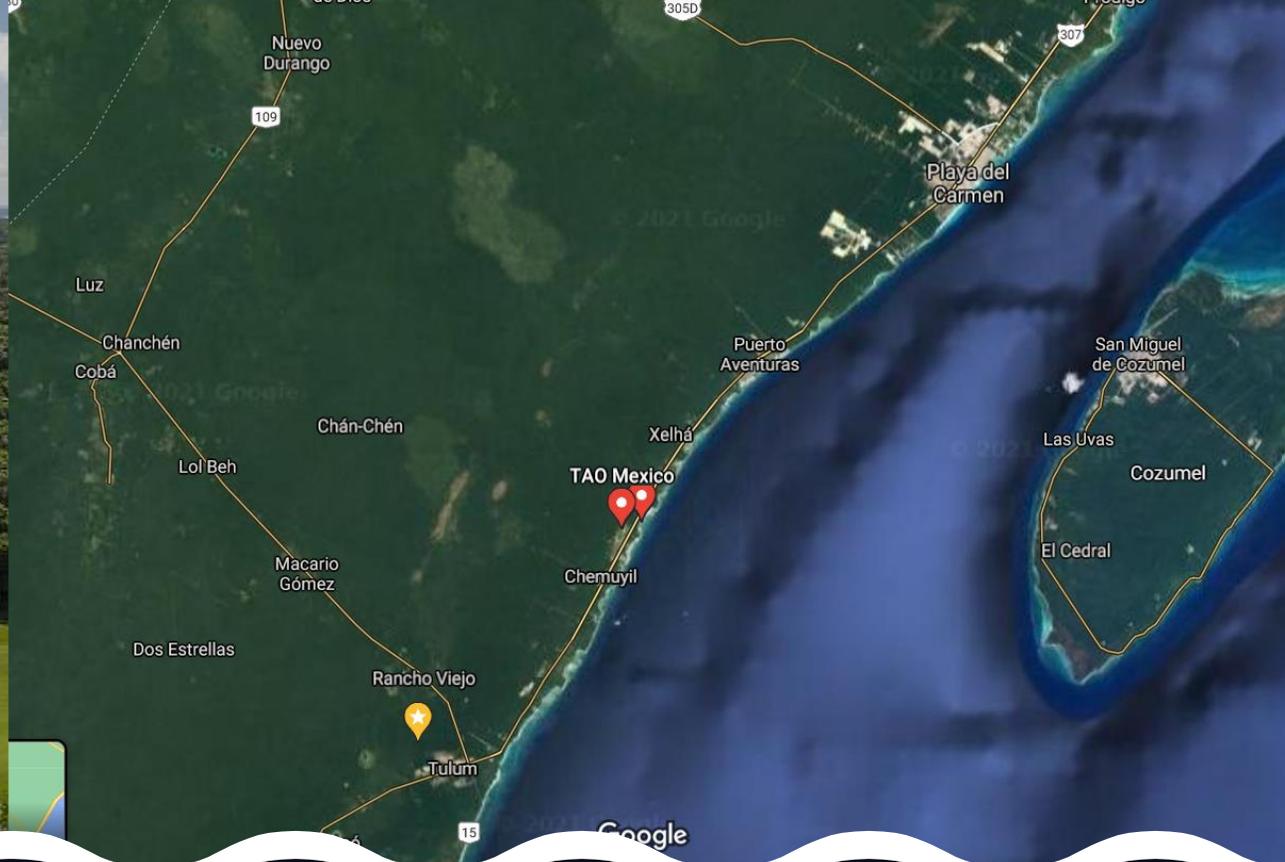
Developer Associated

Puerto Vallarta, Mexico

Click here



[Their Inventory VIDEO](#)



TAO

Developer Associated

Tulum, Akumal & Riviera Maya, Mexico

Click here  [TAO VIDEO](#)

Please contact us if you want to explore your options, **we must review case by case to build a strategy according with your needs.**





If you would like to talk about financing options, whether for mortgages strategies here in Canada, or for foreign winter home ownership, please feel free to contact us.

[BOOK-ONLINE](#)

Click here



Please select a day and an hour to chat all the details

[Contact Us](#)



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