



# Supplementary Financial Information

Third Quarter 2018

November 6, 2018

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## **Notes to Users**

### **Use of the document**

The supplemental financial information contained in this package has been provided to improve readers' understanding of the financial position and performance of Home Capital Group Inc. (the Company). This information should be used in conjunction with the Company's Q3 2018 Shareholders' Report as well as the Company's 2017 Annual Report.

### **Accounting framework**

The financial information in this document is in Canadian dollars and is based on the unaudited interim consolidated financial statements for the quarter ended September 30, 2018, presented in compliance with International Financial Reporting Standards (IFRS or GAAP) unless otherwise noted.

### **Comparative consolidated financial statements**

Certain comparative consolidated financial statement amounts have been reclassified from statements previously presented to conform to the presentation of the Q3 2018 unaudited consolidated financial statements. In particular, loan balances previously presented net of individual allowances have been reclassified to a gross presentation.

### **Capital management**

The Company's subsidiary, Home Trust Company, is subject to the regulatory capital requirements stipulated by the Office of the Superintendent of Financial Institutions Canada (OSFI). These requirements are consistent with international standards (Basel II and Basel III) set by the Bank for International Settlements. Home Trust Company follows the Basel II Standardized Approach for calculating credit risk and the Basic Indicator Approach for operational risk.

## Financial Highlights

(000s, except Per Share and Percentage Amounts)	2018	2018	2018	2017	2017	2017	2017	2016	2016	2018	2017	2017	2016
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Fiscal	Fiscal
<b>OPERATING RESULTS<sup>1</sup></b>													
Net Income (Loss)	\$ 32,600	\$ 29,606	\$ 34,586	\$ 30,619	\$ 29,983	\$ (111,116)	\$ 58,041	\$ 50,706	\$ 66,190	\$ 96,792	\$ (23,092)	\$ 7,527	\$ 247,396
Net Interest Income (Loss)	89,847	84,129	88,100	91,718	88,762	(3,407)	125,857	120,620	119,924	262,076	211,212	302,930	485,164
Total Revenue	105,086	101,625	103,765	109,455	95,407	(61,293)	147,742	144,597	145,095	310,476	181,856	291,311	581,959
Diluted Earnings (Loss) per Share	\$ 0.41	\$ 0.37	\$ 0.43	\$ 0.38	\$ 0.37	\$ (1.73)	\$ 0.90	\$ 0.79	\$ 1.01	\$ 1.21	\$ (0.33)	\$ 0.10	\$ 3.71
Return on Shareholders' Equity (annualized)	6.9%	6.4%	7.6%	6.8%	6.8%	(25.9)%	14.0%	12.6%	16.7%	6.9%	(1.8)%	0.4%	15.1%
Return on Average Assets (annualized)	0.7%	0.7%	0.8%	0.7%	0.6%	(2.2)%	1.1%	1.0%	1.3%	0.7%	(0.2)%	0.0%	1.2%
Net Interest Margin (TEB) <sup>2</sup>	2.03%	1.91%	2.02%	2.02%	1.85%	(0.07)%	2.44%	2.38%	2.34%	1.99%	1.41%	1.55%	2.37%
Provision as a Percentage of Gross Uninsured Loans (annualized)	0.13%	0.22%	0.20%	0.12%	0.14%	0.07%	0.16%	0.07%	0.04%	0.18%	0.05%	0.07%	0.05%
Provision as a Percentage of Gross Loans (annualized)	0.10%	0.17%	0.16%	0.09%	(0.11)%	0.05%	0.13%	0.05%	0.03%	0.14%	0.04%	0.05%	0.04%
Efficiency Ratio (TEB) <sup>2</sup>	52.9%	54.5%	49.5%	59.8%	62.7%	(138.9)%	43.4%	48.8%	37.7%	52.3%	114.5%	94.0%	40.8%
<b>BALANCE SHEET HIGHLIGHTS<sup>1</sup></b>													
Total Assets	\$ 17,882,017	\$ 17,935,799	\$ 17,458,034	\$ 17,591,143	\$ 18,856,294	\$ 20,077,150	\$ 20,993,385	\$ 20,528,777	\$ 20,317,030	\$ 17,882,017	\$ 18,856,294	\$ 17,591,143	\$ 20,528,777
Total Assets Under Administration <sup>3</sup>	24,657,402	25,001,732	24,776,803	25,040,182	26,659,330	28,292,436	29,583,545	28,917,534	28,327,676	24,657,402	26,659,330	25,040,182	28,917,534
Total Loans <sup>4</sup>	16,042,702	15,447,928	15,222,310	15,069,636	15,435,374	17,652,962	18,578,969	18,038,518	18,004,282	16,042,702	15,435,374	15,069,636	18,038,518
Total Loans Under Administration <sup>3,4</sup>	22,818,087	22,513,861	22,541,079	22,518,675	23,238,410	25,868,248	27,169,129	26,427,275	26,014,928	22,818,087	23,238,410	22,518,675	26,427,275
Liquid Assets	1,376,156	1,816,720	1,454,313	1,654,718	2,657,055	1,737,417	2,098,192	2,067,981	1,878,082	1,376,156	2,657,055	1,654,718	2,067,981
Deposits	12,361,030	12,496,704	12,084,408	12,170,454	13,358,618	13,104,606	16,249,611	15,886,030	15,694,102	12,361,030	13,358,618	12,170,454	15,886,030
Standby Credit Facility	-	-	-	-	-	1,396,959	-	-	-	-	-	-	-
Shareholders' Equity	1,911,352	1,877,731	1,849,067	1,813,505	1,781,741	1,751,087	1,680,898	1,632,587	1,594,873	1,911,352	1,781,741	1,813,505	1,632,587
<b>FINANCIAL STRENGTH<sup>1</sup></b>													
<b>Capital Measures<sup>5</sup></b>													
Risk-Weighted Assets	\$ 7,029,842	\$ 6,879,863	\$ 6,604,744	\$ 6,532,130	\$ 6,890,938	\$ 8,328,024	\$ 9,086,886	\$ 8,643,267	\$ 8,414,960	\$ 7,029,842	\$ 6,890,938	\$ 6,532,130	\$ 8,643,267
Common Equity Tier 1 Capital Ratio	23.27%	23.21%	23.64%	23.17%	21.25%	17.06%	16.34%	16.55%	16.54%	23.27%	21.25%	23.17%	16.55%
Tier 1 Capital Ratio	23.27%	23.21%	23.64%	23.17%	21.25%	17.06%	16.34%	16.54%	16.53%	23.27%	21.25%	23.17%	16.54%
Total Capital Ratio	23.74%	23.67%	24.12%	23.68%	21.74%	17.54%	16.77%	16.97%	16.97%	23.74%	21.74%	23.68%	16.97%
Leverage Ratio	9.20%	8.96%	9.02%	8.70%	7.89%	7.19%	7.29%	7.20%	7.08%	9.20%	7.89%	8.70%	7.20%
<b>Credit Quality</b>													
Net Non-Performing Loans as a Percentage of Gross Loans	0.34%	0.34%	0.29%	0.30%	0.28%	0.23%	0.24%	0.30%	0.31%	0.34%	0.28%	0.30%	0.30%
Allowance as a Percentage of Gross Non-Performing Loans	71.0%	71.0%	78.1%	79.5%	82.6%	100.5%	91.8%	73.4%	69.3%	71.0%	82.6%	79.5%	73.4%
<b>Share Information</b>													
Book Value per Common Share	\$ 23.82	\$ 23.40	\$ 23.04	\$ 22.60	\$ 22.20	\$ 21.82	\$ 26.18	\$ 25.36	\$ 24.70	\$ 23.82	\$ 22.20	\$ 22.60	\$ 25.36
Common Share Price – Close	\$ 15.00	\$ 15.01	\$ 13.56	\$ 17.31	\$ 13.89	\$ 16.99	\$ 26.03	\$ 31.34	\$ 27.00	\$ 15.00	\$ 13.89	\$ 17.31	\$ 31.34
Dividend paid during the period ended	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.26	\$ 0.26	\$ 0.24	\$ -	\$ 0.26	\$ 0.26	\$ 0.98
Market Capitalization	\$ 1,203,690	\$ 1,204,492	\$ 1,088,136	\$ 1,389,058	\$ 1,114,617	\$ 1,363,380	\$ 1,671,230	\$ 2,017,920	\$ 1,743,093	\$ 1,203,690	\$ 1,114,617	\$ 1,389,058	\$ 2,017,920
Number of Common Shares Outstanding	80,246	80,246	80,246	80,246	80,246	80,246	64,204	64,388	64,559	80,246	80,246	80,246	64,388
Payout Ratio	-	-	-	-	-	-	28.9%	32.9%	23.8%	-	(7.8)%	260.0%	26.4%

<sup>1</sup> The amounts pertaining to 2018 have been prepared in accordance with IFRS 9 *Financial Instruments* (IFRS 9); prior period amounts have not been restated and have been prepared in accordance with IAS 39 *Financial Instruments: Recognition and Measurement* (IAS 39).

Please see Note 2 to the unaudited interim consolidated financial statements included in the Company's 2018 Third Quarter Report for further information.

<sup>2</sup> See definition of Taxable Equivalent Basis (TEB) under Non-GAAP Measures section of this supplementary financial information package.

<sup>3</sup> Total assets and loans under administration include both on and off-balance sheet amounts.

<sup>4</sup> Total loans include loans held for sale and are presented gross of allowance for credit losses, for all periods presented.

<sup>5</sup> These figures relate to the Company's operating subsidiary, Home Trust Company.

## Consolidated Statements of Income (Loss)

(000s, except per share amounts)	2018	2018	2018	2017	2017	2017	2017	2016	2016	2018	2017	2017	2016
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Fiscal	Fiscal
<b>Net Interest Income (Loss) Non-Securitized Assets</b>													
Interest from loans <sup>1</sup>	\$ 161,754	\$ 156,543	\$ 154,934	\$ 158,938	\$ 167,159	\$ 192,394	\$ 192,435	\$ 190,389	\$ 192,395	\$ 473,231	\$ 551,988	\$ 710,926	\$ 768,034
Dividends from securities	318	307	286	278	253	300	2,286	2,614	2,359	911	2,839	3,117	10,112
Other interest	6,217	6,933	4,480	6,417	4,303	1,627	2,920	2,514	3,046	17,630	8,850	15,267	11,073
	168,289	163,783	159,700	165,633	171,715	194,321	197,641	195,517	197,800	491,772	563,677	729,310	789,219
Interest on deposits and other	80,740	76,520	68,367	70,330	75,430	71,673	77,252	78,868	81,519	225,627	224,355	294,685	318,162
Interest and fees on line of credit facility	1,605	6,045	6,007	6,215	11,368	130,630	-	-	-	13,657	141,998	148,213	-
Net interest income (loss) non-securitized assets	85,944	81,218	85,326	89,088	84,917	(7,982)	120,389	116,649	116,281	252,488	197,324	286,412	471,057
<b>Net Interest Income Securitized Loans and Assets</b>													
Interest income from securitized loans and assets <sup>1</sup>	24,337	23,365	22,059	22,563	23,130	22,678	21,558	19,923	20,957	69,761	67,366	89,929	81,705
Interest expense on securitization liabilities	20,434	20,454	19,285	19,933	19,285	18,103	16,090	15,952	17,314	60,173	53,478	73,411	67,598
Net interest income securitized loans and assets	3,903	2,911	2,774	2,630	3,845	4,575	5,468	3,971	3,643	9,588	13,888	16,518	14,107
<b>Total Net Interest Income (Loss)</b>	<b>89,847</b>	<b>84,129</b>	<b>88,100</b>	<b>91,718</b>	<b>88,762</b>	<b>(3,407)</b>	<b>125,857</b>	<b>120,620</b>	<b>119,924</b>	<b>262,076</b>	<b>211,212</b>	<b>302,930</b>	<b>485,164</b>
Provision for credit losses <sup>1</sup>	3,990	6,487	5,968	3,434	(4,257)	2,420	5,919	2,400	1,336	16,445	4,082	7,516	7,890
	85,857	77,642	82,132	88,284	93,019	(5,827)	119,938	118,220	118,588	245,631	207,130	295,414	477,274
<b>Non-Interest Income (Loss)</b>													
Fees and other income	11,768	11,468	12,041	16,346	18,087	17,168	16,331	17,613	17,223	35,277	51,586	67,932	71,329
Securitization income	3,129	2,063	2,691	1,695	2,525	1,877	6,432	9,064	7,599	7,883	10,834	12,529	33,797
Gain on sale of PSIGate	-	-	950	-	-	-	-	-	-	950	-	-	651
Net realized and unrealized gains (losses) on securities and loans	800	1,998	1,000	-	(13,155)	(76,912)	(3)	-	-	3,798	(90,070)	(90,070)	(175)
Net realized and unrealized gains (losses) on derivatives	(458)	1,967	(1,017)	(304)	(812)	(19)	(875)	(2,700)	349	492	(1,706)	(2,010)	(8,807)
	15,239	17,496	15,665	17,737	6,645	(57,886)	21,885	23,977	25,171	48,400	(29,356)	(11,619)	96,795
	101,096	95,138	97,797	106,021	99,664	(63,713)	141,823	142,197	143,759	294,031	177,774	283,795	574,069
<b>Non-Interest Expenses</b>													
Salaries and benefits	20,941	19,225	16,229	17,063	22,610	29,303	29,619	24,134	24,350	56,395	81,532	98,595	101,880
Premises	2,611	2,560	2,402	3,478	3,283	3,365	3,752	3,607	3,472	7,573	10,400	13,878	14,505
Other operating expenses	32,050	33,641	32,756	44,949	34,031	52,333	31,094	43,287	27,160	98,447	117,458	162,407	122,554
	55,602	55,426	51,387	65,490	59,924	85,001	64,465	71,028	54,982	162,415	209,390	274,880	238,939
<b>Income (Loss) Before Income Taxes</b>	<b>45,494</b>	<b>39,712</b>	<b>46,410</b>	<b>40,531</b>	<b>39,740</b>	<b>(148,714)</b>	<b>77,358</b>	<b>71,169</b>	<b>88,777</b>	<b>131,616</b>	<b>(31,616)</b>	<b>8,915</b>	<b>335,130</b>
Income taxes													
Current	11,546	9,113	7,423	8,160	5,839	(39,616)	23,142	22,941	22,957	28,082	(10,635)	(2,475)	90,895
Deferred	1,348	993	4,401	1,752	3,918	2,018	(3,825)	(2,478)	(370)	6,742	2,111	3,863	(3,161)
	12,894	10,106	11,824	9,912	9,757	(37,598)	19,317	20,463	22,587	34,824	(8,524)	1,388	87,734
<b>NET INCOME (LOSS)</b>	<b>\$ 32,600</b>	<b>\$ 29,606</b>	<b>\$ 34,586</b>	<b>\$ 30,619</b>	<b>\$ 29,983</b>	<b>\$ (111,116)</b>	<b>\$ 58,041</b>	<b>\$ 50,706</b>	<b>\$ 66,190</b>	<b>\$ 96,792</b>	<b>\$ (23,092)</b>	<b>\$ 7,527</b>	<b>\$ 247,396</b>
<b>NET INCOME (LOSS) PER COMMON SHARE</b>													
Basic	\$ 0.41	\$ 0.37	\$ 0.43	\$ 0.38	\$ 0.37	\$ (1.73)	\$ 0.90	\$ 0.79	\$ 1.01	\$ 1.21	\$ (0.33)	\$ 0.10	\$ 3.71
Diluted	\$ 0.41	\$ 0.37	\$ 0.43	\$ 0.38	\$ 0.37	\$ (1.73)	\$ 0.90	\$ 0.79	\$ 1.01	\$ 1.21	\$ (0.33)	\$ 0.10	\$ 3.71
<b>AVERAGE NUMBER OF COMMON SHARES OUTSTANDING</b>													
Basic	80,246	80,246	80,246	80,246	80,246	64,378	64,263	64,479	65,386	80,246	69,621	72,349	66,601
Diluted	80,246	80,246	80,246	80,286	80,246	64,378	64,294	64,519	65,435	80,246	69,621	72,358	66,668
Total number of outstanding common shares	80,246	80,246	80,246	80,246	80,246	80,246	64,204	64,388	64,559	80,246	80,246	80,246	64,388
Book value per common share	\$ 23.82	\$ 23.40	\$ 23.04	\$ 22.60	\$ 22.20	\$ 21.82	\$ 26.18	\$ 25.36	\$ 24.70	\$ 23.82	\$ 22.20	\$ 22.60	\$ 25.36

<sup>1</sup> The amounts pertaining to 2018 have been prepared in accordance with IFRS 9; prior period amounts have not been restated and have been prepared in accordance with IAS 39. Please see Note 2 to the unaudited interim consolidated financial statements included in the Company's 2018 Third Quarter Report for further information.

