

[ANNOTATED SAMPLE]

FORM 9E

REPORT ON THE INVESTMENT

(Note to lawyer: In all private mortgage transactions, whether or not the mortgage was arranged by you, **you must complete this form, or, alternatively, you must complete a reporting letter which includes responses to ALL numbered items in this form.** If you complete this form, you must complete every numbered item on this form, with "n/a" being entered if the numbered item is not applicable. If you complete a reporting letter, you must respond to all numbered items in this form in your reporting letter. If a numbered item is not applicable, you must include it in your reporting letter and indicate that it is not applicable. After completion, **an original of this form, or the reporting letter, must be delivered forthwith to each lender.** This form may be entered on a word processor. For the definition of mortgage broker and other terms found in the clause of the Lawyers' Professional Indemnity Company Policy found at the bottom of this form, please refer to the policy.)

To: (Specify name and address of investor.) *each investor to receive a report*

**Kim Kirby
456 Avenue Rd., Anytown, ON Z9Y 4V3**

A. DETAILS ABOUT THE INVESTMENT:

1. Name and address of borrower (or borrowers): (specify) *names and addresses to agree with registered mortgage and Form 9D*
Terry Taylor, 123 Main St., Anytown, ON Z9Y 8X7
2. Name and address of guarantor (or guarantors) (if any): (specify) *names and addresses to agree with registered mortgage and Form 9D*
Kerry Taylor, 987 Townline Rd., Anytown, ON Z9Y 6W5
3. Legal description and municipal address of real property: (specify) *to agree with registered mortgage and Form 9D*
**Lot 10, Plan 20, Town of Anytown, County of Plenty
123 Main St., Anytown, ON, Z9Y 8X7**
4. Type of property: (specify, e.g., residence, vacant land, etc.) **Residence to agree with Form 9D**
5. (a) Principal amount of mortgage or charge: (specify) **\$40,000.00 to agree with Form 9D**
(b) Amount of loan advanced by you: (specify) **\$40,000.00 to agree with Form 9D**
6. Rank of mortgage or charge is first (or specify other rank). **2nd (after payout and discharge of existing second mortgage) to agree with title search and Form 9D**

May 5, 2015

7. Your investment of (specify amount) **\$40,000.00** represents **100%** (specify percentage) of the total of this loan to the borrower (or borrowers). *to agree with Form 9D*
8. Date principal advanced: (specify) **September 1, 2010** *to agree with client ledger account*
9. (a) The term of loan is (specify term of loan in months, years, etc.). **1 Year** *to agree with registered mortgage and Form 9D*
- (b) The due date of the loan is (specify date). **September 1, 2011** *to agree with registered mortgage and Form 9D*
- (c) The loan is amortized over (specify number of years). **15 Years**
10. The interest rate is (specify interest rate) calculated semi annually, not in advance (or specify how interest rate is calculated). **5.5%** *to agree with registered mortgage and Form 9D*
Ensure the interest rate does not exceed 60% per annum, which would be a criminal rate of interest. This can happen with short term mortgages when all commissions/fees/costs are included: e.g. broker, lender, legal, registration (insurance fees are not included)
11. Particulars of amounts and due dates (monthly, quarterly, etc.) of payments of principal and interest: (specify) **\$370.80 on the first day of each month.** *to agree with registered mortgage and Form 9D*
12. Particulars and amounts of any bonus or holdback or any other special terms: (specify) **NIA** *to agree with client ledger account and Form 9D*
13. Details of any existing encumbrances, including
- 1) **rank** on title
 - 2) **balances outstanding**
 - 3) **mortgagee name** and
 - 4) **maturity dates:** (specify)
- Existing first mortgage, balance of \$121,945.74 at August 1, 2010, payable to Ontario Bank, Maturing February 1, 2011. Existing second mortgage to be paid out from mortgage advance, balance owing at September 1, 2010 is \$33,742.83.**
to agree with mortgage statements from mortgagees on title search
14. In those instances in which the mortgage or charge is a collateral security, or if the mortgage or charge is collaterally secured, the details of other security are: (specify) **N/A**
15. (a) Particulars of disbursements made for legal, brokerage or other fees or commissions in connection with the placement of the loan, including the **names** of recipients and **amounts paid**, are: (specify) **Legal fees \$400.00, disbursements \$70.00, HST \$53.30, payable to Leslie Lawyer.** *to include all fees and disbursements, including legal; to agree with client ledger account and Form 9D A14*
- (b) Alternatively, I have advised I cannot confirm what independent commissions or fees are being charged to the borrower. **N/A**

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16. Registration number, date of registration and land registry office location: (specify) *All three pieces of information to agree with registered mortgage*

Registration No. 987321, September 1, 2010, LRO for County of Plenty, Anytown

17. Insurance particulars (where relevant): (specify) **Required** unless type of property in A4 is "vacant land"

Insurer: Ontario Insurance Company
Policy: Homeowners Policy No. 789123
Amount: \$225,000
Expiry: August 29, 2011

B. CONDITIONS AND DISCLOSURE:

In accordance with your Form 9D [Investment Authority] request for information and disclosures prior to the advance of your money, I advise that I have previously provided you with the requested information and disclosures as follows:

1. Particulars of existing encumbrances outstanding: (Specify yes or no, and if yes, specify date on which particulars were provided.) **Yes, August 9, 2010**

2. In the case of a syndicated mortgage where a prospectus was required, a copy of the prospectus: (Specify yes or no, and if yes, specify date on which prospectus was provided.) **No, N/A**

I advised and you acknowledged that I gave no opinion as to the necessity or validity of a prospectus.

3. Independent appraisal: (Specify yes or no, and if yes, specify date on which independent appraisal was provided.) **No, N/A**

I advised and you acknowledged that I gave no opinion as to the necessity or validity of an appraisal.

4. Any loss you may suffer on this mortgage investment will not be insured under the lawyers' professional liability policy if the lawyer has acted as a mortgage broker or has helped to arrange it.*

I advised and you acknowledged having read and understood this warning.

(Warning: You are cautioned that the responsibility for assessing the financial merits of the mortgage investment rests with the investor at all times. The lawyer's responsibility is limited to ensuring the mortgage is legally registered on title in accordance with the investor's instructions. The lawyer is not permitted to personally guarantee the obligations of the borrower or borrowers nor the suitability of the property as security for the mortgage investment.)

(Name of lawyer or law firm)

Leslie Lawyer

(Address of lawyer or law firm)

**10 Downtown St.
Anytown, ON Z9Y 2T1**

May 5, 2015

(Signature of lawyer)

Leslie Lawyer (Signature not required for file copy)

(Date of signature)

September 3, 2010 On or after, not before, registration date
[Confirm that Form 9E actually sent to lender(s)]

**(Pursuant to clause (g) of Part III of the Professional Liability Insurance Policy for Lawyers, the policy does not apply "to any CLAIM directly or indirectly arising as a result of the INSURED acting as a MORTGAGE BROKER or as an intermediary arranging any financial transaction usual to mortgage lending; or to any CLAIM arising from circumstances where the INSURED has provided PROFESSIONAL SERVICES in conjunction with the above".)*