

# Income Documentation



<p><b>Employment -Full time</b></p>	<ul style="list-style-type: none"> <li>• Signed Letter of Employment on employer’s letterhead stating start date, status of employment, position and annual salary guarantee or if hourly, # of hours guaranteed per week with hourly rate. Letter must be signed by the letter issuer containing their title/position and contact information for Lender Verbal Verification.</li> <li>• Paystub dated within 60 days of application showing borrower name, company name, regular pay and YTD earnings.             <ul style="list-style-type: none"> <li>○ Computer generated pay stubs are NOT acceptable unless accompanied by recent bank statement showing at least 2 direct pay deposits.</li> </ul> </li> </ul>
<p><b>Variable Income:</b></p>	<ul style="list-style-type: none"> <li>• If qualifying income includes variable income such as bonuses, overtime, etc. then 2 year NOAs or T4’s is required in addition to a Letter of Employment and a recent paystub.</li> </ul>
<p><b>Part-time (&lt;30hr/week):</b></p>	<ul style="list-style-type: none"> <li>• 100% of permanent part-time income, where hours are not guaranteed will be considered if borrower can demonstrate a minimum 2 year history supported by NOA’s or T4’s.             <ul style="list-style-type: none"> <li>○ If PT employment is <b>less</b> than 2yrs, we can consider income if the employer confirms in writing that the client is required to work a min. # of guaranteed hours per week. Min. # guaranteed hours will be used to qualify.</li> </ul> </li> </ul>
<p><b>Seasonal Workers:</b></p>	<ul style="list-style-type: none"> <li>• 2 yrs T4’s and NOAs to be provided.</li> <li>• Lesser of 2 yr average or most recent year’s income to be used for qualifying.</li> <li>• EI income can be considered provided that the applicant has been employed for at least 2 years, the income is regular and recurring and continuous. 70% of the income used for qualifying must be from their employment and no more than 30% comes from EI.</li> </ul>

<p><b>Contract Income:</b></p>	<ul style="list-style-type: none"> <li>• 100% of contract income can be used. We will require the following: <ul style="list-style-type: none"> <li>○ Employment contract and current pay stub <ul style="list-style-type: none"> <li>▪ Contract must have a min. of 6 months remaining from scheduled mortgage advance date</li> </ul> </li> <li>○ Bank statements confirming deposits are required if the applicant does not receive pay stubs.</li> <li>○ If recently changes from salary to contract, use 2 year history if in same line of work</li> </ul> </li> </ul>
<p><b>Alimony/Child Support:</b></p> <ul style="list-style-type: none"> <li>• <i>Child and Spousal support can be included in the application. The income and longevity of the support must be confirmed with 2 separate document sources. The support payments should be no greater than 50% of the total qualifying income.</i></li> </ul>	<ul style="list-style-type: none"> <li>○ Primary Source (1 of the following): <ul style="list-style-type: none"> <li>▪ Separation Agreement</li> <li>▪ Court Order</li> <li>▪ Divorce Agreement</li> </ul> </li> <li>○ Secondary Source: <ul style="list-style-type: none"> <li>▪ 3 month bank statement demonstrating the specified payment has been received as scheduled OR most recent NOA.</li> </ul> </li> </ul>
<p><b>Parental Leave:</b></p>	<ul style="list-style-type: none"> <li>• 100% of the estimated RTW income can be used provided the applicants RTW date can be verified as well as position and salary. <ul style="list-style-type: none"> <li>○ Letter from Employer confirming the position the applicant is returning to, the return date and the salary/income upon return.</li> <li>○ <b>Note:</b> in the event that the RTW date is greater than the max. number of months the EI benefits are eligible (i.e. 12-18 months), this income must be excluded from qualification.</li> </ul> </li> </ul>
<p><b>Government/Employee Pension:</b></p>	<ul style="list-style-type: none"> <li>• 1 Yr T4A or a current pension statement. <ul style="list-style-type: none"> <li>○ 25% gross up is eligible on non-taxable income</li> </ul> </li> </ul>
<p><b>Disability Pensions:</b></p>	<ul style="list-style-type: none"> <li>• Will be considered provided 2 month history supporting documentation is obtained in conjunction with verification of the pension as long-term. <ul style="list-style-type: none"> <li>○ If less than or equal to \$30k, gross up by 25%</li> <li>○ &gt;\$30k, gross up by 35%</li> </ul> </li> </ul>