## Net Interest Margin

	2018	2018	2018	2017	2017	2017	2017	2016	2016	2018	2017	2017	2016
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Fiscal	Fiscal
Net interest margin non-securitized interest earning assets (non-TEB)	2.42%	2.29%	2.45%	2.46%	2.21%	(0.19)%	2.74%	2.71%	2.68%	2.38%	1.59%	1.79%	2.71%
Net interest margin non-securitized interest earning assets (TEB)	2.42%	2.29%	2.45%	2.46%	2.21%	(0.19)%	2.76%	2.73%	2.70%	2.39%	1.60%	1.80%	2.73%
Net interest margin CMHC-sponsored securitized assets	0.48%	0.34%	0.32%	0.30%	0.43%	0.50%	0.75%	0.53%	0.45%	0.38%	0.55%	0.48%	0.47%
Net interest margin bank-sponsored securitization conduit assets	1.64%	1.62%	1.10%	0.99%	1.17%	1.63%	1.58%	1.90%	1.85%	1.42%	1.47%	1.37%	1.90%
Total net interest margin (non-TEB)	2.03%	1.91%	2.02%	2.02%	1.85%	(0.07)%	2.42%	2.36%	2.33%	1.99%	1.40%	1.54%	2.35%
<b>Total net interest margin (TEB)</b>	<b>2.03%</b>	<b>1.91%</b>	<b>2.02%</b>	<b>2.02%</b>	<b>1.85%</b>	<b>(0.07)%</b>	<b>2.44%</b>	<b>2.38%</b>	<b>2.34%</b>	<b>1.99%</b>	<b>1.41%</b>	<b>1.55%</b>	<b>2.37%</b>
Spread of non-securitized loans over deposits and credit facilities	2.40%	2.36%	2.60%	2.84%	2.62%	(0.41)%	2.93%	2.86%	2.89%	2.46%	1.71%	1.96%	2.91%

## Net Interest Income (Loss) by Product and Average Rate

(000s, except %)	2018		2018		2018		2017		2017		2017		2017		2016		2016	
	Income/ Expense	Average Rate <sup>1</sup>	Income/ Expense	Average Rate <sup>1</sup>	Income/ Expense	Average Rate <sup>1</sup>	Income/ Expense	Average Rate <sup>1</sup>	Income/ Expense	Average Rate <sup>1</sup>	Income/ Expense	Average Rate <sup>1</sup>	Income/ Expense	Average Rate <sup>1</sup>	Income/ Expense	Average Rate <sup>1</sup>	Income/ Expense	Average Rate <sup>1</sup>
<b>Assets</b>																		
Cash resources and securities	\$ 6,535	1.74%	\$ 7,240	1.61%	\$ 4,766	1.12%	\$ 6,695	1.12%	\$ 4,556	0.75%	\$ 1,927	0.62%	\$ 5,206	1.19%	\$ 5,128	1.31%	\$ 5,405	1.21%
Traditional single-family residential mortgages	119,458	4.81%	116,999	4.80%	115,202	4.75%	118,850	4.84%	126,101	4.77%	135,919	4.65%	133,692	4.61%	134,373	4.70%	137,101	4.79%
Accelerator single-family residential mortgages	4,211	3.36%	3,749	2.99%	3,653	2.99%	3,442	3.72%	2,763	3.98%	2,437	2.55%	5,332	2.21%	6,505	2.24%	7,342	2.40%
Residential commercial mortgages <sup>2</sup>	3,220	5.01%	2,534	4.59%	2,287	3.70%	1,881	4.98%	2,063	5.98%	4,609	5.16%	4,620	4.18%	4,291	3.99%	4,483	4.26%
Non-residential commercial mortgages	19,573	6.00%	18,346	6.00%	16,400	5.96%	16,257	6.25%	18,777	6.12%	32,631	6.11%	29,756	5.76%	28,233	5.93%	26,741	6.08%
Credit card loans and lines of credit	8,274	8.79%	7,916	8.75%	7,725	8.82%	8,021	9.03%	8,327	8.99%	8,699	8.92%	8,281	8.79%	8,389	9.02%	8,432	9.03%
Other consumer retail loans	7,018	8.10%	6,999	8.04%	9,667	11.11%	10,487	11.39%	9,128	10.11%	8,099	7.98%	10,754	11.12%	8,598	9.32%	8,296	9.40%
<b>Total non-securitized loans</b>	<b>161,754</b>	<b>5.08%</b>	<b>156,543</b>	<b>5.04%</b>	<b>154,934</b>	<b>5.07%</b>	<b>158,938</b>	<b>5.25%</b>	<b>167,159</b>	<b>5.16%</b>	<b>192,394</b>	<b>5.01%</b>	<b>192,435</b>	<b>4.86%</b>	<b>190,389</b>	<b>4.86%</b>	<b>192,395</b>	<b>4.94%</b>
Taxable equivalent adjustment	115	-	111	-	104	-	100	-	91	-	109	-	825	-	944	-	853	-
<b>Total non-securitized assets</b>	<b>168,404</b>	<b>4.73%</b>	<b>163,894</b>	<b>4.61%</b>	<b>159,804</b>	<b>4.59%</b>	<b>165,733</b>	<b>4.57%</b>	<b>171,806</b>	<b>4.47%</b>	<b>194,430</b>	<b>4.68%</b>	<b>198,466</b>	<b>4.51%</b>	<b>196,461</b>	<b>4.56%</b>	<b>198,653</b>	<b>4.58%</b>
CMHC-sponsored securitized single-family residential mortgages	17,331	2.87%	15,848	2.76%	13,653	2.45%	13,891	2.40%	13,718	2.27%	13,702	2.38%	10,742	2.36%	11,115	2.50%	11,921	2.57%
CMHC-sponsored securitized multi-unit residential mortgages	6,080	4.74%	6,219	4.66%	6,853	5.06%	7,115	5.04%	7,718	5.31%	7,004	4.74%	8,945	5.87%	7,197	4.63%	7,238	4.61%
Assets pledged as collateral for CMHC-sponsored securitization	188	1.53%	412	1.22%	573	1.07%	343	1.20%	122	0.68%	23	0.47%	455	1.56%	495	1.35%	489	1.27%
<b>Total CMHC-sponsored securitized residential mortgages</b>	<b>23,599</b>	<b>3.17%</b>	<b>22,479</b>	<b>3.03%</b>	<b>21,079</b>	<b>2.82%</b>	<b>21,349</b>	<b>2.85%</b>	<b>21,558</b>	<b>2.81%</b>	<b>20,729</b>	<b>2.85%</b>	<b>20,142</b>	<b>3.17%</b>	<b>18,807</b>	<b>2.96%</b>	<b>19,648</b>	<b>2.98%</b>
Bank-sponsored securitization conduit assets	738	3.48%	886	3.40%	980	3.09%	1,214	2.98%	1,572	3.26%	1,949	3.45%	1,416	3.08%	1,116	3.53%	1,309	3.52%
Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 192,741</b>	<b>4.36%</b>	<b>\$ 187,259</b>	<b>4.24%</b>	<b>\$ 181,863</b>	<b>4.17%</b>	<b>\$ 188,296</b>	<b>4.15%</b>	<b>\$ 194,936</b>	<b>4.06%</b>	<b>\$ 217,108</b>	<b>4.29%</b>	<b>\$ 220,024</b>	<b>4.23%</b>	<b>\$ 216,384</b>	<b>4.24%</b>	<b>\$ 219,610</b>	<b>4.25%</b>
<b>Liabilities and shareholders' equity</b>																		
Deposits and credit facilities	\$ 82,345	2.68%	\$ 82,565	2.68%	\$ 74,374	2.47%	\$ 76,545	2.41%	\$ 86,798	2.54%	\$ 202,303	5.42%	\$ 77,252	1.93%	\$ 78,868	2.00%	\$ 81,519	2.05%
Senior debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CMHC-sponsored securitization liabilities	20,045	2.69%	19,991	2.68%	18,654	2.48%	19,121	2.51%	18,277	2.37%	17,073	2.34%	15,401	2.42%	15,438	2.41%	16,693	2.49%
Bank-sponsored securitization conduit liabilities	389	2.08%	463	1.91%	631	2.05%	812	2.04%	1,008	2.16%	1,030	1.83%	689	1.51%	514	1.61%	621	1.76%
Other liabilities and shareholders' equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities and shareholders' equity</b>	<b>\$ 102,779</b>	<b>2.33%</b>	<b>\$ 103,019</b>	<b>2.33%</b>	<b>\$ 93,659</b>	<b>2.15%</b>	<b>\$ 96,478</b>	<b>2.13%</b>	<b>\$ 106,083</b>	<b>2.21%</b>	<b>\$ 220,406</b>	<b>4.36%</b>	<b>\$ 93,342</b>	<b>1.79%</b>	<b>\$ 94,820</b>	<b>1.86%</b>	<b>\$ 98,833</b>	<b>1.91%</b>
<b>Net Interest Income (Loss) (TEB)</b>	<b>\$ 89,962</b>		<b>\$ 84,240</b>		<b>\$ 88,204</b>		<b>\$ 91,818</b>		<b>\$ 88,853</b>		<b>\$ (3,298)</b>		<b>\$ 126,682</b>		<b>\$ 121,564</b>		<b>\$ 120,777</b>	
<b>Tax Equivalent Adjustment</b>	<b>(115)</b>		<b>(111)</b>		<b>(104)</b>		<b>(100)</b>		<b>(91)</b>		<b>(109)</b>		<b>(825)</b>		<b>(944)</b>		<b>(853)</b>	
<b>Net Interest Income (Loss) per Financial Statements</b>	<b>\$ 89,847</b>		<b>\$ 84,129</b>		<b>\$ 88,100</b>		<b>\$ 91,718</b>		<b>\$ 88,762</b>		<b>\$ (3,407)</b>		<b>\$ 125,857</b>		<b>\$ 120,620</b>		<b>\$ 119,924</b>	

<sup>1</sup> The average is calculated with reference to opening and closing monthly asset and liability and shareholders' equity balances.

<sup>2</sup> Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

## Net Interest Income (Loss) by Product and Average Rate (continued)

(000s, except %)	2018		2017		2017		2016	
	YTD		YTD		Fiscal		Fiscal	
	Income/ Expense	Average Rate <sup>1</sup>	Income/ Expense	Average Rate <sup>1</sup>	Income/ Expense	Average Rate <sup>1</sup>	Income/ Expense	Average Rate <sup>1</sup>
<b>Assets</b>								
Cash resources and securities	\$ 18,541	1.48%	\$ 11,689	0.86%	\$ 18,384	0.94%	\$ 21,185	1.25%
Traditional single-family residential mortgages	351,659	4.79%	395,712	4.67%	514,562	4.71%	552,012	4.79%
Accelerator single-family residential mortgages	11,613	3.12%	10,532	2.60%	13,974	2.81%	30,935	2.38%
Residential commercial mortgages <sup>2</sup>	8,041	4.44%	11,292	4.82%	13,173	4.84%	17,614	4.12%
Non-residential commercial mortgages	54,319	5.99%	81,164	5.98%	97,421	6.03%	102,465	6.01%
Credit card loans and lines of credit	23,915	8.79%	25,307	8.90%	33,328	8.93%	33,536	8.99%
Other consumer retail loans	23,684	9.09%	27,981	9.70%	38,468	10.11%	31,472	9.22%
Total non-securitized loans	473,231	5.07%	551,988	5.00%	710,926	5.05%	768,034	4.90%
Taxable equivalent adjustment	330	-	1,025	-	1,125	-	3,654	-
Total non-securitized assets	492,102	4.65%	564,702	4.56%	730,435	4.56%	792,873	4.56%
CMHC-sponsored securitized single-family residential mortgages	46,832	2.70%	38,162	2.34%	52,053	2.35%	46,642	2.60%
CMHC-sponsored securitized multi-unit residential mortgages	19,152	4.82%	23,667	5.32%	30,782	5.25%	29,866	4.58%
Assets pledged as collateral for CMHC-sponsored securitization	1,173	1.18%	600	1.15%	943	1.17%	2,246	0.96%
Total CMHC-sponsored securitized residential mortgages	67,157	3.01%	62,429	2.93%	83,778	2.91%	78,754	2.94%
Bank-sponsored securitization conduit assets	2,604	3.29%	4,937	3.28%	6,151	3.22%	2,951	3.43%
Other assets	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 561,863</b>	<b>4.26%</b>	<b>\$ 632,068</b>	<b>4.20%</b>	<b>\$ 820,364</b>	<b>4.19%</b>	<b>\$ 874,578</b>	<b>4.24%</b>
<b>Liabilities and shareholders' equity</b>								
Deposits and credit facilities	\$ 239,284	2.61%	\$ 366,353	3.29%	\$ 442,898	3.09%	\$ 315,919	1.99%
Senior debt	-	-	-	-	-	-	2,243	3.91%
CMHC-sponsored securitization liabilities	58,690	2.62%	50,751	2.38%	69,872	2.41%	66,278	2.44%
Bank-sponsored securitization conduit liabilities	1,483	2.01%	2,727	1.83%	3,539	1.88%	1,320	1.58%
Other liabilities and shareholders' equity	-	-	-	-	-	-	-	-
<b>Total interest-bearing liabilities</b>	<b>\$ 299,457</b>	<b>2.27%</b>	<b>\$ 419,831</b>	<b>2.79%</b>	<b>\$ 516,309</b>	<b>2.64%</b>	<b>\$ 385,760</b>	<b>1.87%</b>
<b>Net Interest Income (Loss) (TEB)</b>	<b>\$ 262,406</b>		<b>\$ 212,237</b>		<b>\$ 304,055</b>		<b>\$ 488,818</b>	
<b>Tax Equivalent Adjustment</b>	<b>(330)</b>		<b>(1,025)</b>		<b>(1,125)</b>		<b>(3,654)</b>	
<b>Net Interest Income (Loss) per Financial Statements</b>	<b>\$ 262,076</b>		<b>\$ 211,212</b>		<b>\$ 302,930</b>		<b>\$ 485,164</b>	

<sup>1</sup> The average is calculated with reference to opening and closing monthly asset and liability and shareholders' equity balances.

<sup>2</sup> Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.



