

# 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.

### Our finder's fees are:

#### With switch:

Up to \$299,999	\$250
\$300,000 or more	\$500

#### Without switch:

Regular FF's apply upon completion

1 year	50 bps
3 year	70 bps
5 year	100 bps

OPTIONS	PRODUCT FACTS
<b>PURPOSE</b>	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
<b>RATE</b>	Prime + 5% on advanced amount <sup>1</sup>
<b>TERM</b>	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
<b>AMORTIZATION</b>	Max. 25 years
<b>LTV</b>	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
<b>BEACON</b>	Min. 650 beacon No previous bankruptcies
<b>GDS/TDS</b>	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
<b>DOWN PAYMENT</b>	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
<b>PROPERTY TYPE</b>	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
<b>FINDER'S FEES</b>	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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<b>BUILDING CODES AND STANDARDS</b>	<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>
<b>ADVANCE STAGES</b>	<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>
<b>PREPAYMENT EARLY PAYOUT</b>	<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 &amp; penalty waived, under the following conditions:</p> <ol style="list-style-type: none"> <li>1. Must pay full mortgage insurance premium</li> <li>2. Thirty (30) days notice prior to final advance</li> <li>3. Must be paid out within 30 days of completion</li> </ol> <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](http://BwBbrokerinfo.ca).

SCHEDULE	REQUIREMENTS
<a href="#">Schedule A: Construction Costs Schedule</a>	Only required for Self-Builds
<a href="#">Schedule B: Advance Schedule Report</a>	Required for all BwB Progress Advance Mortgages
<a href="#">Schedule C: Document Checklist</a>	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](http://bridgewaterbank.ca/rates)

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