

**MAPLE TRUST**

A Member of the Scotiabank Group



TO: Mr. Massimo Pannarale  
Ms. Catherine Navas  
43 Blue Diamond Terrace  
Woodbridge, ON  
L4H 2G3

C/O: Sandy Forte  
Mortgage Intelligence

FROM: **Maple Trust Company**  
Toronto-Dominion Centre  
79 Wellington Street West, Suite 3400  
P.O. Box 349, Toronto, ON, M5K 1K7  
Phone: (416) 350-7400, 1-800-275-5897  
Fax: (416) 350-7442, 1-877-396-2236

RE: Maple Trust Mortgage Number: **464342**

Commitment Date: August 7, 2007

We are pleased to confirm that we have approved your application for a first mortgage loan under the following terms and conditions:

Property Address: 3525 Kariya Drive, Unit 511, Mississauga, ON, L5B 0C2

<b>Advance Date</b>	June 1, 2010	<b>Basic Loan Amount</b>	\$213,180.00
<b>Term</b>	5 Years, Closed	<b>Insurance Premium</b>	\$5,862.45
<b>Amortization</b>	25 Years, 0 Months	<b>Total Loan Amount</b>	\$219,042.45
<b>Taxes to be paid by</b>	Paid by Borrower	<b>Commitment Fee</b>	\$0.00
<b>Interest Rate Set Date</b>	February 1, 2010	<b>Interest Rate</b>	

**Monthly Payment at** \$1,381.00**Current Rate**

Actual payment to be calculated at current rate on  
February 1, 2010

Rate to be set 120 days prior to closing at Maple  
Trust's then Partner Preferred Rate calculated  
semi-annually not in advance less a discount of  
0.25%

**Payment Frequency Options (please indicate your choice):**

(If none selected, the mortgage payment will be set up as monthly)

(Payment amount **does not** include tax portion if taxes are to be paid through Maple Trust)

\_\_\_\_\_ \$1,381.00 Monthly, First payment date: July 1, 2010 or \_\_\_\_\_  
\_\_\_\_\_ \$691.00 Bi-Weekly, First payment date: June 15, 2010 or \_\_\_\_\_  
\_\_\_\_\_ \$346.00 Weekly, First payment date: June 8, 2010 or \_\_\_\_\_

If you would like a payment date other than the default date noted above, your date selected must fall between the default date and one month (monthly payments), 14 days (bi-weekly payments) or 7 days (weekly payments) after your advance date.

Please attach a cheque marked VOID drawn on the account where you would like the payments taken from.

**PREPAYMENT POLICIES****Never having been in default, you may:**

During each calendar year, prepay up to an aggregate maximum of 15% of the original principal amount of the mortgage without notice or bonus and/or increase the principal and interest portion of the scheduled payment by up to 15% of the original principal and interest payment. Prepayments may be made on any payment date, subject to a minimum \$100 payment amount. This privilege is non-cumulative.

Never having been in default, you may prepay the mortgage in part or in full at any time upon payment of a prepayment fee equal to the greater of:

- (a) Three (3) months' interest on the amount of principal being prepaid at the interest rate in effect for the mortgage at the time of such prepayment, and

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- (b) The amount of principal being prepaid multiplied by the difference between the interest rate in effect for the mortgage at the time of such prepayment and Maple Trust Company's then current posted rate of interest for mortgages of the same type having a term to maturity that is closest to the remaining term to maturity of the mortgage at the time of prepayment, less any interest rate discount then applicable to mortgages offered by Maple Trust Company of the same type and term.

If the term of this mortgage is greater than 5 years, after the 5th anniversary of the interest adjustment date the cost to pay off some, or the entire principal amount of the mortgage early is 3 months' interest costs at the mortgage rate on the amount you want to pay.

#### HOW TO ESTIMATE PREPAYMENT COSTS:

Here is how you can estimate the cost of paying all or some of the principal amount of the mortgage before the maturity date. The result you get will only be an estimate.

##### To estimate 3 months' interest cost

Change your interest rate from a percent to a decimal. For example, 6% = .06. Multiply this number by the amount you want to prepay. Then, divide by 4. The answer is the estimated three months' interest cost.

