



TD Covered Bond (Legislative) Programme Monthly Investor Report

Calculation Date: 4/30/2020
Date of Report: 5/22/2020

AMENDED

This report contains information regarding TD Covered Bond (Legislative) Programme's Cover Pool as of the indicated Calculation Date. The composition of the Cover Pool will change as Loans (and their Related Security) are added and removed from the Cover Pool from time to time and, accordingly, the characteristics and performance of the Loans (and their Related Security) in the Cover Pool will vary over time.

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Programme Information

Series ⁽¹⁾	Initial Principal	Coupon Rate	Rate Type	Exchange Rate	CAD Equivalent	Final Maturity	Moody's Rating	DBRS Rating
CBL4	€ 1,000,000,000	0.750%	Fixed	1.4230	\$ 1,423,000,000	October 29, 2021	Aaa	AAA
CBL8	€ 1,250,000,000	0.250%	Fixed	1.3159	\$ 1,644,837,175	April 27, 2022	Aaa	AAA
CBL9	€ 1,250,000,000	0.500%	Fixed	1.3935	\$ 1,741,830,000	June 15, 2020	Aaa	AAA
CBL10	€ 1,000,000,000	0.375%	Fixed	1.5035	\$ 1,503,500,000	January 12, 2021	Aaa	AAA
CBL12	US\$ 1,750,000,000	2.250%	Fixed	1.3275	\$ 2,323,125,000	March 15, 2021	Aaa	AAA
CBL12-2	US\$ 500,000,000	2.250%	Fixed	1.2840	\$ 642,000,000	March 15, 2021	Aaa	AAA
CBL13	€ 1,000,000,000	0.375%	Fixed	1.4373	\$ 1,437,300,000	April 27, 2023	Aaa	AAA
CBL14	C\$ 1,500,000,000	1.680%	Fixed	1.0000	\$ 1,500,000,000	June 8, 2021	Aaa	AAA
CBL14-2	C\$ 1,000,000,000	1.680%	Fixed	1.0000	\$ 1,000,000,000	June 8, 2021	Aaa	AAA
CBL14-3	C\$ 500,000,000	1.680%	Fixed	1.0000	\$ 500,000,000	June 8, 2021	Aaa	AAA
CBL15	US\$ 1,750,000,000	2.500%	Fixed	1.3226	\$ 2,314,550,000	January 18, 2022	Aaa	AAA
CBL16	£ 250,000,000	1.000%	Fixed	1.6427	\$ 410,667,920	December 13, 2021	Aaa	AAA
CBL17	€ 1,250,000,000	0.500%	Fixed	1.4392	\$ 1,799,000,000	April 3, 2024	Aaa	AAA
CBL18	£ 500,000,000	3 month GBP LIBOR + 0.22%	Float	1.7358	\$ 867,900,000	January 30, 2023	Aaa	AAA
CBL19	€ 1,250,000,000	0.250%	Fixed	1.5963	\$ 1,995,412,500	January 12, 2023	Aaa	AAA
CBL20	€ 1,000,000,000	0.625%	Fixed	1.4985	\$ 1,498,500,000	June 6, 2025	Aaa	AAA
CBL21	£ 1,000,000,000	3 month GBP LIBOR +0.27%	Float	1.7170	\$ 1,717,000,000	June 7, 2021	Aaa	AAA
CBL22	C\$ 750,000,000	3 month BA + 0.31%	Float	1.0000	\$ 750,000,000	June 28, 2023	Aaa	AAA
CBL23	US\$ 2,000,000,000	3.3500%	Fixed	1.2950	\$ 2,590,000,000	October 22, 2021	Aaa	AAA
CBL24	€ 1,750,000,000	0.000%	Fixed	1.4975	\$ 2,620,625,000	February 9, 2024	Aaa	AAA
CBL25	£ 1,000,000,000	SONIA + 0.47%	Float	1.6903	\$ 1,690,290,000	June 24, 2022	Aaa	AAA
CBL26	US\$ 1,750,000,000	2.100%	Fixed	1.3091	\$ 2,290,925,000	July 15, 2022	Aaa	AAA
CBL27	US\$ 400,000,000	2.111%	Fixed	1.3100	\$ 524,000,000	July 15, 2021	Aaa	AAA
CBL28	€ 1,250,000,000	0.100%	Fixed	1.4713	\$ 1,839,125,000	July 19, 2027	Aaa	AAA
CBL29	€ 1,000,000,000	0.250%	Fixed	1.5675	\$ 1,567,500,000	March 26, 2024	Aaa	AAA
CBL30 ⁽²⁾	C\$ 5,000,000,000	1M BA + 2.0%	Float	1.0000	\$ 5,000,000,000	September 23, 2021	Aaa	AAA
CBL31 ⁽²⁾	C\$ 5,000,000,000	1M BA + 1.7%	Float	1.0000	\$ 5,000,000,000	March 23, 2023	Aaa	AAA
CBL32	US\$ 1,250,000,000	1.450%	Fixed	1.4063	\$ 1,757,840,000	April 3, 2023	Aaa	AAA
CBL33	AUS 1,250,000,000	3M BBSW + 1.25%	Float	0.8586	\$ 1,073,251,875	April 14, 2023	Aaa	AAA

