



AIG United Guaranty Product Enhancements

May 15, 2007

Innovation

Flexibility

Choice

AIG United Guaranty Mortgage Insurance
Company Canada

123 Front St W, Suite 909
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A Member Company of
American International Group, Inc.

To better serve the needs of lenders and mortgage professionals, AIG United Guaranty is pleased to announce the following product changes. As the catalyst of change in the Canadian mortgage insurance market, these new enhancements will help borrowers realize their dreams of homeownership even sooner; yet another AIG United Guaranty advantage.

These product enhancements include:

Advantage 97sm

- Gifted down payments from immediate family members are eligible
- New GDS and TDS qualification ratios

Refinance Advantagesm

- Top-up premium reduced to 4.25% for 90.01% - 95% LTV
- Increased maximum amortization from 35 to 40 years
- New GDS and TDS qualification ratios
- Elimination of 50 bps premium surcharge applied to blended amortizations
- Increased maximum equity take-out to \$150,000 for 95% LTV

Rental Advantagesm

- Appraisal ordered by AIG United Guaranty for each application

Purchase Advantage Plussm

- Value of improvements increased to 20% of purchase price to a maximum of \$40,000

Low Doc Advantagesm (Alt-A)

- Increased maximum equity take-out to \$150,000 for 90% LTV
- Applicants must provide documentation supporting 2 years of self-employment or 100% commissioned income. Borrowers with less than 2 years will be considered depending on length and type of previous employment.
- Recent notice of assessment or a signed affidavit to confirm no taxes are in arrears
- Elimination of mandatory 3-month reserve of PITH for 95% LTV
- Increased maximum amortization for refinance to 40 years

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GDS and TDS Requirements

- New GDS and TDS qualification ratios for the following products:
 - **Down Payment Advantagesm**
 - **Purchase Advantage Plussm**
 - **Refinance Advantagesm**
 - **Low Doc Advantagesm**

Up to 679	680+
GDS = 35%	No GDS
TDS = 42%	TDS = 44%

GDS and TDS Requirements

- New GDS and TDS qualification ratios for the following products:
 - **Advantage 97sm**
 - **Flex 95sm**
 - **Lifestyle Advantagesm**
 - **Progress Draw Advantagesm**

650 to 679	680+
GDS = 35%	No GDS
TDS = 42%	TDS = 44%

Revised AIG United Guaranty product sheets including all enhancements are available on our website at www.aigug.ca. For questions regarding these product enhancements, or for more information about our flexible underwriting policies, please contact your local Account Executive or contact the National Underwriting Centre:

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