



Purchase Plus Improvements Program

Flexible.
Innovative.
Accessible.
Affordable.

Genworth Canada can help qualified home buyers make their new home just right for them, with tailored improvements, immediately after taking possession of the purchased property. All this can be done with one manageable mortgage and with only 5% down.

Note:
To ensure eligibility for this program, please refer to the corresponding lender updates below addressing recent changes to the mortgage insurance guidelines:

- Loans > 80% LTV - [Subject: High-Ratio Mortgage Insurance Changes](#)
- Loans ≤ 80% LTV - [Subject: Low-Ratio Mortgage Insurance Changes](#)

Loan Characteristic	Program Guidelines
<p>Acceptable Loan Purpose & Applicable Loan-to-Value Limits</p>	<p>Purchase Transactions:</p> <ul style="list-style-type: none"> • 1 & 2 units: 95% LTV (includes both purchase & improvement amount) <ul style="list-style-type: none"> - Property value ≤ \$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 • 3 & 4 units: 90% LTV (includes both purchase & improvement amount) • Single or multiple advance options (excluding initial purchase advance) are permitted and may be managed by lenders. Improvements must be greater than \$40,000 or 20% of the purchase price to be eligible for draws managed by Genworth Canada. • Lending value is based on the lesser of the improved property value or the sum of the purchase price plus direct costs of the improvements
<p>Loan Security</p>	<ul style="list-style-type: none"> • First and second mortgages

A consumer-friendly product designed to enhance affordability & access to homeownership.

Loan Characteristic	Program Guidelines
Eligible Properties	<ul style="list-style-type: none"> • Maximum 4 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 • In addition, for 3 & 4 units, the property must meet the following criteria: <ul style="list-style-type: none"> - Municipal zoning - Fully self-contained units - Must be located in a major centre with a viable investor market
Maximum Property Value	<ul style="list-style-type: none"> • Property value must be less than \$1,000,000
Qualifying Terms and Interest Rates	<ul style="list-style-type: none"> • Fixed, standard variable, capped variable and adjustable rate mortgages are permitted • Maximum interest rate term of 25 years • The qualifying interest rate is the greater of the contract rate or 5-year benchmark rate
Amortization Options	<ul style="list-style-type: none"> • Up to 25 years

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
Up to 65%	0.60%	0.60%
65.01% - 75%	1.70%	5.90%
75.01% - 80%	2.40%	6.05%
80.01% - 85%	2.80%	6.20%
85.01% - 90%	3.10%	6.25%
90.01% - 95%	4.00%	6.30%

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

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Borrower Qualification	<p>Income & Employment</p> <ul style="list-style-type: none"> • Standard income and employment verification requirements apply <p>Credit</p> <ul style="list-style-type: none"> • >80% LTV: At least one applicant is required to have a minimum credit bureau score of 600 • ≤ 80% LTV: At least one applicant should have a minimum recommended credit bureau score of 680 <p>Down Payment</p> <ul style="list-style-type: none"> • Qualified home buyers may use traditional down payment sources including personal savings, RRSP withdrawal, non-repayable gift from immediate family member(s), sweat equity, existing home equity, proceeds from sale of property • Government grants may be considered if pre-approved by Genworth <p>Additional Criteria</p> <ul style="list-style-type: none"> • For 3 & 4 Units, the additional guidelines apply: <ul style="list-style-type: none"> - Borrowers must have clean credit, stable employment/income, down payment from own resources, positive net worth and liquid assets to cover 3 months payments - If the down payment is a gift, we require an acceptable guarantor. A guarantor is also needed if there are significant variations from the qualification guidelines.
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Loan Characteristic	Program Guidelines
<p style="text-align: center;">Debt Service Ratios</p>	<ul style="list-style-type: none"> • GDS 39% / TDS 44%
<p style="text-align: center;">Documentation / Information Requirements</p>	<ul style="list-style-type: none"> • For a list of eligible improvements please refer to our Genworth Renovation Worksheet. Ineligible improvements would include, but not limited to, any form of personal chattel such as furniture, appliances, electronics or other forms of moveable property. • If the proposed improvements exceed 20% of the initial purchase price or \$40,000, a full appraisal will be required. Also, details of the proposed renovations including cost estimates and available contracts or a completed Genworth Renovation Worksheet must be faxed to Genworth. • For 3 & 4 unit properties Genworth Canada requires that the lender obtains a general assignment of rents and leases or include this requirement in the standard charge terms. <p>Additional Terms</p> <p>Genworth Canada will issue a conditional Commitment for insurance based on the LTV of the lending value of the improved property:</p> <ul style="list-style-type: none"> • Coverage issued at the time of closing is for financing related to sale price only • Insurance coverage will be effective for any lender-managed advances provided proper confirmation of work completed is documented and on file. • For Genworth Canada managed advances, we will pay for up to 4 progress advance inspections. If more than 4 advances are required, the customer is responsible for the cost of the additional inspections required.
<p style="text-align: center;">Eligible Products</p>	<ul style="list-style-type: none"> • Business For Self (Alt-A) Program • Borrowed Down Payment Program • Family Plan Program • Homebuyer 95 Program • Investment Property Program • New to Canada Program • Second Mortgage Program • Vacation/Secondary Home Program
<p style="text-align: center;">Ineligible Products</p>	<ul style="list-style-type: none"> • Progress Advance Program

* For specific underwriting guidelines related to the above eligible products, please refer to the applicable product overview at www.genworth.ca

Genworth Canada HomeOpeners are a summary prepared for convenience purposes only. For full details of your policy as it relates to the products contained in this document, please refer to the product overviews at <http://genworth.ca/en/products/productoverview.aspx> and/or any lender-specific product documentation, where applicable. In the case of any inconsistencies, the terms of the full product documentation shall prevail.