

Home Financing Solutions

Whether you're looking to purchase a primary residence, finance a second home or vacation property, or better manage your exposure to U.S. estate taxes, RBC Bank® offers a series of home lending solutions[†] designed specifically to help Canadian citizens create a comfortable, financially secure home in the United States.



From traditional adjustable rate mortgages to non-recourse loan options, RBC Bank delivers a variety of borrowing terms and repayment plans so you can create the right home financing package to meet your unique needs. What's more, RBC Bank is one of the few lenders in the U.S. allowing clients to leverage their Canadian credit history to expedite the application process and obtain more flexible term options.

Home financing options include:

Traditional Mortgage

Available across all 50 states, traditional mortgage options from RBC Bank provide:

- Adjustable rate loans
- Competitive pricing
- Jumbo programs
- Rate and term financing
- Cash out refinancing

Non-Recourse Mortgage

A specialty borrowing option designed for high net-worth clients, our exclusive non-recourse mortgage offers:

- Loans up to 65% of property values
- Potential tax deductibility of interest paid when loan proceeds are reinvested in Canada¹
- Cash out refinancing
- A smart way for Canadians with U.S. real estate to mitigate estate tax exposure¹

While interest rates and closing costs are slightly higher than a typical mortgage, the mitigated risk and potential tax relief associated with a non-recourse mortgage makes this a great financial planning tool.



What you need to know about getting a mortgage in the U.S.

Obtaining a mortgage loan in the United States is far more complex than in Canada. Due largely to regulatory and financial documentation requirements, the mortgage application and closing process is more time consuming and costly than you might expect based on your experience in Canada. At RBC Bank, we want to help you fully understand the differences in documentation, timing, and cost so you're better prepared to create your comfortable home in the U.S.

Documentation:

- **Title Opinion & Insurance** – Often required by lenders, including RBC Bank, to verify clear title to the property considered for a mortgage
- **Appraisal** – An expert, yet independent opinion as to the fair market value of a property; the appraisal can affect the total allowable loan amount
- **Survey or Plat Sketch** – Documentation required by many lenders to provide written documentation to establish boundaries of real property
- **Flood Certification Insurance** – An insurance policy is required if the property you intend to purchase is located in a flood zone

Timing:

While it only takes a few days to apply for and secure a mortgage in Canada, in certain cases, it can take up to a couple of months to complete the same process in the U.S. The following provides a quick overview of standard timelines between mortgage application and closing:

- **30 days - MOST COMMON** – Typical processing time with standard documentation and no credit or income verification issues
- **60 days - EXTENDED** – Longer processing times can be experienced during busy mortgage refinancing periods or if there are minor credit or income verification issues
- **90 days - DELAYED** – Can be experienced if there are problems with title succession, missing documentation, or insufficient appraisal values

Cost:

In the U.S., there are many ancillary costs associated with securing a mortgage. While these expenses vary from state to state, they can total more than 2% of the amount financed and include some of the following:

- **Commitment/Origination Fee** – Charged by U.S. banks to help defray underwriting and certain loan processing costs
- **Appraisal Fee** – Charged by a certified professional for an expert opinion as to the market value of the property being financed
- **Credit Report** – Charged by the U.S. lender to research your credit history and worthiness
- **Flood Certificate** – Required by a lender to verify the flood zone status of a property in consideration for a mortgage
- **Recording Fees** – Fees charged by cities and/or counties to record the mortgage documents in government archives. In certain states, taxes or mortgage stamps may also apply
- **Survey** – An analysis to determine boundaries, easements, rights of way or potential easements on the property considered for financing. The fee is charged by the professional services firm engaged to conduct the survey

It's important to note U.S. lenders are required to provide potential borrowers with a good faith estimate of all costs within three business days of receipt of the borrower's application.

Consider RBC Bank for your U.S. home financing needs.

To learn more, please call 1-800 ROYAL 5-3[®] (1-800-769-2553).

¹ Consult your financial, tax, legal and other professional advisors regarding your specific circumstances prior to entering into any transactions.



RBC Bank



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