

Down Payment Documentation

Down Payment Documentation:

- Borrowers assets must be stated on the application and verified.
- Funds must be seasoned for at least 90 days at the time of the application.
- Acceptable source must be documented for all funds >\$10,000.

Acceptable Assets	<ul style="list-style-type: none"> ✓ Chequing and/or Savings accounts ✓ GIC's/Term Deposits ✓ Brokerage Accounts, mutual funds, publicly traded stocks, or bonds ✓ RRSP accounts or other retirement accounts (may not be locked in) ✓ Sale of home or personal items (i.e. vehicle) – <i>the ownership of the asset must meet the seasoning requirement</i> ✓ Gifts from immediate family members
Unacceptable Assets	<ul style="list-style-type: none"> ⊘ Accounts in the name of a corporation or partnership ⊘ Sweat Equity

SOURCE	DETAILS:
Savings Accounts or Chequing Accounts:	<ul style="list-style-type: none"> • 90 day Account History <ul style="list-style-type: none"> ○ Must include confirmation of account ownership (name/account number) ○ Any large deposits (\$10k or greater) require satisfactory explanation and verification of source to meet AML requirements.
Investment Accounts (Registered and Non-Registered): <ul style="list-style-type: none"> • <i>Be aware of Withholding Tax implications of RRSP withdrawals.</i> • <i>First Time Homebuyers <u>may</u> be exempt from taxation</i> 	<ul style="list-style-type: none"> • Recent statement showing account holder(s), account number, address, current balance and issue date greater than 90 days • Statement must indicate the investment is cashable
Sale of Existing Property:	<ul style="list-style-type: none"> • Copy of Purchase & Sale Agreement, including all waivers and amendments • Listing Agreement or the like outlining real estate fees (<i>otherwise, the default estimate of 6% will be factored into the calculation of the net proceeds of sale</i>)

	<ul style="list-style-type: none"> • <i>Copy of MLS</i> • Confirmation of Current Mortgages and balances via lender statements. Statement must confirm borrower(s), balance(s), and securing property address(s) OR <ul style="list-style-type: none"> ○ Statement of disbursement from the sale, current-dated trust ledger/ Statement of Adjustments from the solicitor.
<p>Income Tax Refund:</p>	<ul style="list-style-type: none"> • NOA showing the credit and confirmation of deposit to applicants bank account.
<p>Gifts:</p> <ul style="list-style-type: none"> • All or part of the down payment may be gifted from an immediate family member. <ul style="list-style-type: none"> ○ Defined by a spouse, parent, child, brother, sister, grandparent or guardian. ○ Must be a gift and not repayable. ○ Not eligible for the BFS ALT-A Program. 	<ul style="list-style-type: none"> • Signed and dated Gift Letter (see Mortgage Forms Section) <ul style="list-style-type: none"> ○ Confirmation of the funds deposited into the borrower’s account within a reasonable time prior to funding to allow any ‘bank holds’ placed on funds to clear. <ul style="list-style-type: none"> ▪ OR, a copy of the corresponding bank draft or certified cheque for gifted funds paid to the Realtor’s Trust Account as the deposit on the Offer to Purchase Contract OR given directly to the Solicitor. • Note: Any gifted funds from a foreign donor will require: <ul style="list-style-type: none"> ○ Copy of the Wire-Transfer confirming transferee, source account, date, amount, recipient, and destination account. <i>Additional documentation may be requested at the request of the Underwriter.</i>
<p>Foreign Funds (from Borrower’s Account):</p>	<ul style="list-style-type: none"> • SOURCE: <i>Proof of funds in foreign account via bank statements confirming a min. of 90-day history; indicating account holder(s) name, account number, balance and date.</i> • TRANSFER: <i>Copy of Wire-Transfer confirming transferee, source account, date, amount, recipient, and destination account.</i> • RECIPT: <i>Confirmation of deposit in Canadian Financial Institution destination account including account holder(s), account number, date and balance.</i>

Single Builder Advance New Home Construction

- If the builder deposit is made over 90 days prior to the initiation of the mortgage application, a 90 day history leading up to the deposit is not required and obtain one of the following:
 - Copy of cheque(s) with corresponding debits from bank account illustrating the cheque has cleared
 - Confirmation from the builder of deposit(s) received
 - Purchase and sale agreement outlining deposits due with corresponding cleared cheque(s) or bank statement illustrating cheques have cleared
- If the deposit is made less than 90 days prior to the initiation of the mortgage application standard down payment confirmation applies.

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