



Condominium Financial

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FREE CONSULTATIONS FOR CONDOMINIUM BOARDS
WHERE INFORMATION AND EDUCATION ABOUT THE LOAN
PROCESS IS SHARED.

WE PROVIDE SUPPORT TO BOARDS AND OWNERS IN
CHOOSING THE RIGHT LOAN OPTION FOR YOU.

PROVIDING OPTIONS AND SOLUTIONS TO CONDOMINIUM
CORPORATIONS SINCE 2009.



CONDOMINIUM CORPORATIONS FACING A CASH CRUNCH DUE TO LARGE REPAIRS CURRENTLY ARE AWARE OF THREE OPTIONS

1. DRAMTICALLY INFLATE YOUR CONDO FEES

**2. DELAY REPAIRS AND RISK EXTENSIVE DAMAGE CAUSING COSTS
AND EXPENSES TO BECOME UNREALISTIC**

**3. IMPOSE A SPECIAL ASSESSMENT FOR AN AMOUNT THAT COULD
BE A LOT MORE THAN YOU'RE WILLING OR ABLE TO PAY**

CONTRIBUTING CHALLENGES STRESSING CORPORATION FINANCES

- Low Reserve Fund levels
- Cost of components are under-estimated
- Inflation - true costs are not properly reflected
- Buildings are aging, becoming more costly with an increasing demand for unexpected repairs
- Construction deficiencies
- Corporations have a tendency to delay problems instead of fix them
- Boards and Owners are unaware other resources and support exist
- Big Six items may be coming due and already affecting the Reserve Fund
- Life expectancy of components are over-estimated
- Reserve Funds need to play catch-up from previous inadequate deposits

WE HAVE HELPED NUMEROUS CONDOMINIUMS GET FINANCING TO REPAIR COMMON PROPERTY



CONDOMINIUM FINANCIAL IS YOUR BEST OPTION!

The power of Condominium Financial is having secured the co-operation of established financial providers who have the vision to see the need and have the desire to help Condominium Corporations. They would provide funds to the Corporation without the necessity for collateral.

HOW DOES IT WORK?

When a repair is needed and funds in Reserve Fund do not cover expenses, we can provide funding to ensure all work that is needed or required is completed.

An Owner's financial obligation will be limited to the time frame they own the condo.

If you own the condo for the next five years, you are only responsible for paying for five years. The result is a much fairer system that equally distributes costs amongst all Owners from this point forward.

We can help Board Members balance the best interests of the Condominium Corporation with cost efficiency. We specialize in a condominium financing program that provides emotional and monetary relief to Owners while eliminating the need for the current Special Assessment model to raise money for repair expenditures.

Have you been hit with a Special Assessment in the past?

Does your condo complex require more than a few projects that need to get done?

Do repair priorities change according to what your Corporation can afford today?

Are components coming due that your Corporation will not be able to afford?

Have components cost more than the estimates in your Corporation's Reserve Fund Plan?

Is your Corporation delaying repairs or component replacements because of money?

Does your Corporation have a "Big Six" item being replaced over a period of years?

Is your repair list affecting the value of your property?

“As a property manager, using the loan option has helped 5 Condominium Corporations get repairs done now rather than waiting. My boards and owners are pleased with how well the results have been.”