- \_\_\_\_\_ (A) principal amount you want to prepay
- \_\_\_\_\_ (B) mortgage interest rate at the time of prepayment expressed as a decimal
- \_\_\_\_\_ (C)  $A \times B$
- \_\_\_\_\_ (D)  $C \div 4$  is estimated three months' interest cost

##### To estimate interest rate differential (IRD)

- \_\_\_\_\_ (A) mortgage interest rate on the mortgage at the time of prepayment
- \_\_\_\_\_ (B) current interest rate for a new mortgage with a term that is closest to the remaining term in your existing mortgage (less any discount being offered on such new mortgages)
- \_\_\_\_\_ (C)  $A - B$  is the difference between your existing interest rate and the current rate. Write C as a decimal. For example 6% = .06
- \_\_\_\_\_ (D) amount you want to prepay
- \_\_\_\_\_ (E) number of months left until the mortgage maturity date
- \_\_\_\_\_ (F)  $C \times D \div 12 \times E$  is the estimated IRD amount

Please contact us for the exact cost of paying off some or all of the principal amount of the mortgage before the mortgage maturity date. The amounts you calculate above are only estimates. We use a precise formula based on the semi-annual compounding of your mortgage interest rate.

#### INTEREST RATE

The interest rate will be set on February 1, 2010, which is 120 days prior to the closing date that you specified, at Maple Trust Company's then current 5 Years, Closed Partner Preferred Rate less a discount of 0.25%. At today's date the rate so determined would be 5.84%. Should Maple Trust's Partner Preferred Rate decline after the rate is set, then up to 5 business days prior to closing, Maple Trust Company will adjust the committed rate to reflect the reduced interest rate.

#### TERMS

This mortgage is assumable by qualified purchasers, subject to Maple Trust Company's standard underwriting criteria. This mortgage is portable to another property, subject to Maple Trust Company's standard underwriting criteria. This mortgage commitment is not assignable without the written consent of Maple Trust Company.

**All conditions must be met no later than 15 days prior to the closing date.**

#### CONDITIONS

**No to Second Mortgage** Secondary financing is not permitted.

**Purchase & Sale Agreement** This commitment is conditional upon receipt of the full Purchase and Sale Agreement signed by the Purchasers and the Vendor.

**Owner Occupancy** This approval is conditional upon the purchasers occupying the property as their primary residence. The Borrower(s) covenant(s) and agree(s) that he/she will not rent the mortgaged property, nor list the property for rent, or any part thereof (other than as agreed in writing between the Borrower(s) and Maple Trust, nor execute a lease affecting all or any part of the mortgaged property without the express written consent of Maple Trust. In the event that the Borrower(s) breach(es) this covenant, the balance of the principal monies secured hereby, together with any interest accruing under the mortgage loan herein and predetermined liquidated damages (but not as penalty) calculated in the same manner as described under Prepayment Policies above, shall forthwith become due and payable.

**New Construction Prior to any disbursement of the** loan proceeds of the loan proceeds we shall be furnished evidence confirming registration of the property under the provincial program providing new home warranties. A Completion Certificate signed by the purchaser and vendor must be received by Maple.

**New Home Warranty Certificate of Completion & Possession** This commitment is conditional upon receipt of the New Home Warranty Completion Certificate.

**Income Verification** (letters) This commitment is subject to satisfactory income by way of salary letters on company letterhead confirming income in the amount of \$48,000.00 for Massimo Pannarale.

**Income Verification - CoBorrower 2** (letters) This commitment is subject to satisfactory income by way of salary letters on company letterhead confirming income in the amount of \$36,000.00 for Catherine Navas.

**Credit and Employment Re-Check** This commitment is subject to an up-to-date credit and employment check to be done 10 days prior to closing.

#### **GENWORTH CONDITIONS**

**Genworth Insurance** Subject to approval of the mortgage by Genworth and receipt of a certificate of insurance.

**The Genworth Premium** of \$5,862.45 and PST of \$469.00.

**Genworth Downpayment** This commitment is conditional upon receipt of proof that the remainder of the purchase price in the amount of \$11,220.00 plus an additional \$3,366.00 (1.5% of purchase price) for closing costs is from the borrower(s) own resources and not from borrowed funds.

#### **GENERAL CONDITIONS**

**Estimated net advance** Accrued interest computed from the date of the advance to the Interest Adjustment Date and a realty tax holdback may be deducted from the gross loan amount.

**Zoning** The use of the land shall comply with all relevant laws and shall be in accordance with the provisions of all agreements with governmental or other authorities providing services to the property.

**Survey** You are to provide an up-to-date survey prepared by a qualified land surveyor showing the size of the lot, municipal address and location of the improvements on the land.

**Fire and Hazard Insurance** We require fire and hazard insurance and extended coverage policy for not less than the amount of the mortgage, with loss payable to Maple Trust Company as 1st mortgagee and a standard Mortgage Clause approved by the Insurance Bureau of Canada.

