

# Survey of Non-Bank Mortgage Lenders, second quarter 2021

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Residential mortgage activity in Canada increased on both a yearly and a quarterly basis in the second quarter. Several housing market indicators remained at record high levels relative to previous years despite [showing signs of deceleration](#) compared with the first quarter of 2021.

## Non-banks report increase in the value of residential mortgages extended in the second quarter

The value of the mortgages extended by Canadian non-bank mortgage lenders in the second quarter reached \$72.1 billion, 50.5% higher than the value recorded in the second quarter of 2020. At \$346.6 billion, the value of mortgages outstanding held by non-bank mortgage lenders at the end of the second quarter of 2021 exceeded the value held at the end of the same quarter last year by 4.7%.

Mortgages extended and held by non-bank lenders also registered increases relative to the first quarter, even though the Canadian Real Estate Association reported that home sales decreased in all three months of the second quarter of 2021. This may be because of the lag between the sale of a home and the transfer of the corresponding mortgage funds. From the first quarter to the second quarter of 2021, the number of mortgages extended rose by 90,266 (+47.1%), while the number of mortgages outstanding increased by 6,720 (+0.4%). Quarterly increases were also registered in the value of mortgages extended (+39.0%) and mortgages outstanding (+2.3%). Quarterly fluctuations in mortgages extended are in part attributable to seasonal variations in mortgage activity.

## Share of uninsured mortgages continues to grow

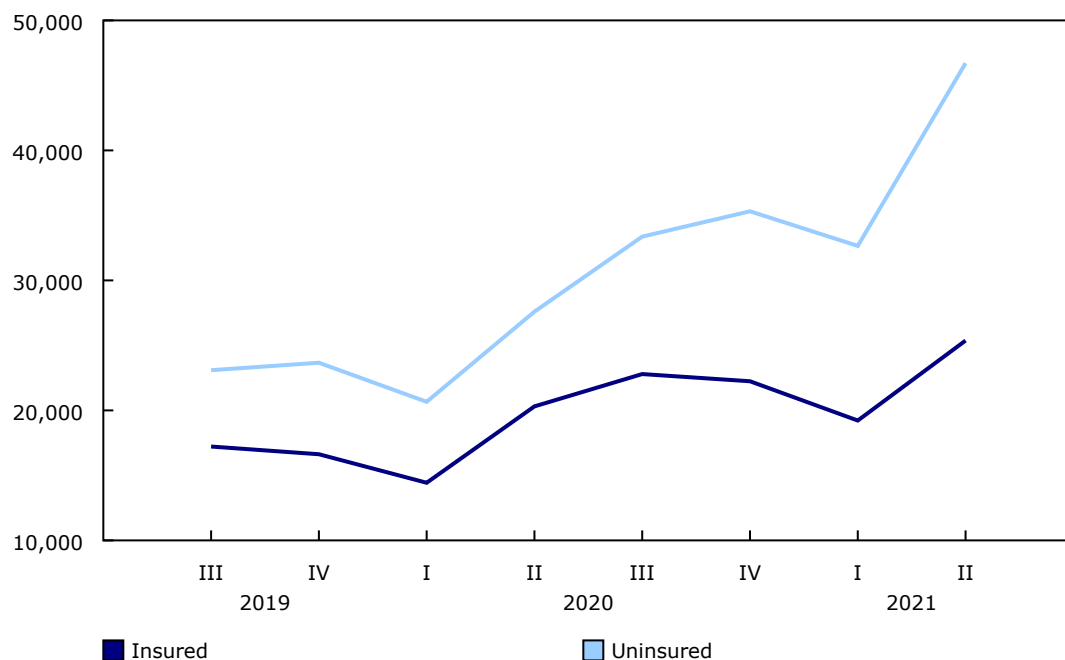
Increases in the value of extended and outstanding mortgages were driven mainly by a strong growth in the value of uninsured mortgages. In the second quarter, the value of uninsured mortgages extended by non-bank lenders increased 69.3% over the second quarter of 2020, while that of insured mortgages rose by one-quarter over the same period. For mortgages outstanding held by non-bank lenders, the value of uninsured mortgages increased by 10.6% year over year, while that of insured mortgages decreased by 3.9%. Mortgages [outstanding held by chartered banks](#) displayed similar movements over the past 12 months: the value of uninsured mortgages outstanding increased 19.6%, while that of insured mortgages decreased 2.1% from the second quarter of 2020 to the same quarter in 2021.