Brian Newbert

Owner, Victorian Property Management

FREQUENTLY ASKED QUESTIONS

BEFORE



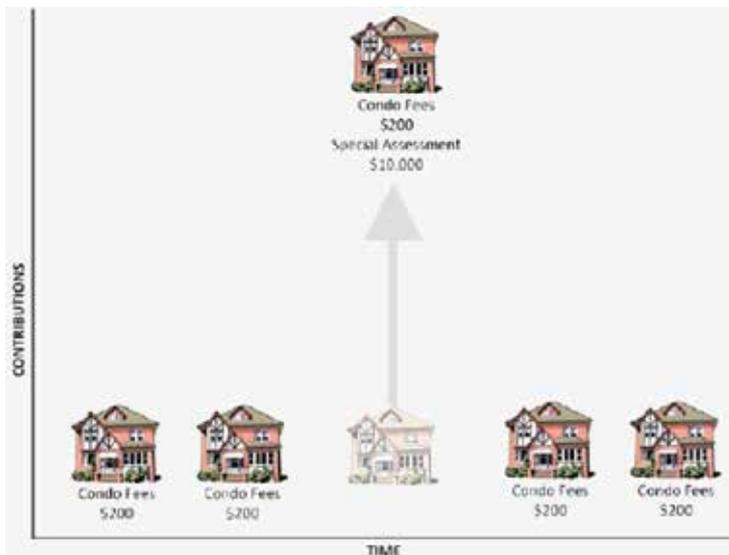
- ① Does an owner take out the loan?
A No, the loan is taken out by the Condominium Corporation
- ② Does the loan replace the special assessment?
A No, the loan is not a special assessment, it is only a means of paying for the special assessment levied by the corporation.
- ③ Does an owner have to participate in the loan?
A No, an owner can choose to participate in the loan or pay the special assessment lump sum up front, Each owner can make their own decision based on their preference and circumstances
- ④ Is a caveat placed on an owners unit title because of the loan?
A No, there is no caveat registered on title to an owners unit unlike a mortgage which is automatically registered against the unit title.
- ⑤ Do my fees go up?
A No, Condo Fees still cover operating costs
- ⑥ If an owner sells, do I need to pay out the loan?
A No, the payment is transferred to the next owner
- ⑦ How does an owner qualify?
A If the Condo Corporation qualifies so do all owners

AFTER



“ I wish I would have known about Condominium Financial before I had 3 units in a complex Special Assessed for \$24,000 each. If I had this to present to the Board it would have helped every owner in my complex, not just myself. ”

Mike Smith
Investor, Smith Realty Investments

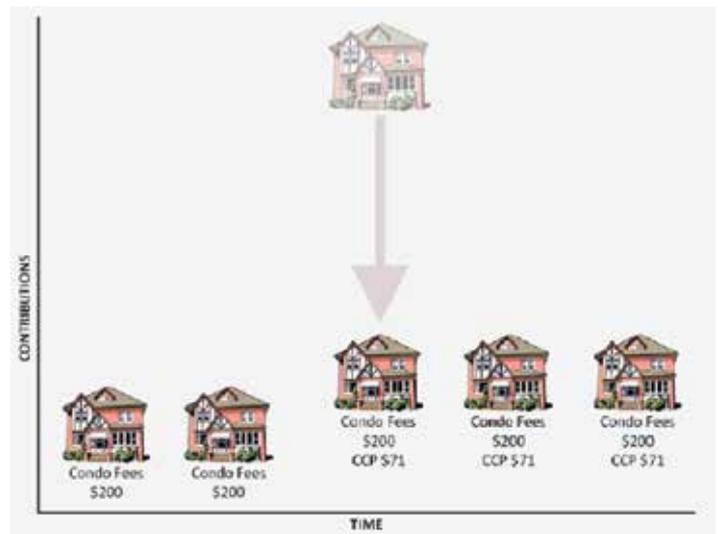


Because of the nature of Special Assessments, one person carries the financial responsibility for all the other owners.

Past and future owners have no responsibility to present financial demands.

A model where all Owners have an equal share in the benefits and obligations of their Corporation is far superior in a Community Environment.

As you can immediately see, the costs you would have incurred from a Special Assessment have DRASTICALLY dropped.

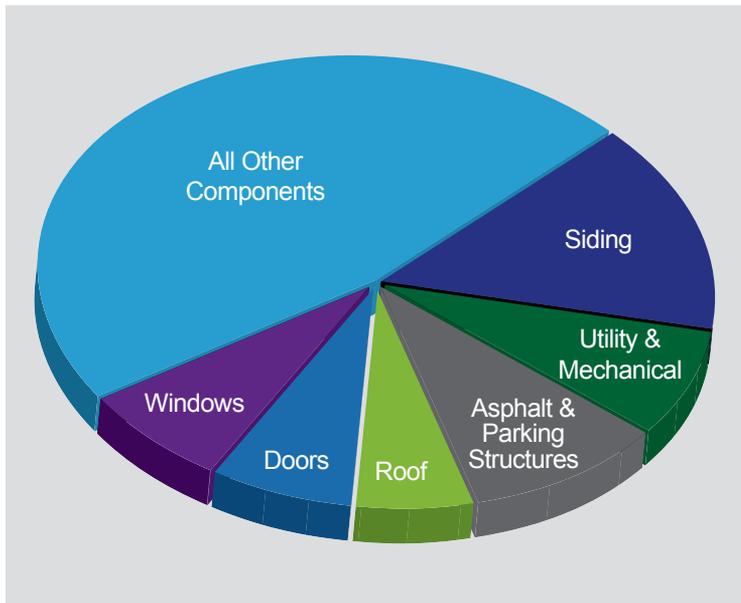


This Corporation used Condominium Financial to complete a full renovation for the siding, eavestrough, light fixtures, mailboxes, trim, soffit and fascia.



