

Bridge Financing Demand Loan Document

THIS AGREEMENT effective as of the _____ day of _____, 20_____.

BETWEEN:

Tangerine Bank ("**Tangerine**")
3389 Steeles Ave E,
Toronto, ON M2H 0A1

– and –

_____ (Borrower 1)
_____ (Borrower 2)
_____ (Borrower 3)
_____ (Borrower 4)

CIF #: _____

(hereinafter referred to individually and/or collectively as the "**Borrower**")

WHEREAS the Borrower would like to obtain financial loan from Tangerine in relation to the Borrower's purchase and sale of property, and Tangerine wishes to provide said loan;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT the parties would like to agree to the loan, as described in this agreement, on the following terms:

Loan Amount

1. **Principal Amount (or Bridge Loan Amount)** shall be: \$ _____.

Interest Rate and Payments

2. **Interest Rate:** shall mean Tangerine prime rate plus 2% per annum, calculated daily based on the Tangerine prime rate on each day of calculation (the Tangerine prime rate is Tangerine's annual rate of interest announced from time to time as its benchmark prime rate of interest for Canadian dollar loans, which rate is subject to change from time to time at Tangerine's sole discretion. The Tangerine prime rate is available by consulting the Tangerine website at tangerine.ca, or by contacting Tangerine by telephone at 1-800-568-2190).

Payments: all payments made on the Loan Amount will be applied first to any accumulated cost of borrowing added to the loan, and second to the outstanding principal of the loan.

Promissory Note

3. The undersigned Borrower (which term shall include all undersigned borrowers and guarantors, jointly and severally) promises to pay to Tangerine, on demand, without setoff, deduction or abatement, both before and after default or judgment, the Bridge Loan Amount (indicated above) together with interest at the Interest Rate (indicated above) and, if the legal mortgage contemplated herein is executed and registered, the cost of discharging such mortgage, as well as all costs, charges and expenses incurred by Tangerine in connection with the repayment of such sum, including costs of enforcing the security herein created (collectively, the "**Debt**"). Presentment for payment, protest and notice of dishonour are hereby waived.

Assignment of Proceeds

- As further consideration to Tangerine, the undersigned that are selling parties (the “**Vendor**”) to the sale of property located at the address indicated below and legally described as below (the “**Sale Property**”) hereby irrevocably assigns and transfers to Tangerine a portion of the Proceeds of Sale, as hereinafter defined, equal to the Debt. “**Proceeds of Sale**” means the net proceeds of sale of the Sale Property after paying out all prior encumbrances and direct costs normally associated with a sale of property, including commission, water, sewer and oil adjustments, taxes, legal fees and disbursements and insurance.
- The Vendor represents and warrants that the date of expected closing for the sale of the Sale Property is as indicated above. The undersigned covenants and agrees to advise Tangerine of any change with respect to such closing date.

Equitable Mortgage

- The Vendor hereby charges and mortgages the Sale Property as security for the repayment of the Debt, and upon request from Tangerine, either before or after the advance of funds, shall execute and register a legal mortgage. The Vendor shall be responsible for the costs of preparation and registration of such mortgage. The mortgage hereby granted shall be on the same financial terms as the Debt and be deemed to include such standard terms and conditions in respect of a mortgagor’s obligations and mortgagee’s remedies as are normally applicable in the jurisdiction in which it is granted. The Vendor acknowledges and agrees that Tangerine may at any time register a caveat or like charge against the Sale Property until such time as satisfactory mortgage security is registered.
- The Vendor covenants not to further encumber the Sale Property while the Debt is outstanding.

Irrevocable Direction

- The Vendor hereby irrevocably authorizes and directs the solicitor or notary of the Vendor (identified below) to pay to Tangerine at its below address an amount equal to the Debt from the Proceeds of Sale, upon receipt of said proceeds, and to provide to Tangerine any documents in respect of the Sale Property requested by Tangerine.
- The undersigned covenants and agrees to advise Tangerine of any change with respect to the solicitor or notary of the Vendor.

Default

- If you fail to make any payment when due or fail to perform any other obligation under this Agreement or any other agreement with Tangerine; or if you die or become insolvent or bankrupt, or take advantage of any law relating to bankruptcy, insolvency or for the relief of debtors, any rights to use the Loan will terminate automatically, without notice, and you must immediately repay the indebtedness. In these circumstances, you must immediately repay the indebtedness in full, with all accrued interest thereon, in addition to any costs incurred by Tangerine for the collection and/or enforcement of the indebtedness, which may include, without limitation, legal fees on a substantial indemnity basis.

Signatures

- This agreement is binding on the successors and assigns of the undersigned. If there is more than one undersigned, either as principal borrower or guarantor, then all acknowledge that they are jointly and severally liable for repayment of the Debt.

Signature _____

Signature _____

Name _____

Name _____

Signature _____

Signature _____

Name _____

Name _____

Acknowledgment and Undertaking of Vendor's Solicitor or Notary

The undersigned solicitor or notary acknowledges receipt of the above-noted assignment and irrevocable direction on the ___ day of _____, 20____ and undertakes to comply with fulfillment of same. The undersigned also undertakes to notify Tangerine immediately of any material change in the sale agreement (if any) in respect of the Sale Property and to further notify Tangerine if for any reason they are no longer retained by any of the above signatories in respect of such sale. The undersigned further confirms that to his or her knowledge there are no existing assignments or directions with respect to the Proceeds of Sale.

Signature of Solicitor or Notary: _____

Name: _____

APPENDIX I

Address of Sale Property:

Legal Description of Sale Property:

Expected Closing Date of Sale of Sale Property: _____ 20_____

The solicitor or notary acting for the Vendor on the sale of the Sale Property is:

Name: _____

Firm: _____

Address: _____

Telephone: _____

Fax: _____