

## **Healthcare & Municipal Employees Credit Union Limited (“HMECU”)**

### **Mortgage Campaign – Terms & Conditions**

**Campaign Name:** Switch Mortgage Offer

**Campaign Period:** May 15, 2026, to September 30, 2026

#### **1. Eligibility**

The Switch Mortgage Offer is available to current members of HMECU in good standing (“Members”), who are switching an existing mortgage from another financial institution. Financial institutions shall include commercial and private banks, credit unions other than HMECU, savings and loan associations and other financial intermediaries.

Eligible mortgage amounts must be between \$500,000.00 and \$1,000,000.00 CAD.

The property to be secured by a mortgage must be an owner-occupied principal residence and may include single-family homes or condominiums. Multi-unit properties are not eligible. Rural properties may be considered subject to an acceptable appraisal. There are no geographic restrictions, provided the property meets appraisal standards.

Internal transfers of existing HMECU mortgages are not eligible for The Switch Mortgage Offer.

#### **2. Offer Details**

The Switch Mortgage Offer provides either a fixed interest rate of 4.09% for a three (3)-year term or a fixed interest rate of 4.19% for a five (5)-year term. The standard amortization period is twenty-five (25) years. However, a thirty (30)-year amortization may be available, subject to a 0.10% pricing premium.

Rate holds are available for up to ninety (90) days from the date of application.

#### **3. Credit, Loan-to-Value, and Approval Requirements**

All applications are subject to credit approval, HMECU’s standard underwriting practices and shall be approved in HMECU’s sole and absolute discretion. A minimum credit score of six hundred eighty (680) is required for all applicants.

Eligible loan-to-value (“LTV”) tiers include up to 65%, 66% to 75%, and 76% to 80%. The maximum loan-to-value permitted under this campaign is 80%, with the applicable tier determined based on the appraised value and underwriting criteria.

All applications must meet HMECU’s lending criteria, including borrower creditworthiness, income verification, and overall risk assessment.

#### **4. Eligible Mortgage Types**

This Switch Mortgage Offer applies only to mortgage switches from other financial institutions. Financial institutions shall include commercial and private banks, credit unions other than HMECU, savings and loan associations and other financial intermediaries.

Eligible mortgage types include low-ratio switches, ported mortgages, and refinances, all of which remain subject to approval.

The new mortgage must be registered as a new charge, and assignments are not permitted under this offer.

### **5. Insurance and Annual Percentage Rate (“APR”) Disclosure**

All mortgages must qualify for Canada Mortgage and Housing Corporation (“CMHC”) mortgage default insurance. The applicable insurance premium will be added to the mortgage amount and applies regardless of the loan-to-value ratio.

The APR will vary based on individual circumstances and will be disclosed at the time of application. The APR includes the contract rate, CMHC premium, a \$100.00 application fee, and any required costs associated with the subject mortgage, including but not limited to legal fees, appraisal fees (where applicable), title insurance, registration fees, and discharge or transfer fees, if applicable. Not all costs apply to every transaction.

### **6. Fees, Costs and Fee Contribution**

HMECU will contribute up to \$400.00 toward applicable fees (the “Fee Contribution”). If the mortgage is discharged within the five (5) year term, the Fee Contribution will be subject to claw back.

Any costs, fees, or penalties associated with the existing lender are not covered under this offer. Members remain responsible for all legal and registration costs related to the mortgage.

### **7. Timing Requirements**

Applications must be submitted within the campaign period ending September 30, 2026. All required documentation must be signed on or before this date.

Funding may occur after the campaign end date, provided the application was submitted within the campaign period. No rate exceptions will be permitted after the campaign end date.

### **8. Representative APR Examples**

#### **3-Year Fixed Option**

For illustrative purposes only:

- At 65% LTV, a mortgage of \$750,000.00 with a \$4,500.00 insurance premium results in a total mortgage amount of \$754,500.00, an approximate payment of \$4,020.00, and an APR of 4.18%.
- At 75% LTV, a mortgage of \$750,000.00 with a \$12,750.00 insurance premium results in a total mortgage amount of \$762,750.00, an approximate payment of \$4,064.00, and an APR of 4.29%.
- At 80% LTV, a mortgage of \$750,000.00 with a \$18,000.00 insurance premium results in a total mortgage amount of \$768,000.00, an approximate payment of \$4,092.00, and an APR of 4.31%.

#### **5-Year Fixed Option**

For illustrative purposes only:

- At 65% LTV, a mortgage of \$750,000.00 with a \$4,500.00 insurance premium results in a total mortgage amount of \$754,500.00, an approximate payment of \$4,062.00, and an APR of 4.28%.
- At 75% LTV, a mortgage of \$750,000.00 with a \$12,750.00 insurance premium results in a total mortgage amount of \$762,750.00, an approximate payment of \$4,106.00, and an APR of 4.39%.
- At 80% LTV, a mortgage of \$750,000.00 with a \$18,000.00 insurance premium results in a total mortgage amount of \$768,000.00, an approximate payment of \$4,135.00, and an APR of 4.41%.

**9. General Conditions**

This Switch Mortgage Offer is subject to change or withdrawal at any time without notice and cannot be combined with other offers unless explicitly stated.

All mortgages are subject to applicable laws and regulations. Final approval remains subject to underwriting review and the applicant meeting all lending and credit requirements.