Mortgage Hub Canada

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FREE CHECKLIST

Self-Employed Mortgage Prep Checklist

Get your file ready before you apply, and work out the income a lender is likely to see.

1. A year or two before you buy

- [ ] Talk to your accountant about how much income you report. A bit more taxable income can mean a better rate for years.
- [ ] Keep business and personal bank accounts separate
- [ ] Pay any CRA balance owing. Many lenders and insured programs require it.
- [ ] Make sure your business is properly registered. Business licence or GST/HST registration.

2. Documents to gather

- [ ] T1 Generals for the last two years, including your Statement of Business Activities (T2125) if you're a sole proprietor
- [ ] Notices of Assessment for the last two years
- [ ] Proof you've been in business at least two years, such as a business licence or GST/HST registration
- [ ] If incorporated: Articles of Incorporation and two years of financial statements or T2 returns
- [ ] Recent business and personal bank statements
- [ ] A CRA statement showing no balance owing
- [ ] 90 days of statements showing your down payment

3. Estimate the income a lender may use

Total income, last year (line 15000)	
Total income, year before (line 15000)	
Two-year average	
Average × 1.15 (possible gross-up for sole proprietors)	

Some lenders, and CMHC guidelines, allow sole proprietor income to be grossed up by 15% or adjusted with add-backs. Not every lender does both, so your real number depends on the lender.

4. If your reported income is too low

- [ ] Insured stated income: at least two years in business, as little as 10% down (at least 5% from your own savings)
- [ ] Alternative (B) lenders: look beyond your tax return; usually a larger down payment and a higher rate
- [ ] Private lenders: short term, with a plan to move to a better lender

Questions? Book a free 15-minute call at **mortgagehubcanada.ca**, call **416-909-0560** or email **info@mortgagehubcanada.ca**.

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General information based on rules and lender programs as of November 2026. Programs change, and approval depends on the lender and your full application. O.A.C.