Canadian Mortgage Renewal Checklist & Timeline

What to gather, when to contact lenders, and what to review — a step-by-step guide for Canadian homeowners renewing in the current rate environment.

Renewal timeline at a glance

When	Action	Why it matters
180–120 days out	Request payout statement from current lender; pull your credit report.	Enables early rate holds (up to 120 days); catches credit issues before shopping.
120–90 days out	Gather documents (below); model payment shock at today's rates.	Most lenders honour rate holds ~120 days. Know your worst-case payment early.
90–60 days out	Shop 3+ lenders and a broker; compare APR, penalties, prepayment terms.	Renewal offers arrive ~30 days out and are rarely the best rate available.
60–30 days out	Choose lender; submit application; get rate lock in writing.	Buffer for appraisal, legal switch fees, and lender conditions.
30–0 days out	Sign renewal or switch paperwork; confirm first new payment date.	Avoids automatic renewal at the lender's posted rate.
Renewal day	Verify new balance, amortization, payment, and prepayment privileges.	Errors are far easier to fix before your first payment.

Documents to gather (120 days out)

Identification & property

- ☐ Government-issued photo ID for each borrower
- ☐ Current mortgage statement (balance, rate, maturity date, payment)
- ☐ Most recent property tax bill and proof of payment
- ☐ Home insurance policy showing dwelling coverage and lender as loss payee
- ☐ Condo status/estoppel certificate (if applicable) and monthly fees

Income — employed

- ☐ Two most recent paystubs (within 30 days)
- ☐ Employment letter dated within 30 days — role, tenure, salary, guaranteed hours
- ☐ Two years of T4s and Notices of Assessment (NOAs) from CRA
- ☐ Recent bonus/commission history if variable pay is used to qualify

Income — self-employed or commissioned

- [ ] Two years of T1 Generals with all schedules
- [ ] Two years of NOAs showing no taxes owing to CRA
- [ ] Business licence, articles of incorporation, or GST/HST registration
- [ ] Six months of business bank statements

Assets & liabilities

- [ ] 90 days of chequing/savings statements (down payment on a switch, if applicable)
- [ ] Statements for RRSP, TFSA, non-registered investments
- [ ] Statements for all other debts: HELOC, LOC, credit cards, auto loans, student loans
- [ ] Child or spousal support orders (if paying or receiving)

What to review before you sign

Rate & term

- [ ] Contract rate AND APR (APR includes fees — the truer cost)
- [ ] Term length matches your plan (1–2 yr if expecting cuts; 5 yr for stability)
- [ ] Fixed vs. variable — and whether variable payment adjusts or stays static
- [ ] Rate hold expiry date in writing

Amortization & payment

- [ ] Remaining amortization (extending resets interest cost — model it)
- [ ] Payment frequency (accelerated bi-weekly saves years vs. monthly)
- [ ] New payment amount and first payment date
- [ ] Property tax: lender-collected vs. paid directly

Prepayment privileges

- [ ] Annual lump-sum allowance (typically 10–20% of original principal)
- [ ] Payment increase allowance (typically 10–20% per year)
- [ ] Double-up payment option
- [ ] Whether unused prepayment room carries forward

Penalties & portability

- [ ] How the Interest Rate Differential (IRD) is calculated (posted vs. discounted)
- [ ] Three-month interest penalty formula (typical for variable-rate terms)
- [ ] Portability window if you move (typically 30–120 days)
- [ ] Assumability by a future buyer

Fees on a switch to a new lender

- [ ] Discharge fee from current lender ($200–$400 typical)
- [ ] Appraisal fee ($300–$500) — often covered by new lender
- [ ] Legal/title transfer fees or lender-paid switch program
- [ ] For uninsured mortgages: stress test at contract rate + 2% or 5.25% (whichever higher)

Red flags — stop and re-shop if you see these

- [ ] Renewal letter offers only the posted rate with no discount
- [ ] Lender refuses to put the rate hold in writing
- [ ] Amortization silently extended beyond your original schedule
- [ ] Prepayment privileges reduced from your current term
- [ ] Collateral charge conversion without a clear explanation of re-advanceability

Questions to ask every lender

1. What is your best rate for my file today, and how long can you hold it?
2. What is the exact IRD formula, and what would the penalty be if I broke this term in year 3?
3. What prepayment privileges apply, and do they carry forward if unused?
4. Are there any fees to switch to you — appraisal, legal, discharge?
5. Is this a standard or collateral charge mortgage?