Covered Bonds currently outstanding (CAD Equivalent):

\$ 51,022,179,470

OSFI Covered Bond Ratio⁽³⁾ 2.96%
OSFI Covered Bond Ratio⁽⁴⁾ 3.69%

OSFI Covered Bond Ratio Limit 5.50%
OSFI Temporary Covered Bond Ratio Limit⁽⁴⁾ 10.00%

Weighted average maturity of Outstanding Covered Bonds 28.36
Weighted average remaining maturity of Loans in the cover pool 31.43

Key Parties

Issuer, Seller, Servicer, Cash Manager
Account Bank, GDA Provider
Interest Rate Swap Provider, Covered Bond Swap Provider
Standby Account Bank, Standby GDA Provider
Bond Trustee, Custodian, Corporate Services Provider
Guarantor
Asset Monitor
Paying Agents

The Toronto-Dominion Bank
The Toronto-Dominion Bank
The Toronto-Dominion Bank
Bank of Montreal
Computershare Trust Company of Canada
TD Covered Bond (Legislative) Guarantor Limited Partnership
Ernst & Young LLP
Citibank, N.A. and Citibank, N.A. London Branch

Intercompany Loan Balance

Guarantee Loan	\$ 53,753,990,243
Demand Loan	\$ 21,330,998,178
Total:	\$ 75,084,988,421

Events of Default

Issuer Event of Default No
Guarantor Event of Default No

⁽¹⁾ An Extended Due for Payment Date twelve months after the Final Maturity Date has been specified in the Final Terms of each Series. The Coupon Rate specified in this report in respect of each Series applies until the Final Maturity Date of that Series following which the floating rate of interest specified in the Final Terms of each Series is payable monthly in arrears from and including the Final Maturity Date to but excluding the Extended Due for Payment Date.

⁽²⁾ For purpose of accessing central bank facilities.

⁽³⁾ Per OSFI's letter dated May 23, 2019, the OSFI Covered Bond Ratio refers to total assets pledged for covered bonds relative to total on-balance sheet assets. Total on-balance sheet assets as at January 31, 2020.

⁽⁴⁾ On March 27, 2020, OSFI announced that the covered bond ratio limit is temporarily increased to 10% to enable access to Bank of Canada facilities, while the maximum covered bond assets encumbered relating to market instruments remains limited to 5.5% of an issuer's on-balance sheet assets.

Ratings, Triggers and Requirements

Current Ratings

The Toronto-Dominion Bank's Ratings ⁽¹⁾ :	Moody's	DBRS
Legacy Senior Debt ⁽²⁾	Aa1	AA (high)
Senior Debt ⁽³⁾	Aa3	AA
Ratings Outlook	Stable	Stable
Short-Term	P-1	R-1 (high)
Counterparty Risk Assessment (Short-Term/Long-Term)	P-1 (cr)/Aa1 (cr)	N/A

Bank of Montreal's Ratings⁽¹⁾:

Long Term Deposits/Legacy Senior Debt ⁽²⁾	Aa2	AA
Senior Debt ⁽³⁾	A2	AA (low)
Ratings Outlook	Stable	Stable
Short-Term	P-1	R-1 (high)

