To Sell a Scotia STEP…

Scotia STEP allows your customer to take advantage of the credit that's available to them (up to 75% of the value of their home).

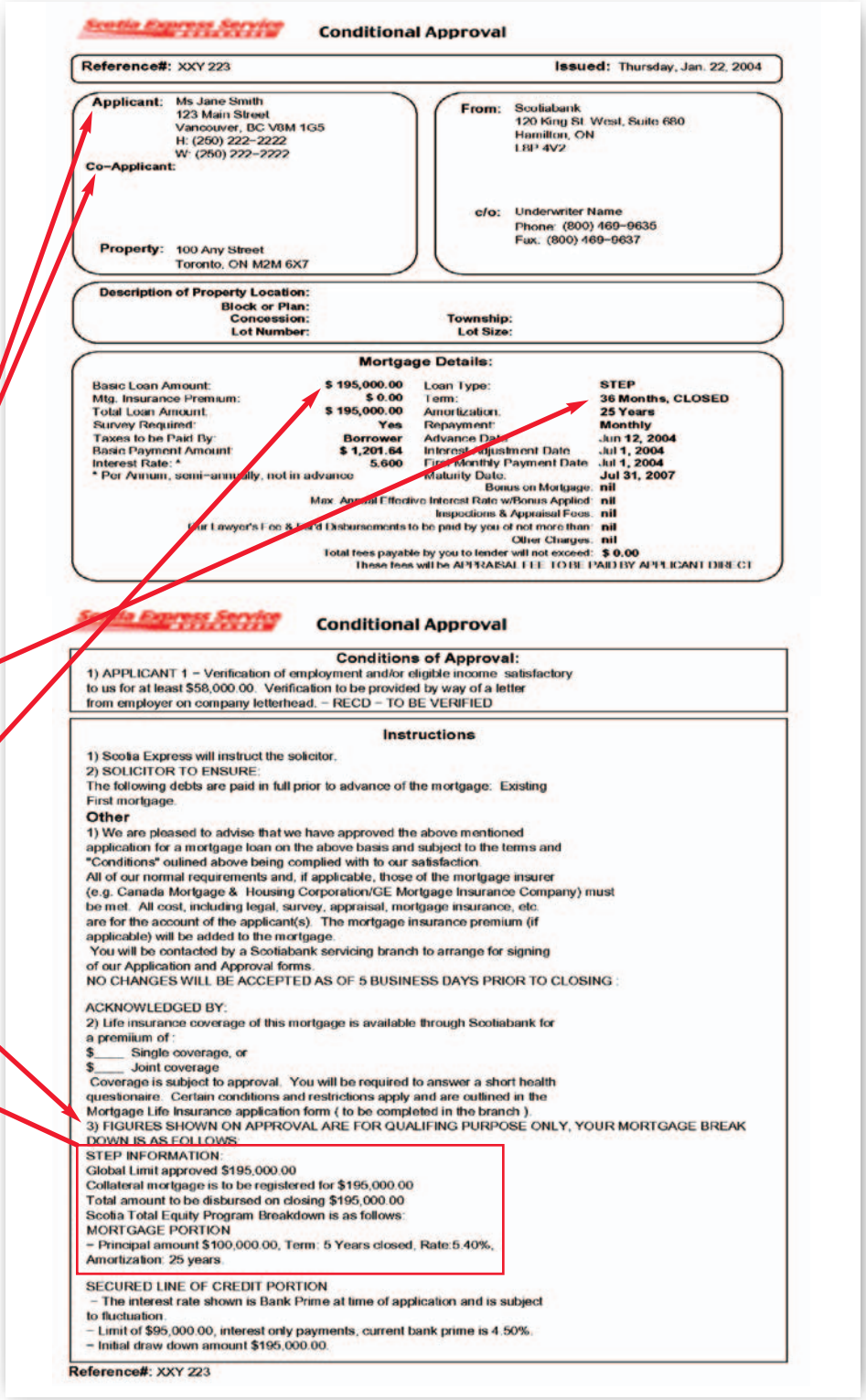
In the Notes section of the Scotia STEP commitment:

- Identify the application as a Scotia STEP mortgage and the amount of the global limit.
- Indicate the terms and mortgage values associated with each mortgage component. The total of all components (mortgages, lines of credit, credit cards, etc.) should equal the global limit.
- Indicate how much money will be advanced on day of funding.

