

# ALTERNATIVE

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## REFI & CONTRIBUTORY INCOME



### Rue is refinancing her home for a debt consolidation.

Her two adult children, David and Serena, are currently living with Rue while they attend local universities in Ottawa and work parttime to help their mother with living expenses. Rue is separated and is benefiting from their contributions as her household income has reduced since her separation. David and Serena's driver's licenses were provided to confirm residency, along with pay stubs showing their respective incomes. David and Serena earn an approximate combined monthly income of \$2,300, however \$1,200 was used on the application.

Added reasonability for contributory income: David and Serena are in their 1<sup>st</sup> and 2<sup>nd</sup> year of university and are expected to earn similar (or higher income) throughout the rest of the term of the requested mortgage.

### DID YOU KNOW?

- You can use up to \$1,200/month in contributory income for immediate family members living in your household. Not required on application & no credit bureau is required either.

### APPROVAL DETAILS

- **Credit Score:** 725
- **LTV:** 80%
- **Amortization:** 30 years
- **GDS/TDS:** 38%/48%
- **Property:** 2-storey Detached Home in Ottawa, ON
- **Income:** Early Childhood Educator + contributory income from children (\$1,200/mo)

**Tip:** Be conscious of your property's living space to ensure it is suitable and reasonable for the contributor to be living as well.



**Contact your RVP to learn more!**

\* The examples herein are for illustrative purposes only and do not necessarily reflect the final terms and conditions of any mortgage obtained.