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# 8 Key Considerations at Renewal

## 1) Plan Early to Save

- a. Start planning 6 months before your renewal date. Review the list below to help your Mortgage Professional determine what kind of financing flexibility you need

## 2) Plan Long-Term to be Debt-Free

- a. Do you have a plan for reducing your mortgage and becoming debt-free? We've helped hundreds of clients pay off their mortgage up to 8 years early!
- b. Your Mortgage Professional works for you – not the lender – and is looking to help you reduce your debt load and increase your cash flow, not sell you into more debt!

## 3) Protect yourself while you shop

- a. Your Mortgage Professional can lock-in the lowest rate for you up to 6 months before your renewal date. This can save you thousands in interest, particularly in a rising rate environment. Don't take your lender's first offer!

## 4) Understand the Lender's terms

- a. Do you know how the lender calculates the penalty if you want to repay or refinance your mortgage? Certain lenders can have penalties that are thousands of dollars higher than other lenders.
- b. Do you know how much you can prepay without penalty? Does the lender have a payment holiday plan?

## 5) Have you factored your future cash flow needs into your financing plan?

- a. Are you planning any renovations? Future investment? Buying a second property? Child going into post-secondary education?
- b. New financing rules can make this more difficult - your Mortgage Professional understands the complexity in managing multiple properties / renovation projects and investments and can help ensure that your financing is seamless – even if your renovation isn't!

## 6) Consider your future income

- a. Is there any upcoming life event that could change your income? Maternity / Paternity / Retirement could all affect your future income and cash flow, as well as your future financing needs

## 7) What's the right term given your future income and cash flow?

- a. Your Mortgage Professional can do a personalized comparison for you of a variety of terms and rates depending on your circumstances, as well as stress-testing how your finances look if rates are much higher when you go to renew again in future

## 8) Do you have a plan for payment shock?

- a. Your Mortgage Professional can determine a plan to help you prepare for payment shock in the case that future rates are much higher when you renew or refinance
- b. Not only could this save you thousands of dollars and help you pay off your mortgage early, it can help you avoid a financial strain at renewal