



BORROWED DOWN PAYMENT PROGRAM

At Genworth Canada, we understand that sometimes saving the required down payment for a new home can be challenging. Genworth Canada Borrowed Down Payment mortgage insurance program helps make it possible for you to start building equity in your own home without having to save for years.

Acceptable Loan Purpose & Applicable Loan-to-Value Limits:

- Purchase transactions: 90.01% - 95% LTV
 - Property value \leq \$500,000 - 5% down payment required
 - Property value $>$ \$500,000 and $<$ \$1,000,000 - 5% down payment required up to \$500,000, with an additional 10% down payment on the portion of the home value above \$500,000

Note: All mortgage insurance applications received between December 11, 2015 and February 14, 2016 where the closing date is after July 1, 2016; or received on or after February 15, 2016, the above minimum down payment guidelines will apply.

Loan Security:

- First mortgages
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Eligible Properties:

- Maximum 2 units where 1 unit must be owner occupied
 - New construction covered by a lender approved New Home Warranty Program
 - Existing resale properties
 - Readily marketable residential dwellings, located in markets with demonstrated ongoing re-sale demand
 - Estimated remaining economic life of the property should be a minimum of 25 years.
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Maximum Property Value:

- Property value must be less than \$1,000,000. Exceptions may be considered for LTV \leq 80%.
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Qualifying Terms and Interest Rates:

- Fixed, standard variable, capped variable and adjustable rate mortgages are permitted
 - Maximum interest rate term of 25 years
 - For mortgages with fixed rate terms greater than or equal to 5 years, the contract rate is used
 - For mortgages with fixed rate terms less than 5 years and all variable rates regardless of term, the qualifying interest rate is the greater of the contract rate or 5-year benchmark rate
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Amortization Options:

- LTV $>$ 80%: Up to 25 years
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Premium Rate:

The premium payable will be the lesser of the premium as a % of the total new loan amount or the premium as a % of the top-up portion on the additional loan amount (if existing insured) based on the rates below:

LTV Ratio	Premium rate	Top-up Premium Rate
90.01 - 95.00%	3.85%	5.65%

Note: The insurance premium is non-refundable, paid at the time of closing and may be added onto the mortgage

Borrower Qualification:**Income & Employment**

- Standard income and employment verification requirements apply

Credit

- 90.01-95% LTV Minimum credit bureau score of 650 is recommended
- No previous bankruptcies

Down Payment

- Qualified home buyers may use non-traditional sources of down payment including borrowed sources that are arm's length to the purchase or sale transaction such as personal loans, lines of credit or credit cards, gifts from non-immediate family member(s) (an immediate family member is defined as a father, mother, child, brother, sister, grandparent, legal guardian, or legal dependant)
- Repayment of borrowed funds must be included in the TDS calculation

Additional Criteria

- Non-residing co-borrowers are acceptable (must be an immediate family member and on title)
- Non-residing guarantors are not permitted
- Lender to ensure that borrower demonstrates the ability to cover closing costs of at least 1.5% of the purchase price (0.5% in Alberta). These funds may be borrowed provided any associated repayments are included in the TDS calculation based on a 12-month repayment period.

GDS/TDS Guidelines:

Credit Score	GDS	TDS
<680	35%	42%
680+	39%	44%

Documentation Requirements:

- Standard documentation requirements apply
- Genworth Canada may request that the lender provide a copy of the required documentation on a case-by-case basis

Portability:

- Our mortgage default insurance is portable, so buyers can take advantage of a lender's portability plan. Refer to Portability Feature Product Overview for further details.

Assumptions / Assignments:

- Mortgage is assumable subject to meeting lender guidelines

Eligible Products*:

- Homebuyer 95 Program
- Progress Advance Program
- Purchase Plus Improvement Program
- Vacation/Secondary Homes Program (Type A Properties)

* For specific underwriting guidelines related to the above eligible products, please refer to the applicable product overview

Ineligible Products:

- Business for Self (Alt A) Program
- Cash-Out Refinance Program
- Family Plan Program
- New To Canada Program
- Vacation/Secondary Homes Program (Type B Properties)
- Investment Property Program