

Fraction mortgage

Customer brochure

The fairest way to access your home equity.

fraction

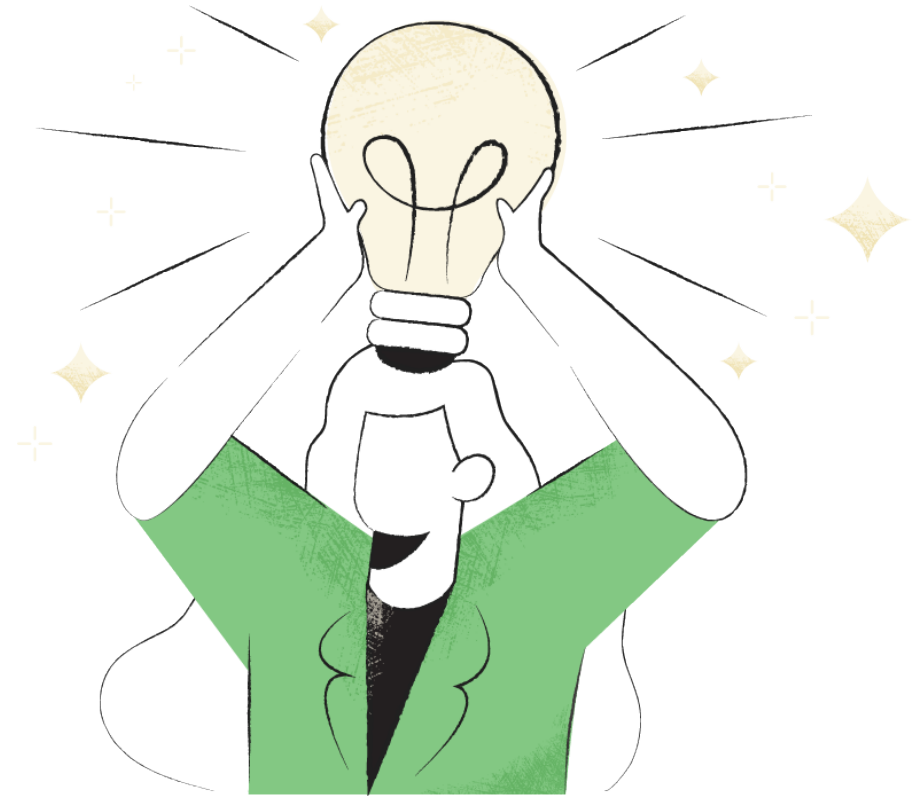


We help facilitate your financial goals

With Fraction, we help homeowners unlock up to 44% of their home equity while staying in the home they love. There are **no monthly payments** and **no prepayment penalties**.

Some things to know:

- Fraction has to be **the first mortgage** on title. That means if you have an existing mortgage, we need to replace it with Fraction.
- There are **no age restrictions**. As long as you are older than 18 years old, Fraction can work with you.
- At the end of the term, most homeowners will then decide to refinance with another lender or decide it's time to downsize, so it's important to plan ahead for what works best for your situation.



All the possibilities



Accessing your home equity

Have a majority of your wealth tied up in your home equity? Fraction enables you to do what you want with your financial assets rather than being trapped by them.

Investing in new opportunities

Helping a family member with a downpayment, putting a kid through school, or financing a new business - you can do it all with complete confidence using Fraction.

Home renovation

Wanting to upgrade your kitchen, finish off that basement, or add in a pool? Not only can Fraction help you fund those upgrades with zero payments, you can sit back, and enjoy, or take advantage of an increased resale value.

Purchasing a property

If you have at least 56% down to purchase your dream home or investment property, you can buy it without ever having monthly payments.

Live payment free

If you have built up a significant equity in your home, you can eliminate your monthly mortgage payments completely. Not only can you use Fraction to pay off your existing mortgage, but you can also use it to pay off high interest credit cards, home equity line of credits, and other annoying debt.

Laneway house construction

Have permanent guests and feeling a bit crowded? Looking to create rental income? With Fraction, you can finance a laneway house on your property that gives you the space and privacy you need - no matter the use-case.

How Fraction is different than the traditional approach

There are many different ways to access your home equity, some are more favourable than others, but we want to show you why Fraction checks off all the boxes compared to the rest.