Ratings Triggers

Ratings Triggers	Counterparty	Ratings Triggers		Specified Rating Related Action when Ratings Triggers are below the Threshold	Ratings Threshold
		Moody's	DBRS		
Cash Management Deposit Ratings	TD	Short-Term	P-1	-	(a) Direct Servicer to deposit cashflows directly into the GDA Account; and (b) all amounts held by Cash Manager belonging to the Guarantor to be deposited to the GDA Account or Transaction Account, as applicable, within 5 business days
		Long-Term	-	BBB (low)	
Cash Manager Required Ratings	TD	Short-Term	P-2 (cr)	-	Obtain a guarantee from a credit support provider or replace
		Long-Term	-	BBB (low)	
Servicer Deposit Threshold Ratings	TD	Short-Term	P-1 (cr)	-	Deposit cashflows to the Cash Manager within 2 business days or the GDA Account, as applicable
		Long-Term	-	BBB (low)	

⁽¹⁾ Credit ratings are not recommendations to purchase, sell, or hold a financial obligation in as much as they do not comment on market price or suitability for a particular investor. Ratings are subject to revision or withdrawal at any time by the rating organization.

⁽²⁾ Includes: (a) Senior debt issued prior to September 23, 2018; and (b) Senior debt issued on or after September 23, 2018 which is excluded from the bank recapitalization "bail-in" regime.

⁽³⁾ Subject to conversion under the bank recapitalization "bail-in" regime.



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Ratings Triggers and Requirements (continued)

Ratings Trigger	Counterparty	Ratings Triggers ⁽¹⁾		Specified Rating Related Action when Ratings Triggers are below the Threshold	Ratings Threshold	
		Moody's	DBRS			
Servicer Replacement Threshold Ratings	TD	Short-Term	Baa3	-	Replace within 60 days	Above
		Long-Term	-	BBB (low)		
Account Bank and GDA Provider Threshold Ratings	TD	Short-Term	P-1	R-1 (low)	Replace with Standby Account Bank	Above
		Long-Term	-	A		
Standby Account Bank & Standby GDA Provider Threshold Ratings	BMO	Short-Term	P-1	R-1 (low)	Replace	N/A
		Long-Term	-	A		
Registration of Title Threshold Ratings	TD	Long-Term	Baa1	BBB (low)	Transfer the registered title to the Guarantor	Above
Reserve Fund Threshold Ratings	TD	Short-Term	P-1 (cr)	R-1 (middle)	Establish the Reserve Fund and fund up to the Reserve Fund Required Amount	Above
		Long-Term	-	A (low)		
Pre-Maturity Minimum Ratings (in respect of Hard Bullet Covered Bonds)	TD	Short-Term (within 12 months)	P-1	-	Credit to the Pre-Maturity Ledger up to the Pre-Maturity Liquidity Required Amount	N/A
		Long-Term (within 12 months)	-	A (low)		
		Long-Term (within 6 months)	-	A (high)		
Contingent Collateral Threshold Ratings	TD	Long-Term	Baa1	BBB (high)	Unless the Guarantor is holding sufficient Contingent Collateral, the Covered Bond Swap will become effective	Above
Interest Rate Swap Provider Initial Rating Event	TD	Short-Term	P-1	R-1 (middle)	Credit support, obtain guarantee or replace	Above
		Long-Term	A2 ⁽²⁾	A (high)		
Subsequent Downgrade Trigger Event	TD	Short-Term	P-2	R-2 (high)	Obtain guarantee or replace	Above
		Long-Term	A3	BBB (high)		
Covered Bond Swap Provider Initial Rating Event	TD	Short-Term	- ⁽⁴⁾	R-1 (low) ⁽³⁾	Credit support, obtain guarantee or replace	Above
		Long-Term	A2 (cr) ⁽⁵⁾	A ⁽³⁾		
Subsequent Downgrade Trigger Event	TD	Short-Term	- ⁽⁴⁾	R-2 (middle) ⁽³⁾	Obtain guarantee or replace	Above
		Long-Term	A3 (cr) ⁽⁵⁾	BBB ⁽³⁾		

⁽¹⁾ Where both a short-term and long-term rating are noted for a particular rating agency, both such triggers must be breached before the consequences apply.

⁽²⁾ If no short-term rating, long-term rating is A1.

⁽³⁾ For CBL 1 to and including CBL 17, DBRS ratings triggers for Initial Rating Event are R-1 (middle) and A (high), for Subsequent Rating Event are R-2 (high) and BBB (high).

⁽⁴⁾ For bonds issued up to July 27, 2018, Moody's ratings triggers for Initial Rating Event is P-1, for Subsequent Rating Event is P-2. For bonds issued after July 27, 2018 and up to Dec 6, 2019, Moody's ratings triggers for Initial Rating Event is P-1 (cr), for Subsequent Rating Event is P-2 (cr).

