

"Schedule A" Broker Information Kit



TD Broker Services, the name you
can trust!

We are a national mortgage lender that is dedicated to service excellence. Our selection of competitively priced mortgage products are designed to help brokers develop mortgage solutions that address their clients' unique borrowing needs.





TD Broker Services,
the name you can trust.

Our Value Proposition

We are a national mortgage lender dedicated to service excellence. Our competitively-priced mortgage products are designed to help brokers develop mortgage solutions that address their clients' unique needs. We provide helpful, knowledgeable and professional Regional Sales Managers who work with brokers to help grow their business.

Why TD?

We are a recognizable brand, known by our professionalism and our award recognized service culture, that you and your client can trust. Our largest retail distribution network works convenient hours to serve you and your clients better.





TD Broker Services, Contact Points

Who do you call?

- Documentation is to be sent via email to tdpcbrk@td.com. Alternatively you may send documentation to the appropriate fax number as indicated on the Commitment. Please contact your Broker RSM if you have any questions.
- Appraisers must now send their report to TD.NASBroker@td.com.
- All files must be complete 10 business days to close to ensure a seamless closing transaction for you and our mutual customers.

TD Regional Sales Manager:

- Conditional on Financing (COF)
- General policy and product inquiries
- Rush requests

IMAC Team Manager:

- Service concern
- Decision appeal
- Document compliance appeal
- Communication delay with IMAC

IMAC Underwriter:

- Assistance with a credit application that has been submitted
- Concerns with the conditions/terms of approval
- Declined credit requests

IMAC Credit Assistant:

- Discuss a document status update



TD Broker Information Kit

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Referral Fee Program

Subject to Change

Mortgage Term	Broker Compensation
6 month convertible closed	55 BPS
1 year closed	55 BPS
2 year closed	55 BPS
3 year closed	65 BPS
4 year closed	70 BPS
5 year closed	80 BPS
6 year closed	85 BPS
7 year closed	85 BPS
10 year closed	110 BPS
1 year open	55 BPS
5 year Variable Interest Rate Mortgage (VIRM)	80 BPS Closed VIRM
4% CashBack on 5 year term	80 BPS
5% CashBack on 6 & 7 year term	85 BPS
5% CashBack on 10 year term	110 BPS

- **TD only pays on new money.**
- Please note that the fee structure has been established based on volumes to be generated for TD and will be **subject to review annually**
- It is TD's understanding that fees **are not charged** to customers in situations where TD pays a referral fee
- PLEASE NOTE: We do not have an auto rate drop policy at TD. In order to have the lower Broker rate apply, you must contact your underwriter via email to request the lower Broker Rate. If your customer is also looking for additional discretionary pricing, you must go to your RSM for approval. Should the customer wish to change the term or product within the 120 day commitment period, the interest rate will be the applicable rate at the time of the requested change.

Fees are not payable on:

- Commercial transactions, Consumer/Demand Loan Transactions, and Transactions where the applicant is a TD customer who has discussed mortgage financing with a TD Canada Trust branch prior to the date of the referral or purchase of the respective property
- In cases where the mortgage application carries over an existing mortgage contract into a new mortgage (Portability Plus), then fees are only payable on new monies added to the amount being ported
- For Closed VIRM Replacement Mortgages, compensation will be based **ONLY** on the **new money**.

Special Offers:

- Limited duration special offers are made available from time to time. Details of these offers and the applicable compensation are communicated via the Broker mortgage rate sheet.

Automated Property Valuation:

When APV is utilized, the cost (**\$99.00**) will be deducted from the mortgage advance.

General Compensation Information:

- Pay details are faxed or sent via Postal mail every Friday afternoon.
- Direct deposits to TD Bank accounts and other Financial Institution accounts will occur within 3 to 5 business days from the advance date.
- Monthly pay cheques are sent 3 to 5 business days after the end of the month.
- Contact td.brokers@td.com for any pay related questions. Please provide the TD reference or deal number in the email.

Contact Telephone Numbers:

- Local 416-983-3612 or Toll Free 1-888-233-1627
- Fax: 416-308-9674 or Toll Free 1-866-227-6268

Indirect Mortgage Adjudication Centre(s)

The Indirect Mortgage Adjudication Centre (IMAC) underwrites all deals received through the Broker channel. There are two IMACs across the country. Deals are routed to an IMAC based on the purchased property location.

IMAC	Hours: Monday to Friday from 8:00am to 8:00pm (Eastern) Phone: 1-877-443-4494 Location: Markham, Ontario
Quebec IMAC	Hours: Monday to Friday from 8:30am to 5:00pm (Eastern) Phone: 1-877-289-8038 Location: Montreal, Quebec

Automated Property Valuation (APV)

TD uses Automated Property Valuation ("APV") to assess the value of the property. If a property is not eligible for APV or APV does not return a valuation, the IMAC will condition an approved application with a requirement for a full property appraisal to be provided by the Brokerage.

Broker Benefits:	<ul style="list-style-type: none"> • Quicker approval turnaround with no condition of appraisal • Firm up your customer's deal quicker • Less work for the Broker who won't have to request an appraisal • Better potential of closing deals • Reduced appraisal costs • Improved relationship with customers increasing potential referral business
Customer Experience:	<ul style="list-style-type: none"> • APV fee is deducted from the customer's mortgage advance • Less intrusive for the customer who won't have to schedule an appointment time with the appraiser • Quicker turn around on commitment from TD • Reduced costs for property valuation
Tips for successful APV	<ul style="list-style-type: none"> • Proper address including postal code is critical • Actual property tax values should be used in the application • For refinance transactions ensure that the property value presented is reasonable • For refinance transactions, ensure the original purchase price and purchase date are provided with the application
Restrictions Exclusions	<ul style="list-style-type: none"> • Some types of applications and properties will continue to require a full appraisal, such as but not limited to: <ul style="list-style-type: none"> ▪ Properties with values greater than \$750,000 ▪ Mortgage amounts greater than \$600,000 ▪ Purchase and Refinance with improvements (no progress advance) ▪ Rental properties ▪ All New Immigrant and BFS applications ▪ Restricted properties ▪ Recreational properties ▪ Unique properties including Leasehold Tenure ▪ The property has more than 1 unit (multiple units) ▪ Leasehold mortgages ▪ Purchases with no MLS ▪ Private sales ▪ Power of sale ▪ Rural / non-urban properties where the 2nd digit of the postal code is '0' (e.g. L0S 2S4) ▪ Small Communities: When insurance requirement is waived as outlined under Sliding Scale or on an exception basis by your Credit Centre, regardless of LTV

TD “Know Your Customer” Guidelines

As part of the mortgage application process, TD’s minimum expectation is that all Customers have their identity verified and authenticated in a face-to-face meeting. Please inform the Customer adequately in this regard.

Primary Address Guidelines

- When recording a customer’s primary address, the use of a PO Box address as the primary address is not permitted. Acceptable primary addresses include:
 - A full residential address
 - A rural route number or the legal description of the property (e.g. North Quarter of SW4 18-22)
 - Names of Canadian Force Bases and Native Reservations
- PO Box address is only acceptable as an alternate mailing address.

Employment Information

- **For all credit applications, the employer name, full employee address (P.O. Box is not acceptable), and phone number at the place of employment are required for all borrowers.**
- The IMAC uses this information to confirm income and employment as disclosed.

Mortgagor/Guarantor Identification:

Customer identification verification and authentication must be done prior to releasing funds to the Mortgagor(s). Solicitor may contact the Mortgagor(s)/Guarantor(s) to ensure that they have the appropriate identification when signing the Mortgage. Solicitor may independently confirm that the address and telephone number he uses to contact the Mortgagor(s)/Guarantor(s) corresponds with the address and telephone number in the documentation provided to him by TD.

Identification Guidelines

- Each Mortgagor, Guarantor and, where applicable, Attorney under a Power of Attorney, or signing officer must present for examination:
 - Two original pieces of Primary Identification; **or**
 - One original piece of Primary Identification **and** one piece of original identification from the Secondary or Supplementary Identification lists; **or**
 - Two original pieces of Secondary Identification
- KYC/KYB information **must** be reviewed, updated and confirmed **each time a mortgage application is submitted**

No other form of identification is acceptable. All identification must be original, valid, legible, unexpired and not substantially damaged. Each Mortgagor, Guarantor and, where applicable, Attorney under a Power of Attorney, or signing officer is required to be physically present when you ascertain his or her identity. The list below provides an overview of acceptable identification requirements.

Primary Identification

- Canadian Driver's License
- Canadian or International Passport
- Certificate of Indian Status (must have photo and signature)
- Law Enforcement/Military ID Card (Canadian)
- Permanent Resident Card (Canadian)
- Canadian Government (Federal, Provincial, or Territorial) Issued ID Card (provincial or federal must include photo and signature)
- Canadian Citizenship Card (must have photo and signature)
- Naturalization Card or Certificate (must have photo and signature)
- USA Permanent Driver's License
- USA Passport Card
- NEXUS Card (photo and valid date required; issued by Canada or USA)
- Canadian Firearms License (valid date; only accept from 18 years of age or older)
- Canadian Provincial or Territorial Health Card (must have photo and signature)

Secondary Identification

- Card with Social Insurance Number
- Canadian Old Age Security Card
- Canadian Birth Certificate
- Canadian Visa (work/study) Card (accompanied by a valid passport)
- Canadian Citizenship & Immigration Form IMM 1000 or IMM 1442 (with individual's signature)
- Confirmation of Permanent Residence Form IMM 5292 (with individual's signature)
- Canadian Temporary Driver's License
- Canadian Citizenship Card (must have signature)
- Certificate of Indian Status (must have signature)
- Canadian Provincial or Territorial Health Card (must have signature)
- Naturalization Card or Certificate (must have signature)

Supplemental Identification

- USA Social Security Card
- Employee ID Card (photo required; signature optional)
- AMEX Credit Card (name must be embossed on card)
- MasterCard Credit Card (name must be embossed on card)
- Visa Credit Card (name must be embossed on card)
- Canadian Bank ID/ATM Card (includes TD Bank America's Most Convenient Bank Debit Cards)
- Canadian National Institute for the Blind (photo required)
- Bay/HBC Credit Card (name must be embossed on card)
- Sears Credit Card (name must be embossed on card)
- Canadian Tire Credit Card (name must be embossed on card)
- Gas Station Credit Card (name must be embossed on card)
- Canadian Student ID Card
- Canadian Library Card (accept from persons under the age of 19 only)

Enhanced Due Diligence (Personal Customers)

Certain personal relationships are high risk and require EDD due to the potential for money laundering or terrorist financing activity. Some customer(s) are identified as High Risk such as but not limited to the following: A Politically Exposed Foreign Person (PEFP) including prescribed family members of the PEFP such as,

- head of state or government;
- a member of the executive council of government or member of legislature;
- a deputy minister (or equivalent);
- an ambassador or an ambassador's attaché or counselor;
- a military officer with a rank of general or above;
- a president of a state-owned company or state-owned bank;
- a head of a government agency;
- a judge;
- a leader or president of a political party represented in a legislature;
- a spouse, common-law partner, child, step-child, parents, step-parents of the spouse or common-law partner of the PEFP and/or siblings, step siblings, half siblings of the PEFP.

In the event that a PEFP is **self-disclosed**, the Broker must include a note in the Comment section of the application.

IMPORTANT: Do not, under any circumstances, ask whether the customer is a PEFP or disclose to the customer that the credit application is being reviewed under EDD, this may amount to tipping which is an offence under the Anti-Money Laundering Regulations.

Red Flags

A 'red flag' is an indicator that helps to identify potential fraud, money laundering or terrorist financing. Financial transactions or patterns of customer activity where there are reasonable grounds to suspect that it is related to attempted money laundering and/or terrorist activity financing offence should be noted.

Prohibited Customers

Financial institutions, including TD, are prohibited from opening Accounts for the following customer types:

- Shell Banks;
- Customers whose identity cannot be collected or verified within the prescribed timeline and in accordance with the requirements of this Policy; and
- Sanctioned entities or individuals; Refer to the "Sanctions" policy

If a Broker comes across a customer on the prohibited list, add a note in the Comments section of the application to advise the Underwriter.

Privacy

Protecting the privacy and confidentiality of personal information is fundamental to the way we do business within TD Bank Group (TD). As acknowledged by you in the Broker Agreement with TD, you agree to treat any personal information provided to you by TD, potential mortgagors, mortgagors or brokerage as strictly confidential and in accordance with applicable privacy laws.

The TD Privacy Code informs individuals of the ways we help protect the privacy and confidentiality of their information. The Code applies to any person who is bound by TD's Privacy Agreement. This includes persons who have requested from us, or offered to provide a guarantee for, any product or service offered by us in Canada; and individuals carrying on business alone or in partnership with other individuals and signing officers of our business customers.

TD's Privacy Code describes the practices we have in place relating to the management of personal information at TD in Canada. The word "information" means personal, financial and other details that customers provide to us and we obtain from others within or outside our organization, including through the products and services customers use.

The Code consists of five key principles:

1. Collecting and using information
2. Releasing information
3. Protecting information
4. Providing information access and accuracy
5. Respecting and responding to privacy concerns

If you or your customers have questions, please refer to the [TD Privacy Code](#) available on our corporate website.

Third Party Determination

At the time of the mortgage account opening, it must be determined if the mortgage will be used for, or on behalf of a third party. A third party is defined as a person or business that is not named on the account but who would give directions to the account holder on how to deal with funds in the account. This does not include an individual who has formally been granted the authority to give instructions on the account, such as a power of attorney or estate representative or a signing officer of a business account.

When determining whether a third party is involved, it is not about who "owns" the money, but rather about who gives instructions to deal with the money. **Note:** A power of attorney and those authorized to provide instruction or direct activity (i.e., trading authority) are not considered third parties.

To help determine if an account is to be used for or on behalf of a third party, ask the customer:

"Will the account be used to transact on behalf of or for someone other than the account holder?"

If it's determined that the account is to be used for or on behalf of a third party, information about the third party is to be collected during the account opening process. Form #592018/9 must be completed and submitted to the IMAC.

If the customer responds 'Yes' to the third party determination question but does not have all of the third party's information available to complete the form, advise them that you will need the following information prior to funding:

- **Third party is a person:** Name, address, date of birth, occupation, relationship to account holder
- **Third party is a business:** Name, address, nature of business, relationship to account holder, Business Incorporation Number and place of issuance (if applicable).

If the customer responds 'Yes' to the third party determination question but is unable to or refuses to provide the mandatory third party information, the account **cannot** be opened.

Mandatory Third Party Requirements

Third party determination is required for:

- A beneficiary who is **not** an executor of an estate account, therefore not a signing officer for the estate
- All trustees of a Formal Inter-Vivos Trust (in Quebec only)

Exceptions to Third Party Requirements

Third party determination is **not** required for:

- An account that has a Power of Attorney. The POA allows the individual to act as the account holder.
- A Trust Account opened by a lawyer, an accountant, a notary, a licensed paralegal in Ontario, or a real estate broker/sales representative; and TD has reasonable grounds to believe that the account will be used only for clients of the lawyer, accountant, or real estate broker/sales representative.

TD Lending Policy Guidelines – Mortgages

This section presents an overview of the basic mortgage lending policies offered by TD through Broker Services. Detailed product and service offerings outlined in subsequent sections of the *Broker Information Kit* may contain specific exclusions or additional requirements.

Amendments to Mortgagor/Guarantor(s)

In the event that a change is required to a mortgagor/guarantor's name, or should there be an addition/removal/change after an application has been released from our IMAC to the funding unit, we will now require that the broker advise the IMAC directly. The broker must submit the change for amendment to the IMAC, who will approve the request. The file will then be corrected and resubmitted to our funding unit to prepare new documentation. The documents will be prepared with the new mortgagor/guarantor information and forwarded to the solicitor for closing. These types of changes may result in delays in mortgage funding.

Amortization

- 5 to 30 years
- Standard is 25 years
- Review the detailed policies below for eligibility criteria for amortizations greater than 25 years

Appraisals (excluding Quebec)

For TD approvals requiring an Appraisal Report:

- Appraisers/Appraisal Firms must e-mail their report in PDF format directly to TD National Appraisal Services (TD NAS) team at TD.NASBroker@td.com. Note: The contact details will be included in the approval.
- Appraisers must have a designation from either the Appraisal Institute of Canadian or the Canadian National Association of Real Estate Appraisers.
- If the original report was prepared for another Financial Institution, Appraisers/Appraisal Firms should forward a copy of the Appraisal Report along with a Letter of Transmittal.
- Appraisals and associated costs are paid by the broker/customer.

NOTE: Appraisals are valid for 90 days. A new appraisal must be conducted if the existing appraisal was conducted more than 90 days ago.

All conventional deals involving a private sale (including properties listed in the MLS without real estate agent representation) will require a full appraisal. For high ratio deals, the insurer will determine if an appraisal is required.

Determine if the real estate transaction is being conducted as a 'private sale' (i.e. without a real estate agent or broker) by reviewing the Purchase and Sale Agreement (PSA) and the MLS® listing.

- If the Realtor Information section is blank or contains the name of the seller in the PSA, **and** the MLS® listing contains a link to the seller's private website or comments such as 'Private sale/Seller reserves the right to sell', the credit application should be identified as 'Private' and a full appraisal will be required.

Bankruptcy Policy

Conventional Financing

TD will consider previous bankruptcies (one instance, not multiples) after 2 years of discharge for Owner-occupied Purchase for Conventional mortgage situations only (exclude Mortgage Refinance) provided the customer can satisfy all of the following conditions:

- The reason for the bankruptcy was an acceptable event (business failure or marital split) rather than mismanagement
- Bankruptcy must have been for a significant amount (more than \$50,000)
- Applicant has established verifiable savings
- Applicant has down payment and closing costs from own resources (not a gift)
- Applicants Credit Bureau Report(s), bank account operation, etc., since the bankruptcy are clean
- No TD debt was included in the prior bankruptcy
- Customer has been discharged from bankruptcy a minimum of 2 years to the date of application

High Ratio/Insured Mortgage Financing

In addition to the above conditions:

Applicant must have re-established some form of 'bank' credit (major credit card, bank loan, etc.)

Branches

- All mortgages are referred for servicing to a local TD Canada Trust branch upon funding
- Your customer can direct the loan to a specific branch on the commitment form, otherwise it is assigned based on postal code
- If the customer requests any changes to the mortgage after funding, refer them to the assigned branch
- It is recommended to make a local branch contact for further products and services the branch can offer (e.g. interim financing, consolidation loans)

Third Party and Broker Buydowns

- Buydowns of interest rates are only possible if the buydown fee is paid by the Broker or other third party. Effective May 30, 2014, a customer paid buydown is not permitted. **Note:** Eligible third parties include:
 - Customer's Employer
 - Canadian Military/RCMP/Government of Canada (Brookfield Relocation Services)
- **See current Broker Rate Sheet for information on buydown maximums**
- Broker to contact their RSM for approval to do the buydown
- Broker to contact their underwriter for buydown cost after RSM approval
- Buydown cost to be deducted from mortgage proceeds and net proceeds will be forwarded to solicitor (no other buydown cost payment arrangement will be accepted)
- For broker-initiated buydown requests, the Broker is responsible to reimburse their customer for the cost of the buy down.
- Third party and broker buydowns of interest rates are permitted, however the rate can only be bought down to a minimum 1%. In all cases the borrower must qualify for the mortgage under normal Gross Debt Service (GDS) and Total Debt Service (TDS) ratio requirement at current market rates.
- The third party buydown and broker buydown cannot be combined
- Buydowns are **not** available on Closed VIRM

Channel Protocol

There are several channels TD customers can use to obtain real estate secured credit. At times, requests are submitted by different channels for the same credit deal. It is up to the customer to choose which channel best suits their needs.

When submitting a new application, the Broker must ask if the customer has submitted any applications for the same subject property through another channel. If this is the case, and the customer decides to proceed with the Broker channel, the other channel **must** be contacted by the Broker RSM to discuss the proposed cancellation before the Broker initiates an application.

- If a branch deal requires cancellation, the Broker RSM should contact the Branch Manager or Manager of Financial Services (MFS).
- If a Mobile Mortgage Specialist (MMS) deal requires cancellation, the Broker RSM should contact the MMS Sales Manager.

Note: This policy **only applies to full applications** and not pre-approvals. **Prior to funding** the customer's preferred deal, any other applications will need to be cancelled.

If the first application was declined, the IMAC/adjudication centre will not alter the decision on any new application and must decline the new application. The only exceptions are where there is a significant material change in the information, i.e. increased income verified, additional applicant, etc. The authority to alter the original decision lies with the IMAC/adjudication centre, with the objective of preserving the integrity of the decisioning process.

We do not have 'first in' policy. Our ultimate goal is to ensure a comfortable banking experience for the borrower and to ensure a fair and equitable conflict resolution process for our referral sources. It is up to the customer who they would like to close their deal with.

If a commitment has been provided to a mortgage broker and the customer chooses to proceed with another TD channel, the broker fees **may be** protected as a rare one-off exception, depending on the circumstances.

Cost of Borrowing

COB regulations require lenders to disclose to borrowers all costs charged by a lender. Key information that must be disclosed in writing, BEFORE customers enter a borrowing agreement, includes non-interest costs, interest rates, the date when interest accrues/grace period, fees and borrowers' rights (such as pre-payment rights)

Failure to disclose the required Cost of Borrowing information is a violation of the Bank Act (Cost of Borrowing Regulations) which can result in financial penalties and publication of the violation.

Note: Details of COB will be provided to customers when they sign the TD Canada Trust Commitment Letter at the branch.

Co-Applicants, Guarantors & Spousal Consent

Mortgages

ALL parties on title **MUST** sign both the Mortgage Loan Agreement and the mortgage charge as mortgagors.

- Additional guarantor(s) who are not on title are permitted.
- The additional guarantor(s) must sign the Mortgage Loan Agreement and the mortgage charge as a guarantor(s).
- In Alberta, guarantors must also sign a Guarantor's Acknowledgement

If one spouse is NOT on title and only the spouse on title wants access to the funds:

- The application is adjudicated in the name of the spouse on title who wants access to the funds (with the exception of Newfoundland, see note below).
- Only the spouse on title who wants access to the funds signs the Mortgage Loan Agreement
- The spouse not on title must sign the collateral mortgage as consenting spouse.
 - In BC, if spousal consent is deemed necessary, the spouse not on title must sign a 'Spousal Consent Letter' and does not sign the collateral mortgage as consenting spouse.

