

Aarti Financing Inc.
Mortgage Commitment & Mortgage Instructions

Date: (Month Dayth, Year)

From: **Aarti Mortgage Inc.**

(Hereinafter referred to as the “**Lender(s)**” and/or “**Chargee(s)**”)

To: (Firstname Lastname)

(Hereinafter referred to as the “**Borrower(s)**” and/or “**Chargor(s)**”)

Based upon and subject to the accuracy furnished to us by the Borrower(s)/Guarantor(s), we undertake to provide mortgage financing, subject to the following terms and conditions set out below which forms part of this commitment.

This Loan/Commitment is non-transferable, and the benefit may not be assigned to the borrower(s)/Guarantor(s), unless the chargee(s) agrees to such in writing and subject to additional costs.

DETAILS OF MORTGAGE LOAN	
Borrower(s):	(Firstname Lastname)
Guarantors:	(If Applicable)
Loan Amount:	\$800,000.00
Interest Rate:	Month 1 (to Month Term-1) - at greater of (Interest)% OR BMO bank prime rate of interest per annum, from time to time posted, plus (Ad)% calculated daily and compounded and payable monthly on the interest adjustment date. Month (Term, +1 if 1) and every month thereafter - at the greater of 24% OR BMO bank prime rate of interest per annum, from time to time posted, plus (Amount)% calculated daily and compounded and payable monthly on the interest adjustment date.
Terms:	(Term Length) months
Closing Date:	(Month Dayth, Year)
Monthly Payment	\$(Amount)
Interest only:	
Purpose of Loan:	(Type) Mortgage Assignment
Security Details:	(Full detail)
First Mortgage/Charge on	Above property

Cost to the Borrower(s):

All legal costs, disbursements and fees as stated in Fee Schedule in connection with this mortgage required to complete this transaction: Payable by the borrower to be deducted from advance.

Solicitors

TBD

TIME

IN ALL MATTERS, TIME SHALL BE OF THE ESSENCE.

This offer to finance is open for acceptance by the Borrower(s)/Guarantor(s) until 5:00pm, **on (Month Dayth, Year)**, by time and date, two copies of the Mortgage Loan Commitment and its schedules duly executed, shall be in our receipt (together with the nonrefundable commitment fee deposit of \$(Amount)). If the herein offer is not accepted by the aforementioned time and date or offer as set forth is rendered null and void.

This Mortgage Commitment, if accepted, is valid until the **Final Funding Date: (Month Dayth, Year)**, after which time/date this commitment will be subject to rate and fee changes, the offer shall be null and void at the option of the lender.

Assignment

Both the borrower(s) and the Lender(s) agree that the lender may assign in part or in whole this loan/mortgage commitment to a third-party lender.

CONDITIONS PRECEDENT TO FUNDING

This Mortgage Loan Commitment and its funding is further subject to Borrower(s)/Guarantor(s) providing all particulars below mentioned, the property meeting our criteria as to quality and location, verification and the receipt of the following by the Final Funding Date in a form all to be fully satisfactory to Lender(s) and their solicitor(s) and the lender can withdraw this mortgage commitment at any time before the final funding.

1. Signature(s) and/or Initial(s) Schedule "A" of provision of charge and Fee Schedule of Commitment
2. Pay all Realty taxes due/owing against the property being mortgage (most recent tax bill is required) and confirmation of who pays the taxes on the property.
3. Provide satisfactory Insurance/Binder with the endorsement of this mortgagee as a LOSS PAYEE on the subject property.
4. NSF/Returned payment fees: \$350 for each NSF cheque or other returned payment.
5. Insurance administration fee \$550; payable for investigating insurance status, administrative charges in insurance and other matters related to insurance on the property.
6. Should the mortgage go to power of sale or in default there will be an administration fee of \$10000 charged and payable by the client, there will be an inspection cost of \$1000 per visit and \$1000 plus expenses if maintenance of the property is required.

7. In the event of default or power of sale the effective interest rate will be increased to 24%
8. Standard Charge Term of 200033 shall be applicable to this mortgage.
9. Personal taxes or any other taxes that can affect the lender's charge should be in good standing and they should be treated as personal liability to be paid by the Borrower/s forthwith despite the remedies chosen by the creditor.
10. During the first 3 months the mortgage is closed, with a prepayment penalty of 3 months interest. Between 4th and 6th month the mortgage can be paid with a one-month interest penalty. The term is open during the 7th month.
11. The borrower will only be responsible for all legal fees associated with the costs of closing this transaction.
12. In the event of Default of two payments on the mortgage; and/or Default at maturity (nonpayment of principal on maturity); An amount equal to three-month interest as mutually agreed damages to the lender to mitigate the loss of opportunity/cost of reinvestment suffered by the lender.
13. The mortgage cannot be ported and/or assigned without the prior approval of the lender.
14. This mortgage commitment may be signed by e-mail/fax and in counterparts, and all such counterparts produced together shall form a binding commitment /agreement.
15. The parties to this transaction including the guarantor if any hereby acknowledge of having adequate time and opportunity to obtain Independent Legal Advice before execution of this commitment, and if such advice has not been obtained by either or all of the parties, its requirement shall be deemed to be waived by.
16. There will be discharge fees of \$850 at the time of discharge. Discharge statement will be prepared by **Aarti Financing Inc.**
17. Borrower will pay \$900 whenever Mortgage statement is requested.

ACCEPTED and DATED in the City of _____, day of _____, (Year).

Borrower(s)/Chargor(s)

Witness

Borrower(s)/Chargor(s)

Witness

Lender(s)

Schedule A

The total itemized cost to the Borrower(s) and/or Chargor(s) is as follows:

As stated in page 1 of the Mortgage commitment and Mortgage Instructions where it states COSTS TO THE BORROWER(S) here is the breakdown of costs, including legal, Lenders(s) fees and lender(s)' administrative fees:

Lending Fees @ (Fees)%	$$(Fees\% * Principal)$
Interest reserve of (Number) months	$$(Monthly * Amount)$

TOTAL	\$ (Sum)
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** Note additional cost: Lender, Legal and Disbursements Cost to be added and provided by solicitor at time of funding and deducted from the proceeds of the advance.

ACCEPTED and DATED in the City of _____, day of _____, (Year).

Borrower(s)/Chargor(s)

Witness

Borrower(s)/Chargor(s)

Witness