



For mortgage broker information only

Mortgage Broker Program Underwriting Guidelines



Mortgage Broker Program — Residential Mortgages

Your business is our business

Few events in life are as stressful as financing a new home. As a mortgage broker, your business is to put your clients at ease by helping them obtain the right mortgage solution. And that's where we can help. At Laurentian Bank of Canada, our business is based on helping you — and your business — succeed.

At Laurentian Bank, we're 100% broker focused. That means our products and services are designed to support your needs. It also means we'll never compete with your business or cross-sell directly to your clients. Above all, it means that you can count on us to not only deliver prompt and personalized service but to also provide long-term stability as a large financial services provider.

This brochure provides an overview of our residential mortgage program and is intended to help you succeed in reaching your business goals as you help your clients succeed in reaching theirs.

Our products

- Homeowner's Kit
(Residential mortgage and Home Equity Line of Credit)
- Home Equity Line of Credit
(Standard Income and Non-Income Qualified)
- Cash Back
- High Ratio Insured
- CMHC Self-Employed Simplified and Genworth ALT-A
- Non-Income Qualified Homeowner
- Vacation/Secondary Home
- Owner-Occupied Construction
- Rental (Owner-Occupied and Non Owner-Occupied)
- Multi-Residential (Ontario only)
- Mixed Use Commercial (Ontario only)

Ten ways we're committed to you and your business.

1. Through competitive rates to help you attract and retain business.
2. With a cash-back option to help your clients cover additional costs.
3. By conventional and insured funding for purchases, refinances and equity take-outs.
4. Through flexible payment frequencies to meet the needs of each client.
5. By prepayment privileges to help your clients pay down their mortgage faster.
6. With a portable option to make moving easier for your clients.
7. With an assumable option to help your clients take over an existing mortgage.
8. Through fast and efficient underwriting decisions.
9. By prompt funding that's advanced upon receipt of required documentation.
10. With life and disability insurance to help you better protect your clients' investments.

Underwriting Guidelines

PRODUCT	ACCEPTABLE LOANS	ELIGIBLE PROPERTIES	LOAN AMOUNTS	TERMS	PAYMENT OPTIONS	INCOME VERIFICATION	MAX LTV (%)	MIN BEACON	MAX GDS (%)	MAX TDS (%)	MAX AMORTIZATION YRS
HOMEOWNER'S KIT ¹	Purchase or refinance	1 st position; owner-occupied	\$50,000 - \$750,000	Any combination of fixed term/variable term/ Line of Credit	Monthly, bi-weekly or weekly Line of credit — monthly; interest only	Standard income	80	650	32	40	35
			\$50,000 - \$350,000			Non-income qualified	65				
HOME EQUITY LINE OF CREDIT	Purchase or refinance	1 st position; owner-occupied	\$50,000 - \$750,000	Revolving	Monthly, interest only	Standard income	80	650	32	40	Not applicable
			\$50,000 - \$350,000			Non-income qualified	65				
CASH BACK	Purchase or refinance	1 st position; owner occupied	\$25,000 maximum cash back	Fixed term; 5 years	Monthly, bi-weekly or weekly	Standard income	95 purchase 85 refinance	650	32	42	30
HIGH RATIO INSURED ²	Purchase or refinance	1 – 4 units; owner-occupied	No limit ³ or \$200,000 max equity withdrawal ⁴	Fixed term; 6 months - 10 years or variable term; 3 – 5 years	Monthly, bi-weekly or weekly	Standard income	95 purchase ⁶ 85 refinance	650	35	42	30
CMHC SELF-EMPLOYED SIMPLIFIED AND GENWORTH ALT-A ²	Purchase or refinance	2 units max; owner-occupied	No limit ³ or \$200,000 max equity withdrawal ⁴	Fixed term; 6 months - 10 years or variable term; 3 – 5 years	Monthly, bi-weekly or weekly	Non-income qualified	90 purchase 85 refinance	650	35	42	30
NON-INCOME QUALIFIED HOMEOWNER	Purchase or refinance	1 st position; 5 units max; owner-occupied	Max \$750,000	Fixed term; 6 months - 10 years or variable term; 3 or 5 years	Monthly, bi-weekly or weekly	Non-income qualified	65	650	32	40	35
VACATION/ SECONDARY HOME ²	Purchase or refinance	1 st position; single unit; seasonal access	No limit	Fixed term; 6 months - 10 years	Monthly, bi-weekly or weekly	Standard income	95 purchase ⁷ 85 refinance	650	32	40	30 insured 25 conventional
						Non-income qualified	65 ⁸				
OWNER-OCCUPIED CONSTRUCTION	THIS PRODUCT IS CURRENTLY BEING UPDATED. PLEASE CALL THE BROKER MORTGAGE CENTRE AT 1.877.812.8522 FOR MORE INFORMATION.										
RENTAL OWNER OCCUPIED	Purchase or refinance	1 – 4 units; insured	No limit	Fixed term; 6 months - 10 years or variable term; 3 or 5 years	Monthly, bi-weekly or weekly	Standard income ⁵	95 purchase ⁶ 85 refinance	650 insured	35 insured	42 insured	30 insured
		5 units max; conventional					80 conventional	650 conventional	32 conventional	40 conventional	35 conventional
RENTAL NON-OWNER OCCUPIED	Purchase or refinance	1 – 4 units; insured	No limit	Fixed term; 6 months - 10 years or variable term; 3 or 5 years	Monthly, bi-weekly or weekly	Standard income ⁵	80 insured	650 insured	Not applicable	42 insured	30 insured
		5 units max; conventional					75 conventional	650 conventional	Debt ratio 1.1	40 conventional	25 conventional
MULTI-RESIDENTIAL (ONTARIO ONLY)	Purchase or refinance	6 units or greater	\$200,000 - \$1,000,000	Fixed term; 1 - 10 years	Monthly	Rental income from property	85 insured 75 conventional ⁹	650	Not applicable	Debt ratio 1.20	25
MIXED USE COMMERCIAL (ONTARIO ONLY)	Purchase or refinance	Storefronts with apartments	\$200,000 - \$1,000,000	Fixed term; 1 - 10 years	Monthly	Rental income from property	65	650	Not applicable	Debt ratio 1.25	25

