

<b>Qualifying Rates</b>	Fixed terms and all variable terms are qualified on the greater of the Bank of Canada 5 year benchmark rate or contract rate.
<b>Debt Servicing Ratios</b>	GDS & TDS = Maximum 39 & 44 Note: Debt service flexibilities are based on an assessment of the strength of the overall application.
<b>Consumer Credit</b>	For calculation of the monthly obligation, the greater of the actual minimum payment or 3% of the outstanding balance will be used for unsecured revolving credit (credit cards, LOC) and 0.65% of the outstanding balance for secured credit.
<b>Installment Loans &amp; Other Mortgages</b>	The installment payment must be included in the TDS with confirmation obtained from the credit bureau report or one of the following sources: 1. Cost of Borrowing 2. Approval Letter 3. Bank Statement 4. Loan Statement
<b>Condo Fees</b>	100% of the condo fees are to be disclosed on the initial application with 50% being used to calculate GDS and TDS. For non-subject rentals, please include 100% of the condo fees in the net rental work sheet.
<b>Heating Component</b>	The greater of \$100/month or \$0.75 per livable square footage (above grade) of subject property must be used to calculate the heating cost. For non-subject rental properties, the heating component may be excluded if it can be proven that the tenant bears its cost.
<b>Net Rental Income from Existing Non-Subject Rentals</b>	A net rental income analysis will be used to determine if there is a deficit or a surplus. For TDS, add surpluses to gross income or include deficits to the liabilities.
<b>Student Loans Not Yet in Repayment</b>	The greater of the contract payment indicated on the borrower's credit report or 1.5% of the outstanding balance must be used in the TDS.
<b>Support Payments (paid by the Borrower)</b>	If the Borrower is paying Child Support and/or Spousal Support it must be confirmed by way of a separation agreement, court order or spousal consent document outlining the terms of the separation. The monthly obligation will be added to the liabilities.

<b>TDS Formula</b>	$\frac{\text{PITH} + \text{other shelter costs} + \text{liabilities}}{\text{Gross Monthly Income}}$
<b>GDS Formula</b>	$\frac{\text{PITH} + \text{other shelter costs}}{\text{Gross Monthly Income}}$