

Attain Mortgage will generally collect and remit property taxes on all mortgages. Below are some guidelines to assist in understanding the collection and payment process.

Conventional	<p>Customer to pay taxes through Attain Mortgage.</p> <p>Customer may pay own taxes if approved by Attain Mortgage:</p> <ul style="list-style-type: none"> • Must have good payment history • Must not have arrears or tax sale
Insured	<p>Customer to pay taxes through Attain Mortgage.</p> <p>Customer may pay own taxes if approved by Attain Mortgage:</p> <ul style="list-style-type: none"> • If they are on a municipal payment plan (i.e. TIPPS), or • After 1 year repayment, Attain Mortgage may consider allowing customer to pay their own taxes (subject to strong payment history, no arrears & must demonstrate proof of payment annually)
Who Provides Tax Amount?	<p>Property Taxes must be included with all applications to Attain Mortgage.</p> <ul style="list-style-type: none"> • Purchase: Provided by Broker based on MLS. • Switch: Provided by Broker. • New Build: Provided by Broker until bill from municipality received. <p>Solicitor confirms final property tax amount at closing.</p>
Where is Property Tax amount listed on Adapt Mortgage documents?	<p>Property Tax owing can be found on:</p> <ul style="list-style-type: none"> • Attain Mortgage Commitment Letter at time of approval • Realty Tax Form at closing • Attain Mortgage Welcome Letter to Customer after funding
Transfer/Switch	<p>If the borrower wants to collect and pay their taxes, then any tax account balance from the previous lender can be transferred to CMLS. Please contact your Regional Manager for details.</p>
Acknowledgement to Pay Taxes	<p>Customers will sign a "Realty Tax Form" at closing which lists the correct property tax amount and confirms that the lender will be collecting and paying the property taxes along with the date when the lender will start paying the taxes.</p>
Tax Submission Frequency	<p>Attain Mortgage pays property taxes 1-2 times annually based on municipality guidelines.</p> <p>Twice per year: Ontario & Vancouver, BC</p> <p>Annual: Alberta, Manitoba, Saskatchewan & rest of British Columbia</p>
Annual Tax Increase	<p>Attain Mortgage increases the property tax annual estimate by approximately 3% or by the written amount provided by the municipality once the final tax bill has been paid. Customers are notified in writing from Attain Mortgage of any change.</p>

Tax Holdbacks (all provinces)	<p>Tax Holdbacks are funds that are held back (deducted) from the advance of a mortgage and deposited into the tax account for the purpose of paying an upcoming tax bill.</p> <p>Holdback = Estimated Taxes/12 x # of months missing from collection year.</p> <ul style="list-style-type: none"> Customer to pay first tax bill if insufficient time to collect funds. <p>Example:</p> <p>Mortgage funded March 3, 2019.</p> <p>Annual 2013 taxes = \$2,500 + 3% = \$2,575 Full taxes due July 2, 2019</p> <p>April 3 = First P&I + tax mortgage payment (monthly payments) (tax payments will be made on April 3, May 3 and June 3, with payment due on July 2)</p> <p>Therefore, must collect 9 months on holdback at funding.</p> <p>Calculation:</p> <table data-bbox="402 806 1032 898"> <tr> <td>Estimated yearly taxes:</td><td>\$2,575</td></tr> <tr> <td>Divided by 12 months:</td><td>\$214.58</td></tr> <tr> <td>Monthly portion x 9 months:</td><td>\$1,931.25</td></tr> </table> <p>Borrower's next 3 months of mortgage payments include \$214.58 each month for taxes</p> <p>Total collected for July 2 tax bill is \$2574.99</p>	Estimated yearly taxes:	\$2,575	Divided by 12 months:	\$214.58	Monthly portion x 9 months:	\$1,931.25
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Timing of Tax Payments	<p>Based on the month the mortgage starts and the cycle of the taxes, the Customer may be responsible to pay the remainder of current year tax bill.</p> <p>Refer Customer to Realty Tax Form at closing that will indicate:</p> <ul style="list-style-type: none"> Date when Attain Mortgage will start paying the taxes Tax portion amount collected by Attain Mortgage Total annual amount Holdback if applicable 						
Shortfall	<p>A shortfall is when not enough funds were collected to pay the tax bill, or a supplemental bill is received from the municipality.</p> <p>If a shortfall occurs, your lender will increase the next year's tax payments pro-rated over 12 months to recover the shortfall. (Depending on the amount of the shortfall, efforts to increase the tax portion earlier may be made)</p>						