Before You Sign

What a lender needs to see in your separation agreement

If one of you is keeping the home, the lender reads your separation agreement closely. Make sure it covers each of these points. A short call with us before it's final can save weeks.

THE HOME

- [ ] The property address, and who is keeping it
- [ ] That the other spouse will transfer their interest in the home
- [ ] The buyout amount as an exact dollar figure
- [ ] The date the home is valued at, and how the value was set
- [ ] Who orders the appraisal (talk to us first, so the lender can use it)

THE MORTGAGE AND DEBTS

- [ ] Every mortgage and line of credit on the home, and whether it's paid out or kept
- [ ] Any joint debts to be paid from the new mortgage, with the creditor and amount for each
- [ ] That the spouse leaving is released from the mortgage when the deal closes

SUPPORT

- [ ] Child support: the amount, the start date, and who pays whom
- [ ] Spousal support: the amount, the start date, and how long it lasts

TIMING

- [ ] A completion date with room for lender approval and the legal transfer
- [ ] What happens if the financing takes longer than planned

SIGNING

- [ ] The final agreement, not a draft or term sheet
- [ ] Signed and dated by both of you, ideally each with independent legal advice

AFTER SIGNING

- [ ] A scanned copy and a paper copy kept somewhere safe. Lenders ask for it on future mortgages, even years later.

Moving out and buying again? Keep a copy of the signed agreement handy. Your next lender will want to see your share of the equity and the date you'll be released from the old mortgage.

This checklist isn't legal advice. Your lawyer or mediator decides how your agreement is written. For the mortgage side, talk to **Michael Anthony Lloyd, The HomeHappy Team @ Canadian Mortgage Experts**: homehappy.ca · 604-833-4663