



## PRESS RELEASE



*Canadian Mortgage News - National Archive 2010*

# BMO Slashes Market-Leading Five Year Mortgage Rate By 20 Bps to 3.59 Per Cent

## Cut comes in advance of traditional Fall Home-Buying season

**TORONTO, Ontario, September 01, 2010** — BMO announced today it is decreasing its popular five-year low rate mortgage from 3.79 per cent to 3.59 per cent\* effective September 2, 2010.

The move will provide home buyers just the incentive they need to kick-start the fall house-hunting season with a renewed fervour.

“It’s a great time to buy a home,” said Martin Nel, Vice President, Lending and Deposit Products, BMO Bank of Montreal. “The housing market has cooled a bit recently, giving buyers an advantage over motivated sellers. But there’s still some uncertainty about where fixed rate mortgage rates may be headed over the next little while. To provide homebuyers with comfort and extra motivation, BMO has slashed our market leading low rate mortgage by 20 basis points. If ever there was a time to buy, it is now.”

To help reduce uncertainty, BMO is advising homebuyers to guarantee their mortgage rate by getting pre-approved ahead of time.

“Getting pre-approved on your mortgage is a smart move for any homebuyer,” added Nel. “First, it allows you to shop with confidence knowing your financing is lined up. Second, it secures your mortgage rate for up to 90 days - if rates increase during that time, you’re covered.”

The special five-year low rate fixed mortgage:

- Continues to offer the lowest fixed rate for a five-year closed term at 3.59 per cent
- Allows customers to repay their mortgage faster with a maximum 25-year or less amortization
- Saves homeowners over \$60,000 in interest costs compared to leading competitors’ five-year special fixed rate at 3.89 per cent and 35-year amortization (based on a \$200,000 mortgage)

\*This special discounted rate is not the posted rate of BMO Bank of Montreal. Rate is subject to change without notice. **Offer may be withdrawn or extended without notice.** Mortgage funds must be advanced within 90 days of the application.