## Average Balance Sheets for Selected Items<sup>1</sup>

(000s)	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2018 YTD	2017 YTD	2017 Fiscal	2016 Fiscal
<b>Assets</b>													
Cash resources and securities	\$ 1,503,335	\$ 1,793,539	\$ 1,700,578	\$ 2,384,574	\$ 2,441,025	\$ 1,239,548	\$ 1,745,794	\$ 1,569,002	\$ 1,785,161	\$ 1,665,817	\$ 1,808,789	\$ 1,952,735	\$ 1,699,889
Traditional single-family residential mortgages	9,941,500	9,757,575	9,691,952	9,822,752	10,574,162	11,695,156	11,608,282	11,435,023	11,449,181	9,797,009	11,292,533	10,925,088	11,526,231
Accelerator single-family residential mortgages	501,127	501,565	488,530	369,792	277,532	381,984	963,003	1,162,594	1,222,648	497,074	540,840	498,078	1,301,346
Residential commercial mortgages <sup>2</sup>	256,884	220,809	247,377	151,175	138,053	357,016	441,872	430,040	420,496	241,690	312,314	272,029	427,924
Non-residential commercial mortgages	1,305,492	1,222,329	1,101,504	1,040,128	1,227,408	2,135,247	2,064,604	1,904,058	1,760,491	1,209,775	1,809,086	1,616,847	1,703,572
Credit card loans and lines of credit	376,364	361,983	350,495	355,479	370,669	389,946	376,652	372,009	373,416	362,947	379,089	373,186	372,841
Other consumer retail loans	346,482	348,022	347,948	368,327	361,297	405,937	386,791	369,181	352,957	347,484	384,675	380,588	341,315
Total non-securitized loans	12,727,849	12,412,283	12,227,806	12,107,653	12,949,121	15,365,286	15,841,204	15,672,905	15,579,189	12,455,979	14,718,537	14,065,816	15,673,229
Taxable equivalent adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
Total non-securitized assets	14,231,184	14,205,822	13,928,384	14,492,227	15,390,146	16,604,834	17,586,998	17,241,907	17,364,350	14,121,796	16,527,326	16,018,551	17,373,118
CMHC-sponsored securitized single-family residential mortgages	2,414,497	2,294,919	2,229,992	2,319,691	2,413,189	2,301,996	1,817,991	1,775,532	1,852,325	2,313,136	2,177,725	2,213,217	1,794,437
CMHC-sponsored securitized multi-unit residential mortgages	513,138	533,309	542,178	564,349	581,426	590,515	609,061	622,287	627,527	529,542	593,667	586,338	651,513
Assets pledged as collateral for CMHC-sponsored securitization	49,307	135,563	213,400	113,968	71,450	19,675	116,713	147,162	153,863	132,757	69,279	80,452	234,968
Total CMHC-sponsored securitized residential mortgages	2,976,942	2,963,791	2,985,570	2,998,008	3,066,065	2,912,186	2,543,765	2,544,981	2,633,715	2,975,435	2,840,671	2,880,007	2,680,918
Bank-sponsored securitization conduit assets	84,933	104,278	127,009	162,780	192,640	225,679	183,609	126,533	148,871	105,407	200,643	191,177	85,983
Other assets	382,949	391,154	404,833	493,436	534,538	478,477	487,769	512,259	503,910	392,979	500,262	498,554	498,643
<b>Total Assets</b>	<b>\$ 17,676,008</b>	<b>\$ 17,665,045</b>	<b>\$ 17,445,796</b>	<b>\$ 18,146,451</b>	<b>\$ 19,183,389</b>	<b>\$ 20,221,176</b>	<b>\$ 20,802,141</b>	<b>\$ 20,425,680</b>	<b>\$ 20,650,846</b>	<b>\$ 17,595,617</b>	<b>\$ 20,068,902</b>	<b>\$ 19,588,289</b>	<b>\$ 20,638,662</b>
<b>Liabilities and Shareholders' Equity</b>													
Deposits and credit facilities	\$ 12,307,745	\$ 12,308,823	\$ 12,062,211	\$ 12,683,897	\$ 13,652,078	\$ 14,919,184	\$ 16,034,871	\$ 15,764,790	\$ 15,889,870	\$ 12,226,260	\$ 14,868,711	\$ 14,322,507	\$ 15,844,985
Senior debt	-	-	-	-	-	-	-	-	-	-	-	-	57,347
CMHC-sponsored securitization liabilities	2,985,532	2,979,182	3,006,115	3,043,728	3,080,084	2,917,781	2,548,254	2,562,709	2,681,021	2,990,276	2,848,706	2,897,462	2,719,469
Bank-sponsored securitization conduit liabilities	74,952	96,908	123,244	159,406	187,056	225,406	182,131	127,485	141,244	98,368	198,198	188,500	83,357
Other liabilities and shareholders' equity	2,307,779	2,280,132	2,254,226	2,259,420	2,264,171	2,158,805	2,036,885	1,970,696	1,938,711	2,280,713	2,153,287	2,179,820	1,933,504
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 17,676,008</b>	<b>\$ 17,665,045</b>	<b>\$ 17,445,796</b>	<b>\$ 18,146,451</b>	<b>\$ 19,183,389</b>	<b>\$ 20,221,176</b>	<b>\$ 20,802,141</b>	<b>\$ 20,425,680</b>	<b>\$ 20,650,846</b>	<b>\$ 17,595,617</b>	<b>\$ 20,068,902</b>	<b>\$ 19,588,289</b>	<b>\$ 20,638,662</b>

<sup>1</sup> The average is calculated with reference to opening and closing monthly asset and liability and shareholders' equity balances.

<sup>2</sup> Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

## Consolidated Balance Sheets

(000s)	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2018 YTD	2017 YTD	2017 Fiscal	2016 Fiscal
<b>ASSETS</b>													
<b>Cash and Cash Equivalents</b>	\$ 784,967	\$ 1,375,850	\$ 1,013,945	\$ 1,336,138	\$ 2,337,760	\$ 1,682,982	\$ 1,251,190	\$ 1,205,394	\$ 1,058,940	\$ 784,967	\$ 2,337,760	\$ 1,336,138	\$ 1,205,394
<b>Securities</b>	392,873	392,632	332,899	332,468	331,544	31,495	549,456	534,924	523,482	392,873	331,544	332,468	534,924
<b>Loans Held for Sale</b>	65,202	6,788	75,748	165,947	40,320	-	40,721	77,918	74,207	65,202	40,320	165,947	77,918
<b>Loans</b>													
Securitized mortgages	3,059,002	3,075,283	2,873,343	2,993,250	3,133,906	3,257,104	2,647,014	2,526,804	2,549,205	3,059,002	3,133,906	2,993,250	2,526,804
Non-securitized mortgages and loans	12,918,498	12,365,857	12,273,219	11,910,439	12,261,148	14,395,858	15,891,234	15,433,796	15,380,870	12,918,498	12,261,148	11,910,439	15,433,796
	15,977,500	15,441,140	15,146,562	14,903,689	15,395,054	17,652,962	18,538,248	17,960,600	17,930,075	15,977,500	15,395,054	14,903,689	17,960,600
Allowance for credit losses <sup>1</sup>	(52,969)	(49,806)	(45,140)	(38,775)	(39,287)	(44,911)	(44,556)	(40,264)	(39,107)	(52,969)	(39,287)	(38,775)	(40,264)
	15,924,531	15,391,334	15,101,422	14,864,914	15,355,767	17,608,051	18,493,692	17,920,336	17,890,968	15,924,531	15,355,767	14,864,914	17,920,336
<b>Other</b>													
Restricted assets	300,330	300,757	504,113	437,011	289,870	216,596	140,325	265,374	231,235	300,330	289,870	437,011	265,374
Derivative assets	2,014	2,836	4,069	7,325	10,177	21,804	33,480	37,524	52,178	2,014	10,177	7,325	37,524
Other assets	318,887	368,433	325,040	336,770	365,685	384,676	347,477	348,638	336,077	318,887	365,685	336,770	348,638
Deferred tax assets	2,446	2,860	3,107	9,577	15,873	19,510	18,048	16,914	16,362	2,446	15,873	9,577	16,914
Goodwill and intangible assets	90,767	94,309	97,691	100,993	109,298	112,036	118,996	121,755	133,581	90,767	109,298	100,993	121,755
	714,444	769,195	934,020	891,676	790,903	754,622	658,326	790,205	769,433	714,444	790,903	891,676	790,205
	\$ 17,882,017	\$ 17,935,799	\$ 17,458,034	\$ 17,591,143	\$ 18,856,294	\$ 20,077,150	\$ 20,993,385	\$ 20,528,777	\$ 20,317,030	\$ 17,882,017	\$ 18,856,294	\$ 17,591,143	\$ 20,528,777
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>													
<b>Liabilities</b>													
<b>Deposits</b>													
Deposits payable on demand	\$ 419,664	\$ 411,056	\$ 476,038	\$ 539,364	\$ 441,008	\$ 372,912	\$ 2,377,400	\$ 2,531,803	\$ 2,432,283	\$ 419,664	\$ 441,008	\$ 539,364	\$ 2,531,803
Deposits payable on a fixed date	11,941,366	12,085,648	11,608,370	11,631,090	12,917,610	12,731,694	13,872,211	13,354,227	13,261,819	11,941,366	12,917,610	11,631,090	13,354,227
	12,361,030	12,496,704	12,084,408	12,170,454	13,358,618	13,104,606	16,249,611	15,886,030	15,694,102	12,361,030	13,358,618	12,170,454	15,886,030
<b>Standby Credit Facility</b>	-	-	-	-	-	1,396,959	-	-	-	-	-	-	-
<b>Senior Debt</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Securitization Liabilities</b>													
CMHC-sponsored mortgage-backed security liabilities	1,569,414	1,556,312	1,550,183	1,562,152	1,606,818	1,649,637	922,377	898,386	930,614	1,569,414	1,606,818	1,562,152	898,386
CMHC-sponsored Canada Mortgage Bond liabilities	1,471,222	1,471,172	1,473,472	1,473,318	1,473,350	1,474,001	1,474,539	1,637,117	1,610,482	1,471,222	1,473,350	1,473,318	1,637,117
Bank-sponsored securitization conduit liabilities	68,280	85,984	106,192	142,279	174,511	203,991	250,129	114,146	139,115	68,280	174,511	142,279	114,146
	3,108,916	3,113,468	3,129,847	3,177,749	3,254,679	3,327,629	2,647,045	2,649,649	2,680,211	3,108,916	3,254,679	3,177,749	2,649,649
<b>Other</b>													
Obligations related to securities sold under repurchase agreement	99,811	-	-	-	-	-	-	-	-	99,811	-	-	-
Derivative liabilities	57,275	44,672	43,759	38,728	31,192	11,322	2,871	3,490	959	57,275	31,192	38,728	3,490
Other liabilities	313,792	374,317	322,792	360,477	395,291	450,925	379,367	320,737	308,675	313,792	395,291	360,477	320,737
Deferred tax liabilities	29,841	28,907	28,161	30,230	34,773	34,622	33,593	36,284	38,210	29,841	34,773	30,230	36,284
	500,719	447,896	394,712	429,435	461,256	496,869	415,831	360,511	347,844	500,719	461,256	429,435	360,511
	15,970,665	16,058,068	15,608,967	15,777,638	17,074,553	18,326,063	19,312,487	18,896,190	18,722,157	15,970,665	17,074,553	15,777,638	18,896,190
<b>Shareholders' Equity</b>													
Capital stock	231,156	231,156	231,156	231,156	231,156	231,618	85,194	84,910	83,975	231,156	231,156	231,156	84,910
Contributed surplus	4,857	4,707	4,568	4,978	5,096	4,922	4,725	4,562	4,588	4,857	5,096	4,978	4,562
Retained earnings	1,680,057	1,647,457	1,617,851	1,583,265	1,552,646	1,522,663	1,633,813	1,598,180	1,569,653	1,680,057	1,552,646	1,583,265	1,598,180
Accumulated other comprehensive loss	(4,718)	(5,589)	(4,508)	(5,894)	(7,157)	(8,116)	(42,834)	(55,065)	(63,343)	(4,718)	(7,157)	(5,894)	(55,065)
	1,911,352	1,877,731	1,849,067	1,813,505	1,781,741	1,751,087	1,680,898	1,632,587	1,594,873	1,911,352	1,781,741	1,813,505	1,632,587
	\$ 17,882,017	\$ 17,935,799	\$ 17,458,034	\$ 17,591,143	\$ 18,856,294	\$ 20,077,150	\$ 20,993,385	\$ 20,528,777	\$ 20,317,030	\$ 17,882,017	\$ 18,856,294	\$ 17,591,143	\$ 20,528,777

<sup>1</sup> The allowance for credit losses pertaining to 2018 represent expected credit losses and have been prepared in accordance with IFRS 9. The allowance for credit losses as at December 31, 2017 and prior dates represent the total of individual and collective allowances on loan principal as prepared in accordance with the incurred loss model under IAS 39.

Please see Note 2 to the unaudited interim consolidated financial statements included in the Company's 2018 Third Quarter Report for further information including information on reclassification of comparative balances.