THE BIG SIX

Each Big Six item accounts as the largest capital expenditure a Corporation will ever pay



The Big Six: asphalt & parking structures, roof, windows, doors, siding, and utility and mechanical make up over 50% of the value of the common property of a Corporation.

Each Big Six item accounts as the largest capital expenditure a Corporation will ever pay for. If they are not estimated properly and because they do involve bigger numbers they can create bigger problems with a Corporation's financial management.

Consequently, Big Six items are usually responsible for triggering Special Assessments. Rather than Special Assessing for only the shortfall, corporations will typically assess for the full value of a Big Six component, choosing instead to leave the existing Reserve Fund intact.

PLANNING

Condominium Financial can secure funds for your repairs within 4 to 6 weeks. Planning allows for the choice of a contractor, engineer and other resources.

Condominium Boards do not need to have an exact dollar figure for the repairs as they can obtain a proposal with an estimated amount, this can save time for the Condo Board and eliminate waiting too long to start repairs while engaged in the loan process. Many other things can be done simultaneously during the loan process such as; getting scope & specs from an Engineer for repairs; waiting on tenders from contractors; having an information meeting for owners. It is not required to finish one of these tasks before starting the next, the optimum result is to have the loan approved and the repair contractor ready to go at the same time.

A major hurdle facing a Condo Board or their Property Manager in finding a borrowing solution for the Owners is they discover that most financial institutions in Canada are unwilling or unable to provide this lending due to the simple fact that common property cannot be put up as collateral. Lending to Condominium Corporations is a very specialized market and there are only a few lenders in the whole country that know how to do it and are willing to do it.

NEW CONDOMINIUMS ARE NOT EXEMPT

Many newer condominiums were constructed with poor workmanship. This has caused many to incur large repairs much sooner than anticipated. Which places these newer Condominiums in the same position as older Condominiums, facing a large special assessment. New condominium complexes are sold with low condo fees that could impact the Corporation's financial stability. The idea is that the repairs are far enough out in the future that the Corporation will have enough time to build up the fund when the repairs come due.

Condominium Financial helps with the following,

- Will attend board meetings and provide education on the loan process to the condo board with a presentation that includes the FAQ's, how the loans work, generic proposals and information on how to pay for a loan and answer any questions on the loan process.
- We prepare all the loan proposals to multiple lenders on behalf of the condo board, no paperwork is filled out by the board or property manager.
- Will present any loan proposals and all other related information of the loan to the condo board and explain the differences between proposals received. We highlight the important parts so you don't have to find them yourself.
- Will help prepare the information package sent to owners about the information meeting where owners can hear about the loan option. Our expertise for these meetings helps make the process easier for the boards and property managers.
- We will present the loan information to the owners at the information meeting, no need for the board to explain, we will answer the questions about the loan.
- Will help with setting a meeting for the loan documents to be signed by the condo board, we will also provide the information and items required to complete the loan document package. Saving the board time, delays and missing information.
- Will help with the loan draw requests during repair, no need to run around, we do it.
- Provide referrals for any other services needed by the condo in relation to the repair work to be done, such as legal, contractors, engineers, project management, etc. We have done this for numerous condo corporations with loans, helping both the board members and property managers.
- There is no fee required up front from the condo corporation to put in loan applications.
- The fee for this service would be a set amount per unit and is added to the loan. This fee is paid by the owners who are participating in the loan and is not paid by the condo corporation in any way; the fee is likely to be far less expensive for an owner than the costs paid for refinancing their mortgage.

Condominium Corporation loans can be a beneficial and workable resource for Condo Boards and owners alike, who are faced with the difficult reality of Special Assessments when their reserve funds do not have the adequate amounts necessary to cover repair costs. Condo Boards and Owners want a solution that maintains or increases the equity value of their homes and the borrowing option can help produce that result.

Condominium Financial partners with established institutions to provide a solution that averts special assessments and reduces repair delays. It is a unique and viable option that keeps everyone happy – owners and property managers alike.

We work for **YOU** - *not the lenders*

Free Consultations! Learn about Condo Loans

Personalized Service - from beginning to end

We access multiple lenders on your behalf
- providing more loan choices for you

Call or Email Us! We are here to help!

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