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DBRS Evaluates CMLS Financial Ltd.'s Primary Residential Mortgage Servicing as Good and Special Residential Mortgage Servicing as Adequate

Industry Group: Structured Finance

Sub-Industry: RMBS

Region: Canada

DBRS Limited (DBRS) assigned an evaluation of Good to the Primary Residential Mortgage Servicing and an evaluation of Adequate to the Special Residential Mortgage Servicing of CMLS Financial Ltd. (CMLS). The evaluations are based on a review of CMLS in the following areas: company and management; asset administration, reporting and customer service; default and loss management; technology; financial condition; controls and compliance; and outsourcing and sub-servicing arrangements. The evaluations may be taken as evidence of CMLS's satisfaction of DBRS's expectations to act as a third-party sub-servicer for residential mortgage-backed securities and may be relied on by third parties as such.

CMLS is a privately owned, Canadian-based originator, underwriter and servicer of residential and commercial mortgages with nearly \$20 billion (\$6.6 billion residential and \$13.4 billion commercial) in mortgages under administration as of December 31, 2017. Among the strengths of CMLS are its experienced senior management, the comfort of mortgage insurers with CMLS's servicing capacity, where 98% of its serviced portfolio is insured and no claim has ever been rejected by the mortgage insurers, and its strong control environment and audit program.

Notes:

All figures are in Canadian dollars unless otherwise noted.

The principal methodology is Operational Risk Assessments for Canadian Structured Finance, which can be found on dbrs.com under Methodologies.

For more information on this evaluation or on this industry, visit www.dbrs.com or contact us at info@dbrs.com.



Issuer	Debt Rated	Rating Action	Rating	Trend
CMLS Financial Ltd.	Primary Residential Mortgage Servicing	New Rating	Good	--
CMLS Financial Ltd.	Special Residential Mortgage Servicing	New Rating	Adequate	--

Contact Information

Paul Bretzlaff

Vice President, CDN ABS & Pension Funds
+1 416 597 7330
pbretzlaff@dbrs.com

Geetika Gupta

Vice President, CDN ABS & Pension Funds
+1 416 597 7324
ggupta@dbrs.com

Jamie Feehely

Managing Director, CDN Structured Finance - Global Structured Finance
+1 416 597 7312
jfeehely@dbrs.com

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