Note: For the province of Newfoundland, in a matrimonial home situation a spouse NOT on title must sign our charge as mortgagor due to provincial legislation. The Consenting Spouse provision is not recognized. Hence, both spouses will need to apply and sign the credit application. No exception can be made.

Independent Legal Advice (ILA) MUST be obtained for the spouse who does not want access or benefit from the funds.

CMHC/Genworth Insurance Disclosure

Canadian government regulations require federally regulated mortgage lenders, including TD, to provide disclosure statements to mortgage customers explaining their mortgage default insurance and to publically display general information on this topic. We cannot lend more than 80% of the value of a residential property unless the borrower obtains mortgage default insurance which helps protect TD from defaults and enables qualified borrowers to purchase homes with smaller down payments. It is important for customers to understand how the default insurance premiums are calculated and charged by the mortgage insurer, either Canada Mortgage and Housing Corporation (CMHC) or Genworth. Borrowers have the choice of paying the default insurance premium up front or adding it to the mortgage balance. Customers who are paying default insurance premiums will be required to sign a disclosure as part of the Mortgage Fulfillment package.

Debt Servicing

GDS	<p>Includes property taxes, annual heating costs (plus where applicable, 50% of condo common element fees or 100% of land lease payments)</p> <p>Maximum GDS Ratio</p> <ul style="list-style-type: none">• 35% where beacon score is less than 680• Up to 39% where beacon score is 680 or greater
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TDS	<p>Includes all GDS elements plus carry costs for all other debt obligations (loans, credit cards, leases, etc.)</p> <p>Maximum TDS Ratio</p> <ul style="list-style-type: none">• 42% where beacon score is less than 680• Up to 44% where beacon score is 680 or greater
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Income Confirmation

Reasonability

As part of the credit application process, it's important to ask customers the right questions in order to validate that the income declared by the customer is legitimate and acceptable in relation to the overall customer profile and is sustainable to service the debt.

Rental Income

- A maximum of 50% of gross income from rental properties (max. 4 units) can be used for qualifying purposes

Business For Self

Must demonstrate 3 full years of successful operation. Use declared 'personal' income reported on Line 150 of the Income Tax Return / Notice of Tax Assessment.

Example: Customer claims they made \$50,000 last year. Notice of Tax Assessment Line 150 shows a declared personal income of only \$20,000. This amount will be used to qualify for credit.

Customers who are self-employed / Business for Self may use the following to verify income:

- Average of Tax Assessment from most recent two taxation years. If customer is unable to provide their Notice of Assessments, TD will accept a copy from Revenue Canada.
- Financial statements only if specifically requested by the IMAC.

Eligible Gross Up

- BFS borrowers are eligible to gross-up the 2 year average income from Line 150 on the Notice of Assessment by: Up to 15% with maximum 80% LTV
- Up to 20% with maximum 75% LTV, minimum beacon score of 650
- Greater than 20% will be considered up to 75% LTV, subject to income reasonability
 - Minimum beacon score of 730 when LTV > 65%
 - T1 tax returns, business financials and other supporting documentation maybe required to support income reasonability
- Sole proprietorships, partnerships, and self-employed owners of a small limited or incorporated company (no more than 2-4 shareholders) are eligible for gross up of income within the conventional BFS policy.

Salaried/Hourly

To demonstrate the necessary stability of employment, borrowers should have been continuously employed by their current employer for at least one year and not currently on probation.

Sources:

- Current employment letter (dated within 60 days)
- Current pay stubs (dated within 60 days)
- Direct Deposit (two months activity)

Average income of the most recent 2 months direct deposit income can be used where there is no greater than a 5% fluctuation between the highest and the lowest pay in that time period.

Pension Income

T4 slips can be accepted as supporting income confirmation for customers with Canadian Pension Plan (CPP) & Old Age Security (OAS) direct deposits. **T4 slips are not acceptable** as supporting income confirmation for any other type of income.

Spousal/Child Support

Either of the following is acceptable:

- Most recent T1 General/Tax Return to confirm the support payment is declared as income, supported by the most recent NOA.
- A 2 month history of direct deposits showing regular support payments and a copy of the formal separation agreement.

If the customer has disclosed that they are required to pay child or spousal support this must be included as part of their liabilities and considered in the TDS calculation.

Fluctuating/Irregular

Customers with fluctuating or irregular income but are not self-employed include those who earn income from:

- Commissions
- Bonuses
- Profit Sharing
- Investment
- Employed by Family
- Other (i.e. overtime, gratuities, seasonal, shift premiums)

Fluctuating/ Irregular income customers may use the income average of tax assessment from most recent two taxation years. Where there is a change year over year,

- Average income of the 2 most recent years to be used.
- Use the **lower** of the two years if the most recent NOA is lower than the two-year average by more than 20%.
- Where the income (the lower of the 2 years) is not reflective of the average income, an exception can be requested. A detailed explanation and a full income review (income history, tax returns, etc.) will be required.

The NOA must be reviewed to determine if any income taxes are owed. The customer must pay any amounts outstanding or provide proof that they have previously been paid prior to funding the application as a condition of credit unless the Credit Centre has made an exception to this condition. **Note:** Quebec residents are required to provide a Federal **and** Revenue Quebec NOA, Both documents must be obtained to determine total income taxes owed.

Notice of Assessment from the most recent 2 years must be supported by a current Letter of Employment, Direct Deposit or Pay Stub which confirms the applicant is currently employed.

Note: If customer is unable to provide their Notice of Assessments, TD will accept a copy, which provides a recap of the income tax return submitted by your customer(s). The customer can obtain this form directly from Revenue Canada.

Non-Taxable Income

Common Types of Eligible Non-Taxable Income

Workers Compensation Payments (WSIB).
Non-Taxable Pension Income (e.g. Guaranteed Income Supplement).
Disability Income, provided by either private or government and guaranteed for the life of the applicant.

Notes:

- Allowances or Expense Reimbursements should not be considered as Non-Taxable Income as the employee incurs additional expenses that offset this type of income.
- Sources of taxable income are:
 - Canada Pension Plan
 - Old Age Security

Grossing up Non Taxable Income

Eligible non-taxable income can be grossed-up for the purposes of calculating GDS/TDS ratios, based on the two-tier gross up approach. Borrowers with non-taxable income:

- less than \$30,000 are eligible to have their non-taxable income grossed-up by 25%
- of \$30,000 or more are eligible to have their non-taxable income grossed-up by 35%

Calculation: Borrower(s) Non-Taxable Income X Gross-up Factor = Grossed-up Income

Example 1: Non-Taxable Income = \$25,000 and Gross-up Factor = 25%

- $\$25,000 \times 1.25 = \$31,250$ Total Grossed-up Income

Example 2: Non-Taxable Income = \$35,000 and Gross-up Factor = 35%

- $\$35,000 \times 1.35 = \$47,250$ Total Grossed-up Income

Example 3: Non-Taxable Income = \$25,000, Taxable Income = \$50,000 and Gross-up Factor = 25%

- $[(\$25,000 \times 1.25) = \$31,250] + \$50,000 = \$81,250$ Total Gross Income

Credit Centre approval not required to use non-taxable income; however, confirmation received must be from an eligible source.

Laneway Homes (Under Appraisal Policy)

The Appraisal Policy for mortgages includes the attributive value of laneway homes. Laneway homes, also referred to as 'Coach' or 'Carriage' homes, are separate units typically situated in a backyard and built above or in the space reserved for a detached garage with an entrance via a laneway.

To be eligible for valuation under the Appraisal Policy, a laneway home must meet **ALL** of the following criteria:

1. Must be self-contained, i.e. have a functional bathroom and kitchen;
2. Must be located above or in the space reserved for a detached garage only, with an entrance via a laneway (no other outbuildings);
3. Must be a minimum 350 square feet, and must not be the largest structure on the property.

Important: Brokers must include "**Property includes laneway home**" in the 'Comments'. For properties that include a laneway home, a full appraisal must be ordered to ensure the full property value is assessed.

Leased Land

- TD will consider financing residential **owner-occupied** real estate located on leased land on an exception basis
- Non-residents are eligible for leased land financing.
- Financing can be a fixed rate mortgage up to 95% LTV or a Closed VIRM up to 90% LTV
- Standard pricing applies on conventional security
- A full appraisal is required in all cases
- Land lease payments must be included in GDS
- Financing on leased land is not available in Quebec.

Criteria:

The lease must be reviewed and found to be satisfactory:

- Must be in favour of the borrower
- Must be signed by the landlord
- Must be assignable to TD
- No restrictions as to the registration of the Assignment of Lease on title
- The term of the lease must exceed amortization of the mortgage by a minimum of 5 years (e.g. if the term of the lease is 20 years the maximum amortization of the mortgage cannot exceed 15 years)
- Cannot be subject to re-negotiation at the landlord's discretion prior to the expiry of the original term
- Generally must be a Crown or Government lease
- No restrictions as to TD's access to the property
- No restrictions or limitations on the re-sale of the property (i.e. purchase price or type of purchaser)

Minimum Mortgage Amount

- New mortgages need to be setup for a minimum amount of \$20,000.

Minimum Purchase Price (Applicable to Condominiums only)

Ontario: \$100,000

Alberta/BC/Quebec: \$90,000

Atlantic/Manitoba/Saskatchewan: \$80,000

Mortgage Loan Agreement

TD Mortgages are registered with a collateral charge instead of a conventional charge. Customers must sign a Mortgage Loan Agreement.

Customers may under many circumstances choose to register their collateral charge for more than the approved principal amount of the mortgage, up to 125% of the property value. This will allow them to borrow additional funds in the future without having to re-register the charge eliminating any Solicitor /In-House Registration fees (note: compensation costs are still applicable).

The Mortgage Loan Agreement secured by a collateral charge must be in first position only and is not available for the following mortgages :

- Assignments (transfer in) of conventional charge mortgages
-

If your customer would like to increase their TD Mortgage registered with a collateral charge, and they have a subsequent TD HELOC charge registered on title, they can do so without incurring legal fees:

- Comments to the Underwriter should specify that the customer would like to 'reuse' their collateral charge.
- A new credit application and approval are required, including an evaluation of the property value.
- The new credit amount cannot exceed the amount of the existing collateral charge.
- There can be no changes to title of the property since the time of registration of the collateral charge.
- This does not apply to customers in the Yukon.

If the subsequent charge is anything other than a TD HELOC, the customer must register a new charge and incur associated legal fees.

NHA Loans – High Ratio Loans

National Housing Act (NHA) loans are insured by Canada Mortgage and Housing Corporation (CMHC) or Genworth for the following:

- Up to 95% financing available for Purchase or Purchase-Plus-Improvement, owner occupied properties with 1-2 units
- Up to 80% re-financing available for owner occupied properties with 1-2 units
- Up to 90% financing available for Purchase or Purchase-Plus-Improvement, owner occupied properties with 3-4 units
- Up to 80% re-financing available for owner occupied properties with 3-4 units

Note: **Purchase price / lending value must be less than \$1 million.** A home phone number must be provided for Insured deals.

Standard* Insurance Premiums

Low Ratio – Amortizations greater than 25 years (Genworth only)

Loan to Value (LTV)	25+ Year Amortization
Up to 65%	0.60%
65.01% - 75%	0.75%
75.01% – 80%	1.25%

High Ratio – Amortizations of up to 25 years (both CMHC and Genworth)

Loan to Value (LTV)	25 Year Amortization
80.01% - 85%	1.80%
85.01% - 90%	2.40%
90.01% - 95%	3.15%

*Premiums are subject to change. Premiums may differ based on specific policy or product.

Top-Up Premium	<p>For refinances or purchases where porting a premium, the customer will pay the lesser of the top-up premium or the full homeownership premium. Refer to Insurer guidelines for complete details: www.cmhc.ca or www.genworth.ca</p> <table border="1" data-bbox="472 300 992 512"> <thead> <tr> <th>Loan to Value (LTV)</th> <th>25 Year Amortization</th> </tr> </thead> <tbody> <tr> <td>Up to 65%</td> <td>0.60%</td> </tr> <tr> <td>65.01% - 75%</td> <td>2.60%</td> </tr> <tr> <td>75.01% – 80%</td> <td>3.15%</td> </tr> <tr> <td>80.01% - 85%</td> <td>4.00%</td> </tr> <tr> <td>85.01% - 90%</td> <td>4.90%</td> </tr> <tr> <td>90.01% - 95%</td> <td>4.90%</td> </tr> </tbody> </table>	Loan to Value (LTV)	25 Year Amortization	Up to 65%	0.60%	65.01% - 75%	2.60%	75.01% – 80%	3.15%	80.01% - 85%	4.00%	85.01% - 90%	4.90%	90.01% - 95%	4.90%
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Minimum Down Payment	<ul style="list-style-type: none"> ▪ The minimum down payment is 5% from applicant's own resources without recourse to additional borrowing 														
Term	<ul style="list-style-type: none"> ▪ Terms are 6 months and 1 year open, 1,2,3,4,5,6,7, or 10 years closed, closed VIRM 														
Refinancing Limits	<p>Maximum LTV: 80% Maximum increase/additional funds: \$200,000 Minimum increase/additional funds: \$20,000</p>														
<p>When determining a borrower's eligibility for the loan in terms of Gross Debt Service (GDS) and Total Debt Service (TDS) ratios: Insured Mortgages</p> <ul style="list-style-type: none"> ▪ If the term is less than 5 years, or if the mortgage is a closed VIRM, the greater of the 5-year Bank of Canada Benchmark rate or the customer rate (inclusive of discretion) will be used as the qualifying rate. ▪ If the term is 5 years or greater, the actual customer rate (inclusive of discretion) will be used as the qualifying rate. ▪ Refer to the "Qualifying Rate" section for further details. ▪ Additional terms and conditions may apply for insured refinance requests, as determined by the underwriter 															
Payment Frequency															
<ul style="list-style-type: none"> ▪ Customers can choose between a weekly, bi-weekly, semi-monthly or monthly payment schedule ▪ Increasing the payment frequency can reduce the interest cost over the life of the mortgage 															

Power of Attorney

- TD requires customers to sign documents and authorize transactions in person.
- The direct involvement of the customer means that they obtain first-hand information regarding the transaction and obtain, where appropriate, legal advice as to their obligations and rights.
- The use of a Power of Attorney is always treated as an exception; authority to grant exceptions is reserved to the Credit Centres only.
- An external solicitor is required for all requests to provide a legal opinion on the validity and enforceability of the POA. The solicitor is required to comply with provincial requirements regarding the registering of the mortgage under Power of Attorney as applicable and obtain Title Insurance. In-House is not permitted when financing under POA, no exceptions. Requests from the Broker channel will only be accepted where the donor and attorney are existing TD customers.
- When we do accept the use of a Power of Attorney we should always be able to demonstrate that the transaction benefited the donor/customer.
- TD requires a minimum of 7 business days from time of receipt of Power of Attorney documentation for approval.
- Transfers-in (assignments) and In-House Registration (IHR) deals are not permitted.

Here are the key requirements that must be satisfied in order to establish a Power of Attorney:

- Nature of financing request (mortgage purchase; refinance; transfer; or HELOC purchase or refinance)
- Amount of request and closing date
- Declared or proposed title/ownership of the property
- Confirmation that the transaction is being completed by an external lawyer and the lawyer's name
- Relationship between the donor and attorney
- Circumstance as to why POA usage is required
- Does the donor have personal knowledge of this transaction? What is the nature of the donor's involvement?
- Banking relationships (institution and account/branch #) for the donor and attorney
 - Both the donor and the attorney must be TD customers

Prepayment Options

- Customers have the ability to prepay up to 15% of the original principal amount of the mortgage without charge each calendar year, in amounts as low as \$100
- In addition, the mortgage payment can be increased by up to a maximum of 100% over the term of the mortgage
- If it is too difficult for the customer to maintain the higher payment, it can be decreased to the original mortgage payment amount

The following verbiage regarding prepayment options is included in the Mortgage Loan Agreement that the customer signs:

Prepayment: If not in default, the Applicant(s) may, during the initial Term:

- (a) At any time, prepay up to 15% of the original Amount (but not less than \$100), each calendar year without charge. This prepayment privilege is not cumulative from year to year.
- (b) Once each calendar year, on any regular mortgage payment date, on written notice, increase the amount of their regular installment payment of principal and interest, without charge, provided that the total of all such increases does not exceed 100% of the regular installment payment of principal and interest.
- (c) On any regular mortgage payment date, prepay any part of the Amount then outstanding or prepay the Amount outstanding in full, on payment of an amount equal to the greater of the two amounts described below. If the mortgage is prepaid in full, the Applicant(s) must also pay a reinvestment fee of \$300.00. For full payouts, the 15% annual prepayment privilege is not taken into consideration for calculations of the prepayment charges. Prepayment charges are calculated on the outstanding balance as of the transaction date.
The prepayment privilege in subsection (c) above will not be taken into account in calculating the Three Months' Interest Cost or the Interest Rate Differential Amount.
- (i) Three Months' Interest Costs: This means an amount equal to three (3) months' interest at the Interest Rate chargeable under the Mortgage, on the amount you prepay; or
- (ii) The Interest Rate Differential Amount: This means an amount of interest, calculated at an interest rate equal to the Interest Rate Differential, on the amount prepaid, for the remaining term of the mortgage. The Interest Rate Differential is the difference between (A) the interest Rate chargeable under the mortgage and (B) the current interest rate for a Similar Mortgage. A Similar Mortgage is a mortgage offered by TD which has a fixed interest rate and a closed term that is closest to the remaining term of the mortgage. The interest rate for a Similar Mortgage is TD's non-discounted posted rate less any rate reduction or discount received by the Applicant(s) under the mortgage, and is determined on the earlier of the date of the prepayment or the date of issuance of a valid official statement for discharge purposes.

Product Availability

Eligible Products

- Fixed Rate Mortgages
- Closed Variable Interest Rate Mortgages

Product Changes

- A minimum of 5 business days are required for product changes. This is particularly important on high ratio deals where the application has to go back to the insurer for approval.
- Changes that **require a new Broker Commitment to be printed/signed** include, but are not limited to:
 - Any resubmitted application that generates a new approval
 - A change in the mortgage amount
 - A rate increase
 - Changes to the source of down payment
 - Postal code changes
 - Property dwelling type
 - Property usage (i.e. second home to rental)
 - Amortization
 - Debts to be paid
 - Closing date that impacts the IAD date and maturity date
 - Change from Insured to Conventional (or vice versa)
 - Change in property value
 - Change in security address
 - Change in applicants or applicant's name
 - Change in income disclosure (i.e. salaried to BFS)
 - All changes that impact the Cost of Borrowing or Conditions of Approval

Note: While a new Commitment should be signed whenever possible, a decrease in interest rate or a closing date change that moves the closing date forward without going into the next month (interest adjustment date does not change), will be accepted without a new Commitment.

Property Criteria

Basic Criteria

- Residential properties with reasonable ground floor area and concrete foundations
- Pressure treated wood foundations are also acceptable and do not require CMHC/Genworth approval
- The housing unit should be representative of the standard normally found in the community
- When properties are constructed using Insulbrick, conventional financing will only be considered when the Insulbrick does not exceed 10% of the total construction. All other aspects of the property should meet Prime Residential Guidelines and the construction should be representative of the standards normally found in the community. Where the Insulbrick exceeds 10% of the total construction, CMHC/Genworth insurance is required
- Properties may be fully serviced with municipal water and sanitary sewers, well and septic tanks, or a combination of both
- The property must be properly designed and in adequate physical condition to be livable for the full duration of the mortgage
- Maximum amortization must be 5 years less than the remaining economic life.
- There should be some amenities in the area such as bus service, schools, and shopping that will assure buyer interest in a resale situation
- Property may contain up to 4 units, one of which must be owner-occupied
- **NOTE:** For non-owner occupied properties with up to 4 units refer to *Rental Properties up to 4 Units*.

Rural

- Rural properties (normally small acreages- 10 acres) will be considered providing they are not farming operations and the applicant's main income is not derived from the property. Only one house and 10 acres will be included in the valuation. Out buildings will not be considered, this would include a separate garage. This policy applies to both conventional and insured deals.
- When processing a mortgage application for a non urban rural property that exceeds 5 acres, you must:
 - Include "house + up to 10 acres" in the 'Comment' field when submitting your deal; otherwise only "house + up to 5 acres" will be evaluated.
 - Order a full appraisal

Property Taxes

All insured mortgages require that TD Bank pay the taxes until there is at least 20% equity established in the property. For conventional mortgages, customers may elect to pay their own taxes or have TD Bank make the payments on their behalf. If TD Bank receives a notice of arrears in property tax payments, TD will take over payment of the taxes

Taxes are collected as part of the regular payment being debited to the customer's accounts. The estimated annual taxes are apportioned based on the frequency of the mortgage payments.

Purchase/Refinance Plus Improvements

The Purchase with Improvements and Refinance with Improvements product provides home buyers/owners with the opportunity to make improvements to their home and allows the homeowner to borrow against the increased value of the property.

This policy addresses purchase and refinance situations when improvements are made to the property that increase the market value. Note that the cost of improvements (increase in market value) are limited to the lesser of:

- 10% of the Improved Value, or
- \$40,000

Mandatory: An outside solicitor must be retained by the customer. In-House Registration Program is not available for this product. Provincial builder lien holdback is applicable for the Improvement Draw, and will be held back by the Solicitor/Notary.

Important: Purchase/Refinance With Improvements requests are processed in 2 advances. Confirm that the customer is aware that they will not have access to all funds on the date of closing and that they will be required to make full principal and interest payments once the first advance is completed.

