

2023 Fourth Quarter Residential Mortgages Disclosure

BOCC definition of uninsured residential mortgage loans

For any mortgages with a down payment of at least 20% of the purchase price do not need to obtain mortgage insurance from Canada Mortgage and Housing Corporation (CMHC), Genworth Financial Canada or Canada Guaranty Mortgage Insurance.

Bank of China (Canada) only offers uninsured mortgages and Home Equity Line of Credit (HELOC) based on the purchase price of the property or its appraised value, whichever is lower. Based on our criteria, all borrowers of our Bank are required to pay at least 20% down payment from their own source of funds. Therefore, these borrowers are not required to take mortgage insurance; as a result, the Bank's residential portfolio is 100% uninsured.

Potential impact in the event of an economic downturn

In the event of economic downturn, the residential loans, HELOC, impact on the Bank is low as the Bank doesn't offer insured high ratio mortgage and Loan to Value coverage provides good support in the event of a downturn. Based on our Bank's regular stress testing, the collateral coverage described provides solid coverage and any losses can be absorbed by our current capital held.

Residential Mortgages and Secured Lines of Credit Portfolio			
	Outstanding Mortgages Amount (In C\$'000)	Outstanding HELOC (In C\$'000)	Percentage of Uninsured Mortgages
Total:	\$1,167,034	\$7,790	100%

Geographic Report on Residential Mortgages			Geographic Report on HELOC	
Province	Outstanding of Residential Mortgages (In C\$'000)	Percentage of Total Outstanding %	Outstanding HELOC (In C\$'000)	Percentage of Total Outstanding %
<i>Ontario</i>	\$1,064,176	91.19%	\$1,608	20.64%
<i>Alberta</i>	\$534	0.045%	\$0	0.00%
<i>B.C</i>	\$102,324	8.765%	\$6,182	79.36%
<i>Quebec</i>	\$0	0.00%	\$0	0.00%
Total:	\$1,167,034	100.00%	\$7,790	100.00%

Mortgages by Amortization	
Amortization Period	Number of Residential Mortgages (%)
0-9 years	0.35%
10-19 years	15.43%
20-24 years	29.35%
25-29 years	54.87%
30 years	0.0%
Total:	100.00%

New residential mortgages and secured Lines of Credit				
Province	Outstanding balance of new residential mortgages (In C\$'000)	Average LTV	Outstanding balance of new HELOC (In C\$'000)	Average LTV Ranges
Ontario	\$0.00	0.00%	\$0	0.00%
Alberta	\$0.00	0.00%	\$0	0.00%
B.C	\$0.00	0.00%	\$0	0.00%
Quebec	\$0.00	0.00%	\$0	0.00%
Total:	\$0.00	0.00%	\$0	0.00%

Note 1: Bank of China (Canada) offers Uninsured Residential Mortgage only

Note 2: Bank of China (Canada) not involved in foreign mortgage operation