## Gross Loans by Geographic Region and Type

(000s)	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2018 YTD	2017 YTD	2017 Fiscal	2016 Fiscal
<b>Securitized mortgages</b>													
Securitized single-family residential mortgages													
British Columbia	\$ 216,997	\$ 226,905	\$ 212,687	\$ 228,024	\$ 243,686	\$ 261,798	\$ 209,613	\$ 200,882	\$ 196,176	\$ 216,997	\$ 243,686	\$ 228,024	\$ 200,882
Alberta	383,789	356,066	274,484	278,110	278,181	277,196	224,164	211,131	211,470	383,789	278,181	278,110	211,131
Ontario	1,602,535	1,647,222	1,588,437	1,666,337	1,776,505	1,865,323	1,415,168	1,298,919	1,323,658	1,602,535	1,776,505	1,666,337	1,298,919
Quebec	94,650	93,941	81,959	84,977	89,518	89,797	65,753	68,229	69,580	94,650	89,518	84,977	68,229
Other	251,584	228,750	177,538	177,760	175,379	175,599	134,376	127,450	123,947	251,584	175,379	177,760	127,450
Total securitized single-family residential mortgages	2,549,555	2,552,884	2,335,105	2,435,208	2,563,269	2,669,713	2,049,074	1,906,611	1,924,831	2,549,555	2,563,269	2,435,208	1,906,611
Securitized multi-unit residential mortgages													
British Columbia	83,601	84,029	84,448	84,860	85,277	85,682	86,085	86,479	86,877	83,601	85,277	84,860	86,479
Alberta	43,877	44,165	44,448	44,728	45,009	45,282	45,554	45,819	46,086	43,877	45,009	44,728	45,819
Ontario	210,412	213,149	225,632	227,686	238,250	253,013	261,599	281,923	284,161	210,412	238,250	227,686	281,923
Quebec	18,958	27,611	29,430	45,664	46,168	46,672	47,155	47,638	48,122	18,958	46,168	45,664	47,638
Other	152,599	153,445	154,280	155,104	155,933	156,742	157,547	158,334	159,128	152,599	155,933	155,104	158,334
Total securitized multi-unit residential mortgages	509,447	522,399	538,238	558,042	570,637	587,391	597,940	620,193	624,374	509,447	570,637	558,042	620,193
Total securitized mortgages	\$ 3,059,002	\$ 3,075,283	\$ 2,873,343	\$ 2,993,250	\$ 3,133,906	\$ 3,257,104	\$ 2,647,014	\$ 2,526,804	\$ 2,549,205	\$ 3,059,002	\$ 3,133,906	\$ 2,993,250	\$ 2,526,804
<b>Non-securitized mortgages</b>													
Single-family residential mortgages													
British Columbia	\$ 753,263	\$ 649,157	\$ 588,489	\$ 525,998	\$ 554,951	\$ 613,600	\$ 678,108	\$ 688,939	\$ 693,783	\$ 753,263	\$ 554,951	\$ 525,998	\$ 688,939
Alberta	380,537	359,372	395,815	366,665	359,233	362,962	409,512	401,837	409,703	380,537	359,233	366,665	401,837
Ontario	8,913,676	8,694,347	8,786,383	8,688,139	9,045,243	9,912,291	11,019,882	10,798,158	10,852,312	8,913,676	9,045,243	8,688,139	10,798,158
Quebec	275,954	255,632	251,872	251,529	262,082	286,885	317,458	326,436	346,310	275,954	262,082	251,529	326,436
Other	278,928	249,912	241,952	204,920	179,620	172,717	196,516	208,618	224,494	278,928	179,620	204,920	208,618
Total single-family residential mortgages	10,602,358	10,208,420	10,264,511	10,037,251	10,401,129	11,348,455	12,621,476	12,423,988	12,526,602	10,602,358	10,401,129	10,037,251	12,423,988
Residential commercial mortgages <sup>1</sup>													
British Columbia	35,967	42,033	20,060	9,819	9,751	14,314	20,437	15,387	13,737	35,967	9,751	9,819	15,387
Alberta	7,338	5,499	3,491	1,924	3,789	6,889	21,195	21,271	7,026	7,338	3,789	1,924	21,195
Ontario	144,467	122,343	99,005	96,817	83,033	211,051	256,125	232,819	208,049	144,467	83,033	96,817	232,819
Quebec	6,233	5,509	6,842	3,037	3,039	22,723	21,037	24,058	25,440	6,233	3,039	3,037	24,058
Other	71	2,174	2,234	2,760	2,760	75	9,100	11,653	9,963	71	75	2,760	11,653
Total residential commercial mortgages	194,076	177,558	131,632	114,357	99,687	264,077	331,545	305,188	264,215	194,076	99,687	114,357	305,188
Non-residential commercial mortgages													
British Columbia	101,253	85,161	45,719	18,853	3,783	93,554	101,406	48,335	28,572	101,253	3,783	18,853	48,335
Alberta	46,002	45,954	45,880	10,888	13,631	41,814	54,809	58,688	56,701	46,002	13,631	10,888	58,688
Ontario	1,202,124	1,093,565	1,048,638	989,223	997,587	1,796,954	1,946,717	1,795,451	1,705,455	1,202,124	997,587	989,223	1,795,451
Quebec	37,320	34,382	30,233	24,190	15,738	41,702	34,492	35,830	47,354	37,320	15,738	24,190	35,830
Other	5,471	4,963	2,464	2,449	2,510	8,028	19,589	16,516	16,053	5,471	2,510	2,449	16,516
Total non-residential commercial mortgages	1,392,170	1,264,025	1,172,934	1,045,603	1,033,249	1,982,052	2,157,013	1,954,850	1,854,135	1,392,170	1,033,249	1,045,603	1,954,850
Credit card loans and lines of credit													
British Columbia	12,160	9,549	6,881	6,221	6,524	6,812	7,131	7,548	8,392	12,160	6,524	6,221	7,548
Alberta	17,039	16,856	16,702	17,263	17,733	18,703	19,208	20,265	21,431	17,039	17,733	17,263	20,265
Ontario	347,962	335,013	323,530	321,390	333,398	351,077	352,467	334,683	336,433	347,962	333,398	321,390	334,683
Quebec	1,776	1,633	1,497	1,515	1,565	1,439	1,387	1,253	1,326	1,776	1,565	1,515	1,253
Other	6,442	5,997	5,597	5,673	5,827	6,278	6,438	6,709	6,851	6,442	5,827	5,673	6,709
Total credit card loans and lines of credit	385,379	369,048	354,207	352,062	365,047	384,309	386,631	370,458	374,433	385,379	365,047	352,062	370,458
Other consumer retail loans													
British Columbia	1,549	1,701	1,911	1,950	2,094	1,661	1,094	975	954	1,549	2,094	1,950	975
Alberta	11,160	11,111	11,079	11,543	17,035	22,751	22,066	20,564	18,321	11,160	17,035	11,543	20,564
Ontario	312,451	314,868	317,953	330,323	330,368	383,418	365,519	354,670	340,587	312,451	330,368	330,323	354,670
Quebec	35	152	163	198	218	109	-	-	-	35	218	198	-
Other	19,320	18,974	18,829	17,152	12,321	9,025	5,875	3,103	1,623	19,320	12,321	17,152	3,103
Total other consumer retail loans	344,515	346,806	349,935	361,166	362,036	416,964	394,554	379,312	361,485	344,515	362,036	361,166	379,312
Total non-securitized mortgages and loans	12,918,498	12,365,857	12,273,219	11,910,439	12,261,148	14,395,857	15,891,219	15,433,796	15,380,870	12,918,498	12,261,148	11,910,439	15,433,796
Total loans	15,977,500	15,441,140	15,146,562	14,903,689	15,395,054	17,652,961	18,538,233	17,960,600	17,930,075	15,977,500	15,395,054	14,903,689	17,960,600
Total loans held for sale	65,202	6,788	75,748	165,947	40,320	-	40,721	77,918	74,207	65,202	40,320	165,947	77,918
Total on-balance sheet loans	\$ 16,042,702	\$ 15,447,928	\$ 15,222,310	\$ 15,069,636	\$ 15,435,374	\$ 17,652,961	\$ 18,578,954	\$ 18,038,518	\$ 18,004,282	\$ 16,042,702	\$ 15,435,374	\$ 15,069,636	\$ 18,038,518
<b>Off-balance sheet loans</b>													
Single-family residential mortgages	\$ 2,977,550	\$ 3,359,239	\$ 3,691,130	\$ 3,972,249	\$ 4,328,439	\$ 4,759,070	\$ 5,163,935	\$ 5,207,351	\$ 5,090,754	\$ 2,977,550	\$ 4,328,439	\$ 3,972,249	\$ 5,207,351
Multi-unit residential mortgages	3,797,835	3,706,694	3,627,639	3,476,790	3,474,597	3,456,216	3,426,225	3,181,406	2,919,892	3,797,835	3,474,597	3,476,790	3,181,406
Total off-balance sheet loans	6,775,385	7,065,933	7,318,769	7,449,039	7,803,036	8,215,286	8,590,160	8,388,757	8,010,646	6,775,385	7,803,036	7,449,039	8,388,757
Total loans under administration	\$ 22,818,087	\$ 22,513,861	\$ 22,541,079	\$ 22,518,675	\$ 23,238,410	\$ 25,868,247	\$ 27,169,114	\$ 26,427,275	\$ 26,014,928	\$ 22,818,087	\$ 23,238,410	\$ 22,518,675	\$ 26,427,275

<sup>1</sup> Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

**Gross Loans by Geographic Region (excluding held for sale and off-balance sheet loans)**

(000s)	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2018 YTD	2017 YTD	2017 Fiscal	2016 Fiscal
British Columbia	\$ 1,204,790	\$ 1,098,535	\$ 960,195	\$ 875,725	\$ 906,066	\$ 1,045,848	\$ 1,103,874	\$ 1,048,545	\$ 1,028,491	\$ 1,204,790	\$ 906,066	\$ 875,725	\$ 1,048,545
Alberta	889,742	839,023	791,899	731,121	734,611	801,336	796,508	779,575	770,738	889,742	734,611	731,121	779,575
Ontario	12,733,627	12,420,507	12,389,578	12,319,915	12,804,384	14,848,350	15,617,477	15,096,653	15,050,655	12,733,627	12,804,384	12,319,915	15,096,653
Quebec	434,926	418,860	401,996	411,110	418,328	526,004	487,282	503,444	538,132	434,926	418,328	411,110	503,444
Other	714,415	664,215	602,894	565,818	531,665	431,423	533,092	532,383	542,059	714,415	531,665	565,818	532,383
<b>Total loans</b>	<b>\$ 15,977,500</b>	<b>\$ 15,441,140</b>	<b>\$ 15,146,562</b>	<b>\$ 14,903,689</b>	<b>\$ 15,395,054</b>	<b>\$ 17,652,961</b>	<b>\$ 18,538,233</b>	<b>\$ 17,960,600</b>	<b>\$ 17,930,075</b>	<b>\$ 15,977,500</b>	<b>\$ 15,395,054</b>	<b>\$ 14,903,689</b>	<b>\$ 17,960,600</b>

**Allowance for Credit Losses by Product - Under IAS 39**

(000s)	2018	2018	2018	2017	2017	2017	2017	2016	2016	2018	2017	2017	2016
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Fiscal	Fiscal
<b>Total individual allowance<sup>1</sup></b>													
Single-family residential mortgages	\$ N/A	\$ N/A	\$ N/A	\$ 2,745	\$ 2,968	\$ 2,309	\$ 3,252	\$ 3,321	\$ 2,732	\$ N/A	\$ 2,968	\$ 2,745	\$ 3,321
Residential commercial mortgages <sup>2</sup>	N/A	N/A	N/A	-	26	24	21	-	-	N/A	26	-	-
Non-residential commercial mortgages	N/A	N/A	N/A	3,228	658	489	196	128	78	N/A	658	3,228	128
Credit card loans and lines of credit	N/A	N/A	N/A	457	3,260	3,141	3,020	780	85	N/A	3,260	457	780
Other consumer retail loans	N/A	N/A	N/A	283	313	272	526	423	311	N/A	313	283	423
<b>Total individual allowance</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>6,713</b>	<b>7,225</b>	<b>6,235</b>	<b>7,015</b>	<b>4,652</b>	<b>3,206</b>	<b>N/A</b>	<b>7,225</b>	<b>6,713</b>	<b>4,652</b>
<b>Collective allowance<sup>1</sup></b>													
Single-family residential mortgages	N/A	N/A	N/A	20,340	23,032	23,032	23,032	23,032	23,032	N/A	23,032	20,340	23,032
Residential commercial mortgages <sup>2</sup>	N/A	N/A	N/A	327	327	327	327	327	327	N/A	327	327	327
Non-residential commercial mortgages	N/A	N/A	N/A	6,000	6,000	12,500	11,500	9,500	9,500	N/A	6,000	6,000	9,500
Credit card loans and lines of credit	N/A	N/A	N/A	3,096	3,904	3,904	3,904	3,904	3,904	N/A	3,904	3,096	3,904
Other consumer retail loans	N/A	N/A	N/A	3,800	300	300	300	300	300	N/A	300	3,800	300
<b>Total collective allowance</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>33,563</b>	<b>33,563</b>	<b>40,063</b>	<b>39,063</b>	<b>37,063</b>	<b>37,063</b>	<b>N/A</b>	<b>33,563</b>	<b>33,563</b>	<b>37,063</b>
<b>Total allowances</b>	<b>\$ N/A</b>	<b>\$ N/A</b>	<b>\$ N/A</b>	<b>\$ 40,276</b>	<b>\$ 40,788</b>	<b>\$ 46,298</b>	<b>\$ 46,078</b>	<b>\$ 41,715</b>	<b>\$ 40,269</b>	<b>\$ N/A</b>	<b>\$ 40,788</b>	<b>\$ 40,276</b>	<b>\$ 41,715</b>

<sup>1</sup> There were no individual or collective allowances on securitized mortgages.

<sup>2</sup> Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

## Mortgage Originations

(000s)	2018			2017			2016			2018		2017		2016	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Fiscal	Fiscal	Fiscal	Fiscal
Single-family residential mortgages															
Traditional	\$ 959,117	\$ 875,855	\$ 810,633	\$ 537,412	\$ 202,672	\$ 756,009	\$ 1,564,725	\$ 1,432,373	\$ 1,533,508	\$ 2,645,605	\$ 2,523,406	\$ 3,060,818	\$ 5,398,818		
Accelerator	56,881	73,484	59,057	28,635	21,292	84,201	147,645	346,690	446,734	189,422	253,138	281,773	1,622,003		
Residential commercial mortgages															
Multi-unit uninsured residential mortgages	22,750	44,131	16,254	17,568	-	9,281	45,005	53,999	17,947	83,135	54,286	71,854	142,026		
Multi-unit insured residential mortgages	176,436	65,794	84,627	177,224	99,054	73,730	249,835	293,306	194,875	326,857	422,619	599,843	956,406		
Other <sup>1</sup>	8,410	19,500	3,998	-	-	6,815	-	24,179	-	31,908	6,815	6,815	50,772		
Non-residential commercial mortgages															
Store and apartments	14,149	15,928	22,088	1,870	-	11,866	31,763	14,878	35,018	52,165	43,629	45,499	80,888		
Commercial	198,050	135,516	162,571	109,343	62,047	176,191	306,666	262,423	312,618	496,137	544,904	654,247	974,864		
<b>Total mortgage originations</b>	<b>\$ 1,435,793</b>	<b>\$ 1,230,208</b>	<b>\$ 1,159,228</b>	<b>\$ 872,052</b>	<b>\$ 385,065</b>	<b>\$ 1,118,093</b>	<b>\$ 2,345,639</b>	<b>\$ 2,427,848</b>	<b>\$ 2,540,700</b>	<b>\$ 3,825,229</b>	<b>\$ 3,848,797</b>	<b>\$ 4,720,849</b>	<b>\$ 9,225,777</b>		

<sup>1</sup> Other residential commercial mortgages include mortgages such as builders' inventory.

