



Date of Release: April 12, 2019

DBRS Confirms CMLS Financial Ltd.'s Primary Residential Mortgage Servicing at Good and Special Residential Mortgage Servicing at Adequate

Industry Group: Structured Finance

Sub-Industry: RMBS

Region: Canada

DBRS Limited (DBRS) confirmed CMLS Financial Ltd.'s (CMLS) Primary Residential Mortgage Servicing at Good and Special Residential Mortgage Servicing at Adequate. 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 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 \$21.6 billion (\$7.2 billion residential and \$14.3 billion commercial) in mortgages under administration as of December 31, 2018. Among the strengths of CMLS are its experienced senior management; mortgage insurers' comfort with CMLS's servicing capacity, where 97% of its serviced portfolio is insured and no claim has ever been rejected by 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 & Criteria.

The rated entity or its related entities did participate in the rating process for this rating action. DBRS had access to the accounts and other relevant internal documents of the rated entity or its related entities in connection with this rating action.

The full report providing additional analytical detail is available by clicking on the link under Related Documents below or by contacting us at info@dbrs.com.

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Issuer	Debt Rated	Rating Action	Rating	Trend
CMLS Financial Ltd. (Svr)	Primary Residential Mortgage Servicing	Confirmed	Good	--
CMLS Financial Ltd. (Svr)	Special Residential Mortgage Servicing	Confirmed	Adequate	--

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