Improved Value	<p>The Improved Value is the market value of the property after completion of the improvements that increase the value of the property.</p> <p>Important: Not all improvements increase a property's value.</p>
Eligibility	<ul style="list-style-type: none"> • Closed Fixed rate mortgages • Closed VIRMs are available only after the mortgage is completely advanced. If a customer requests a closed VIRM initiate the application as a 1-year closed fixed rate mortgage. Once the second (final) advance has been completed, the customer can early renew into a closed VIRM. The branch can contact the CAS to waive the compensation charge, however, the branch must process the early renewal; the CAS is not responsible for this process. • Port to purchase/refinance plus improvements permitted provided the deal closes within 120 days • Owner-occupied condos. Note that not all improvements increase a property's value especially in a condo, where improvements may be cosmetic in nature. • Max 4 units, where at least one unit is Owner Occupied Principal Residence • The value of the improvements must not exceed the lesser of: <ul style="list-style-type: none"> ○ 10% of the 'improved' market value of the property, or ○ \$40,000 <p>Note: Any application over this limit will be declined.</p> <ul style="list-style-type: none"> ▪ LTV is based on the improved value of the property. ▪ Maximum LTV: <ul style="list-style-type: none"> ○ Purchase 95% (1 & 2 unit properties) ○ Purchase 90% (3 & 4 unit properties) ○ Refinance 80% ▪ Maximum amortization of 25 years if LTV > 80% ▪ If LTV > 80%, purchase price / lending value must be less than \$1 million.
Restrictions	<p>Not available for rental/investment properties, vacation or cottage properties.</p> <p>Cashback option with any fixed rate term is NOT permitted for Purchase/Refinance Plus Improvement.</p> <p>Note: If a customer requests a closed VIRM (Insured Closed VIRM not available until at least 6 months on repayment), initiate the deal as a 1-year closed fixed rate mortgage. Once the second (final) advance has been completed, the customer can early-renew into a Closed VIRM. Contact CAS to waive the compensation charge. The branch must process the early renewal; the CAS is not responsible for this process.</p> <p>In-House Registration Program cannot be used for this product.</p> <p>Reusing a collateral charge is not available for this product.</p>
Documentation Required for Improvement	<p>Obtain a list of improvements along with contractor cost estimates, quotes, invoices to support improvements. Paid invoices are required for the second draw/advance to ensure all work has been completed as agreed upon at the application. We do not advance funds prior to the renovation/improvement being completed.</p> <p>Customers will be required to complete a Customer Declaration with their solicitor when the improvements are complete and before the final draw will be processed. This Declaration will need to be forwarded to the CAS by the solicitor before the second (final) draw will be released.</p> <p>If Sweat Equity (owner labour) is requested, a reasonable estimate based on applicant's skills must be submitted to your credit centre. Amount must not exceed 50% of minimum equity requirement of the Improvement, to a maximum of \$25,000 for conventional requests. Must be supported by 2 competitive quotations.</p>

Appraisals	<ul style="list-style-type: none"> • Full appraisal required for all conventional requests • Broker appraisal must include the following: <ul style="list-style-type: none"> ○ Appraised value will include improvements (improved value) ○ Appraiser will review contractor cost estimates, quotes, invoices ○ If the appraised value came back lower than the estimated improved value, the 'cost of improvement' must be adjusted accordingly ○ The 2nd draw is based on the 'cost of improvement' amount and must be disclosed accurately in the agreements. <p>Note: Inspection for 2nd draw is usually not required, however, IMAC may require inspection where deemed necessary.</p>
Advances	<p>First advance will be up to 95% (based on approved LTV request) of the improved value of the property minus the cost of improvement</p> <p>The second draw/advance (cost of improvement) will be held back by the Credit Administration Services (CAS) unit and released upon the request of your customers' solicitor/notary in writing. It is conditional on the completion of the renovation/improvement and confirmed via a signed Customer Confirmation with paid invoices. Note: Interest will not be charged until the draw is requested by the customer's solicitor/notary.</p> <p>Example:</p> <p>Step 1: Total Mortgage on "as-improved" value: (\$430,000 x 95%) = \$408,500</p> <p>Step 2: Initial advance for purchase: \$408,500 - \$35,000 = \$373,500</p> <p>Step 3: Funds available to be dispersed for improvements: \$35,000 (cost of improvement)</p>
Purchase Incentives	
<p>Real Estate vendors will often offer incentives to encourage prospective homebuyers to purchase a property. These incentives either:</p> <ul style="list-style-type: none"> • Contribute to the value of the property, an example being upgrades to the property. • Does not contribute to the value of the property, examples include vendor cash backs, waiving mortgage payments, rate buydowns, vacations, new cars, decorating allowance, etc. <p>Where a purchase incentive does not contribute to the value of the property, the value of the incentive must be deducted from the purchase price to avoid inflated property values.</p> <p>This applies to conventional and high ratio mortgages.</p> <p>Important: A purchase incentive is not an eligible source of down payment.</p>	
Purposes	
Eligible Loan Purposes	<ul style="list-style-type: none"> ▪ Purchase ▪ Purchase + Improvements ▪ Refinance ▪ Energy Efficient Home Product

Qualifying Rate

TD systems will determine the correct interest rate to use for qualifying purposes as follows:

Conventional Mortgages

- For Fixed Rate Mortgages with a term less than 5 years and closed Variable Interest Rate Mortgages, applications will be adjudicated based on the greater of the Bank of Canada 5 year benchmark rate or the actual customer rate (TD posted rate inclusive of any discretion).
- For Fixed Rate Mortgages with a term equal to or greater than 5 years, applications will be adjudicated based on the actual customer rate (TD posted rate inclusive of any discretion).

Insured Mortgages

- If the term is less than 5 years, or if the mortgage is a closed VIRM, the greater of the 5-year Bank of Canada Benchmark rate* or the customer rate (inclusive of discretion) will be used as the qualifying rate.
- If the term is 5 years or greater, the actual customer rate (inclusive of discretion) will be used as the qualifying rate.

Note: The Bank of Canada Benchmark Rate is defined as the Chartered Bank - Conventional Mortgage 5 year Mortgage rate, published by the Bank of Canada each Monday, and can be found on the [Bank of Canada website](#).

Rate Hold Policy

- Rate Hold will be valid for a period up to 120 days

Customer receives the *lower* of:

- The committed interest rate, inclusive of any discretion, OR
- The posted rate on the funding date, exclusive of any discretion, on the date of funding. If interest rates have decreased prior to the funding date and broker has NOT requested a decrease, the committed rate or the lower of the new-posted rate will apply.

PLEASE NOTE: We do not have an auto rate drop policy at TD. In order to have the lower Broker rate apply, you must contact your underwriter via email to request the lower Broker Rate. If your customer is also looking for additional discretionary pricing, you must go to your RSM for approval. Requests for rate drops will not be accepted if received any later than 3 days before the mortgage closes. Should the customer wish to change the term or product within the 120 day commitment period, the interest rate will be the applicable rate at the time of the requested change.

Broker can request the discretion on the lower posted rate prior to funding. Broker must contact assigned underwriter at respective IMAC unit via e-mail in order to apply the discretion on the lower posted rate.

Pre-approvals for Property Purchases

- The pre-approval rate can be provided for purchases only not refinances
- Rate drop requests will not be accepted for a pre-approval. A rate drop request will be accepted after the deal becomes live and the rate has decreased.
- Exception pricing requests will not be considered
- Pre-approval will only be provided for Brokers who maintain a minimum funding ratio of 65%
- The rate will be held for 120 days on a pre-approval and the pre-approval will expire in 120 days. After 90 days an updated bureau will be required and the deal would need to be resubmitted.

Restricted Properties

Consideration to finance the following restricted property types is on an exception basis only. Maximum considered LTV is 65% - no exceptions to max LTV permitted.

Age Restricted Properties (ARPs)	<p>ARPs are reviewed on exception by IMAC.</p> <p>ARPs are adult oriented properties with age restrictions such as 18+, 30+, 40+, etc. ARPs are an exception to policy as they do not fit our standard RESL guidelines.</p> <p>Note: ARPs cannot be securitized. ARPs should not be confused with assisted living properties. Assisted living properties are geared toward senior citizens who may require assistance, (i.e., medical care, communal living/eating areas. From a reputational risk perspective, TD is not willing to approve financing in assisted living properties where there is the possibility of having to foreclose on an individual requiring assisted living care. We have no authority to accept an assisted living facility as RESL security.</p>
Fractional Interests	<p>Fractional interests occur when the fee simple title is divided into interest less than the whole, creating the possibility of multiple owners owning portions of the title. TD can take an interest in only a portion of the title being purchased by the customer. The risk to TD is limited marketability of a partial interest in the title.</p>
Rental Pools	<p>Units in a Rental Pool generally have a premium price as they are managed by a Management Company with the idea this will obtain a higher return for the investor. This premium price is a concern/risk as we are relying on the performance of the Management Company to maintain this value. If the Management Company does not perform or ceases to manage the pool, the value of the unit may decline and TD may be exposed to a loss in an arrears situation.</p>

Boarding Houses/Rooming Houses/Student Housing	<p>These are rental properties where the rental contract may be short term in nature and generally involves renting only a 'room'. Rooms may be rented on a weekly or monthly basis/ Turnover can be high and generally a higher level of property maintenance may be required</p> <p>Financing these types of properties is considered on a rare exception basis only depending on geographic location, existing relationship with TD and strength of the covenant(s). Refer to your Credit Centre.</p>																																													
Non-Conventional Construction	<p>These properties include experimental construction types that do not conform to normal construction guidelines. An example is straw bale construction</p> <p>Considered on an exception basis only. Refer to the Credit Centre</p>																																													
Co-Ownerships	<p>Co-ownership occurs where the purchaser acquires an undivided percentage ownership in the building which is reflected in the deed that is registered on title along with the exclusive right to occupy a specific unit within the building.</p>																																													
Restricted Communities	<p>The communities listed below have been identified by CMHC as "single resource industry communities" based on certain physical and economic characteristics. Due to marketability concerns associated with single resource communities, CMHC or Genworth insurance is required for mortgages in these communities. Conventional financing may be considered on an exception basis only with low loan-to-value and where customer profile/net worth supports an exception approval.</p> <table border="1" data-bbox="467 688 1433 1518"> <thead> <tr> <th data-bbox="475 699 662 741">Community</th> <th data-bbox="662 699 784 741">Province/Territory</th> <th data-bbox="784 699 1425 741">Comments</th> </tr> </thead> <tbody> <tr> <td data-bbox="475 741 662 772">Murdochville</td> <td data-bbox="662 741 784 772">QC</td> <td data-bbox="784 741 1425 772"></td> </tr> <tr> <td data-bbox="475 772 662 919">Marathon</td> <td data-bbox="662 772 784 919">ON</td> <td data-bbox="784 772 1425 919">Conventional financing permitted, up to 65% LTV, subject to meeting conventional standards as per Property Criteria. Conventional financing greater than 65% LTV up to 75% LTV will be considered on an exception basis. 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Flood Plain Properties	<p>If a property is located on a Flood Plain, financing is not permitted, exceptions will be considered by the Credit Centre, where an appraisal confirms:</p> <ul style="list-style-type: none"> • Preventative measures are in place i.e., dykes, subject property is built on higher ground • The property has been built to municipal code • There is minimal risk of flood damage to the specific property because of the preventative measures. <p>Refer to National Appraisal Services for clarification</p>																																													
Combined Use Properties: Commercial Component > 20% Above Grade Floor Space	<p>Properties with commercial component greater than 20% of the above grade floor space (including Investor Property requests >\$500) are not permitted.</p>																																													
Properties with ownership/occupancy restrictions	<p>These properties include restrictions such as age restrictions that can impact marketability.</p>																																													

Hotel Condos	These properties are generally in buildings with a combination of hotel condo units and residential condo units. They have cost sharing arrangements and other factors that could impact marketability.
Properties Not Eligible for Financing	<p>Co-operative Housing: Under a co-operative agreement, residents do not have an actual deed to the property. They have a share in the co-op. The only method of TD obtaining security is to take an assignment of the share(s). Therefore, the risk is limited marketability to sell a share(s) in the co-op. Note: Pay particular attention to the Purchase agreement. Any reference(s) to 'Tenancy in Common' or that the unit is pending conversion to a condominium should NOT be considered as this implies it is a Co-operative housing development. Given the risks as outlined, TD does not finance these types of ownership.</p> <p>Life Lease & Life Interest Properties: These types of interests are not an ownership interest. Instead, an individual has the "right to use, occupy and enjoy" the unit from the actual owner for defined amount of time. There are restrictions set out in the original agreement which limit to whom the "rights" can be subsequently sold and generally the actual owner has the right to choose subsequent purchasers. Hence, the risk is limited marketability. Given the risks as outlined, TD does not finance these types of interests.</p> <p>Former Grow-Ops: Due to the differences in municipal remediation standards for former grow-ops, TD does not finance these properties. No exceptions.</p>
Sanctions	
<p>The Canadian government and other regulatory bodies in countries where TD operates have imposed various regulatory sanctions and restrictions against certain other countries. Like other Canadian financial institutions, sanctions either prohibit or restrict TD's ability to provide financial services and products such as mortgages to customers who reside or have economic interests in these countries. The broadly sanctioned countries include:</p> <ul style="list-style-type: none"> o Iran o Syria o North Korea o Myanmar (Burma) o Sudan (including South Sudan) o Cuba (unless approved by TD Risk group) 	
Application Handling	
<ol style="list-style-type: none"> 1. Do not submit mortgage applications to the IMAC for adjudication if any of the borrower, co-borrower(s) or guarantor(s): <ul style="list-style-type: none"> • Is a resident of one of the broadly sanctioned countries, • Has income from any of the broadly sanctioned countries which will be used wholly or in part to make regular payments on, or to repay the mortgage, or • Will make a down payment originating in full or in part from any of the broadly sanctioned countries. 2. Mortgage applications where the customer has connections to any of the broadly sanctioned countries, as stated above, will be declined with the following rationale "Credit application does not fit TD's risk parameters". 3. If the borrower, co-borrower or guarantor is a Cuban resident, or has income or down payment that originate from Cuba, either in full or in part, the mortgage application will be subject to additional review by TD Risk group. The turnaround time on applications with Cuban connections is considerably longer and you may be requested to provide additional customer information or documentation for TD's consideration. 	
Security Position	
Security for TD Mortgages must be in first position. Second position mortgages are not permitted.	
Sliding Scale for Conventional Mortgages	
Purchase financing up to the stated maximums below to 80% of the lesser of the Appraised Value or Purchase Price are allowed. For Property Values above the stated cut offs, the respective Sliding Scale is to be applied (based on property value). Note: Lending amount subject to lesser of LTV maximum for application/property type and Sliding Scale calculation.	
Select areas in the Greater Vancouver Area (GVA) – includes Vancouver; Burnaby; Port Moody; New Westminster; Port Coquitlam; Coquitlam; Richmond; Anmore; Belcarra; North Vancouver; North Vancouver City; and West Vancouver	<p>For all property types,</p> <p>80% of the first \$1,250,000 50% of the balance</p>
Major Urban Centre Sliding Scale	<p>For all property types,</p> <p>80% of the first \$1,000,000 50% of the balance</p>

Urban Centre Sliding Scale	For all property types, 80% of the first \$750,000 50% of the balance
Non-Urban/Recreational Sliding Scale	For all property types, 80% of the first \$500,000 50% of the balance Small Communities CMHC or Genworth Insurance is required for all properties located in or near: <ul style="list-style-type: none"> ▪ Non-Urban Centres with population bases of less than 5000 and more than 50 km from an Urban or Major Urban Centre. Insurance requirement waived if: <ul style="list-style-type: none"> ▪ LTV up to 50%, or ▪ Property is located in a small community where there is a TD Canada Trust branch
Solicitor Dual Representation	
A Solicitor/notary is not permitted to act on behalf of both the vendor and purchaser unless TD has provided its written consent (except Quebec). TD does provide some discretion on particular scenarios, i.e. small community with limited legal resources, mortgages that are inter-family or estate related title change.	
Square Footage Minimums	
House	<ul style="list-style-type: none"> ▪ 850 Square Feet (above grade) ▪ Homes less than 850 Square Feet will be considered with CMHC/Genworth coverage
Condo	<ul style="list-style-type: none"> ▪ 500 Square Feet in select areas in the Greater Vancouver Area and Major Urban Centres only ▪ 600 Square Feet in Urban and Non-Urban markets ▪ All condos must have a minimum of one bedroom for conventional financing eligibility ▪ Condos less than 500 Square Feet in Greater Vancouver Area and Major Urban areas and less than 600 square feet in Urban and Non-Urban areas will be considered with CMHC/Genworth coverage insurance ▪ Studio and bachelor type condo units will be considered with CMHC/Genworth insurance
Standard Approval Conditions – Mortgages	
Income and Down Payment Confirmation	<ul style="list-style-type: none"> ▪ Obtain confirmation of income that meets TD's standard guidelines for an amount at least equal to the amount input on the application ▪ Obtain confirmation of down payment that meets TD's standard guidelines
Confirm closing costs of 1.5% of Purchase Price not borrowed	Applicable to Insured Mortgages only Confirm closing costs of 1.5% of the Purchase Price. Can be factored into TDS ratio as a loan over 12 months.
Copy of firm purchase agreement and MLS listing with photo	Purchase Agreement <ul style="list-style-type: none"> ▪ Review the entire Purchase Agreement, including all schedules and waivers ▪ Any conditions outlined on the Purchase Agreement must be reviewed to ensure they do not adversely affect the mortgage application or marketability of the property Note: No longer required to obtain a waiver of financing or home inspection prior to funding <ul style="list-style-type: none"> ▪ Ensure that any 'cash backs' or any other forms of financial incentives included in the body of the Purchase Agreement are deducted from the purchase price as these may affect the Loan to Value MLS (Multiple Listing Service) Review the MLS to determine: <ul style="list-style-type: none"> ▪ Property details are consistent with the application ▪ Property tax amount entered on the application is consistent with the MLS ▪ MLS zoning must comply with the use of the property
Full Appraisal Required	Applicable to Conventional Mortgages A full Appraisal is required for all Leased Land applications. Exceptions must be specifically approved by the Credit Centre and must be reflected in the Approval Comments and will not be considered unless MLS Listing and Offer to Purchase provided.
Subject to Major Urban/Urban/Non-Urban/Recreational Sliding Scale	Applicable to Conventional Mortgages only <ul style="list-style-type: none"> ▪ Ensure loan amount does not exceed sliding scale formula based on property location. Refer to – <i>Policy Guidelines Sliding Scale</i> Exceptions must be specifically approved by the Credit Centre and must be reflected in the Approval Comments
Taxes to be paid by Bank	Applicable to Insured Mortgages only <ul style="list-style-type: none"> ▪ Property taxes must be paid by TD for all insured mortgages Exceptions to waive Bank paid property taxes must be specifically approved by the Credit Centre

Title Insurance

Title Insurance

Title Insurance in lieu of a solicitors Letter of Opinion is accepted by TD for the following providers (no others will be accepted):

- Title Plus – LPIC (Lawyers Professional Indemnity)
- First Canadian (First American) Title Insurance Company
- Stewart Title Guaranty Company
- Travelers Guarantee Company of Canada
- Chicago Title Insurance

Note: Title Insurers are subject to change at any time.

Well Water and Septic Certificates

Applications for properties that have well water as the principal water source must be supported by a current water potability certificate dated within 60 days of the closing date. The solicitor is responsible to obtain, review and forward the certificates to TD with the standard mortgage documents.

- **Water Potability Certificate:** Must confirm water quality passes the municipal test or is fit for human consumption.

Septic Certificates are required for rural properties with NEW SYSTEMS only.

- **Septic Certificate:** Must be from a provincial or municipal authority and certify that the soil and water pollution, septic system design and installation are acceptable.

Down Payment and Closing Costs

Reasonability and Verification

As part of the credit application process, it's important to ask customers the right questions in order to validate that the source and accumulation of funds is legitimate and acceptable in relation to the overall customer profile.

Verifying the down payment with documentation received will confirm the down payment has been evaluated as acceptable and meets compliance requirements.

Minimum Equity

The applicant must be able to provide the minimum equity portion of down payment from his/her own resources without borrowing.

Insured Mortgages	Conventional Mortgages
<ul style="list-style-type: none"> ▪ Minimum 5% of the purchase price for fixed and variable rate mortgages insured by CMHC/Genworth Financial Canada. ▪ The remainder of the total down payment can come from borrowed sources. ▪ Payments must be included in the debt service ratios unless the loan obligation will be paid in full from the mortgage advance and stated as part of the conditions of credit on the Mortgage Loan Agreement. ▪ The payout of the loan obligation must be managed by the solicitor closing the purchase transaction. 	<ul style="list-style-type: none"> ▪ Minimum 10% of the purchase price. ▪ The remainder of the total down payment of 20% can come from borrowed sources. ▪ Payments must be included in the debt service ratios unless the loan obligation will be paid in full from the mortgage advance and stated as part of the conditions of credit on the Mortgage Loan Agreement. ▪ The payout of the loan obligation must be managed by the solicitor closing the purchase transaction.

Deposit with the Offer to Purchase

Depending on the type of purchase the customer may choose or be required to make a deposit to demonstrate good faith to the seller; normally this is done for new home builds. If this amount exceeds \$10,000, verify and document the source to ensure funds are not borrowed and are from a legitimate source.

For builder deposits made for the purchase from a builder of a new construction home, if the builder deposits were made more than 60 days prior to the initiation of the mortgage application, one of the following must be obtained and retained in file. A 30 day history leading up to the deposit is not required:

- Copy of cancelled cheques from customer to the builder for the noted deposit(s) with evidence cheques have cleared, or
- Confirmation from builder via receipt or statement of adjustments showing the deposits have been received, or
- Confirmation from the builders solicitor or customers solicitor via receipt or statement of adjustments showing the deposits have been received

Non-Borrowed Funds/Legitimate Source

The minimum equity portion of down payment must be provided from non-borrowed funds and must be from a legitimate source. Non-borrowed means:

- Bona fide savings of the applicant
 - In a Bank Account
 - Wire Payments
 - Proceeds from Sale of Investments
 - From Employment/Investment Income
 - From a Pension
 - From a Registered Retirement Savings Plan (RRSP)
 - From Legal/Insurance Settlement, Lottery or Casino Winnings, or Inheritance
 - From a Government Benefit
 - From a Trust Fund
 - From a Grant
 - Proceeds from Business
 - Non-Repayable Gift
- Net Proceeds from the sale of real estate property
-

Down Payment Description

When the down payment selected is Personal Cash, Existing Equity, Secondary Financing, Grants, or Other, one of the following predefined descriptions must be entered in the free format 'Down Payment Description' field:

- Proceeds from Sale of Investments
- Savings - From Employment/Investment Income
- Savings - From Pension
- Savings - From Inheritance
- Savings - From Government Benefit
- Savings - From Legal/Insurance Settlement
- Savings - From Lottery/Casino winnings
- Non-Liquid Secured/Unsecured Credit
- Proceeds from Business

Bona Fide Savings of the Applicant in a Bank Account

- If any portion of the down payment is from accumulated savings and located in a Bank Account, review the history of savings within 30 days to ensure that the customer has accumulated the balance over time prior to commitment. Overall, it should be reasonable that the savings were accumulated over time when considering the overall profile of the applicant. If a deposit greater than \$10,000 was made during the 30 day period, verify and document the source to ensure funds are not borrowed and are from a legitimate source.

