

2011 Affordability Table

For accepted & approved offers before March 18, 2011

- **5% down payment and even 0% down payment still exist** are not affected by the rule changes.
- 35 year amortizations still exist for live deals approved by CMHC until March 18. After that date the maximum amortization will be 30 years. This change decreases the maximum purchase amount for a set income by about 8%, or increases monthly payments by about 8% as monthly payments increase when the amortization period gets shorter.

PURCHASE PRICE	\$250,000	\$300,000	\$350,000	\$400,000
% Down Payment	5%	5%	5%	5%
Down Payment	\$12,500	\$15,000	\$17,500	\$20,000
Interest Rate	3.79%	3.79%	3.79%	3.79%
First Mortgage	\$237,500	\$285,000	\$332,500	\$380,000
CMHC/GE Premium	\$7,481	\$8,977	\$10,474	\$11,970
Total Mortgage	\$244,981	\$293,977	\$342,294	\$391,970
Payments				
Principal & Interest	\$1,049	\$1,260	\$1,470	\$1,670
Gross Monthly Income to Qualify*	\$3,827	\$4,250	\$5,139	\$5,795
Gross Yearly Income to Qualify	\$45,929	\$50,991	\$61,675	\$69,550

- * Qualifying Income uses Principal + Interest + typical taxes + typical heat which is not even the maximum qualification amount, but is realistic for the average consumer. Your numbers may vary with your situation and are subject to your existing debts.
- Based on 5 year discounted rate of 3.79%, closed mortgage with a 35 year amortization period. This rate is available at time of writing. Rates are obviously subject to change.

The Herman Advantage

Please feel free to call for mortgage advice, a rate hold or a free 5-minute mortgage check-up. Remember the banks pay us, your rate is usually always lower than you can get at the bank, and you can usually be placed at your own bank. We also answer our phones and work on your schedule.

Why not take advantage of the skills, years of experience, and non-biased advice of a dedicated, top-broker with access to all of the banks for the largest purchase you can make?