

Single Family – Conventional Uninsured Mortgages



People's Bank Conventional Uninsured Single-Family Mortgage is purpose built for Near-Prime borrowers who have solid repayment capacity but don't fit perfectly into traditional

prime boxes. With 20%+ down ($\leq 80\%$ LTV) and no default insurance premium, this product delivers competitive financing and broader underwriting flexibility — ideal for clients leveraging complex income, or preferring lender-driven credit assessment over insurer rules.

We offer competitive fixed terms, 20% prepayment privileges, and portability to maintain affordability and flexibility through life events.

We are pleased to be adding to our product array at Peoples Bank where we now offer financing for these purposes...

- Purchase Financing including one-to-four-unit Investment properties.
- Refinancing
- Equity Take Out

We focus on three borrower segments where brokers can win more approvals and deliver better outcomes:

1. **Stable Employed Borrowers**

- Salaried or hourly employees with **consistent tenure and verifiable income**.

2. **New Canadians**

- Clients with limited Canadian credit history but strong international credit signals, growing incomes, and meaningful down payments.
- Flexible consideration of alternative credit and settlement assets; accommodation for recent employment transitions and foreign income history (per lender policy).

3. **Self-Employed Borrowers**

- Incorporates **businessowner and sole-proprietor** income with pragmatic treatment of addbacks, retained-earnings, and verified cash flow.
- Options for **enhanced document review** (e.g., NOAs, bank statements, accountant letters) to reflect true earning power and sustainability of income.

Quick Reference Summary Table	
Feature	Uninsured Near Prime Mortgage Requirements
Min Down Payment	20%
Minimum/Maximum Loan Amount	\$200,000 / \$2,000,000
Amortization	up to 35 yrs
GDS/TDS	Up to 55%/55%
LTV	Up to 80%

Conventional Mortgages – Near Prime						
Occupancy Type ¹	# units	Loan Amount Maximum	Amortization Maximum	LTV	Primary Borrower FICO	Total Debt Service Ratio Maximum GDS/TDS
Primary Residence	1-4	\$2,000,000	35 years	80%	620+	55%/55%
				75%	600+	46%/48%
				70%	500+	
Secondary Home	1-2	\$2,000,000	35 years	65%	600+	46%/48%
Investment Property ²	1-4	\$2,000,000	35 years	80%		

Notes

¹Condominiums max. LTV 70% irrespective of occupancy type

²Investment Properties not tenanted restricted to lesser of max. 60% LTV or Loan Amount restrictions

³High Value Benchmark homes (all regions) are subject to review at least annually. Refer to CREA | Try the MLS® HPI Tool to determine if home is at or above the High Value Benchmark for the region. Loans \$ > High-Value Home Benchmark may be limited to a maximum LTV of 50%.

Borrower Eligibility

All applicants must be Canadian Citizens, Landed Immigrants or Permanent Residents or have a valid work permit.

Geographic Locations

Properties located within Canada's top 30 Census Metropolitan Areas (CMAs) will be eligible for financing. [Click here for a list of eligible locations.](#)

Note: Properties *within* Canada's the remaining 11 CMAs may be considered on a case-by-case basis only.

Occupancy Types

- Primary – owner-occupied residence
- Second Homes – Up to 65% LTV
- Investment Property – Up to and including fourplex

Transaction Types

- Purchase Financing including one-to-four-unit Investment properties.
- Refinancing
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Property Requirements

- Must be in Canada and suitable for **year-round occupancy**.
- Must be in an approved city/municipality. Refer to the list of approved municipalities.
- Condominiums of any occupancy type are restricted to 70% LTV.

Down payment sources may include:

- Savings
- Sale of property
- Non-repayable gift from an immediate family member.

Product Overview

Fixed Rate Mortgage (1- and 2-year closed terms)

Note: 3-year term option may be available upon request

Interest rate is locked in for the applicable term. The borrower has the privilege to prepay a portion of the mortgage annually with no penalty.

Product Pricing

- Competitive tiered rates based on beacon of the primary borrower.
- 1% commitment fee option as well as a no fee option.

Additional Product Details

Prepayment Privileges

The borrower shall have the following privileges for payment of extra principal amounts:

During a mortgage year on a regular payment date, a borrower may, without penalty:

- Make lump sum prepayments up to twenty percent (20%) of the original principal amount of the mortgage. The minimum amount of individual prepayment is \$500.

AND/OR

- Increase the original regular payment amount to an increased payment amount (the "Increased Payment Amount") no more than twenty percent (20%) of the original regular payment amount. The difference between the Increased Payment Amount and the original regular payment amount is referred to as the "Increase Difference".
- A mortgage year is defined by the annual anniversary of the Interest Adjustment Date of the mortgage as indicated in the loan agreement.

Notes

- Borrower mortgage must be paid as agreed to exercise prepayment privileges outlined above. A mortgage in default of any terms, covenants, conditions, or provisions is not eligible for prepayment privileges.
- Each prepayment privilege is not cumulative from Mortgage Year to Mortgage Year. If a borrower has not used a prepayment privilege in one Mortgage Year, the prepayment privilege cannot be carried forward and used in a later Mortgage Year. Subject to the prepayment privileges, if the borrower pays the full outstanding amount of the mortgage before maturity, then a Prepayment Charge, as described below, will apply. Notwithstanding anything, to the contrary, prepayment privileges without penalty cannot be made on the date of payout/discharge or within 30 days of full repayment.
- PI Increase: increased PI payment will carry over from mortgage year to mortgage year. The Increase Difference amount in the regular payment is considered when determining the available prepayment privilege amount in subsequent years.

Penalties Prepayment in Full:

The mortgage can be paid in full at any time, subject to a prepayment penalty.

Fixed Rate Mortgages

Borrower can pay the full outstanding amount of the mortgage before maturity, subject

to prepayment penalty in the amount equal to the greatest of the following two (2) options:

- 1) Three (3) Months Interest Amount or interest to maturity (if less than 3 months). This means an amount equal to three (3) months of interest calculated on the full amount of outstanding principal balance owing to the mortgage that you prepay using the annual interest rate.
- 2) Interest Rate Differential ("IRD") Amount: This means an amount based on using the interest rate differential, which is the difference between the annual interest rate and the current Peoples Group posted rate based on the current term rate for the equivalent of the term length remaining at day of payout.

Portability

Borrowers have the option of transferring or 'porting' their remaining mortgage balance, interest rate existing maturity date to another property provided the following conditions are satisfied:

- The borrower completes a new mortgage application for the replacement property.
- The new property is approved by Peoples Group under guidelines.
- The term of the new mortgage shall expire on the maturity date of the existing mortgage, and all terms remain the same.
- With prior notice, a mortgage port can occur up to 60 days before or after the discharge of the original mortgage.
- The borrower is also responsible for paying all costs, charges, and expenses of and incidental to the approval, taking, preparation, execution, and registration of the new mortgage, or if applicable, an amending agreement.

Assumptions

Mortgages may be assumed subject to the following conditions:

- The new borrower/prospective buyer must qualify in accordance with current Peoples lending guidelines.
- The purchase agreement must include an agreement for the new borrower/prospective buyer to assume the existing mortgage.
- Peoples Group will issue a release of covenant to any previous borrower(s). A copy will be forwarded to the solicitor handling the transaction upon satisfactory completion of all conditions.
- A Peoples Group assumption fee will apply. The new borrower is also responsible for paying all costs, charges, and expenses of and incidental to the approval, taking, preparation, execution, and registration of the new mortgage, or if applicable, an amending agreement.