



making the
MORTGAGE *process easy*

*looking out
for your best interests*



the
Sparrow
team

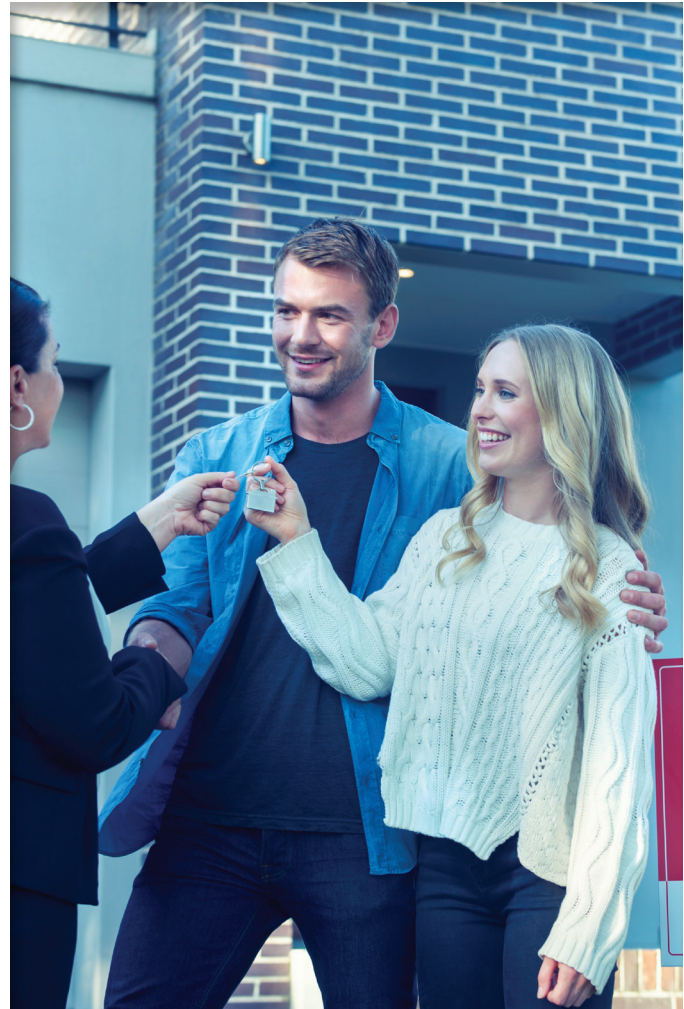
We put this booklet together to simplify the mortgage process by making all the components of arranging the absolute best mortgage for your new home as easy as possible.

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*looking out
for your best interests*



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**the
Sparrow
team**

Why use The Sparrow Team at Castle Mortgage Group?

Get independent advice on your financial options.

As an independent mortgage team we're not tied to any one lender or range of products. Our goal is to help you successfully finance your home or property. We'll start by getting to know you and your homeownership goals. We'll make a recommendation, drawing from available mortgage products that match your needs, and we will decide together on what's right for you.

Save time with one-stop shopping.

It could take weeks for you to organize appointments with competing mortgage lenders - and we know you'd probably rather spend your time house-hunting! We work directly with dozens of lenders, and can quickly narrow down a list of those that suit you best. It makes comparison-shopping fast, easy, and convenient.

We negotiate on your behalf.

Many people are uncertain or uncomfortable negotiating mortgages directly with their bank. Mortgage Professionals negotiate mortgages each and every day on behalf of Canadian home-buyers. You can count on our market knowledge to secure competitive rates and terms that benefit you.

More choice means more competitive rates.

We have access to a network of major lenders in Canada, so your options are extensive. In addition to traditional lenders, we also know what's being offered by credit unions, trust companies and other sources. And we can help you take care of other requirements before your closing date, such as sourcing mortgage default insurance if your down payment is less than 20% of the purchase price.

Ensure that you're getting the best rates and terms.

Even if you've already been pre-qualified for a mortgage by your bank or another financial institution, you're not obliged to stop shopping! Let us investigate to see if there is an alternative to better suit your needs.

Get access to special deals and add-ons.

Many financial institutions would love to have you as a client, which is why they often offer incentives to attract credit-worthy customers. These can include retail points programs, discounts on appliances, shopping clubs, and more. We do the math on which offers might be worth your attention when it comes to financing or mortgage insurance - so you get the perks you deserve.

Things move quickly!

Our job, isn't done until your closing date goes smoothly. We'll help ensure your mortgage transaction takes place on time and to your satisfaction.

Get expert advice.

When it comes to mortgages, rates, and the housing market, we'll speak to you in plain language. We will explain the various mortgage terms and conditions so you can choose confidently.

No cost to you.

There's absolutely no charge for our services on typical residential mortgage transactions. How can we afford to do that? Like many other professional services, such as insurance, mortgage brokers are generally paid a finder's fee when we introduce trustworthy, dependable customers to a financial institution. These fees are quite standard and nearly Industry wide so that the focus remains on you, the customer.

Ongoing support and consultation.

Even once your mortgage is signed and paperwork is complete, we are here if you need any advice on closing details or even future referral needs. We are happy to be of assistance when you need it.

Our Pre-Approval Process

Congratulations! Owning your own home is one of the biggest decisions you will ever make as it will most likely be the largest asset you will own – an asset that will grow with you and for you in the years to come.

So, where do you start?

Most homeowners are not in the financial position of paying cash for their new home so mortgage financing is necessary. And the right mortgage is vital to your financial well-being. Just as you would consult a professional to manage your investments, you should have a professional manage your overall debt – and The Sparrow Team at Castle Mortgage Group is the perfect place to start.

Prior to making an Offer to Purchase for the home you would like to buy, it is very important to know what type of mortgage financing you are qualified or pre-approved for. Our Pre-Approval Process takes into consideration all of your existing debt as well as the new mortgage payment to properly determine what your borrowing limit is for your new home. With over 500 mortgage options available through us, it is important to consider all of your choices to ensure that you are able to purchase the perfect home for you and your family.

Our Pre-Approval Process allows me, as your mortgage professional to assess your financial position, down payment possibilities and secure you an interest rate guarantee for a long period of time, usually 90 – 120 days. This will give you plenty of time

to find your perfect home and ensure that if interest rates change, you will get the lowest possible rate when you move in.

A personal credit check is necessary to determine which mortgage lenders will be available for your new mortgage. Your credit score or beacon score will be one of the main determining factors for the options and rates that are available to you. All of your personal information is kept in the strictest confidence and is never released to a third party company. With The Sparrow Team, we actually put that in writing to you to guarantee your privacy.

Once I have properly determined your borrowing capacity and explained your options, I will then provide a Letter of Pre-Approval to your Real Estate Professional (if applicable) and to you so that a copy may be presented with your Offer to Purchase when it is time to buy your new home. This ensures that anyone selling a home understands that you have been pre-approved for mortgage financing by a mortgage expert and are able to actually get a mortgage to buy the home. This will separate your offer from others that may not be properly pre-approved and increase your chances of getting the home.

A copy of our easy-to-complete **Mortgage Pre-Approval Form** is on **page 17** in the **Forms** section at the back of this booklet. Try to fill-out all the fields as accurately as possible to speed up the process and allow us to get your Pre-Approval done quickly.



Down Payments



It used to be that in order to get a mortgage, you needed to have 25% of the purchase price saved up as your down payment. Well, times have changed and the mortgage companies together with the 3 mortgage default insurance companies have all continued to work together to find ways to make home ownership easier and more affordable for Canadians that qualify.

Thanks to CMHC, Sagen and Canada Guaranty as the 3 mortgage default insurance companies in Canada, the minimum down payment to purchase a home is 5% of the purchase price of your new home.

Your 5% down payment (or more) can come from many different sources. Here is a list of some of the most common ways that you can provide a down payment to buy a home:

- Savings in a bank account
- RRSP savings
- Investment savings
- A gift from immediate family (parents and siblings)
- From the sale of another home

There are many different ways to come up with your down payment. However, it is important to remember that most mortgage companies will require you to show them where your down payment came from. This is called "down payment confirmation". For

example, savings in a bank account, RRSP savings or investment savings will require a 90 day history of statements to show you have access to the money. Any large deposits to your account(s) will need to be confirmed to the lender to ensure that none of the money used is borrowed or come from an undisclosed source not related to the mortgage.

A gift from a family member would be confirmed with a signed gift letter (**page 19** in the **Forms** section at the back of this booklet) and a bank statement showing the gift has been received into your account and is available prior to the possession date of your new home. As your mortgage professionals, we will guide you through the entire process to ensure that you are able to take advantage of every opportunity.

The Canadian government allows you to withdraw up to \$35,000 of your RRSP savings (per person on title) with no tax consequences if you have not owned any property in the last 5 years. This program is called the **HBP** or **Home Buyer's Program** and is a great way to use your RRSP savings for your down payment and/or closing costs. The form for this important program is on **page 21** in the **Forms** section at the back of this booklet.

The bottom line is that your down payment can be made quite a few different ways and we are glad to show you just how it could work for you!

Frequently Asked Questions

How do you get paid as my mortgage broker?

This is an important question to ask and understand the answer. As your licensed mortgage broker, our professional services are free to you. Our job is to find you the best possible mortgage lender for your specific situation. Once we determine together what your best mortgage option is, we get a commission or a finder's fee from whomever the mortgage lender is for your new mortgage once you move in to your new home. The rate of commission that we earn is very similar from all lenders that I work with and therefore my services are truly unbiased. So in lay person terms, we do all your homework for you, find you the best deal on your new mortgage and you don't have to pay us... doesn't get much better than that!

If my mortgage is not with my bank or credit union, do I have to change my banking?

Great question! The answer is simply – no! If you have ever changed financial institutions you know how much of a pain that process can be, especially if you have several pre-auth payments coming in and out of your account every month like payroll deposits and bill payments. Your new mortgage lender will simply take a VOID check or a PAD form from whatever account you would like to make your regular mortgage payments from and you are done!

I heard that I can make my mortgage payments every two weeks to save money...is this true?

This is very true. In fact, you will have the option of a variety of payment frequencies for repaying your mortgage. Monthly, semi-monthly, biweekly and weekly (accelerated) are the most common. You should think about how you get paid and how you would like to budget for your payments for your mortgage, property taxes and utilities to ensure that your payments come out at a convenient time for you each month. We will be pleased to walk you through all of your options during our meeting.



How much money will I need for my legal fees and closing costs to buy my home?

This is another great question and a frequently misunderstood one. A lawyer is necessary to finish off your real estate purchase. The lawyer must handle all of the title registration paperwork for you, ensure that you are put on title correctly, settle out all costs associated with buying the new home and more. Typically, buying a new home in Manitoba will require 2.5% of the purchase price of the home to cover the legal fees, registration costs, land transfer taxes, property tax adjustment, PST, and more. Your lawyer will be pleased to supply you with a breakdown of these costs but 2.5% is a safe number to use for budgeting purposes.

Your Mortgage Timeline

After you have successfully made an Offer to Purchase with your real estate professional or lawyer to buy your new home, there are normally a number of sequential steps that the mortgage process will take you through – prior to your possession date. Most clients feel better if these steps are outlined for them so they know what to expect during the entire process. These steps are (but are not limited to):

2 – 3 Days After Your Offer

Immediately after your Offer to Purchase is accepted, a copy of your offer and property details is sent to our office to be processed into a mortgage offer to you – a financing condition date is sometimes included. This date is the deadline by which the mortgage financing need to be approved and your property purchase is finalized.

1 Week Following Approval

Once your financing condition is removed (if necessary) you will meet with us at Castle Mortgage Group to go over all of your mortgage options and finalize the details for your new mortgage. This is generally when you should supply any outstanding documentation to complete your mortgage (letters of employment, downpayment statements, void cheques, gift letters etc.)

3 Weeks Prior to Possession

Your new mortgage company will send a package-referred to as “mortgage instructions” to your lawyer to process. These instructions are all of the legal paperwork necessary to register your names on title and register your new mortgage with the City and the Province.

Your lawyer should contact you with a letter and inform you of what you need to bring during your visit to the law firm and how much your closing cost estimate is for the remaining downpayment, legal fees and other related costs - usually 2.5% of the purchase price of your new home – plus the remainder of your down payment (if any).

2 Weeks Prior to Possession

Your lawyer will contact you to set up a meeting time for you to go into the law office and sign all of the legal documents to complete your home purchase. This is when you will bring with you a certified cheque to the lawyer.

Your lawyer will then match this amount of money with the deposit that you gave to the realtor when you originally wrote your Offer to Purchase.

You will also need to arrange for a “fire” insurance policy – this is a general insurance policy for your new home. The insurance company will provide you with what is called a “Binder Letter” indicating that when you take possession of your new home, you have the property insured.

As your Sparrow Team mortgage specialists, we are here to walk you through all of these stages and ensure everything happens in a timely manner. While these are the normal stages and timelines for a home purchase, there are always variations depending on how quickly possession will occur. We will be with you every step of the way!

Mortgages for the Self Employed?

Ahh... it's a favourite daydream of working Canadians: to go into business for yourself! For some Canadians who are self-employed, their situation is the consequence of corporate down sizing. For others, it is a carefully planned decision to leverage their knowledge and experience for themselves and improve their own bottom line.

Typically a very innovative and energetic bunch, the self-employed now comprise approximately 15% of Canada's total work force. We like to imagine that these are the lucky folks who are living their entrepreneurial dreams.

But talk to self-employed Canadians about getting a mortgage and many will tell you that the dream can have downsides. These individuals – who may actually be more financially successful than ever – often do not fit traditional mortgage lending criteria. It can make mortgage shopping a frustrating and, for some, a humiliating experience.

Without an established stream of pay stubs from an employer, lenders have none of the traditional assurances that you can meet your mortgage obligations. You may be expected to undergo a long and complicated process to prove your ability to service your debt. Lenders want to verify your employment and your income – not a simple task for someone who is self-employed. Lenders are also looking ahead; they will want some evidence that payments can be made for the life of the mortgage – not just over the next year.

Most frustrating of all, small business owners are usually expected to provide detailed financial statements for their business for the past two years. And what picture do those statements paint for the lenders? An astute business owner with a good accountant will work hard to minimize taxable income for the business: a smart financial management strategy. But when lenders plug those figures into their lending formulas – they may conclude that you are a high-risk borrower.

The problem is not with the self-employed as a category; it is with lenders' traditional criteria, and their inability to reflect the different income environment of a self-employed home buyer.

Thankfully, the lending landscape has adapted to this market need. Certain lenders have designed mortgage products precisely for this very attractive market segment. Naturally, the lender will still need to assess risk, but the criteria are tailor-made for the self-employed and essentially take a common sense approach to the definition of income. You could qualify for your mortgage based solely on what you state your income to be, and after confirmation that your lending ratios, credit and tax liabilities are in good order. It can be that quick, that easy!

As more lenders enter this market niche, you'll find that not all products are equal. Only a few offer a self-employed mortgage to 90% loan to value and some include fees as high as 4%. As a group, the self employed often delegate to other professional service providers and this is a situation where you may want to seek advice from your Sparrow Team mortgage specialist so you get the best mortgage for your needs.

For the self-employed – who build their own success on understanding the needs of their customers – the new mortgages designed for them are good business. And they're also welcome news to the growing number of Canadians who are building their own success in their own way.



Purchase Plus Improvements

Most new homeowners will do some re-decorating when they take possession of their new home to make it their own. For those circumstances where more permanent changes or renovations are necessary to achieve the home of your dreams then "Purchase Plus Improvements" is a great way to finance these renovations.

Included in a Purchase Plus Improvements mortgage can be anything that will directly improve the property's value above the purchase price. These improvements can include but are not limited to:

- Additions, doors and windows
- New garage, concrete pad and driveway
- New roof, soffit and fascia
- Landscaping and fencing
- New kitchen, bathroom, basement
- Flooring
- Furnace, AC, and more

This type of mortgage financing takes into account what the home has sold for and what it should be worth once the renovations are completed. All three Canadian mortgage default insurance companies, CMHC, Sagen and Canada Guaranty, will work with a Purchase Plus Improvement mortgage on different terms:

- CMHC has a Purchase Plus Improvements program that will allow you to borrow up to an extra 10% of the purchase price for renovations or \$20,000 - whichever is less
- Sagen and Canada Guaranty have a Purchase Plus Improvements program that will go above the 10% guideline. Under this program, they will order a full appraisal to confirm the "as is" value of the property and then a subsequent property inspection once the work is completed to verify that the work has been done. Both Sagen and Canada Guaranty will allow 20% of the purchase price or \$40,000 for renovations.

Both of these Purchase Plus Improvement programs will require that you submit contractor quotations at the time of application for mortgage financing. Invoices from the contractors for the completed work must be presented prior to receiving the additional funds.



Homeowners do need to be aware the your down payment will be based on the increased property value once the renovations are completed (purchase price plus the renovation costs) and your mortgage payments will also include these additional renovation costs so you have to be sure that you will complete all work as soon after possession as possible.

This is a fantastic way to create your perfect dream home by incorporating the improvement costs into your new mortgage rather than having to "self finance" these costs and pay high interest rates on credit cards or bank loans.

We will be pleased to discuss this type of mortgage financing in detail with you.

Fixed or Variable-Rate?

“Wow!” you say to your spouse as you hit the brakes on the car. “Did you see the mortgage rate those guys are advertising?” Your worries are over, you’re thinking. Just lock in a rate like that for the next ten years, and you’ve got it made.



Not so fast. That rate may not be the one for you. Typically, the lowest available rate – and the one that makes the rate sign look great from the street – will be for a variable or adjustable-rate mortgage. That rate has the potential to be like a roller coaster. The posted variable or adjustable rate is the rate you’re getting today. Unless you have an economic ouija board, you won’t be able to predict what kind of ups and downs are ahead of you.

Let’s take a closer look. A lender will offer different rates for different types of mortgages. The rates are determined based on financial risk – to the institution and to you. When a customer is willing to take on the risk, he/she is rewarded with a lower rate. If the lender is taking on the risk (that is, the customer is promised a particular rate... regardless of what happens in the future), the rate is higher. The longer the term, the higher the risk for the financial institution.

So how do you decide? Fixed-rate mortgages, because they require a low risk tolerance, are usually better suited to first-time buyers or those who haven’t

owned a home for a very long period. Ask yourself these questions: Do you like or need to know exactly what your payment is going to be over a longer period of time? Do you want to avoid the need to consistently watch rates? Do you have less than 20% down? If you answered “yes” to all, or most of these questions, a more conservative fixed-rate mortgage could be the better choice for you.

A variable or adjustable-rate mortgage is best suited to people who have a flexible budget and can tolerate change. Ask yourself these questions: Do you watch market conditions? Can you handle any rate increases that could increase your payment? Are you open to saving more and enjoying additional flexibility with your mortgage? If you answered “yes” to all, or most of these questions, a variable or adjustable-rate mortgage might best suit your needs.

Some lenders offer a special promotional rate for the first few months of a variable-rate mortgage, which you should discuss with your mortgage broker. Also discuss what your rate will be based on – prime interest rate minus a discount is usually how these are calculated. Most variables or adjustables allow you to exercise an option to “lock in” a fixed rate at any time for the remaining portion of your mortgage term or for a longer term, at no cost.

If the uncertainty of a floating rate is going to give you sleepless nights, then a fixed rate may be best for you. Many Canadians prefer the certainty of a fixed-rate mortgage. They know exactly how much they will pay over the term of their mortgage, and they can plan accordingly... with no financial surprises. But if rates do drop... and drop... and drop... you are committed to the “promise” that you have made. Your best option? Speak to The Sparrow Team to help you decide what is right for you!

Property Taxes

Property Taxes are taxes paid by all home and business owners alike. As a homeowner you have the option of how you would like to pay your annual property taxes after you take possession of your new home within the City of Winnipeg. If your new home is outside the City of Winnipeg then your individual municipality will have their own regulations for tax payment, and these regulations vary between municipalities.

There are 3 basic ways to pay your annual property taxes in the City of Winnipeg. These are:

- Monthly on the T.I.P.P. or Tax Installment Payment Plan available through the City of Winnipeg
- Annually – due on the 30th of June each year
- Monthly – collected by your mortgage company with your mortgage payment

Most homeowners prefer to pay a portion of their annual tax bill each month to make it easier to afford because coming up with a lump sum of money in the middle of the year for most people is difficult. Therefore, the majority of homeowners will choose to either pay directly to the City or have the mortgage company collect it for the tax payment on their behalf.

We will always recommend that a homeowner sign up on the TIPP program and pay directly to the City. The reason for this is simple – money. If the mortgage company collects the taxes from you with your mortgage payment, they put that money away in a tax account for you that pays you no interest – that’s right, they get to use your money for a year and don’t have to pay you any interest because they view it as providing you a service. In addition, the mortgage company has to ensure that they have enough money on June 30 each year to pay the tax bill to the City so they will “over-charge” you each month to guarantee that they can pay the bill in full when it comes due.

Under the **City TIPP program**, you simply complete the application on **page 21** in the **Forms** section at the back of this booklet, and give the City of Winnipeg a VOID cheque for the account that you would like your monthly property tax payments to be withdrawn from. That way you only pay exactly what you have to each month, 1/12th of your annual taxes – no overcharge. It is the simply the easiest way to arrange for paying your tax bill.

The City has actually made it easier to get onto the TIPP program. If the people selling you the home are already on the TIPP program then you can simply “assume” or take over their tax payment. If the people were never on the TIPP program and you take possession of the home on or before November 30, then you are eligible to be on the TIPP program.

If you are buying a home outside of the City of Winnipeg you should check with the rural municipality to find out what your tax payment options are. Most municipalities’ property taxes are due on either September 30 or October 31 each year. Some municipalities will allow you to give them post-dated cheques to make monthly payments, however most are not setup for this convenience as yet. For this reason, most mortgage companies will require that they collect the tax payment monthly with your mortgage payment.



Costs Associated with Closing a Home

Appraisal Fee:

This is the cost for a professional to come to your property and assess its value. Your mortgage lender or mortgage default insurer may require an appraisal to determine whether the selling price is reasonable for that market.

GST:

You must pay the Goods and Service Tax (or Harmonized Sales Tax) on a newly constructed or substantially renovated home. Resale homes do not require a GST payment. Some of this can be recovered with the GST/HST rebate for new or substantially renovated homes.

Home Inspection Fee:

This covers the cost of a professional inspection of your home. Hiring an inspector is voluntary but recommended for resale homes, and usually costs \$400-\$600.

Property Insurance:

Since your lender has a large stake in your home, they will often require you to purchase insurance against fire and weather-related damage. It is also a good idea for you to purchase 'contents' insurance to protect your valuables.

Land Transfer Tax:

This is a tax charged to buyers in most provinces, usually based on the purchase price.

Legal Costs:

This includes fees charged by your lawyer or notary for services such as conducting a title search, drafting a title deed and preparing the mortgage, and registration fees. This will cost over \$500.

Mortgage Default Insurance:

High-ratio mortgages (those with less than 20% down payment) generally require mortgage default insurance. The cost is usually added to the mortgage,

and ranges from 1.00% to 4.00% depending on the amount of your down payment.

Mortgage Life Insurance:

Special insurance coverage to cover the cost of your mortgage in the event of death or severe illness is available from most lenders.

Moving Expenses:

Costs will vary, depending on whether you do it yourself, rent a truck, or hire professional movers.

Prepaid Taxes, Utility Bills and Other Charges:

Any previous owner may have prepaid some bills before the closing date, which you will have to reimburse them for. All taxes, utility bills, and other charges incurred after the closing date become your responsibility.

Utilities:

Most utility companies charge for hooking up your services and replacing any previous owner's name with your name on the bill.



Advantages From a Life Insurance Company

No coverage on surviving party - Typically banks/lenders offer a joint-first-to-die policy. Once one party passes away, there is NO coverage remaining on the party left behind. Depending on the age and health of the surviving party, buying a new policy at that time may not be possible, or may be too expensive.

Flexibility - Every person is unique, and their insurance requirements are too. Banks/lenders have access to one product and one price. Many people want more than just the mortgage covered, or have health issues, or have budgetary constraints - with private insurance these can all be taken into consideration to find the best options available.

Pricing - Insurance offered through a bank/lender is priced based on male smoker rates. If you are female, or a non-smoker, you are most likely paying way too much for this insurance. Also, life insurance is no different than any other commodity in that if you buy in bulk, you will get a better rate. Rather than having several policies to cover off the mortgage, car loans, lines of credit, credit card debt and final expenses, you can achieve better pricing by combining them.

Medically Underwritten Upfront - There are many stories where creditor insurance didn't pay-out and families were left devastated because the banks/lenders don't perform their due diligence medical review until a claim is made. With private insurance, all the due diligence is done up-front. More detailed medical questions are asked and sometimes a nurse visit is required. You can feel confident that the private insurance is going to get paid out when you need it to.

Portability - Mortgage insurance offered through a bank/lender is directly linked to that mortgage. Once you switch to a different provider, you must requalify for their insurance product. Private insurance offered through The Sparrow Team's Insurance Specialists is linked to the individual and can be modified as needed (independent of the mortgage).

Level Death Benefit - As you pay down your mortgage/loans the value of the creditor insurance decreases too. With private insurance, the value remains at the initial amount (unless you decide you want to lower it - then the cost would go down too).

Beneficiary - You should control who gets the money if something happens to you. With mortgage insurance offered through a bank/lender, the bank/lender IS the beneficiary and you have NO control. With private insurance offered through The Sparrow Team's Insurance Specialist, you can control who the money goes to and how it should be spent.

Most importantly, The Sparrow Team's Insurance Specialist works for you - to ensure your best interests are taken into account. They can find the best options for your unique circumstances.

It's important to think about protecting your new mortgage properly. Don't wait to have the discussion! Contact The Sparrow Team's Insurance Specialist today!



Mortgage Pre-Approval Form

Name		S.I.N.#		Date of Birth	Dependants
Address		Postal Code	How Long	Own/Rent \$	Home Ph: _____
Previous Address		How Long	Email		Business Ph: _____
					Cell Ph: _____
Employer (min. 3 years)			How Long	Position	
Gross Monthly Salary OR Hourly Rate \$			Other Income \$		Details of Other Income
Previous Employer		Position		Salary \$	How Long
Spouse		S.I.N.#		Date of Birth	
Spouse's Employer (min. 3 years)		Phone #	How Long	Position	Salary \$
Previous Employer		Position			How Long

Assets			Liabilities		
Bank	SAV \$ CHQ \$		Instalment Debt	Payment	Balance
Vehicles: Make/Year	\$		Car Loan	\$	\$
	\$		Credit Cards	\$	\$
RSPs/Mutuals/Bonds/GICs	\$			\$	\$
	\$			\$	\$
Real Estate	\$		Mortgage	Maturity \$	\$
Other Assets	\$		Other	\$	\$
	\$			\$	\$
	\$			\$	\$
Total Assets	\$		Bankruptcy: Y N	\$	\$

I hereby authorize Castle Mortgage Group to obtain my/our credit report for the purpose of determining credit worthiness. The information that is obtained is strictly confidential.

X _____
Borrower Signature

X _____
Co-Borrower Signature

Gift Letter Form

TO WHOM IT MAY CONCERN:

This letter confirms that the undersigned is making a financial gift in the amount of: \$ _____

To: _____
Print name of purchaser (receiver of gift)

For use toward the purchase of the property located at: _____
Address of property being purchased

We, the undersigned purchaser (receiver of gift) and donor (giver of gift), hereby certify:

- *the donor is an immediate relative of the purchaser, and*
- *the money is a genuine gift from the donor and does not ever have to be repaid, and*
- *no part of the financial gift is being provided by any third party having any interest (direct or indirect) in the sale of the subject property.*

We, the undersigned also acknowledge and understand that the financial gift must be in the purchaser's possession prior to the time of application for mortgage loan insurance and that confirmation of same is required. (Attach a copy of gift cheque from the donor and copy of bank book or statement for the purchaser to confirm funds have been transferred).

Purchaser(s):

Signature: _____	Signature: _____
Print Name: _____	Print Name: _____
Date: _____	Date: _____

Donor(s):

Signature: _____	Signature: _____
Print Name: _____	Print Name: _____
Relationship to purchaser: _____	Relationship to purchaser: _____
Date: _____	Date: _____
Address: _____	Address: _____
_____	_____
Telephone: _____	Telephone: _____



Home Buyers' Plan (HBP) Request to Withdraw Funds from an RRSP

Use this form to make a withdrawal from your registered retirement savings plan (RRSP) under the Home Buyers' Plan (HBP). Fill out Part A of Area 1 to determine if you are eligible to make a withdrawal from your RRSP under the HBP. Although some conditions may apply to another person in certain situations, you (the participant) are responsible for making sure that all the conditions are met. For more information about the HBP, including changes to the rules for first-time home buyers, go to canada.ca/home-buyers-plan. **Generally, you must receive all your HBP withdrawals in the same calendar year. The maximum you can withdraw is \$35,000.** Fill out Area 1 and give the form to your financial institution who **must** fill out Area 2. Keep a copy of the completed form for your records.

Area 1 – To be filled out by the participant		
Part A – Fill out the following questionnaire to determine if you can make a withdrawal from your RRSP under the HBP		
1. Are you a resident of Canada?	<input type="checkbox"/> Yes – Go to question 2.	<input type="checkbox"/> No – You cannot make an HBP withdrawal.
2. Has the person buying or building a qualifying home * entered into a written agreement * to do so?	<input type="checkbox"/> Yes – Go to question 3a.	<input type="checkbox"/> No – You cannot make an HBP withdrawal.
3a). Have you ever, before this year, withdrawn funds from your RRSP under the HBP to buy or build a qualifying home?	<input type="checkbox"/> Yes – Go to question 3b.	<input type="checkbox"/> No – Go to question 4.
3b). Are you making this request in January as part of the participation you began last year?	<input type="checkbox"/> Yes – Go to question 4.	<input type="checkbox"/> No – Go to question 3c.
3c). Was your repayable balance from your previous HBP participation zero on January 1 of this year?	<input type="checkbox"/> Yes – Go to question 4.	<input type="checkbox"/> No – You cannot make an HBP withdrawal.
4. Do you intend to occupy the qualifying home that you are buying or building as your principal place of residence no later than one year after buying or building it? If you are acquiring the home for a related person * with a disability or helping a related person with a disability acquire the home, you must intend that the related person with a disability occupy the home as his or her principal place of residence no later than one year after buying or building it.	<input type="checkbox"/> Yes – Go to question 5.	<input type="checkbox"/> No – You cannot make an HBP withdrawal.
5. Has the person who is buying or building the qualifying home or his or her spouse or common-law partner owned the qualifying home more than 30 days before receiving this withdrawal?	<input type="checkbox"/> Yes – You cannot make an HBP withdrawal. However , If you are making this withdrawal after 2019 to acquire the interest or right of your separated spouse or common-law partner in the home, go to question 8a) to confirm your eligibility.	<input type="checkbox"/> No – Go to question 6a.
6a). Are you a person with a disability?	<input type="checkbox"/> Yes – You are eligible (fill out Part B).	<input type="checkbox"/> No – Go to question 6b.
6b). Are you withdrawing funds from your RRSP to buy or build a qualifying home for a related person with a disability or to help such a person buy or build a qualifying home?	<input type="checkbox"/> Yes – You are eligible (fill out Part B).	<input type="checkbox"/> No – Go to question 7.
7. At any time during the period beginning January 1 of the fourth year before the year of the withdrawal and ending 31 days before the date of the withdrawal, did you or your spouse or common-law partner own a home that you occupied as an individual with a marital status of single, or with that other individual while you were spouses or common-law partners?	<input type="checkbox"/> Yes – You are not considered a first-time home buyer *, and you cannot make a HBP withdrawal. However , If you are making this withdrawal after 2019 and experienced a breakdown of marriage or common-law partnership, go to question 8a) to confirm your eligibility.	<input type="checkbox"/> No – You are eligible (fill out Part B).

Notes

1. **Qualifying home** – a qualifying home is a housing unit located in Canada. This includes existing homes and those being constructed. Single-family homes, semi-detached homes, townhouses, mobile homes, condominium units, and apartments in duplexes, triplexes, fourplexes, or apartment buildings all qualify. A share in a co-operative housing corporation that entitles you to possess, and gives you an equity interest in a housing unit located in Canada, also qualifies. However, a share that only provides you with a right to tenancy in the housing unit does not qualify. For condominium units, you are considered to own the unit the day you are entitled to immediate vacant possession of it.
2. **Written agreement** – a written agreement must include the date the agreement was signed, the address of the qualifying home and the closing date.
3. **Related person** – a person connected to you by a blood relationship, marriage, common-law partnership, or adoption (legal or in fact). For more information, see Income Tax Folio, S1-F5-C1, Related Person and Dealing at Arm's Length.
4. **First-time home buyer** – you are considered a first-time home buyer if, in the period that begins on January 1 of the fourth year before the year you withdraw funds from your RRSP, and ends 31 days before the date you withdraw the funds, you did not occupy a home that you owned, or one that your current spouse or common-law partner owned. For example, if you are withdrawing the funds on July 31, 2020, the period is from January 1, 2016 to June 30, 2020.

(Continued on next page)

Part A (continued)		
8a). Are you making this withdrawal after December 31, 2019 ?	<input type="checkbox"/> Yes – Go to question 8b.	<input type="checkbox"/> No – You cannot make an HBP withdrawal.
8b). Have you been living separate and apart from your spouse or common-law partner because of a breakdown of your marriage or common-law partnership for a period of at least 90 days at the time of the withdrawal, and began living separate and apart in the year of the withdrawal or in the four preceding calendar years?	<input type="checkbox"/> Yes – Go to question 8c.	<input type="checkbox"/> No – You cannot make an HBP withdrawal.
8c). Do you have a new spouse or common-law partner, and does your new spouse or common-law partner own and occupy a home that is your principal place of residence?	<input type="checkbox"/> Yes – You cannot make an HBP withdrawal.	<input type="checkbox"/> No – Go to question 8d.
8d). Do you own and occupy a home as your principal place of residence?	<input type="checkbox"/> Yes – Go to question 8e.	<input type="checkbox"/> No – You are eligible (fill out Part B).
8e). Is the qualifying home that you intend to buy different from your principal place of residence?	<input type="checkbox"/> Yes – You are eligible (fill out Part B).	<input type="checkbox"/> No – Go to question 8f.
8f). Will you acquire the interest or right of your separated spouse or common-law partner in the home no earlier than 30 days before the withdrawal?	<input type="checkbox"/> Yes – You are eligible (fill out Part B).	<input type="checkbox"/> No – You cannot make an HBP withdrawal.