<b>Investment Income:</b>	<ul style="list-style-type: none"> <li>• Average of last 2 years or most recent year, whichever is less, confirmed by T1 General and supported by NOA's or T5's.</li> </ul>
<b>Foster Care Income:</b>	<ul style="list-style-type: none"> <li>• The borrower must have at least 2 years experience as a foster parent</li> <li>• The only acceptable forms of income and employment verification for foster parents are a letter of employment or contract form the Ministry responsible for foster care confirming: income, tenure and current approved status <b>and</b> a paystub.</li> <li>• The maximum number of children in care cannot exceed 6, including the foster parents' own children.</li> <li>• Not eligible to use for second home program.</li> <li>• If Foster Care income exceeds 50% of total income used for qualifying, borrower must have a min. of 10% downpayment.</li> </ul>
<b>Family Allowance/Canada Child Benefit:</b>	<ul style="list-style-type: none"> <li>• Verification via: CCB Statement or copy of Birth Certificates with recent bank statements showing direct deposit <ul style="list-style-type: none"> <li>○ The payment must not exceed 30% of the total income used for qualifying</li> <li>○ The child(ren) does not exceed the age of 15 at the time of the mortgage application.</li> </ul> </li> </ul>
<b>Canadian Resident working in the USA:</b>	<ul style="list-style-type: none"> <li>• NOA and paystub or employment letter. <ul style="list-style-type: none"> <li>○ Applicant <b>must</b> be filing Canadian Tax Returns to consider.</li> </ul> </li> </ul>
<b>Tips and Gratuities:</b>	<ul style="list-style-type: none"> <li>• Average of 2 years or most recent year, whichever is less, confirmed by NOAs.</li> </ul>
<b>BFS (Sole Proprietor or Partnership) or &gt;25 Commission:</b>	<ul style="list-style-type: none"> <li>• Avg of last 2 years or most recent year, whichever is less, confirmed by: <ul style="list-style-type: none"> <li>○ 2 Years NOA's and 2 Years T1 Generals with statement of business activities</li> <li>○ Current Business License demonstrating min. 2 years continued business. If unavailable one of the following may be accepted: <ul style="list-style-type: none"> <li>▪ GST/HST return summary</li> <li>▪ T1 General prepared by a Chartered Accountant with Statement of Business activities for a min. of 2 years</li> </ul> </li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>▪ Audited Financial Statements for 2 years, prepared and signed by a CA</li> <li>▪ Business Contracts supported by Bank Statements</li> <li>• <b>NOTE:</b> Add backs are allowed as followed: <ul style="list-style-type: none"> <li>○ Business-Use of Home, (Net income before Tax), Motor Vehicle Expenses, CCA with copies of most recent T1 with Statement of Bus. Activity</li> </ul> </li> <li><b>OR</b></li> <li>○ 15 % gross up of net self-employment income</li> </ul>
<p><b>BFS (Incorporated):</b></p>	<ul style="list-style-type: none"> <li>• Avg of last 2 years or most recent year, whichever is less, confirmed by: <ul style="list-style-type: none"> <li>○ 2 Yrs NOA's</li> <li>○ 2 Yrs T1 Generals</li> <li>○ Copy of Business Financial Statements</li> </ul> </li> <li>• Confirmation of Business ownership and min. 2 year business continuity (one of the following): <ul style="list-style-type: none"> <li>○ Audited Financial Statements for 2 years, prepared and signed by a CA</li> <li>○ Independent Corporate Search confirming business ownership and tenure</li> <li>○ Articles of Incorporation</li> <li>○ Business Contracts supported by bank statements</li> </ul> </li> </ul>
<p><b>BFS ALT-A (Low Docs) program-</b> <i>Not eligible for commissioned borrowers</i></p>	<ul style="list-style-type: none"> <li>• Income to be stated by the borrower on a signed, <i>Stated Income Declaration</i> (See resource page)</li> <li>• Most recent NOA required to confirm no tax arrears</li> <li>• Business license required demonstrating 2 years continued business <ul style="list-style-type: none"> <li>○ <i>If unavailable, <u>one</u> of the following may be accepted:</i> <ul style="list-style-type: none"> <li>▪ Sole Proprietorship/Partnership: <ul style="list-style-type: none"> <li>• GST/HST Return Summary</li> <li>• T1 Generals prepared by a Chartered Accountant with statement of business activities for a min. of 2 years</li> <li>• Audited Financial Statements for last 2 years, prepared and signed by a Chartered Accountant</li> </ul> </li> <li>▪ Corporations:</li> </ul> </li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• Articles of Incorporation</li> <li>• Business Credit Report</li> <li>• Audited Financial Statements for last 2 years, prepared and signed by a CA</li> <li>• The income amount stated must be reasonable and consistent with the borrowers occupation and geographic area</li> <li>• The underwriter reserves the right to request additional information to support the income reasonability.</li> <li>• <i>Reach out to your BDM to discuss these applications prior to submission</i></li> </ul>
<p><b>Rental Income:</b></p> <ul style="list-style-type: none"> <li>• <i>will require any one of or a combination of the following, depending on whether it is a new or existing rental; # of units, subject or non-subject property etc.</i></li> <li>• <i>Non-subject Rental Income: Please download our Rental Worksheet found on the Broker Resource Page</i></li> </ul>	<ul style="list-style-type: none"> <li>• 2 Years of Lease Agreements</li> </ul> <p><b>OR</b></p> <ul style="list-style-type: none"> <li>• Fair Market Rent (ordered from SOLIDIFI or Brookfield RPS)</li> </ul> <p><b>OR</b></p> <ul style="list-style-type: none"> <li>• 2 years T1 Generals including Statement of Real Estate Rentals</li> </ul>

**NOTE: approval and parameters are subject to change and current underwriting practices**