In most of the quarters since data from the Survey of Non-Bank Mortgage Lenders became available, the value of uninsured mortgages extended has grown more than the value of insured mortgages extended. As a result, the share of uninsured mortgages out of the total value of mortgages outstanding has increased from 57.4% in the second quarter of 2019 to 62.6% in the second quarter of 2021.



**Chart 1**  
**Value of mortgages extended by quarter, insured and uninsured**

millions of dollars



Source(s): Survey of Non-Bank Mortgage Lenders (5249).

### The value of deferred mortgages registers further declines

The value of deferred mortgages continued its decline, falling by \$1.0 billion (-15.0%) from the first quarter of 2021 to reach \$5.9 billion in the second quarter. Since the second quarter of 2020, lenders have offered their customers the option to defer their mortgage payments to assist them with the financial challenges created by the COVID-19 pandemic. In the second quarter of 2020, payments of about 100,000 non-bank mortgages were deferred, but as [employment recovered](#) over the 12 months that followed, this number decreased to 23,992 non-bank mortgages in the second quarter of 2021.

### The dollar share of mortgages in arrears for over 90 days reaches new low

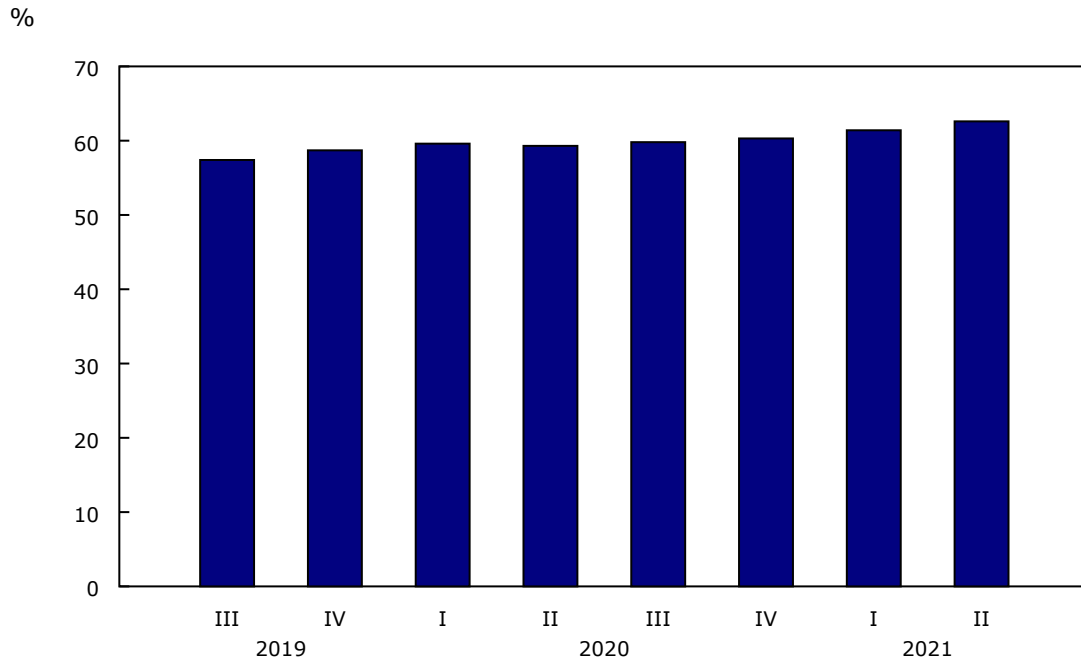
From the first quarter to the second quarter of 2021, the value of non-bank mortgages in arrears for over 90 days fell \$96.2 million (-11.1%). At \$771.2 million, the value of these mortgages represented 0.2% of the total value of mortgages outstanding in the second quarter, the lowest this proportion has been since data from the survey became available. With respect to value, the share of arrears over 90 days relative to mortgages outstanding varies between lender types: in the second quarter of 2021, mortgages in arrears for over 90 days accounted for 0.5% of the outstanding mortgages held by other lenders, five times more than for credit unions (0.1%).

Among the 2,994 mortgages in arrears for over 90 days in this quarter, just over half (53.9%) were uninsured. However, because the average value of an uninsured mortgage in arrears for over 90 days (\$320,451) was higher than that of an insured mortgage in arrears for over 90 days (\$183,947), the value of uninsured mortgages made up more than two-thirds (67.1%) of the total value of mortgages in arrears for over 90 days.

