

Mortgage Commitment

Response: 27-Sep-2007 01:20 AM

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BROKER INFORMATION

Name: Mortgage Professionals Inc.

Address: 2115 Bloor Street Toronto ON M6S 1M5

Attention: Jas Grewal

Application Reference #: MTPI-3481

LENDER INFORMATION

Name: FirstLine Mortgages

Address: 33 Yonge Street, Suite 600 Toronto ON M5E 1G4

Lender Reference #: 107144976

Mortgage Insurance Reference #:

APPLICANT INFORMATION

Applicant: Anthony Spehar

Property Information

Address: 1612 3525 Kariya Dr Mississauga ON L5B 0C2

With reference to the above, FirstLine Mortgages is pleased to provide a mortgage loan offer, under the following terms and conditions:

Loan		Terms	Payment
Purchase/Value	\$ 186,900.00	Mortgage Type	First
Downpayment	\$ 37,380.00	Term Type	Closed
Amount	\$ 177,555.00	Interest Rate	0.000%
Insurance Premium	\$ 4,882.76	Term (Months)	60
Total Loan	\$ 182,437.76	Amortization (Months)	300
Other Mortgages		Frequency	Monthly
Closing Date	01-Mar-2010		Commitment Expires 02-Oct-2007

LENDER AUTHORIZATION

All of our normal requirements and, if applicable, those of the mortgage insurer must be met. All costs including legal, survey, mortgage insurance, etc. are for the account of the applicant(s). The mortgage insurance premium (if applicable) will be added to the mortgage. This mortgage is subject to the details and terms outlined as well as the conditions described on the attached Schedule A.

Approved by: Judy Truong

FIRSTLINE MORTGAGES

CLIENT ACCEPTANCE

I/We the undersigned applicant(s) accept the terms of this mortgage as stated above and agree to fulfill the conditions of approval as outlined on the attached Schedule A to the lender's satisfaction. I/We further certify that the information given on the mortgage application is true and correct.

Applicant: Anthony Spehar

Signature _____

Date _____

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CONDITIONS OF APPROVAL**ASSUMPTION POLICIES**

- ☐ This mortgage may be assumed by a qualified purchaser.

CONDITIONS

- ☐ **CLIENT:**
To satisfy the following conditions at least 15 days prior to closing:
Provide satisfactory verification/copy of a signed mortgage application or a standard consent form signed by the client (s)
- ☐ Your broker/specialist will provide income verification that is satisfactory to us. This may be done with letters from each employer confirming job status and guaranteed salary and current pay stub to show earnings to date for the year. (IF HOURLY PLEASE PROVIDE RECENT T4)
- ☐ Your broker/specialist will provide verification for the funds being used as your down payment by providing the following (provide the documentation for all sources of funds to be used for the down payment):
If from a savings account -- a copy of your account's transactions during the last 3 months showing a gradual accumulation of the funds;
If from a GIC, mutual funds, or similar investment account -- a current copy of the record of your investment;
If from a gift -- a signed & dated gift letter from your immediate relative stating that the amount does not have to be repaid along with a copy of your bank statement confirming funds were deposited into your account at least 15 days prior to closing;
If from a sale of another property -- a copy of the Agreement of Purchase and Sale and a mortgage statement of outstanding debt against the property.
- ☐ Your broker/specialist will provide satisfactory verification that you have an amount equal to 1.5% of the purchase price for closing costs on this mortgage.
- ☐ Your broker/specialist must provide a copy of the accepted offer to purchase with all amendments and schedules.
- ☐ Your broker/specialist will provide a satisfactory copy of the listing of the property.
- ☐ Provide the answer to the following question:

This application is for the benefit of a Third Party -

YES _____

NO _____

If the answer to the above question is "YES" and the third party is an individual, then please complete the following section titled "THIRD PARTY -- INDIVIDUAL". If the answer to the above question is "YES" and the third party is a business, then please complete the following section titled "THIRD PARTY -- BUSINESS".

