3900 Tunlaw Rd NW #206
Understanding the Underlying Mortgage

There are currently two Underlying Mortgages on this building.
Both mortgages will be re-financed January 2029.
The interest rates are 4.5% & 5.6%.

Each unit owner owes part of the underlying mortgages.
The amount owed by unit #206 is currently $24,816:
<u>$7,935 at 4.5%</u> and
<u>$16,881 at 5.6%</u>.

The buyer of the apartment will assume these mortgages from the seller, and in so doing, will borrow that much less in order to purchase the property.

<u>For example</u>

Purchase price		**$182,500**
• Down Payment 10%	$ 18,250	
• Borrow from Lender	139,434	
90% $164,250		
less <u>- 24,816</u>		
$139,434		
• Assume Underlying Mortgages	<u>+ 24,816</u>	
	$182,500	