



Vacation / Secondary Homes Program

The Vacation / Secondary Home Program allows borrowers to purchase a second home with an affordable monthly payment with 5% down payment.

Loan Characteristic	Program Guidelines
<p>Acceptable Loan Purpose and Applicable Loan-to-Value Limits</p>	<p>Purchase Transactions:</p> <p><i>Secondary Homes (Type A)</i></p> <ul style="list-style-type: none"> • 95% LTV <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 <p><i>Vacation Homes (Type B)</i></p> <ul style="list-style-type: none"> • 90% LTV
<p>Loan Security</p>	<p><i>Secondary Homes (Type A)</i></p> <ul style="list-style-type: none"> • First and Second mortgages <p><i>Vacation Homes (Type B)</i></p> <ul style="list-style-type: none"> • First Mortgages
<p>Eligible Properties</p>	<p><i>Secondary Homes (Type A)</i></p> <ul style="list-style-type: none"> • Maximum 1 unit <ul style="list-style-type: none"> - Property must be owner occupied or occupied by an immediate family member • 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 <p><i>Vacation Homes (Type B)</i></p> <ul style="list-style-type: none"> • Property characteristics same as Type A properties except for the following; <ul style="list-style-type: none"> - Property need not be winterized - Seasonal access permitted (road not plowed during winter) <p>Ineligible Properties (For both Type A and Type B homes)</p> <ul style="list-style-type: none"> • Investment properties • Rental pool / Timeshare properties <p><small>* For new construction properties in the territories (Yukon, Northwest and Nunavut Territories) where New Home Warranty is not available, Lenders must obtain either an occupancy permit or a third-party report from a qualified professional such as: an inspector, architect or engineer. The qualified professional must carry the appropriate liability insurance and confirm construction is completed in compliance with applicable bylaws and regulations.</small></p>
<p>Maximum Property Value</p>	<ul style="list-style-type: none"> • Property value must be less than \$1,000,000

Maximum Loan Amounts	<p><i>Secondary Homes (Type A)</i></p> <ul style="list-style-type: none"> • Metro Toronto, Metro Calgary & Metro Vancouver: \$750,000 • Rest of Canada: \$600,000 <p><i>Vacation Homes (Type B)</i></p> <ul style="list-style-type: none"> • \$350,000 (exceptions will be considered on a case by case basis)
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	Type A properties		Type B properties	
	Premium Rate	Top-Up Premium	Premium Rate	Top-Up Premium
Up to 65%	0.60%	0.60%	1.45%	2.90%
65.01% - 75%	1.70%	5.90%	2.55%	6.10%
75.01% - 80%	2.40%	6.05%	3.15%	6.40%
80.01% - 85%	2.80%	6.20%	3.50%	7.00%
85.01% - 90%	3.10%	6.25%	4.35%	7.60%
90.01% - 95%	4.00%	6.30%	N/A	N/A