Documentation Requirements

- Ownership of bank statements, passbooks or internet print outs must be confirmed in cases where the name and account number are not clearly noted in the front of the passbook or on the bank statement or internet print out.

Important: Cashback does not constitute bona fide savings and must not be used as confirmation of down payment.

Wire Payments

Funds wired from a foreign country to a Canadian Financial Institution account including TD and used as down payment for the new purchase. Obtain details of the wire payments:

- Name, address, account number and relationship the transmitter has with the recipient
- Ask how the funds were accumulated in the country of origin
- If it's determined the funds are borrowed from the country of origin, include the applicable loan payment in TDS and ensure the minimum equity requirement of non-borrowed funds has been met
- If funds are a gift from family in the country of origin, follow gifted down payment procedures
- If the funds are from the sale of property in the country of origin, obtain proof of sale

Documentation Requirements

- A copy of the wire payment receipt that confirms wire payment details such as who sent the wire payment, from where, to whom, the amount, and date.
- A copy of the history of savings within 30 days prior to the commitment approval showing that the wire transfer has been deposited and received in the customer's bank account.

Note: Incoming wire payments from a broadly sanctioned country should not be credited/released to any customer account opened in any Canadian Financial Institution. See "Sanctions" for more information.

Proceeds from Sale of Investments

Source of savings of the applicant's down payment is from Proceeds from the Sale of Investments.

Documentation Requirements

- The most recent issued statement confirming the sale of investments. For monthly statements, the most recent monthly statement is required. For quarterly statements, the most recent quarterly statement is required up to 120 days old.
Note: To prove that the investment account containing the funds is owned by the applicant, the customer's name, account number, statement date and financial institution where the account is housed must be clearly identified on the document.

From a Registered Retirement Savings Plan (RRSP)

When the down payment is coming from a withdrawal from the applicant's RRSP, confirmation of the availability of funds in the RRSP account is required.

Documentation Requirements

- The most recent issued statement showing the description of the asset and the current value to confirm the RRSP amount. For monthly statements, the most recent monthly statement is required. For quarterly statements, the most recent quarterly statement is required up to 120 days old.
Note: To prove that the RRSP is owned by the applicant, the customer's name, account number, statement date and financial institution where the account is housed must be clearly identified on the document.

Locked-In RRSPs may be cautiously used for down payment confirmation. These funds will be subject to penalties when cashed out, reducing the amount of down payment available.

Borrowing against an equivalent amount of proven liquid assets is acceptable provided the payments are included in the debt service ratios.

Note: Withholding tax is applicable on RRSP withdrawals unless the customer qualifies for Revenue Canada's First Time Home Buyer's Plan. This will reduce the amount of funds available for the down payment from the stated RSP balance.

From a Legal/Insurance Settlement, Lottery or Casino Winnings, or Inheritance

When the customer has received funds from a legal/insurance settlement, lottery or casino winnings, or an inheritance, it can be used as a source of down payment. The customer must provide evidence of receiving the funds by verifying they have been deposited in the customers' account prior to closing.

Documentation Requirements

- Legal/Insurance settlements: Obtain a copy of the letter and/or cheque confirming the settlement amount received.
- Lottery winnings: Lottery winnings are distributed in the form of a cheque payable by the lottery. Depending on the dollar amount of the lottery winnings, public/media disclosure is often available. Obtain a copy of the lottery cheque payable by the lottery company or a copy of the media clipping in the absence of a lottery cheque.
- Casino winnings: Casino winnings are cashed out and a release/receipt is provided to the customer. Large winnings are distributed in the form of a cheque/certificate of winnings. Depending on the dollar amount of the casino winnings, public/media disclosure is often available. Obtain a copy of the cheque payable by the casino, casino receipt or release form, or a copy of the media clipping in the absence of a casino cheque.
- Inheritance: Obtain a copy of the will or a letter from the lawyer to confirm the inheritance amount.

From a Government Benefit

When the source of savings of the Applicant's down payment is from a Government Benefit such as Survivor's Pension, Canada Pension, Old Age Security, Disability, etc. Review bank statements to verify that the government benefit has been received either in a lump sum or monthly deposits, and retain a copy for the file. For lump sum deposits additional documentation will be required, such as a copy of the letter provided by the government.

From a Trust Fund

When the source of savings of the Applicant's down payment is from a Trust Fund, review bank statements to verify that the trust funds have been received, either in a lump sum or monthly deposits. For lump sum deposits additional documentation will be required, such as solicitor or trustee to provide documentation to confirm the existence of the Trust Fund.

From a Grant

When the source of savings of the Applicant's down payment is from a Grant, obtain bank statements to verify that the grant has been received, either in lump sum or monthly deposits. For lump sum deposits additional documentation will be required, such as a letter from the organization providing the Grant.

Proceeds From Business

When the source of savings of the Applicant's down payment is either from a sale of a business or from a Small Business Bank account.

Documentation Requirements

- Business Name Registration or Articles of Incorporation to confirm customer is the owner of the business
- Business bank statements to confirm availability of funds in the Small Business Bank account prior to closing

Non-Repayable Gift

For insured mortgages a gifted down payment must come from an immediate family member only. Gifts from another source are not permitted for insured deals.

For conventional mortgages a gifted down payment can come from a relative or employer.

Documentation Requirements

- TD Gift Letter form # 542034 (Appendix 7) verifying the gift is unencumbered, requires no re-payment and states relationship of giftor to giftee
- In addition to Gift Letter, obtain confirmation of the existence of the funds:
 - If the funds have already been gifted to the giftee/customer, verify that the funds are on deposit in the customer's account prior to closing
 - If the funds have already been provided to the solicitor acting on behalf of the customer for the mortgage transaction, obtain confirmation that the funds have been provided to the solicitor
 - If the giftor is still in possession of the funds, the giftor can have their financial institution complete the verification section at the bottom of the gift letter

Net Proceeds from the Sale of Real Estate Property

- Obtain the actual offer to purchase and sale together with a mortgage statement, if applicable. The offer of sale must be firm (unconditional).
- For properties declared free and clear, additional due diligence in the form of a title search is required to confirm the source of down payment.
- For properties not declared free and clear, copies of recent mortgage and/or line of credit statements must be on file. The outstanding mortgage balance and/or the line of credit limit (as additional drawdowns could occur at any time) should form the basis of the calculation of net equity to be realized from the property and used in our down payment calculation.
- Real Estate commissions, solicitor fees and other costs associated with the property sale must be considered when calculating the net equity or proceeds from the sale.

Confirmation of Borrowed Funds

The following outlines the customer's options for eligible sources of the remainder of their down payment (minimum equity portion must come from own resources) and details on what documentation is required to prove the source of funds are legitimate.

The customer must prove that the down payment comes from borrowed sources, which can be one or more of the following:

- Borrowed Against Liquid Assets
- Non-Liquid Secured/Unsecured Credit

Borrowed Against Liquid Assets

Liquid Assets are those that can be easily and quickly redeemed or accessed, such as Bonds, Stocks or Securities. Payments are to be included in the debt service ratios.

The customer must provide statements from the financial institution showing the description of the assets and the current value.

Documentation Requirements

- The most recent issued statement confirming the investments exists. For monthly statements, the most recent monthly statement is required. For quarterly statements, the most recent quarterly statement is required up to 120 days old.
- In order to prove that the investment account containing the funds is owned by the applicant you must be able to clearly match the customer's name, the account number, date of the statement, and where the account is held.

Non-Liquid Secured/Unsecured Credit

Non-Liquid Secured Credit refers to instances where part of the down payment is coming from an existing Home Equity Secured Line of Credit. This is acceptable provided it is not secured against the property currently being financed and the payments are included in the debt service ratios. The use of existing unsecured credit (loans or lines of credit) is also acceptable for part of the down payment provided the payments are included in the debt service ratios. In both cases, the applicant must meet the minimum amount of equity requirements from non-borrowed resources.

Documentation Requirements

- If reporting to the Credit Bureau, obtain confirmation of the HELOC and existence of credit available to support the down payment amount indicated.

Loan repaid by Regular Installments

Ensure the loan payments are included in the debt service ratios.

Documentation Requirements

- For a loan, if reporting to the Credit Bureau, review to confirm evidence of the loan and funds are on deposit to support the down payment amount indicated.

Unsecured Line of Credit

Ensure ULOC payments are included in the debt service ratios.

Documentation Requirements

- For ULOC, if reporting to the Credit Bureau, review to confirm evidence of the ULOC and existence of credit available to support the down payment amount indicated.

Closing Costs	
<ul style="list-style-type: none"> ▪ Remind the customer to set aside additional funds for legal expenses and moving costs. ▪ For CMHC/Genworth insured mortgages, the customer must also provide evidence of cash for closing costs equal to 1.5% of the purchase price. For Alberta only, closing costs are to be confirmed as 0.5% of the purchase price. Closing costs may be borrowed provided the payments are included in debt service ratios and based on a maximum amortization of 12 months. 	
Entering SIN Information	
In situations where customers have not provided their SIN information (i.e. customer does not have a valid SIN or has refused to provide one for privacy reasons), enter 999-999-998 on the Filogix application to ensure the Credit Bureau is flagged appropriately.	
Bridge Financing	
General	<p>Bridge Financing assists a customer with the sale and purchase of their residence.</p> <p>Example:</p> <ul style="list-style-type: none"> ▪ The purchase date that their new home closes on is 15 days before the closing date of their current residence ▪ The new equity from the current residence is therefore not available on the closing date of the new loan ▪ A Bridge Finance Loan provides the customer with short-term assistance to meet this shortfall ▪ Once the sale on their current residence closes, the loan is paid off with proceeds from the sale.
Who is Eligible	<ul style="list-style-type: none"> ▪ Short term Bridge Financing is to be used to help customers who are obtaining mortgage financing with TD ▪ TD does not provide Bridge Financing to customers who have not committed to take a TD Mortgage product
Security Requirements	<ul style="list-style-type: none"> ▪ For most short term Bridge Financing requirements, collateral mortgage security on the existing residence is not mandatory ▪ Approval without security is for periods not longer than 90 days
Processing an Application	<ul style="list-style-type: none"> ▪ All applications must be referred to a local TD Canada Trust branch for processing and not to the IMAC ▪ The customer must attend the branch to complete the bridge loan
Funding	<ul style="list-style-type: none"> ▪ A Standard Letter of Direction and Irrevocable Assignment of Funds from real property transactions are prepared ▪ The documents are to be signed by customer(s) in the presence of a TD employee and sent to the Solicitor handling sale and purchase transactions on behalf of the customer ▪ Solicitor must acknowledge the documents. This will ensure the net sale proceeds from the existing home are directed to TD to repay the Bridge Financing loan. ▪ Solicitor must conduct a title search to confirm the encumbrances on title are as have been indicated by the customer
Proceeds	<ul style="list-style-type: none"> ▪ Loan proceeds are advanced 'in trust' to customer(s) solicitor, subject to the terms and conditions of the Letter of Direction.

GST/HST

GST/HST rates can be found on the Canada Revenue Agency website.

When completing an application for a purchase from a builder that is closing within 120 days, it is important to ensure the purchase price of the residential property includes the HST minus any applicable rebates.

1. If the purchase price includes the HST, less any applicable rebates, use the purchase price as stated on the Purchase Agreement.
 2. If the purchase price excludes the HST and the applicable rebates, ask your customer to obtain an Amendment/Addendum from their builder reflecting a purchase price inclusive of the HST, less any applicable rebates.
- If an Amendment/Addendum is available, use the purchase price as stated on that document.
 - If an Amendment/Addendum is not available and HST is the responsibility of the customer, calculate the purchase price to be used as the lending value on the mortgage application to include net HST.
 - Once the calculation is complete, print a copy of the calculation and retain in the file.
 - If your customer presents a separate agreement with builder upgrades that are not accounted for in the original contract, use the purchase price of the property including the HST, less any applicable rebates, plus the cost of the upgrades, including the HST, less any applicable rebates.

As of April 1, 2013, British Columbia transitioned from HST to PST. For British Columbia purchases, if HST/PST/GST becomes payable on or after April 1, 2013, use the purchase price noted on the Purchase Agreement. For British Columbia purchases approved prior to April 1st, 2012 where HST will become payable between April 1, 2012 and March 31, 2013 that have been subject to a net HST calculation for the purpose of the lending value using the pre-April 1, 2012 rebate calculation, if applicable, and request resubmitted for re-adjudication.

Business for Self (BFS) – Conventional with Traditional Income Confirmation

Overview	All applicants who are self-employed or self-employed professionals and who are able to provide traditional income confirmation must qualify under these guidelines. Confirmation of Business for Self or professional status is required for all Conventional and Insured deals. Note: Does not apply to salaried or commissioned applicants.
Eligible Purposes	<ul style="list-style-type: none"> • Purchase • Refinance
Eligible Properties	<ul style="list-style-type: none"> • Maximum 4 units New Construction or Resale Insured second homes are available with Genworth only
Qualifying Income	<ul style="list-style-type: none"> • Confirmed Income via 2 years NOA average may be grossed up for qualifying purposes. • Where there has been > 20% change (increase or decrease) in the current year NOA income when compared to the average, the lower year NOA is used as income. If rationale can be provided to support the average income as reasonable and most reflective of actual consistent income, enter the average income in the application and submit to the IMAC advising the variance is greater than 20% along with supporting rationale. The use of the average must be supported and approved by the IMAC. Otherwise, the lower year's income must be entered in the application and used for qualification purposes. <p>Gross Up of Qualifying Income:</p> <ul style="list-style-type: none"> • Note: Sole proprietorships, partnerships and self-employed owners of small limited or incorporated companies (subject to no more than 2 to 4 shareholders), are eligible for gross up of income per the guidelines outlined below. • Note: Owners of limited or incorporated companies with more than 4 shareholders are not eligible to gross up the qualifying income. <p>Insured Applications:</p> <ul style="list-style-type: none"> ○ The maximum gross up is 15% <p>Conventional Applications:</p> <ul style="list-style-type: none"> ○ Gross up > 15% can be considered – you must note this in your comments to the IMAC. ○ Manual adjudication is required for all Business for Self deals where income has been grossed up more than 15%. ○ BFS Income Gross Up > 20% is considered a material exception and subject to

	income reasonability which may include a review of the customers T1's & statement of business activities and/or financial statements, confirmation of savings and/or net worth, etc.										
Maximum LTV	<ul style="list-style-type: none"> • Conventional • Purchase and Refinance applications considered up to 80% LTV in certain circumstances <ul style="list-style-type: none"> ○ BFS Income Gross Up <=15% Max LTV of 80% ○ BFS Income Gross Up > 15% and <=20% Max LTV up to 75% <ul style="list-style-type: none"> ▪ Minimum beacon score of 650 ○ BFS Income Gross Up > 20% <ul style="list-style-type: none"> ▪ Max LTV of 75% ▪ Minimum beacon score of 650 where LTV is 65% or less ▪ Minimum beacon score of 730 where LTV is > 65% • Subject to Sliding Scale • Insured: <ul style="list-style-type: none"> ○ Purchase transactions considered up to 90% LTV, Refinance up to 80% LTV ○ Maximum purchase price/property value of \$1,000,000 for LTV > 80% 										
Maximum Total Real Estate Secured Loan Amount	<ul style="list-style-type: none"> • For conventional applications where income is grossed up >20%: • \$1,250,000 in select areas in the GVA and \$1,000,000 in the rest of Canada • Maximum two (2) properties may be financed under BFS policy 										
Appraisal	<ul style="list-style-type: none"> • For conventional applications, full appraisal required when income is grossed up > 15% • For insured applications, insurer appraises the property 										
Maximum Amortization	<ul style="list-style-type: none"> • 30 years where LTV is </= 80% • 25 Years where LTV is > 80% 										
Down Payment	<ul style="list-style-type: none"> • From own resources, cannot be borrowed or gifted • Confirm closing costs without recourse to borrowing 										
Debt Servicing	<ul style="list-style-type: none"> • TDS 42% up to 44% where beacon is >/= 680 • GDS 35% up to 39% where beacon is >/= 680 										
Minimum Credit Score	<p>Conventional applications</p> <p>650 where income gross up > 15% up to 20%</p> <p>650 where income gross up is > 20% and LTV </= 65%</p> <p>730 where income gross up > 20% and LTV > 65%</p>										
Borrower Qualification	<ul style="list-style-type: none"> • Minimum 3 years on the Credit Bureau with 3 trade lines • Minimum 3 years BFS status 										
Required Documents	<ul style="list-style-type: none"> • Most recent 2 years Notice of Assessments • Down payment confirmation • If one of the applicants is salaried or if other sources of income are included, the income must be confirmed per standard income confirmation guidelines. • Closing cost confirmation of 1.5% of the purchase price is required for insured deals • Purchase and Sale agreement and MLS (if applicable). • Documents as required to confirm required Borrower Criteria above. • Confirmation via 1 form of written 3rd party documentation to confirm BFS status, evidencing at least 3 full years of self-employment. Documentation may include: <ul style="list-style-type: none"> ○ Master Business License ○ Business Registration ○ Articles of Incorporation ○ GST Returns ○ Audited financial Statements ○ Financial Statements prepared by a licensed accountant ○ Last 3 years income tax returns supported by 3 years Notice of Assessments. ○ Active business account opened 3 years ago or more. <p>For self-employed professionals who may not be operating under a registered business name and may not have business documentation noted above, the following documentation options are available. Note: Only professionals noted below are eligible.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Type of Professional</th> <th>Required Documentation</th> </tr> </thead> <tbody> <tr> <td>Architect</td> <td>Copy of license by a provincial body (such as the Ontario Association of Architects)</td> </tr> <tr> <td>Dentist</td> <td>Copy of the Certificate of Registration issued by The College of Dental Surgeons for the province</td> </tr> <tr> <td>Doctor</td> <td>Copy of membership with the College of Physicians and Surgeons for the province</td> </tr> <tr> <td>Engineer</td> <td>Copy of license by a provincial or territorial body</td> </tr> </tbody> </table>	Type of Professional	Required Documentation	Architect	Copy of license by a provincial body (such as the Ontario Association of Architects)	Dentist	Copy of the Certificate of Registration issued by The College of Dental Surgeons for the province	Doctor	Copy of membership with the College of Physicians and Surgeons for the province	Engineer	Copy of license by a provincial or territorial body
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Engineer	Copy of license by a provincial or territorial body										

	Lawyer	Copy of membership with the Canadian Law Society for the province
	Veterinarian	Copy of the Certificate of Registration issued by The College of Veterinary Medicine for the province

New Immigrants - Conventional

Overview	<ul style="list-style-type: none"> This policy applies to customers who have immigrated to Canada within the last 60 months and who cannot provide confirmation of income meeting TD income confirmation guidelines but otherwise demonstrate a strong profile.
Borrower Qualification	<ul style="list-style-type: none"> Applicants must be residents of Canada with Landed Immigration Status or confirmation application for Landed Immigrant Status has been made and received/acknowledged by Immigration Canada. Must be landed immigrant no more than 60 months. If the applicant files taxes in Canada, no outstanding income taxes. Minimum down payment of \$40,000 Applicant(s) must provide evidence of 12 months PIT in savings in Canada A minimum 30 days savings history of the 12 months PIT is required
All applications for New Immigrants must be supported by:	<ul style="list-style-type: none"> If customer has Canadian income, Revenue Canada Notice of Assessment from most recent tax year. Down payment confirmation. Purchase and Sale agreement and MLS (if applicable). Documents as required to confirm required Borrower Criteria above.
Maximum LTV	<ul style="list-style-type: none"> Purchase and Refinance applications considered up to 65% LTV No exceptions will be considered above 65% LTV Subject to Sliding Scale
Maximum Amortization	<ul style="list-style-type: none"> 25 years
Down Payment	<ul style="list-style-type: none"> From own sources, cannot be borrowed or gifted. Minimum down payment of 35% plus closing costs must be confirmed without recourse to borrowing, and funds must be in Canada at the time of application – Secondary Financing not permitted
Maximum Loan Amount	<ul style="list-style-type: none"> \$1,250,000 in select areas in the GVA and \$1,000,000 in the rest of Canada Maximum two (2) properties may be financed under New Immigrant policy provided immediate family member resides in 2nd home and total mortgage amount subject to above maximums
Rates and Terms	<ul style="list-style-type: none"> Conventional Mortgages Fixed Rate 6 months to 7years, and 10 years Closed VIRM Cashback Mortgages permitted; cashback CANNOT be used as down payment Broker Rate
Eligible Properties	<ul style="list-style-type: none"> Owner occupied or occupied by an immediate family member Maximum 4 units New Construction or Resale – Single Advance
Appraisal	<ul style="list-style-type: none"> Full appraisal of the subject property required in every instance

Insured New to Canada Policy (No Established Canadian Credit History)

Overview	<ul style="list-style-type: none"> This policy applies to customers who have immigrated to Canada within the last 5 years and who are looking for an insured mortgage but do not have Canadian Credit Bureau history. Customers who are new to Canada but do have a Canadian Credit Bureau do not fall under this policy. Each customer and their mortgage application are reviewed on an individual basis.
Documentation Requirements for all borrowers	<ul style="list-style-type: none"> Confirmation of down payment and closing costs to be without recourse to additional borrowing Purchase and Sale Agreement/MLS listing (if applicable) Standard Income Confirmation Confirmation of Landed Immigrant Status (Permanent Resident Card) Preceding 12 month history of Rent and 12 month history of 2 regular periodic (e.g. monthly) obligations. <ol style="list-style-type: none"> Rent: <ul style="list-style-type: none"> Supporting Bank Statements and letter signed by landlord indicating: <ul style="list-style-type: none"> Date the tenant moved in Monthly rent amount Amenities included in the rent

	<ul style="list-style-type: none"> o Payment history 2. Regular periodic obligations: <ul style="list-style-type: none"> o copy of bill & payment confirmation via bank statement/paid invoices o E.g. Hydro/Utilities/Telephone/Cable Mandatory: Payments must be timely. No late payments. • If unable to obtain the 12 month history of rent and 12 month history of 2 regular periodic obligations, LTV will be limited to 90% and the following may be accepted: <ul style="list-style-type: none"> o Satisfactory Letter of Reference from a recognized Financial Institution outlining history and past credit experience. Must be dated within 60 days of approval. Or; o 6 months of Satisfactory Bank Statements from Primary Account.
<p>If there are ANY deficiencies in the above mentioned Documentation, the underwriter must be advised. The underwriter must in turn advise the insurer what documentation/information was used to qualify the applicant. NOTE: As a best practice for all New to Canada applicants, documents should be sent to the underwriter up front. This will assist in decisioning the deal.</p>	
Down Payment (must be confirmed)	<ul style="list-style-type: none"> • For LTV of 95%, the down-payment must come from the borrower's own resources • For LTV less than 95% the remainder can come from a corporate Relocation Subsidy or be gifted by an immediate family member (underwriter must be advised in all cases). Gifted down payments must be accompanied by the approved gift letter. • At 95% the customer is to have the down payment from own savings, not gifted. If the customer has put more than 5% then the additional portion can be gifted. • Example: For a customer with LTV of 90%, 5% must be from the borrower's own resources and the remaining 5% can come from a relocation subsidy or be gifted from an immediate family member
Borrower Qualification	<ul style="list-style-type: none"> • Must have immigrated/relocated to Canada within last 5 years • 3 months minimum full-time employment in Canada (borrowers being transferred under relocation program can be looked at on exception) • Must have obtained landed immigrant status • Guarantor's Income Confirmation required (if applicable) • All debts held outside of the country must be included in the TDSR (rent earned outside of Canada is to be excluded from the GDS/TDS calculation) • Applicants are not required to provide evidence of the equivalent to 12 months of principal, interest and taxes (PIT) payments in liquid assets in Canada. <p>Maximum GDS Ratio</p> <ul style="list-style-type: none"> • 35% where beacon score is less than 680 • Up to 39% where beacon score is 680 or greater <p>Maximum TDS Ratio</p> <ul style="list-style-type: none"> • 42% where beacon score is less than 680 • Up to 44% where beacon score is 680 or greater
Eligible Products	<ul style="list-style-type: none"> • Insured Mortgages : 1st position
Ineligible Products	<ul style="list-style-type: none"> • Insured Business for Self • Progress Advance • Cottage and Second Homes • Rental Properties
Eligible Purposes	<ul style="list-style-type: none"> • Purchase (single advance)
Eligible Properties	<ul style="list-style-type: none"> • Maximum 2 units where one unit is owner occupied principal residence. • New Construction or Resale, single advance • Purchase price / lending value must be less than \$1 million if LTV > 80%
Ineligible Properties	<ul style="list-style-type: none"> • Non-owner occupied properties
Terms/Rates	<ul style="list-style-type: none"> • Fixed and VIRM • Standard pricing applies • CashBack option can be offered provided it is not the source of the down payment. Customers must qualify using the posted rate.
Premiums	<ul style="list-style-type: none"> • Standard Premiums apply
Max Amortization	<ul style="list-style-type: none"> • Up to 25 Years

In-House Registration Program

The In-House Registration Program (IHR) allows for your Refinance transactions to be processed quickly and efficiently at the branch.

