



Transaction No. []

Investor/Lender Disclosure Statement For Brokered Transactions

Important: This form is required by law and will provide the prospective investor/lender with important information.

The mortgage broker cannot receive any money from you or enter into an Agreement to receive money from you until at least 48 hours (excluding Sundays and holidays) after you have received this information.

C a u t i o n

All mortgage investments carry a risk. You should very carefully assess the risk of this mortgage investment before making a commitment.

In general, the higher the rate of return, the higher the risk of the investment.

Inexperienced investors are **not** advised to enter into mortgage investments.

You are **strongly** advised to obtain independent legal advice before committing to invest.

This mortgage investment is **not** insured by the Government of Ontario.

This mortgage investment cannot be guaranteed by the mortgage broker. If you are not prepared to risk a loss, you should not consider mortgage investments.

The mortgage broker cannot make payments to you except from payments of principal and interest made by the borrower under the mortgage. Therefore, the mortgage broker cannot continue mortgage payments to you if the borrower defaults.

If this investment is for a mortgage to fund a development, construction or commercial project, the repayment of this investment may depend on the successful completion of the project, and its successful leasing or sale.

If you are one of several investors in this mortgage, you may not be able to enforce repayment of your investment on your own if the borrower defaults.

You should inspect the property or project and the surrounding area before investing.

The attached declarations and disclosure summary are not intended to be a comprehensive list of factors to consider in making a decision concerning this investment. You should satisfy yourself regarding all factors relevant to this investment before you commit to invest.

Date []

Signature of Mortgage Broker, or of a person authorized to sign on behalf of the mortgage broker

Print name of person signing

Acknowledgement

I, _____, of
Print Name

_____,
Address

acknowledge receipt of this Caution, signed by the mortgage broker.

Date: _____
Dated By Lender

Signature: _____

Transaction No.

Declaration by the Mortgage Broker

For the purpose of this declaration, two persons are "related" if they share any relationship other than an arm's length business relationship. For example, a shareholder, director, officer, partner or employee of a mortgage broker is related to the mortgage broker.

This declaration is made by _____
Name of Mortgage Broker

The mortgage broker does / does not [choose one] have or expect to have a direct or indirect interest in the property that is the subject of this mortgage investment.

EXPLAIN: _____

A person related to the mortgage broker does / does not [choose one] have or expect to have a direct or indirect interest in the property that is the subject of this mortgage investment.

EXPLAIN: _____

The borrower is / is not [choose one] related to the mortgage broker.

EXPLAIN: _____

The borrower is / is not [choose one] related to an officer, director, partner, employee or shareholder of the mortgage broker.

EXPLAIN: _____

The individual or company that appraised the property is / is not [choose one] related to the mortgage broker.

EXPLAIN: _____

The proceeds of this investment will / will not [choose one] be used to refinance, pay out, redeem or reduce an existing mortgage on this property.

EXPLAIN: _____

If this investment is a purchase of an existing mortgage or a portion of an existing mortgage, the mortgage is / is not [choose one] now in default and has / has not [choose one] been in default in the preceding twelve months.

EXPLAIN: _____

The mortgage broker does / does not [choose one] expect to gain any interest or benefit from this transaction other than the fees disclosed in section D of the attached Information Disclosure Summary.

EXPLAIN: _____

The mortgage broker has fully complied with all requirements of the **Mortgage Brokers Act** and its regulations.

I have fully completed the above Declaration by the Mortgage Broker in accordance with the Mortgage Brokers Act and regulations and declare it to be accurate in every aspect.

Date

 Signature of Mortgage Broker, or of a person authorized to sign on behalf of the mortgage broker

 Print name of person signing

Acknowledgement

I, _____
Print Name

acknowledge receipt of this Declaration by the Mortgage Broker, signed by the mortgage broker.

Date: _____
Dated By Lender

Signature: _____

Transaction No.