All mortgages are subject to credit approval. Certain conditions apply. Standard Income Verification: Current dated employment letter regarding employee's tenure and current dated pay stubs for salaried employees. Current dated employment letter and 2 years. Notice of Assessment for part-time or commissioned employment. Non-Income Qualified Verification: most recent Notice of Assessment to confirm clients have filed and no income taxes are owing. [For insured, we require confirmation of tenure for business ownership.]

¹The Homeowner's Kit is a re-advanceable mortgage that holds up to 3 mortgage products and up to 3 separate Home Equity Line of Credit accounts. ²For all insured products if Beacon score is ≥ 680 , GDS is not applicable and TDS is 44%. ³On purchases only. ⁴On refinances only. ⁵Rental income from property also required. ⁶Maximum number of units for 95% LTV is 2. ⁷Winterized. ⁸Not Winterized/Islands. ⁹CMHC 85% available.

All mortgages are funded by, and registered in the name of, Laurentian Bank of Canada, and administered and serviced by B2B Trust. B2B Trust is a wholly-owned subsidiary of Laurentian Bank of Canada.



Application guidelines

This section outlines some of the criteria we consider in the application process.

General information

- All loans subject to approval.
- \$50,000 minimum loan size for first and second mortgages.
- Applications for bridge loans must include financing for first mortgage.
- Blanket mortgages available as conventional only and one property must be owner-occupied.

Credit requirements

- Minimum one year satisfactory credit history.
- Minimum credit score subject to Laurentian Bank guidelines.

Basic underwriting criteria

- Applicant must have positive net worth.
- Unless otherwise stated, guarantors will be considered.
- Unless otherwise stated, gift letters are acceptable.

Proof of income

- Applicant must provide written proof of income, as requested.

Down payment verification

- Applicant must provide bank statement, certificates, bonds, or other verifiable means of proving their ability to cover down payment plus closing costs of 1.5% of purchase price.

Legal/appraisal requirements

- Full appraisal by an approved appraiser (paid by applicant).
- An approved solicitor will act on behalf of Laurentian Bank.
- A title insurance policy must be issued by First Canadian Title.

Documentation checklist

Because every deal is unique, we will outline the documentation requirements on the acceptance letter/letter of approval; generally, the following are required:

- Signed application.
- Salary letter signed by authorized employer (dated within 30 days of the application).
- Offer to purchase, MLS listing with picture and written confirmation of down payment.
- Lawyer's name, address, fax and telephone numbers.
- Indication if mortgage creditor insurance is desired.

For more information or to access our detailed Broker Program Reference Guide, please visit b2btrust.com. To speak with an underwriter, please call 1.877.812.8522.

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