

Collateral Transfer Program

DESCRIPTION		TARGET CLIENT	ADVANTAGES				
A program that allows clients with readvanceable mortgages to transfer to First National		Clients that have a mortgage registered as a collateral or running account who want the flexibility to switch lenders.	<ul style="list-style-type: none"> Greater flexibility for consumers in readvanceable mortgages Current insurance will remain in place Up to 95% LTV 				
Loan Purpose	Transfer of an existing readvanceable mortgage done through a new registration		<p>discharge fees. Clients can cap up to \$3000 for insured and conventional enhanced transfers.</p> <ul style="list-style-type: none"> Accrued interest can be added to the principal balance. It will not be counted against the cap amount. FCT or FNF will manage the closing process. Client has two options for FCT or FNF closing costs: <ul style="list-style-type: none"> First National covers the fee. Client can take lowest applicable rate with commission reduced by 10 bps Or Client covers the fee (this fee can be capped). Client can take lowest applicable rate and full commission payable. Signed payout statement authorization required. 				
Maximum LTV	Insured: Up to 95% LTV Conventional: Up to 80% LTV						
Mortgage Amount	Minimum: \$50,000 *Minimum \$100,000 in AB Maximum: Must follow sliding scale policy and adhere to insurer rules if insured or conventional insurable						
Property type	Prime marketable properties Conventional: Owner-occupied only						
Eligible Loan Types	<ul style="list-style-type: none"> Collateral mortgages Step mortgages Running accounts Lines of credit * We can combine two separate charge loans with no new funds						
Amortization	<ul style="list-style-type: none"> Must be the lesser of the remaining amortization or 25 years For an insurable enhanced transfer, there is an option to increase the amortization back to 25 years When combining two charges, the amortization must be blended Both charges must be from the same Financial institution 						
Term	Fixed: 5 years Adjustable: 5 years						
Rate Guarantee	120 days						
Debt Servicing	<table border="1"> <thead> <tr> <th>GDS</th> <th>TDS</th> </tr> </thead> <tbody> <tr> <td>39%</td> <td>44%</td> </tr> </tbody> </table>	GDS		TDS	39%	44%	
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Appraisals	Appraisal may be required upon request						
Payment Options	Frequency: Weekly, bi-weekly, semi-monthly or monthly Realty taxes may be collected with regular payments						
Early Payout	Adjustable: Three months interest fee for the entire term Fixed: The greater of 3 months interest or Interest Rate Differential (IRD)						
Process	<ul style="list-style-type: none"> The existing readvanceable mortgage is discharged and a new mortgage is registered based on the remaining principal balance. First National will allow clients to cap fees charged by the existing lender like pre-payment penalties and 						
ID Requirements			One piece of government-issued photo identification required. Please refer to approved list and identification guidelines.				
Prepayment Options			Adjustable: 15% + Double-up Fixed: 15% +15% + Double-up				
Convertible Options ARM			<ul style="list-style-type: none"> To First National's current published rates for a similar mortgage product The term selected less time elapsed must be equal to or greater than 5 years 				
Title Insurance			All deals will be closed by FCT or FNF				

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*Please see most recent rate sheet for current Qualifying Rate

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