

# The Appraisal and Inspection Process

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**Helping your clients apply for a Fraction Mortgage? Getting both an appraisal and home inspection helps your clients maximize benefits while minimizing potential risks. Inspections are only required on loan amounts above \$1,000,000.**

Fraction requires both an appraisal and sometimes an inspection as we lend on both the quality and state of the property as much as we are lending on the credit worthiness of the borrower.

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## How it works

While both appraisals and inspections include an assessment of the property, they're assessed for completely different reasons, and ultimately benefit the homeowner in completely different ways.

Appraisals help you understand a home's value, while inspections help you understand a home's condition.

It is a visual inspection of major elements and systems, including the foundation, the electrical and plumbing systems, the attic ventilation, and the roof.

They provide insurance and protection for these evaluations. A home inspector does not provide price evaluation and a home appraiser does not warrant or provide structural evaluation of the improvements.

## How the home is appraised

Fraction works with a Certified Residential Appraiser with the Appraisal Institute of Canada. These appraisers are licensed and qualified to undertake any valuation and consulting assignment on dwellings containing not more than four self-contained family housing units or on individual undeveloped residential dwelling sites. They carry insurance and protection for these evaluations.

## Ensuring the quality of a homeowner's investment

Fraction employs both services to protect your clients and ensure the large investment they are making is a good one. That's why it's an integral part of the Fraction process to get both completed when applying for a Fraction Mortgage.

## How the home is inspected

Inspections are only required for loans over \$1mm.

A Canadian Licensed Home Inspector provides an on-site, in-person examination of a home's condition and structure.

### Need more information?

Learn more about our appraisal and inspection process by calling us today: +1 (800) 785-0263