

What's a monoline lender and how is it different from a bank?



I'm often asked about monoline lenders: who are they, what benefits do they offer, and how do you get access to a monoline lender anyway?

Good questions. "Mono" means "one". So it's a "one-line" lender that doesn't do anything else except mortgage lending. They won't be asking you to do your banking with them, or try to cross-sell you investments. They do one thing: mortgage lending. They're an important factor in the mortgage market here in Canada because they improve consumer choice and ensure that our Banks remain competitive!

How do you access a monoline lender? My only job is to get you the perfect mortgage – a combination of rate and features that allows you to live comfortably with your mortgage and save money in the long term. To do that, I work with most of the major banks and credit unions, private lenders, and I work with several monoline lenders. There are a few reasons why a monoline lender might be the perfect option for you.

- 1. Lower penalties.** A monoline lender's penalty to break a fixed-rate mortgage is typically much less than what Banks charge. If your circumstances change and you need to get out of your mortgage, this could save you thousands.
- 2. Easier to transfer.** A mortgage with a monoline lender is registered on title as a "standard charge" rather than a "collateral charge". That means it can be easier and cheaper to transfer your mortgage to another lender at renewal for a better deal.
- 3. Great rates.** Monoline lenders do not have bricks and mortar branches so they can keep their overhead costs low and focus on competitive interest rates.

Most monoline lenders are only available through mortgage brokers, which is one of the reasons so many Canadians are turning to mortgage brokers for their purchases, refinances and renewals. Get in touch for a review of all your lender options for your next mortgage.

Some of the Monoline Lenders we deal with:



MERIX

FIRST NATIONAL
FINANCIAL LP



CMLS Financial®



MCAP



Warren Ross

Chartered Real Estate Mortgage Broker

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