A YYZ MORTGAGE GUIDE · NO. 02

02

The Big Switch

Selling one home and buying the next — without losing sleep (or money)

YYZ MORTGAGE

yyz.mortgage · Checked & current as of August 2026

BEFORE YOU START

The short version

> *Who this is for: You own a home, you're eyeing the next one (or your renewal letter just landed), and the timing math is stressful.*

1. Get your break penalty in writing before you list. Fixed-rate IRD penalties can be $15K–$25K when three months' interest is $5K.
2. Porting keeps your old rate on the old balance only — and there's a time window. Ask the five porting questions first.
3. Sell first for certainty, buy first for choice. A short bridge loan usually costs hundreds, not thousands.
4. Never sign the first renewal letter. Straight switches at renewal skip the stress test now — shopping is free money.
5. Your sale nets less than you think: commission + HST, penalty, and legal fees come off the top. Map the money early.

Read it cover to cover, or jump straight to the chapter that answers your question — every chapter stands on its own. The examples are labelled illustrations, the numbers were checked in August 2026, and nothing in here is a sales pitch. When you're ready for a human, we're on the last page.

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Hi again

Buying your first home is exciting. Buying your *next* home is a juggling act. Now you have two deals, two closing dates, one existing mortgage, and a moving truck to book.

Done right, the move can be smooth and your mortgage can come with you. Done wrong, it can cost you thousands in penalties or leave you paying for two homes at once.

This book shows you the moves. It also covers the two money events that catch move-up buyers hardest: **break penalties** and **renewals**. Both are worth real money, and both are decided by a phone call most people never make.

Plain words, real examples, and the phone calls worth making before anything else.

CHAPTER 1

First question — what happens to my current mortgage?

When you sell, your mortgage doesn't just vanish. On closing day, your lawyer pays it off from the sale money. Whatever's left after the mortgage, the fees, and the taxes is your **equity**. That equity usually becomes the down payment on the next place.

But paying off a mortgage before the term is up can trigger a **penalty**. That's where you slow down and read your paperwork. You generally have four paths:

1. **Break the mortgage** and pay the penalty.
2. **Port the mortgage** — take it with you to the new home.
3. **Blend and extend** — stay with your lender, mix your old rate with today's, and start a fresh term.
4. **Let the buyer take over your mortgage** (called "assuming" it). Rare, and it needs lender approval, but it can matter a lot when your rate is much better than today's.

Let's look at each.

CHAPTER 2

Penalties — the part that stings

If you break a mortgage mid-term, most lenders charge one of two penalties:

- **Variable-rate mortgages:** usually about **three months of interest**. Annoying, but modest.
- **Fixed-rate mortgages:** the **greater** of three months' interest or something called the **IRD**: the "interest rate differential."

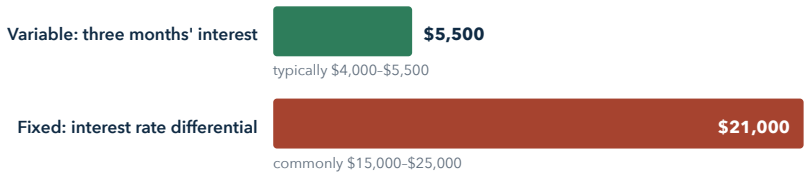
The IRD deserves respect. It's roughly the interest the lender loses because you're leaving early. If your rate is higher than today's rates, and you have years left in your term, the IRD can be enormous. On a $400,000 balance, a three-months'-interest penalty typically lands somewhere in the $4,000 to $5,500 range. An IRD penalty on that same balance can reach $15,000 to $25,000.

Why the huge gap? Because many big banks calculate IRD using their **posted** rates (the high sticker rates almost nobody actually pays)

rather than the discounted rate you signed at. That math inflates the penalty. It's legal, it's in your contract, and it surprises nearly everyone.

Before you list your home, get your exact penalty in writing from your lender. It's one phone call. It can change your whole plan.

BREAKING A $400,000 MORTGAGE: THE TWO PENALTIES



Same balance, same lender. Get yours in writing before you list.

Why the fixed-rate penalty deserves a phone call before the For Sale sign goes up.