## Mortgage Continuity

(000s)	2018			2017			2016			2018		2017		2016	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Fiscal	Fiscal	Fiscal	Fiscal
Single-family residential mortgages															
Balance at the beginning of the period	\$ 12,761,304	\$ 12,599,616	\$ 12,472,459	\$ 12,964,398	\$ 14,018,168	\$ 14,670,565	\$ 14,330,599	\$ 14,451,433	\$ 14,621,577	\$ 12,472,459	\$ 14,330,599	\$ 14,330,599	\$ 14,929,180		
Originations	1,015,998	949,339	869,690	566,047	223,964	840,210	1,712,370	1,779,063	1,980,242	2,835,027	2,776,544	3,342,591	7,020,821		
Renewal of mortgages previously derecognized <sup>1</sup>	193,501	152,822	134,436	136,408	149,440	138,625	122,705	38,430	12,646	480,759	410,770	547,178	62,548		
Scheduled payments and prepayments <sup>2</sup>	(81,738)	(80,406)	(76,564)	(81,316)	(84,277)	(86,552)	(84,465)	(88,355)	(88,630)	(238,708)	(255,294)	(336,610)	(346,995)		
Discharges	(740,240)	(862,627)	(803,509)	(1,126,355)	(1,324,943)	(1,271,510)	(1,127,144)	(1,482,404)	(1,677,574)	(2,406,376)	(3,723,597)	(4,849,952)	(5,875,503)		
Capitalization and amortization of fees and other	3,088	2,560	3,104	13,277	219	25,936	4,958	24,730	3,936	8,752	31,113	44,390	31,398		
Sales of mortgages and residual interests	-	-	-	-	(18,173)	(299,106)	(288,458)	(392,298)	(400,764)	-	(605,737)	(605,737)	(1,490,850)		
Balance at the end of the period	\$ 13,151,913	\$ 12,761,304	\$ 12,599,616	\$ 12,472,459	\$ 12,964,398	\$ 14,018,168	\$ 14,670,565	\$ 14,330,599	\$ 14,451,433	\$ 13,151,913	\$ 12,964,398	\$ 12,472,459	\$ 14,330,599		
Residential commercial mortgages															
Balance at the beginning of the period	\$ 706,745	\$ 745,618	\$ 838,346	\$ 710,644	\$ 851,468	\$ 970,118	\$ 1,003,299	\$ 962,796	\$ 1,069,839	\$ 838,346	\$ 1,003,299	\$ 1,003,299	\$ 1,182,850		
Originations	207,596	129,425	104,879	194,792	99,054	89,826	294,840	371,484	212,822	441,900	483,720	678,512	1,149,204		
Renewal of mortgages previously derecognized <sup>1</sup>	-	29,609	-	10,922	-	7,900	377	14,457	-	29,609	8,277	19,199	14,457		
Scheduled payments and prepayments <sup>2</sup>	(4,808)	(4,930)	(5,219)	(5,816)	(4,923)	(4,206)	(5,881)	(5,174)	(4,085)	(14,957)	(15,010)	(20,826)	(21,976)		
Discharges	(22,426)	(29,234)	(17,607)	(20,740)	(52,994)	(53,847)	(35,195)	(50,697)	(71,271)	(69,267)	(142,036)	(162,776)	(271,425)		
Capitalization and amortization of fees and other	(378)	(294)	(684)	413	(776)	(317)	(597)	25,418	(1,615)	(1,356)	(1,690)	(1,277)	(3,354)		
Sales of mortgages and residual interests	(118,004)	(163,449)	(174,097)	(51,869)	(181,185)	(158,006)	(286,725)	(314,985)	(242,894)	(455,550)	(625,916)	(677,785)	(1,046,457)		
Balance at the end of the period	\$ 768,725	\$ 706,745	\$ 745,618	\$ 838,346	\$ 710,644	\$ 851,468	\$ 970,118	\$ 1,003,299	\$ 962,796	\$ 768,725	\$ 710,644	\$ 838,346	\$ 1,003,299		
Non-residential commercial mortgages															
Balance at the beginning of the period	\$ 1,264,025	\$ 1,172,934	\$ 1,045,603	\$ 1,033,249	\$ 1,982,052	\$ 2,157,101	\$ 1,954,850	\$ 1,854,135	\$ 1,658,361	\$ 1,045,603	\$ 1,954,850	\$ 1,954,850	\$ 1,490,988		
Originations	212,199	151,444	184,659	111,213	62,047	188,057	338,429	277,301	347,636	548,302	588,533	699,746	1,055,752		
Renewal of mortgages previously derecognized <sup>1</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-		
Scheduled payments and prepayments <sup>2</sup>	(19,843)	(5,639)	(4,952)	(7,193)	(8,829)	(16,976)	(27,785)	(11,498)	(5,937)	(30,434)	(53,590)	(60,783)	(25,694)		
Discharges	(65,291)	(55,889)	(54,264)	(94,242)	(145,516)	(195,800)	(106,048)	(165,224)	(143,576)	(175,444)	(447,364)	(541,606)	(567,195)		
Capitalization and amortization of fees and other	1,080	1,175	1,888	2,576	6,340	(5,093)	(2,345)	136	(2,349)	4,143	(1,098)	1,478	999		
Sales of mortgages and residual interests	-	-	-	-	(862,845)	(145,237)	-	-	-	-	(1,008,082)	(1,008,082)	-		
Balance at the end of the period	\$ 1,392,170	\$ 1,264,025	\$ 1,172,934	\$ 1,045,603	\$ 1,033,249	\$ 1,982,052	\$ 2,157,101	\$ 1,954,850	\$ 1,854,135	\$ 1,392,170	\$ 1,033,249	\$ 1,045,603	\$ 1,954,850		
<b>Total Mortgage Lending</b>	<b>\$ 15,312,808</b>	<b>\$ 14,732,074</b>	<b>\$ 14,518,168</b>	<b>\$ 14,356,408</b>	<b>\$ 14,708,291</b>	<b>\$ 16,851,688</b>	<b>\$ 17,797,784</b>	<b>\$ 17,288,748</b>	<b>\$ 17,268,364</b>	<b>\$ 15,312,808</b>	<b>\$ 14,708,291</b>	<b>\$ 14,356,408</b>	<b>\$ 17,288,748</b>		

<sup>1</sup> Represents renewals of mortgages that were previously derecognized and included in the off-balance sheet portfolio. Upon renewal, the mortgages are recognized on the balance sheet.

<sup>2</sup> Includes regularly scheduled principal payments and unscheduled partial payments.

## Consumer Lending Continuity

(000s)	2018	2018	2018	2017	2017	2017	2017	2016	2016	2018	2017	2017	2016
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Fiscal	Fiscal
<b>Credit Card Loans and Lines of Credit</b>													
Balance at the beginning of the period	\$ 369,048	\$ 354,207	\$ 352,062	\$ 365,047	\$ 384,310	\$ 386,630	\$ 370,458	\$ 374,433	\$ 372,127	\$ 352,062	\$ 370,458	\$ 370,458	\$ 370,825
Advances and draw-downs	99,095	78,845	49,789	50,135	50,378	64,236	53,628	55,506	56,892	227,729	168,242	218,377	218,962
Repayments	(94,354)	(73,393)	(58,295)	(70,708)	(79,534)	(74,113)	(50,389)	(71,203)	(66,008)	(226,042)	(204,036)	(274,744)	(262,464)
Capitalization of interest and fees, portfolio sales and other	11,590	9,389	10,651	7,588	9,893	7,557	12,933	11,722	11,422	31,630	30,383	37,971	43,135
Balance at the end of the period	\$ 385,379	\$ 369,048	\$ 354,207	\$ 352,062	\$ 365,047	\$ 384,310	\$ 386,630	\$ 370,458	\$ 374,433	\$ 385,379	\$ 365,047	\$ 352,062	\$ 370,458
Authorized limit on new credit card issuances	\$ 79,351	\$ 135,870	\$ 70,801	\$ 23,574	\$ 13,050	\$ 37,073	\$ 55,200	\$ 43,469	\$ 47,977	\$ 286,022	\$ 105,323	\$ 128,897	\$ 168,087
<b>Other Consumer Retail Loans</b>													
Balance at the beginning of the period	\$ 346,806	\$ 349,935	\$ 361,166	\$ 362,036	\$ 416,964	\$ 394,555	\$ 379,312	\$ 361,485	\$ 345,057	\$ 361,166	\$ 379,312	\$ 379,312	\$ 297,018
Advances and draw-downs	29,441	26,802	40,133	53,742	52,079	52,675	39,466	47,455	43,781	96,376	144,220	197,962	183,693
Repayments	(48,606)	(38,269)	(64,728)	(68,962)	(120,925)	(45,132)	(35,405)	(43,243)	(37,659)	(151,603)	(201,462)	(270,424)	(144,360)
Capitalization of interest and fees, portfolio sales and other	16,874	8,338	13,364	14,350	13,918	14,866	11,182	13,615	10,306	38,576	39,966	54,316	42,961
Balance at the end of the period	\$ 344,515	\$ 346,806	\$ 349,935	\$ 361,166	\$ 362,036	\$ 416,964	\$ 394,555	\$ 379,312	\$ 361,485	\$ 344,515	\$ 362,036	\$ 361,166	\$ 379,312
<b>Total Consumer Lending</b>	\$ 729,894	\$ 715,854	\$ 704,142	\$ 713,228	\$ 727,083	\$ 801,274	\$ 781,185	\$ 749,770	\$ 735,918	\$ 729,894	\$ 727,083	\$ 713,228	\$ 749,770

## Securitization Income

(000s)	2018			2017				2016		2018		2017	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Fiscal	Fiscal
Net gain on sale of mortgages or residual interest <sup>1</sup>	\$ 866	\$ 1,075	\$ 1,322	\$ 163	\$ 434	\$ 360	\$ 4,738	\$ 7,006	\$ 6,055	\$ 3,263	\$ 5,532	\$ 5,695	\$ 26,972
Net change in unrealized gain or loss on hedging activities	783	(437)	(198)	(137)	349	(346)	(113)	276	(121)	148	(110)	(247)	399
Servicing income	1,480	1,425	1,567	1,669	1,742	1,863	1,807	1,782	1,665	4,472	5,412	7,081	6,426
<b>Total securitization income</b>	<b>\$ 3,129</b>	<b>\$ 2,063</b>	<b>\$ 2,691</b>	<b>\$ 1,695</b>	<b>\$ 2,525</b>	<b>\$ 1,877</b>	<b>\$ 6,432</b>	<b>\$ 9,064</b>	<b>\$ 7,599</b>	<b>\$ 7,883</b>	<b>\$ 10,834</b>	<b>\$ 12,529</b>	<b>\$ 33,797</b>

<sup>1</sup> Gain on sale of mortgages or residual interest are net of hedging impact.

## Securitization Sales and Activities

(000s)	2018			2017				2016		2018		2017	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Fiscal	Fiscal
<b>Single-Family Residential MBS</b>													
Carrying value of underlying mortgages derecognized	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 288,458	\$ 392,298	\$ 400,764	\$ -	\$ 288,458	\$ 288,458	\$ 1,490,850
Net gains on sale of mortgages or residual interest <sup>1</sup>	-	-	-	-	-	-	2,084	4,284	3,904	-	2,084	2,084	17,368
Retained interest recorded	-	-	-	-	-	-	-	-	-	-	-	-	-
Servicing liability recorded	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Multi-Unit Residential MBS</b>													
Carrying value of underlying mortgages derecognized	\$ 118,004	\$ 163,449	\$ 174,097	\$ 51,869	\$ 58,905	\$ 113,314	\$ 286,725	\$ 314,985	\$ 242,894	\$ 455,550	\$ 458,944	\$ 510,813	\$ 1,046,457
Net gains on sale of mortgages or residual interest <sup>1</sup>	866	1,075	1,322	163	434	360	2,654	2,722	2,151	3,263	3,448	3,611	9,604
Retained interest recorded	4,790	6,199	7,110	2,730	2,349	5,483	10,253	10,004	10,077	18,099	18,085	20,815	41,900
Servicing liability recorded	1,095	1,041	1,479	444	480	1,114	2,905	2,408	2,313	3,615	4,499	4,943	8,955
<b>Total MBS</b>													
Carrying value of underlying mortgages derecognized	\$ 118,004	\$ 163,449	\$ 174,097	\$ 51,869	\$ 58,905	\$ 113,314	\$ 575,183	\$ 707,283	\$ 643,658	\$ 455,550	\$ 747,402	\$ 799,271	\$ 2,537,307
Net gains on sale of mortgages or residual interest <sup>1</sup>	866	1,075	1,322	163	434	360	4,738	7,006	6,055	3,263	5,532	5,695	26,972
Retained interest recorded	4,790	6,199	7,110	2,730	2,349	5,483	10,253	10,004	10,077	18,099	18,085	20,815	41,900
Servicing liability recorded	1,095	1,041	1,479	444	480	1,114	2,905	2,408	2,313	3,615	4,499	4,943	8,955

<sup>1</sup> Gain on sale of mortgages or residual interest are net of hedging impact.



## Deposits, Line of Credit Facility and Securitization Liabilities

(000s)	2018			2017				2016		2018		2017		2016	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Fiscal	Fiscal	Fiscal	
Deposits payable on demand															
High-interest savings accounts	\$ 137,714	\$ 136,914	\$ 132,707	\$ 138,948	\$ 175,637	\$ 114,346	\$ 1,904,967	\$ 2,016,881	\$ 2,037,149	\$ 137,714	\$ 175,637	\$ 138,948	\$ 2,016,881		
Oaken savings account	189,677	197,911	231,808	229,511	179,052	154,056	361,664	340,809	314,616	189,677	179,052	229,511	340,809		
Other deposits payable on demand	92,273	76,231	111,523	170,905	86,319	104,510	110,769	174,113	80,518	92,273	86,319	170,905	174,113		
	419,664	411,056	476,038	539,364	441,008	372,912	2,377,400	2,531,803	2,432,283	419,664	441,008	539,364	2,531,803		
Deposits payable on fixed dates															
Brokered GICs	9,269,967	9,551,196	9,340,402	9,350,235	10,466,410	10,558,640	11,650,130	11,120,107	11,048,564	9,269,967	10,466,410	9,350,235	11,120,107		
Oaken GICs	2,371,361	2,234,245	1,967,682	1,805,332	1,975,357	1,695,454	1,417,612	1,429,153	1,406,399	2,371,361	1,975,357	1,805,332	1,429,153		
Institutional deposit notes	300,038	300,207	300,286	475,523	475,843	477,600	804,469	804,967	806,856	300,038	475,843	475,523	804,967		
	11,941,366	12,085,648	11,608,370	11,631,090	12,917,610	12,731,694	13,872,211	13,354,227	13,261,819	11,941,366	12,917,610	11,631,090	13,354,227		
<b>Total deposits</b>	<b>\$ 12,361,030</b>	<b>\$ 12,496,704</b>	<b>\$ 12,084,408</b>	<b>\$ 12,170,454</b>	<b>\$ 13,358,618</b>	<b>\$ 13,104,606</b>	<b>\$ 16,249,611</b>	<b>\$ 15,886,030</b>	<b>\$ 15,694,102</b>	<b>\$ 12,361,030</b>	<b>\$ 13,358,618</b>	<b>\$ 12,170,454</b>	<b>\$ 15,886,030</b>		
Standby credit facility	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,396,959	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Securitization liabilities															
CMHC-sponsored mortgage-backed security liabilities	\$ 1,569,414	\$ 1,556,312	\$ 1,550,183	\$ 1,562,152	\$ 1,606,818	\$ 1,649,637	\$ 922,377	\$ 898,386	\$ 930,614	\$ 1,569,414	\$ 1,606,818	\$ 1,562,152	\$ 898,386		
CMHC-sponsored Canada Mortgage Bond liabilities	1,471,222	1,471,172	1,473,472	1,473,318	1,473,350	1,474,001	1,474,539	1,637,117	1,610,482	1,471,222	1,473,350	1,473,318	1,637,117		
Bank-sponsored securitization conduit liabilities	68,280	85,984	106,192	142,279	174,511	203,991	250,129	114,146	139,115	68,280	174,511	142,279	114,146		
<b>Total securitization liabilities</b>	<b>\$ 3,108,916</b>	<b>\$ 3,113,468</b>	<b>\$ 3,129,847</b>	<b>\$ 3,177,749</b>	<b>\$ 3,254,679</b>	<b>\$ 3,327,629</b>	<b>\$ 2,647,045</b>	<b>\$ 2,649,649</b>	<b>\$ 2,680,211</b>	<b>\$ 3,108,916</b>	<b>\$ 3,254,679</b>	<b>\$ 3,177,749</b>	<b>\$ 2,649,649</b>		

## Other Assets

(000s)	2018			2017			2016			2018		2017	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Fiscal	Fiscal
Restricted assets													
Restricted cash	\$ 241,136	\$ 275,502	\$ 259,377	\$ 254,134	\$ 184,663	\$ 159,808	\$ 140,325	\$ 143,296	\$ 125,958	\$ 241,136	\$ 184,663	\$ 254,134	\$ 143,296
Acceptable securities assigned as replacement assets	59,194	25,255	244,736	182,877	105,207	56,788	-	122,078	105,277	59,194	105,207	182,877	122,078
<b>Total restricted assets</b>	<b>300,330</b>	<b>300,757</b>	<b>504,113</b>	<b>437,011</b>	<b>289,870</b>	<b>216,596</b>	<b>140,325</b>	<b>265,374</b>	<b>231,235</b>	<b>300,330</b>	<b>289,870</b>	<b>437,011</b>	<b>265,374</b>
Derivative assets	2,014	2,836	4,069	7,325	10,177	21,804	33,480	37,524	52,178	2,014	10,177	7,325	37,524
Other assets													
Accrued interest receivable	53,921	51,979	51,561	49,651	51,036	58,627	60,755	60,314	60,097	53,921	51,036	49,651	60,314
Prepaid CMB coupon	2,226	2,720	2,388	3,644	2,371	3,038	2,395	3,289	2,999	2,226	2,371	3,644	3,289
Securitization receivable and retained interest	155,688	207,751	172,483	182,930	188,894	207,068	225,410	213,312	198,799	155,688	188,894	182,930	213,312
Capital assets	8,957	9,192	9,593	10,431	11,154	11,459	11,946	13,013	13,479	8,957	11,154	10,431	13,013
Income taxes recoverable	21,983	22,507	18,496	13,340	15,002	51,861	18,217	25,619	35,217	21,983	15,002	13,340	25,619
Other prepaid assets and deferred items	76,112	74,284	70,519	76,774	97,228	52,623	28,754	33,091	25,486	76,112	97,228	76,774	33,091
<b>Total other assets</b>	<b>318,887</b>	<b>368,433</b>	<b>325,040</b>	<b>336,770</b>	<b>365,685</b>	<b>384,676</b>	<b>347,477</b>	<b>348,638</b>	<b>336,077</b>	<b>318,887</b>	<b>365,685</b>	<b>336,770</b>	<b>348,638</b>
Deferred tax assets	2,446	2,860	3,107	9,577	15,873	19,510	18,048	16,914	16,362	2,446	15,873	9,577	16,914
Goodwill and intangible assets													
Goodwill	2,324	2,324	2,324	2,324	2,324	2,324	6,752	6,752	15,752	2,324	2,324	2,324	6,752
Intangibles	88,443	91,985	95,367	98,669	109,712	109,712	112,244	115,003	117,829	88,443	109,712	98,669	115,003
<b>Total goodwill and intangible assets</b>	<b>90,767</b>	<b>94,309</b>	<b>97,691</b>	<b>100,993</b>	<b>109,298</b>	<b>112,036</b>	<b>118,996</b>	<b>121,755</b>	<b>133,581</b>	<b>90,767</b>	<b>109,298</b>	<b>100,993</b>	<b>121,755</b>
<b>Total</b>	<b>\$ 714,444</b>	<b>\$ 769,195</b>	<b>\$ 934,020</b>	<b>\$ 891,676</b>	<b>\$ 790,903</b>	<b>\$ 754,622</b>	<b>\$ 658,326</b>	<b>\$ 790,205</b>	<b>\$ 769,433</b>	<b>\$ 714,444</b>	<b>\$ 790,903</b>	<b>\$ 891,676</b>	<b>\$ 790,205</b>

