

Unexpected.

FACT SHEET

The Progress Advance Mortgage (+Land)

Insured Lending



Our Progress Advance Mortgage (+Land) now offers a smooth, start-to-finish solution for your ready-to-build clients. BwB's complete offering includes expert support every step of the way. You can earn a finder's fee and your clients have the option to look into a fixed term or switch without penalty upon completion.

| OPTIONS | PRODUCT FACTS |
|---------------|---|
| PURPOSE | <ul style="list-style-type: none"> • Owner occupied progress advance for residential dwellings • Where a spouse exists, the spouse must be on the deal • Residential builder, general contractor, acting as own qualified contractor • Land Advance Option: A single mortgage is registered on title for the value of the full build project; the land advance is paid out at the first construction stage draw |
| RATE | <ul style="list-style-type: none"> • Prime + 5% on advanced amount¹ |
| TERM | <ul style="list-style-type: none"> • Draw Term (during construction – may include land advance): Construction must be completed according to draw schedule • End Term (after construction): 3 and 5 year, fixed, closed Bridgewater Bank mortgages available. Contact your BDM for rates • Switch Option: After the draw term, your client can switch to another lender without penalty |
| AMORTIZATION | <ul style="list-style-type: none"> • Max. 25 years |
| LTV | <ul style="list-style-type: none"> • New home owner occupied purchase 1-2 units max. 95% • New home owner occupied purchase 3-4 units max. 90% • Self-build, owner occupied purchase 1-2 units max. 90% • Mobile/Modular, owner occupied purchase max. 90% • Land Advance Option: 50% LTV on raw land, 75% LTV on serviced land |
| CREDIT BEACON | <ul style="list-style-type: none"> • Min. 650 beacon • No previous bankruptcies |
| GDS/TDS | <ul style="list-style-type: none"> • 15% overrun must be available in ratios, liquid assets or line of credit • GDS 39%, TDS 44% • Must qualify at Bank of Canada 5 year benchmark rate |
| DOWN PAYMENT | <ul style="list-style-type: none"> • Min. 5% down payment for purchase price or lending values ≤ \$500,000 • Min. 10% down payment for purchase price or lending values > \$500,000 • Down payment must be from traditional sources • Land Advance Option: 50% down payment required on raw land, 25% on serviced land |
| PROPERTY TYPE | <ul style="list-style-type: none"> • Single family, duplex up to a 4-plex, new modular or mobile homes, owned land or purchased land, acreage • Self-builds with or without new home warranty, in major urban centers |
| FINDER'S FEES | <ul style="list-style-type: none"> • Draw + BwB Fixed Term: Standard finder's fee as per fixed term. • Draw + Switch Mortgage up to \$299,999 = \$250 FF and Mortgage \$300,000 or more = \$500 FF |

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| BUILDING CODES AND STANDARDS | <ul style="list-style-type: none">• New construction must meet: National Building Code of Canada, Residential Standards of Canada, and all applicable municipal and provincial building codes• New Home Warranty (Alberta) or Manufacturer Warranty is required• Must be insured (CMHC/Genworth), inspection fees included in premium |
| ADVANCE STAGES | <ul style="list-style-type: none">• Construction Advances: Up to 3 interim advances plus final advance at completion (4)• No additional advances beyond 75% completion other than completion advance• Land Advance Option: Must be paid out within 90 days on first construction stage draw |
| PREPAYMENT EARLY PAYOUT | <ul style="list-style-type: none">• During Land and Construction Draw Term – 3% of the amount being prepaid• Switch to another lender at completion available with finder's fee & penalty waived, under following conditions:<ol style="list-style-type: none">1. Must pay full mortgage insurance premium2. Thirty (30) days notice prior to final advance3. Must be paid out within 30 days of completion• After Construction (End Term) with no switch notification (see #2), the greater of either 3 months interest and IRD based on difference between mortgage interest rate and yield on a Gov't of Canada Bond with a similar remaining term, plus 0.75% |

WHAT TO SUBMIT WITH AN APPLICATION

To ensure a fast approval of your application, please provide the documents outlined in the schedules below, along with your application. All documents are found online at www.BwBbrokerinfo.ca.

| SCHEDULE | REQUIREMENTS |
|---|---|
| Schedule A: Construction Costs Schedule | Only required for Self-Builds |
| Schedule B: Advance Schedule Report | Required for all BwB Progress Advance Mortgages |
| Schedule C: Document Checklist | Required for all BwB Progress Advance Mortgages |

For a complete overview of our Progress Advance Mortgage (+Land) product see our [Progress Advance Mortgage \(+Land\) brochure](#).

1. The annual interest rate will vary if and when Bridgewater Bank's prime rate changes. The annual interest rate is compounded semi-annually not in advance. Find Bridgewater Bank's prime rate at bridgewaterbank.ca/rates

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BwB304 11/17 CI-1595