

Program Overview



Alternative Lending Program for Residential Mortgages (ALT A)

What is an ALT A Mortgage?

Designed to meet the needs of borrowers who may not satisfy the conditions for traditional income verification, debt service, or credit history requirements. An ALT A mortgage is a residential, real-estate secured, first mortgage with features which may exceed the guidelines in place for prime conventional mortgages.

Overview

Referrals

Who can refer? Atlantic Canada-based mortgage brokers
Atlantic Canada-based credit unions

Property Eligibility

Property Types Single family dwelling
Semi-detached (1 unit only)
Rowhouse or Townhome (1 unit only)
Condominium

Ineligible Property Types Mini Homes
Modular Homes
Seasonal/Secondary Home
Progress Draw Construction
Rental Properties

Occupancy Owner occupied

Property location Urban centres in Atlantic Canada:

- Halifax, NS
- Moncton, NB
- Fredericton, NB
- Saint John, NB
- Charlottetown, PE
- St. John's, NL

Suburban centres in Atlantic Canada to be considered by exception only

Valuation of property Full appraisal by approved LSM appraiser

Mortgage Details

Mortgage Charge	First charge only
Eligible Mortgage Types	Purchase Refinance
Minimum mortgage amount	\$100,000
Maximum mortgage amount	\$750,000
Maximum LTV Ratio	80% for properties in urban centres 70% for properties in suburban centres by exception only
Maximum Amortization	35 years
Available Terms	1-3 year fixed
Rate Offer	Starting at Alt A
Rate Hold	120 days

Borrowing Requirements

Minimum Beacon Score	550
Maximum GDSR	55%
Maximum TDSR	55%
Previous bankruptcy	Maximum 70% LTV and re-established credit
Qualifying Rate	Contract rate + 200bps or the BOC 5-year benchmark rate, whichever is greater
Income Confirmation	2 years history. Self-employment (BFS) income accepted

For questions on ALT A mortgages, please reach out to the Residential Mortgages team at ismhalifax@aclsm.ca