

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	<p>Owner-occupied progress advance for residential dwellings</p> <p>Where a spouse exists, the spouse must be on the deal</p> <p>Residential builder, general contractor, acting as own qualified contractor</p> <p>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</p>
RATE	Prime + 5% on advanced amount ¹
TERM	<p>Draw Term (during construction – may include land advance): Construction must be completed according to draw schedule</p> <p>End Term (after construction): 3 and 5-year, fixed, closed Bridgewater Bank mortgages available. Contact your BDM for rates</p> <p>Switch Option: After the draw term, your client can switch to another lender without penalty</p>
AMORTIZATION	Max. 25 years
LTV	<p>New home owner-occupied purchase 1-2 units max. 95%</p> <p>New home owner-occupied purchase 3-4 units max. 90%</p> <p>Self-build, owner-occupied purchase 1-2 units max. 90%</p> <p>Mobile/Modular, owner-occupied purchase max. 90%</p> <p>Land Advance Option: 50% LTV on raw land, 75% LTV on serviced land</p>
BEACON	<p>Min. 650 beacon</p> <p>No previous bankruptcies</p>
GDS/TDS	<p>15% overrun must be available in ratios, liquid assets or line of credit</p> <p>GDS 39%, TDS 44%</p> <p>Must qualify at Bank of Canada 5 year benchmark rate</p>
DOWN PAYMENT	<p>Min. 5% down payment for purchase price or lending values ≤ \$500,000</p> <p>Min. 10% down payment for purchase price or lending values > \$500,000</p> <p>Down payment must be from traditional sources</p> <p>Land Advance Option: 50% down payment required on raw land, 25% on serviced land</p>
PROPERTY TYPE	<p>Single-family, duplex up to a 4-plex, new modular or mobile homes, owned land or purchased land, acreage</p> <p>Self-builds with or without new home warranty, in major urban centers</p>
FINDER'S FEES	<p>Draw + BwB Fixed Term: Standard finder's fee as per fixed term.</p> <p>Draw + Switch Mortgage up to \$299,999 = \$250 FF and Mortgage \$300,000 or more = \$500 FF</p>
BUILDING CODES AND STANDARDS	<p>New construction must meet: National Building Code of Canada, Residential Standards of Canada, and all applicable municipal and provincial building codes</p> <p>New Home Warranty (Alberta) or Manufacturer Warranty is required</p> <p>Must be insured (CMHC/Genworth), inspection fees included in premium</p>

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ADVANCE STAGES	<p>Construction Advances: Up to 3 interim advances plus final advance at completion (4)</p> <p>No additional advances beyond 75% completion other than completion advance</p> <p>Land Advance Option: Must be paid out within 90 days on first construction stage draw</p>
PREPAYMENT EARLY PAYOUT	<p>During Land and Construction Draw Term – 3% of the amount being prepaid</p> <p>Switch to another lender at completion available with finder's fee & penalty waived, under the following conditions:</p> <ol style="list-style-type: none"> 1. Must pay full mortgage insurance premium 2. Thirty (30) days notice prior to final advance 3. Must be paid out within 30 days of completion <p>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%</p>

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 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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