Information Disclosure Summary

Part E of this summary lists documents that must accompany this summary and that must be provided to you at least 48 hours (excluding Sundays and holidays) before you commit to invest. You should examine the attached documents carefully before you make an investment decision. You should not rely solely on this disclosure summary.

A. Property/Security To Be Mortgaged

<p>1. Legal and Municipal address of the property:</p> <hr/>	<p>3. Property Taxes:</p> <p>Annual property taxes: \$ _____</p> <p>Are taxes in arrears?</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes Amount in arrears: \$ _____</p>
<p>2. Type of Property:</p> <p><input type="checkbox"/> Property with existing buildings</p> <p style="margin-left: 20px;"><input type="checkbox"/> Single family residential</p> <p style="margin-left: 20px;"><input type="checkbox"/> One-to-four unit residential</p> <p style="margin-left: 20px;"><input type="checkbox"/> Five or more unit residential</p> <p style="margin-left: 20px;"><input type="checkbox"/> Commercial</p> <p style="margin-left: 20px;"><input type="checkbox"/> Industrial</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other _____</p> <p><input type="checkbox"/> Vacant land, development or construction project.</p> <p>Detail of project/proposed use:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p><input type="checkbox"/> Other:</p> <p>Detail: _____</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>4. Zoning</p> <p>Is the zoning on the property appropriate for the proposed use?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No If "No", details:</p> <p>_____</p> <p>_____</p>
	<p>5. Appraisal</p> <p><input type="checkbox"/> No appraisal has been done on the property</p> <p style="text-align: center;">OR</p> <p><input type="checkbox"/> An appraisal has been done on the property</p> <p>For all properties, appraised "as is" value:</p> <p style="text-align: right;">_____</p> <p>For <u>development and construction projects</u> projected market value when project is complete.</p> <p style="text-align: right;">_____</p> <p>Date of appraisal: _____</p> <p>Name and address of appraiser:</p> <p>_____</p> <p>_____</p>

B. Mortgage Particulars

<p>1. Type of Mortgage</p> <p>Your investment represents:</p> <p><input type="checkbox"/> the entire mortgage</p> <p style="text-align: center;">OR</p> <p><input type="checkbox"/> a portion of the mortgage</p> <p>Your portion represents _____% of the total.</p> <p>_____ other parties have an interest in this mortgage.</p> <p>In what name will the mortgage be registered.</p> <p>_____</p>	<p>4. Terms of the Mortgage</p> <p>Amount of your investment: \$ _____</p> <p>Face value of the mortgage \$ _____</p> <p>Interest rate is fixed at _____% per annum</p> <p style="text-align: center;">OR</p> <p>Interest rate is variable. Explain:</p> <p>_____</p> <p>_____</p> <p>Compounding Period: _____</p> <p>Monthly payments by borrower: \$ _____</p> <p>Monthly payments to you: \$ _____</p> <p>(See Part D for fees charged to you)</p> <p>Term: _____ Amortization: _____</p> <p>Maturity Date: _____</p> <p>Balance on maturity: _____</p> <p>Borrowers first payment due: _____</p> <p>Terms and conditions of repayment:</p> <p>_____</p> <p>_____</p>
<p>2. Existing or New Mortgage</p> <p><input type="checkbox"/> An existing registered mortgage or portion of an existing registered mortgage is being purchased.</p> <p style="text-align: center;">OR</p> <p><input type="checkbox"/> Your investment will fund a new mortgage or portion of a new mortgage that has not yet been registered.</p>	
<p>3. Administered Mortgage</p> <p>Will the mortgage be administered for you?</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes</p> <p>If "Yes", name and address of administrator:</p> <p>_____</p> <p>_____</p>	

Initials	Date
----------	------

Transaction No.

