Effective Date: 1st August 2025

Halal Mortgage Qualification Criteria

Financing Purpose	Purchase / Refinance / Transfer-Switch
Maximum FTV	80%
Down Payment	Minimum 20% down payment from own resources. Payments ONLY through a Canadian bank account; NO cash or overseas transfers Acceptable down payment sources: - Gifted funds from immediate family members - RRSP - TFSA - FHSA - Non-registered investment accounts - Sale of assets Example: house, cars, gold, silver - Chequing or Savings accounts
Beacon and Credit History	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.)
Income	Standard salaried income guidelines apply for all full-time employment. - 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 Foreign salaried income guidelines for all full-time employment - 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 Self-Employed Income requires: - 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. Proof of income requires: - 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. Will Follow all CMHC Guidelines 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. Rental income is not allowed to be included as "qualifying income"
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	Maximum GDS: 39% Maximum TDS: 44%
Amortization	300 Months
Term	Up to 60 months (subject to current policy)
Stress Test Requirement	N/A
Appraisal	A Full Appraisal ordered from the 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	Primary owner-occupied residential property located in major urban centers with demonstrated ongoing resale demand. Maximum 4 units with 1 owner occupied. *Allowable zoning:* Residential. *Ineligible properties*: Pre-construction residential, Zoned Commercial, Condo hotels, Agriculture Mix use etc. *Minimum property size:* 700 Sq ft – single family dwellings 500 Sq ft - condominiums 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.
Other Considerations	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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