Mortgage Protection Application

NIf you have any questions regarding these changes, please call Chu

# Applicant Information

1. General Information

Name of Applicant: \_\_\_\_\_

Address: \_\_\_\_\_

Year Established: \_\_\_\_\_ Number of Employees: \_\_\_\_\_

2. Mortgage Details (last three years)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Date | Number of Loans | Total Outstanding Residential Mortgage Balance | Total Outstanding Non- Residential Mortgage Balance | Vacant Land (if any) |
| dd/mm/yy | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |
| dd/mm/yy | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |
| dd/mm/yy | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |

3. Please give the percentage of your portfolio that consists of the following types of loans:

 Construction: \_\_% Largest: \_\_\_\_\_

 Industrial: \_\_% Largest: \_\_\_\_\_

 Second Mortgages: \_\_% Largest: \_\_\_\_\_

4. Please describe the procedures for underwriting applications and for granting mortgages:

 \_\_\_\_\_

5. Do you have a separate department that services the mortgage portfolio? [ ]  Yes [ ]  No

 If so, please outline the specific breakdown of roles within the department:

 \_\_\_\_\_

6. a) Maximum percentage of appraised loan to value:

i) Conventional 1st: \_\_ %

ii) Second Mortgage: \_\_ %

b) Are properties appraised prior to granting mortgages? [ ]  Yes [ ]  No

7. How is aggregation of loans within a specific region tracked or managed prior to granting loan applications?

 \_\_\_\_\_

8. Details of existing Mortgage portfolio as of: \_\_\_\_\_

 a)

|  |  |  |
| --- | --- | --- |
| Location | Residential Portfolio | Non-Residential Portfolio |
| No. of Loans | Outstanding Mortgage Balance ($) | No. of Loans | Outstanding Mortgage Balance ($) |
| British Columbia  | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |
| Alberta  | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |
| Saskatchewan  | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |
| Manitoba  | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |
| Ontario  | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |
| Quebec  | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |
| New Brunswick  | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |
| Nova Scotia  | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |
| P.E.I.  | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |
| Newfoundland  | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |
| Yukon  | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |
| Nunavut  | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |
| **Canada Totals**  | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |
| **U.S.A. Totals** | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |
| **Other**  | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |
| **TOTAL**  | \_\_\_\_\_ | $\_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ |

 b)

|  |  |  |
| --- | --- | --- |
|  | Number of Loans | Outstanding Mortgage Balance ($) |
| 0 – 500,000  | \_\_\_\_\_ | $\_\_\_\_\_ |
| 500,001 – 1,000,000  | \_\_\_\_\_ | $\_\_\_\_\_ |
| 1,000,001 – 2,500,000  | \_\_\_\_\_ | $\_\_\_\_\_ |
| 2,500,001 – 5,000,000  | \_\_\_\_\_ | $\_\_\_\_\_ |
| 5,000,001 – 10,000,000  | \_\_\_\_\_ | $\_\_\_\_\_ |
| 10,000,001 – 25,000,000  | \_\_\_\_\_ | $\_\_\_\_\_ |
| Over 25,000,000  | \_\_\_\_\_ | $\_\_\_\_\_ |

9. a) Do you service mortgages not originated by you? [ ]  Yes [ ]  No

 b) If so, please provide an overview of services provided:

 \_\_\_\_\_

10. What perils do you require to be covered by insurance on mortgaged properties?
 *(Note: Mortgage Impairment coverage applies only to perils required by the lender’s mortgage agreement)*

 Residential Mortgages Non-Residential Mortgages

 Specified Peril [ ]  Yes [ ]  No Specified Perils [ ]  Yes [ ]  No

 Earthquake [ ]  Yes [ ]  No Earthquake [ ]  Yes [ ]  No

 Flood [ ]  Yes [ ]  No Flood [ ]  Yes [ ]  No

 Other \_\_\_\_\_ Other \_\_\_\_\_

 Comments: \_\_\_\_\_

11. Does the Mortgage Contract require that the Mortgagor maintain proper insurance in force for [ ]  Yes [ ]  No
not less than the amount owing throughout the term of the mortgage?

12. a) Do you require that the Mortgagor present satisfactory evidence of insurance for examination [ ]  Yes [ ]  No
prior to completion of the loan?

 b) Do you require that you as Mortgagee be added to the policy as Mortgagee? [ ]  Yes [ ]  No

 c) Does the Mortgagee retain a copy of this policy or a certificate of insurance indicating [ ]  Yes [ ]  No
that proper insurance is in place?

 d) Have the warranties in the policy been reviewed to ensure compliance? [ ]  Yes [ ]  No
(Refer to Form 80-02-4200, section *When Mortgage Holder’s Interest Applies*)

13. a) What is the average loan term for mortgages in the portfolio?
\_\_\_\_\_

 b) During the life of a loan how often do you verify that insurance is in place?

 \_\_\_\_\_

 c) Is insurance verified annually for loans with outstanding balances in excess of $25,000,000? [ ]  Yes [ ]  No

 d) What process or system is in place to track insurance on mortgaged properties?
 \_\_\_\_\_

14. What procedures are in place when it is discovered that the Mortgagor is not maintaining proper insurance?

 \_\_\_\_\_

15. How many properties are without insurance ( last 3 years)?

|  |  |  |  |
| --- | --- | --- | --- |
| Year | Number of Loans | Total Outstanding Residential Mortgage Balance | Total Outstanding Non- Residential Mortgage Balance |
| \_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ | $\_\_\_\_\_ |
| \_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ | $\_\_\_\_\_ |
| \_\_\_\_\_ | \_\_\_\_\_ | $\_\_\_\_\_ | $\_\_\_\_\_ |

18. Were you responsible for carrying out Power of Sale or repossession activities during the past three years? [ ]  Yes [ ]  No

 If yes, please complete **Supplemental Application A** and attach a list showing mortgage balance, address and type of property.

19. Please describe any Mortgage Impairment loss experience over the past five years:

 \_\_\_\_\_

20. Please attach a copy of:

 a) Most Recent Audited Financial Statements

 b) Your Mortgage Contract

 c) Schedule of Foreclosed and Forced Placed Properties (if applicable)

21. Declaration and Signature

The undersigned declares that to the best of his or her knowledge and belief the statements set forth herein are true. Although the signing of this application does not bind the undersigned on behalf of the applicants to the effect insurance, the undersigned agrees that this application and its attachments shall be the basis of the contract should a policy be issued and shall be deemed attached to and shall form a part of the policy. The Company is hereby authorized to make any investigation and inquiry in connection with this application that it deems necessary.

Date: dd/mm/yyyyTitle: \_\_\_\_\_

 Signature of Officer

# Supplemental Application A

1. Are repossessed/power of sale properties managed by a third party? If so, who manages these properties?

 \_\_\_\_\_

2. Please detail duties and procedures of the management of such properties:

 \_\_\_\_\_

3. Are repossessed/power of sale properties inspected prior to perfecting your right to hold, transfer or obtain control?

 [ ]  Yes [ ]  No

4. a) Are you responsible for carrying out Power of Sale or repossession activities on delinquent [ ]  Yes [ ]  No
real estate loans you service?

b) If so, are you responsible for insuring those properties? [ ]  Yes [ ]  No

5. What percentage of repossessed/power of sale properties are vacant?

 Residential: \_\_ %

 Non-Residential: \_\_ %

6. What is the average time you are responsible for securing insurance on a repossessed/power of sale property prior to sale?

 Residential: \_\_ months

 Non-Residential: \_\_ months

7. How many properties are in Foreclosure or under Power of Sale (3 years)?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Year | Number of Loans | Total Outstanding Residential Mortgage Balance | Total Outstanding Non- Residential Mortgage Balance | Total OutstandingVacant Land Balance |
| \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |  |
| \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |  |
| \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |  |

(Note: Foreclosed Property coverage requires bordereaux reporting during the policy term on a Chubb required template)