THIRD PARTY -- INDIVIDUAL

Name of third party -- _____

Address of third party -- _____

Occupation of third party -- _____

Date of birth of third party -- _____

Home phone number of third party -- _____

Relationship of third party to borrower -- _____

THIRD PARTY -- BUSINESS

Name of business -- _____

Address of business -- _____

Date:

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CONDITIONS

Business phone number -- _____

Relationship of business to borrower -- _____

Incorporation number and place of incorporation (if applicable) -- _____

Nature of business -- _____

- ☐ Provide the employer's address for all borrowers on the mortgage application.

NAME OF APPLICANT _____

NAME OF EMPLOYER _____

ADDRESS OF EMPLOYER _____

NAME OF APPLICANT _____

NAME OF EMPLOYER _____

ADDRESS OF EMPLOYER _____

NAME OF APPLICANT _____

NAME OF EMPLOYER _____

ADDRESS OF EMPLOYER _____

NAME OF APPLICANT _____

NAME OF EMPLOYER _____

ADDRESS OF EMPLOYER _____

- ☐ Provide the name, address and telephone number of the solicitor handling this transaction at least 10 days prior to closing. If the chosen solicitor does not maintain a trust account at CIBC he or she must provide the solicitor's interim report on title and request for funds at least 4 business days prior to closing. In the event we are not in receipt of all documents within this time the closing may be delayed. Any additional costs associated will be the responsibility of the borrower.
- ☐ Each borrower and guarantor must provide identification acceptable to us at the time the mortgage documents are signed. The solicitor must record details of the identification on our Identification Verification Form and FAX it to FIRSTLINE before any funds can be disbursed. This is for the purpose of meeting the requirements of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada). To avoid delays in closing, all mortgagors and guarantors must bring acceptable identification to the appointment with the solicitor.
- ☐ SOLICITOR:
To provide the following prior to closing:
- ☐ Solicitor is required to ensure that all borrower(s) are on title that appear on our commitment letter.
- ☐ Solicitor to provide certification that he/she has no knowledge of any secondary financing being registered against this property on closing.
- ☐ Solicitor to provide a signed Occupancy Affidavit indicating the property will be owner occupied and no portion to be rented out.
- ☐ Solicitor to obtain an up-to-date (within 90 days of closing) Status Certificate that satisfies our 6 guidelines of Condominium Units in our instructions letter to you.

Date:

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CONDITIONS

- ☐ A Disclosure Statement is for the clients reference only.
- ☐ The production by each Mortgagor and Guarantor of identification acceptable to CIBC Mortgages Inc. at the time the mortgage documentation is signed, and prior to any funds being advanced, for the purpose of compliance with the provisions of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) and Regulations thereunder.
- ☐ Each borrower and guarantor must provide identification acceptable to us at the time the mortgage documents are signed. You are required to complete the Identification Verification Form, which includes recording details of acceptable identification presented by each mortgagor and guarantor, and FAX it to FIRSTLINE before any funds may be disbursed. This is for the purpose of meeting the requirements of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)
- ☐ **LENDER:**
To obtain the following:
- ☐ We will obtain approval from CMHC/Genworth/AIG United Guaranty. SUBJECT TO CMHC APPROVAL.
- ☐ An amount of \$TBD will be deducted from the advance of funds to cover the Provincial Sales Tax on the CMHC/Genworth/AIG United Guaranty Premium. This amount cannot be added to the mortgage.
- ☐ Approval from CMHC and/or a satisfactory and acceptable appraisal of the secured property, indicating a minimum value of \$186,900.00. Original report required prior to closing.
- ☐ Confirmation property mortgaged is prime and meets all Lender's requirements.

PAYMENT FLEXIBILITY OPTIONS

- ☐ All payments must be made by way of automatic payment. Weekly or bi-weekly payments may only be made on a Friday. Semi-monthly payments may only be made on the 1st and 15th of the month. Monthly payments may only be made on the 1st of the month. You may change your payment frequency, upon request.

