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	Customer to pay taxes through $WWDLQ0RUWJDJH. Customer may pay own taxes if approved by $WWDLQ0RUWJDJH • Must have good payment history • Must not have arrears or tax sale
Insured	Customer to pay taxes through $WWDLQ0RUWJDJH. Customer may pay own taxes if approved by Attain Mortgage: • If they are on a payment plan (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?	Property Taxes must be included with all applications to Attain Mortgage. • Purchase: Provided by Broker based on MLS. • Switch: Provided by Broker. • New Build: Provided by Broker until bill from municipality received. Solicitor confirms final property tax amount at closing.
Where is Property Tax amount listed on CMLS Financial documents?	Property Tax owing can be found on: • Attain Mortgage Commitment Letter at time of approval • Realty Tax Form at closing • Attain Mortgage Welcome Letter to Customer after funding
Transfer/Switch	If the borrower wants $WWDLQ0RUWJDJH to collect and pay their taxes, then any tax account balance from the previous lender will be carried over to $WWDLQ0RUWJDJH
Permission to Pay Taxes	Customers will sign a Attain Mortgage "Realty Tax Form" at closing which lists the correct property tax amount, and confirms that $WWDLQ0RUWJDJH will be collecting and paying the property taxes.
Tax Submission Frequency	$WWDLQ0RUWJDJH pays property taxes 1-2 times annually based on municipality guidelines. **Twice per year:** Ontario & Vancouver, BC **Annual:** Alberta, Manitoba, Saskatchewan & rest of British Columbia
Annual Tax Increase	$WWDLQ0RUWJDJH 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 $WWDLQ0RUWJDJH of any change.
IAD	IAD (interest adjustment date) if applicable, is used to determine the holdback percentage.

Tax Holdbacks (all provinces)	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. Holdback = Estimated Taxes/12 x # of months missing from collection year. • Applicable to Alberta, BC, Manitoba, Saskatchewan & Ontario. • Attain Mortgage adjusts tax portion to include tax holdback if applicable OR the tax holdback is factored into the property tax portion calculated by Attain Mortgage. • Customer to pay first tax bill if insufficient time to collect funds. Example: Mortgage funded March 3, 2014. Annual 2013 taxes = $2,500 + 3% = $2,575 Full taxes due July 2, 2014 March 3 = IAD date which determines the holdback percentage (If IAD is not applicable, the funding date determines the % of holdback.) April 3 = First P&I + tax mortgage payment Therefore, Attain Mortgage has to collect 9 months on holdback at funding. Calculation: $2,575 (taxes) / 12 (months) x 9 months tax collection = $1,931.25 (tax holdback amount due at funding) Customer then pays 3 months taxes through regular mortgage payments (P&I + taxes).
Property Tax Payment Calculation Example	Total Estimated Yearly Net Taxes minus Realty Tax Holdback, divided by number of months until next year's final tax bill = monthly tax component. Example: First mortgage payment starts August 2nd, 2014. Next annual tax bill of $4,000 due June 30, 2015. No holdback required. Calculation: $4,000.00 – $0.00 / 10 months = $400.00 (monthly)
Customer Pays Taxes First	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. Refer Customer to Realty Tax Form at closing that will indicate: • Date when Attain Mortgage will start paying the taxes • Tax portion amount collected by Attain Mortgage • Total annual amount • Holdback if applicable
Shortfall	A shortfall is when not enough funds were collected to pay the tax bill or a supplemental bill is received from the municipality If a shortfall occurs, Attain Mortgage will increase the next year's tax payments pro-rated over 12 months to recover the shortfall.
BC Homeowner Grant	Applicable to BC primary Residences only. Homeowner must apply annually and send confirmation to Attain Mortgage each year for Attain Mortgage to adjust taxes.