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

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"> • No prior bankruptcy or judgements • No R3's in the last 24 months <p>Type A properties</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>Type B Properties</p> <ul style="list-style-type: none"> • Minimum credit bureau score of 680 is required for all applicants. • Please note that on a case-by-case basis, Genworth Canada will review instances where the primary applicant meets the minimum credit score, but a second applicant has not credit at all. <p>Down Payment:</p> <ul style="list-style-type: none"> • <i>Type A properties</i> • 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. <p>Type B Properties</p> <ul style="list-style-type: none"> • Must be from own resources and may include personal savings, RRSP withdrawal, existing home equity, proceeds from sale of property. <p>Additional Criteria</p> <ul style="list-style-type: none"> • Maximum of one Genworth Canada insured vacation property per applicant. • No 3rd party guarantors for qualification purposes. Spousal guarantors are permitted. • An immediate family member is defined as a father, mother, child, brother, sister, grandparent, legal guardian, or legal dependent.
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<p>Debt Service Ratios</p>	<ul style="list-style-type: none"> GDS/TDS Guidelines: <table border="1" data-bbox="467 197 1115 279"> <thead> <tr> <th>GDS</th> <th>TDS</th> </tr> </thead> <tbody> <tr> <td>39%</td> <td>44%</td> </tr> </tbody> </table>	GDS	TDS	39%	44%
GDS	TDS				
39%	44%				
<p>Documentation / Information Requirements</p>	<ul style="list-style-type: none"> Standard documentation requirements apply. Genworth Canada may request that the lender provide a copy of the required documentation on a case-by-case basis. 				
<p>Property Type Requirements</p>	<p><i>Secondary Homes (Type A)</i></p> <ul style="list-style-type: none"> Foundation must be permanent and installed beyond the frost line. This includes concrete / concrete block or preserved wood foundations, or post/pier foundations on solid bedrock. Must be zoned and used as residential, rural or seasonal. Mixed uses or rental Pooling is not accepted. Freehold or condominium title. Co-ops or interest ownership is not accepted. At minimum, property must have a kitchen, 3-piece bathroom, bedroom, and common area. Remaining economic life must be 25 years. Year-round road access on reasonable quality public roads, serviced by the local municipality. Privately serviced roads are allowed, provided there is a maintenance contract in place. Property must be winterized with a permanent heat source. For example, heating can be baseboard, forced air, water radiator, radiant, coal, propane, geothermal heat pumps, or heat pumps. Good quality construction with no signs of deferred maintenance. Water source: well, municipal serviced, and cistern. Water source must be drinkable. We accept lake or river water, provided the property has its own filtration system. For example, a reverse osmosis system. Property must have electrical power. Alternative energy sources may be considered on a case-by-case basis such as solar power, wind energy & generators. There must be good market appeal in the area with no adverse influences/neighbourhood nuisances <p><i>Vacation Homes (Type B):</i> <i>All Type A property requirements apply to Type B, except for the following:</i></p> <ul style="list-style-type: none"> No permanent heat source is required. For example, a wood stove, fireplace, stove or heat blower is acceptable. Foundation may be floating. For example, sitting on blocks. Seasonal road use is acceptable. This means the road does not have to be plowed during the winter. Water source needn't be drinkable. However, there must be running water in the home. Property may be accessible only by boat. Holding tanks may be considered provided it is common for the immediate area and meets all municipal / provincial requirements (e.g., CSA approved holding tank). 				
<p>Portability</p>	<ul style="list-style-type: none"> Genworth Canada mortgage default insurance is portable, so home buyers can take advantage of a Lender's portability plan. For further details, refer to Portability Feature product overview. When porting from an existing standard Genworth Canada insured loan to a Vacation (Type B) loan, the premium will be the lesser of: <ul style="list-style-type: none"> The outstanding mortgage balance multiplied by 1.10% + the top-up amount multiplied by the top-up premium rate, or The new loan amount multiplied by the full premium rate. 				

<p>Assumptions / Assignments</p>	<ul style="list-style-type: none"> • Mortgage is assumable subject to meeting lender guidelines
<p>Eligible Products</p>	<p><i>Secondary Homes (Type A)</i></p> <ul style="list-style-type: none"> • Borrowed Down Payment Program • Homebuyer 95 Program (Maximum 1 unit) • Progress Advance Program (Residential Home Builder, Contractor and Self-Build Programs) • Purchase Plus Improvements Program • Second Mortgage Program <p><i>Vacation Homes (Type B):</i></p> <ul style="list-style-type: none"> • Purchase Plus Improvements Program
<p>Ineligible Products</p>	<p><i>Secondary Homes (Type A)</i></p> <ul style="list-style-type: none"> • Business for Self (Alt. A) Program • Family Plan Program • New to Canada Program • Investment Property Program <p><i>Vacation Homes (Type B):</i></p> <ul style="list-style-type: none"> • Homebuyer 95 Program • Business for Self (Alt. A) Program • Borrowed Down Payment Program • Family Plan Program • New to Canada Program • Progress Advance Program • Investment Property Program • Second Mortgage 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.