



To: All Registered FirstLine® Mortgage Brokers
 Subject: **FirstLine: Changes to Maximum Mortgage Amortization and Maximum Loan-to-Value**
 Date: March 9, 2011

What's New?

Effective March 18, 2011, the following changes to Residential Mortgage Amortization periods and LTV Ratios will be implemented for mortgage applications submitted on or after March 18, 2011:

- For new mortgage and refinance applications, the maximum amortization period has been reduced from 35 years to 30 years on both insured and conventional deals.
- For insured refinance mortgage applications, the maximum loan-to-value ratio has been reduced from 90% to 85%.

Details

The revised maximum amortization rules for new purchase and refinance applications for both insured and conventional residential mortgages are detailed in the following table:

		Application Submission Date to FirstLine	
Loan Purpose	Type	Before March 18, 2011	On or after March 18, 2011
Purchase	Insured and Conventional	Will be 35 Years, provided that the application submission date is prior to March 18, 2011	Reduced to 30 Years from 35 Years Or Will be 35 Years provided that the borrower has a legally binding purchase and sale agreement dated before March 18, 2011
Refinance	Insured and Conventional	Will be 35 Years, provided the application submission date is prior to March 18, 2011	Reduced to 30 Years from 35 Years

The revised maximum loan-to-value ratio rules for 1 to 4 unit residential properties for insured refinance mortgage applications is detailed in the below table:

		Application Submission Date to FirstLine	
Loan Purpose	Type	Before March 18, 2011	On or after March 18, 2011
Refinance	Insured	Will be 90%, provided that the application submission date is prior to March 18, 2011	Reduced to 85% from 90%

Effective Date

March 18, 2011

Any Questions?

Please contact your Regional Business Manager.