

## TARGET CLIENT

Ideal for self employed borrowers who have demonstrated the ability to operate their business responsibly.

## ADVANTAGES

You can work with clients looking at high value properties - up to \$1,000,000 loan amount.

<b>Loan Purpose</b>	Purchase/Refinance
<b>Loan Amount</b>	80% for loans ≤ \$800,000 75% for loans > \$800,000 (minimum beacon score 600)
<b>Maximum Loan Amount</b>	\$1,000,000 (Greater Toronto area) \$800,000 in all other Urban Areas
<b>Debt Service</b>	Maximum GDS 45% Maximum TDS 50%
<b>Amortization</b>	30 years
<b>Term</b>	1 & 2 year fixed terms available
<b>Borrower Qualifications</b>	The qualifying interest rate is the greater of the contract rate plus (+) 2% or the Bank of Canada benchmark rate
<b>Rate Guarantee</b>	Purchase 120 days Refinance 90 days
<b>Title Insurance</b>	Title insurance is required
<b>Payment Frequency</b>	Weekly, bi-weekly, semi-monthly or monthly
<b>Appraisal</b>	Appraisals ordered from a First National approved appraisers list
<b>Prepayment Options</b>	15% + 15% + Double up
<b>Early Payout</b>	Greater of 3 months Interest or Interest Rate Differential (IRD)
<b>Property Type</b>	Primary owner occupied residential property located in major urban centres with demonstrated ongoing resale demand  Maximum 4 units with 1 owner occupied  Minimum property size: <ul style="list-style-type: none"> <li>• 700 sq.ft. – single-family dwellings</li> <li>• 500 sq.ft. – condominiums</li> </ul>
<b>Down Payment</b>	Minimum 20% down payment from own resources  Gifted funds also acceptable

<b>Beacon and Credit History</b>	Minimum 550 beacon score  Derogatory credit history to be supported with a reasonable explanation  Bankruptcy – minimum 6 months past the discharge date  Only one major credit occurrence (bankruptcy, consumer proposal, orderly payments of debts, etc.)
<b>Income</b>	Business for self requires: Proof of 2 years business for self, confirmed by one of the following; <ul style="list-style-type: none"> <li>• Articles of Incorporation</li> <li>• Business License</li> <li>• HST/GST return</li> <li>• 6 month bank statements</li> <li>• Commission sales letter or employment contract confirming commission agreement</li> </ul> Proof of income requires; <ul style="list-style-type: none"> <li>• Borrower must provide a signed affidavit declaring the income used to qualify</li> <li>• Ability to pay mortgage from business earnings must be confirmed by one of the following; <ul style="list-style-type: none"> <li>○ A recent NOA</li> <li>○ T2 corporate tax returns with accountant prepared financial statements</li> <li>○ T1 General with accountant prepared financial statements</li> <li>○ 6-month bank statements</li> <li>○ Sales order contracts or employment contract to confirm income generated</li> <li>○ Commission income is eligible</li> </ul> </li> </ul>

## TARGET CLIENT

Ideal for clients with a life event that has caused their credit to be impaired

## ADVANTAGES

Allows clients with impaired credit to obtain financing while they get their credit issues resolved.

<b>Loan Purpose</b>	Purchase/Refinance
<b>Loan Amount</b>	80% for loans ≤ \$800,000 75% for loans > \$800,000 (minimum beacon score 600)
<b>Maximum Loan Amount</b>	\$1,000,000 (Greater Toronto area) \$800,000 in all other Urban Areas
<b>Debt Service</b>	Maximum GDS 45% Maximum TDS 50%
<b>Amortization</b>	30 years
<b>Term</b>	1 & 2 year fixed terms available
<b>Borrower Qualifications</b>	The qualifying interest rate is the greater of the contract rate plus (+) 2% or the Bank of Canada benchmark rate
<b>Rate Guarantee</b>	Purchase 120 days Refinance 90 days
<b>Title Insurance</b>	Title insurance is required
<b>Payment Frequency</b>	Weekly, bi-weekly, semi-monthly or monthly
<b>Appraisal</b>	Appraisals ordered from a First National approved appraisers list
<b>Prepayment Options</b>	15% + 15% + Double up
<b>Early Payout</b>	Greater of 3 months Interest or Interest Rate Differential (IRD)
<b>Property Type</b>	Primary owner occupied residential property located in major urban centres with demonstrated ongoing resale demand.  Maximum 4 units with 1 owner occupied.  Minimum property size: <ul style="list-style-type: none"> <li>• 700 sq.ft. – single-family dwellings</li> <li>• 500 sq.ft. – condominiums</li> </ul>
<b>Down Payment</b>	Minimum 20% down payment from own resources.

## Beacon and Credit History

Gifted funds also acceptable.  
  
Minimum 500 beacon score  
  
Derogatory credit history to be supported with a reasonable explanation  
  
Bankruptcy – minimum 6 months past the discharge date  
  
Only one major credit occurrence (bankruptcy, consumer proposal, orderly payments of debts, etc.)

## Income

Standard salaried income guidelines apply for all full-time employment.  
  
Business for self requires: Proof of 2 years business for self, confirmed by one of the following;

- Articles of Incorporation
- Business License
- HST/GST return
- 6-month bank statements
- Commission sales letter or employment contract confirming commission agreement

  
Proof of income requires;

- Borrower must provide a signed affidavit declaring the income used to qualify
- Ability to pay mortgage from business earnings must be confirmed by one of the following;
  - A recent NOA
  - T2 corporate tax returns with accountant prepared financial statements
  - T1 General with accountant prepared financial statements
  - 6-month bank statements
  - Sales order contracts or employment contract to confirm income generated
  - Commission income is eligible