

Mortgage highlights

Recent updates

- BFS Business Bank Statement Program
- Rental income calculation
- Child support and maternity leave income

Featured product: BFS Business Bank Statement Program

Property type	Max 2 units, owner occupied
Loan amounts	\$50,000 to \$1,000,000
LTV ¹	< 680 – up to 75% > 680 – 80%
Max. amortization ¹	< 680 – 25 years > 680 – 30 years
Min. credit score	650
Max. GDS/TDS ²	< 680 – 35%/42% > 680 – 39%/44%

Documentation³

- Self-declared income and expense letter
 - Detailing the annual income and expenses of the business along with relevant legal business details, such as industry, nature of the business, legal name and tenure
- Six months of business bank statements
 - Will be analyzed to verify both income and expenses
 - Gross income and typical expenses should align with self-declared information
 - In all cases, the lower of the two will be used to calculate debt ratios
- Income and expenses for the business must be reasonable, based on factors, such as the borrower profile, business profile and alignment between self-declared amounts and information gathered from bank statements
- Notice of Assessment to confirm no income tax arrears

Rental income calculation

1) Subject property owner-occupied with legal suite & subject non-owner-occupied property

Subject property refers to the property to be mortgaged.

2) Non-subject rental properties

Non-subject property refers to property that is not the subject of the current mortgage application, but generates rental income that can be used to qualify an application.

Any remaining surplus is added to income. Any deficit is added to the liabilities.



VALUE-ADDED FEATURES AND OPTIONS

- Our convenient Look Back Rate Guarantee means we do all the rate monitoring for you.
- Our Look Back guarantees that your client will get the lowest applicable rate available.
- Look Back Rate Guarantee:
 - Purchase – 120 days
 - Refinance – 60 days

Evidence of business existence for at least two years must be provided with one of the following:

- Articles of Incorporation (required for a corporation)
- CIDREQ (Quebec)
- Business registration
- GST/HST registration
- Business license

Method 1

Subject of the mortgage

50% of gross rental income to be added to eligible income (exclude property tax and utilities)

Method 2

Rental income x 80%

Less: 100% P&I

Less: 100% property tax

Less: 50% condo fees

Surplus or deficit



Income

Alimony or spousal support and Canada Child Benefit

- Up to 100% of each may be used as long as the combined total does not represent more than 30% of total income
- Payments must continue for the next five years to be included in the calculation
- Canada Child Benefit is permitted on fixed term insured or conventional mortgages only

Maternity leave income

- 100% of salary can be used provided the individual is returning to work within 90 days of mortgage closing date; otherwise employment insurance income will be used

Product highlights

Equity 50						
	<ul style="list-style-type: none"> • Max. loan amount \$500,000 • Up to 25-year amortization • Owner-occupied, 1 – 4 units, urban centre 	<ul style="list-style-type: none"> • TDS up to 65% with proven income provided there is sufficient other probable income documented to bring TDS to 44% or lower 				
Equity 65		TDS value				
	<ul style="list-style-type: none"> • Max. loan amount \$500,000 • Up to 25-year amortization • TDS up to 60% with proven income provided there is sufficient other probable income documented to bring TDS to 44% or lower • Owner-occupied, 1 – 4 units, urban centre 	<table border="1"> <thead> <tr> <th>Less than 50%</th> <th>Greater than 50%</th> </tr> </thead> <tbody> <tr> <td>Must have positive net worth</td> <td>Net worth must be 1.5x the loan amount excluding property</td> </tr> </tbody> </table>	Less than 50%	Greater than 50%	Must have positive net worth	Net worth must be 1.5x the loan amount excluding property
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Must have positive net worth	Net worth must be 1.5x the loan amount excluding property					

Probable income – for Equity 50 & 65

Probable income is not proven through traditional methods and may be used on Equity 50 & 65 mortgage applications with higher debt ratios.

Examples:

- Expenses shared with spouse (not on title/mortgage)
 - Support payments from family members
 - Investment income derived from significant financial assets
 - Expenses covered by a company
 - Other income may be considered with acceptable documentation
- Note: Probable income must be supported with appropriate documentation.



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¹Debt service flexibilities, LTVs offered and amortization options are based on the assessment of the strength of the application. Satisfying the minimum credit score requirement alone does not automatically entitle the borrower to maximum LTV and amortization options or debt service flexibilities. Some parameters, such as LTV, may differ for AB, SK and NL.

²The pre-payment privilege is non-cumulative and is available after the first anniversary of the mortgage. ³B2B Bank reserves the right to request additional information or documentation at its sole discretion for the approval of the loan.

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