



B-20 Residential Mortgage Guidelines Public Disclosures

December 31, 2024



**Banque
Haventree
Bank**



OVERVIEW

This disclosure is prepared in accordance with the requirements of OSFI Guideline B-20 - Residential Mortgage Underwriting Practices and Procedures. These disclosures are made to enable market participants to conduct an adequate evaluation of the soundness and condition of Haventree Bank's (the "Bank") residential mortgage operations.

INSURED AND UNINSURED MORTGAGES

An insured mortgage is one that carries with it an insurance policy that protects the mortgage lender or title holder in the event that the borrower defaults on payments or is otherwise unable to meet the contractual obligations of the mortgage.

The Bank's mortgage portfolio consists of uninsured mortgages primarily for owner-occupied, single-family residential properties for purchases, refinances, equity take-outs and debt consolidation. As at December 31, 2024, the Bank has issued uninsured residential mortgages on properties located in Ontario, British Columbia, Alberta, Manitoba, Quebec, Nova Scotia and Saskatchewan.

To mitigate the impact of an economic slowdown and establish appropriate standards for portfolio quality, the Bank has in place a well-defined underwriting and risk management process for residential mortgages. The Bank conducts diligence on each borrower and deals with known and reputable mortgage brokers. In addition, as an uninsured residential mortgage lender, credit risk results from reliance on the maintenance of collateral values. The Bank is therefore selective in the types of property accepted as collateral, in its reliance on the appraisal of the property, and the property's geographic location. The Bank reviews the credit performance and credit quality of its mortgage portfolio on an ongoing basis and uses forward-looking information, including unemployment, home prices, and interest rates to anticipate the potential for changing macro-economic conditions that could negatively impact the portfolio. These are reflected in the Expected Credit Loss provision. In addition, the Bank performs stress tests on possible, but not likely events to ensure it has sufficient capital to withstand unexpected shocks from a more severe economic slowdown.

RESIDENTIAL MORTGAGE PORTFOLIO DISCLOSURE (\$ millions)

Insured vs Uninsured by Province								
	Residential mortgages, insured		Residential mortgages, uninsured		HELOCs, insured		HELOCs, uninsured	
	\$	%	\$	%	\$	%	\$	%
Ontario	—	—	1,995	58.5 %	—	—	—	—
Quebec	—	—	580	16.9 %	—	—	—	—
Alberta	—	—	388	11.4 %	—	—	—	—
British Columbia	—	—	329	9.7 %	—	—	—	—
Manitoba	—	—	67	0.7 %	—	—	—	—
Nova Scotia	—	—	26	2.0 %	—	—	—	—
Saskatchewan	—	—	22	0.8 %	—	—	—	—
Total	—	—	3,406	100 %	—	—	—	—

Amortization period based on \$

≤ 20 years	1.7 %
> 20 and ≤ 25 years	8.2 %
> 25 and ≤ 30 years	54.5 %
> 30 and ≤ 35 years	30.7 %
>35 years	4.9 %

Average Loan-to-Value of Mortgages Originated in Q4 2024

	Residential	HELOCs
Ontario	68 %	— %
Quebec	70 %	— %
Alberta	74 %	— %
British Columbia	67 %	— %
Manitoba	75 %	— %
Nova Scotia	68 %	— %
Saskatchewan	74 %	— %
Average	71 %	— %