

## Request for Lender Acknowledgement and Consent

### To Whom It May Concern,

You are receiving this Request because a residential property in which your financial institution has a mortgage interest (the "Applicant Property") has applied to the City of Toronto (the 'City') to participate in the City's Home Energy Loan Program (the "Program") and requires the consent of your financial institution to proceed with participation in the Program.

**The Program:** The City has established the Program to support property owners by providing funding for the installation of energy and water efficiency and conservation improvements. The Program (Executive Committee Item EX 33.22) was approved by Toronto City Council at its meeting on July 16-19, 2013.

**The Local Improvement Charge:** Under the Program, pursuant to Ontario Regulation 596/06 and with the consent of the property owner and the mortgage lender, the City will impose a local improvement charge ('LIC'), via a special charges by-law on participating properties to fund the installation of qualifying energy and water efficiency and conservation improvements on such properties. The amount of this LIC will equal the total of (a) the amount of funding that the property owner receives from the City under this Program, (b) a fixed interest charge on that amount, and (c) a fee reflective of the administrative costs incurred by the City in making such funding available. The property owner will pay this LIC over a time period not to exceed the lifetime of the improvements.

The City's LIC bylaw will require the current property owner at the time each annual payment is due, to pay the City the annual portion of the LIC until the LIC is fully paid. The City will collect this annual payment via the property tax bill in the same manner as and subject to the same penalties, remedies and lien priorities as real property taxes. The portion of the LIC payable within each year of the term of the LIC will be added to the tax roll of the property in the year it becomes payable. In accordance with the *City of Toronto Act, 2006* and Ontario Regulation No. 596/06, the portion of the LIC added annually to the tax roll has the same statutory priority lien as property taxes when added to the tax roll.

The maximum LIC which may be imposed by the City on a property under the Program is Five percent (5%) of the property's current value assessment as determined by the Municipal Property Assessment Corporation (MPAC).

**Eligible Improvements:** The energy and water efficiency and conservation improvements that are eligible for funding under the Program include: high- efficiency furnaces/boilers, high-efficiency central air conditioners, high-efficiency water heaters, air

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sealing, attic/exterior wall/basement insulation, drain water heat recovery systems, window and door replacements and toilet replacements.

**Program Interest Rates and Terms:** The City is offering the annual interest rates and terms set out below. The owner of the Applicant Property will choose the term and corresponding interest rate that best suits their need, up to a maximum term of the useful life of the improvements. Interest rates will remain fixed and will not be adjusted over the term.

Term	Program Interest Rate
5 years	2.5%
10 years	3.75%
15 years	4.25%

**Participation in the Program and Process:** The owner of the Applicant Property has voluntarily applied to the City to participate in the Program. As part of the application process for the Program, the owner of the Applicant Property requires the consent of your financial institution to participate in the Program.

Following receipt of the requisite consent, the owner of the Applicant Property will engage the services of a certified energy advisor to identify the specific eligible improvements which would be applicable to the Applicant Property. Accordingly, the final amount of funding provided by the City in respect of the Applicant Property and the final amount of the LIC to be levied by the City on the Applicant Property cannot yet be determined. However, in no event will the final LIC amount exceed the Maximum LIC Amount indicated on the attached Lender Acknowledgement and Consent form.

Participation in the City's Preauthorized Property Tax Payment Plan is a condition of participation in the Program.

**Purpose of this Request:** This Request is being provided to you for the purpose of:

- (i) providing notice of the proposed participation of the Applicant Property in the Program, and
- (ii) seeking your consent as mortgage lender on the Applicant Property to the imposition of a LIC under the Program on the Applicant Property and to the Property's participation in the City Pre-authorized Property Tax Payment Plan.

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**Execution and Return of Acknowledgement:** Kindly execute the attached Lender Acknowledgement and Consent and return it to the [undersigned].

<b>RETURN TO:</b>	
Property Owner Name	
Mailing Address	

Further information about HELP can be found by visiting [livegreentoronto.ca](http://livegreentoronto.ca) or by contacting:

Program Manager,  
Home Energy Loan Program  
City of Toronto  
55 John Street, 2<sup>nd</sup> Floor  
Toronto, ON  
M5V 3C6

Telephone: 416-392-6063  
E-mail: [homeenergyloan@toronto.ca](mailto:homeenergyloan@toronto.ca)  
Fax: 416-392-1456

## Request for Lender Acknowledgement and Consent Form

Date:

Property Address (the "Property"):

Property Owner:

Mortgage Holder (the "Lender"):

Maximum Amount for which the Property is Eligible  
under the Program (the "Maximum LIC Amount"):

### RE: Participation in the City of Toronto's Home Energy Loan Program

#### LENDER ACKNOWLEDGEMENT AND CONSENT

The undersigned hereby represents that he or she is authorized to execute this Acknowledgement and Consent on behalf of the Lender.

The Lender hereby:

1.  consents to the Property Owner agreeing to the City of Toronto imposing a Local Improvement Charge on the Property in the Maximum LIC Amount.

or

consents to the Property Owner agreeing to the City of Toronto imposing a Local Improvement Charge on the Property of no more than \$ \_\_\_\_\_.

2. consents to the Property Owner's participation in the City's Pre-authorized Property Tax Payment Plan.

## Request for Lender Acknowledgement and Consent Form

<b>LENDER:</b>	
Authorized representative signature	
Name	
Title	
Name of Lender	
Date	

SAMPLE