

**PRODUCT DESCRIPTION**

Insured mortgage solution for people who may not be able to verify income in the traditional manner.

**TARGET CLIENT**

Self-employed and commissioned people with a strong credit history.

**ADVANTAGES**

- Offer high ratio financing – up to 95% LTV for a purchase
- Access to First National's best rates

**PRODUCT FEATURES****Loan Purpose**

Purchase and Refinance

**Maximum LTV**

Purchase: Up to 95%    Refinance: Up to 90%

Beacon	LTV
600	Up to 75%
620	Up to 85%
650	Up to 90%
700	Up to 95% (purchase only)

**Loan Amount**

Minimum \$50,000

**Property Type**

Owner occupied single family dwelling up to a 4-plex  
 - Purchase 1-2 units: up to 95% LTV  
 - Purchase 3-4 units: up to 90% LTV

**Term**

**Adjustable:** 5 years  
**Fixed:** All terms available

**Amortization**

Extended amortizations available

**Insurance Surcharge**

A .20% premium surcharge will be applied for every 5 years of amortization beyond a 25-year mortgage amortization period.

**Payment Options**

- Frequency: Weekly, bi-weekly, semi-monthly or monthly
- Realty taxes may be collected with regular payments

**Debt Servicing**

Beacon	GDS	TDS
600-679	35%	42%
680+	N/A	44%

**Borrower Qualifications**

- Self-employed or 100% commissioned
- Minimum 2 years self-employed or 100% commissioned
- Income must be consistent with borrower's profession and industry
- No delinquencies in the past 12 months
- No mortgage defaults in the last 5 years
- No previous bankruptcy
- No income tax arrears

**Income**

- Qualification is based on income as stated by the borrower and must be reasonable based on the size and type of business.
- Verification of self-employment must be on one of the following: a business license, articles of incorporation or T1 Generals.

**Down Payment**

- Minimum 5% from borrower's own resources
- Gifts are not acceptable

**Pre Payment Options**

**Adjustable:** 15% + Double-Up  
**Fixed:** 15% + 15% + Double-Up

**Convertible Options**

**Adjustable:** Provided term selected less time elapsed is equal to or greater than 5 years

**Early Payout**

**Adjustable:** 3 months interest penalty for the entire term  
**Fixed:** Greater of 3 months interest penalty or interest rate differential for the remainder of the term

**Appraisals**

May be required at lender's/insurer's discretion

**Title Insurance**

Title insurance is acceptable in lieu of a recent survey. Title insurance is required for all private purchases.

**Premiums**

LTV	Single Premium	Top-up Premium
Up to and including 65%	0.80%	1.50%
65.01% - 75%	1.00%	2.60%
75.01% - 80%	1.64%	3.85%
80.01% - 85%	2.9%	5.50%
85.01% - 90%	4.75%	7.00%
90.01% - 95%	6.00%	N/A