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**Chart 2**  
**Percentage of uninsured mortgages out of the total value of outstanding mortgages**

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Source(s): Survey of Non-Bank Mortgage Lenders (5249).

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**Table 1**  
**Survey of Non-Bank Mortgage Lenders: Canadian residential mortgages by lender type, second quarter 2021**

	Credit Unions		Other		Total	
	thousands of dollars	number	thousands of dollars	number	thousands of dollars	number
Insured residential mortgages outstanding	61,532,816	315,258	68,029,645	241,657	129,562,460	556,915
Uninsured residential mortgages outstanding	171,622,418	1,035,150	45,463,408	132,348	217,085,825	1,167,498
<b>Total residential mortgages outstanding at the end of the quarter</b>	<b>233,155,234</b>	<b>1,350,408</b>	<b>113,493,052</b>	<b>374,005</b>	<b>346,648,285</b>	<b>1,724,413</b>
Insured residential mortgages extended	7,164,112	30,794	18,207,589	58,876	25,371,701	89,670
Uninsured residential mortgages extended	28,641,215	140,740	18,067,919	51,687	46,709,134	192,427
<b>Total residential mortgages extended during the quarter</b>	<b>35,805,327</b>	<b>171,534</b>	<b>36,275,508</b>	<b>110,563</b>	<b>72,080,835</b>	<b>282,097</b>
Insured residential mortgages in arrears	2,177,546	12,664	519,656	2,384	2,697,202	15,048
Uninsured residential mortgages in arrears	3,484,014	20,502	861,545	2,558	4,345,559	23,060
<b>Total residential mortgages in arrears at the end of the quarter</b>	<b>5,661,560</b>	<b>33,166</b>	<b>1,381,202</b>	<b>4,942</b>	<b>7,042,762</b>	<b>38,108</b>
Insured residential mortgages over 90 days in arrears	95,875	608	157,788	771	253,663	1,379
Uninsured residential mortgages over 90 days in arrears	146,069	983	371,461	632	517,529	1,615
<b>Total residential mortgages over 90 days in arrears at the end of the quarter</b>	<b>241,944</b>	<b>1,591</b>	<b>529,248</b>	<b>1,403</b>	<b>771,192</b>	<b>2,994</b>

Note(s): Figures may not add to totals as a result of rounding.

Source(s): Survey of Non-Bank Mortgage Lenders (5249).

**Table 2**  
**Survey of Non-Bank Mortgage Lenders: Canadian residential mortgages deferred, second quarter of 2020 to second quarter of 2021**

	Second quarter of 2020		Third quarter of 2020		Fourth quarter of 2020		First quarter of 2021		Second quarter of 2021	
	thousands of dollars	number	thousands of dollars	number	thousands of dollars	number	thousands of dollars	number	thousands of dollars	number
Insured residential mortgages deferred	8,588,160	35,026	5,027,543	19,240	2,449,866	9,652	2,289,723	9,121	2,035,690	7,988
Uninsured residential mortgages deferred	16,853,584	65,346	11,047,165	40,559	6,180,275	26,022	4,605,735	20,592	3,826,829	16,004
<b>Total residential mortgages deferred</b>	<b>25,441,744</b>	<b>100,372</b>	<b>16,074,708</b>	<b>59,799</b>	<b>8,630,141</b>	<b>35,674</b>	<b>6,895,458</b>	<b>29,713</b>	<b>5,862,519</b>	<b>23,992</b>

Note(s):

Figures may not add to totals as a result of rounding.

Imputation has not been applied to the variables in Table 2. Users are encouraged to exercise caution when interpreting the results.

Source(s): Survey of Non-Bank Mortgage Lenders (5249).