ILLUSTRATIVE EXAMPLE – NOT AN ACTUAL CLIENT

Tunde and Sarah listed their Vaughan townhouse, accepted an offer, and *then* called their bank about the fixed mortgage with three years left on it. The penalty quote: $21,000. Not the roughly $5,500 in three-months'-interest they had pencilled in. After the shock wore off, their agent found the fix — their mortgage was portable, and their new home needed a bigger loan anyway. They ported, blended, and the $21,000 penalty vanished. It worked out, but only because the closing dates left just enough room. Make the phone call *before* the For Sale sign goes up.

One more wrinkle: some mortgages are "closed" in a strict way, and lenders don't all define "closed" the same. A few of the deepest-discount mortgages can't be broken at all except through a genuine sale. Your mortgage agent can read your terms and translate them into English.

CHECK IT YOURSELF

Ask your lender for a written **payout statement** — it must show the exact penalty and how it was calculated. The federal consumer agency explains prepayment penalties and your disclosure rights in plain language: **canada.ca — paying off your mortgage faster**. Most big-bank websites also have a penalty estimator — run it before you call, so you'll know if the quote looks off.

CHAPTER 3

Porting — the honest version

Porting means moving your existing mortgage, same rate and same remaining term, to your new home. If your current rate is better than today's rates, porting can save real money and skip most or all of the penalty.

Three flavours:

- **Straight port.** New home needs the same mortgage amount. You just move it over.
- **Port and increase (a "blend").** New home costs more, so you need more money. The lender blends your old rate with today's rate on the new portion. You end up with one mortgage at a rate in between.
- **Port and decrease.** You're downsizing and need less. You may pay a penalty on the part you pay off. Ask.

ILLUSTRATIVE EXAMPLE – NOT AN ACTUAL CLIENT

Dev and Anika own a semi in East York with $400,000 left on a fixed mortgage at a rate lower than today's. They're buying in Ajax and need $550,000. They port the $400,000 at their old rate and borrow the extra $150,000 at today's rate, blended into one payment. No penalty, and they keep their good rate on most of the loan.

Now the honest part, because porting is oversold.

- **You do not keep your old rate on the new money.** Dev and Anika kept it on $400,000, not on $550,000. If you're borrowing a lot more, the benefit shrinks fast.
- **You must re-qualify.** The lender rechecks your income and credit, and the stress test applies. Porting is not automatic and not a right.
- **There's a time window** — often 30 to 120 days between your sale closing and your purchase closing. Some lenders are much stricter than others. Miss the window and the port dies, penalty and all.
- **Not every mortgage is portable.** Many variable mortgages and most alternative-lender mortgages can't port at all. Check before you sign a mortgage, every single time.
- **Insured mortgages can carry benefits over** if you port within the allowed window, which can save you paying a fresh premium. Ask your agent to check.

Ask your lender these five questions, in this order: Is my mortgage portable? How many days do I get between closings? Do I have to re-qualify? How do you blend the new money? What's the penalty if the port fails?

CHAPTER 4

Buy first or sell first?

The classic dilemma. Neither answer is wrong. They just have different risks.

Sell first. You know exactly how much money you have. You'll never be stuck owning two homes. The risk: you might not find your next home before your sale closes, and end up renting or staying with family. In a fast market, that wait is stressful.

Buy first. You get the home you love, on your timeline. The risk: your current home might sell slower, or for less, than you hoped. Meanwhile you're carrying costs on two properties, and your lender counted on that sale money.

Middle paths that actually work:

- Negotiate a **long closing** (90 days or more) on the home you buy, giving you time to sell.
- Make your purchase **conditional on selling** your current home. Sellers dislike this in hot markets, but in balanced ones it happens regularly.
- Sell first with a **long closing on your sale**, giving you months to buy with cash certainty in hand. This is the quiet favourite of people who've done it twice.

