

Halal Mortgage Qualification Criteria

Financing Purpose	Purchase / Transfer-Switch
Maximum FTV	80%
Down Payment	<p>Minimum 20% down payment from own resources. Payments ONLY through a Canadian bank account; NO cash or overseas transfers. Require 90 day account history Acceptable down payment sources:</p> <ul style="list-style-type: none"> - Gifted funds from immediate family members - RRSP - TFSA - FHSA - Non-registered investment accounts - Sale of assets example: house, - Chequing or Savings accounts
Beacon and Credit History	<p>Minimum 700 beacon / FICO score Derogatory credit history to be supported with a reasonable explanation. Only one major credit occurrence (bankruptcy, consumer proposal, orderly payments, or debts, etc.)</p>
Income	<p>Standard salaried income guidelines apply for all full-time employment.</p> <ul style="list-style-type: none"> - Last Two recent paystubs - Last Two years T4 slips. - Most recent Employment letter based on application date. - 90-day bank account history confirming deposit of earnings <p>Foreign salaried income guidelines for all full-time employment</p> <ul style="list-style-type: none"> - Income from US employers is acceptable if declared in US or Canada - Income from Foreign companies is acceptable if Income is declared in Canada - Last Two recent paystubs - Last Two years annual income documentation - Most recent Employment letter based on application date. - Employment contract - 90-day bank account history confirming deposit of earnings <p>Self-Employed Income requires:</p> <ul style="list-style-type: none"> - 2 Years T1 – Generals with NOA and Statement of Business activities - 2 Years T4s and T5s - Last 3 months business bank statements - Articles of Incorporation - Valid Business License (will conduct a corporate name search) - Commission sales letter or employment contract confirming commission arrangement. <p>Proof of income requires:</p> <ul style="list-style-type: none"> - Two most recent NOA's or - Customer must provide a signed affidavit declaring the income used to qualify. - In addition, the declared income must be supported by: - 6 months bank statements and - Sales order contracts, invoices, or employment contract to confirm income generated. <p>Will Follow all CMHC Guidelines</p> <p>CCB (Canada Child Benefit) allowed as a valid source of income, but consideration will be given to the age of the child in order to determine how long a homeowner can rely on this source of income.</p> <p>Rental income is not allowed to be included as "qualifying income"</p>
Minimum Financing Amount	CAD 100,000.
Maximum Financing Amount	CAD 750,000 (Case by case consideration may be made for financing of up to CAD 1,250,000.)
Debt Service Ratios	<p>Maximum GDS: 39% Maximum TDS: 44%</p>
Amortization	300 Months
Term	Up to 60 months (subject to current policy)
Stress Test Requirement	N/A
Appraisal	A Full Appraisal ordered from financier's approved and AACI accredited appraisers list.
Prepayment Options	Annual prepayments are permitted up to 20% of the original principal on each mortgage contract.
Early Payout	Greater of 3 Months profit or Profit Rate Differential ("PRD") <see note 1>

Property Type	<p>Primary owner-occupied residential property located in major urban centers with demonstrated ongoing resale demand. Maximum 4 units with 1 owner occupied.</p> <p><i>Allowable zoning:</i> Residential.</p> <p><i>Ineligible properties:</i> Pre-construction residential, Zoned Commercial, Condo hotels, Agriculture Mix use etc.</p> <p><i>Minimum property size:</i> 700 Sq ft – single family dwellings 500 Sq ft - condominiums</p> <p>Property must be located in large population centres with a posted population of greater than 100,000 people in Ontario and greater than 250,000 people in rest of Canada.</p>
Other Considerations	<ol style="list-style-type: none"> 1. No Second Mortgages allowed 2. Maximum number of owned properties allowed: 2

Note 1: PRD is defined as the difference between A and B (i.e., **PRD = A – B**) where:

A = Remaining profit payable at the posted Murabaha profit rate at time of prepayment, and

B = Remaining profit payable at the customer's existing Murabaha profit rate

DISCLAIMER:

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