



March 24, 2020

CANADA GUARANTY

LENDER UPDATE

COVID-19: Impacts to Income Verification

In light of the current environment related to COVID-19, we understand that certain borrowers may have had income temporarily interrupted that may be in the midst of the homebuying process. The Mortgage Insurers have collaborated to provide further guidance on the treatment of applications for these situations currently in the pipeline, as noted below.

Where a Lender has been advised that a borrower with a previously approved application is experiencing income disruption due to COVID-19 and the borrower still wants to move ahead with the application, the Mortgage Insurer will maintain its previous approval, provided all of the following conditions are met:

- The application was approved as of March 25, 2020;
- The borrower has entered into a legal binding purchase and sale agreement and waived financing conditions as of March 25, 2020;
- The closing date is on or before September 30, 2020.

In such cases, the Lender will maintain the previously provided income that was originally used to qualify the mortgage insurance application (a resubmission is not required). The Lender must continue to complete appropriate income/employment confirmation (based on the income/employment prior to the interruption) and document their file accordingly.

If the situation does not fall into the criteria above, Lenders should adjudicate the file based on the current income situation. Exceptions may be considered on a case-by-case basis, the Lender should refer the application to the Mortgage Insurer for further assessment.

Please do not hesitate to contact a member of our National Accounts team with any questions.

Darren Kirk
Vice President, Regional Sales

1.866.414.9109 Ext. 7003
Darren.Kirk@canadaguaranty.ca

Liz Sanchez
Director, National Accounts

1.866.414.9109 Ext. 7070
Liz.Sanchez@canadaguaranty.ca

David Napoleone
Director, National Accounts

1.866.414.9109 Ext. 7086
David.Napoleone@canadaguaranty.ca

Thank you,

Mary Putnam | Vice President, Sales and Marketing
Canada Guaranty Mortgage Insurance Company

Telephone 416.640.8936 | Toll Free 1.866.414.9109 ext. 8936

E-mail mary.putnam@canadaguaranty.ca



Canada Guaranty Mortgage Insurance Company
www.canadaguaranty.ca | 1.866.414.9109