

Terry Enns - Mortgage Services



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Today's Best Rates – Owner Occupied Only – June 25th 2012

Bank Prime Rate	3.00%	NEXT MEETING –Jul 17, 2012
Home Equity Line of Credit	Prime + .50%	No Change
3 Year Closed Variable Rate	P +0%	No Change
5 Year Closed Variable Rate	P-.10%	No Change
1 Year Closed Fixed rate	2.80%	No Change
2 Year Closed Fixed rate	3.09%	No Change
3 Year Closed Fixed Rate	3.19%	No Change
4 Year Closed Fixed Rate	3.20%	No Change
5 year Closed Fixed rate	3.09%	.06% Decrease
7 year Closed Fixed rate	3.79%	No Change
10 Year Closed Fixed Rate	3.95%	.05% Decrease
Zero Down 5 Year Fixed Rate	5.29%	No Change

As you are probably already aware, Finance Minister Jim Flaherty has announced changes to the rules for government-backed (CMHC) insured mortgages for residential properties of 1-4 units.

In total, four new measures were announced for new government-backed (CMHC) insured mortgages:

- The maximum amortization period was lowered from 30 years to 25 years.
- The maximum amount that Canadians can borrow when refinancing their homes was lowered to 80% from 85% of the value of their homes.
- Households are now being constrained to a maximum gross debt service ratio and maximum total debt service ratios of 39% and 44%, respectively.
- Government-backed insured mortgages will now be only available on homes with a purchase price of less than \$1 million.
- These new rules will take effect on July 9, 2012.

Keep in mind that these new rules only apply **only** to high-ratio (less than 20% equity) mortgages. In all likelihood, the Big Six banks will all reduce their maximum amortizations for conventional financing (greater than 20% equity) to 25 years in the coming weeks. **For conventional mortgages, my other lenders will continue to offer amortizations up to 35 years for conventional mortgages at better than bank rates!**

Those who have been on the fence with regards to refinancing their homes for renovations, debt restructuring, or investments, should get their applications in now.

To make sure you have all the information on the recent mortgage changes, I have added a “NEWS” section to my website. In this section you will find a FAQ with regard to how these changes will affect you.

Enjoy the week, and please don't hesitate to give me a call with any mortgage questions you may have. And keep those referrals coming!!!

Terry

CALL TODAY 604.309.0620 or Visit www.terryenns.com

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