

Mortgage Loan Insurance Disclosure

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), Genworth Financial Mortgage Insurance Company Canada (Genworth) or Canada Guaranty Mortgage Insurance Company (Canada Guaranty).

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 Mortgage Professional. 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	_____
Applicant	_____
Co-applicant	_____
Property value	\$ _____
Principal amount borrowed	\$ _____
Mortgage loan insurance premium	_____ % of principal amount borrowed
Premium on total loan	\$ _____
Added to loan / Lump sum	_____
Total amount borrowed	\$ _____
Insurance provided by	_____
Mortgage insurer reference number	_____

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