

For most individuals, the most difficult part of purchasing a home, especially for first time home buyers, is the ability to save the required down payment. CMLS Financial allows for individuals to borrow the necessary funds to use as their down payment, commonly referred to as Flex Down or Borrowed Down Payment.

CMLS Financial Flex Down Payment Guidelines

Loan Purpose	Purchase Transactions 90.01-95% LTV.
Eligible Equity Sources	<p>Borrowed sources that are arm's length to the purchase or sale transaction such as:</p> <ol style="list-style-type: none"> 1. Personal Loans 2. Lines of Credit 3. Credit Cards 4. Gifts are permitted from sources other than non-immediate family member. <p>These sources must have a corresponding payment included in the TDS calculation (other than gifts from non-immediate family members).</p> <p>Closing costs of 1.5% of purchase price may also be borrowed provided associated payments are included in the TDS based on a repayment timeline of 12 months.</p>
Ineligible Equity Sources	<ul style="list-style-type: none"> • Builder incentives or loans • Gifts from third parties that receive payment from the vendor or builder • Realtor/mortgage broker incentives • Loans to the borrowers that impact the property selling price • Loans/gifts from the vendor of the property
Borrower Qualification	<p>Minimum Beacon Score of 680.</p> <p>Reserved for First Time Home Buyers, exceptions may be considered</p> <p>Non Residing Co-Borrowers are accepted however must be an immediate family member.</p> <p>Existing requirements related to income, down payment and credit worthiness will apply.</p> <ul style="list-style-type: none"> • Maximum GDS & TDS= 39% & 44%
Eligible Transactions	<ul style="list-style-type: none"> • First Time Homebuyers. • Max 2 units where 1 unit must be owner occupied. • New Construction with required Home Builder Warranty Program/Existing re-sale properties. • Purchase Plus Improvements.
Ineligible Transactions	<ul style="list-style-type: none"> • Business For Self Alt A • New To Canada • Rental Properties • Refinance • 2nd Homes
Terms / Qualifying Rates	<ul style="list-style-type: none"> • Fixed Terms: 1, 2, 3, 4, 5, 7, 10 year • Variable Terms: 3 and 5 year • Loans (fixed rate and variable rate products) are qualified on the greater of the contract rate or the 5 year Benchmark rate.
Insurance Premium	<p>90.01% - 95 % LTV</p> <p>Premium of 4.50%</p>