ILLUSTRATIVE EXAMPLE – NOT AN ACTUAL CLIENT

Two co-workers moved the same spring. Nadia sold her Mississauga condo first. Then she couldn't find the right house for four months and lived in her sister's basement with her life in a storage locker. Annoying? Very. But she shopped calmly, knew her budget to the dollar, and never once bid out of panic. Chris bought first, in Oshawa, sure his condo would sell in a week like his neighbour's had. It took eleven weeks and closed $35,000 below his plan. He carried two sets of payments the whole time and still winces about it. Neither of them was wrong. They just picked different risks — Nadia risked her comfort, Chris risked his money. Pick yours on purpose, not by accident.

Rules of thumb: where homes sell fast, buying first is less risky. Where homes sit, sell first. Your realtor knows which market you're in *this month*. Ask.

TWO WAYS TO MOVE, TWO DIFFERENT RISKS

SELL FIRST	BUY FIRST
+ You know your budget to the dollar	+ You get the home you want
+ Never carrying two homes	+ No rushed second purchase
– You might not find the next place in time	– Your old home may sell slower, or for less
– You risk your comfort	– You risk your money

Neither is wrong. Pick which risk you'd rather carry, on purpose.

Nadia risked her comfort. Chris risked his money. Both were reasonable; only one was chosen deliberately.

CHAPTER 5

Bridge financing — when the dates don't line up

Very normal situation: your **purchase** closes June 1, but your **sale** closes June 15. Your down payment money is locked inside your old home for two more weeks. What now?

A **bridge loan**. It's a short-term loan, secured against your old home, that fronts you the down payment until your sale closes. When the sale money lands, the bridge is paid off automatically through your lawyer.

Things to know:

- You need a **firm, unconditional sale** on your current home. A conditional offer usually won't qualify. No firm sale, no bridge. That's the rule that catches people.
- Bridge rates are higher than mortgage rates, but you only pay for the days you use. Two weeks of bridge interest on a few hundred thousand dollars is usually hundreds of dollars, not thousands.
- Expect a setup or admin fee, commonly a few hundred dollars, plus possible legal costs.
- Most lenders bridge up to about 90 days. Some alternative lenders go longer, for more money.
- Bonus: a bridge makes moving *nicer*. Overlapping ownership means you can paint, fix floors, and move gradually instead of doing everything in one frantic day.

ILLUSTRATIVE EXAMPLE – NOT AN ACTUAL CLIENT

Sam's purchase in Whitby closes two weeks before the sale of their North York condo. They bridge $300,000 for 14 days. The interest works out to a few hundred dollars — money well spent for a calm, gradual move.

The danger case: you bridge, and then your sale falls apart. Now you're carrying the old mortgage, the new mortgage, and the bridge loan at once. That's why lenders insist the sale be firm, and why you should never remove your own sale conditions casually.

WHEN THE CLOSING DATES DON'T LINE UP



Two weeks of bridge interest on a few hundred thousand usually costs hundreds, not thousands.

A bridge loan covers the gap, and it's paid off automatically when the sale closes.

CHAPTER 6

What's your home worth, and what does selling cost?

Two different questions, and both get answered too optimistically.

On value: get a real opinion from a realtor based on recent *sold* prices in your immediate area, not listing prices, and not what your neighbour swears they got. Online estimate tools are rough guesses; lenders don't accept them, and neither should you. Property tax assessments aren't market value either.

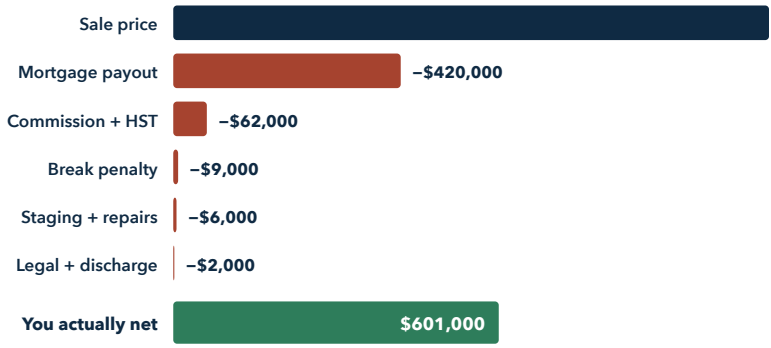
On costs, here's the honest list of what comes off the top when you sell:

- **The mortgage payout**, plus any penalty
- **Real estate commission** — often around 5% of the sale price split between the two brokerages, plus HST. It's negotiable. Always ask.
- **Legal fees** for the sale
- **Any secured lines of credit or second mortgages** registered on the home — these get paid off too
- **A discharge fee** to remove the mortgage from title
- **Adjustments** — you may owe or be owed for prepaid property tax and utilities
- Optional but common: staging, painting, cleaning, storage

ILLUSTRATIVE EXAMPLE – NOT AN ACTUAL CLIENT

Rita sells her Etobicoke house for $1,100,000 with $420,000 left on her mortgage. She's picturing about $680,000 in her pocket. Reality: commission plus HST takes roughly $62,000; legal and discharge fees another $2,000; her fixed-rate penalty $9,000; staging and repairs $6,000. She nets closer to $601,000. That's still a lot of money, but it's $79,000 less than she'd been planning her next purchase around. Getting this list on paper *before* she shopped saved her from overbidding.

WHAT'S LEFT AFTER SELLING AN $1,100,000 HOME



$79,000 less than the owner had been planning her next purchase around.

Commission is the big one, but the penalty and the small costs together moved her plan by $79,000.

CHAPTER 7

Will you owe tax when you sell?

Usually no, and this is one of the best deals in Canadian tax law.

The **principal residence exemption** means the gain on the home you actually live in is generally tax-free. You sell for more than you paid, and you keep the difference. You do have to report the sale on your tax return, but no tax is owed.

Where tax *can* show up:

- **Part of the home was rented out** or used for a business. Then a portion of the gain may be taxable.
- **It wasn't really your principal residence** — a cottage, an investment condo, or a place a family member lived in while you owned it.

- **You owned it for less than 365 days.** Since 2023, quick flips are generally taxed as business income, not as a capital gain, with no exemption. There are exceptions for genuine life events like death, separation, job relocation, or serious illness.
- **Someone is on title who doesn't live there** — for example, a parent added years ago to "help." Their share may not qualify.

You can only claim one principal residence per family per year. If you own two properties, talk to an accountant *before* you sell either one. This is one of the few money decisions where an hour of professional advice reliably pays for itself many times over.

LOOK IT UP

The official rules, including how to report the sale: **CRA — principal residence and other real estate**.

CHAPTER 8

The money map

Do this early, before you shop. Have your mortgage agent build a simple "sources and uses" sheet:

Money coming in: sale price, minus mortgage payout, minus penalty, minus commission and HST, minus legal fees, minus any lines of credit secured on the home.

Money going out: down payment on the new home, land transfer tax (Ontario's, plus Toronto's if you're buying in the city, and no first-timer rebates this round), legal fees, title insurance, inspection, moving costs, bridge costs if any, and immediate repairs or furniture.

What's left: this is the number that tells you your real budget and whether you'll have a cushion afterward.

Ten minutes of math, total clarity. Skipping it is how people end up house-poor in a home they love.

CHAPTER 9

Closing days that don't blow up

Same-day closings are common and they're tight. The money from your sale usually has to arrive before your purchase can fund. If your buyer's lender is slow, or a document is missing, the whole chain stalls. A purchase that doesn't fund by end of day means movers idling, storage fees, and possibly a hotel.

How to protect yourself:

- Give your lawyer everything **early**. Most closing-day disasters are actually paperwork that sat in someone's inbox.
- Sign at the lawyer's office several days ahead, not the morning of.
- If you can, buy yourself a gap: sell first with a later closing, or use a short bridge. Paying a few hundred dollars in bridge interest to avoid a same-day scramble is usually a bargain.
- Don't book movers for 9am on a same-day close. Afternoon, always.
- Arrange your **key handover** clearly. Keys are typically released once registration is complete, not when you show up.
- Confirm your final cash-to-close by phone. And confirm wire instructions by phone too — real estate wire fraud is common and devastating.

CHAPTER 10

Renewal time — the other big switch

Not moving, but your term is ending? This is *also* a moment where thousands of dollars sit on the table.