Benefits	<ul style="list-style-type: none"> • Fixed Price - No surprises for your customers, you are able to quote the entire program price upfront • Reduced Costs - Title Insurance may reduce costs and eliminates need for Survey • Enhanced Customer Experience - Customers can access funds as soon as documents are signed • No Lawyer Required – Customer meets with Branch Lenders to close transactions • Turnaround Time - Consistent turnaround time • Referral Opportunities - Satisfied customers refer their friends and family
Qualifying Mortgage Transactions	<ul style="list-style-type: none"> • You can submit mortgage refinances or increases of existing mortgages on residential properties that are currently owned in the name of the customer, consisting of not more than four (4) units. <ul style="list-style-type: none"> ○ Conventional Variable Rate Closed ○ Conventional Fixed Rate Open or Closed ○ CMHC and Genworth
Non-Qualifying Mortgage Transactions	<ul style="list-style-type: none"> • The following transactions/properties cannot be processed through the In-House Registration Program: <ul style="list-style-type: none"> ○ Purchase Transactions ○ Co-Operative housing ○ Estate Mortgages ○ Life Lease/Life Interest ○ Construction and/or Multiple Draw Mortgages, including refinance plus improvements ○ Properties located in the Territories and Nunavut ○ First Nations Reserve Land ○ HELOCs – Line of Credit Agreement ○ Blanket/Inter-Alia Mortgages ○ Mortgages on Leased Lands ○ Any home not affixed to the land ○ Self-Directed RSP Mortgages ○ Subsidized mortgages ○ Time Share / fractional interest (Rental Pools, Hotel Condos, Co-ownership) ○ Vacant Lands ○ Mortgages that are to be registered "In Trust" ○ Properties registered in the name of a business or company • Non-residents are not eligible to use IHR.
Submitting your Mortgage for Approval	<p>By asking the right questions you will avoid unnecessary delays. Please ask or investigate the following while interviewing your customers:</p> <ol style="list-style-type: none"> 1. Does your customer have any outstanding mortgages, lines of credit or loans? If the answer is "yes", obtain particulars from your customer. This may validate the encumbrances registered on title. 2. Will the customer be discharging a TD or other financial institution's mortgage with this refinance transaction? If the answer is yes: <ul style="list-style-type: none"> • Complete the Broker Discharge Request Form (Appendix 3) and obtain a signature from all customers • For Mortgages from another financial institution: <ul style="list-style-type: none"> ○ Submit the form to the other financial institution ○ Follow-Up for receipt of the Discharge Statement ○ Review the Discharge Statement with the customer, obtain their approval to proceed ○ Send a copy of the Discharge Statement (valid within 10 days of the funding date) and Discharge Request form to the IMAC. • For TD Mortgages: <ul style="list-style-type: none"> ○ Send the completed Discharge Request form to the branch. The branch must order the formal discharge statement immediately from the CAS. Ensure you follow up with the customer and the branch for the discharge statement. It is critical that the broker follows up to ensure the statement is ordered as IRD can change or increase overnight. IRD always applies and is payable. Your customer is responsible to pay for all IRD charges. <p style="text-align: center;">IMPORTANT: The Broker is ALWAYS responsible for ensuring:</p> <ol style="list-style-type: none"> 1. The Discharge/Assignment Statement is ordered and remains valid until the deal closes

	<ol style="list-style-type: none"> 2. A valid Discharge/Assignment Statement is received by the customer and is discussed with the customer 3. The customer has approved to proceed with the transaction if there is a penalty involved <p style="text-align: center;">NOTE: A copy of the Discharge/Assignment Statement must be provided a minimum of 10 business days prior to closing to ensure the deal funds on time.</p> <ol style="list-style-type: none"> 3. Does your customer have an existing TD Mortgage on the property? If so, will it be discharged to place the new TD Mortgage on title? If the answer is "yes", ensure this is disclosed on the application for the IMAC. 4. Are all parties who are on title applying for the mortgage together? If the answer is "no", all parties must be present to apply and sign for the new mortgage (including the Guarantors). Please include all names on your application. 5. Obtain from your customer as much information regarding the property legal description as possible. TIP: Ask your customer for a copy of their tax bill to obtain the property information and legal description. 6. Advise your customer that a letter will be given to them at the time of signing. This letter will outline that the terms of the mortgage require that the customers have adequate fire insurance coverage over the property.
<p>4-Step Process for Brokers using TD IHR Program</p>	<ol style="list-style-type: none"> 1. Submit your deal via Filogix to the TD IMAC for verification and approval <ul style="list-style-type: none"> o IMAC will provide you with the customer's conditional approval. o Arrange for your customer to accept and fulfill conditions. o If accepted, arrange to have your customer complete and sign the Mortgagor's Acknowledgement and if required to payout an existing mortgage from another financial institution, the Broker Discharge Request Form Note: For efficiency, the Broker Discharge Request Form has been provided to you in Appendix #3 and the Mortgagor's Acknowledgement has been provided in Appendix #4. 2. Forward to the IMAC : <ul style="list-style-type: none"> o All documentation as per conditions (i.e. income confirmation) o Completed Mortgager's Acknowledgement o Discharge Request Form (if required) o TD or other financial institution Discharge Statement (if required) o IMAC will then assign the preferred servicing branch and forwards hand-off letter to the branch. o IMAC requests First Canadian Title to arrange for necessary searches and mortgage document delivery. 3. Signing Mortgage Documents is arranged with the branch and then branch requests funds from Credit Administration Services once the documents have been signed. 4. Funding - Branch notifies you that the documents have been signed and notifies the customer that the funds have been released.

TD Broker Mortgage Program – Process Flow

Broker Submits Deal	<ul style="list-style-type: none"> • Using Filogix • Select TD - IMAC • Lender reference assigned • Broker/Customer to select servicing branch transit # • Brokers will not be able to submit an application via Expert without the customer's home telephone number. •
IMAC Receives Application	<ul style="list-style-type: none"> • Underwriter assigned • Underwriter reviews deal within 24 hour SLA (Service Level Agreement) • Contacts the customer if an Equifax Alert is present on the customer's credit bureau with the following message: • ***Warning***Identification Theft Alert – Please Contact Consumer at (000)-000-0000 Before Extending Credit • If IMAC is unable to get in touch with the customer, they will inform the Broker of the situation. IMAC and the Broker will work out the best time for IMAC to call the customer to verify the Alert. • IMAC is unable to proceed with the application until the customer has been contacted at the number provided on the Credit Bureau report and the condition has been fulfilled. Note: The customer must contact the credit bureau on their own to have this condition waived, the broker cannot do this on their behalf •
Conditional Approval (Commitment goes to Credit Assistant)	<ul style="list-style-type: none"> • Review all conditions/send Conditional Approval (commitment) to Broker • Credit Assistant to follow up on all condition documents
"Broker File Complete"	<ul style="list-style-type: none"> • Broker to fulfill all conditions on Approval/Commitment letter • Send documents to the IMAC – Minimum 10 days before closing
IMAC Credit Assistant	<ul style="list-style-type: none"> • Reviews all conditions documents and completes the file • Prepares hand off letter to Branch Manager/Manager Financial Services • For refinance or transfer deals, ensure the discharge statement is valid for at least 10 business days prior to the closing date – this leaves sufficient time for CAS to complete the payout
Branch Role	<ul style="list-style-type: none"> • Call broker within 24 hours to thank for referral business and confirm the details of the deal including the Mortgage term, rate and prepayment period • Branch pays out and closes unsecured credit conditions • Call customer within 24 hours to review the deal and confirm details, set up an appointment for the customer to come to the branch to sign the final documents • Branch calls broker to confirm appointment have been set • Mortgage Loan Agreement and TD Credit Protection application printed • Customer comes to branch to sign documents • Once final documents are signed and completed, calls Broker again to confirm the deal has been signed and completed • Branch releases Mortgage to the CAS • Branch contacts customer and Broker within 24 hours of receiving the Hand-Off Letter <p>IMPORTANT: The Broker is ALWAYS responsible for ensuring:</p> <ol style="list-style-type: none"> 1. The Discharge/Assignment Statement is ordered and remains valid until the deal closes 2. A valid Discharge/Assignment Statement is received by the customer and is discussed with the customer 3. The customer has approved to proceed with the transaction if there is a penalty involved <p>NOTE: A copy of the Discharge/Assignment Statement must be provided a minimum of 10 business days prior to closing to ensure the deal funds on time.</p>
Credit Administration Services (CAS)	<ul style="list-style-type: none"> • Lawyer instructions sent to Solicitor for closing

Mortgage Transfer Plan

Summary

TD accepts transfers of mortgage from the following financial institutions subject to applicants and properties meeting TD's normal lending criteria. You must ensure that the mortgage is transferable by verifying that the other financial institution does not have a non-transferable clause. In addition, interest must be calculated semi-annually, not in advance.

- Schedule 1 Banks
- Life Insurance Companies
- Les Caisses Populaires Desjardins (Quebec only)
- Credit Unions, Trust Companies, or other Banks will be considered subject to review of the mortgage document or standard charge terms

The following mortgages are not eligible for transfer:

- CLIP mortgages
- Private mortgages
- Collateral mortgages (e.g. Manulife One accounts and Scotia Total Equity Plan accounts are secured by collateral mortgages and cannot be transferred)
- Mortgages where there is no blended monthly Principal and Interest Payment
- Mortgages with a non-assignable or non-transferable clause in the mortgage document or standard charge terms

Note: This transfer plan applies to properties up to a maximum of 4 units only

Transfer Deals

- Broker provides the IMAC with the payout statement
- IMAC provides the Branch and the CAS with a copy of the payout statement
- Branch also provides the CAS with a copy of the payout statement & disbursement form for funding. Note: the Request for Mortgage Assignment Form has been provided as Appendix 5.
- **TD is unable to transfer in a property tax account.**

Eligible Transfer Amount

Transfers are intended to be a transfer of the principal balance only. Accrued interest, administration/transfer fees and pre-payment penalties (if any) are normally paid by the customer. However, the following 'tolerances' will be permitted:

Insured Mortgages

- Accrued interest and transfer/administration fees to a maximum of the lesser of:
- \$1000 over the principal balance stated on the discharge statement OR
- The original insured amount (original mortgage amount)

Note: Re-amortization is not permitted on Insured Mortgages

Conventional Mortgages

Accrued interest, transfer/administration fees and pre-payment penalties (if any) to a maximum of the lesser of:

- 2% to a maximum of \$2500 over the principal balance stated on the discharge statement OR
- Maximum of 80% LTV based on appraised value at the time of transfer

Note: Re-amortization to 30 years is permitted subject to the credit centre approval

Amortization

Existing amortization years will be accepted for transfers in to accommodate existing mortgages. Where existing amortization exceeds current policy, transfers in are permitted provided there are no changes to the amount, amortization, etc.

Mortgage transfer with Increases

Mortgage transfers with increases (beyond the tolerances outlined above) are excluded from the Mortgage Transfer Plan. Requests for mortgage transfer with increases must be set up as new mortgages. A new mortgage must be registered on title and the existing mortgage must be discharged.

Appraisals

- APV can be used for conventional mortgage transfers at no cost to the customer or Brokers
- In the event that a full appraisal is required, the cost of the appraisal will be covered by TD Broker Services. A copy of the invoice is to be sent to the credit centre and a cheque will be issued to the appraisal company three weeks after the mortgage funds

Required Documentation

Obtain the following from your customer:

- Copy of most recent renewal agreement or annual statement
- Current printout of the mortgage balance (wherever possible to confirm accurate balance)
- Copy of Assignment Statement obtained from other Lender
- Copy of the Request for Mortgage Assignment Payout Statement (Appendix 5)
- Copy of original registered mortgage document including all schedules and, if applicable, standard charge terms
- Confirmation of fire insurance particulars (current Homeowner Insurance Policy) *Except Quebec
- For Insured Mortgage, the Insurer Reference # is required

IMPORTANT: The Broker is ALWAYS responsible for ensuring:

1. The Discharge/Assignment Statement is ordered and remains valid until the deal closes
2. A valid Discharge/Assignment Statement is received by the customer and is discussed with the customer
3. The customer has approved to proceed with the transaction if there is a penalty involved

NOTE: A copy of the Discharge/Assignment Statement must be provided a minimum of 10 business days prior to closing to ensure the deal funds on time.

High Ratio Second Home Policy

High ratio financing is available through Genworth where the second home is owner occupied or occupied by the mortgagor's immediate family on a rent-free basis.

Eligible Products	<ul style="list-style-type: none"> High Ratio Fixed Rate Mortgages (Open and Closed) High Ratio VIRM (Closed)
Eligible Loan Purposes	<ul style="list-style-type: none"> Purchase and Refinance Single Advance Purchase plus Improvements Refinance plus Improvements
Eligible Properties	<p>Single Unit Properties:</p> <ul style="list-style-type: none"> Owner Occupied Occupied by an immediate family member on a rent free basis Note: An immediate family member is defined as a father, mother, child, brother, sister, grandparent, legal guardian, or legal dependent Purchase price / lending value must be less than \$1 million if LTV > 80% with a maximum number of units allowable of 1 unit
Ineligible Properties	<ul style="list-style-type: none"> Multi Unit Properties Rental Properties Time Share Interests Life Leases Rental Pools Fractional Interest/Co-ops
Property Criteria	<p>Standard TD property criteria applies, including but not limited to:</p> <ul style="list-style-type: none"> Year round road access Readily marketable residential dwellings, located in market with demonstrated ongoing re-sale demand Estimated remaining economic life of the property should be a minimum of 25 years Fully serviced with municipal water and sanitary sewers, well and septic tank or a combination of both Located in Canada
Borrower Eligibility	<ul style="list-style-type: none"> Standard credit qualification criteria apply No R3s in last 24 months No prior bankruptcies or judgments No third party guarantors Spousal guarantor is acceptable TDS submitted must include servicing of both properties, including taxes, heat and condo fees (if applicable) for customer's principal residence.
Down payment Restrictions	<ul style="list-style-type: none"> Gifted down payments from immediate family members are acceptable
LTV	<ul style="list-style-type: none"> Purchase – 95% Refinance – 80%
Maximum Loan Amount	<ul style="list-style-type: none"> \$700,000 Metro Toronto, Calgary, Vancouver \$600,000 rest of Canada
Income Confirmation	<ul style="list-style-type: none"> Standard Income Confirmation
Total Debt Service Ratio (TDSR)	<ul style="list-style-type: none"> 42% with Credit Score < 680 44% with Credit Score >= 680 All debts and housing costs from other/principal residence must be included in the calculation. TDS submitted must include servicing of both properties, including taxes, heat and condo fees, if applicable
Gross Debt Service Ratio (GDSR)	<ul style="list-style-type: none"> 35% with Credit Score < 680 39% with Credit Score >= 680.
Qualifying Rate	<ul style="list-style-type: none"> If term is less than five years, or if the mortgage is a VIRM the greater of the 5 year Bank of Canada Benchmark Rate or the customer/capped rate is used If the term is a fixed rate and equal to or greater than 5 years the actual customer rate is used as the qualifying rate
Premiums/Fees	<ul style="list-style-type: none"> Standard mortgage insurance premiums and fees apply
Terms/Rates	<ul style="list-style-type: none"> 6 months – 7 years and 10 year fixed rate Closed VIRMS
Amortization	<ul style="list-style-type: none"> 25 years where LTV is greater than 80%. 30 years where the LTV is 80% or less

Cottage Properties

Conventional and Insured financing is available for purchases of quality cottage properties that may not be accessible year-round, or is accessible year-round but does not meet all standard property criteria.

- There must be no intent to occupy these properties year round. Properties that are occupied year round must meet all standard property criteria.
- Credit Centres reserve the right to decline or require default insurance through Genworth Financial Canada, where marketability of property is questionable.

Eligible Products	<ul style="list-style-type: none"> • Conventional fixed rate mortgages and closed VIRMs up to 50% LTV • High Ratio Genworth Financial insured fixed rate mortgages (Open and Closed) up to 90% LTV
Ineligible Products	<ul style="list-style-type: none"> • High Ratio VIRM (Closed)
Eligible Loan Purposes	<ul style="list-style-type: none"> • Purchase – Single Advance Only
Ineligible Loan Purposes	<ul style="list-style-type: none"> • Refinance or Equity Take-Out (ETO) applications
Eligible Properties	<ul style="list-style-type: none"> • Single Unit properties, new construction or existing • Owned Land • Purchase price / lending value must be less than \$1 million if LTV > 80%
Ineligible Properties	<ul style="list-style-type: none"> • Multi unit properties • Leased Land • Rental Properties • Rental Pools, Time Shares, Co-ops
Property Criteria	<ul style="list-style-type: none"> • Must have minimum of a kitchen, 3 piece bathroom, bedroom and common area • "Seasonal access only" is acceptable (i.e. road is not plowed or only accessible by boat) • No permanent heat source required (i.e. wood stove, fireplace, stove or heat blower) • Water source need not be potable, however running water is required • Indoor plumbing can be chemical, portable or holding tank • Foundation may be floating if normal for area (i.e. sitting on blocks) <p>Note: Property must meet minimum square footage requirements of 850 to qualify for conventional financing. Valuation restricted to 5 acres of property.</p>
Appraisal Requirements	<p>Full Appraisal for both Conventional and Insured applications.</p> <ul style="list-style-type: none"> • Must confirm property is in a recognized vacation area, comparables exist to support the purchase price and show evidence of market activity/liquidity. • Genworth will order a full appraisal on all high ratio applications and will contact customer's directly to gain access to the property
Borrower Eligibility	<p>High Ratio</p> <ul style="list-style-type: none"> • Minimum beacon score of 680 • Sufficient income to service all debts including carrying costs for principal residence • No prior bankruptcy or judgments, no R3's in the past 24 months • No 3rd party guarantor (other than spousal) • No gifted down payment <p>Conventional</p> <ul style="list-style-type: none"> • Minimum beacon score of 680 • Sufficient income to service all debts including carrying costs for principal residence • Standard down payment requirements apply
LTV	<ul style="list-style-type: none"> • Genworth insured: 90% • Conventional: 50%
Premiums/Fees for Insured Mortgages	<p>Up to 65% - 1.45% 65.01% – 75% - 1.60% 75.01% – 80% - 2.00% 80.01% - 85% - 2.90% 85.01% - 90% - 3.15%</p>
Maximum Loan Amount	<ul style="list-style-type: none"> • High Ratio: \$350 000.00 • Conventional: \$500 000.00
Minimum Property Value for Conventional Mortgages	<ul style="list-style-type: none"> • \$75 000.00
Terms/Rates	<ul style="list-style-type: none"> • 6 months – 7 years and 10 year fixed rate • Closed VIRMS
Amortization	<ul style="list-style-type: none"> • Maximum of 25 years

Manufactured Properties

Modular Manufactured homes will be considered for single advance only. Conventional financing will be considered provided the property meets all normal requirements such as owner-occupied, proper foundation, services, location, owned land and 100% complete. CMHC insurance will be required for high ratio financing.

