



PURCHASE ADVANTAGE PLUSSM

The Purchase Advantage Plus program is designed to assist borrowers who are purchasing a home and want to make value-added improvements to their home while including these costs within their first mortgage.

NEW CONSTRUCTION / HOME IMPROVEMENT

Transaction Types

- Purchase transactions.
- Portable eligible.

Amortization

- 25 year standard.
- Eligible for up to 35 years amortization.
- 20 bps incremental premium surcharge for each additional 5 years, to a maximum of 35 years.

Credit Score Requirements

- Credit score and GDS/TDS requirements are based on the LTV and product selected.

Loan-to-Value Criteria

- 95% maximum Purchase LTV for 1–2 units.
- 90% maximum Purchase LTV for 3–4 units.

NOTE: Maximum LTV is subject to adjustments based on local housing market conditions.

Property Types

- Maximum 4 units, with one unit owner-occupied.

Maximum Value of Improvements

- Full appraisal required for improvements exceeding 20% of “as is” value or \$40,000.

Lending Value

- Lending value is based on the lesser of the improved property value or the purchase price, plus direct costs associated with the improvements.

Borrower Qualifications

- A gifted down payment from an immediate family member is acceptable.
- Borrower must provide the lender with quotes for the work to be completed.
- Standard underwriting guidelines apply.

Documentation Requirements

- Standard documentation.
- Lender is responsible to manage holdbacks.
- Lender to confirm improvements are completed.

Applicable Premiums

Loan-to-Value Ratio	Single Premium	Top-Up Premium
Up to and including 65%	0.50%	0.50%
65.01%–75%	0.65%	2.25%
75.01%–80%	1.00%	2.75%
80.01%–85%	1.75%	3.50%
85.01%–90%	2.00%	4.25%
90.01%–95%	2.75%	4.25%
Flex 95 Advantage SM	2.90%	4.25%

NOTE: Mortgage insurance premiums are non-refundable.

For more information, please call 1.877.244.8422 (1.877.AIGUG CA) today.

AIG United Guaranty Mortgage Insurance Company Canada

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