

Your Mortgage Renewal Checklist

Over 1.15 million Canadian mortgages will renew in 2026. If you simply sign the renewal letter your bank sends you, you're almost certainly leaving money on the table. This checklist walks you through everything you should do — starting 120 days before your term ends.

Important: Your bank's renewal offer is almost never their best rate. It's a starting point, not a final answer. Shopping around or using a broker typically saves \$2,000 - \$15,000 over a 5-year term.

120 Days Before Renewal

This is when your rate-shopping window opens. Start here.

- **Confirm your mortgage maturity date:** Check your original mortgage documents or call your lender. Don't wait for them to contact you.
- **Review your current mortgage terms:** Note your current rate, remaining balance, amortization remaining, payment amount, and any prepayment privileges you haven't used.
- **Check your credit score:** A higher score gives you access to better rates. Pull a free report and address any issues now — you have 4 months.
- **Contact a mortgage broker (that's us!):** A broker shops 40+ lenders for you in a single credit pull. Newcastle Financial does this at no cost to you.

90 Days Before Renewal

- **Get rate quotes from at least 3 sources:** Your current lender, a competing bank, and a mortgage broker. Compare apples to apples — same term length and type.
- **Evaluate fixed vs. variable:** In 2026, the Bank of Canada has cut rates significantly. Variable rates may be attractive, but consider your risk tolerance. Fixed gives certainty.
- **Consider changing your amortization:** Renewal is a free opportunity to shorten your amortization and save thousands in interest, or extend it to lower your payment if needed.
- **Ask about prepayment privileges:** Can you increase payments? Make lump sums? These features vary widely between lenders and can save you years on your mortgage.

60 Days Before Renewal

- **Receive your lender's renewal offer:** Your bank will send a renewal letter. Compare their offer to the quotes you've gathered. Don't sign immediately.
- **Negotiate or switch:** If you have a better offer elsewhere, call your current lender and ask them to match it. If they won't, switching is free at renewal.

- **Decide: Stay or switch:** Switching costs nothing at renewal (no penalties). The new lender typically covers legal and appraisal fees.

Tip: Switching lenders at renewal saves borrowers \$13,857 on average compared to just signing the bank's renewal letter. There is zero penalty to switch when your term expires.

30 Days Before Renewal — If Switching Lenders

- **Gather your documents:** Recent paystubs (2), employment letter, most recent Notice of Assessment, government ID, current mortgage statement, void cheque.
- **Submit your application through your broker:** We handle the lender submission, follow-ups, and paperwork. You focus on your life.
- **Sign the new commitment letter:** Review the rate, term, and conditions. E-sign for fastest processing.
- **Confirm the discharge of your old mortgage:** Your new lender's lawyer coordinates this with your current lender. There's typically a \$200-\$400 discharge fee.

Renewal Day

- **Confirm your new rate and payment amount:** Your lender or broker will confirm the exact payment and first payment date.
- **Set up automatic payments:** If you switched lenders, provide a void cheque for the new automatic withdrawal.
- **Set a calendar reminder for your next renewal:** 5-year term? Set a reminder for 4 years and 8 months from now. Never get caught off guard again.

What to Compare When Shopping Renewal Rates

Interest Rate	The headline number, but not the only factor. A 0.10% difference on a \$400K mortgage = \$2,000 over 5 years.
Fixed vs. Variable	Fixed = certainty. Variable = potential savings but rate fluctuates with BoC decisions.
Term Length	3-year and 5-year are most common. Shorter terms let you renegotiate sooner if rates drop.
Prepayment Privileges	Can you pay 10%, 15%, or 20% extra per year? Can you double-up payments? This varies by lender.
Penalty Structure	How is the penalty calculated if you break early? IRD (interest rate differential) vs. 3 months' interest.

Portability	Can you transfer this mortgage to a new property if you move? Important if you might sell within the term.
Cashback Offers	Some lenders offer 1-3% cashback. Calculate whether the slightly higher rate still saves you money net.

Tip: Don't wait for your bank's renewal letter. Call Amit Mistry at (647) 646-6523 to start shopping rates 120 days before your term ends. It's free, and we do the work for you.

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