

First Mortgage Program

HOW TO USE THIS CHART	Property Values	
1	House value <\$150,000	Max 70% LTV
Determine value of Property	Ontario	\$80,000
	Alberta	\$60,000
	BC	\$100,000

Mortgage amount	
Minimum:	\$50,000
Maximum:	See locations

2	Credit Class:	Limitations								
Borrower with the better credit can be used to price as long as they make 50% of the household income (Approx.) Review current Equifax Credit Bureau to determine Class. Perfect repayment of mortgage may allow for Borrower to be upped a Class	USE STRONGEST BORROWER	Beacon Guide (No credit - Class 3)	Mortgage/ Rent in last 6 months must be up to date	12 months Installment & Revolving Debt	Bankruptcy	Foresclosure	Judgements/ Collections	Amortization	Documentation	BFS # of years
	Class 1	625	not required	R2 20%	24/18	No	May have unpaid collections	35	All	2 (1 Professional)
	Class 2	600	not required	R2 50%	18/12	No		35	All	1 (.5 Professional)
	Class 3	575	not required	R3 25%	12/6	No	No	30	All	2
	Class 4	550	1 x 30	R3 50%	12/0 6/6	No	No	30	full or alt	2
	Class 5	525	1 x 30, 1 x 60	R3 50% R4 25%	6/0	No	No	25	full	2

3	Geographic Location:	Maximum mortgage	Population	LTV	Documen	Properties	Classes
Using Broadband http://broadband.gc.ca/pub/index.html determine population Does the required LTV fit with location? Does the Borrower's Credit Class and Income documentation fit?	A locations	Max \$900,000	30 kms from centre with 50,000	85%			All
	B locations	Max \$500,000	30 kms from centre with 30,000	-5%			All
	C locations	Max \$350,000	15 kms from centre with 15,000	-10%	No Doc N/A	No rental, multiplex, storefronts,	1, 2, 3
	D locations	Max \$250,000	10 kms from centre with 10,000	-10%	Full only		1, 2, 3
	E locations	Exception only	25,000 people within 25 km radius		Full only		1, 2, 3

4	Property type:	Property		Limitations	
	Type	LTV max	Classes	Location	other
Determine property type and then ensure LTV required and Borrower's Credit Class etc. allows.	SFD/TH	85%			700 sq ft
	High Condo	-5%	Reduce for Classes 3, 4, 5		Vanc/TO 450 ft
	Low Condo	85%			
	Rental SFD	80%	1, 2, 3 only	A & B	
	Rental Condo	75%	1, 2, 3 only	A & B	Max amt \$450,000
	Acreage		1, 2, 3 only		
	Multiplex	75%	1, 2, 3 only	A & B	
	Rural	-5%		Considered C	
	Vacation	75%	1, 2, 3 only		
	Manufactured	85%			
Hobby Farm	75%	1, 2, 3 only			

5	Documentation			
Using the above information, ensure your client can provide the required documentation	Class	ALT DOC	NIV	No DOC
	1	85	85	75
	2	85	85	75
	3	85	80	75
	4	80	70	N/A
	5	75	60	N/A

DSR: 45%, exceptions to 50%