Non-Resident Borrowers

Applicants under these guidelines do not reside in Canada. Maximum exposure of 3 properties per non-resident investor

Eligible Products	<ul style="list-style-type: none"> Conventional Mortgages, Fixed and Variable rate
Eligible Loan Purposes	<ul style="list-style-type: none"> Purchase, Refinance, or Transfers Single Advance
Ineligible Loan Purposes	<ul style="list-style-type: none"> Progress Advance (construction draw) Purchase Plus Improvements Refinance Plus Improvements
Eligible Properties	<ul style="list-style-type: none"> Rental Properties Up to 4 Units Recreational Properties meeting conventional standards
Borrower Eligibility	<ul style="list-style-type: none"> A minimum down payment of 10% of purchase price must come from the customer's own resources and remainder can be gifted or borrowed Standard down payment guidelines apply
LTV	<ul style="list-style-type: none"> Maximum 65% LTV subject to Sliding Scale; no exceptions permitted
Appraisal	<ul style="list-style-type: none"> Full appraisal required
Terms/Rates	<ul style="list-style-type: none"> All standard fixed rate term mortgages are available 5 year closed variable rate mortgages Broker rates apply
Amortization	<ul style="list-style-type: none"> Maximum of 25 years
Customer and Application Verification	<p>All aspects of the application must be verified:</p> <ul style="list-style-type: none"> Standard income confirmation is required. Verification of all assets and credit obligations, including the down payment is required Confirmation and verification of the customer's identity is required under Know Your Customer Guidelines Ensure all debts including housing costs from principal residence are input for debt servicing calculations Solicitor's Preliminary Report must be completed with the customer present. Out of country signing of the Mortgage Loan Agreement is not permitted. <p>Maximum GDS Ratio</p> <ul style="list-style-type: none"> 35% where beacon score is less than 680 Up to 39% where beacon score is 680 or greater <p>Maximum TDS Ratio</p> <ul style="list-style-type: none"> 42% where beacon score is less than 680 Up to 44% where beacon score is 680 or greater
Credit Investigation	<ul style="list-style-type: none"> Contact Equifax to obtain a copy of the required Credit Bureau Equifax will provide an international credit bureau, however there may be cases where they are cost prohibitive or take too long, in those cases a letter of reference from the financial institution where the customers currently have borrowings will be required. The broker will be required to obtain this if required. Note: When using a reference letter, as a best practice, to improve the quality of your deal submission, please provide the letter up-front, where possible. This will help us determine the customer's creditworthiness. The reference letter must confirm the following: <ul style="list-style-type: none"> Borrowings, past and present, Repayment history, and Confirmation of assets

Non-Permanent Resident Borrowers

Applicants under these guidelines will typically be employed by established, well-respected companies, who are being re-located Canada for a specific period of time for work purposes.

Eligible Products	<ul style="list-style-type: none"> Conventional Mortgages, Fixed Rate and closed VIRMs
Eligible Loan Purposes	<ul style="list-style-type: none"> Purchases Only Single Advance
Ineligible Loan Purposes	<ul style="list-style-type: none"> Refinance, Equity-take-Outs Progress Advance (construction draw) Purchase Plus/Refinance Plus Improvements
Eligible Properties	<ul style="list-style-type: none"> Owner Occupied Properties - Maximum One Unit New Construction and Resale Purchase price / lending value must be less than \$1 million if LTV > 80%
LTV	<ul style="list-style-type: none"> Maximum 80% for Conventional Financing subject to Sliding Scale. Maximum 90% for Insured Financing (see below for submission information)
Appraisal	<ul style="list-style-type: none"> Full appraisal required
Terms/Rates	<ul style="list-style-type: none"> 6 months – 7 years and 10 year fixed rate Closed VIRMS
Insurance Premiums	<ul style="list-style-type: none"> Normal CMHC/Genworth fees and premiums apply
Amortization	<ul style="list-style-type: none"> Maximum of 25 years
Borrower Eligibility	<ul style="list-style-type: none"> Customer must have relocated to Canada within the last 24 months Customer must be eligible to work in Canada Customer must be employed in Canada for a minimum of 3 months Confirmation of valid Canadian Employment Authorization Form (Work Permit form #1442) Must confirm sale of principal residence in their home country, or be able to carry both properties A minimum down payment of 10% (of purchase price) must come from the customer's own resources. This program is not available for diplomats or any other foreign political parties that do not pay income tax in Canada All other standard borrower eligibility criteria apply Maximum GDS Ratio <ul style="list-style-type: none"> 35% where beacon score is less than 680 Up to 39% where beacon score is 680 or greater Maximum TDS Ratio <ul style="list-style-type: none"> 42% where beacon score is less than 680 Up to 44% where beacon score is 680 or greater
Credit Investigation	<ul style="list-style-type: none"> For CMHC insured deals, CMHC will obtain copies of credit bureau. For Conventional and Genworth insured deals, the Credit Centre is required to contact Equifax to obtain a copy of the required credit bureau. The Credit Centre will review the credit bureau for Conventional requests and forward the credit bureau to Genworth. Equifax will provide an international credit bureau, however, there may be cases where they are cost-prohibitive or take too long; in such cases, a letter of reference from the financial institution where the customers currently have borrowings will be required.

Portability Plus

Portability Plus allows TD Mortgage customers to take their current mortgage rate and term with them when they move. The customer can avoid paying some or all of the prepayment charges when they move by taking (or porting) their mortgage terms to their new property.

Details:

- Note: A minimum of \$20,000 in new money is required for Broker ports.
- The benefits of Portability Plus can accrue ONLY to 1 mortgage
- A minimum of one borrower from the existing mortgage must be on the new mortgage. **Note:** A guarantor is not considered a borrower
- The new mortgage amount can be less than, equal to, or greater than the discharged mortgage. However, if the new mortgage amount is less than or equal to the discharged mortgage, or if there is less than \$20,000 in new money, the port would have to be looked after by the branch.
- Rate and term can be ported only from mortgage to mortgage.
- In a Purchase and Sale situation, there must be a firm agreement of purchase and sale, and the mortgage funding date for the purchase must be within 120 days before or after the payout date of the existing mortgage.
- In a refinance situation, the discharge of the old mortgage must be concurrent with the funding of the new mortgage.
- The term of the new mortgage must be equal to the term remaining on the old mortgage at the time of discharge.
- For refinance transactions, there is a minimum increase requirement of \$20,000.
- For refinance transactions, a minimum of 5 business days from Final Approval (i.e. all conditions met) is required for funding to allow time for branch fulfillment. All refinances must be branch fulfilled.
- If you decide to send your customer to the branch to order the discharge statement, ensure you follow up with the customer and the branch for the discharge statement. It is critical that the broker follows up to ensure the statement is ordered as IRD can change or increase overnight.
- For solicitor deals, ensure your customer asks their solicitor to order the discharge statement. This would be applicable for either a refinance deal or a new purchase.
- For port deals, the discharge statement is valid for 30 days

Restrictions:

The following products are not eligible under the Portability Plus Policy:

- Closed VIRM
- 1 Year Open
- Terms less than 4 months remaining
- Porting to a CashBack mortgage

Rate and Term:

- If the new mortgage amount is less than or equal to the existing amount, the existing rate and remaining term are transferred to the new mortgage.
- If the new mortgage amount is greater than the discharged mortgage amount, the existing term and rate are transferred but the additional funds are lent at current rates. The final rate is based on a weighted average of the existing rate and the new rate.

Example: A customer with a \$120,000 mortgage requires \$150,000 for their new property. The current remaining term is 3 years and the rate is 7.00%. The new mortgage will be for 3 years, and the additional \$30,000 will be lent at 7.50%. This results in a weighted rate of $(120,000 * 7.00\% + 30,000 * 7.50\%) / 150,000 = 7.10\%$

Amortization

- The maximum amortization permitted in a new high-ratio Port Plus application is 25 years.

Prepayment Charge:

- If new mortgage amount is equal to or greater than the discharged mortgage amount, **no compensation is due.**
- If the new mortgage amount is **less** than the discharged mortgage amount, the **compensation is prorated, customer pays the difference.**
- For non concurrent closings (new mortgage funding after the existing mortgage is discharged), compensation is payable in full by the mortgagors at time of mortgage discharge.

Pre-Payment Penalty Refunds

- Customers are responsible for paying any applicable pre-payment charges upon the discharge of the existing mortgage
- Full or partial refunds of prepayment charges will be paid to the customer upon the closing of a ported mortgage funding within 120 days of the discharge

Replacement Mortgages

The Replacement Mortgage policy allows returning TD Mortgage customers to recover some or all of the 3-months interest prepayment charge they paid when their original mortgage was discharged.

Details:

- A minimum of one borrower from the existing mortgage must be on the new mortgage. **Note:** A guarantor is not considered a borrower
- Customer has previously discharged a TD Mortgage, paid a 3-months interest prepayment charge or IRD, and is now replacing it with a new closed mortgage within one year of the discharge. (fixed or variable)
- In a Replacement Mortgage situation, the Interest Rate Differential (IRD) is always applied (retroactively for non-concurrent closings) to the discharged mortgage. Your customer is responsible for all IRD charges.
- If at the time of the discharge the 3-months interest amount was greater, and was applied as the prepayment charge, the customer may be entitled to a refund of the difference (i.e. 3-months interest amount less the IRD). Calculation and payment of any rebate is processed by the Credit Administration Services unit, at the time the new replacement mortgage is funded.
- Available for Mortgage to Mortgage in Refinance and Purchase and Sale situations.
- A customer is able to replace a TD Home Equity Line of Credit Fixed Rate Advantage Option (HELOC FRAO) with a Mortgage, during a purchase or sale scenario only (all other guidelines apply). A minimum of one borrower on the existing HELOC must be on the new mortgage. The mortgage replacement must occur within one year of the HELOC FRAO discharge.
- The new mortgage **must** be funded within one year of discharging the old mortgage.
- For Fixed or Variable Rate Mortgages, the new mortgage may be for an amount less than, equal to or greater than the discharged mortgage.
- As an additional incentive to encourage repeat mortgage business, a mortgage refund **up to \$300 maximum** is given to a customer if they obtain a new mortgage for an amount greater than the balance of the discharged mortgage within one year.
 - If the amount of the replacement mortgage exceeds the balance of the discharged mortgage, the system automatically calculates the additional incentive.
 - If the amount of the replacement mortgage is equal to or less than the balance of the original mortgage, the customer is not entitled to the additional incentive.
- **All penalties (IRD, 3 months' interest, cashback clawback) are waived if a full balance transfer occurs with 120 days of maturity for a Mortgage to Mortgage transaction.** It is important to note that the minimum increase for a refinance is \$20,000. If there isn't a full balance transfer, up to 3 months' interest could be charged. The amount of interest charged depends on the number of months remaining until maturity.
 - Mortgages maturing in one month – no charge.
 - Mortgages maturing within 2 months – one month interest charged.
 - Mortgages maturing within 3 months – 2 months interest charged.
 - Mortgages maturing within 4 months – 3 months interest charged.
- For Reverse Mortgage Replacement (i.e. new mortgage funds prior to discharge of existing) discharge of existing must be within 120 days of the funding of the new mortgage.
- For refinance transactions, a minimum of 5 business days from Final Approval (i.e. all conditions met) is required for funding to allow time for branch fulfillment. All refinances must be branch fulfilled.
- For refinance transactions, there is a minimum increase requirement of \$20,000.

Calculation: Discharge of Fixed Rate Mortgage

- IRD is always payable.
- If 3 month interest compensation is greater than IRD calculated, the difference is waived/refunded to the customer on advance of the replacement mortgage.
- If the IRD calculated is greater than 3 month interest compensation, no refund.

Example: 3-month interest compensation: \$2500
IRD: \$1000
Customer waived/refunded: \$1500

Calculation : Discharge of Closed VIRM

- In a variable rate product, IRD is always \$0.00. 3 months interest applies when a Closed VIRM is discharged prior to maturity.
- Waiver/refund of 3-month interest compensation is prorated based on the amount of Replacement Mortgage, to a maximum of 100% of 3 months interest compensation.
- New mortgage amount divided by old mortgage amount X 100 = NN%
Compensation amount x NN% = refund amount

Example: Discharged mortgage: \$100,000
3-mth interest comp: \$ 1,000
Replacement Mortgage: \$ 50,000
50,000 divided by 100,000 = 50%
1,000 x 50% = 500
Customer waiver/refund: \$ 500

Fixed Rate Mortgages Compensation Chart

The following chart is applicable to Insured and Conventional mortgages.

TRANSACTION	Compensation is based on...	Prior to 5th year anniversary* (i.e. if prepayment occurs within the first 60 months of a mortgage)	After 5th year anniversary (i.e. if prepayment occurs within the 61 st month or any time after that)
Discharge with no replacement mortgage	Full amount of discharge	Greater of IRD or 3 months interest charge	CMHC or Conventional: 3 months interest charge
Partial prepayments in excess of privilege amount	Amount being prepaid in excess of privilege amount	Greater of IRD or 3 months interest charge	CMHC or Conventional: 3 months interest charge
Discharge with New TD replacement Mortgage (non-Port/Plus).	Full amount of discharge	IRD minus proportion of \$300 refinance rebate when applicable.	CMHC or Conventional: 3 months interest charge upon discharge of existing TD mortgage. Rebate of full 3 months interest charge upon replacement. 12 month Replacement policy window and prorating rules apply.

Exception for Canadian Military Personnel

Canadian Military personnel who are re-assigned within or outside of Canada by the Military and must sell their Canadian residence with a TD Mortgage are eligible to have compensation (IRD or 3 months interest) waived by RESL. CashBack clawback is payable.

- Brokers must obtain confirmation (i.e. posting instruction) from the customer that they are employed by the Canadian Military and are being stationed abroad, or transferred to another military base within Canada.
- Forward the customer confirmation to CAS with instructions to amend the discharge statement and waive the IRD or 3 months interest compensation charge as the customer qualifies under this policy. Note: cashback clawback is payable.

Interest Rate Differential (IRD) Calculation Example

Let's assume the following:

- \$100,000 5-year fixed rate mortgage
- Rate = 6.5%
- Discount = 0 bps
- Mortgage broken after 3 years
- Prevailing rate = 5%*

The prevailing rate is the posted rate for the closest remaining term minus the most recent customer discount. Please note: The most recent customer discount refers to the discount the customer received on the **original** mortgage or since the last renewal – that is, the discount they received on the mortgage they are now discharging.

In this example, we'd take the current 2-year fixed mortgage rate, which is equal to 5%.

The chart below provides a formula for estimating the IRD compensation for this example. This is only an approximation, but it can help explain the IRD to your customers.

IRD Approximation	
Customer Rate	6.5%
Prevailing Rate	5.0% (posted rate for the closest remaining term minus the most recent discount)
IRD	6.5% - 5.0% = 1.5%
Remaining Term	2 years
IRD Compensation	\$100,000 x 1.5% x 2 years = \$3,000 (equal to TD's lost revenue)

Requesting Mortgage Information

If your customer is considering discharging their mortgage, they can request an Information Only Statement at any TD Canada Trust branch. **IMPORTANT:** Information included on the Information Only Statement is subject to change, and **should not be used to determine final compensation payments.** This information is used strictly for general mortgage information purposes and for answering general customer enquiries.

IMPORTANT: The Broker is ALWAYS responsible for ensuring:

1. The Discharge/Assignment Statement is ordered and remains valid until the deal closes
2. A valid Discharge/Assignment Statement is received by the customer and is discussed with the customer
3. The customer has approved to proceed with the transaction if there is a penalty involved

NOTE: A copy of the Discharge/Assignment Statement must be provided a minimum of 10 business days prior to closing to ensure the deal funds on time.

Customers who have decided to discharge their mortgage can request a formal discharge statement as follows:

- To discharge a **Mortgage** from another financial institution under the IHR Program:
 - Submit the form to the other financial institution
 - Follow-up for receipt of the Discharge Statement
 - Review the Discharge Statement with the customer, noting any fees and penalty charges, obtain their approval to proceed
 - Send a copy of the Discharge Statement (valid within 10 days of the closing date) and Discharge Request form (Appendix 3) to the IMAC
- To discharge a **TD Mortgage** under the IHR Program:
 - Send the completed Discharge Request form to the branch. The branch must order the formal discharge statement immediately from the CAS
 - Follow-Up with the Branch to ensure that you receive a copy of the discharge statement from the branch
 - Review the Discharge Statement with the customer, noting any fees and penalty charges, obtain their approval to proceed. IRD always applies and is payable. Your customer is responsible for all IRD charges.
 - Send a copy of the TD Discharge Statement (valid within 10 days of the closing date) and Discharge Request form (Appendix 3) to the IMAC.
 - **NOTE:** TD Discharge Statements are valid for 30 days – note per diem amount.
- To discharge either a TD or other financial institution Mortgage using a Solicitor:
 - Ensure your customer asks their solicitor to order the discharge statement. This would be applicable for either a refinance deal or a new purchase
- To transfer a mortgage from another financial institution under the Mortgage Transfer Plan:
 - Submit the Request for Mortgage Assignment Payout Statement (Appendix 4) form to the other financial institution
 - Follow-Up for receipt of the Assignment Payout Statement
 - Review the Assignment Payout Statement with the customer, noting any fees and penalty charges, obtain their approval to proceed
 - Send a copy of the Assignment Payout Statement (valid within 10 days of the closing date) and Assignment Request form (Appendix 4) to the IMAC

Enhanced Disclosure of Mortgage Prepayment Charges

What is a prepayment charge?

When your customer decides to pay off their outstanding balance before the term's maturity date, (or an amount greater than the allowable prepayment privilege of 15% annually), they may have to pay a prepayment charge.

For Closed Variable Interest Rate Mortgages, this charge is calculated as three months' interest.

For Closed Fixed Interest Rate Mortgages, the prepayment charge is the **greater** of either:

- three months' interest, **or**
- an Interest Rate Differential (IRD) amount, equivalent to the difference between your annual interest rate and the posted interest rate on a mortgage that is closest to the remainder of the term, less any rate discount you received, multiplied by the amount being prepaid, and multiplied by the remaining time left on the term.

For full payouts, the 15% annual prepayment privilege is not taken into consideration for calculations of the prepayment charges. It is calculated on the outstanding balance as of the transaction date.

Prepayment policy for mortgages with terms of 5 years or greater

Refer to the "Fixed Rate Mortgages Compensation Chart" for information on prepayment charges.

*How is anniversary determined?

Anniversary is based on the most recent funding Interest Adjustment Date (IAD) or Renewal Date. This includes mortgages that have been ported from their original term. The anniversary will be based on the new IAD when the mortgage is ported, not on the original IAD. For example, if a mortgage was originally funded January 1, 2010 and renewed January 1, 2015, the mortgage will reach its 1st anniversary on January 1, 2016 (for discharge calculation purposes).

Example: Assume the customer has a 10 year term and ports their mortgage in the 3rd year. How to determine the anniversary date & compensation?

- If prepayment occurs within first 60 months from the port date, compensation will be based on Column 3 in the above chart.
- If prepayment occurs after 60 months have passed from the port date, compensation will be based on Column 4 in the above chart.

Note: When the mortgage is ported, there are only 7 years remaining.

Prepayment Privilege

Your customer can pay up to 15% of your original mortgage amount each year without incurring a prepayment charge and can also increase their payments up to 100% of the original payment amount.

The following **TD documents** may help your customer to complete this calculator:

- Mortgage Loan Agreement,
- Mortgage Renewal Agreement
- Annual Mortgage Statement


Tools available to customer requesting prepayment information include:

- Printable **Prepayment brochure**, available at any branch, provides customers with what they need to know about compensation charges.
- **Online prepayment calculator** on www.tdcanadatrust.com/prepaymentcalculator that provides customers with an **estimate** of their compensation charges.
- **Toll-free phone number** (English/French: 1-800-281-8031 / 1-800-294-0954) where customers can call for information about prepayment charges and online prepayment calculator support.

NOTE: As the online prepayment calculator results are **estimates only**, to obtain the **exact prepayment charge amount** for your customer, a Discharge Statement **must** be requested from the branch.

Rental Properties up to 4 units

Applies to non-owner occupied properties up to 4 units.

Eligible Properties	<ul style="list-style-type: none"> • Non-Owner Occupied Properties up to 4 units • If > 4 units refer to Multi Unit Residential website. Copy and paste the following URL to your browser: http://www.tdcanadatrust.com/mur/index.jsp • Commercial content is maximum 20% of square footage.
Eligible Products	<ul style="list-style-type: none"> • All conventional mortgage terms are available • On insured deals fixed terms only available • Amortizations up to 25 years on insured deals • Amortizations up to 30 years on conventional deals •
Appraisals	<ul style="list-style-type: none"> • A standard appraisal is required
Equity/Down Payment Minimum	<ul style="list-style-type: none"> • Minimum down payment of 25% from own resources for conventional deals. Credit request must indicate source of funds. • Minimum down payment of 20% from own resources for Insured Deals. Credit Request must indicate source of funds. • No gifted down payment • Minimum beacon score of 620 • Net worth must be 25% of mortgage amount – minimum \$100,000
LTV (Conventional)	<ul style="list-style-type: none"> • Purchase or refinance; LTV not to exceed 75%; subject to Sliding Scale
LTV (High Ratio)	<ul style="list-style-type: none"> • TD only participates in the CMHC program. • For rental properties up to 4 units the maximum LTV is 80% if insured.
Required Documentation	 <ul style="list-style-type: none"> • Offer to Purchase (where applicable) • Copy of MLS listing (where applicable) • Confirmation of Gross Rental Income via signed lease agreements (where applicable) • Expired leases can be accepted with the addition of one of the following: <ul style="list-style-type: none"> ◦ Signed acknowledgement from the tenant confirming rental/lease agreement is still in effect; or ◦ Copies of the last 3 months of cancelled cheques; or ◦ Evidence of the last 3 months of rental deposits in the account • If applicant owns 1 rental property (maximum 1 unit), either: • 50% of the confirmed gross income can be included as income and full principal, interest, (property) taxes and heating (PITH) for the subject rental included in liabilities; or • Rental worksheet (double-click on thumb tack icon) can be used to calculate the rental property Debt Service Ratio • Minimum DSCR is 1.10 based on a 25 year amortization. All properties/units must be self-supporting. • DCR is applicable for insured rentals however DCR cannot be used if the subject property is an insured rental property or an insured owner-occupied rental property. • Example 1: Customer is purchasing a new principal residence (subject property that does not have any rental units) and owns a number of other rental properties, DCR can be used for the number of other rental properties. • Example 2: Customer is purchasing a new insured rental property and also owns a number of other rental properties, DCR can only be used on the number of other rental properties, not on the subject property if it is insured (50% of rental income is to be used for this property). • For the subject property, use the qualifying rate on the rental worksheet to determine the DSC. If the property is not the subject property, use the actual payment to determine the DSC. • Confirmation of Income • Confirmation of the amount and source of down payment • For purchase and refinance transactions where the property is not rented, market rent can be used for qualification purposes <ul style="list-style-type: none"> ◦ Maximum LTV of 65% when market rent is used; no exceptions permitted ◦ Market rent assessment must be provided by the appraiser and included in the appraisal comments <p>Note: As a best practice, to improve the quality of your deal submission, please provide the completed Rental Worksheet up-front, where possible. This will help us understand the property's Debt Service Ratio.</p>
Assignment of Rent	<p>For British Columbia, Alberta, Manitoba, Saskatchewan</p> <ul style="list-style-type: none"> • Assignment of Rents is included in the Standard Charge Terms – a separate Assignment of Rents document is not required

Multi-Unit Residential Mortgages

TD is one of the largest providers of multi-unit residential (MUR) financing in the country, with headquarters in Toronto and offices located nationally.