**Table 3**  
**Survey of Non-Bank Mortgage Lenders: Canadian residential mortgages, second quarter of 2020 to second quarter of 2021**

	Second quarter of 2020		Third quarter of 2020		Fourth quarter of 2020		First quarter of 2021		Second quarter of 2021	
	thousands of dollars	number	thousands of dollars	number	thousands of dollars	number	thousands of dollars	number	thousands of dollars	number
Insured residential mortgages outstanding	134,820,020	591,640	135,989,162	590,994	133,982,638	581,393	130,830,094	569,554	129,562,460	556,915
Uninsured residential mortgages outstanding	196,200,238	1,107,589	202,073,821	1,133,142	203,566,585	1,138,507	208,047,393	1,148,139	217,085,825	1,167,498
<b>Total residential mortgages outstanding at the end of the quarter</b>	<b>331,020,259</b>	<b>1,699,229</b>	<b>338,062,983</b>	<b>1,724,136</b>	<b>337,549,223</b>	<b>1,719,900</b>	<b>338,877,487</b>	<b>1,717,693</b>	<b>346,648,285</b>	<b>1,724,413</b>
Insured residential mortgages extended	20,308,151	76,072	22,794,761	85,151	22,241,186	81,020	19,219,782	69,306	25,371,701	89,670
Uninsured residential mortgages extended	27,594,561	117,749	33,367,095	145,362	35,315,333	151,076	32,654,153	122,525	46,709,134	192,427
<b>Total residential mortgages extended during the quarter</b>	<b>47,902,712</b>	<b>193,821</b>	<b>56,161,856</b>	<b>230,513</b>	<b>57,556,519</b>	<b>232,096</b>	<b>51,873,935</b>	<b>191,831</b>	<b>72,080,835</b>	<b>282,097</b>
Insured residential mortgages in arrears	2,416,582	12,751	3,035,781	15,974	3,167,941	16,560	2,831,781	15,692	2,697,202	15,048
Uninsured residential mortgages in arrears	3,789,803	19,753	4,821,778	25,459	5,060,978	26,055	4,600,554	23,977	4,345,559	23,060
<b>Total residential mortgages in arrears at the end of the quarter</b>	<b>6,206,386</b>	<b>32,504</b>	<b>7,857,559</b>	<b>41,433</b>	<b>8,228,919</b>	<b>42,615</b>	<b>7,432,335</b>	<b>39,669</b>	<b>7,042,762</b>	<b>38,108</b>
Insured residential mortgages over 90 days in arrears	375,735	1,892	355,024	1,811	313,710	1,720	291,395	1,534	253,663	1,379
Uninsured residential mortgages over 90 days in arrears	702,575	2,500	584,578	2,258	608,572	2,099	575,975	1,853	517,529	1,615
<b>Total residential mortgages over 90 days in arrears at the end of the quarter</b>	<b>1,078,310</b>	<b>4,392</b>	<b>939,602</b>	<b>4,069</b>	<b>922,283</b>	<b>3,819</b>	<b>867,370</b>	<b>3,387</b>	<b>771,192</b>	<b>2,994</b>

**Note(s):** Figures may not add to totals as a result of rounding.

**Source(s):** Survey of Non-Bank Mortgage Lenders (5249).

For more information on housing statistics, visit the [Housing Statistics Portal](#).

### Note to readers

The Survey of Non-Bank Mortgage Lenders is a recent initiative to collect information at the national level. This initiative will help complete the overall picture of the residential mortgage market in Canada. Until recently, residential mortgage data from non-bank lenders were collected only by some organizations at the provincial level, for certain industries, and at varying levels of detail.

The survey covers non-bank residential mortgage lenders, such as local credit unions, mortgage finance companies, trusts, insurance companies, mortgage investment corporations and private lenders. The entities included are not only those that issue residential mortgages, but also those that purchase them.

Please refer to the Survey of Non-Bank Mortgage Lenders [first quarter 2021](#) release for quarterly comparisons.

Some figures may not add up to 100% as a result of rounding.

Data are not seasonally adjusted.

Please note that no imputation was performed on the data in Table 2. This information should be associated with Table 1 with caution.

The data from the second quarter of 2019 to the second quarter of 2021 are available by request.

### Definitions

**Outstanding mortgages** are the mortgage balances remaining on the lender's balance sheet as of the end of the quarter.

**Mortgages extended** are the mortgages approved, issued and added to the balance sheet during the quarter.

**Mortgages in arrears** are mortgage loans overdue at the end of the quarter.

**Mortgages deferred** are mortgages for which an agreement is in place between the lender and the borrower to pause or suspend a borrower's mortgage payments and other accommodations for a specified period of time. Statistics Canada began to collect data on deferred residential mortgages in the second quarter of 2020.

### Definitions, data sources and methods: survey number [5249](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations ([statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca](mailto:statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca)).