## Other Liabilities

(000s)	2018			2017			2016			2018		2017	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Fiscal	Fiscal
Obligations related to securities sold under repurchase agreement	\$ 99,811	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,811	\$ -	\$ -	\$ -
Derivative liabilities	57,275	44,672	43,759	38,728	31,192	11,322	2,871	3,490	959	57,275	31,192	38,728	3,490
Other liabilities													
Accrued interest payable on deposits	121,660	122,354	138,289	125,965	121,519	114,308	143,504	122,905	125,116	121,660	121,519	125,965	122,905
Accrued interest payable on securitization liabilities	7,290	8,007	6,834	7,923	6,934	7,358	6,366	7,317	6,961	7,290	6,934	7,923	7,317
Securitization servicing liability	21,031	21,124	21,258	20,924	21,638	22,352	22,425	20,573	19,487	21,031	21,638	20,924	20,573
Income taxes payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Other, including accounts payable and accrued liabilities	163,811	222,832	156,411	205,665	245,200	306,907	207,072	169,942	157,111	163,811	245,200	205,665	169,942
<b>Total other liabilities</b>	<b>313,792</b>	<b>374,317</b>	<b>322,792</b>	<b>360,477</b>	<b>395,291</b>	<b>450,925</b>	<b>379,367</b>	<b>320,737</b>	<b>308,675</b>	<b>313,792</b>	<b>395,291</b>	<b>360,477</b>	<b>320,737</b>
Deferred tax liabilities	29,841	28,907	28,161	30,230	34,773	34,622	33,593	36,284	38,210	29,841	34,773	30,230	36,284
<b>Total</b>	<b>\$ 500,719</b>	<b>\$ 447,896</b>	<b>\$ 394,712</b>	<b>\$ 429,435</b>	<b>\$ 461,256</b>	<b>\$ 496,869</b>	<b>\$ 415,831</b>	<b>\$ 360,511</b>	<b>\$ 347,844</b>	<b>\$ 500,719</b>	<b>\$ 461,256</b>	<b>\$ 429,435</b>	<b>\$ 360,511</b>

## Gross Amount of Impaired Loans by Product

(000s)	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2018 YTD	2017 YTD	2017 Fiscal	2016 Fiscal
Single-family residential mortgages <sup>1</sup>	\$ 48,293	\$ 43,738	\$ 36,962	\$ 31,836	\$ 37,978	\$ 33,623	\$ 37,000	\$ 49,834	\$ 52,349	\$ 48,293	\$ 37,978	\$ 31,836	\$ 49,834
Commercial mortgages <sup>1</sup>	21,771	21,760	17,198	16,489	6,858	7,622	8,370	4,577	3,388	21,771	6,858	16,489	4,577
Credit card loans and lines of credit	4,056	4,074	3,161	2,038	4,230	4,561	4,315	2,049	2,091	4,056	4,230	2,038	2,049
Other consumer retail loans	460	544	504	276	304	264	508	411	302	460	304	276	411
Gross impaired loans	\$ 74,580	\$ 70,116	\$ 57,825	\$ 50,639	\$ 49,370	\$ 46,070	\$ 50,193	\$ 56,871	\$ 58,130	\$ 74,580	\$ 49,370	\$ 50,639	\$ 56,871

## Net Amount of Impaired Loans by Product

(000s)	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2018 YTD	2017 YTD	2017 Fiscal	2016 Fiscal
Single-family residential mortgages <sup>1</sup>	\$ 41,627	\$ 37,966	\$ 31,318	\$ 30,107	\$ 36,118	\$ 32,321	\$ 35,123	\$ 47,854	\$ 50,712	\$ 41,627	\$ 36,118	\$ 30,107	\$ 47,854
Commercial mortgages <sup>1</sup>	10,438	11,352	10,758	13,739	6,558	7,481	8,282	4,547	3,368	10,438	6,558	13,739	4,547
Credit card loans and lines of credit	2,590	2,386	1,855	1,581	970	1,420	1,295	1,269	2,006	2,590	970	1,581	1,269
Other consumer retail loans	69	81	100	-	-	-	-	-	-	69	-	-	-
Net impaired loans	\$ 54,724	\$ 51,785	\$ 44,031	\$ 45,427	\$ 43,646	\$ 41,222	\$ 44,700	\$ 53,670	\$ 56,086	\$ 54,724	\$ 43,646	\$ 45,427	\$ 53,670

<sup>1</sup> Single-family and commercial mortgages include both securitized and non-securitized mortgages. Commercial mortgages include both non-residential commercial mortgages and residential commercial mortgages. Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

Change in Allowance - Under IFRS 9

(000s)	Q3 2018				Q2 2018				Q1 2018				2018 YTD			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Single-family residential mortgages</b>																
Balance at the beginning of the period	\$ 15,285	\$ 5,037	\$ 5,772	\$ 26,094	\$ 14,878	\$ 6,417	\$ 5,644	\$ 26,939	\$ 11,610	\$ 7,280	\$ 3,563	\$ 22,453	\$ 11,610	\$ 7,280	\$ 3,563	\$ 22,453
New assets originated or purchased	8,398	-	-	8,398	8,620	-	-	8,620	8,758	-	-	8,758	25,776	-	-	25,776
Transfer from Stage 1	(1,488)	1,456	32	-	(1,736)	1,466	270	-	(1,556)	1,556	-	-	(4,780)	4,478	302	-
Transfer from Stage 2	1,538	(2,221)	683	-	1,995	(2,863)	868	-	3,155	(3,447)	292	-	6,688	(8,531)	1,843	-
Transfer from Stage 3	581	1,005	(1,586)	-	265	326	(591)	-	104	414	(518)	-	950	1,745	(2,695)	-
Remeasurement due to transfers	(527)	250	509	232	(660)	321	558	219	(1,534)	827	383	(324)	(2,721)	1,398	1,450	127
Change in risk parameters and models	(6,499)	77	3,813	(2,609)	(6,255)	35	3,604	(2,616)	(4,039)	319	3,307	(413)	(16,793)	431	10,724	(5,638)
Assets derecognized or repaid (excluding write-offs)	(1,331)	(719)	(2,579)	(4,629)	(1,796)	(664)	(3,596)	(6,056)	(1,329)	(532)	(1,229)	(3,090)	(4,456)	(1,915)	(7,404)	(13,775)
Provision for credit losses	672	(152)	872	1,392	433	(1,379)	1,113	167	3,559	(863)	2,235	4,931	4,664	(2,394)	4,220	6,490
Write-offs	(126)	(5)	(127)	(258)	(26)	(1)	(1,131)	(1,158)	(291)	-	(274)	(565)	(443)	(6)	(1,532)	(1,981)
Recoveries	-	-	149	149	-	-	146	146	-	-	120	120	-	-	415	415
<b>Balance at the end of the period</b>	<b>15,831</b>	<b>4,880</b>	<b>6,666</b>	<b>27,377</b>	<b>15,285</b>	<b>5,037</b>	<b>5,772</b>	<b>26,094</b>	<b>14,878</b>	<b>6,417</b>	<b>5,644</b>	<b>26,939</b>	<b>15,831</b>	<b>4,880</b>	<b>6,666</b>	<b>27,377</b>
of which is securitized	735	906	48	1,689	1,078	775	102	1,955	979	1,183	37	2,199	735	906	48	1,689
of which is non-securitized	15,096	3,974	6,618	25,688	14,207	4,262	5,670	24,139	13,899	5,234	5,607	24,740	15,096	3,974	6,618	25,688
<b>Commercial mortgages<sup>1</sup></b>																
Balance at the beginning of the period	3,079	1,444	10,408	14,931	2,960	864	6,440	10,264	3,898	3,318	3,300	10,516	3,898	3,318	3,300	10,516
New assets originated or purchased	1,717	-	-	1,717	1,130	-	-	1,130	941	-	-	941	3,788	-	-	3,788
Transfer from Stage 1	(658)	654	4	-	(620)	525	95	-	(403)	403	-	-	(1,681)	1,582	99	-
Transfer from Stage 2	676	(909)	233	-	805	(829)	24	-	1,368	(1,375)	7	-	2,849	(3,113)	264	-
Transfer from Stage 3	248	238	(486)	-	176	-	(176)	-	126	-	(126)	-	550	238	(788)	-
Remeasurement due to transfers	(171)	106	38	(27)	(245)	293	87	135	(393)	217	20	(156)	(809)	616	145	(48)
Change in risk parameters and models	(738)	210	1,213	685	(885)	628	4,114	3,857	(2,430)	(1,665)	3,210	(885)	(4,053)	(827)	8,537	3,657
Assets derecognized or repaid (excluding write-offs)	(218)	(198)	(77)	(493)	(241)	(37)	(175)	(453)	(147)	(34)	-	(181)	(606)	(269)	(252)	(1,127)
Provision for credit losses	856	101	925	1,882	120	580	3,969	4,669	(938)	(2,454)	3,111	(281)	38	(1,773)	8,005	6,270
Write-offs	-	-	-	-	(1)	-	(1)	(2)	-	-	-	-	(1)	-	(1)	(2)
Recoveries	-	-	-	-	-	-	-	-	-	-	29	29	-	-	29	29
<b>Balance at the end of the period</b>	<b>3,935</b>	<b>1,545</b>	<b>11,333</b>	<b>16,813</b>	<b>3,079</b>	<b>1,444</b>	<b>10,408</b>	<b>14,931</b>	<b>2,960</b>	<b>864</b>	<b>6,440</b>	<b>10,264</b>	<b>3,935</b>	<b>1,545</b>	<b>11,333</b>	<b>16,813</b>
of which is securitized	568	-	-	568	576	28	-	604	690	33	-	723	568	-	-	568
of which is non-securitized	3,367	1,545	11,333	16,245	2,503	1,416	10,408	14,327	2,270	831	6,440	9,541	3,367	1,545	11,333	16,245
<b>Credit card loans and lines of credit</b>																
Balance at the beginning of the period	639	1,304	1,688	3,631	600	1,619	1,306	3,525	823	1,965	1,196	3,984	823	1,965	1,196	3,984
New assets originated or purchased	73	-	-	73	79	-	-	79	46	-	-	46	198	-	-	198
Transfer from Stage 1	(97)	93	4	-	(122)	103	19	-	(127)	112	15	-	(346)	308	38	-
Transfer from Stage 2	312	(739)	427	-	282	(1,189)	907	-	391	(907)	516	-	985	(2,835)	1,850	-
Transfer from Stage 3	42	180	(222)	-	62	250	(312)	-	43	193	(236)	-	147	623	(770)	-
Remeasurement due to transfers	(79)	6	54	(19)	(80)	(22)	81	(21)	(164)	63	84	(17)	(323)	47	219	(57)
Change in risk parameters and models	(69)	735	246	912	(45)	771	(294)	432	(123)	225	210	312	(237)	1,731	162	1,656
Draws and repayments (excluding write-offs)	(119)	(149)	(236)	(504)	(103)	(219)	609	287	(287)	51	(11)	(247)	(509)	(317)	362	(464)
Provision for credit losses	63	126	273	462	73	(306)	1,010	777	(221)	(263)	578	94	(85)	(443)	1,861	1,333
Write-offs	(47)	(12)	(495)	(554)	(34)	(9)	(628)	(671)	(2)	(83)	(626)	(711)	(83)	(104)	(1,749)	(1,936)
Recoveries	-	-	-	-	-	-	-	-	-	-	158	158	-	-	158	158
<b>Balance at the end of the period</b>	<b>655</b>	<b>1,418</b>	<b>1,466</b>	<b>3,539</b>	<b>639</b>	<b>1,304</b>	<b>1,688</b>	<b>3,631</b>	<b>600</b>	<b>1,619</b>	<b>1,306</b>	<b>3,525</b>	<b>655</b>	<b>1,418</b>	<b>1,466</b>	<b>3,539</b>
<b>Other consumer retail loans</b>																
Balance at the beginning of the period	601	4,086	463	5,150	813	3,195	404	4,412	565	2,199	559	3,323	565	2,199	559	3,323
New assets originated or purchased	207	-	-	207	180	-	-	180	186	-	-	186	573	-	-	573
Transfer from Stage 1	(167)	167	-	-	(291)	291	-	-	(124)	121	3	-	(582)	579	3	-
Transfer from Stage 2	88	(149)	61	-	95	(212)	117	-	402	(452)	50	-	585	(813)	228	-
Transfer from Stage 3	-	52	(52)	-	-	49	(49)	-	13	86	(99)	-	13	187	(200)	-
Remeasurement due to transfers	(59)	112	3	56	(61)	629	4	572	(265)	140	2	(123)	(385)	881	9	505
Change in risk parameters and models	70	332	122	524	(42)	433	151	542	117	1,394	182	1,693	145	2,159	455	2,759
Assets derecognized or repaid (excluding write-offs)	(95)	(391)	(47)	(533)	(92)	(299)	(29)	(420)	(81)	(267)	(184)	(532)	(268)	(957)	(260)	(1,485)
Provision for credit losses	44	123	87	254	(211)	891	194	874	248	1,022	(46)	1,224	81	2,036	235	2,352
Write-offs	(5)	-	(161)	(166)	(1)	-	(135)	(136)	-	(26)	(109)	(135)	(6)	(26)	(405)	(437)
Recoveries	-	-	2	2	-	-	-	-	-	-	-	-	-	-	2	2
<b>Balance at the end of the period</b>	<b>640</b>	<b>4,209</b>	<b>391</b>	<b>5,240</b>	<b>601</b>	<b>4,086</b>	<b>463</b>	<b>5,150</b>	<b>813</b>	<b>3,195</b>	<b>404</b>	<b>4,412</b>	<b>640</b>	<b>4,209</b>	<b>391</b>	<b>5,240</b>
<b>Total allowance for credit losses</b>	<b>\$ 21,061</b>	<b>\$ 12,052</b>	<b>\$ 19,856</b>	<b>\$ 52,969</b>	<b>\$ 19,604</b>	<b>\$ 11,871</b>	<b>\$ 18,331</b>	<b>\$ 49,806</b>	<b>\$ 19,251</b>	<b>\$ 12,095</b>	<b>\$ 13,794</b>	<b>\$ 45,140</b>	<b>\$ 21,061</b>	<b>\$ 12,052</b>	<b>\$ 19,856</b>	<b>\$ 52,969</b>
<b>Total provision for credit losses</b>	<b>\$ 1,635</b>	<b>\$ 198</b>	<b>\$ 2,157</b>	<b>\$ 3,990</b>	<b>\$ 415</b>	<b>\$ (214)</b>	<b>\$ 6,286</b>	<b>\$ 6,487</b>	<b>\$ 2,648</b>	<b>\$ (2,558)</b>	<b>\$ 5,878</b>	<b>\$ 5,968</b>	<b>\$ 4,698</b>	<b>\$ (2,574)</b>	<b>\$ 14,321</b>	<b>\$ 16,445</b>

