



New to Canada Program

Product Description

- Qualified homebuyers who have immigrated to Canada from another country, or have been transferred to Canada by an employer can qualify for mortgage insurance with as little as a 5% down payment.

Terms And Rate Type

- 1 year, 2 year, 3 year, 4 year, 5 year, 6 year, 7 year and 10 year fixed rate term, 5 year ARM

Qualifying Rate

- See Fixed Rate and adjustable rate mortgages.
- For terms less than 3 years or ARM, the qualifying interest rate is the greater of three-year rate or contract rate; for terms of three years or more, the contract rate is used.

Payment Frequency

- Accelerated Weekly
- Accelerated Bi-Weekly
- Monthly
- Semi-Monthly

Property

- Property must meet municipal zoning/safety by-laws
- New construction/existing properties
- Fully self-contained units
- Min square footage: House is ≥ 800 square feet, Condo is ≥ 500 square feet
- **Ineligible Property Types:** Time-share interests, vacation homes, commercial zoning, Quarter share /shared ownership Fractional Interests, Co-operative Housing, Rental Pools, Life Lease Properties, Floating Homes, Boarding Houses/Rooming Houses, BC Leaky Condos, Heritage Homes, Log homes, Water access only, any properties with restrictive covenants
- Up to two units Maximum

Prepayment Policy

- Prepay up to 20% of the Original Principal Balance each year based on the anniversary of the loan (minimum payment is \$1000).
- Increase payments by up to 20% of the original registered amount each anniversary year.
- Prepay or increase payments in combination – combined prepayment must be within 20% of the original principle balance

The above information is subject to change without notice.

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Documentation Requirements

LTV	Documentation requirements*
All LTV's	<ul style="list-style-type: none"> Valid work permit or verification of landed immigrant status Income Confirmation Down payment confirmation Purchase and Sale agreement
Up to 90%	<ul style="list-style-type: none"> Letter of reference from a recognized financial institution OR Six (6) months of bank statements from primary account
90.01 - 95%	<ul style="list-style-type: none"> International credit report demonstrating a strong credit profile OR Two (2) alternative sources of credit demonstrating timely payments (no arrears) for the past 12 months. The two alternative sources required are: <ul style="list-style-type: none"> Rental payment history confirmed via letter from landlord and bank statements. Letter from landlord must indicate the following: name of tenant, monthly rent, length of tenancy, payment history. Bank statements must support the amount of rent and timeliness of payments outlined in the letter. One other alternative source (hydro/utilities, telephone, cable) to be confirmed via letter from the service provider or 12 months billing statements
Additional requirements	<ul style="list-style-type: none"> Proof of full-time employment with no probation Proof of sale for principal residence in the country of residence prior to Canada, if applicable.

*New to Canada™ is a trademark of Genworth Financial Mortgage Insurance Company Canada (“Genworth”). MERIX is an authorized distributor of Genworth’s New to Canada™

Amortization

- Up to 35 years high ratio (additional Mortgage Insurer premium applies)
- Up to 40 years conventional

Borrower Qualification

- Maximum GDS/TDS:
 - Where beacon < 680: GDS = 35%; TDS = 42%
 - Where Beacon 680+: TDS = 44%, there is no GDS requirement.
- Spousal guarantors permitted
- Must have immigrated or relocated to Canada within the last 36 months

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- Primary applicant must have 3 months minimum full time employment in Canada (borrowers being transferred under a corporate relocation program are exempt)
- Must have a valid work permit or obtained landed immigrant status
- For LTV's less than 95%, the remainder may be gifted from an immediate family member or from a corporate subsidy.
- All debts held outside of the country must be included in the total debt servicing ratio (Rental income earned outside of Canada is to be excluded from the GDS/TDS calculation.)

Units

- Maximum 2 units

Pre-approvals

- Permitted

Prepayment Penalty

For Fixed Rate terms 5 years or less:

- Greater of IRD or 3 month's Interest. IRD is based on difference between customer rate and the then current interest rate offered by MERIX for a term closest to the term remaining on the mortgage.

Term more than 5 years

- If you have a fixed interest rate on your mortgage and a term greater than 5 years and
 - (a) prepayment occurs within the first 5 years of the term, payment of a prepayment charge equal to the GREATER of the interest rate differential (IRD) or 3 months interest calculated on the outstanding loan amount, and
 - (b) if prepayment occurs after the first 5 years of the term, payment of a prepayment charge of 3 months interest calculated on the outstanding loan amount

5-year ARM term

- 3 months interest at the current customer rate on the prepaid amount that exceeds the annual prepayment allowance.

Interest Rate

- 1 year, 2 year, 3 year, 4 year, 5 year, 6 year, 7 year and 10 year MERIX posted Fixed Rate, 5 year ARM posted

Loan to Value

- Up to 95% insured, 80% conventional

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Insurance Premium

- Mortgage Insurer Premiums are calculated on Principal Balance based on the loan-to-value ratio

Eligible Transactions

- MERIX and Genworth: Purchase, Purchase Plus Improvements

Ineligible Transactions

- MERIX and Genworth: Business for Self (ALT A), Refinance, Family Plan, Owner Occupied Rental, Vacation Homes, Second Homes, Rental program, Cash Back, Flexible Down Payment

Note: This program is not available to Diplomats or any other foreign political appointed individuals who do not pay income tax in Canada.

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