

Homeowner's Introduction

The fairest way to access your home equity.

fraction



We help facilitate your financial goals

With Fraction, we help homeowners unlock up to 40% of their home equity, while staying in the home they love. Plus, there are no monthly payments or unfair interest rates.

We want to break away from the traditional approaches of accessing home equity, and we want to remove many of the conditions and restrictions set in place by big banks. Another big difference that sets Fraction apart is the variable interest rate that's tied to the Fraction Appreciation Mortgage. The interest rate is entirely dependent on the appreciation of your home, and protects you in cases of high and low appreciation.



It's one thing to see the value of a Fraction Appreciation Mortgage, but understanding how it's right for you means looking at your goals and what you are trying to achieve with your home equity.

All the possibilities

Having a regular income

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 home

If you have at least 60% 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.

Pandemic escape cabin

Tired of the city? Need a break? Want a cabin to get away from it all? Use the equity from your primary residence to get a payment-free downpayment to buy the vacation residence you've always wanted.

The advantages of a Fraction Appreciation Mortgage

No monthly payments or exit penalties. Never pay an unfair interest rate. Stay in the home you love.
A Fraction Appreciation Mortgage allows you to convert up to 40% of your home equity into tax-free cash.

Protected from market slumps

Over the course of your term, if the value of your home only increases by a small amount or even decreases, we automatically drop your interest rate to our bare minimum to protect your home equity.

The rate on a Fraction Appreciation Mortgage is the greater of 3.49% or the appreciation in the home. The rate is capped at 7.99% APR exclusive of fees.

Stay in the home you love

With a Fraction Appreciation Mortgage, your interest rate is tied to the changing value of your home.

Build more wealth

If the value of your home appreciates beyond a certain threshold, we'll cap your interest rate so you hold onto more of your gains.

Never make a monthly payment

Without the added pressure of monthly payments, you can cover additional expenses and live every day with greater financial flexibility.

Put your home equity to work

Unlock up to \$1.5M of your home equity to pay for home renovations, cover retirement expenses or to invest in other avenues. The choice is yours.

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.

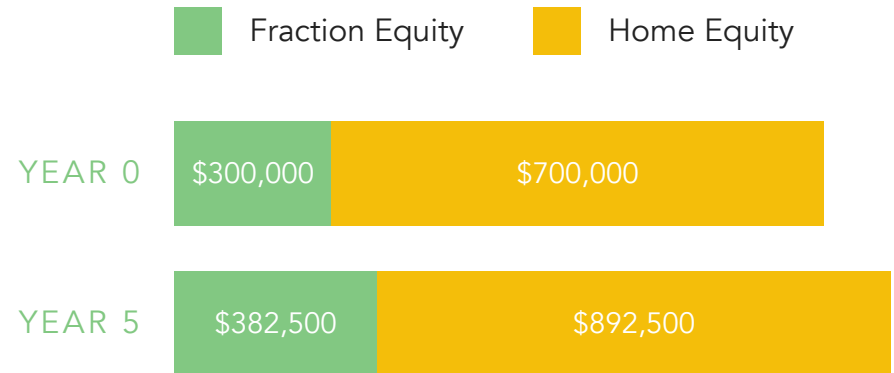
	Line of Credit	Selling your home	Reverse Mortgage	Fraction
Stay in your home	✓		✓	✓
Personalized interest rates				✓
No monthly payments		✓	✓	✓
Term length	✓			✓
No age requirements	✓	✓		✓

Cost breakdown examples

SCENARIO 1

Standard Growth

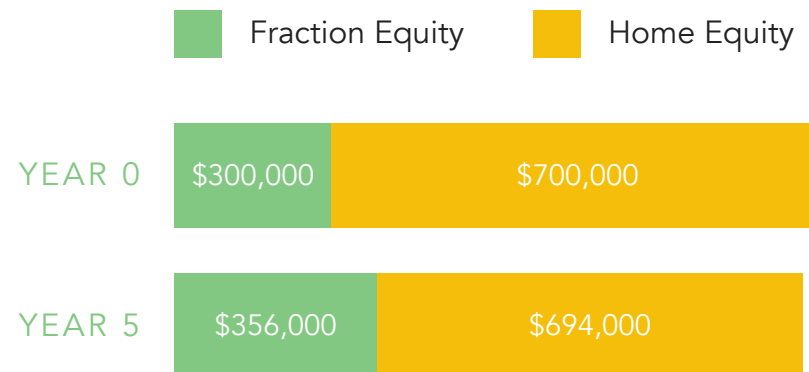
If you originally borrowed **\$300,000** from Fraction with a **\$1,000,000** house, in five years time, your house will be worth around **\$1,275,000** based on a yearly appreciation of **5%**. Of this, **\$892,500 is yours to keep**.



SCENARIO 2

Market Slump

If you originally borrowed **\$300,000** from Fraction with a **\$1,000,000** house, in five years time, your house will be worth around **\$1,050,000** based on a yearly appreciation of **1%**. Of this, **\$694,000 is yours to keep**.



Frequently asked questions

What if my home does not increase in value?

Over the course of your term, if the value of your home only increases by a small amount or even decreases, we automatically drop your interest rate to our bare minimum to protect your home equity.

The bare minimum rate that Fraction charges is 3.49%

What if my home increases in value drastically?

Over the course of your term, if the value of your home appreciates beyond our 7.99% per year threshold, we'll cap your interest rate so you hold onto more of your gains.



Our funding process



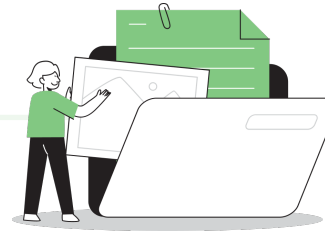
1. Submit Application

Either online or over the phone, with a broker or direct 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

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



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!