



## Payment Hold-Back Mortgage

**A secured-deposit solution for your self-employed clients**

When someone is in business for themselves, it can be challenging to prove their income to secure a mortgage. We knew there had to be a way to help clients with fluctuating incomes get mortgage financing.

**Our Payment Hold-Back Mortgage helps your clients prove financial stability.** The equivalent of 12 months' payments is held back in an IC Savings account while your client continues to make monthly mortgage payments.

Once able to demonstrate financial stability, your client increases their chances of securing a conventional mortgage in the future.

Want to know more? Talk to us.



**Mortgage  
Broker  
Services**



# Payment Hold-Back Mortgage

<b>Loan purpose</b>	Purchase or refinance
<b>Mortgage type</b>	First mortgage only
<b>LTV</b>	<ul style="list-style-type: none"><li>• Up to 75% on purchase and refinance</li><li>• Up to 65% on refinance</li></ul>
<b>Qualifying rate</b>	N/A
<b>Debt servicing</b>	N/A
<b>Credit bureau</b>	Must be dated within 30 days of application
<b>Beacon score</b>	<ul style="list-style-type: none"><li>• 650 minimum</li><li>• Require established tradelines and no major issues</li></ul>
<b>Term</b>	1 year
<b>Rate premium</b>	25 bps
<b>Assignment on savings account</b>	<ul style="list-style-type: none"><li>• 1 year principal and interest payments to be held in a savings account, assigned to IC Savings. Not intended to be used for pre-payment</li><li>• IC Savings to hold funds in an interest rate savings account at .5% below the contract interest rate of the mortgage offered by IC Savings</li><li>• IC Savings may utilize the secured funds in the event of default to keep the mortgage current at its sole discretion.</li></ul>
<b>Pre-payment options</b>	<ul style="list-style-type: none"><li>• Up to 20% of the original principal on the anniversary date</li><li>• Up to 20% in payments any time during the year</li></ul>
<b>Renewal</b>	Should the monies in the savings account not be used during the term of the mortgage, IC Savings will offer renewal.
<b>ILA</b>	Required for all borrowers at their expense.
<b>Documentation</b>	Self-declared income letter and proof of business ownership. Minimum 2 years.
<b>Property type</b>	<ul style="list-style-type: none"><li>• Only owner-occupied residential properties with 1–4 units</li><li>• In prime markets with continuing demand for resale</li></ul>
<b>Appraisal</b>	<ul style="list-style-type: none"><li>• Full appraisal is always required.</li><li>• Download list of approved appraisers at <a href="http://icsmb.ca">icsmb.ca</a></li></ul>
<b>Rate hold</b>	<ul style="list-style-type: none"><li>• Purchase: 90 days</li><li>• Refinance: 60 days</li></ul>
<b>Property taxes</b>	Client is responsible for payment.
<b>Application fee</b>	1% lender fee split