⁽⁵⁾ For bonds issued up to July 27, 2018, Moody's ratings triggers for Initial Rating Event is A2, for Subsequent Rating Event is A3.

Pre-Maturity Test

(Applicable to Hard Bullet Covered Bonds)
Pre Maturity Minimum Ratings

Moody's	DBRS	Pre-Maturity Test
P-1	A(low) ⁽¹⁾	N/A

Following a breach of the Pre-Maturity Test in respect of a Series of Hard Bullet Covered Bonds, and unless the Pre-Maturity Ledger is otherwise funded from other sources, the Partnership shall offer to sell Randomly Selected Loans if the Final Maturity Date is within twelve months from the Pre-Maturity Test Date.

⁽¹⁾ For DBRS, if the Final Maturity Date is within six months of the Pre-Maturity Test, then A(high).

Demand Loan Repayment Event

- (i) The Bank has been required to assign the Interest Rate Swap Agreement to a third party
- (ii) A Notice to Pay has been served on the Guarantor
- (iii) The Intercompany Loan has been terminated or the revolving commitment is not renewed

No
No
No

Asset Coverage Test (C\$)

Outstanding Covered Bonds	\$ 51,022,179,470		
A = lesser of	\$ 71,269,123,224	A(i), Aggregated	75,010,146,533
(i) LTV Adjusted Loan Balance ⁽¹⁾ and		A(ii), Aggregated	71,269,123,224
(ii) Asset Percentage Adjusted Loan Balance ⁽¹⁾		Asset Percentage	95.00%
B = Principal Receipts	-	Maximum Asset Percentage	97.00%
C = the sum of		Regulatory OC Minimum [□]	103.00%
(i) Cash Capital Contributions	\$ 100	Level of Overcollateralization ⁽²⁾	105.26%
(ii) unapplied proceeds advanced under the Intercompany Loan Agreement	-		
(iii) unapplied proceeds from sale of Loans	-		
D = Substitute Assets	-		
E = Reserve Fund	-		
F = Contingent Collateral Amount	-		
G = Negative Carry Factor calculation	-		
Total = A + B + C + D + E + F - G	\$ 71,269,123,324		

Asset Coverage Test Result

Pass

⁽¹⁾ LTV Adjusted Loan Balance and Asset Percentage Adjusted Loan Balance are calculated based on quarterly indexation of original or renewal appraised value.

⁽²⁾ Per Section 4.3.8 of the CMHC Guide, the level of overcollateralization is calculated as: (A) the lesser of (i) the total amount of cover pool collateral and (ii) the amount of cover pool collateral required to collateralize the covered bonds outstanding and ensure the Asset Coverage Test is met, divided by (B) the Canadian dollar equivalent of the principal amount of covered bonds outstanding under the registered covered bond program.

Valuation Calculation (C\$)

Trading Value of Outstanding Covered Bonds	\$ 53,531,153,070
A = LTV Adjusted Loan Present Value ⁽¹⁾	\$ 75,010,146,533
B = Principal Receipts	-
C = the sum of	
(i) Cash Capital Contributions	\$ 100
(ii) unapplied proceeds advanced under the Intercompany Loan Agreement	-
(iii) unapplied proceeds from sale of Loans	-
D = Trading Value of Substitute Assets	-
E = Reserve Fund	-
F = Trading Value of Swap Collateral	-
Total = A + B + C + D + E + F	\$ 75,010,146,633

Valuation Calculation Test Result

Pass

Weighted average rate used for discounting: 2.31

⁽¹⁾ LTV Adjusted Loan Present Value is calculated based on quarterly indexation of original or renewal appraised value.



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Amortization Test

Do any of the Covered Bonds remain outstanding?	Yes
Event of Default on the part of the Registered Issuer?	No
Amortization Test Required?	No
Amortization Test	N/A

Cover Pool - Summary Statistics

Previous Month Ending Balance	\$66,033,520,376
Current Month Ending Balance ⁽¹⁾	\$75,084,988,421
Number of Eligible Loans in cover pool	255,417
Average Loan Size	\$293,970
Number of Properties	255,417
Number of Primary Borrowers	246,313
Weighted Average LTV - Authorized ⁽²⁾	69.16%
Weighted Average LTV - Original ⁽²⁾	69.16%
Weighted Average LTV - Current ⁽³⁾	57.12%
Weighted Average Seasoning (months)	34.19
Weighted Average Rate	2.69%
Weighted Average Term of Loans (months)	53.25
Weighted Average Remaining Term of Loans (months)	31.43

⁽¹⁾ On April 29, 2020, a loan sale to the Guarantor of approximately \$10 billion was completed.

