

Purchase Plus Improvements



Overview

The Purchase plus Improvements and Refinance plus Improvements product provides home buyers/owners with the opportunity to make improvements to their home by borrowing against the increased value of the property. The cost of improvements (and hence the increase in market value) is limited to the lesser of:

- 10% of the 'Improved Value' or \$40,000

Improved Value:

- Defined as the market value of the property after completion of the improvements that increase the value of the property
- For insured mortgages, the improved value should be less than \$1,000,000.
- Full appraisal required AS IS and estimate value on completion
- Final inspection required
- One time advanced, held with the lawyer in trust until completion
- Improvement must be completed by a licensed contractor
- Must be closed by a solicitor

Guidelines

Eligible

- **Fixed Rate**
- **Purchase**
- **Properties up to 4 units, where at least one is owner occupied principal residence**
- **One time advanced, held with the lawyer in trust until completion**
- **Improvement must be completed by a licensed contractor**
- **Work must be completed within 90days**

Ineligible

- **ARM is available only after the mortgage is completely advanced.**
- **Cashback option with any fixed rate term**
- **Insured Refinance**
- **Rental properties Recreation**

Insured:

- **Purchase 95% (1 & 2 units)**
- **Purchase 90% (3 & 4 units)**

Amortization Insured:

- **Maximum of 25 years**

New to Canada Program - Insured



Overview

This policy applies to borrowers whom have immigrated to Canada within the last 60 months, and are looking to for an insured mortgage but do not have established Canadian Credit History. For customers who have worked or studied in Canada, have applied for Canadian Citizenship, have Canadian Credit history, our regular policies apply.

Down Payment

- All Down payments must be verified.
- When LTV is 95%, down payment must come from borrower's own resources.
- When LTV is less than 95%, Down payment can come from a corporate Relocation Subsidy or be gifted by an immediate family member.

- *Default Insurance premium is payable by the borrower no matter the LTV;*
- *Appraisal required, no matter the LTV, at the borrower's expenses;*
- *Borrower must have immigrated to Canada within the last 60 months;*
- *Must have a landed Immigrant status (permanent residency card)*
- *3 months minimum employment in Canada. Employment must be permanent full time with no probationary period;*
- *12 months history of Rent paid in Canada and 12-month history of 2 regular obligations;*
- *Maximum GDS 39% - TDS 44%*
- *International credit bureau from a renowned agency to be provided OR 12 months bank statements showing timely rent payments and pay deposits;*
- *All debts held outside of the country must be included in the TDS;*
- *Rent earned outside of Canada cannot be considered as a supplementary income nor can it be considered to offset the liability.*

Conventional Uninsurable



- **Transaction Type:**
 - Purchases
 - Refinances
 - *Owner Occupied properties only*
- **Minimum Credit Score:** 680
- **GDS/TDS:** 39/44
- **Terms available:** 5yr fixed, 5yr ARM
- **Amortization:**
Min. 12 years. Max. 30 years
- **LTV:** 80%
- **Maximum Mortgage:** \$1,500,000
- **Minimum Mortgage:** \$60,000
- **Rate Hold Options:**
 - 45-day quick close
 - 90-day rate hold
 - 120-day rate hold
- **Payment Frequency:** Monthly,
Bi-Weekly, Accelerated Weekly,
Accelerated Bi-Weekly
- **Rate Buy Down:** No max buydown on
all our terms (4 to 1 ratio applies)
- **Commission:** See rate sheet for
more info

- **Sliding Scale:**

- 80% of the first \$1,500,000.00
and 50% of the remaining
balance - GVA and GTA
- 80% of the first \$1,000,000.00
and 50% of the remaining
balance - Major Urban Centres
- 80% of the first \$750,000.00 and
50% of the remaining balance -
Urban Centres
- 80% of the first \$500,000.00 and
50% of the remaining balance -
Non-Urban and Rest of Canada

➤ **REFER TO SLIDING SCALE PAGE**

Insured / Insurable



- Available for purchase, switch/transfer, ports, owner occupied principal residence, max LTV 95%
 - Min beacon 601, min amortization 17.5 years
 - Rate hold on live deals 45/90/120
 - Prepayment of 15% increase to monthly payment and 15% lump sums (min of \$100, 3 times per calendar year)
 - Minimum Property Sq. FT.
 - Condo: Greater than 440 SQ FT in GVA & GTA, all other major Urban areas is greater than 600 SQ FT
 - House: Greater than 850 SQ FT
 - Appraisal: Ordered from approved Sagen appraisal company
- Must follow insurers guidelines
 - Maximum Property Value: \$999,999
 - Minimum Loan Amount: \$60,000
 - Minimum Credit Requirements:
 - Minimum 601 Beacon
 - Minimum 2 active trades (1 trade must be with a major financial institution)
 - Bureau(s) cannot be older than 30 day prior to submission
 - GDS/TDS: 39%/44%
 - Property taxes can be paid directly to the city
 - One time rate drop request allowed, not on promo rates
 - No limit on rate buydown, (4 to 1 ratio applies)