



## Enhancements to Sagen's "Underwriting Policies and Standards (UPS)"

As part of Sagen's ongoing commitment to provide Lenders with competitive insured mortgage solutions, we are pleased to announce several enhancements to our products and underwriting policies that offer greater flexibility for first-time homebuyers. All enhancements will take effect immediately.

The key enhancements to our programs and policies are listed below:

- **New to Canada Program**
  - Expanded alternate credit options policy to include the following options:
    - For 95% LTV or less:
      - Sufficient credit report from a Canadian credit reporting agency;
      - International credit bureau report;
      - 12-month bank statements from a recognized financial institution or billing statements confirming satisfactory payment habits; or
      - Letter of reference from a recognized financial institution endorsing borrower's banking experience and relationship.
    - For 90% LTV or less:
      - Six (6) months of bank statements from primary account.
- **Family Plan Program, Progress Advance Program, and Business for Self (Alt-A)**
  - Maximum number of units will be increased from 2 units to 4 units.
    - For properties with 3 and 4 units, existing criteria will apply:
      - Maximum LTV of 90%;
      - Lender obtains a general assignment of rents and leases or include this requirement in the Standard Charge Terms;
      - Property meets municipal zoning; and
      - Units are fully self-contained.
- **Verifiable Business-for-Self Income with less than 2-year tenure**
  - For individuals who have recently become self-employed and do not meet the requirement of operating for a minimum of 2 years; additional information may be provided to support the application. This information may include but is not limited to:
    - Previous employment or training.
    - Taking over an existing business.
    - Anticipated earnings/signed contracts.

We also introduced a number of other improvements to our underwriting policies related to:

### Income

- **Car Allowance**
  - Car allowance may be used if it is a taxable benefit.
  - Car allowance may be added to qualifying income or may be used to offset car loan or car lease payments.
- **Canada Child Benefit (CCB) Income**
  - Replaced "2-month direct deposit history" with "bank statement showing direct deposit."

**Credit Requirements**

- **Judgments**
  - Confirmation previous judgments, garnishments, or liens are paid in full prior to closing.
  
- **Bankruptcy**
  - Removed requirement of down payment from savings.

If you have any questions related to this update, please do not hesitate to contact me or your dedicated Sagen representative below who will be more than happy to assist you.

Name	Title	Phone	E-mail
Ivy Budisavljevic	V.P. Business Development	416.986.7152	<a href="mailto:ivy.budisavljevic@sagen.ca">ivy.budisavljevic@sagen.ca</a>
Marc Shendale	V.P. Business Development	905.287.5392	<a href="mailto:marc.shendale@sagen.ca">marc.shendale@sagen.ca</a>
Kiki Sauriol-Roode	V.P. Business Development	905.287.5379	<a href="mailto:kiki.sauriol-roode@sagen.ca">kiki.sauriol-roode@sagen.ca</a>
Sabrina Smith	V.P. Business Development	514.972.4489	<a href="mailto:sabrina.smith@sagen.ca">sabrina.smith@sagen.ca</a>
Carlo Montagnese	V.P. National Sales	416.938.7643	<a href="mailto:carlo.montagnese@sagen.ca">carlo.montagnese@sagen.ca</a>

Regards,



**Jim Spitali**

Sagen

Senior Vice President & Chief Operating Officer

Phone 905.287.5307

Email: [jim.spitali@sagen.ca](mailto:jim.spitali@sagen.ca)