5. Rank of Mortgage (according to information from borrower)
 The mortgage to be purchased/advanced is/will be a:
 first second third other: _____
 Prior encumbrances (existing or anticipated):
 None **OR**

a) Priority: _____ Face Amount: \$ _____
 Amount Owing: \$ _____
 In default? Yes No

Name of Mortgagee: _____

b) Priority: _____ Face Amount: \$ _____
 Amount Owing: \$ _____
 In default? Yes No

Name of Mortgagee: _____
 Others: _____

6. Loan to value ratio (according to information from borrower)

a) Total of prior encumbrances: \$ _____
 b) Amount of this mortgage: \$ _____
 c) Total amount of mortgages:
 (a + b) \$ _____
 d) Appraised "as is" value:
 (from Part A) \$ _____
 e) Loan to "as is" value:
 (c/d X 100) _____ %
 f) Projected value:
 (where appropriate) \$ _____
 g) Loan to "projected value" ratio:
 (c/f X 100) _____ %

C. The Borrower

Name and Address of Borrower:

Important: Financial information about the borrower's ability to meet the mortgage payments must be attached to this disclosure summary.

D. Fees

1. Fees and charges payable by the investor:	2. Fees and costs payable by the borrower:		
	Amount	Paid to	Purpose
Mortgage broker fee/commission/other costs: \$ _____	\$		
Approximate legal fees and disbursements: \$ _____	\$		
Administration fees (where applicable): \$ _____	\$		
Any other charges: \$ _____	\$		
Specify: _____	\$		
_____	\$		
_____	\$		
_____	\$		
TOTAL: \$ _____	\$		

E. Attached Documents

Important: You should review the following documents carefully and assess the risks of this investment before committing to invest. You should check that all documents are consistent with this disclosure summary. The following documents must be attached:

1. If the statement concerns an existing mortgage, a copy of the mortgage.
2. If an appraisal of the property has been done in the preceding twelve months and is available to the mortgage broker, a copy of the appraisal.
3. If an agreement of purchase and sale in respect of the property has been entered into in the preceding twelve months and is available to the mortgage broker, a copy of purchase and sale.
4. If a copy of an appraisal of the property is not delivered to you, documentary evidence of the property's value, other than an agreement of purchase and sale.
5. Documentary evidence respecting the borrower's ability to meet the mortgage payments, such as a credit bureau report or a letter from an employer disclosing the borrower's earnings.
6. If you request, a copy of the borrower's application for a mortgage.
7. If the mortgage is a new mortgage, documentary evidence of any down payment made by the borrower for the purchase of the property.
8. A copy of any agreement that you may be asked to enter into with the mortgage broker.

Initials	Date
----------	------

Transaction No.

E. Attached Documents (continued)

Important: The mortgage broker is also required to provide you with all other information an investor of ordinary prudence would consider to be material to a decision whether to lend money on the security of the property, so that you can make an informed decision before you commit to invest. This information might include the following:

1. If the mortgage is for a construction or development project,
 - i. a detailed description of the project,
 - ii. a schedule of the funds that have been advanced or are to be advanced to the borrower, and
 - iii. the identity of any person who will monitor the disbursements of funds to the borrower and the use of those funds by the borrower.
2. If the property is rental property, details of leasing arrangements and vacancy status.
3. Environmental considerations affecting the value of the property.

F. Certification

This information Disclosure Summary has been completed by:

Name and address of mortgage broker

I have fully completed the above Information Disclosure Summary in accordance with the **Mortgage Brokers Act** and regulations and declare it to be accurate in every respect.

Date: _____

Signature of Mortgage Broker, or of a person authorized to sign on behalf of the mortgage broker.

Print name of person signing

Acknowledgement

I, _____, of

Print Name

Address

acknowledge receipt of this Information Disclosure Summary, signed by the mortgage broker.

I understand that the mortgage broker cannot accept any money from me or require me to enter into an agreement to receive money from me until at least 48 hours (excluding Sundays and holidays) after receipt by me of this form.

Date: _____
Dated By Lender

Signature: _____

One copy of this form must be provided to the prospective investor, and one copy must be retained by the mortgage broker.