

CMLS Alternative Solutions
General Guidelines

- Owner Occupied, Second Homes & Rentals
- 40-Year Amortization or Interest Only Payments
- Open after 90 days from IAD
- Hold Co's acceptable for rentals
- Quick close 5 business days
- Contract Qualifying

A + Locations:

- 680+ Beacon
- Owner Occupied
 - 75% LTV
- Rentals
 - 70% LTV

A Locations:

- 70% LTV
- Owner Occupied
 - 650+ Beacon
- Rentals
 - 680+ Beacon
- Condo Apartment
 - Owner Occupied & Rentals
 - 65% LTV

B Locations / No Condo Apartments:

- 70% LTV
- Owner Occupied
 - 650+ Beacon
- Rentals
 - 680+ Beacon

C Locations / No Condo Apartments:

- Owner Occupied & Rentals
- 600+ Beacon
- 65% LTV

Properties:

- Condos: 500 sq ft – Must have a bedroom
- SFD: 700 sq ft

Income:

- Self-declared income – income must be reasonable for the industry
- Contributory income can be considered – cannot exceed main income earner
- No income can be considered with 3yrs worth of mortgage payments in confirmable liquid assets

Pre-Sales / New Constructions:

- If purchased 12 + months ago the value can be based on current market

Submission Notes:

- Breakdown income and sources of income
- BFS Income note the industry and any websites for the business
- Exit strategy
- Use of funds of ETO's

Lender Fees:

- 2% Lender Fee – 1% Finders Fee
- Fee can be capitalized provided there is capacity in ratios & LTV

Lending Location
Ontario:

A+	A+	A	B
Ajax	New Market	Barrhaven	Belleville
Aurora	Oakville	Barrie	Bowmanville
Bradford	Orangeville	Cambridge	Brantford
Brampton	Ottawa City	Gloucester	Greater Ottawa
Burlington	Pickering	Greely	Kingston
Caledon	Richmond Hill	Guelph	Niagara
East Gwillimbury	Stouffville	Kanata	Niagara-on-the-Lake
Georgina	Toronto	Kitchener	St. Catherines
Halton Hills	Uxbridge	London	Welland
Hamilton	Vaughan	Manotick	
King	Whitchurch	Nepean	C
Markham		Orleans	Peterborough
Milton		Oshawa	Sudbury
Mississauga		Waterloo	Thunder Bay
New Tecumseth		Windsor	Woodstock

Alberta

A+	B	B
Calgary	Chestermere	Red Deer
Edmonton	Cochrane	Sherwood Park
	Leduc	Spruce Grove
A	Lethbridge	St. Albert
Airdrie	Okotoks	

British Columbia

A+	A+	A	B
Burnaby	Surrey	Nanaimo	Vernon
Coquitlam	Tsawwassen	Oak Bay	Whistler
Delta	Vancouver	Saanich	
Kelowna	Victoria City	Central Saanich	C
West Kelowna	West Vancouver	North Saanich	Campbell River
Langley	White Rock	View Royal	Courtney
Maple Ridge			Highlands
New Westminster	A	B	Metchosin
North Vancouver	Abbotsford	Kamloops	Penticton
Pitt Meadows	Chilliwack	Parksville	
Port Coquitlam	Colwood	Sidney	
Port Moody	Esquimalt	Sooke	
Richmond	Langford	Squamish	

AVEO Simplified Rental Program ON, AB & BC
General Guidelines

- 30- or 40-year Amortization option
- 1, 2, 3-Year Closed Term
- Minimum loan \$200,000
 - * Loans greater than \$1.5M restricted to Greater Toronto Area, Greater Vancouver Area & Greater Victoria *

Credit & LTV:

- Minimum of 620+ Beacon on all applicants & guarantors
- Minimum of 2 active trades with 1 being a mortgage for 12 months
- Bankruptcy must be fully discharged for min 3 years
- Pricing and LTV is based on the lowest beacon score on application
 - If property is vacant LTV could be further reduced

Mortgage Registration:

- Individual or Joint Tenants
 - Cannot be registered as Tenants in Common

Purchase Documents Required:

- Appraisal with market rents along with AVM
- Property Tax Bill
- Proof of Condo Fees if applicable
- Purchase & Sale Agreement if applicable

Refinance Documents Required:

- Max ETO \$500,000
- Appraisal with market rents along with AVM
- Property Tax Bill
- Proof of Condo Fees if applicable
- Current lease agreement and use the lesser of the lease or market rents
 - Expired leases that state the lease becomes month to month is acceptable
 - May require 3 months bank statements with rent deposits

Down Payment:

- 90 days bank statement from date of funding showing full down payment and closing cost

Gifted Down Payment:

- Max of 50% of down payment can be gifted
- Immediate Family only which includes Spouse, Child(ren), Parents, Grandparents & Siblings

Lending Locations	<ul style="list-style-type: none"> • Contact your Regional Manager
Debt Service Coverage Ratios (DSCR) & Rental Income Types	<p><u>DSCR Calculation:</u></p> <ul style="list-style-type: none"> • Gross Rents / Divided by Principle, Interest, Tax Heat & Condo Fee on subject property • Use contract rate to calculate Principal & Interest <p><u>DSCR 1.00 +:</u></p> <ul style="list-style-type: none"> • Purchase & Refinance Max 75% LTV • Min Beacon 620+ <p><u>DSCR .75 - .99:</u></p> <ul style="list-style-type: none"> • Purchase Max 70% LTV • Refinance Max 65% LTV • Min Beacon 640+ <p><u>Holding Company:</u></p> <ul style="list-style-type: none"> • Business registration • Article of incorporation along with ownership percentages <p><u>Short Term Rentals:</u></p> <ul style="list-style-type: none"> • 12 months' proof of rental income, cannot exceed 100% of market rents • Property must be fully furnished <p><u>Student Rentals:</u></p> <ul style="list-style-type: none"> • Properties leased to students sharing common area are permitted • <u>Must meet all the following requirements</u> <ul style="list-style-type: none"> ○ Lease must be annual and include parent guarantee ○ All leases must have the same start and end date • Must be located close to or near a local college or university (less than 8km)

AVEO Standards

What We Don't Do	<ul style="list-style-type: none"> • Leased Lands, Co-Ops, Condo Conversions • Rental Pools under AVEO Simplified Rental Only • Time Shares, Fractional Interest, Other Undivided Interests • Rent to Owns, Mobiles, Manufactured Homes • No former grow-ops, even if fully remediated
Servicing & Funding	<ul style="list-style-type: none"> • CMLS Alternative Solutions has its own residential servicing department • Servicing can be reached at cas.service@cmls.ca or 1-866-279-2639 • Funding is processed through FNF – Fidelity National Financial
Underwriting Service	<ul style="list-style-type: none"> • Our underwriters use 'Smart Sense' underwriting when reviewing files • Our applications are generally reviewed within 24 business hours depending on volume • Document reviewed within 48 hours depending on volume • Always email documents to mortgagedocuments@cmls.ca with your deal number & client's last name in the subject line and include your underwriter (C000202456 – Doe) • Visit our website at www.cmls.ca/aveo/alternative-solutions for all forms, documents & calculators
Our Service Level Commitment	<ul style="list-style-type: none"> • Call us prior to submission, as we can assist in packaging your file and ensuring it meets our criteria • Should we require further collaboration, we will seek the advice of our credit team • When confident that we have a viable solution, we will inform you immediately • We will respond to your emails or telephone calls within 2 - 4 business hours unless we are in a meeting or attending events • We will keep you informed about all CMLS Alternative Solutions information and rate updates
Ask AMI	<ul style="list-style-type: none"> • Email askami@cmls.ca with deal number in the subject line for updates on your file • AMI will provide you with both broker & solicitor conditions outstanding conditions, if any • AMI can provide you with a status update pending, approved, instructed and funded • Only the submission agents and current agent on file can access AMI by using the registered email address we have on record • Ex) Submission agent is Jane Doe (jane@abc.ca) and agent is Joe Doe (joe@abc.ca) only these 2 emails will allow AMI to respond