

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

As part of Sagen's dedication to supporting Lenders in meeting the needs of homeowners, we are providing an overview of the *Refinance for Secondary Suite(s)* program. Additionally, we have made several enhancements to our products and underwriting policies to provide greater flexibility and accessibility for first-time homebuyers.

These changes are designed to empower Lenders to offer more tailored and competitive mortgage solutions, helping customers achieve their homeownership goals.

All updates are effective immediately.

### Refinance for Secondary Suites

- In support of the federal government announced expansion of eligibility criteria for insured mortgages on October 8<sup>th</sup>, 2024, we are pleased to provide a [program overview](#) for 'Refinance for Secondary Suite(s)'.
  - Please also see Sagen's [previous communication](#) regarding the Refinance for Secondary Suite(s) program on December 9<sup>th</sup>, 2024, including detailed FAQ's.

### Other Key Enhancements

- Purchase Plus Improvements and Progress Advance program.
  - Expand "income and employment" section to include the following:
    - Projected rental income from newly built unit(s) will be permitted for qualification purposes using fair market rents provided by an appraiser.
- New to Canada Program
  - Remove requirement for a minimum of 3 months full-time employment. Standard underwriting policies regarding employment and income apply, including 'probation period for new employees' requirements.

We have also provided further clarification in our underwriting policies relating to:

- Borrowed Down Program
  - Confirmation that gifts from any individual that is not related to the borrower through a familial or legal relationship can be excluded from the borrowed funds that must be included in the TDS calculation.
- Vacation / Secondary Homes Program
  - Clarify "credit" section to highlight that the requirement for no prior bankruptcy or judgements relates to Type B properties only.

- Rental Income
  - Expanded criteria for use of gross rental income.
- Investment Income
  - Updated investment income criteria.

If you have any questions or concerns related to this update, please feel free to contact your appropriate Sagen representative below.

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	905.938.7643	<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)