

# Mortgage Suitability Questionnaire

## Things to consider when deciding on a mortgage:

When considering a mortgage, it is essential to discuss your financial situation, future financial plans, and your tolerance for risk.

- What is the purpose of a mortgage?
- How long do you intend to own the home or have a mortgage in place?
- Do you anticipate any life events that may require a change to your home or mortgage?
- Do you have any additional borrowing needs in the future?

## What is the Mortgage Purpose?

- Primary Residence
- Rental Property
- Secondary Property
- Switch / Transfer Mortgage
- Renewal
- Refinance - Equity Take Out
- Home Equity LOC (HELOC)
- Reverse Mortgage
- Construction Mortgage

I (we) have completed a mortgage application and have set a household budget based on our finances.

- Yes
- No

I (we) have selected the following mortgage term.

- 1-yr  2-yr  3-yr  4-yr  5-yr  over 5-yrs

I (we) acknowledge the selection of the following mortgage interest rate. (See definitions)

- Fixed Rate
- Variable Rate
- Adjustable Rate

I (we) have read and reviewed the lenders mortgage commitment.

- Yes
- No

I (we) understand the mortgage lender's pre-payment privileges as outlined in the mortgage commitment.

- Yes
- No

I (we) acknowledge there may be a penalty for paying off our mortgage early, before the end of the term?

- Yes
- No

## Acknowledgement and Disclosure

This questionnaire includes, but is not limited to, information on various mortgage products and term options discussed with you verbally and/or provided in writing. By signing below, you confirm that you have thoroughly reviewed your lender's official mortgage commitment and fully understand the terms of your mortgage loan, including the principal amount, term, amortization period, interest rate, prepayment privileges, total cost of borrowing, and any penalties for early repayment.

You understand that your mortgage decision is based on the information reviewed and discussed, and acknowledge that Mortgage Architects and A Better Way Mortgage Group are not liable for decisions made based on your selection.

### Borrower #1

\_\_\_\_\_  
Borrowers Name

\_\_\_\_\_  
Borrowers Signature

\_\_\_\_\_  
Signed & Dated on

### Borrower #2

\_\_\_\_\_  
Borrowers Name

\_\_\_\_\_  
Borrowers Signature

\_\_\_\_\_  
Signed & Dated on

# Acknowledgements, Terms and Definitions

## Acknowledgements

- If I discharge a mortgage before the term expires, I may be subject to penalties. Certain mortgages may be registered as a collateral charge or may be prepaid only by bona fide sale of the property. These penalties may include all or a portion of any cash back received at the outset, as well as other applicable administration fees.
- If my circumstances change before closing, I may no longer qualify for the mortgage, even if the mortgage conditions have been met.
- To port, transfer, refinance, or renew a mortgage, lenders will require clients to re-qualify.
- My mortgage may not be renewed at the end of the term under the same terms and conditions.
- Service fees may be applicable for certain administrative services provided by the lender, such as NSF fees, changing payments, and other adjustments.
- If my mortgage is a variable-rate mortgage, my payments and interest rate can fluctuate, resulting in increased mortgage payments that will affect the balance owing at the end of the term.
- If my mortgage is a variable or adjustable-rate mortgage, and I later "lock in" to a fixed mortgage, I will be locking into interest rates that are available at that time, not necessarily those available today.
- The ability to obtain mortgage life and disability insurance coverage was discussed with me.
- My mortgage consultant has discussed the material risks associated with this mortgage to my satisfaction, and I certify that the Information provided herein is accurate and truthful and will be considered current unless I notify you otherwise.
- While I've completed this mortgage suitability profile questionnaire, through discussions with my mortgage consultant, the mortgage product I select may differ from the answers I've provided herein.

## Types of Mortgages Interest Rates

### **Fixed Rate Mortgage**

Constant rate and payment over the selected length of the term.

### **Variable Rate Mortgage**

Has fixed payments, similar to a fixed-rate mortgage, but the interest portion fluctuates with changes in the prime lending rate.

### **Adjustable Rate Mortgage**

An adjustable-rate mortgage has a floating payment amount that rises and falls with changes in the prime lending rate.

## Mortgage Definitions

### **Amortization**

Mortgage Amortization is the length of time it takes to fully pay off your mortgage through regular payments. Each payment includes some interest and some of the loan amount. In the early years, most of your payment goes toward interest, but over time, more goes toward paying down your mortgage balance.

### **Mortgage Prepayment Privileges**

Mortgage prepayment options allow you to pay off your mortgage faster by making extra payments, either through lump sums or by increasing your regular payments. These options help reduce your overall interest costs and shorten the life of your mortgage. Each lender sets their own rules on how much extra you can pay and when.

### **Mortgage Penalties**

A mortgage penalty is a fee charged by your lender if you pay out your mortgage in full before the end of the agreed term. This includes situations such as refinancing, selling your home, or breaking your mortgage contract early for any reason. The lender reserves the right to charge a penalty equal to three months' interest or the Interest Rate Differential (IRD)—whichever is greater.

Clients are strongly advised to review the mortgage commitment document issued by their lender, which outlines the specific penalty calculation and conditions that apply.

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Initials

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Initials