⁽²⁾ Weighted Average Original LTV and Weighted Average Authorized LTV are based on original or renewal appraised value.

⁽³⁾ Weighted Average Current LTV is based on quarterly indexation of original or renewal appraised value.

Cover Pool Type of Assets ⁽¹⁾

	<u>Principal Balance</u>	<u>Percentage</u>	<u>Number of Loans</u>	<u>Percentage</u>
Conventional Mortgages	75,084,988,421	100%	255,417	100%

⁽¹⁾ All mortgage loans are amortizing.

Cover Pool Rate Type Distribution

Rate Type	<u>Principal Balance</u>	<u>Percentage</u>	<u>Number of Loans</u>	<u>Percentage</u>
Fixed	58,797,650,175	78.31%	205,756	80.56%
Variable	16,287,338,246	21.69%	49,661	19.44%
Total	75,084,988,421	100.00%	255,417	100.00%

Cover Pool Rate Distribution

Loan Rate (%)	<u>Principal Balance</u>	<u>Percentage</u>	<u>Number of Loans</u>	<u>Percentage</u>
1.4999 and Below	2,496,827,459	3.33%	7,390	2.89%
1.5000 - 1.9999	10,936,423,413	14.57%	32,931	12.89%
2.0000 - 2.4999	9,760,146,260	13.00%	32,868	12.87%
2.5000 - 2.9999	31,750,255,767	42.29%	107,023	41.90%
3.0000 - 3.4999	15,034,867,628	20.02%	53,808	21.07%
3.5000 - 3.9999	4,545,518,766	6.05%	18,749	7.34%
4.0000 and above	560,949,128	0.75%	2,648	1.04%
Total	75,084,988,421	100.00%	255,417	100.00%

Cover Pool Occupancy Type Distribution

Occupancy Code	<u>Principal Balance</u>	<u>Percentage</u>	<u>Number of Loans</u>	<u>Percentage</u>
Not Owner Occupied	12,338,276,576	16.43%	41,848	16.38%
Owner Occupied	62,746,711,845	83.57%	213,569	83.62%
Total	75,084,988,421	100.00%	255,417	100.00%

Cover Pool Remaining Term Distribution

Remaining Term (Months)	<u>Principal Balance</u>	<u>Percentage</u>	<u>Number of Loans</u>	<u>Percentage</u>
5.99 and Below	5,185,025,391	6.91%	19,566	7.66%
6.00 - 11.99	16,156,063,518	21.51%	23,585	9.23%
12.00 - 23.99	13,642,544,285	18.17%	49,648	19.44%
24.00 - 35.99	18,020,694,964	24.00%	60,424	23.66%
36.00 - 41.99	9,737,097,086	12.97%	31,582	12.36%
42.00 - 47.99	5,779,672,792	7.70%	18,666	7.31%
48.00 - 53.99	7,608,005,239	10.13%	24,799	9.71%
54.00 - 59.99	8,122,895,002	10.82%	24,231	9.49%
60.00 - 65.99	742,089,455	0.99%	2,524	0.99%
66.00 - 71.99	10,851,246	0.01%	54	0.02%
72.00 - 119.99	78,433,939	0.10%	331	0.13%
120.00 +	1,615,504	0.00%	7	0.00%
Total	75,084,988,421	100.00%	255,417	100.00%

Cover Pool Remaining Principal Balance Distribution

Remaining Principal Balance	<u>Principal Balance</u>	<u>Percentage</u>	<u>Number of Loans</u>	<u>Percentage</u>
\$99,999 and below	1,459,712,164	1.94%	22,072	8.64%
\$100,000 - \$199,999	10,189,325,634	13.57%	66,057	25.86%
\$200,000 - \$299,999	17,149,255,752	22.84%	69,001	27.02%
\$300,000 - \$399,999	15,366,139,846	20.46%	44,469	17.41%
\$400,000 - \$499,999	10,910,772,554	14.53%	24,497	9.59%
\$500,000 - \$599,999	7,180,244,926	9.56%	13,161	5.15%
\$600,000 - \$699,999	4,488,258,742	5.98%	6,958	2.72%
\$700,000 - \$799,999	2,806,294,260	3.74%	3,761	1.47%
\$800,000 - \$899,999	1,778,659,116	2.37%	2,102	0.82%
\$900,000 - \$999,999	1,331,856,773	1.77%	1,406	0.55%
\$1,000,000 and above	2,424,468,652	3.23%	1,933	0.76%
Total	75,084,988,421	100.00%	255,417	100.00%