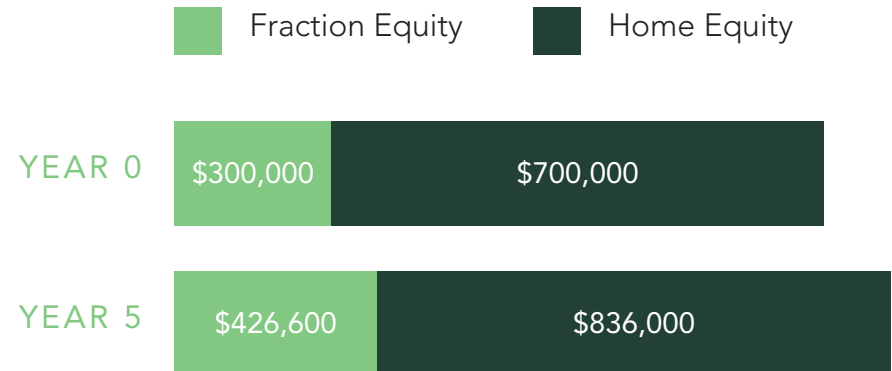
	Line of Credit	Selling your home	Reverse Mortgage	Fraction
Stay in your home	✓		✓	✓
No monthly payments		✓	✓	✓
No prepayment penalties	✓			✓
Qualify at any age	✓	✓		✓

Cost breakdown examples

SCENARIO 1

Strong Growth

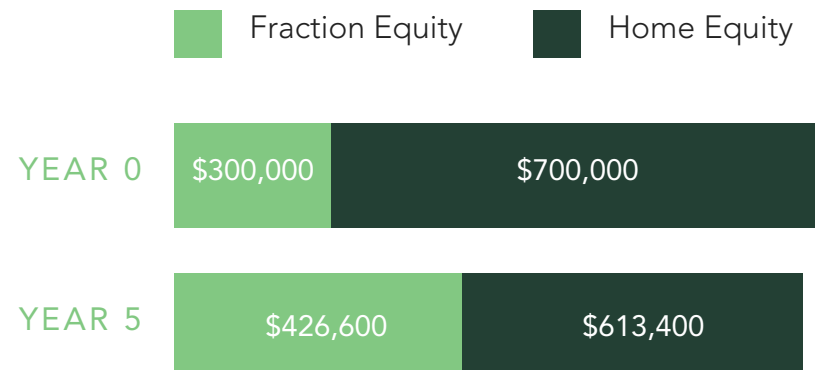
If you originally borrowed **\$300,000** from Fraction with a **\$1,000,000** house, in four years time, your house will be worth around **\$1,262,000** based on a yearly appreciation of **6%**. You would then owe roughly **\$426,600** and own **\$836,000**.



SCENARIO 2

Market Slowdown

If you originally borrowed **\$300,000** from Fraction with a **\$1,000,000** house, in four years time, your house will be worth around **\$1,040,000** based on a yearly appreciation of **1%**. You would then owe roughly **\$426,600** and own **\$613,400**.



Frequently asked questions

How is my home's initial value determined?

Fraction works with third-party appraisers to determine the value of your home. That will be used to determine how much money you can access.

What are the requirements for getting a Fraction mortgage?

You need a minimum of a 640 credit score, you need to own at least 56% of your home, you live in the property which is located in BC or ON, and you have some provable income.

What happens at the end of the term?

At the end of the term, most people will work with a different mortgage lender to refinance, downsize, or sell their property to pay back Fraction.

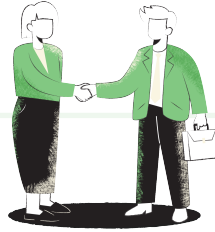


Our funding process



1. Submit Application

Work with your broker to submit an application to Fraction.



2. Commitment Letter

Fraction will send you a document explaining the terms of the loan.



3. Documents

Fraction will ask you or your broker for a few documents to confirm some details.



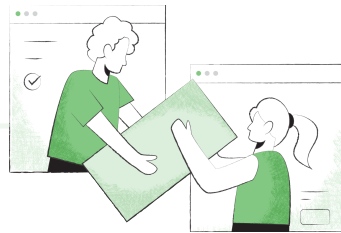
4. Inspection

If you request more than \$1mm, Fraction requires an inspection.



5. Appraisal

An appraiser will reach out to you to arrange payment and a time for them to come visit.



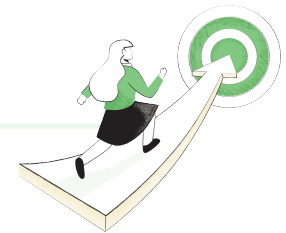
6. Knowledge Review

Fraction will send you a summary of the funding details.



7. Lawyer Review

Meet with your lawyer to review and sign the documents.



8. Funded

Once the documents are signed, we send you your newly unlocked equity!