

Mortgage Loan Insurance Disclosure

Date

Federally regulated lenders, including Manulife Bank of Canada and Manulife Trust Company, require Mortgage Loan Insurance when homebuyers make a down payment of less than 20% of the value of their property. Mortgage Loan Insurance protects the lender in the event that you, the borrower, run into financial difficulties and default on your mortgage. This insurance helps to ensure that the lender is able to recover the outstanding principal amount of the mortgage plus expenses from the sale of the foreclosed property. This type of insurance is offered by the Canada Mortgage and Housing Corporation (CMHC) or Genworth Financial.

Mortgage Loan Insurance premiums are calculated as a percentage of your loan and are based on the amount of the mortgage against your property's value (this is known as Loan-to-Value). The higher the Loan-to-Value is, the higher the insurance premium will be. The cost of this insurance will be charged to you, the borrower. The cost can be paid in a single lump sum or it can be added to your mortgage and included in your monthly payments.

Mortgages with at least a 20% down payment are not generally required to be insured. However, there are instances when Mortgage Loan Insurance still may be required. In that case, this will be discussed and explained to you by your Banking Consultant. Mortgage Loan Insurance is different from other types of mortgage insurance, which protects against death, serious illness or disability.

These are your personalized details in relation to your Mortgage Loan Insurance:

Account / reference number:	xxxxxxx
Applicant:	John Smith
Co-applicant:	Jane Smith
Property value:	\$xxx,xxx.xx
Principal amount borrowed:	\$xxx,xxx.xx
Mortgage loan insurance premium:	x% of principal amount borrowed
Premium on total loan:	\$x,xxx.xx
Added to loan / Lump sum:	Added to loan
Total amount borrowed:	\$xxx,xxx.xx
Insurance provided by:	CMHC
Mortgage insurer reference number:	xxxx

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Manulife Bank of Canada
500 King Street North, P.O. Box 1602, STN Waterloo, Waterloo Ontario N2J 4C6 • 1-877-765-2265 • manulifebank.ca