

File #1808



**Preliminary Mortgage Approval Notice -Capped Rate Program**

Application No.: 98073321746150

Address of Property: 3525 Kariya Drive Unit 1808 Mississauga Ontario

Dear Mr & Mrs Bhardwaj

We are pleased to advise approval\* of your request for a mortgage loan on the property described above and to inform you of our interest rate guarantee to you.

This approval and the interest rate offered through our Capped Rate Program is exclusive to you for the purchase of this property. Your interest rate is guaranteed from the rate guarantee start date to the rate guarantee expiry date shown below ("the rate guarantee period") if we make the loan within the rate guarantee period. However, we will establish a new rate guarantee period if you and we agree to a different kind of loan. We also guarantee that, if our posted rate for the kind of loan drops below your interest rate within 90 days prior to the date funds are advanced, your interest rate will be the lower rate. If we lower your interest rate, we'll lower your instalment so that your amortization period stays the same.

If for some reason the date funds are to be advanced is changed to a new date that is beyond the Rate Guarantee Expiry date, and if the Bank approves an extension, you will receive the lesser of: (i) your interest rate plus an additional percentage as determined by the Bank for each full or partial month of delay beyond the Interest Rate Guarantee Expiry Date until the date funds are advanced and (ii) the lowest rate posted by the Bank for the kind of loan selected within 90 days prior to the date funds are advanced, plus an additional percentage as determined by the Bank for each full or partial month of delay beyond the Interest Rate Guarantee Expiry Date until the date of closing. Please note, the Capped Rate Program cannot be combined with any other interest rate discount or mortgage incentive offered by us and does not apply if you select a different kind of loan.

Loan details are as follows:

Total Loan Amount:	\$	209,120.00	Term of the Loan: 2 years
Mortgage Insurance Premium:	\$	0.00	Amortization period: 25 years
Instalment (principal and interest):	\$	1,510.13	Payment Frequency: monthly
Your Interest rate	7.350 % per year**:		Kind of Term: fixed/closed
Rate Guarantee Start :	28 Nov 2007	Rate Guarantee Expiry :	28 Nov 2010
Date funds are to be advanced:	30 Mar 2010	Rate guarantee period	36 months

Your estimated cost of borrowing expressed as an annual percentage rate (APR) is 7.350%. The calculation of the APR includes your interest cost, and if applicable, the following non-interest costs: (i) an estimated appraisal cost, and (ii) the cost of default insurance if required by us for a mortgage with a down payment of 25% or more (not applicable for a mortgage with a down payment of less than 25%).

This approval is conditional on our mortgage representative receiving the following outstanding documents within 10 days from the date of this letter.

1. Confirmation that there are no outstanding or pending liabilities re Chase Sears & Icdi Bank Inquiries
2. Subject to satisfactory appraisal confirming completion.
- 3.

All mortgage loan approvals are subject to there being no material change in your financial status as disclosed in your application and there being no material changes to the property that negatively affect its value. Prior to closing, we will issue you a Mortgage Commitment and Disclosure Statement specifying the final terms of your mortgage and all closing conditions.\*\*\*

Please ask us about our low cost Mortgage Life and Accident and Illness Mortgage protection options.\*\*\*\*

We thank you for your mortgage business.

Name: Teresa Ventura Date: 30 Nov 2007  
Title: Mortgage Specialist

By signing below, you indicate that you understand and accept the terms of our rate protection and rate commitment as outlined above:

\_\_\_\_\_  
Purchaser Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Purchaser Signature

\_\_\_\_\_  
Date

\* This replaces any Preliminary Mortgage Approval Notices previously provided to you.

\*\* Interest calculated half-yearly, not in advance.

\*\*\* By this time, an appraisal would have been completed and the appraisal fee would be payable by you, even in the event where we do not make the loan.

\*\*\*\* Provided by Sun Life of Canada. Eligibility requirements must be met.