Part B – Fill out this part to make a withdrawal from your RRSP under the HBP			
First name and initial(s)	Last name	Social insurance number	
Address of qualifying home being bought or built (include number, street, rural route, or lot and concession number)			If you are a person with a disability, tick this box. <input type="checkbox"/>
City	Province or Territory	Postal code	Telephone number
If you answered yes to question 6b) above, provide the following information about that person:			
Person's name	Relationship to you	Social insurance number	

Part C – Certification			
Amount of requested withdrawal \$ _____		Date withdrawal required ▶ Year Month Day	
I certify that the information given on this form is correct and complete.		Account number of the RRSP from which the withdrawal is made	
_____ Participant's signature		Date ▶ Year Month Day	

Area 2 – To be filled out by the RRSP issuer (Do not send us this form. Keep it for your records.)			
Issuer's name	Telephone number	Amount of the withdrawal (maximum \$35,000)	\$ _____
Issuer's address		Date withdrawal paid ▶	Year Month Day

Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities such as administering tax, benefits, audit, compliance, and collection. Personal information may be shared for purposes of other federal Acts that provide for the imposition and collection of a tax or duty. Personal information may also be shared with other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to access their personal information, request correction, or file a complaint to the Privacy Commissioner of Canada regarding the handling of the individual's personal information. Refer to Personal Information Bank CRA PPU 005 at canada.ca/cra-info-source.



PROPERTY AND BUSINESS TAXES

APPLICATION FOR TAX INSTALMENT PAYMENT PLAN (T.I.P.P.)

T.I.P.P. PHONE: (204) 986-2161 - FAX: (204) 986-3220

PLEASE PRINT

To Enrol on T.I.P.P. for **Property Taxes** only, please complete Sections 1, 2 & 5:

1.	ROLL NUMBER	LOCATION ADDRESS	POSTAL CODE
	APPLICANT(S) NAME Surname	Given Name	BUSINESS TELEPHONE
	APPLICANT(S) NAME Surname	Given Name	HOME TELEPHONE
	APPLICANT(S) ADDRESS (IF DIFFERENT THAN THE LOCATION ADDRESS)		POSTAL CODE
	NAME OF FINANCIAL INSTITUTION (FOR T.I.P.P. DEBIT)		ACCOUNT NUMBER (INCLUDE TRANSIT NUMBER)
	BRANCH ADDRESS		

2. Please indicate the month in which your payments will commence and the number of monthly instalment periods over which your payment will be applied within the calendar year. For Realty Taxes, instalment periods can vary between 7 and 12 months.

Starting Month _____ Number of Months _____

To Enrol on T.I.P.P. for **Business Taxes** only, please complete Sections 3, 4 & 5:

3.	BUSINESS TAX ROLL NUMBER	LOCATION ADDRESS	POSTAL CODE
	BUSINESS NAME	TELEPHONE	FAX NUMBER
	TAXABLE PARTY (PROPRIETOR, PARTNERS OR CORPORATE NAME)		
	MAILING ADDRESS (IF DIFFERENT THAN THE LOCATION ADDRESS)		POSTAL CODE
	NAME OF FINANCIAL INSTITUTION (FOR T.I.P.P. DEBIT)		ACCOUNT NUMBER (INCLUDE TRANSIT NUMBER)
	BRANCH ADDRESS		

4. Please indicate the month in which your payments will commence and the number of monthly instalment periods over which your payment will be applied within the calendar year. For Business Taxes, instalment periods can vary between 6 and 10 months.

Starting Month _____ Number of Months _____

I/We the applicant(s) authorize my/our above named financial institution to electronically debit my/our account for the monthly tax instalment payment payable to The City of Winnipeg on the first day of each month as payment in part of the taxes for the above named property. The treatment of each payment shall be the same as if the undersigned had personally issued a cheque.

I/We acknowledge the right of The City of Winnipeg to cancel my/our participation in the payment plan if any debits are not honoured by the participant's financial institution. Unpaid taxes as of the date of termination of participation in the plan are subject to penalties as per the penalty by-law.

I/We acknowledge there may be adjustments in the amount of the monthly payment on June 1st for Business Taxes and on July 1st for Property Taxes each year as a result of The City of Winnipeg's annual tax levy.

I/We agree to provide two weeks written notification if I/we change bank information, sell the property, or wish to cancel participation in the plan for any reason.

PLEASE ATTACH A SAMPLE CHEQUE MARKED VOID TO THIS APPLICATION.

RETURN BOTH ITEMS TO: THE CITY OF WINNIPEG • TAX BRANCH • 510 MAIN STREET • WINNIPEG • MB • R3B 3M2

CONDITIONS AS STATED ON THE CITY OF WINNIPEG INTERNET PAGE: http://www.winnipeg.ca/finance/tipp_application.stm

AUTHORIZED SIGNATORS OF THE ABOVE ACCOUNT **MUST SIGN** THIS APPLICATION

5. APPLICANT'S SIGNATURE	DATE	YYYY	MM	DD
SECOND SIGNATURE (IF REQUIRED)				

*looking out
for your best interests*



castlemortgagegroup.ca



castlelife.ca



castleleasing.ca

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www.thesparrowteam.ca