

# What is the Optimum fit for *your* client?

We consider each application on its own merit, and then select from our full product line to find the best rates and terms possible for your customer - guaranteed. We are the home of SENSIBLE LENDING®.

|                     | Conventional N.I.Q. (Non-Income-Qualifying)   |            |          |           | Conventional Income-Confirmed |   |   | High-Ratio Insured                                     |                                       |   |                                   |
|---------------------|---|------------|----------|-----------|-------------------------------|---|---|--|---------------------------------------|---|-----------------------------------|
|                     | Optimum Value   |            |          |           | Optimum 80                    | Opti-85 (Bundled Product)   |   |  |                                       |   |                                   |
| Loan Purpose:       | Purchase  | Refinance  | Purchase | Refinance | Purchase                      | Purchase  | Refinance   | Purchase   | Refinance                             | Genworth or CMHC<br>Purchase or Refinance |                                   |
| Property Use:       | Owner-Occupied  | Owner-Occ. | Revenue* | Revenue*  | Owner-Occupied                | Owner-Occ.  | Owner-Occ.  | Owner-Occupied   | Owner-Occupied                        | As per Genworth/CMHC guidelines           |                                   |
| Max. Loan-to-Value: | 75%   | 75%        | 75%      | 70%       | 80%                           | 85%   | 85%   | 80%  | 75%                                   | 95% Purchase / 85% Refinance              |                                   |
|                     | Seconds allowed to 90% loan-to-value.   |            |          |           | Seconds allowed to 90%.       |   | Bundled mortgage to 85%.                          |  | Seconds allowed to 90% loan-to-value. |   |                                   |
| Minimum Beacon:     | 500   | 550        | 650      | 675       | 600                           | 580 (preferred)   | 600 (preferred)                                   | 600  |                                       | 620                                       |                                   |
| Property Type:      | As below  | As below   | As below | As below  | As below                      | As below, except no revenue properties or acreages.                         |   | As below   |                                       | As below                                  |                                   |
| Amortization:       | 25- and 30-years; 35-year amortization available (call for details).  |            |          |           | 25- and 30-years              |   | Max. 30-year for First<br>Max. 20-year for Second |  | 25- and 30-years                      |   | As per Genworth/CMHC guidelines   |
| Lending Area:       | As below  | As below   | > 25,000 | > 25,000  | Population > 50,000           |   | As below  |  | As below                              |   | As below (exceptions considered)  |
| Notes:              | Borrower must demonstrate reasonable likelihood of repayment. Preferred loan amount > \$100,000.  |            |          |           |                               | Preferred First loan amount > \$100,000; > \$500,000 on case-by-case basis. |   | GDS/TDS: 32%/40%.<br>Preferred loan amount > \$100,000 |                                       |   | Preferred loan amount > \$100,000 |
| Terms:              | 1, 2, 3, 4, 5-Year Fixed; 5-Year Variable**; Open.  |            |          |           |                               | 3- or 5-Year Term for First<br>1-Year Open for Second                       |   | 1, 2, 3, 4, 5-year Fixed; 5-Year VRM; Open             |                                       |   | As per Genworth/CMHC guidelines   |
| Downpayment:        | Minimum 10% downpayment for purchases; consideration given to gifted downpayments.  |            |          |           |                               |   |   |  |                                       |   | As per Genworth/CMHC guidelines   |
| Fees:               | No-fee options are available, and are included in our offer letter. If a fee option is selected, then fees can be capped (subject to approval). |            |          |           |                               |   |   |  |                                       |   | As per Genworth/CMHC guidelines   |

## The N.I.Q. Borrower (each deal on its own merit).

- Self-employed or commissioned individuals with stated income.
- Salaried individuals with a GDS/TDS that does not meet traditional bank requirements.
- Borrowers with a satisfactory mortgage history; vocation will be confirmed, and should suggest a reasonable future repayment ability.
- Discharged bankruptcies accepted with 12 months re-established credit.
- No double bankrupts. Applications accepted from new immigrants.

## Lending Area

- Property should be located:
- within 50 km of communities with populations > 100,000;
  - within 10 km of communities with populations between 25,000 and 100,000;
  - within a community with populations between 10,000 and 25,000.
- Exceptions for high-ratio insured deals considered on a case-by-case basis. Areas north of Orillia do not form part of our current lending area.

## The Property

Single-family detached, semi-detached, or condominium/apartment. Minimum 900 sq.ft., or 500 sq.ft. for condominiums/apartments. For acreages, only five acres of land plus the value of the primary residence are considered in calculating loan-to-value ratio (maximum 65%). Well and septic systems acceptable.

\* Revenue property applications, please contact your BDM before submitting.

## Variable Rate Mortgage (available for both N.I.Q. and Insured)

- 5-Year terms, owner-occupied.
- \*\*N.I.Q., maximum 25-year amortization.
- Purchase or refinance.
- Convert to a fixed rate at any time (term selected must be equal to [or greater than] term remaining on existing mortgage).
- Qualification based on Canadian Western Bank 5-Year Posted Rate, less 1%.
- Payments calculated on current CWB Posted 5-Year Rate, less 1% (the net benefit to your client is an amortization less than the original contract).

## Documentation

**Conventional:** Appraisal required (for our Approved List of Appraisers, visit [www.OptimumMortgage.ca](http://www.OptimumMortgage.ca) - INFO FOR BROKERS).

**High-Ratio Insured:** As per insurers' guidelines.

## Early Payouts / Pre-Payments

- Early payouts permitted.
- All Mortgages: Annual payment up to 20%, double-up payments, or increase monthly payments up to 20% at any time.
- Payout penalty calculated as the greater of three months interest or IRD (difference between the Posted Rate and the mortgage rate).
- Payout penalty for N.I.Q. conventional, as per above plus 1%.