



# Options for the Self-Employed

ING DIRECT has enhanced our mortgage options for those Business for Self applicants who have difficulty meeting traditional income guidelines. Now your clients who have a good credit history and are self-employed, can access up to 90 LTV on purchases & Ports, and up to 85% for refinances with minimal income verification.

## High-Ratio unmortgage for the self-employed (Stated Income)

### Available for

- Owner occupied principal residence, maximum 2 units
- Purchase & Ports
- Refinance
- ETO, limited to \$200,000
- Assumptions

### Maximum mortgage amount

- Metro Toronto, Metro Calgary and Metro Vancouver: \$750,000.
- Rest of Canada: \$600,000.

### Terms

- Available on all fixed and variable rate terms
- For terms less than 5 years and VRM, the qualifying rate is the greater of the Bank of Canada benchmark rate or the contract rate; for terms of 5 years fix or more, the contract rate is used.

### Amortization

- Maximum 30 years

### Restrictions

- Non-occupant, co-borrowers or guarantors not permitted
- Borrowed down payments are not permitted
- Minimum 5% down payment from the borrowers own savings. The remainder may be gifted from an immediate family member.

### Additional requirements for borrower qualification

- The income reported by the borrower must be reasonable based on the industry, length of operation and type of business.
- Strong credit and credit score with minimum 2 trades with at least two years history. No previous bankruptcies.
- No mortgage, installment or revolving credit delinquencies appearing on the credit bureau in the past 12 months.
- Maximum one Genworth or insured Alt-A mortgage
- Borrowers with commission income are ineligible.



# Options for the Self-Employed

## Requirements

- Recent Notice of Assessment to confirm no income tax arrears
- Meet TDS and GDS requirements on reasonable stated income
- Self-employed for 2 years or more confirmed by any 1 of the following written third party documents:
  - Business License
  - GST/HST Return Summary
  - T1 Generals with statement of business activities for 2 years (must be prepared by an arm's length third-party)
  - Audited Financial Statement for the last 2 years, must be prepared and signed by a Certified Accountant.
  - CIDREQ (Québec only)
  - Personal Credit Report\*
  - Articles of incorporation\*

\* Documents accepted for applicants who are incorporated

## In the application notes section please include the following:

- The latest NOA figure on line 150
- If there are any taxes owing as stated on the NOA
- Specific details of the business:
  - Business Name
  - Business address and website address if applicable
  - Details on nature of business
  - Confirm if the business is licensed
  - Number of employees (if any)
  - What methods are used to advertise (if any)
- If your client is using rental income, please provide the monthly rental income for each property in your notes

## Premiums

LTV Ratio	Bureau Scores	Purchase	Refinance	Top Up
85.01% to 90%	650	4.75%	N/A	7.00%
80.01% to 85%	620	2.90%	2.90%	5.50%
75.01% to 80%	620	1.64%	1.64%	3.85%
65.01% to 75%	620	1.00%	1.00%	2.60%
65.01% and below	620	0.80%	0.80%	1.50%

The above terms, rates and conditions are subject to change without notice. All residential mortgage features apply.