If you select a non-monthly payment frequency and fail to make the payments when due; at our option, we may require you to make all following payments on a monthly basis.

INSTRUCTIONS

- ☐ We will cancel this commitment if there has been any material change to your financial status as stated in your application or if there have been any unapproved material changes to the mortgage premises that would adversely affect the value of the property.
- ☐ Your solicitor is instructed to register the mortgage document with the following information:
Interest Adjustment Date of: MRCH-01-2010,
First Payment Date of: APRIL-01-2010,
Maturity Date of: MARCH-01-2015, and
MONTHLY Principal and Interest amount of: \$TBD.

Please note that the final registration details will be confirmed on the disclosure statement.

- ☐ If you decide to make any amendments to the terms of this commitment, your request must be received at least 5 business days before the closing date. If, as a result of any amendments, the final rate exceeds the interest rate on this commitment or the qualifying rates in effect at the time of this commitment, we have the right to re-qualify your mortgage application.
- ☐ You must pay all municipal, school and local improvement taxes on the property covered by this commitment. Taxes must be paid when they are due and you agree to provide us with a copy of the receipted tax bill within 30 days after the due date of the final instalment.

If you do not provide us with a receipted tax bill, you agree to reimburse us for any costs we incur to obtain a tax search and for making up for any deficiencies.
- ☐ You must return a copy of your signed acceptance of this commitment to our office no later than 10 days from the date of this commitment. If you do not, we will cancel the commitment with no further notice.
- ☐ By accepting this commitment, you agree to provide us with all supporting documentation required to satisfy the above-mentioned conditions at least 7 days before the advance date. If we do not receive all documentation within the specified time, we have the option of cancelling this commitment.

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OTHER

- ☐ We thank you for considering us for your mortgage needs. We are dedicated to providing our customers with innovative mortgage products at competitive prices. For details on our mortgage products, please ask your broker/specialist.
- ☐ FirstLine Mortgages also provides mortgage life insurance. Your mortgage life insurance premiums are automatically added to your regular mortgage payments for your convenience.
- Based on your mortgage application, the estimated premium to insure all qualified borrowers would be \$TBD plus PST (if applicable) , a month.
- If you are interested, ask your broker/specialist for a customer brochure and application / certificate of insurance for you to read. Complete, sign and return it with this commitment.
- If we do NOT receive an application for mortgage life insurance from the broker/specialist by the closing date, you will NOT be covered.
- ☐ Federal regulations require us to give you a disclosure statement that provides information about your mortgage. This information includes the details of the mortgage and the total cost to you of borrowing. The regulations require that we give you the disclosure statement at least two clear business days before you enter into the mortgage, so you can review the information. Under the regulations, you can agree to receive the disclosure statement at a later time. By signing below you agree to us providing you the disclosure statement no later than the time you enter into the mortgage. If you do not agree and require the disclosure statement be sent to you at least two clear days prior to entering into the mortgage, you can contact us at 1-888-264-6843. In some cases the time of our receipt of your request may delay your mortgage closing.

Also, by signing below, you:

- acknowledge that you have received and read a signed copy of this approval;
 - accept all of the terms and conditions of this approval; and
 - accept notices from us by mail, fax, e-mail or internet.
- ☐ FirstLine Mortgages, a division of CIBC Mortgages Inc., has obtained a credit bureau report on you in connection with your mortgage application. If you wish to review your credit bureau file please contact TransUnion Canada, 325 Milner Avenue, Suite 1501, Toronto, Ontario M1B 5N1 1-866-525-0262 and/or Equifax Canada, Consumer Relations Department, Box 190, Jean Talon Station, Montreal, Quebec H1S 2X2 1-800-465-7166.

During the course of our relationship we may collect financial information about you. This information includes:

- information about your mortgage,
- information about your transactions using our products and services,
- information to identify you or qualify you for products and services, and
- information we need for regulatory purposes.

We may collect this information from a number of different sources including your application for this mortgage, references you provide, credit reporting agencies, other financial institutions, service providers, our internal records and from individuals authorized to act on your behalf.

