

Preliminary Mortgage Approval Notice--Capped Rate Program

Application No.: 98173033534832

Address of Property: Suite 819, Unit 19, Level 8, VOYA-BUILDING A, Mississauga, ON

Dear LIU, ZHIXUAN

We are pleased to advise approval ¹ of your request for a mortgage loan on the property described above and to inform you of our interest rate guarantee to you.

This approval and the interest rate offered through our Capped Rate Program is exclusive to you for the purchase of this property. Your interest rate is guaranteed from the rate guarantee start date to the rate guarantee expiry date shown below ("the rate guarantee period") if we make the loan within the rate guarantee period. However, we will establish a new rate guarantee period if you and we agree to a different type of mortgage product. We also guarantee that, if our posted rate for your type of mortgage product drops below your interest rate within 90 days prior to the date funds are advanced, your interest rate will be the lower rate. If we lower your interest rate, we'll lower your instalment so that your amortization period stays the same.

If for some reason the date funds are to be advanced is changed to a new date that is beyond the Rate Guarantee Expiry date, and if the Bank approves an extension, you will receive the lesser of: (i) your interest rate plus an additional percentage as determined by the Bank for each full or partial month of delay beyond the Interest Rate Guarantee Expiry Date until the date funds are advanced and (ii) the lowest rate posted by the Bank for the type of mortgage product selected within 90 days prior to the date funds are advanced, plus an additional percentage as determined by the Bank for each full or partial month of delay beyond the Interest Rate Guarantee Expiry Date until the date of closing. Please note, the Capped Rate Program cannot be combined with any other interest rate discount or mortgage incentive offered by us and does not apply if you select a different type of mortgage product.

Loan details are as follows:

Total Loan Amount:	\$	467,120.00	Term of the Loan:	60
Default Insurance Premium:	\$	0.00	Amortization period:	300
Instalment (principal and interest):	\$	467,120.00	Payment Frequency:	Monthly
Posted fixed interest rate: ²	4.790 % per year		Kind of Term: ⁵	
Your discount: ³	0.000 %			
Your fixed interest rate: ⁴	4.790 % per year			
Rate Guarantee Start:	29	Jul	2021	Rate Guarantee Expiry: 29 Oct 2021
Date funds are to be advanced:	2	Feb	2026	Rate Guarantee period: 3 months

Your estimated cost of borrowing expressed as an annual percentage rate (APR) is % . The calculation of the APR includes your interest cost, and if applicable, the following non-interest costs: (i) an estimated appraisal cost, and (ii) the cost of default insurance if required by us for a mortgage with a down payment of 20% or more (not applicable for a mortgage with a down payment of less than 20%).

This approval is conditional on our mortgage representative receiving the following outstanding documents within 10 days from the date of this letter.

1. Approval based on purchase price \$583,900.00
- 2.
- 3.
- 4.
- 5.

All mortgage loan approvals are subject to there being no material change in your financial status as disclosed in your application and there being no material changes to the property that negatively affect its value. Prior to closing, we will issue you "Our Commitment to Lend and Disclosure Statement" specifying the final terms of your mortgage and all closing conditions.⁶

We thank you for your mortgage business.

Name: Jack Yan 647-926-4888 jack.yan@bmo.com

Date: 29 Jul 2021

Title: Mortgage Specialist

By signing below, you indicate that you understand and accept the terms of our rate protection and rate commitment as outlined above:

Purchaser Signature

Date

Purchaser Signature

Date

¹ This replaces any Preliminary Mortgage Approval Notices previously provided to you.

² This is the Bank's posted interest rate for the type of mortgage product you have selected, effective on the date of your interest rate guarantee. The interest rate is calculated half-yearly, not in advance.

³ This is the discount applied to the Bank's posted interest rate at the time of your new mortgage request, for the type of mortgage product you have selected. The interest rate guarantee may reduce the amount of the discount because the discount is calculated based on the posted rate shown above.

⁴ Your interest rate is calculated half-yearly not in advance.

⁵ An open mortgage gives you the right to prepay all of what is owed at any time without a prepayment charge. Otherwise, the mortgage is closed. Your mortgage documents will contain the prepayment provisions for your type of mortgage product. You can visit our website at www.bmo.com to learn more about prepaying your mortgage.

⁶ By this time, an appraisal would have been completed and the applicable fee would be payable by you, even in the event where we do not make the loan.