Refer to Multi-Unit Residential website. <http://www.tdcanadatrust.com/mur/index.jsp>

MUR Contact Information:	Phone #: 1-877-299-9058 (staffed 8.00 - 5:00 pm EST) Fax#: 416-307-8423 E-mail : murinfo@td.com				
Eligible Purposes	<ul style="list-style-type: none"> Residential buildings with at minimum 5 self-contained legally zoned units Acquisitions, refinances, capital improvements, equity take-outs 				
Interest Rate	<ul style="list-style-type: none"> Based on Cost of Funds plus a credit spread. Credit spread determined by size and risk of loan, conventional or CMHC insured. 				
Broker's Fees	<ul style="list-style-type: none"> Paid directly by customer 				
General Underwriting Criteria		Conventional < \$1MM	Conventional > \$1MM	CMHC 5/6 Units	CMHC 7+ Units
	Maximum LTV	75%	75%	85%	85%
	Minimum DSC: Term < 10 years Term > 10 years	1.20-1.30x 1.20-1.30x	1.20-1.30x 1.20-1.30x	1.10 – 1.20x 1.10 – 1.20x	1.30x 1.20x
	Term	Personal: 3-5 yrs Corporations: 3-10 yrs	Personal: 3-5 yrs Corporations: 3-10 yrs	Personal: 3-5 yrs Corporations: 3-10 yrs	Personal: 3-5 yrs Corporations: 3-10 yrs
	Amortization	Up to 25 years	Up to 25 years	Up to 40 years	Up to 40 years
	Commercial Content	Max 30% of gross rental income	Max 30% of gross rental income	Max 20% of gross floor area	Max 20% of gross floor area
	Geographic Restrictions	Community population greater than 20,000	Community population greater than 20,000	No restrictions	No restrictions
	Rate Holds	Available up to 60 days	Available up to 365 days	Available up to 60 days	Available up to 365 days
	Guarantees	Typically Required	Typically Required	Required if LTV > 60% to a maximum of 50% of the loan amount	Required if LTV > 60% to a maximum of 50% of the loan amount
Typical Customer Information Required		Conventional < \$1MM	Conventional > \$1MM	CMHC 5/6 Units	CMHC 7+ Units
	Mortgagor Financial Statements (or copy of tax returns if not a business)	3 years	3 years	3 years	3 years
	Property specific financials (pro forma if new)	2 years	2 years	2 years	2 years
	Current Rent Roll	Required	Required	Required	Required
	Property tax, insurance, and utility costs	Required	Required	Required	Required
	PNW of mortgagor/guarantor	Required	Required	Required	Required
	AML compliance requirements (e.g. Business registration, ownership, corporate officer and director information)	Required prior to funding	Required prior to funding	Required prior to funding	Required prior to funding

Typical Due Diligence Required		Conventional < \$1MM	Conventional > \$1MM	CMHC 5/6 Units	CMHC 7+ Units
	Appraisal	Required	Required	Required	Completed by CMHC
	Phase I Environmental	Not usually required	Required	Not usually Required	Required
	Structural/Mechanical	Not usually required	Required	Completed by CMHC	Completed by CMHC
	Property Insurance Review	Not required	Required	Not usually required	Usually Required
	Survey	Not required (except B.C.)	Required or title insurance in lieu of	Not required (except B.C.)	Required or title insurance in lieu of

Security Supporting Documentation Requirements		MUR Individual Mortgage Transaction Amount < = \$2MM	MUR Individual Mortgage Transaction Amount > \$2MM
	Solicitors	One solicitor; acts for Bank and Borrower (except BC) *	Two solicitors required
	Title Insurance	Required (except B.C.)	Optional

***One solicitor may act for Bank and Borrower subject to the following:**

- o Title insurance being obtained;
- o TD to verify the Borrower's counsel is a member in good standing of the Law Society;
- o The solicitor is to use TD's standard forms and agreements without addition, deletion or amendment;
- o For mortgages over \$1million, TD must obtain proof of adequate liability and fidelity insurance (including errors & omissions insurances) to cover the loan, from the solicitor.

The one solicitor policy is not applicable in British Columbia, where two solicitors (respectively representing the Bank and the Borrower) must continue to be used.)

Insured Business For Self – Stated Income Program

Insured Business for Self financing is available through Genworth. BFS applicants that cannot provide traditional income confirmation must qualify under these guidelines. Applicants must be self-employed for a minimum of 2 years.

Note: Commissioned and salaried applicants are not eligible for the Insured Business for Self program.

Eligible Products	<ul style="list-style-type: none"> • Fixed Rate Mortgages • Closed Variable Interest Rate Mortgages • Cashback Mortgages
	•
Eligible Purpose	<ul style="list-style-type: none"> • Purchase • Refinance • Purchase plus Improvements •
Ineligible Purposes	<ul style="list-style-type: none"> • Foreign Employee Applications • Progress Draws
Eligible Properties	<ul style="list-style-type: none"> • Owner Occupied – Maximum 2 units where one unit must be owner occupied • New Construction or Resale
Ineligible Properties	<ul style="list-style-type: none"> • Rental Properties • Multi Unit Properties • Recreational and Cottage Properties • Leased Land
Equity Take Out Limits	<ul style="list-style-type: none"> • \$200,000 • 75.01-80% LTV: Maximum \$100,000 • LTV <= 75%: Maximum \$200,000
LTV	<ul style="list-style-type: none"> • 90% Maximum LTV for purchases • 80% Maximum LTV for refinances

Maximum Loan Amount	<p>Maximum purchase price/property value of \$ 1,000,000 for LTV > 80%</p> <p>Maximum Loan Amount as follows:</p> <ul style="list-style-type: none"> • \$750,000 Metro Toronto, Calgary, Vancouver • \$600,000 Rest of Canada • Note: Maximum one Insured business for self product 																								
Appraisal	<ul style="list-style-type: none"> • Insurer will do an appraisal on all properties and will require: <ul style="list-style-type: none"> ○ the dwelling to be readily marketable ○ located in markets with demonstrated ongoing re-sale demand ○ Estimated remaining economic life of the property should be a minimum of 25 years 																								
Terms/Rates	<ul style="list-style-type: none"> • Fixed and Variable Terms 																								
Amortization	<ul style="list-style-type: none"> • 30 Years for Conventional • 25 Years for High Ratio 																								
Down Payment and Closing Costs	<ul style="list-style-type: none"> • Minimum 50% own resources without recourse to borrowing • Remainder can be gifted but not borrowed • Minimum 1.5% of the purchase price must be confirmed from borrower's own resources without recourse to borrowing to cover closing costs 																								
Occupancy Requirements	<ul style="list-style-type: none"> • All applicants must occupy the property • Spousal guarantors are accepted provided they occupy the property • Non occupant co-borrowers or guarantors are not permitted • Mortgages in the name of a business are not permitted 																								
Insurance Premiums	<table border="1"> <thead> <tr> <th>LTV Ratio</th> <th>PURCHASE</th> <th>REFINANCE</th> <th>REFINANCE-TOP UP</th> </tr> </thead> <tbody> <tr> <td>Up to 65%</td> <td>0.90%</td> <td>0.90%</td> <td>1.75%</td> </tr> <tr> <td>65.01% - 75%</td> <td>1.15%</td> <td>1.15%</td> <td>3.00%</td> </tr> <tr> <td>75.01% - 80%</td> <td>1.90%</td> <td>1.90%</td> <td>4.45%</td> </tr> <tr> <td>80.01% - 85%</td> <td>3.35%</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td>85.01% - 90%</td> <td>5.45%</td> <td>N/A</td> <td>N/A</td> </tr> </tbody> </table> <p>A 0.20% premium surcharge to be added for every 5 years of amortization beyond 25 years</p>	LTV Ratio	PURCHASE	REFINANCE	REFINANCE-TOP UP	Up to 65%	0.90%	0.90%	1.75%	65.01% - 75%	1.15%	1.15%	3.00%	75.01% - 80%	1.90%	1.90%	4.45%	80.01% - 85%	3.35%	N/A	N/A	85.01% - 90%	5.45%	N/A	N/A
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Borrower Qualification	<ul style="list-style-type: none"> • No previous bankruptcy • No tax arrears as per most recent Notice of Assessment (NOA) <ul style="list-style-type: none"> ○ Before submitting the deal, if NOA is not on hand, Broker can verbally confirm with the customer(s) that they are up to date on their personal taxes and provide comments to the underwriter that this has been verbally confirmed. ○ Brokers must advise the customer that the deal will not be final unless a copy of the NOA is received. • Confirm all TD mortgages are up to date and in good standing with no current or recent arrears • Minimum 3 years on credit bureau with 3 trade lines • Copy of current lender's offer of renewal where mortgage is being switched or refinanced at maturity • Minimum of 2 years self employed - Applicants that have been self employed for less than 2 years are not eligible under this policy and must be approved following the standard total debt services (TDS) ratio and income confirmation guidelines • Maximum GDS Ratio (based on stated income) <ul style="list-style-type: none"> • 35% where beacon score is less than 680 • Up to 39% where beacon score is 680 or greater • Maximum TDS Ratio (based on stated income) <ul style="list-style-type: none"> • 42% where beacon score is less than 680 • Up to 44% where beacon score is 680 or greater 																								
Documentation Requirements	<p>Self Employed: Copy of the Notice of Assessment confirming no tax arrears.</p> <ul style="list-style-type: none"> • Before submitting the deal, if NOA is not on hand, Broker can verbally confirm with the customer(s) that they are up to date on their personal taxes and provide comments to the underwriter that this has been verbally confirmed. • Brokers must advise the customer that the deal will not be final unless a copy of the NOA is received <p>One form of written third party documentation evidencing at least two full years self-employment, such as:</p> <ul style="list-style-type: none"> • GST / HST Returns* • Audited Financial Statements for last two years prepared and signed by a CA* • Business License • Articles of Incorporation <p>*TD considers this the preferred method of confirming self employment as they provide better evidence of business activity. The Credit Centre may request these forms where they feel it warranted</p>																								

Salaried/Commissioned Sales: if one of the applicants is salaried/commissioned sales their income is to be confirmed as per standard income confirmation guidelines. Refer to the **Lending Policy Guidelines, Income Confirmation** section.

Six-Month Convertible Mortgage

This mortgage lets a customer benefit from the typically lower interest rate of a six-month mortgage, with the option of converting to a longer closed term at any time during the six months at no cost.

Term	<ul style="list-style-type: none"> • Six months
Interest Rate	<ul style="list-style-type: none"> • Fixed for six months • Convert to a longer term at any time throughout the term
Financing available	<ul style="list-style-type: none"> • Conventional and high-ratio • Purchase price / lending value must be less than \$1 million if LTV > 80%
Payment Options	<ul style="list-style-type: none"> • All payment options are available
Payment Flexibility	<ul style="list-style-type: none"> • Payments can be increased by up to 100% over term • Prepayments up to 15% of the original principal amount per year • Mortgage may be prepaid in full upon payment of a 3 month interest penalty or IRD, whichever is more • Payment Pause, Payment Reduction, Payment Vacation available

One-Year Open Mortgage

A TD One-Year Open Mortgage lets a customer prepay any amount of their mortgage, at any time with no administration costs and no prepayment charges. And though the interest rate is fixed over the term, the customer has the option of converting to a longer term at any time during the one year at no cost.

Term	<ul style="list-style-type: none"> • One year
Interest Rate	<ul style="list-style-type: none"> • Fixed for one year
Financing Available	<ul style="list-style-type: none"> • Conventional and high-ratio • Purchase price / lending value must be less than \$1 million if LTV > 80%
Payment Options	<ul style="list-style-type: none"> • All payment options are available
Payment Flexibility	<ul style="list-style-type: none"> • Payments can be increased by up to 100% over the term without charge • Full or partial prepayments on any date without charge • Payment Pause, Payment Reduction, Payment Vacation available

Variable Interest Rate Mortgage – Closed

Great rates, fixed payments, the ability to pay off the mortgage faster, and the security of locking into a fixed rate at any time.

Target Market	<ul style="list-style-type: none"> Customers who seek low rates but can accept interest rate volatility and want the added flexibility to convert into a fixed term product at any time
Term	<ul style="list-style-type: none"> Five-year (Closed)
Rate	<ul style="list-style-type: none"> Rate is set on the first day of each month and based off TD Mortgage Prime Rate Compounded monthly Ratios should be calculated using the Qualifying Rate for qualification purposes. Refer to the Qualifying Rate section for details. The monthly payment amount is set on the closing date and is calculated using the rate applicable on that date. The payment remains constant. If rates rise, more of the monthly payment is applied to interest. If rates rise beyond a certain point, the customer will have to choose from certain payment options.
Down Payment	<ul style="list-style-type: none"> 5% down from own resources without recourse to additional borrowings (Maximum 95% LTV)
Payment Frequency	<ul style="list-style-type: none"> Payment frequency of weekly, rapid weekly, bi-weekly, rapid bi-weekly, semi-monthly, or monthly can be set up on a new or existing VIRM.
Restrictions	<ul style="list-style-type: none"> Not portable Not transferrable Not assumable
Principal and Interest Payments	<ul style="list-style-type: none"> Payments are fixed for the entire 5 year term Payments may be set using a higher interest rate to pay off the principal faster and to safeguard against interest rate increases During periods of rising interest rates, if the interest calculated on the outstanding balance is not covered by the interest portion of the regular P + I payment, it is deferred. Customers will be notified when the interest rate increases to a point where the P + I payment is no longer sufficient to cover the interest portion. It is recommended that customers increase the mortgage payment or convert to a fixed rate mortgage to avoid reaching the trigger point (defined below). However, no action is required by the customer at this time. <p>Trigger point:</p> <ul style="list-style-type: none"> Conventional: When the deferred interest plus the outstanding principal amount exceeds 80% of the market value of the property the customer is notified and has 30 days to: make a lump sum payment to bring the balance down to the appropriate trigger point; prove the property value has increased and the loan-to-value is below or equal to 80%. Insured: When the deferred interest plus the outstanding principal amount exceeds 105% of the market value of the property the customer is notified and has 30 days to: make a lump sum payment to bring the balance down to the appropriate trigger point; convert to a fixed rate mortgage; increase the regular monthly P + I amount.
Payment Flexibility	<ul style="list-style-type: none"> Payments can be increased by up to 100% over term Prepayments up to 15% of original principal amount per year Mortgage may be prepaid in full upon payment of a 3 month interest penalty Payment Pause, Payment Reduction, Payment Vacation available
Conversion from VIRM to Fixed Rate Mortgage	<p>Customers have the option to early renew a Closed VIRM into a Closed Fixed Rate term that is the lesser of either:</p> <ul style="list-style-type: none"> The remaining term or minimum 3 year fixed term <ul style="list-style-type: none"> For example: if the remaining term is 1 year 11 months, the customer can early renew into a 2 year term, (or longer if desired). If the remaining term is 4 years, the customer can choose to renew into a minimum of a 3 year term, without paying compensation. <p>Note: Remaining terms are always rounded up.</p> <ul style="list-style-type: none"> The payment must be based on the remaining amortization. Re-amortization of the loan is not permitted

CashBack Mortgages

CashBack Mortgages are great for first-time homebuyers or current homeowners who are looking to trade up. Customers will receive cash equivalent of 4% or 5% (depending on the term) of their mortgage principal.

Term	<ul style="list-style-type: none"> • 4% CashBack on a 5-year fixed term • 5% CashBack on a 6, 7 or 10 year fixed term • Note: CashBack is paid approximately 24 - 48 hours after funding. 															
Interest Rate	<ul style="list-style-type: none"> • Fixed for the full term • Maximum discretion of 15bps off of posted CashBack Mortgage interest rates. This does not apply to special offers. 															
Down Payment	<ul style="list-style-type: none"> • 5% down from own resources without recourse to additional borrowings (Maximum 95% LTV) 															
Financing Available	<ul style="list-style-type: none"> • Conventional and High Ratio • Purchase price / lending value must be less than \$1 million if LTV > 80% 															
Amortization	<ul style="list-style-type: none"> • Up to and including 30 years for Conventional • Up to and including 25 years for High Ratio 															
Maximum CashBack	<p>**For full details including limited time offers, refer to the Broker Rate Sheet.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Term</th> <th style="text-align: center;">Cashback %</th> <th style="text-align: center;">Maximum CashBack</th> </tr> </thead> <tbody> <tr> <td>5 years</td> <td style="text-align: center;">4%</td> <td style="text-align: center;">\$20,000</td> </tr> <tr> <td>6 years</td> <td style="text-align: center;">5%</td> <td style="text-align: center;">\$25,000</td> </tr> <tr> <td>7 years</td> <td style="text-align: center;">5%</td> <td style="text-align: center;">\$35,000</td> </tr> <tr> <td>10 years</td> <td style="text-align: center;">5%</td> <td style="text-align: center;">\$35,000</td> </tr> </tbody> </table>	Term	Cashback %	Maximum CashBack	5 years	4%	\$20,000	6 years	5%	\$25,000	7 years	5%	\$35,000	10 years	5%	\$35,000
Term	Cashback %	Maximum CashBack														
5 years	4%	\$20,000														
6 years	5%	\$25,000														
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Restrictions	<ul style="list-style-type: none"> • Not available on Purchase Plus Improvement deals • Cannot be combined with any other offer • CLIP program • Leased land 															
Portability	<ul style="list-style-type: none"> • A CashBack mortgage can be ported; however, a customer cannot port into a CashBack mortgage • Can only be ported once <ul style="list-style-type: none"> ○ Subsequent port have to be set up as a Port Plus mortgage without the cashback feature code <p>If all conditions of a port are met and the new mortgage amount is greater than the existing amount and the customer retains the existing term, the new rate is blended based on the existing rate and new rate for the increased portion. The CashBack Clawback is rebated with the compensation rebate. CAS amends the discharge statement to reflect the correct compensation amount only for concurrent deals.</p>															
Payment Flexibility	<ul style="list-style-type: none"> • Payments can be increased by up to 100% over term • Prepayments up to 15% of original principal amount per year • Mortgage may be prepaid in full upon payment of a 3 month interest penalty or IRD, whichever is more • Payment Pause, Payment Reduction, Payment Vacation available 															

Flexible Mortgage Features

Additional flexible payment features give customers more choice and control over their lives when they really need it.

<p>Payment Reduction</p>	<p>Prepaid Payment Reduction: Mortgage customers who have taken advantage of prepayment privileges and have paid down their mortgage balance ahead of their contractual amortization schedule are eligible for a Payment Reduction. The period of time that a customer can take a Payment Reduction is dependent on the prepaid amount accumulated and the current Principal and Interest Payment to a maximum of 4 monthly payments.</p> <p>Non prepaid Payment Reduction: This feature applies to Mortgage customers who would like to reduce the equivalent of one regular monthly Principal and Interest mortgage payment without having to prepay. Customers can reduce the equivalent of one monthly mortgage payment per calendar year up to a maximum of four monthly mortgage payments over the life of their mortgage (Amortization Period).</p>
<p>Payment Vacation</p>	<p>Mortgage customers, who have taken advantage of prepayment privileges and have paid down their mortgage balance ahead of their contractual amortization schedule, are eligible for a Payment Vacation. The period of time that a customer can take a Payment Vacation which cannot exceed 4 months and is dependent on the prepaid amount accumulated and the current Principal and Interest Payment.</p>
<p>Payment Pause</p>	<p>Customers can skip the equivalent of one monthly mortgage payment per calendar year up to a maximum of four monthly mortgage payments over the life of their mortgage (Amortization Period).</p>
<p>Terms and Conditions</p>	<ul style="list-style-type: none"> • Customers' mortgage and other credit must be in good standing at all times, for all features • Mortgage balance must not exceed the lesser of 90% loan-to-value (LTV), or the original principal amount borrowed, for all features at the time of request • Customers must have made additional payments by either lump sum or increased frequency to be eligible for a prepaid reduction or vacation features. • Must be new mortgage customers or current customers who renew their mortgage on or after January 24, 2011 <p>Note that customers are required to continue to pay their realty taxes and creditor insurance payments, if applicable.</p>



TD Broker Services Mortgage Comparison Chart

	Fixed Rate Mortgage	Six-Month Convertible Mortgage	One-Year Open Mortgage	CashBack Mortgage	Variable Interest Rate (Closed)
Term	Choice of 1 - 7 and 10 years	6 months	1 year	Choice of 5, 6, 7 and 10 year terms	5 years
Amortization up to 30 Years ²	✓	✓	✓	✓	✓
Key Features	- Fixed interest rate for the duration of mortgage term	- Ability to convert to a longer closed term at any time at no cost	- Pre-payable at any time without compensation - Can be converted without a fee to a closed term mortgage	- Fixed-rate mortgage with a cash back percentage calculated on the principal - 5 year term – 4% cash back - 6, 7 and 10 year terms – 5% cash back	- Variable interest rate with fixed payments - At any time, can be converted to a closed Fixed Rate Mortgage, with a minimum term equivalent to the lesser of 3 years or the remaining period of the original term
This Mortgage is right for...	- People who are concerned with rising interest rates, and who prefer the security of a fixed rate for the full term chosen	- People who prefer a short term, with flexibility of converting to a longer term at any time	- People who plan on selling in the near future - People who want to make a prepayment that is greater than 15% of the original principal amount or pay the mortgage out in full in the short term during the term	- People who need funds for renovations, to cover moving costs, furniture and appliances, etc.	- People who are not concerned with interest rate volatility
Interest Rate	Fixed for the selected term	Fixed for 6 months	Fixed for 1 year	Fixed for the selected term	- Variable interest rate - Set on the 1st of each month
Payment Frequency	Weekly, Bi-Weekly, Semi-Monthly, Monthly	Weekly, Bi-Weekly, Semi-Monthly, Monthly	Weekly, Bi-Weekly, Semi-Monthly, Monthly	Weekly, Bi-Weekly, Semi-Monthly, Monthly	Weekly, Bi-Weekly, Semi-Monthly, Monthly
Repayment Flexibility	- Payments can be increased by up to 100% over the term without charge - Prepayments up to 15% of original mortgage principal amount each year - Payment Reduction ¹ - Payment Vacation ¹ - Payment Pause ¹	- Payments can be increased by up to 100% over the term without charge - Prepayments up to 15% of original mortgage principal amount each year - Payment Reduction ¹ - Payment Vacation ¹ - Payment Pause ¹	- Increase payments to any amount - Fully open to prepay without compensation - Payment Reduction ¹ - Payment Vacation ¹ - Payment Pause ¹	- Payments can be increased by up to 100% over the term without charge - Prepayments up to 15% of original mortgage principal amount each year - Payment Reduction ¹ - Payment Vacation ¹ - Payment Pause ¹	- Payments can be increased by up to 100% over the term without charge - Prepayments up to 15% of original mortgage principal amount each year - Payment Reduction ¹ - Payment Vacation ¹ - Payment Pause ¹
FYI	- Additional prepayments subject to a compensation charge - Reinvestment fee of \$300 for discharge prior to maturity during the initial term	- Additional prepayments subject to a compensation charge - Reinvestment fee of \$300 for discharge prior to maturity during the initial term		- Additional prepayments subject to a compensation charge - Reinvestment fee of \$300 for discharge prior to maturity during the initial term - Pro-rated amount of cash back must be paid back if discharged early	- Additional prepayments subject to a compensation charge - Reinvestment fee of \$300 for discharge prior to maturity during the initial term

¹Some conditions apply. ²Maximum amortization period for Insured High Ratio Mortgages is 25 years.