We may use your personal information to open, process, service, maintain and collect upon your mortgage. We will use and disclose your personal information according to FirstLine's privacy policies which are outlined in FirstLine's brochure "Your Privacy Is Protected." This privacy policy may be amended, replaced or supplemented from time to time. You can get information on our current privacy policy by contacting us or visiting www.firstline.com.

You agree that we may enter into this mortgage on behalf of another entity, as an agent or nominee, and also that we may assign this mortgage to another entity. In these cases, the entity is known as the "beneficial owner". We can do this whether or not the beneficial owner is named in this mortgage. We may disclose your personal information to the beneficial owner, its agent, and any person or entity to which the beneficial owner assigns the mortgage. We may also disclose your personal information to any service provider. A service provider is any person or entity that:

- is involved in the servicing maintenance, collection or operation of the mortgage; or
- provided services or benefits to you under the mortgage, including loyalty programs.

Your personal information includes all information provided by you or obtained by us in connection with your mortgage application, and ongoing information and documentation about you and your mortgage sufficient for the beneficial owner, agent, assignee and service provider to administer and exercise their rights under it.

Specific Consents:

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- (a) You agree that we may tell you about products and services through direct mail, telephone and other direct means.
(b) You agree that we may share information within the CIBC group, so that the CIBC group may tell you about products and services.

If you don't wish to consent to the above, you can contact us at (416) 865-1999 or 1-800-970-0700 at any time. You will not be refused credit or other services just because you withdraw your consent. The CIBC group includes CIBC and its subsidiaries that currently offer deposits, loans, mutual funds, securities trading, mortgages, trust and insurance services.

PORTABILITY OPTIONS

- ☐ The interest rate, term remaining and principal balance on this mortgage may be transferred to a new mortgage on a new property. However, we will re-qualify both you and the new property. You may be required to pay a CMHC/Genworth/AIG United Guaranty premium (plus PST, if applicable) to transfer the mortgage to a new property.

PREPAYMENT POLICIES

- ☐ This commitment is for a 5 year FIXED RATE MORTGAGE term.
- ☐ To qualify for the prepayment privileges outlined here, you must meet the following conditions:
- you must have met all of your obligations under the mortgage; and
 - your property must contain no more than four living units or be a single residential condominium unit.

The mortgage year is the 12-month period starting on the interest adjustment date and each anniversary of the interest adjustment date.

All prepayment charges are in addition to regular interest at the rate specified in your mortgage.

NOTE: If you are allowed to, and want to prepay the ENTIRE principal amount of your mortgage, you can ask us to provide you with a statement of the amount required to pay off your mortgage loan amount. You can specify the date you wish to make the full prepayment. However, the date cannot be more than 30 days after the date you request us to prepare the statement. The date you choose is called the Statement Effective Date. We will not process any mortgage payments, or any other payments that we receive, between the date we prepare the mortgage payout statement and the Statement Effective Date. We will charge you interest on accrued interest and on any amounts we do not process, including your regular mortgage payments, during this time. If you do not pay off your mortgage by the Statement Effective Date, we will, within 60 days following the Statement Effective Date, process all mortgage payments, and any other payments, that we did not process between the date we prepared the mortgage payout statement and the Statement Effective Date. All prepayment charges are in addition to regular interest at the rate specified in your mortgage, and if applicable, interest on accrued interest in connection with payments not processed between the date on which you made your last regular payment and the prepayment date.

- ☐ INCREASING AND DECREASING THE AMOUNT OF YOUR PAYMENTS

Once in each mortgage year, you may increase the amount of your regular payment by up to 25% of the original principal and interest payment, without paying a prepayment charge.

Once in each mortgage year, you may also decrease the amount of your principal and interest payment as long as the resulting amortization period is not greater than the remaining time left in the original amortization period.

These privileges are non-cumulative. This means that you cannot carry forward unused allowable increases or decreases in payments to future years.