What happens automatically. A federally regulated lender must send you a renewal statement at least **21 days** before your term ends. If you do nothing, many mortgages roll into a new term at whatever rate that letter offered — often not their best rate. It's the rate they hope you'll accept without asking questions.

You are allowed to negotiate. You are allowed to leave. A surprising number of Canadians don't realize either.

The rule that changed in your favour. There's no stress test when you renew with your **same lender**. And since November 2024, there's also no stress test on a **straight switch** to a new federally regulated lender at renewal. Straight switch means you keep the same loan amount and the same amortization. You're just changing lenders for a better rate. That rule exists specifically so you can shop. Use it.

(One detail: this rule comes from the federal banking regulator, so it covers banks and other federally regulated lenders. Provincially regulated credit unions set their own policies — worth asking if that's where you're headed.)

The stress test *does* still apply if you increase your loan amount or stretch your amortization. That's a refinance, not a switch.

Start shopping about 120 days before your renewal date. That's when rate holds typically begin. Four months of lead time costs you nothing and gives you every option.

CHECK IT YOURSELF

Your rights at renewal — the 21-day statement rule, and what lenders must disclose — in plain language from the federal consumer agency: **canada.ca — renewing your mortgage**.

ILLUSTRATIVE EXAMPLE – NOT AN ACTUAL CLIENT

Fatima's renewal letter arrived with a friendly tone and a sign-here sticker. The offered rate felt fine, and she almost signed between school pickup and dinner. Instead she sent it to her mortgage agent, who shopped it around. A different lender wanted her business badly enough to come in $140 a month cheaper on her $400,000 balance — same five-year term, transfer costs covered. That's $8,400 over the term, for one afternoon of paperwork. The first letter isn't an insult. It's a starting bid. Treat it like one.

Three renewal traps:

1. **Stretching your amortization to lower the payment.** Going from 18 years remaining back out to 25 or 30 drops your monthly cost and adds tens of thousands in lifetime interest. Sometimes it's the right call for cash flow. Never let it be the *default* call — ask for the lifetime cost both ways.
2. **Signing a short term without meaning to.** Some renewal offers default to shorter terms at higher rates. Read what you're actually agreeing to.
3. **Assuming you'll be renewed.** Lenders aren't required to renew you. Missed payments, a big new debt load, or a drop in income can lead to a decline. If that happens, options still exist (a different lender, an alternative lender, or in tough cases a private one), but you want to start that conversation months early, not weeks.

Renewal is also the free moment to refinance. If you want to pull out equity, consolidate debt, or change your amortization, doing it *at renewal* means no break penalty. That timing is worth planning around.

CHAPTER 11

Renew, switch, or refinance?

Three words that get used interchangeably. They're different.

- **Renew.** Your term ends; you sign a new term with the same lender. Same balance, same amortization. No penalty, no stress test.
- **Switch (transfer).** Your term ends; you move the same balance and amortization to a new lender for a better deal. No penalty. No stress test on a straight switch since late 2024. The new lender often covers some or all transfer costs — ask.
- **Refinance.** You change the mortgage itself — usually borrowing more against your equity, up to 80% of the home's value. Done mid-term, it breaks your contract and triggers a penalty. Done at renewal, it doesn't. Stress test applies either way.

ILLUSTRATIVE EXAMPLE – NOT AN ACTUAL CLIENT

Grace and Tom had $38,000 in credit card and line-of-credit debt at high rates, plus a mortgage renewing in five months. Instead of refinancing immediately and eating a penalty, they waited for the renewal date and rolled the debt into the new mortgage then. Same result, no penalty. They also did the thing that actually matters: they cut up two cards and set an automatic payment, so the debt wouldn't rebuild. Consolidating without changing the habit just buys you a bigger version of the same problem later.

CHAPTER 12

When the move isn't happy — separation and divorce

Nobody plans for this chapter. Here's what to know if you're in it.

You're both still on the hook. Moving out doesn't remove you from the mortgage. Both people remain fully liable until the mortgage is actually paid out or refinanced. Missed payments hurt both credit scores.

