Disclosure of Information Statement to Lender

Addendum for Construction and Development Mortgages

As a mortgage broker involved in this mortgage transaction, I must give you this additional disclosure to explain **important information about this construction and development-related mortgage transaction** so you can make an informed decision before you provide funds.

INFORMATION STATEMENT

Property and Project Details

Legal Description of Property:

____

Municipal Address of Property:

____

Description of property

- ◯ Vacant land
- ◯ Development or construction project
- ◯ Commercial
- ◯ Industrial
- ◯ Agricultural
- ◯ Other, explain: ______________

Details of project/proposed use, including projected starting and completion dates:

____

The funds will be used for the following (check all that apply):

- ◯ Land acquisition cost
- ◯ Soft costs (e.g. zoning, permits, legal, consultants, marketing, insurance, design and planning (e.g., architect, engineer))
- Construction costs (e.g., materials, labour, equipment, and infrastructure)
- ◯ Other (e.g., financing and contingency):

____

Identify the person(s) who will monitor the disbursements of funds to the borrower and the use of those funds by the borrower:

____

Builder/Developer Information

Name and address of the builder/developer(s): ______

Has the builder/developer(s) ever been a party to a project that has had a mortgage default?

◯ Yes ◯ No ◯ Unknown If yes, explain (including whether power of sale proceeding commenced):

______

Have any of the principal(s) of the builder/developer(s) such as the directors, officers, owners or partners ever been a party to a project that has had a mortgage default?

◯ Yes ◯ No ◯ Unknown If yes, explain (including whether power of sale proceeding commenced):

______

Has the builder/developer(s) ever been convicted, found guilty of or currently charged with any criminal or regulatory offence under any law of any province, territory, state or country?

◯ Yes ◯ No ◯ Unknown If Yes, explain:

______

Have any of the principal(s) of the builder/developer(s) such as the directors, officers, owners or partners ever been convicted, found guilty of, or currently charged with any criminal or regulatory offence under any law of any province, territory, state or country?

◯ Yes ◯ No ◯ Unknown If Yes, explain:

______

Is the builder/developer(s) currently the subject of any civil proceedings or any unsatisfied judgments imposed by a civil court, in Canada or elsewhere, against them personally or against a business in which they have an interest of at least ten percent in the equity shares or ownership interests of the business?

◯ Yes ◯ No ◯ Unknown If Yes, explain:

______

What due diligence has the mortgage brokerage done regarding the background and experience of the builder/developer(s)?

______

ACKNOWLEDGEMENT AND SIGNATURES

This disclosure of information statement to lender is required under section 73 of the Mortgage Services Rules.

I understand that this disclosure must be true, plain, and not misleading. I further understand that, under the Mortgage Services Act, it is misconduct to make (or allow to be made) a false or misleading statement in any record, which includes omitting authorized or required information. I further acknowledge that if there is any substantive change to the information provided, I will promptly disclose this change.

Mortgage Brokerage Name: ____________________ Date: ____________

Mortgage Broker Name(s): ____________________

Mortgage Broker Signature(s): ____________________

Prospective Lender Name(s): ____________________ Date: ____________

Prospective Lender Signature(s): ____________________

This disclosure was provided by:

(select option)

○ Email ○ In-person ○ Other (describe): ____________________

The mortgage brokerage must keep a copy of this disclosure form and provide it to BC Financial Services Authority upon request.

BC Financial Services Authority (BCFSA) is the legislated regulatory agency that works to ensure mortgage services licensees have the skills and knowledge to provide you with a high standard of service. All mortgage services licensees must follow rules that help protect consumers, like you. We are here to help you understand your rights. For additional information on mortgage services, or to ask us a question or file a complaint, visit us online at www.bcfsa.ca, email us at servicecentre@bcfsa.ca, or call us at 604 660 3555 or 1 866 206 3030. You can submit an anonymous tip through BCFSA's website.