- ☐ MAKING LUMP-SUM PAYMENTS WITHOUT A PREPAYMENT CHARGE

In each mortgage year, you may prepay up to 20% of the original principal amount without a prepayment charge.

The following conditions apply to making lump-sum prepayments:

- you may only make a prepayment on a regular payment date;
- you can make more than one prepayment in a mortgage year, but the total prepayment in any mortgage year cannot be more than the 20% limit;
- each prepayment must be at least \$100.00;
- if you do not use this privilege in a mortgage year, you cannot carry forward any unused allowable prepayments to any following mortgage years; and
- this right of prepayment without a prepayment charge does not apply if you prepay the entire principal amount, even if you have not used this privilege in the mortgage year when the mortgage is paid off.

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PREPAYMENT POLICIES☐ **MAKING LUMP-SUM PAYMENTS WITH A PREPAYMENT CHARGE**

If you want to prepay more than the 20% allowed in a mortgage year, a prepayment charge will apply. This prepayment charge will be payable in addition to regular interest at the rate specified in your mortgage. The prepayment charge will be the HIGHER amount of the following two amounts, each of which will be calculated by us using a method determined by us from time to time at our discretion :

- three months' interest costs on the amount that is subject to a prepayment charge, calculated at your existing annual interest rate on the date of prepayment (plus any discounts you received on your existing annual interest rate); or
- the interest rate differential amount (as defined below).

- ☐ If you are making a PARTIAL prepayment, the interest rate differential amount is the DIFFERENCE between the following two amounts:
1. The interest costs on the amount prepaid charged from the prepayment date to the maturity date of your mortgage. The interest costs are calculated at your existing annual interest rate (plus any discount you received on your existing annual interest rate).
 2. The interest costs on the amount prepaid, calculated at the reinvestment rate from the prepayment date to the maturity date of your mortgage. The reinvestment rate is the interest rate posted by us on the date of prepayment for a closed FirstLine brand mortgage product which we determine to be similar to your mortgage. In determining what mortgage product is similar to yours, we will consider the following:
 - the remaining term of your mortgage;
 - the features of your mortgage; and
 - whether you have a conventional or a high-ratio mortgage.

If you are prepaying ALL of the outstanding principal amount, the interest rate differential amount is the DIFFERENCE between the following two amounts:

1. The interest costs on the amount prepaid charged from your last scheduled regular payment date which falls on or before the prepayment date (whether or not the regular payment was made) to the maturity date of your mortgage. The interest costs are calculated at your existing annual interest rate (plus any discount you received on your existing annual interest rate).
2. The interest costs on the amount prepaid, calculated at the reinvestment rate from your last scheduled payment date that falls on or before the prepayment date (whether or not the regular payment was made) to the maturity date of your mortgage. The reinvestment rate is the interest rate posted by us on the date we prepare the mortgage payout statement for a closed FirstLine brand mortgage product which we determine to be similar to your mortgage. In determining what mortgage product is similar to yours, we will consider the following:
 - the remaining term of your mortgage;
 - the features of your mortgage; and
 - whether you have a conventional or a high-ratio mortgage

- ☐ If the terms of this commitment vary from the terms of the mortgage, the terms of this commitment will prevail.

RATE ADJUSTMENT POLICIES

- ☐ The interest rate quoted in this commitment is for information purposes only. The interest rate on this commitment is floating and will be fixed for the term/product you selected once you are within the current commitment period. If you wish to stay on a FLOAT basis, this request must be received in writing before we set the interest rate. Your mortgage will be re-qualified at the time the rate is fixed. Your gross debt service must not exceed 32%, and your total debt service must be not exceed 40%, of your gross income.

The gross debt service is the percentage of gross income that is taken for shelter costs each month. Shelter costs include principal and interest on the mortgage, property taxes, heating costs, 50% of condominium fees, plus any secondary financing and leasehold payments.

The total debt service is the percentage of gross income that is taken for shelter costs and the payment of all other debts each month.

ADMINISTRATION & SERVICE FEES

- ☐ No application or appraisal fee is required.

Date:

Initials: