

## Product Overview

A program tailored to meeting the needs of the real estate investing community. These loans are for investment properties only, and the properties cannot be occupied by any of the borrower/guarantors (purchase, refinance, equity take out)

## Terms

- 1, 2, 3 & 5 year terms
- Up to 40-year amortization
- Interest Only Option available
- Minimum Loan amount \$200,000 – maximum Loan amount \$2,000,000

*Note: Deals over \$1 million require a minimum Net Worth of \$1 million*

## Eligibility

- **Experienced Investors** – owns 2 properties for more than 12 months *or* owning a rental property for 24 months *or* owning a commercial property for 12 months *or* have had ownership in 3 or more properties over the past 24 months
- **Inexperienced Investors** – owns 1 property (principal or rental) for a minimum of the most recent 12 months
- CDN Citizens or Permanent Residents only
- Incorporated business entities and real estate Holding Companies

## Qualification

- **DSCR  $\geq$  1.0**
- **DSCR 0.75 – 0.99**
- **DSCR = 100% market rents/PITHA (Principal/Interest/Taxes/Heat/Association Fees (condo fees))**

*Note: DSCR <1.0 is not permitted for 2-4 unit properties with beacon <740 OR inexperienced investors OR Blanket loans*

## LTV

- Up to 80% on Purchases and 75% on Refinances with DSCR  $\geq$  1.0
- Up to 70% on Purchase and 65% on Refinances with DSCR 0.75 – 0.99
- LTV restrictions may apply for inexperienced investors

**Secondary Financing is not allowed**

## Credit Requirements

- Minimum Beacon 620 with satisfactory credit history (no mortgage arrears, unpaid judgements or recent discharged bankruptcy/consumer proposals)

## Eligible Property Types

- Detached Single family Dwelling (SFD) and Detached 2–4 unit housing (duplex/triplex/4-plex)
- Townhouse, Row Housing, Condos (townhouse or high-rise)
- Acreage Property (up to 40 acres, valuation is considered on the house and 5 acres max, with no value to outbuildings)
- Rooming House, Student Rentals
- Short term rentals (ie Cottage or Airbnb, ideally with year-round access)

*Note: For short term rentals, student housing, or vacant properties LTV restrictions may apply depending on the overall strength of the deal.*

## Lending Area

Ontario, British Columbia and Alberta\*

\*some LTV Restrictions

## Documentation Required

- If Purchase, qualifies via Market Rents on Appraisal
- If Refinance, must obtain a lease and use the lesser of the lease or Market Rents. If lease is higher than Market Rents, we can approve up to a 10% tolerance of Market Rents or max lease amount, whichever is less
- Tax bill and proof of condo fees, where applicable
- Short term rental: 12 months proof of rental income, not to exceed 100% of Market Rents
- *If Title is in a corporate name, we require Business Registration or Articles of Incorporation along with ownership %. Beneficial Owners of 25% or more must guarantee*