Ontario Second & Private Mortgage Solutions

A plain-language guide to the full range of options — what each one is, who it suits, and the questions worth asking. Most homeowners only ever meet one lender. This is the whole map.

Second mortgage	A loan behind your first, on your equity	Keeping a good first mortgage while accessing equity
Second-position HELOC	A revolving line behind your first	Drawing equity as needed, not a lump sum
Third mortgage	Behind a first and second, on strong equity	A short-term need where refinancing isn't practical yet
Bridge financing	Short-term (6-24mo) to cover a gap	Buying before selling; waiting on a refinance or sale
Construction / draw	Funds released in stages as a build progresses	New builds and major renovations
Blanket / inter-alia	One loan secured across two+ properties	Buying before selling; leveraging portfolio equity
Commercial second	A second charge on commercial/mixed-use property	Business owners with equity in their premises
Reverse mortgage (55+)	Tax-free equity, no monthly payments	Equity-rich, cash-flow-tight homeowners 55 and older

How these can be structured

- **Term to match the need.** Short (even 6 months) or longer — you're not locked into more than the situation calls for.
- **Open, partially open, or closed.** An open term lets you repay early without a full penalty; a closed term usually prices better. Choose based on how firm your exit timing is.
- **Interest reserve for cash flow.** Part of the advance can cover the payments, easing cash-flow pressure. It reduces the net funds you receive — a trade-off worth understanding.
- **Matched maturity.** A second mortgage can be timed to your first mortgage's renewal, so both consolidate into one new first mortgage with no penalty on the first.

What it typically costs

Second and private mortgages carry a lender fee and often a brokerage fee, plus legal and appraisal costs, and registration. Fees are usually deducted from the advance rather than paid out of pocket. On a short term, fees can matter more than the rate — so the two questions that matter are **the total dollar cost over the term** and **the net amount that actually reaches you** after every deduction. Rates change constantly and depend on your specifics, which is why this guide quotes structure, not numbers — you'll get real figures for your situation in writing before you commit.

The questions worth asking about any solution

1. What is the total dollar cost over the term, not just the rate?
2. What net amount actually reaches me after every fee?
3. Is it open or closed, and what's the penalty to repay early?
4. What repays or replaces this, and by when? (the exit)
5. What happens at maturity if my exit isn't ready?
6. Is there a situation where you'd advise me not to do this?

Why go through a broker across the whole range?

No single lender offers all of these, and no single product is right for every situation. The same homeowner can get a clean, affordable solution from one lender and an expensive or unworkable one from another. Through Mortgage Architects, Rajiv works across B lenders, mortgage investment corporations and private lenders — matching the solution to you, moving fast when a deadline demands it, and structuring cash flow (interest reserve, matched maturity) so a solution works that otherwise might not. And telling you honestly when the answer is to wait.

Talk it through — at your pace

No application, no obligation, no judgement. Tell me what you're trying to solve and I'll point you to the right option — honestly, including if the answer is not yet.

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