

Holding Companies

Did you know Peoples Bank will do mortgages in the name of Holding Companies?

Eligibility

- Borrower is Individual using a non-operating Holding Company with personal guarantee.
- Organizations as Borrowers, PBOC will permit residential mortgage loans registered to a non-operating holding company when purchasing or refinancing a property.
- Investment Rentals **only** (2 to 4 units).
- Eligible for Purchases & Transfers
- Owner Occupied properties are **not** eligible.

The principals of the company must:

- Apply and sign as guarantors on the mortgage loan application and on the mortgage documents.
- Provide a copy of the most recent year-end financial statements/tax filings, articles of incorporation and borrowing bylaw will be provided for review.
- Newer Holding Companies will be accepted on case-by-case basis.

Customers have the option to choose ANY term!

Additional info about Guarantors

Guarantors will be accepted, and their income will be used for servicing (subject to confirmation). A guarantor may also be accepted if they are an immediate family member who is not living in the residence. Guarantors must qualify for the same loan as the applicants are applying for in every respect including their current home payment in addition to the proposed mortgage payments in GDS/TDS calculations.

How to Submit in the name of HOLDCO

- Split up the company name in the first name/ last name fields
 - (Example 123456 Ontario LTD, **First name:** 123456 Ontario/ **Last name:** LTD)
- Enter 000000000 for the **SIN**
- **Add the borrower as the guarantor along with the credit bureau**

NOTE: Approval and parameters are subject to change and current underwriting practices.