Scotiabank™

How to Read Your Scotia STEP Commitment

- Ensure your customer's GDS and TDS does not exceed 40%.
- Ensure the Scotia STEP commitment does not exceed two borrowers.
- Qualify your customer on the 3-year posted rate. For qualifying purposes, input a 3-year term and Scotiabank posted 3-year rate.
- Make sure the basic loan amount equals the global limit (e.g. the full amount of money for which your customer is applying).
- The rate and term shown here are for qualifying purposes only.
- Read here for the breakdown of Scotia STEP bundle.



Scotia Express Service

Conditional Approval

Reference#: XXY 223 **Issued:** Thursday, Jan. 22, 2004

Applicant: Ms Jane Smith
123 Main Street
Vancouver, BC V8M 1G5
H: (250) 222-2222
W: (250) 222-2222

Co-Applicant:

Property: 100 Any Street
Toronto, ON M2M 6X7

From: Scotiabank
120 King St. West, Suite 680
Hamilton, ON
L8P 4V2

c/o: Underwriter Name
Phone: (800) 469-9635
Fax: (800) 469-9637

Description of Property Location:
Block or Plan:
Concession: **Township:**
Lot Number: **Lot Size:**

Mortgage Details:

Basic Loan Amount:	$ 195,000.00	Loan Type:	STEP
Mtg. Insurance Premium:	$ 0.00	Term:	36 Months, CLOSED
Total Loan Amount:	$ 195,000.00	Amortization:	25 Years
Survey Required:	Yes	Repayment:	Monthly
Taxes to be Paid By:	Borrower	Advance Date:	Jun 12, 2004
Basic Payment Amount:	$ 1,201.64	Interest Adjustment Date:	Jul 1, 2004
Interest Rate: *	5.600	First Monthly Payment Date:	Jul 1, 2004
* Per Annum, semi-annually, not in advance		Maturity Date:	Jul 31, 2007

Bonus on Mortgage: nil
Max. Annual Effective Interest Rate w/Bonus Applied: nil
Inspections & Appraisal Fees: nil
Our Lawyer's Fee & Estimated Disbursements to be paid by you of not more than: nil
Other Charges: nil
Total fees payable by you to lender will not exceed: $ 0.00
These fees will be APPRAISAL FEE TO BE PAID BY APPLICANT DIRECT

Scotia Express Service

Conditional Approval

Conditions of Approval:

1) APPLICANT 1 – Verification of employment and/or eligible income satisfactory to us for at least $58,000.00. Verification to be provided by way of a letter from employer on company letterhead. – RECD – TO BE VERIFIED

Instructions

1) Scotia Express will instruct the solicitor.
2) SOLICITOR TO ENSURE:
The following debts are paid in full prior to advance of the mortgage: Existing First mortgage.

Other

1) We are pleased to advise that we have approved the above mentioned application for a mortgage loan on the above basis and subject to the terms and "Conditions" outlined above being complied with to our satisfaction.
All of our normal requirements and, if applicable, those of the mortgage insurer (e.g. Canada Mortgage & Housing Corporation/GE Mortgage Insurance Company) must be met. All cost, including legal, survey, appraisal, mortgage insurance, etc. are for the account of the applicant(s). The mortgage insurance premium (if applicable) will be added to the mortgage.
You will be contacted by a Scotiabank servicing branch to arrange for signing of our Application and Approval forms.
NO CHANGES WILL BE ACCEPTED AS OF 5 BUSINESS DAYS PRIOR TO CLOSING :

ACKNOWLEDGED BY:
2) Life insurance coverage of this mortgage is available through Scotiabank for a premium of :
$____ Single coverage, or
$____ Joint coverage
Coverage is subject to approval. You will be required to answer a short health questionaire. Certain conditions and restrictions apply and are outlined in the Mortgage Life Insurance application form (to be completed in the branch).
3) FIGURES SHOWN ON APPROVAL ARE FOR QUALIFING PURPOSE ONLY, YOUR MORTGAGE BREAK DOWN IS AS FOLLOWS:
STEP INFORMATION:
Global Limit approved $195,000.00
Collateral mortgage is to be registered for $195,000.00
Total amount to be disbursed on closing $195,000.00
Scotia Total Equity Program Breakdown is as follows:
MORTGAGE PORTION
– Principal amount $100,000.00, Term: 5 Years closed, Rate:5.40%, Amortization: 25 years.

SECURED LINE OF CREDIT PORTION
– The interest rate shown is Bank Prime at time of application and is subject to fluctuation.
– Limit of $95,000.00, interest only payments, current bank prime is 4.50%.
– Initial draw down amount $195,000.00.

Reference#: XXY 223