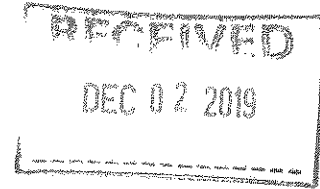




ALBERTA
TREASURY BOARD AND FINANCE

*Office of the Minister
MLA, Grande Prairie-Wapiti*



49664

NOV 28 2019

Mr. Barry Morishita
President
Alberta Urban Municipalities Association
300 - 8616 51 Avenue
Edmonton AB T6E 6E6

Dear Mr. Morishita:

Thank you for your October 15, 2019 letter regarding B-20 – Residential Mortgage Underwriting Practices and Procedures (mortgage stress test). I appreciate you sharing the 2019 Alberta Urban Municipalities Association (AUMA) resolution regarding the mortgage stress test, and I am pleased to respond.

As noted in my September 10, 2019 email, our government has written the federal government and the federal Office of the Superintendent of Financial Institutions seeking an exemption to the mortgage stress test rules in Alberta. We continue to engage the federal government on this issue, and will continue to stand up for Albertans' best interests.

With regards to AUMA's resolution for the Government of Alberta, Alberta financial institutions are not strictly bound by the mortgage stress test rules. However, they are deeply affected by the policy and rules set by federal government institutions, specifically when borrowers wish to qualify for mortgage insurance through the Canada Mortgage and Housing Corporation, and where financial institutions securitize (or sell) their mortgages for cash that can then be lent to other borrowers.

Again, our government will continue to engage the federal government on these issues and remains committed to standing up for Albertans.

Thank you again for taking the time to write.

Sincerely,

Travis Toews
President of Treasury Board and
Minister of Finance

cc: Honourable Kaycee Madu, Minister of Municipal Affairs
Honourable Josephine Pon, Minister of Alberta Seniors and Housing

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