Making a prepayment?

Here's what you need to know about compensation charges

To help you make smart, informed decisions about your mortgage prepayment options, we have prepared this guide to compensation charges (also known as prepayment charges) and other fees associated with paying down or paying off a mortgage.

Mortgage Types

Your mortgage type will affect the type of prepayment charge that you may encounter. For example, the type of prepayment charge that may apply can depend on whether your mortgage has a fixed or variable interest rate and whether it is an open or closed term. To help you understand these important distinctions, we've provided a detailed explanation of these below.

Fixed vs. Variable Interest Rate Mortgages

Fixed Rate Mortgage: When you get a fixed rate mortgage, your interest rate will not change throughout the entire term of your mortgage. As a result, your payments are always the same and you will know how much of your mortgage will be paid off at the end of your term.

Variable Rate Mortgage: When you get a variable rate mortgage, your interest rate will change when the TD Mortgage Prime Rate changes. When rates change, your payment amount still remains the same, but the amount that is applied toward interest and principal will change. If interest rates drop, more of your mortgage payment is applied to the principal balance owing. If interest rates rise, more of your monthly payment will go toward interest. At a certain point, you may have to choose from certain options regarding payment arrangements. Please ask us for details. **Note:** Open VIRM not available to Brokers.

Open vs. Closed Term Mortgages

Open Mortgage: Requires you to make set payments at set times. You are also allowed to pay any amount toward your mortgage at any time, without incurring any additional costs for doing so. Interest rates are typically higher than those for closed mortgages because of this privilege.

Closed Mortgage: Requires you to make set payments at set times. However, if you want to pay more than allowed, or renegotiate or refinance your mortgage before the end of your term, you will be charged a prepayment charge. Interest rates are typically lower than for an open mortgage.

Long-term Mortgages vs. Short-term Mortgages

Long-term Mortgage: A long-term mortgage is generally for three years or more. Long-term mortgages are often the best choice when current interest rates are reasonable and you want the security of budgeting for the future.

Short-term Mortgage: A short-term mortgage is usually for two years or less. Short-term mortgages are a good option if you believe interest rates will be lower at your maturity date. Usually, the shorter the term, the lower the interest rate.

So how does the type of mortgage I choose affect my prepayment charge?

Firstly, if you select an open mortgage or you choose not to make any changes to your mortgage payments or term, such as renewing your mortgage early or paying down/paying off your mortgage prior to the maturity date, then a charge will not apply.

For a closed mortgage, if you decide to pay off your mortgage within the mortgage term (or even an amount greater than your prepayment privileges), you will have to pay a prepayment charge.

The following actions may result in you having to pay a prepayment charge –

- **Partially prepaying amounts higher than allowed by your mortgage**
- **Refinancing your mortgage**
- **Transferring your mortgage to another lender**

This charge is calculated as three months interest for closed variable interest rate mortgages. For closed fixed interest rate mortgages, the prepayment charge is the greater of three months interest or an Interest Rate Differential (IRD) amount. Three (3) Months Interest Amount is an amount equal to three (3) months (90 days) interest at the annual interest rate on the amount that you prepay. The actual calculation takes into account the compounded annual amount of interest to be paid, determines what the daily interest would be and then multiplies that number by 90.

The IRD amount is equivalent to the difference between your annual interest rate and the posted interest rate on a mortgage that is closest to the remainder of the term less any rate discount you received, multiplied by the amount being prepaid, and multiplied by the time that is remaining on the term (see below for some examples). We use a more precise formula that, in the case of a full prepayment, takes into account the value to us of receiving the prepayment amount now compared to the value of us receiving the regular payments under the current payment schedule (the “Full IRD Amount”). In the case of a partial prepayment, the IRD amount to be paid is the proportion of the Full IRD Amount based on the proportion that the prepayment amount is of the outstanding balance.

If you require further information on any of our mortgages, please visit www.tdcanadatrust.com/mortgages
Please obtain the exact amount by contacting us at any branch or by calling 1-800-281-8031.

Avoiding or reducing a prepayment charge

Avoiding a prepayment charge when paying off your mortgage *in full* prior to its maturity date –

Choose an open mortgage

If you choose an open mortgage, then you will avoid paying a prepayment charge.

Portability Plus – take your mortgage with you

What is “porting” a mortgage? And how can I use this to my advantage?

If you're thinking about moving and you want to keep your current interest rate, then you may be able to take it with you. Portability Plus® is a feature that lets you keep the actual interest rate and remaining term you have on the outstanding balance of your current mortgage (except variable rate mortgages or Home Equity Line of Credit fixed rate portions). Any additional money that you borrow will receive the current rate in effect at that time for those funds and the new mortgage interest rate will be blended with the interest rate on your existing mortgage.

When you “port” your mortgage to another property, you will not have to pay a prepayment charge at that time on the amount that you port. The terms and conditions of the new mortgage will be outlined when you port.

To qualify for porting, you must meet the following requirements –

- You own or have purchased another property and you are not in default on your current mortgage
- You have completed and have been approved for a new mortgage (note: new mortgage must fund within 120 days of the discharge of your current mortgage)

Reducing a prepayment charge when paying off your mortgage prior to its maturity date –

In many cases, you can reduce the prepayment charge that may be applicable when you pay out the mortgage and also reduce the amount of interest you pay over time. Some examples of how you can achieve this are –

- Over the term, increase your monthly payment by up to 100% of the original regular mortgage payment
- Each calendar year, make one or more lump-sum payments of up to 15% of the original principal amount
- Change your payment frequency to a more frequent payment schedule (i.e. monthly to biweekly)

By reducing the principal balance of your mortgage, you will reduce the balance on which the IRD or three months interest is calculated.

Additional fees when discharging a mortgage

It is important to note that additional fee(s) may be charged when a mortgage is paid in full and discharged. These may include –

- **A Discharge/Assignment Fee**
This is an administration fee for preparing the discharge/assignment request
- **A Reinvestment Fee**
If you prepay your mortgage in full before the maturity date during the first term (i.e. you never renewed your mortgage)
- **An Administration Fee for Open Variable Rate Mortgages**
Only applicable if you are prepaying your mortgage
- **A Cashback Reimbursement**
If you received a cashback payment in connection with your mortgage, you may be required to reimburse a proportionate amount. This applies in the following situations –
 - You prepay the mortgage in full
 - We assign the mortgage to another lender at your request
 - You renew the mortgage and that renewal is effective before the maturity date of your current mortgage term

The amount of the Cashback Reimbursement is calculated as follows:

$$\text{Cashback Amount} \times \frac{\text{Number of months remaining in the term at the time of prepayment}}{\text{Number of months remaining in term}} = \text{Cashback Reimbursement}$$

Calculation of the prepayment charge explained

How is the prepayment charge calculated?

If you wish to make a prepayment of more than 15% of the original borrowed amount in any single year or if you are paying off your closed mortgage in full prior to the maturity date, there will be a prepayment charge. The prepayment charge is equal to the greater of:

**a) The Three (3) Months Interest Amount or
b) The Interest Rate Differential Amount (both are described below)**

Three Months Interest Amount: An amount equal to three (3) months (90 days) interest at the current interest rate on the mortgage on the amount that you prepay.

To estimate the prepayment charge using the **Three Months Interest Amount:**

- Step 1:** _____ (A) The amount you want to prepay
Step 2: _____ (B) Your Annual interest rate expressed as a decimal (for example, 6.75% = .0675)
Step 3: _____ (C) $A \times B = C$
Step 4: _____ (D) $C \div 4 = D$, D is your estimated three (3) months interest amount

The actual calculation will be more precise and will generally result in a lower prepayment charge than the estimated prepayment charge above.

Interest Rate Differential (IRD) Amount: An amount, calculated at an interest rate equal to the IRD, on the amount you prepay, for the remaining term of your mortgage.

The IRD is defined as the difference between your annual interest rate and the current posted interest rate for a Similar Mortgage¹, less the rate discount² received by you on your mortgage for the term you have selected.

To estimate the prepayment charge using the **Interest Rate Differential Amount:**

- You should first determine the posted rate for a Similar Mortgage as follows –
 Use the chart below to find the term for a Similar Mortgage:

If the number of months remaining on the mortgage term, excluding the current month, is...	... then the term used to determine the posted rate for the Similar Mortgage would be:
Less than 9 months	6 months convertible
From 9 months up to 17 months	1-year closed fixed rate
From 18 months up to 29 months	2-year fixed rate
From 30 months up to 41 months	3-year fixed rate
From 42 months up to 53 months	4-year fixed rate
From 54 months up to 65 months	5-year closed, fixed rate
From 66 months up to 77 months	6-year fixed rate
From 78 months up to 101 months	7-year fixed rate
From 102 months up to and including 120 months	10-year fixed rate

Determine the current posted rate for the Similar Mortgage term by visiting www.tdcanadatrust.com/mortgagerates. This is the posted rate for a Similar Mortgage, which is used in Step 2 below.

- Step 1:** _____ (A) The current interest rate (this is the interest rate for your mortgage and includes any rate discount received by you)
Step 2: _____ (B) The posted interest rate for a Similar Mortgage (see below), less any rate discount received by you under your current mortgage
Step 3: _____ (C) $A - B = C$, (write C as a decimal)
Step 4: _____ (D) The amount you want to prepay
Step 5: _____ (E) The number of months remaining in the term of your mortgage, excluding the current month
Step 6: _____ (F) $(C \times D \times E) \div 12 = F$, F is your estimated IRD amount

The actual calculation will be more precise and will generally result in a lower prepayment charge than the estimated prepayment charge above.

Please note: changes to the following will impact the IRD calculation –

- The remaining term for the Similar Mortgage
- The remaining number of months in the IRD calculation
- Our posted rates (which may change at any time)
- Changes in the prepayment amount

Prepayment Example Calculation

The actual calculation will be more precise and will generally result in a lower prepayment charge than the estimated prepayment charge below. To obtain the exact amount of your prepayment charge, please contact us at any branch or by calling **1-800-281-8031**. Alternatively, you can input your specific information into our online payment calculator at www.tdcanadatrust.com/mortgagerates to obtain an estimate of the amount.

Example:

To better understand the prepayment calculation, we have included the below sample calculation.

Assume the following details for the existing mortgage.

Remaining term of mortgage, not including the current month	28 months
Outstanding mortgage balance	\$100,000
Interest rate (which includes the discount received; posted rate at the time the mortgage originated was 6%)	5.00%
Discount received on interest rate	1.00%

To determine the Similar Mortgage interest rate:

Term for a Similar Mortgage In this case, the 28 months remaining on the mortgage corresponds to a 2-year fixed rate term. See chart above.	2-year fixed rate
Posted interest rate for a Similar Mortgage term of 2 years For a listing of current posted rates, visit https://www.tdcanadatrust.com/mortgagerates	5.00%*
Posted interest rate for a Similar Mortgage less rate discount (5.00% - 1.00%)	4.00%

* For this example we are assuming that the current posted rate is 5.00%.

To estimate the prepayment charge using the Three Months Interest Amount:

Step 1	\$100,000 (A)	the amount prepaid
Step 2	0.05 (B)	the interest rate on the mortgage, expressed as a decimal
Step 3	\$5,000 (C)	$A \times B = C$
Step 4	\$1,250 (D)	$C / 4 = D$, D is the estimated three months interest amount

The actual calculation will be more precise and will generally result in a lower prepayment charge than the estimated prepayment charge above.

To estimate the prepayment charge using the Interest Rate Differential Amount:

Step 1	5.00% (A)	the interest rate on the mortgage
Step 2	4.00% (B)	the posted interest rate for a Similar Mortgage, less any discount received under the mortgage
Step 3	0.01 (C)	$A - B = C$, expressed as a decimal
Step 4	\$100,000 (D)	the amount prepaid
Step 5	28 (E)	number of months remaining on the term of this mortgage, excluding the current month
Step 6	\$2,333 (F)	$(C \times D \times E) / 12 = F$, F is the estimated IRD amount

The actual calculation will be more precise and will generally result in a lower prepayment charge than the estimated prepayment charge above.

In this example, the IRD amount would be payable as it is greater than the three months interest amount.

- If this scenario included a discharge, then the Discharge Fee and any applicable government registration fees would apply
- If a cashback amount was received, a proportionate amount is payable as set out on page 4
- If this was a full prepayment in the first term (never renewed), the Reinvestment Fee would also apply

To get a better understanding of how each of these variable factors affects the IRD amount, try using our new online calculator at www.tdcanadatrust.com/prepaymentcalculator

If you have any questions about prepayment charges, would like to know your actual prepayment charge or would like to discuss this in more detail, call us at **1-800-281-8031** or contact your local branch.



TD Canada Trust Request For Mortgage Discharge Payout Statement

For use only under the In-House Registration Program

Date: _____

Mortgagee: _____

Address: _____

_____ Fax # (OFI): _____

_____ Telephone # (OFI): _____

Dear Sirs:

Existing Mortgage No.: _____

Name of Mortgagor(s): _____

Property Address: _____

The effective date of the Mortgage payout statement should be: _____

Please provide a current Mortgage payout statement reflecting the mortgage balance, payment status, per diem and mortgage type (high ratio or conventional) for purposes of **Discharge to The Toronto-Dominion Bank** and forward it to:

Broker Name: _____

Broker Telephone #: _____

Broker Fax #: _____

Mortgage Payout Statement Request Authorization Form:

I/We, the Mortgagor(s) identified above, hereby irrevocably authorize and direct _____ to provide The Toronto-Dominion Bank ("TD") with the requested Mortgage payout statement, by forwarding it to the Broker identified above, or to TD directly upon request by TD.

Witness _____ Mortgagor _____

Witness _____ Mortgagor _____

1. (a) I acknowledge and agree that I have applied to The Toronto-Dominion Bank ("TD Canada Trust") for a/an:
 - (i) first residential Mortgage Loan;
 - (ii) Line of Credit or Business Line of Credit secured by a first ____ second ____ collateral mortgage; or
 - (iii) personal Loan or Business Loan secured by a first ____ second ____ collateral mortgage;

or

 - (b) I acknowledge and agree that I wish to provide The Toronto-Dominion Bank ("TD Canada Trust") with a collateral mortgage in support of a guarantee or increase an existing collateral mortgage in support of a guarantee.
2. I understand the nature of this transaction. The mortgage referred to above will be an encumbrance registered against my property. TD Canada Trust may use a third party service provider to register the mortgage and may title insure the mortgage to protect its interest. I consent to the sharing of my information necessary to effect these transactions with the third party service provider and/or title insurer. I have been given the opportunity to obtain independent legal advice and I have decided not to hire a lawyer to represent me in this transaction. I acknowledge that I have no legal representation in this transaction and that TD Canada Trust will ensure only that its own interests are protected and that TD Canada Trust has no obligation to protect my interests. I acknowledge that I can, at my own expense, retain a lawyer to represent me at any stage of this transaction.

(Applicable in B.C. and New Brunswick only) Any lawyer, notary or commissioner I may meet with is only witnessing my signature and is not acting for me.
 3. If my application or guarantee is accepted, TD Canada Trust will require me to execute one or more of a mortgage, mortgage amending agreement, credit agreement, guarantee agreement and/or other supporting documentation to secure its interests in the subject property. I authorize TD Canada Trust or its agents to make any non-material change to the mortgage I signed, which may be required in order to facilitate registration with the appropriate government agencies. I hereby agree to execute or re-execute at my cost any documents or additional documents that TD Canada Trust may reasonably require to make its mortgage security enforceable or resolve any uncertainties relating to my title in the subject property.

4. Spousal Information (initial the appropriate clause) **(not applicable in B.C. and Quebec)**

	Mortgagor 1	Mortgagor 2	Mortgagor 3	Mortgagor 4	
(a)	_____	_____	_____	_____	Title to the property is in both our names and we are legally married to each other.
(b)	_____	_____	_____	_____	I am not legally married.
(c)	_____	_____	_____	_____	I am legally married and the property is occupied by me and my spouse. My spouse's name is _____.
(d)	_____	_____	_____	_____	I am legally married, but the property has never been occupied by me and my spouse.
(e)	_____	_____	_____	_____	I am legally married, but separated from my spouse. The property was occupied by me and my spouse. My spouse's name is _____.
(f)	_____	_____	_____	_____	I am legally married, but separated from my spouse. The property was occupied by me and my spouse. My spouse has released his/her interest in the property by a separation agreement or a court order.
(g)	_____	_____	_____	_____	I am legally married, but separated from my spouse. The property was never occupied by me and my spouse.

For the purposes of this Section 4, "legally married" in **Saskatchewan** includes unmarried couples, of the opposite or same sex, who (i) have been cohabiting continuously for a period of not less than two years, or (ii) for a period ending within the preceding 24 months, did cohabit continuously for a period of not less than two years.

For the purposes of this Section 4, "legally married" in **Manitoba** includes two individuals who (i) have been cohabiting in a conjugal relationship for a period of at least 3 years; or (ii) have registered a common-law relationship under section 13.1 of The Vital Statistics Act; or (iii) have previously cohabited in a conjugal relationship for at least 3 years, were separated as at June 30, 2004, but have resumed cohabitation and have continued to cohabit for a period of at least 90 days. The spouse/common law partner will need to declare on the mortgage that they are either the first spouse or common-law partner to acquire homestead rights on the property, or that a previous spouse or common-law partner acquired homestead rights but those rights were released or terminated.

5. If the mortgage is to secure my guarantee, I agree to pay the following:
- (i) TD Canada Trust's fees; and
 - (ii) all legal fees and disbursements arising out of my retention of a lawyer, if any, with respect to the mortgage of the subject property, obtaining independent legal advice, execution of the guarantee, or otherwise, all on a solicitor and client basis.

Witness: _____

Mortgagor 1
Signature: _____

Witness: _____

Mortgagor 2
Signature: _____

Witness: _____

Mortgagor 3
Signature: _____

Witness: _____

Mortgagor 4
Signature: _____



TD Canada Trust
Request for Mortgage Assignment Payout Statement

(For Transfer Purposes)

Date: _____

Mortgagee: _____

Address: _____

_____ Fax # (OFI): _____

_____ Telephone # (OFI): _____

Dear Sirs:

Existing Mortgage No.: _____

Name of Mortgagor(s): _____

Property Address: _____

The effective date of the Mortgage payout statement should be: _____

Please provide a current Mortgage payout statement reflecting the mortgage balance, payment status, per diem and mortgage type (high ratio or conventional) for purposes of **Assignment to The Toronto-Dominion Bank** and forward it to:

Broker Name: _____

Broker Telephone #: _____

Broker Fax #: _____

Important

Please complete this section and fax this page with the Assignment Payout Statement.

Is the registered mortgage/charge securing more than one credit facility?

Yes *

No

Is the security a collateral mortgage/charge?

Yes *

No

***If Yes to either, please immediately contact the Broker named above at the fax/phone provided.**

Mortgage Payout Statement Request Authorization Form:

I/We, the Mortgagor(s) identified above, hereby irrevocably authorize and direct _____ to provide The Toronto-Dominion Bank ("TD") with the requested Mortgage payout statement, by forwarding it to the Broker identified above, or to TD directly upon request by TD.

Witness _____ Mortgagor _____

Witness _____ Mortgagor _____

**To: The Manager
TD Canada Trust**

This is to confirm that the undersigned is making a gift of \$ _____

To: _____

Name(s): _____ Relationship: _____

_____ Relationship: _____

Property To Be Purchased:

Street: _____ City: _____

Prov.: _____ Postal Code: _____

No part of the gift is being provided by any Third Party having any interest (direct or indirect) in the sale of the subject property.
The money is a genuine gift and does not have to be repaid.

Given by: _____
(Signature)

Received by: _____
(Signature)

Address: _____

_____ (Telephone Number)

Date: _____ MM/DD/YYYY

Verification of Gift Source

Choose one of the options stated below to verify sufficient assets to cover the amount of gift stated.

1) Bring this form to your Bank/Trust Company and have them fill out the bottom of this form.

or

2) Attach copies of bank book or statements of investment showing accumulation of funds for the amount to be given.

(Bank/Trust Company Name)

Address (Branch Stamp)

Signature of Representative

(Title)

Date: _____ MM/DD/YYYY

The above named individual has sufficient assets to cover the amount of gift stated.

Borrower's Name: _____

Property Address: _____

Insurer Reference Number: _____

Description	Cost
Land Cost	
Administrative Fees:	
Plans and Related Costs	
Survey Certificate and Related Costs	
Construction Permit	
Site insurance (if applicable)	
Legal Fees	
Land Preparation:	
Septic Tank/Well (if applicable)	
Sewer/Water Hook-up	
Excavating	
Foundation:	
Concrete & Forms	
Foundation insulation	
Framing & Trusses:	
Exterior Finishing:	
Windows & Exterior Doors	
Roofing	
Insulation	
Exterior Finish	
Interior Finishing:	
Interior Doors	
Wiring and Electrical	
Plumbing and Fixtures	
Flooring	
Drywall	
Painting	
Cabinets	
Fireplace & Chimney	
Mechanical:	
Heating system, air conditioning, air exchanger, other	
Seasonal Work:	
Driveway	
Landscaping	
Steps & Walks	
Patio/Deck	
Other (Specify):	
TOTAL:	

The branch must retain in their file all corresponding invoices and/or quotes.

Broker Name: _____

Date: _____