

INTEREST-ONLY MORTGAGE



Sometimes an interest-only payment is a good short-term option.

Ideal for the client who:

- Has an irregular income
- Expects financial situation to change in the near future
- Needs to free up cash flow
- Would benefit from short-term payment relief
- Has a sound strategy about how the extra savings will be used
- Only plans to stay in home for a short period of time

Other Program Details

LOAN PURPOSE:

Purchase or Refinance

LENDING AREAS:

Major urban centres

PROPERTY TYPES:

Residential only, owner-occupied, up to 4 units

BORROWER QUALIFICATIONS:

Contract + 1%, 30-year amortization

AMORTIZATION:

Not applicable

PAYMENTS:

Monthly, interest only¹

PRE-PAYMENT OPTION:

20% on anniversary date^{2,3}

By the Numbers

AVAILABLE TERMS:

1 and 2 year

LENDER FEE:

100 BPS

FINDER FEE:

50 BPS

RATE PREMIUM:

25 BPS

MINIMUM BEACON SCORE:

580, exceptions considered

MAXIMUM LTV:

65%

MAXIMUM LOAN AMOUNT:

\$1,000,000

RATE GUARANTEE:

90 days for purchases, 60 days for refinances.

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¹ The monthly payment is based on the annual cost of interest, divided by 12. ² Renewal offer - It is the sole discretion of IC Savings to offer continuance of interest-only payment upon maturity of the original term, or to implement repayment based on a maximum 30-year amortization. ³ Mortgages are closed unless an arms-length sale is provided, whereby penalty will be three (3) months' interest or IRD, whichever is greater.