

Supplementary Financial Information

Q2 2019

Residential mortgages (insured vs. uninsured)

Residential mortgages, as reported in the audited consolidated financial statements, include residential mortgages and home equity lines of credit, which are uninsured lines of credit secured by residential properties.

British Columbia (in thousands)

Insured Mortgages	1,142,603	10.2 %
Portfolio Insured Mortgages	756,640	6.7 %
Uninsured Mortgages	8,251,700	73.5 %
Mortgages	10,150,943	90.4 %
Home equity lines of credit	1,076,282	9.6 %
Total	11,227,225	100.0 %

Insured residential mortgages are those whereby the risk of default is mitigated by insurance through the Canada Mortgage and Housing Corporation (CMHC) or other mortgage default insurers.

Residential mortgages by amortization period

Residential mortgages include residential mortgages and home equity lines of credit, which are uninsured lines of credit secured by residential properties. All residential mortgages are located in Canada. The following table provides a breakdown by amortization period:

(in thousands)

Less than or equal to 20 years	939,521	8.3 %
20 to 25 years	2,915,000	26.0 %
25 to 30 years	5,960,128	53.1 %
Greater than 30 years	336,294	3.0 %
Mortgages	10,150,943	90.4 %
Home equity lines of credit	1,076,282	9.6 %
Total	11,227,225	100.0 %

Average loan-to-value (LTV) ratio for new uninsured residential mortgages

Residential mortgages include residential mortgages and home equity lines of credit, which are uninsured lines of credit secured by residential properties. The following table provides a summary of the average LTV ratios for newly originated and acquired uninsured residential mortgages and home equity lines of credit, by geographic region:

British Columbia	Average LTV
Residential Mortgages	60.7 %
Home equity lines of credit	29.8 %
Total	59.8 %

Potential impact of economic downturn

Coast Capital Savings regularly performs stress tests on its lending portfolio to assess the impact of changing interest rates, severe changes in property valuations in Coast Capital Savings' markets, unsuccessful implementation of strategic plans and other plausible scenarios. Based on the most recent assessment performed, potential losses under such conditions are considered manageable.