<sup>1</sup> Commercial mortgages included both non-residential and residential commercial mortgages. Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

## Change in Allowance - Under IAS 39

(000s)	2018	2018	2018	2017	2017	2017	2017	2016	2016	2018	2017	2017	2016
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Fiscal	Fiscal
Individual allowances													
Allowance on loan principal													
Balance at the beginning of the period	\$ N/A	\$ N/A	\$ N/A	\$ 5,724	\$ 4,848	\$ 5,493	\$ 3,201	\$ 2,044	\$ 1,887	\$ N/A	\$ 3,201	\$ 3,201	\$ 2,482
Provision for credit losses	N/A	N/A	N/A	3,434	2,129	1,555	3,848	2,111	1,395	N/A	7,532	10,966	6,526
Write-offs	N/A	N/A	N/A	(4,350)	(1,529)	(2,453)	(1,727)	(1,245)	(1,396)	N/A	(5,709)	(10,059)	(6,783)
Recoveries	N/A	N/A	N/A	404	276	253	171	291	158	N/A	700	1,104	976
	N/A	N/A	N/A	5,212	5,724	4,848	5,493	3,201	2,044	N/A	5,724	5,212	3,201
Allowance on accrued interest receivable													
Balance at the beginning of the period	N/A	N/A	N/A	1,501	1,387	1,522	1,451	1,162	1,221	N/A	1,451	1,451	901
Provision for credit losses	N/A	N/A	N/A	-	114	(135)	71	289	(59)	N/A	50	50	550
	N/A	N/A	N/A	1,501	1,501	1,387	1,522	1,451	1,162	N/A	1,501	1,501	1,451
Total individual allowance	N/A	N/A	N/A	6,713	7,225	6,235	7,015	4,652	3,206	N/A	7,225	6,713	4,652
Collective allowance													
Balance at the beginning of the period	N/A	N/A	N/A	33,563	40,063	39,063	37,063	37,063	37,063	N/A	37,063	37,063	36,249
Provision for credit losses	N/A	N/A	N/A	-	(6,500)	1,000	2,000	-	-	N/A	(3,500)	(3,500)	814
	N/A	N/A	N/A	33,563	33,563	40,063	39,063	37,063	37,063	N/A	33,563	33,563	37,063
Total allowance	\$ N/A	\$ N/A	\$ N/A	\$ 40,276	\$ 40,788	\$ 46,298	\$ 46,078	\$ 41,715	\$ 40,269	\$ N/A	\$ 40,788	\$ 40,276	\$ 41,715
Total provision	\$ N/A	\$ N/A	\$ N/A	\$ 3,434	\$ (4,257)	\$ 2,420	\$ 5,919	\$ 2,400	\$ 1,336	\$ N/A	\$ 4,082	\$ 7,516	\$ 7,890

## Provision for Credit Losses and Net Write-Offs as a Percent of Gross Loans on an Annualized Basis - Under IFRS 9

(000s, except %)	2018		2018		2018		2018	
	Q3		Q2		Q1		YTD	
	Amount	% of Gross Loans	Amount	% of Gross Loans	Amount	% of Gross Loans	Amount	% of Gross Loans
<b>Provision</b>								
Single-family residential mortgages	\$ 1,392	0.04%	\$ 167	0.01%	\$ 4,931	0.16%	\$ 6,490	0.07%
Commercial mortgages <sup>1</sup>	1,882	0.36%	4,669	0.95%	(281)	(0.06)%	6,270	0.40%
Credit card loans and lines of credit	462	0.48%	777	0.84%	94	0.11%	1,333	0.46%
Other consumer retail loans	254	0.29%	874	1.01%	1,224	1.40%	2,352	0.91%
<b>Total provision</b>	<b>\$ 3,990</b>	<b>0.10%</b>	<b>\$ 6,487</b>	<b>0.17%</b>	<b>\$ 5,968</b>	<b>0.16%</b>	<b>\$ 16,445</b>	<b>0.14%</b>
<b>Net Write-Offs</b>								
Single-family residential mortgages	\$ 109	0.00%	\$ 1,012	0.03%	\$ 445	0.01%	\$ 1,566	0.02%
Commercial mortgages <sup>1</sup>	-	-	2	0.00%	(29)	(0.01)%	(27)	(0.00)%
Credit card loans and lines of credit	554	0.58%	671	0.73%	553	0.62%	1,778	0.62%
Other consumer retail loans	164	0.19%	136	0.16%	135	0.15%	435	0.17%
<b>Net write-offs</b>	<b>\$ 827</b>	<b>0.02%</b>	<b>\$ 1,821</b>	<b>0.05%</b>	<b>\$ 1,104</b>	<b>0.03%</b>	<b>\$ 3,752</b>	<b>0.03%</b>

<sup>1</sup> Commercial mortgages included both non-residential and residential commercial mortgages. Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

## Provision for Credit Losses and Net Write-Offs as a Percent of Gross Loans on an Annualized Basis - Under IAS 39

(000s, except %)	2018		2018		2018		2017		2017		2017		2017		2016		2016	
	Q3		Q2		Q1		Q4		Q3		Q2		Q1		Q4		Q3	
	Amount	% of Gross Loans <sup>1</sup>	Amount	% of Gross Loans <sup>1</sup>	Amount	% of Gross Loans <sup>1</sup>	Amount	% of Gross Loans <sup>1</sup>	Amount	% of Gross Loans <sup>1</sup>	Amount	% of Gross Loans <sup>1</sup>	Amount	% of Gross Loans <sup>1</sup>	Amount	% of Gross Loans <sup>1</sup>	Amount	% of Gross Loans <sup>1</sup>
<b>Provision<sup>2</sup></b>																		
Single-family residential mortgages	\$ N/A	N/A	\$ N/A	N/A	\$ N/A	N/A	\$ 266	0.01%	\$ 1,165	0.04%	\$ 329	0.01%	\$ 131	0.00%	\$ 1,029	0.03%	\$ 1,006	0.03%
Residential commercial mortgages <sup>3</sup>	N/A	N/A	N/A	N/A	N/A	N/A	(9)	(0.03)%	6	0.02%	(2)	(0.00)%	21	0.03%	2	0.00%	(128)	(0.19)%
Non-residential commercial mortgages	N/A	N/A	N/A	N/A	N/A	N/A	2,584	0.99%	202	0.08%	341	0.07%	69	0.01%	45	0.01%	(37)	(0.01)%
Credit card loans and lines of credit	N/A	N/A	N/A	N/A	N/A	N/A	485	0.55%	756	0.83%	773	0.80%	3,373	3.49%	1,164	1.26%	280	0.30%
Other consumer retail loans	N/A	N/A	N/A	N/A	N/A	N/A	108	0.12%	114	0.13%	(21)	(0.02)%	325	0.33%	160	0.17%	215	0.24%
Securitized single-family residential mortgages	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-	-	-	-	-	-	-	-	-	-
Securitized multi-unit residential mortgages	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total individual provision</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>3,434</b>	<b>0.09%</b>	<b>2,243</b>	<b>0.06%</b>	<b>1,420</b>	<b>0.03%</b>	<b>3,919</b>	<b>0.08%</b>	<b>2,400</b>	<b>0.05%</b>	<b>1,336</b>	<b>0.03%</b>
Total collective provision	N/A	N/A	N/A	N/A	N/A	N/A	-	-	(6,500)	(0.17)%	1,000	0.02%	2,000	0.04%	-	-	-	-
<b>Total provision</b>	<b>\$ N/A</b>	<b>N/A</b>	<b>\$ N/A</b>	<b>N/A</b>	<b>\$ N/A</b>	<b>N/A</b>	<b>\$ 3,434</b>	<b>0.09%</b>	<b>\$ (4,257)</b>	<b>(0.11)%</b>	<b>\$ 2,420</b>	<b>0.05%</b>	<b>\$ 5,919</b>	<b>0.13%</b>	<b>\$ 2,400</b>	<b>0.05%</b>	<b>\$ 1,336</b>	<b>0.03%</b>
<b>Net Write-Offs<sup>2</sup></b>																		
Single-family residential mortgages	\$ N/A	N/A	\$ N/A	N/A	\$ N/A	N/A	\$ 489	0.02%	\$ 506	0.02%	\$ 1,272	0.04%	\$ 200	0.01%	\$ 440	0.01%	\$ 664	0.02%
Residential commercial mortgages <sup>3</sup>	N/A	N/A	N/A	N/A	N/A	N/A	17	0.06%	4	0.02%	(5)	(0.01)%	-	-	2	0.00%	-	-
Non-residential commercial mortgages	N/A	N/A	N/A	N/A	N/A	N/A	14	0.01%	33	0.01%	48	0.01%	1	0.00%	(5)	(0.00)%	100	0.02%
Credit card loans and lines of credit	N/A	N/A	N/A	N/A	N/A	N/A	3,288	3.74%	637	0.70%	652	0.68%	1,133	1.17%	469	0.51%	397	0.42%
Other consumer retail loans	N/A	N/A	N/A	N/A	N/A	N/A	138	0.15%	73	0.08%	233	0.22%	222	0.23%	48	0.05%	77	0.09%
Securitized single-family residential mortgages	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-	-	-	-	-	-	-	-	-	-
Securitized multi-unit residential mortgages	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net write-offs</b>	<b>\$ N/A</b>	<b>N/A</b>	<b>\$ N/A</b>	<b>N/A</b>	<b>\$ N/A</b>	<b>N/A</b>	<b>\$ 3,946</b>	<b>0.11%</b>	<b>\$ 1,253</b>	<b>0.03%</b>	<b>\$ 2,200</b>	<b>0.05%</b>	<b>\$ 1,556</b>	<b>0.03%</b>	<b>\$ 954</b>	<b>0.02%</b>	<b>\$ 1,238</b>	<b>0.03%</b>

<sup>1</sup> Gross loans used in the calculation of total Company ratio includes securitized on-balance sheet loans.

<sup>2</sup> There were no individual provisions, allowances or net write-offs on securitized mortgages.

<sup>3</sup> Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

## Provision for Credit Losses and Net Write-Offs as a Percent of Gross Loans on an Annualized Basis - Under IAS 39 (continued)

(000s, except %)	2018		2017		2017		2016	
	YTD		YTD		Fiscal		Fiscal	
	% of Gross Loans <sup>1</sup>		% of Gross Loans <sup>1</sup>		% of Gross Loans <sup>1</sup>		% of Gross Loans <sup>1</sup>	
	Amount	Loans <sup>1</sup>	Amount	Loans <sup>1</sup>	Amount	Loans <sup>1</sup>	Amount	Loans <sup>1</sup>
<b>Provision<sup>2</sup></b>								
Single-family residential mortgages	\$	N/A	\$ 1,625	0.02%	\$ 1,891	0.02%	\$ 3,917	0.03%
Residential commercial mortgages <sup>3</sup>		N/A	25	0.03%	16	0.01%	2	0.00%
Non-residential commercial mortgages		N/A	612	0.08%	3,196	0.31%	246	0.01%
Credit card loans and lines of credit		N/A	4,902	1.79%	5,387	1.53%	2,379	0.64%
Other consumer retail loans		N/A	418	0.15%	526	0.15%	532	0.14%
Securitized single-family residential mortgages		N/A	-	-	-	-	-	-
Securitized multi-unit residential mortgages		N/A	-	-	-	-	-	-
<b>Total individual provision</b>		N/A	7,582	0.07%	11,016	0.07%	7,076	0.04%
<b>Total collective provision</b>		N/A	(3,500)	(0.03)%	(3,500)	(0.02)%	814	-
<b>Total provision</b>	\$	N/A	\$ 4,082	0.04%	\$ 7,516	0.05%	\$ 7,890	0.04%
<b>Net Write-Offs<sup>2</sup></b>								
Single-family residential mortgages	\$	N/A	\$ 1,978	0.03%	\$ 2,467	0.02%	\$ 3,087	0.02%
Residential commercial mortgages <sup>3</sup>		N/A	(1)	(0.00)%	16	0.01%	2	0.00%
Non-residential commercial mortgages		N/A	82	0.01%	96	0.01%	515	0.03%
Credit card loans and lines of credit		N/A	2,422	0.88%	5,710	1.62%	1,928	0.52%
Other consumer retail loans		N/A	528	0.19%	666	0.18%	275	0.07%
Securitized single-family residential mortgages		N/A	-	-	-	-	-	-
Securitized multi-unit residential mortgages		N/A	-	-	-	-	-	-
<b>Net write-offs</b>	\$	N/A	\$ 5,009	0.04%	\$ 8,955	0.06%	\$ 5,807	0.03%

<sup>1</sup> Gross loans used in the calculation of total Company ratio includes securitized on-balance sheet loans.

<sup>2</sup> There were no specific provisions, allowances or net write-offs on securitized mortgages.

<sup>3</sup> Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.



## Past Due Loans that are not Impaired - Under IAS 39

(000s)	1 to 30 Days		31 to 60 Days		61 to 90 Days		Over 90 Days		Total	
	Q3 2018	Q4 2017	Q3 2018	Q4 2017	Q3 2018	Q4 2017	Q3 2018	Q4 2017	Q3 2018	Q4 2017
Securitized single-family residential mortgages <sup>1</sup>	\$ N/A	\$ 7,826	\$ N/A	\$ 824	\$ N/A	\$ 172	\$ N/A	\$ -	\$ N/A	\$ 8,822
Securitized multi-unit residential mortgages	N/A	-	N/A	-	N/A	-	N/A	-	N/A	-
Single-family residential mortgages	N/A	130,553	N/A	27,561	N/A	5,932	N/A	3,138	N/A	167,184
Residential commercial mortgages <sup>2</sup>	N/A	833	N/A	-	N/A	823	N/A	-	N/A	1,656
Non-residential commercial mortgages	N/A	9,812	N/A	2,023	N/A	-	N/A	-	N/A	11,835
Credit card loans and lines of credit	N/A	2,361	N/A	1,051	N/A	883	N/A	253	N/A	4,548
Other consumer retail loans	N/A	236	N/A	40	N/A	119	N/A	-	N/A	395
	\$ N/A	\$ 151,621	\$ N/A	\$ 31,499	\$ N/A	\$ 7,929	\$ N/A	\$ 3,391	\$ N/A	\$ 194,440

<sup>1</sup> Securitized single-family residential mortgages include both CMHC-sponsored securitized insured mortgages and bank-sponsored securitization conduit uninsured mortgages.

