

Canadian and U.S. Mortgages Compared



While there are some similarities, getting a mortgage¹ in the U.S. is a different process compared with the Canadian system.

	Canada	United States
Time to Process	<ul style="list-style-type: none"> 5-10 days 	<ul style="list-style-type: none"> 30-45 days
Application Requirements	<ul style="list-style-type: none"> Income Assets/liabilities Other real estate you own Type of property you're buying Proof of 2 years of employment 	<ul style="list-style-type: none"> Income Assets/liabilities Other real estate you own Type of property you're buying Proof of 2 years of employment Country of residence
Documentation	<ul style="list-style-type: none"> Purchase and sale agreement Confirmation of down payment Proof of employment and income 	<ul style="list-style-type: none"> Take a look at our mortgage documentation checklist to see what you need to provide. rbcbank.com/cross-border/us-mortgage-checklist.html
Down Payment	<ul style="list-style-type: none"> 20% for a conventional mortgage¹ (without CMHC insurance) 5% for a low down payment mortgage¹ (mortgage insurance is required) 	<ul style="list-style-type: none"> 20%² is typical for a home you plan to live in-either year-round or part-time 25% is typical for investment properties
Closing Costs	<ul style="list-style-type: none"> Typically 2.5% of Purchase Price Price largely driven by: <ul style="list-style-type: none"> Land transfer tax Legal fees and disbursements 	<ul style="list-style-type: none"> Closing costs may vary. Can be as low as 2.5% of purchase price.
Mortgage Interest	<ul style="list-style-type: none"> Not tax-deductible 	<ul style="list-style-type: none"> May be deductible against income tax³

Contact a cross-border mortgage advisor at 1-866-283-5928 or visit us online at rbc.com/ushome



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¹ Mortgages are subject to approval, including verification of acceptable income, credit worthiness and property valuations. Minimum and maximum property values and maximum loan-to-value ratios apply. Homeowner's insurance is required for all loans and lines of credit, and flood insurance is required if the property is located in a Special Flood Hazard area. Escrows may be required. There are closing costs associated with these products.

² Example: 3-Year ARM calculation assumes a \$250,000 loan amount, 4.000% interest rate, 4.764% APR, with 20% down payment, amortized over 360 months = \$1,193.54 monthly payment. Example: 5-Year ARM calculation assumes a \$250,000 loan amount, 4.125% interest rate, 4.679% APR, with 20% down payment, amortized over 360 months = \$1,211.62 monthly payment. Example: 7-Year ARM calculation assumes a \$250,000 loan amount, 4.375% interest rate, 4.699% APR, with 20% down payment, amortized over 360 months = \$1,248.21 monthly payment. Rates are subject to increase after initial fixed period of loan. If the down payment is less than 20%, mortgage insurance may be needed on the loan. This could increase the monthly payment and the interest rate. Rates subject to increase after consummation.

³ Consult your financial, tax, legal, and other professional advisors prior to applying for a U.S. mortgage.

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