Neither of you can act alone. The matrimonial home has special protection in Ontario. Generally, one spouse can't sell, rent out, or refinance it without the other's consent or a court order — regardless of whose name is on title.

If one of you wants to keep the home, there's a specific tool: a **spousal buyout mortgage**. Normally you can only refinance up to 80% of a home's value. The spousal buyout program lets you refinance up to **95%** of the value, specifically to pay out the other spouse's share. All three of Canada's mortgage default insurers offer it, though their rules differ slightly. One limits the money strictly to buying out the spouse's equity; the others may also let you clear joint debts or a mortgage penalty. Worth asking about, because it can change what's possible.

To use it you'll generally need:

- A signed separation agreement setting out who gets what
- To qualify for the mortgage on your own income
- Reasonably strong credit

- A lawyer on each side

These are usually arranged through mortgage brokers rather than bank branches, because not every branch offers them.

One kindness: transfers of the home between separating spouses are generally exempt from Ontario land transfer tax. And if you can't qualify alone, that's information, not failure — better to learn it early than three months into a plan that can't work.

CHAPTER 13

What if you kept it instead of selling?

Some people moving up ask a fair question: could I keep the old place and rent it out?

Sometimes, yes. Things to work through first:

- **Down payment for the new home.** If your equity is trapped in the old place, you'll need another source. You can refinance the old home up to 80% of its value to free up cash. But that's a bigger mortgage on a rental, and the qualifying rules get stricter.
- **You'll need to qualify for both.** Lenders count some (not all) of the expected rent as income, and count the full mortgage as debt. Many people don't clear this bar.
- **Tax changes.** The moment it becomes a rental, it stops being your principal residence. There's a deemed sale at fair market value, and future gains on it can be taxable. Rental income is taxable too, though expenses are deductible. Talk to an accountant *before* you convert.

- **You become a landlord.** Ontario's rules give tenants strong protections. Learn them before you sign a lease, not after.
- **Insurance and mortgage terms change.** Tell both your insurer and your lender. Quietly renting out a home you insured as owner-occupied can void coverage.

It can be a great wealth-builder. It's just a business, not a side effect.

CHAPTER 14

Timeline for a smooth switch

Three to six months before

- Call your lender: exact penalty in writing, and is your mortgage portable?
- Meet your mortgage agent: get pre-approved for the purchase, map the equity
- Meet your realtor: what's your home worth, how fast is the market?
- Declutter and handle small repairs while you have time

One to three months before

- List and/or start shopping
- Line up closing dates: a small overlap with a bridge is usually calmer than same-day
- Lock a rate hold
- Choose your lawyer and send them both deals early

Final month

- Firm up both transactions
- Send every document the lender asks for, immediately

- Book movers (weekdays are cheaper), and book them for the afternoon
- Set up utilities, internet, insurance, mail forwarding

Closing week

- Sign at the lawyer's office a few days ahead
- Confirm cash-to-close and wire details by phone
- Final walk-through of the new home if your deal allows it
- Keys out, keys in. Breathe.

CHAPTER 15

Straight answers to the common questions

How do I find out my penalty?

Call your lender and ask for a written payout statement showing the penalty as of your expected closing date. Some let you see an estimate online. Get it in writing — verbal quotes have been wrong.

My penalty is huge. Are there ways around it?

Sometimes. Port it. Blend and extend with your current lender. Time the move to your renewal date. Use your annual prepayment privilege first to shrink the balance the penalty is calculated on. Or check whether your buyer could assume your mortgage.

What is "blend and extend"?

Your lender mixes your existing rate with today's rate and starts a fresh term, usually with no penalty. Handy if you need more money or want to lock in without leaving. Downside: you're not shopping the market, so compare it against switching plus the penalty.

Can the buyer take over my mortgage?

Sometimes. It's called an assumption, and it needs lender approval and an agreement releasing you from liability. It's uncommon, but when your rate is much better than current rates, it can be a genuine selling feature.

Can I use my prepayment privilege right before I sell?

Often yes, and it can meaningfully reduce a penalty since the penalty is calculated on the balance. Confirm the rules with your lender first — some restrict prepayments made close to a payout.

Do I need a new pre-approval if I already have a mortgage?

Yes. Your new purchase gets underwritten fresh, including the stress test.

Will my new lender pay my legal fees to switch?

On straight switches at renewal, many lenders cover some or all transfer costs. It varies and it's negotiable. Ask before you commit.

What if my home doesn't sell?

Talk to your agent early about price and timing. If you've already bought, options include bridge extensions, renting your old place temporarily, or short-term financing. All of them cost money, which is why buying first deserves a real plan B.

Is spring really the best time to sell?

Spring usually brings the most buyers, but also the most competing listings. A well-priced home sells in any season. Your realtor's local read beats the general rule.

Should I renovate before selling?

Paint, cleaning, decluttering, and small fixes usually pay off. Big renovations usually don't return their cost. Ask your realtor what actually moves the needle on your street.

Do I pay tax on the profit from my home?

Generally no, thanks to the principal residence exemption, but you still report the sale. See Chapter 7 for the exceptions, and get advice if you own more than one property.

My term ends in two months and rates moved. What do I do?

Talk to an agent now. Rate holds are usually available up to about 120 days out, and switching lenders at renewal doesn't require the stress test anymore.

Can my lender refuse to renew me?

Yes, though it's uncommon. Missed payments, much higher debt, or lower income can cause it. Start early if you think you're at risk — there are almost always options, and they're all better with time.

What's a discharge fee?

A small administrative fee, usually a few hundred dollars, for removing the mortgage from your title when you pay it off. Separate from the penalty.

Word list

Assumption — a buyer taking over your existing mortgage. **Blend and extend** — mixing your old rate with a new one and starting a fresh term. **Bridge loan** — short-term financing that covers the gap between closings. **Discharge** — removing a paid-off mortgage from your title. **Equity** — your home's value minus what you owe on it. **IRD** — interest rate differential, the big fixed-rate break penalty. **Payout statement** — your lender's written statement of what it takes to pay off the mortgage. **Porting** — moving your existing mortgage to a new property. **Principal residence exemption** — the rule that usually makes your home's gain tax-free. **Refinance** — changing the mortgage itself, usually borrowing more. **Straight switch** — moving the same mortgage to a new lender at renewal. **Spousal buyout** — a program letting one spouse refinance up to 95% to buy out the other.

Where these numbers come from

Every load-bearing rule in this book, and where to check it yourself. Checked August 2026; the links beat the printed page.

Break penalties (three months' interest vs. IRD) and your disclosure rights — your own mortgage contract governs; plain-language guide at FCAC. **canada.ca — paying off your mortgage faster**

Renewal rules (21-day statement, your right to switch) — FCAC. **canada.ca — renewing your mortgage**

No stress test on straight switches at renewal (since Nov 21, 2024) — OSFI, the federal banking regulator. **osfi-bsif.gc.ca**

Principal residence exemption and the 365-day flipping rule — **CRA — principal residence and other real estate**

Spousal buyout program (up to 95% of value) — offered through Canada's three mortgage default insurers; ask any broker to confirm current terms. **cmhc-schl.gc.ca**

Land transfer tax on your next purchase — Ontario: **ontario.ca/document/land-transfer-tax** · Toronto: **toronto.ca — MLTT**

Bridge loans, porting windows, and assumption rules — lender-specific policies; get them in writing from your lender before you plan around them.

Licence check for any mortgage agent or broker — FSRA public registry. **fsrao.ca**

The fine print (the honest kind)

This guide is for learning. It is not financial, legal, or tax advice, and it is not an offer to lend or a commitment to any rate. Everyone's situation is different, so talk to a licensed professional before making big money decisions. All the people and numbers in the examples are illustrative examples — not actual clients. Penalty rules, porting features, program details, and tax rules vary by lender and change over time; this book was checked in August 2026 — confirm the current rules before you act. Sources for every number are listed in “Where these numbers come from.”

YYZ Mortgage is operated by Sunjong Kim, Mortgage Agent Level 2 (FSRA Lic. #M17002120), on behalf of Dominion Lending Centres National Ltd., FSRA Brokerage Lic. #12360, an independently owned and operated franchise of Dominion Lending Centres.

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