Cover Pool Property Type Distribution

Property Type	<u>Principal Balance</u>	<u>Percentage</u>	<u>Number of Loans</u>	<u>Percentage</u>
Detached (Single Family)	51,787,939,423	68.97%	167,428	65.55%
Semi-Detached	4,376,043,394	5.83%	14,578	5.71%
Multi-Family	2,277,849,308	3.03%	8,129	3.18%
Townhouse	3,417,595,208	4.55%	11,590	4.54%
Condos	13,176,777,755	17.55%	53,425	20.92%
Other	48,783,332	0.06%	267	0.10%
Total	75,084,988,421	100.00%	255,417	100.00%



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Indexation Methodology

As of the date of this Investor Report, the Guarantor uses the following methodology to determine indexed valuations for Properties in the Covered Bond Portfolio for reporting as of a date on or after January 1, 2018 (the "Indexation Methodology") for purposes of the following: (a) the Asset Coverage Test, (b) the Amortization Test, (c) the Valuation Calculation and (d) for other purposes required by the CMHC Guide. Changes to the Indexation Methodology may only be made (i) upon notice to CMHC and satisfaction of any other conditions specified by CMHC in relation thereto, (ii) if such change constitutes a material change, subject to satisfaction of the Rating Agency Condition, and (iii) if such change is materially prejudicial to the Covered Bondholders, subject to the consent of the Bond Trustee. The Indexation Methodology must at all times comply with the requirements of the CMHC Guide.

To determine the current market value of a Property, the Guarantor uses The Teranet-National Bank House Price Index™ (the "HPI Index") and The Teranet – National Bank City House Price Indices™ (the "CHPI Index", and together with the HPI Index, the "Indices"). At this time, the Property value is calculated using the CHPI Index available for the following eleven Canadian metropolitan areas: Alberta-Calgary, Alberta-Edmonton, British Columbia-Vancouver, British Columbia-Victoria, Manitoba-Winnipeg, Nova Scotia-Halifax, Ontario-Hamilton, Ontario-Toronto, Ottawa-Gatineau, Quebec-Montreal, Quebec-Quebec City and the "Composite 11" HPI Index for all other cities outside of the above listed metropolitan areas. The "Composite 11" HPI Index combines the aforementioned eleven Canadian metropolitan areas to form a national composite index.

Further details on the Indices including a description of the method used to calculate the Indices is available by subscription at <https://housepriceindex.ca/>

A three step process is used to determine the current market value for each Property subject to the Related Security in respect of the Loan. First, a code (the Forward Sorting Area) which identifies the location of the Property is compared to corresponding codes published by Canada Post that groups properties into the areas covered by the Indices. Second, the rate of change for the applicable area is used to calculate a house price index factor (the "HPI Factor"). In order to calculate the applicable HPI Factor, if the Property is located within an area covered by the CHPI Index, the applicable CHPI Index will be used based on the city mapping assigned in parenthesis above and if the Property is located outside of the metropolitan areas covered by the CHPI Index, the "Composite 11" HPI Index is used. Finally, the current market value is then determined by adjusting the original valuation for such Property, by applying the corresponding HPI Factor from the date of the original valuation to the date on which the latest valuation is being adjusted for purposes of determining the current market value for such Property. In instances where the original valuation in respect of such Property pre-dates the first available date for the relevant rate of change in the Indices, the nearest available date within two months for such rate of change is used to determine the rate of change to apply to adjust the latest valuation for purposes of determining the current market value for such Property. The process is repeated at least quarterly.

Material risks associated with using the Indexation Methodology include, but are not limited to, the accuracy and completeness of the Indices being used, the continued availability of the Indices, the risk that the Indices do not account for differences in property value changes based on property type, and, in the case of Properties located outside of the areas covered by the CHPI Index, the risk that the "Composite 11" HPI Index may not accurately capture unique factors affecting local housing markets.

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