

Mortgage

MORTGAGES FOR **Self-Employed**

Self-employed individuals traditionally are scrutinized more fully when it comes time to qualify for a mortgage. Statistics show that self-employed income earners are a growing sector, making up more than twenty percent of the workforce in Canada today. This has given incentive to mortgage lenders to play a strong role in helping these self-employed people realize their mortgage dreams. These lenders understand the difficulties they face, especially when it comes to financing one of the biggest investments of all: a home.

Being self-employed has many rewards. One of the biggest, of course, is being able to write off many expenses to reduce taxable income. This is great at tax time, but trying to qualify for a mortgage through most chartered banks can become a

problem. One of the biggest reasons for this is that typically, most mortgage programs put a heavy emphasis on net annual income earned. Most self-employed people claim very little, so come mortgage time, income appears too low for the amount of mortgage most clients are looking for.

The programs for the self-employed have a great feature that is called the "No-Income Qualifier". What the No-Income Qualifier allows is a mortgage amount that is not qualified based on a client's net income. It is based on a combination of the property being purchased, credit, and proof of length of time of self-employment. This allows us as mortgage consultants to state the client's income based on realistic gross income numbers for the profession in which a client has his or her respective business, and

not just the reduced amount of annual income the client has claimed. This, of course, makes the client able to qualify for a property that previously seemed far out of reach. These programs, upon qualification, allow buyers to finance up to ninety percent of the purchase price at discount mortgage rates.

If you already own a home and wish to refinance to pay your way out debt, purchase another property, or make investments, you can refinance up to eighty-five percent of the appraised value of your home as well.

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