**Fees & Costs** You are to pay all legal fees, appraisal fees and expenses incurred with respect to this mortgage and incurred in complying with the provisions stated herein, whether or not the mortgage is completed. The following fees and costs are associated with this mortgage: Returned cheque \$25.00 (subject to change with notice), Discharge/Assignment Fee (\$200.00, \$75.00 in BC, Not applicable in Alberta), Assignment Fee for Nova Scotia only (\$25.00), Assumption Fee \$200.00 (not applicable in Alberta), Statement Fee \$50.00, Default Administration Fee \$200.00 for each instance of default proceeding, \$50.00 for each instance of fire insurance required to be placed by the Lender in addition to all costs and expenses incurred in placing fire insurance on the secured property. Late interest is charged at the mortgage rate on any late payment received after the due date. Interest at the mortgage rate shall be charged on any debit balance in the municipal tax account, until such debit balance is fully repaid.

**Payments** All regular payments due under the mortgage must be paid by pre-authorized chequing.

**Due on Sale and Release** If you sell, convey or transfer your property or agree to do so to anyone without obtaining prior written approval from us, the mortgage amount shall at our option, immediately become payable in full. Any payment accepted by us from any person or persons whom we have not first approved in writing shall not mean that we have granted prior written approval, nor that we have relinquished our right to require you to pay the mortgage amount in full.

**Documentation** This approval is intended to be only a summary of the principal terms and conditions upon which the mortgage will be prepared and shall cease to have any effect after the advance of the mortgage funds.

**In order to accept this mortgage, this mortgage commitment must be signed by all parties and returned to us together with a cheque marked "VOID" drawn on the account you wish the mortgage payments to be drawn from, no later than August 21, 2007.**

## **PRIVACY**

"We," "our" and "us" mean, as applicable, Maple Trust Company or any other member of the Scotiabank Group in Canada.

We may collect personal information from you and about you such as:

- Your name, address, occupation and date of birth, which is required by law;
- Identification, such as a valid Canadian driver's license or passport or birth certificate issued in Canada. We may also ask for documents such as a recent utility bill to verify your name and address;
- Your annual income, assets and liabilities and credit history;
- Information about your transactions, including payment history and account activity;
- Other information we may need in order to provide you with a Service such as health information if you are applying for certain insurance products.

When you apply for, accept, or guarantee a loan or credit facility or otherwise become indebted to us, and from time to time during the course of the loan or credit facility, we may use, give to, obtain, verify, share and exchange credit and other information (except health information) about you with others including credit bureaus, mortgage insurers, creditor insurers, registries, other companies in the Scotiabank Group and other persons with whom you may have financial dealings, as well as any other person as may be permitted or required by law. We may do this throughout the relationship we have with you. You also authorize any person whom we contract in this regard to provide such information to us.

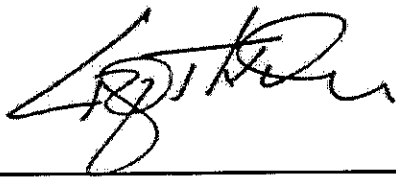
We may ask you for your SIN to verify and report credit information to credit bureaus and credit reporting agencies as well as to confirm your identity. This allows us to keep your personal information separate from that of other customers, particularly those with similar names, and helps maintain the integrity and accuracy of your personal information. You may refuse to consent to its use or disclosure for purposes other than as required by law.

If you have a mortgage accounts with us, we may give information about you, including credit information, to mortgage insurers for any purpose related to mortgage insurance. Information retained by Canada Mortgage Housing Corporation will be subject to federal access to information and privacy legislation.

During the term of the loan or credit facility, you may not withdraw your consent to our ongoing collection, use or disclosure of your personal information in connection with the loan or other credit arrangement you have with us or have guaranteed. We can continue to disclose your personal information to credit bureaus even after the loan or credit facility has been retired, and you may not withdraw your consent to our doing so. We do this to help maintain the accuracy, completeness and integrity of the credit reporting system.

Yours truly,

**Maple Trust Company**



\_\_\_\_\_  
Greg Tkach  
Mortgage Development Manager

The above terms and conditions are hereby accepted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
Mr. Massimo Pannarale

\_\_\_\_\_  
Ms. Catherine Navas

Name of Lawyer \_\_\_\_\_

Lawyer's Address \_\_\_\_\_

Telephone number \_\_\_\_\_ Fax Number \_\_\_\_\_

You must bring original photo identification such as provincial driver's license or Canadian passport to your lawyer's/notary's office.