<sup>2</sup> Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

## Credit Risk: Mortgage Portfolio On Balance Sheet

<i>(000s, except %)</i>	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2018 YTD	2017 YTD	2017 Fiscal	2016 Fiscal
Total mortgage portfolio balance (gross of allowance for credit losses)	\$ 15,247,606	\$ 14,725,286	\$ 14,442,420	\$ 14,190,461	\$ 14,667,971	\$ 16,851,688	\$ 17,757,063	\$ 17,210,830	\$ 17,194,157	\$ 15,247,606	\$ 14,667,971	\$ 14,190,461	\$ 17,210,837
Percentage of residential mortgages	90.9%	91.4%	91.9%	92.6%	93.0%	88.2%	87.9%	88.6%	89.2%	90.9%	93.0%	92.6%	88.6%
Percentage of non-residential mortgages	9.1%	8.6%	8.1%	7.4%	7.0%	11.8%	12.1%	11.4%	10.8%	9.1%	7.0%	7.4%	11.4%
Percentage of mortgage portfolio insured <sup>1</sup>	23.4%	23.7%	23.9%	24.0%	23.1%	20.2%	18.8%	20.0%	21.1%	23.4%	23.1%	24.0%	20.0%
Percentage of mortgages current	98.6%	98.6%	98.9%	99.4%	98.6%	98.5%	98.9%	98.5%	98.4%	98.6%	98.6%	99.4%	98.5%
Percentage of total mortgages 90 days or more past due	0.38%	0.33%	0.29%	0.27%	0.32%	0.23%	0.27%	0.34%	0.33%	0.38%	0.32%	0.27%	0.34%

<sup>1</sup> Insured loans are loans insured against default by CMHC or another approved insurer either individually at origination or by portfolio.

## Single-Family Residential Loans by Province (gross of allowance for credit losses)

(000s, except %)										As at September 30, 2018
		Insured Residential Mortgages <sup>1</sup>	Percentage of Total for Province		Uninsured Residential Mortgages	Percentage of Total for Province	Equityline Visa <sup>2</sup>	Percentage of Total for Province		Total
British Columbia	\$	254,352	26.1%	\$	715,908	73.3%	5,733	0.6%	\$	975,993
Alberta		510,275	66.0%		254,051	32.8%	8,932	1.2%		773,258
Ontario		1,815,341	16.8%		8,700,870	80.3%	318,816	2.9%		10,835,027
Quebec		127,788	34.4%		242,816	65.3%	1,082	0.3%		371,686
Other		339,003	63.6%		191,509	36.0%	2,257	0.4%		532,769
	\$	3,046,759	22.6%	\$	10,105,154	74.9%	336,820	2.5%	\$	13,488,733

(000s, except %)										As at June 30, 2018
		Insured Residential Mortgages <sup>1</sup>	Percentage of Total for Province		Uninsured Residential Mortgages	Percentage of Total for Province	Equityline Visa <sup>2</sup>	Percentage of Total for Province		Total
British Columbia	\$	259,997	29.6%	\$	616,065	70.0%	3,872	0.4%	\$	879,934
Alberta		474,334	65.5%		241,104	33.3%	8,733	1.2%		724,171
Ontario		1,796,734	16.9%		8,544,835	80.2%	306,460	2.9%		10,648,029
Quebec		125,907	35.9%		223,666	63.8%	1,044	0.3%		350,617
Other		305,484	63.6%		173,178	36.0%	2,009	0.4%		480,671
	\$	2,962,456	22.6%	\$	9,798,848	74.9%	322,118	2.5%	\$	13,083,422

(000s, except %)										As at December 31, 2017
		Insured Residential Mortgages <sup>1</sup>	Percentage of Total for Province		Uninsured Residential Mortgages	Percentage of Total for Province	Equityline Visa <sup>2</sup>	Percentage of Total for Province		Total
British Columbia	\$	255,452	33.8%	\$	498,570	65.9%	2,390	0.3%	\$	756,412
Alberta		387,436	59.2%		257,339	39.4%	9,057	1.4%		653,832
Ontario		1,834,007	17.2%		8,520,469	80.0%	294,622	2.8%		10,649,098
Quebec		113,804	33.7%		222,702	66.0%	1,058	0.3%		337,564
Other		242,158	63.0%		140,522	36.5%	1,803	0.5%		384,483
	\$	2,832,857	22.2%	\$	9,639,602	75.4%	308,930	2.4%	\$	12,781,389

<sup>1</sup> See definition of insured loans under the Glossary of this Supplemental Financial Information Package.

<sup>2</sup> Equityline Visa is an uninsured product.

**Insured and Uninsured Single-Family Residential Mortgages by Effective Remaining Amortization Period (gross of allowance for credit losses)**

(000s, except %)							As at September 30, 2018	
	≤ 20	>20 and ≤ 25	>25 and ≤ 30	>30 and ≤ 35	> 35			
	Years	Years	Years	Years	Years	Total		
Balance outstanding	\$ 1,256,949	\$ 2,631,066	\$ 9,247,809	\$ 14,838	\$ 1,251	\$ 13,151,913		
Percentage of total	9.6%	20.0%	70.3%	0.1%	0.0%	100.0%		

  

(000s, except %)							As at June 30, 2018	
	≤ 20	>20 and ≤ 25	>25 and ≤ 30	>30 and ≤ 35	> 35			
	Years	Years	Years	Years	Years	Total		
Balance outstanding	\$ 1,122,755	\$ 2,564,954	\$ 9,052,776	\$ 19,567	\$ 1,252	\$ 12,761,304		
Percentage of total	8.8%	20.1%	70.9%	0.2%	0.0%	100.0%		

  

(000s, except %)							As at December 31, 2017	
	≤ 20	>20 and ≤ 25	>25 and ≤ 30	>30 and ≤ 35	> 35			
	Years	Years	Years	Years	Years	Total		
Balance outstanding	\$ 882,444	\$ 2,460,171	\$ 9,092,962	\$ 35,597	\$ 1,285	\$ 12,472,459		
Percentage of total	7.1%	19.7%	72.9%	0.3%	0.0%	100.0%		

**Insured and Uninsured Single-Family Residential Mortgages by Contractual Remaining Amortization Period (gross of allowance for credit losses)**

(000s, except %)							As at September 30, 2018	
	≤ 20	>20 and ≤ 25	>25 and ≤ 30	>30 and ≤ 35	> 35			
	Years	Years	Years	Years	Years	Total		
Balance outstanding	\$ 860,381	\$ 2,468,274	\$ 9,806,726	\$ 14,864	\$ 1,668	\$ 13,151,913		
Percentage of total	6.5%	18.8%	74.6%	0.1%	0.0%	100.0%		

  

(000s, except %)							As at June 30, 2018	
	≤ 20	>20 and ≤ 25	>25 and ≤ 30	>30 and ≤ 35	> 35			
	Years	Years	Years	Years	Years	Total		
Balance outstanding	\$ 776,989	\$ 2,351,919	\$ 9,609,962	\$ 20,760	\$ 1,674	\$ 12,761,304		
Percentage of total	6.1%	18.4%	75.3%	0.2%	0.0%	100.0%		

  

(000s, except %)							As at December 31, 2017	
	≤ 20	>20 and ≤ 25	>25 and ≤ 30	>30 and ≤ 35	> 35			
	Years	Years	Years	Years	Years	Total		
Balance outstanding	\$ 585,444	\$ 2,232,885	\$ 9,618,516	\$ 33,950	\$ 1,664	\$ 12,472,459		
Percentage of total	4.7%	17.9%	77.1%	0.3%	0.0%	100.0%		

## Weighted-Average Loan-to-Value Ratios for Uninsured Single-Family Residential Mortgages Originated During the Quarter

For the three months ended

	September 30 2018		June 30 2018		September 30 2017	
	Uninsured Residential Mortgages <sup>1</sup>	Equityline /Visa <sup>1</sup>	Uninsured Residential Mortgages <sup>1</sup>	Equityline /Visa <sup>1</sup>	Uninsured Residential Mortgages <sup>1</sup>	Equityline /Visa <sup>1</sup>
	LTV	LTV	LTV	LTV	LTV	LTV
British Columbia	64.2%	61.5%	62.5%	55.9%	65.1%	42.3%
Alberta	69.4%	60.9%	70.8%	61.8%	64.1%	N/A
Ontario	70.0%	62.1%	69.3%	59.6%	69.2%	55.2%
Quebec	69.7%	66.4%	72.6%	74.2%	72.8%	N/A
Other	71.1%	69.1%	69.7%	61.6%	70.9%	N/A
<b>Total</b>	<b>69.2%</b>	<b>62.1%</b>	<b>68.5%</b>	<b>59.5%</b>	<b>68.9%</b>	<b>54.8%</b>

<sup>1</sup> Weighted-average LTV is calculated by dividing the sum of the products of LTVs and loan balances by the sum of the loan balances. LTV's are calculated using appraised property values at the time of origination. N/A indicates not applicable as there were no originations during the quarter for the particular province.

## Weighted-Average Loan-to-Value Ratios for Uninsured Residential Mortgages

	As at			As at		
	September 30			June 30		
	2018			2018		
	Weighted-Average Current LTV <sup>1</sup>	Percentage of Total Value of Outstanding Mortgages with Current LTV less than or Equal to		Weighted-Average Current LTV <sup>1</sup>	Percentage of Total Value of Outstanding Mortgages with Current LTV less than or Equal to	
		75%	65%		75%	65%
British Columbia	54.5%	97.8%	78.3%	52.9%	98.7%	82.6%
Alberta	64.2%	83.4%	49.8%	64.2%	82.9%	50.6%
Ontario	59.4%	84.7%	60.8%	59.5%	85.4%	61.7%
Quebec	61.0%	89.7%	62.2%	61.0%	91.2%	62.3%
Other	64.4%	78.1%	44.5%	63.6%	81.3%	47.8%
<b>Total</b>	<b>59.3%</b>	<b>85.6%</b>	<b>61.5%</b>	<b>59.3%</b>	<b>86.2%</b>	<b>62.5%</b>

<sup>1</sup> Weighted-average LTV is calculated by dividing the sum of the products of LTVs and loan balances by the sum of the loan balances.

## Basel III Regulatory Capital (Based only on Home Trust Company consolidated financial position)

(000s, except %)	2018	2018	2018	2017	2017	2017	2017	2016	2016	2018	2017	2017	2016
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	YTD	YTD	Fiscal	Fiscal
<b>All in Basis</b>													
Common Equity Tier 1 capital (CET 1)													
Capital stock	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497
Contributed surplus	951	951	951	951	951	951	951	951	951	951	951	951	951
Retained earnings	1,701,477	1,668,456	1,638,245	1,604,357	1,572,711	1,541,070	1,645,623	1,604,758	1,578,567	1,701,477	1,572,711	1,604,357	1,604,758
Accumulated other comprehensive loss	(4,718)	(5,566)	(4,416)	(5,897)	(7,210)	(8,190)	(42,833)	(55,040)	(63,362)	(4,718)	(7,210)	(5,897)	(55,040)
Cash flow hedge reserves	1,199	1,646	1,224	1,189	1,399	1,269	1,304	1,476	371	1,199	1,399	1,189	1,476
Regulatory deductions from CET 1 <sup>1</sup>	(101,687)	(107,031)	(113,103)	(125,768)	(141,925)	(153,043)	(158,747)	(160,917)	(164,083)	(101,687)	(141,925)	(125,768)	(160,917)
<b>Total CET 1 capital</b>	<b>1,635,719</b>	<b>1,596,953</b>	<b>1,561,398</b>	<b>1,513,329</b>	<b>1,464,423</b>	<b>1,420,554</b>	<b>1,484,795</b>	<b>1,429,725</b>	<b>1,390,941</b>	<b>1,635,719</b>	<b>1,464,423</b>	<b>1,513,329</b>	<b>1,429,725</b>
Additional Tier 1 capital	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Tier 1 capital</b>	<b>1,635,719</b>	<b>1,596,953</b>	<b>1,561,398</b>	<b>1,513,329</b>	<b>1,464,423</b>	<b>1,420,554</b>	<b>1,484,795</b>	<b>1,429,725</b>	<b>1,390,941</b>	<b>1,635,719</b>	<b>1,464,423</b>	<b>1,513,329</b>	<b>1,429,725</b>
Tier 2 capital													
Allowance for credit losses <sup>2</sup>	33,113	31,475	31,346	33,563	33,563	40,063	39,063	37,063	37,063	33,113	33,563	33,563	37,063
Subordinated debentures	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Tier 2 capital</b>	<b>33,113</b>	<b>31,475</b>	<b>31,346</b>	<b>33,563</b>	<b>33,563</b>	<b>40,063</b>	<b>39,063</b>	<b>37,063</b>	<b>37,063</b>	<b>33,113</b>	<b>33,563</b>	<b>33,563</b>	<b>37,063</b>
<b>Total regulatory capital</b>	<b>\$ 1,668,832</b>	<b>\$ 1,628,428</b>	<b>\$ 1,592,744</b>	<b>\$ 1,546,892</b>	<b>\$ 1,497,986</b>	<b>\$ 1,460,617</b>	<b>\$ 1,523,858</b>	<b>\$ 1,466,788</b>	<b>\$ 1,428,004</b>	<b>\$ 1,668,832</b>	<b>\$ 1,497,986</b>	<b>\$ 1,546,892</b>	<b>\$ 1,466,788</b>
Risk-weighted assets for													
Credit risk	\$ 6,162,092	\$ 5,988,000	\$ 5,684,769	\$ 5,590,092	\$ 5,927,838	\$ 7,348,049	\$ 8,028,436	\$ 7,592,379	\$ 7,372,710	\$ 6,162,092	\$ 5,927,838	\$ 5,590,092	\$ 7,592,379
Operational risk	867,750	891,863	919,975	942,038	963,100	979,975	1,058,450	1,050,888	1,042,250	867,750	963,100	942,038	1,050,888
<b>Total risk-weighted assets</b>	<b>\$ 7,029,842</b>	<b>\$ 6,879,863</b>	<b>\$ 6,604,744</b>	<b>\$ 6,532,130</b>	<b>\$ 6,890,938</b>	<b>\$ 8,328,024</b>	<b>\$ 9,086,886</b>	<b>\$ 8,643,267</b>	<b>\$ 8,414,960</b>	<b>\$ 7,029,842</b>	<b>\$ 6,890,938</b>	<b>\$ 6,532,130</b>	<b>\$ 8,643,267</b>
Regulatory capital to risk-weighted assets													
CET 1 ratio	23.27%	23.21%	23.64%	23.17%	21.25%	17.06%	16.34%	16.55%	16.54%	23.27%	21.25%	23.17%	16.55%
Tier 1 capital ratio	23.27%	23.21%	23.64%	23.17%	21.25%	17.06%	16.34%	16.54%	16.53%	23.27%	21.25%	23.17%	16.54%
<b>Total regulatory capital ratio</b>	<b>23.74%</b>	<b>23.67%</b>	<b>24.12%</b>	<b>23.68%</b>	<b>21.74%</b>	<b>17.54%</b>	<b>16.77%</b>	<b>16.97%</b>	<b>16.97%</b>	<b>23.74%</b>	<b>21.74%</b>	<b>23.68%</b>	<b>16.97%</b>
National regulatory minimum													
CET 1 ratio	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Tier 1 capital ratio	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%
Total regulatory capital ratio	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
Leverage ratio	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Risk-weighted assets as a percentage of total assets	39.7%	38.7%	38.2%	37.6%	37.0%	42.0%	43.4%	42.3%	41.6%	39.7%	37.0%	37.6%	42.3%
<b>Leverage Ratio</b>	<b>9.20%</b>	<b>8.96%</b>	<b>9.02%</b>	<b>8.70%</b>	<b>7.89%</b>	<b>7.19%</b>	<b>7.29%</b>	<b>7.20%</b>	<b>7.08%</b>	<b>9.20%</b>	<b>7.89%</b>	<b>8.70%</b>	<b>7.20%</b>

<sup>1</sup> Regulatory deductions include intangible assets, net of deferred taxes, unrealized mortgage securitization gains, net of deferred taxes and deferred tax assets related to loss carryforwards from Home Bank.

<sup>2</sup> The Company is allowed to include its eligible allowances for credit losses up to a prescribed percentage of 1.25% of total credit risk-weighted assets, inclusive of total CVA before transitional phase-in adjustments, in Tier 2 capital.

## Non-GAAP Measures

The Company uses a number of financial measures to assess its performance. Some of these measures are not calculated in accordance with GAAP, are not defined by GAAP, and do not have standardized meanings that would ensure consistency and comparability between companies using these measures. The non-GAAP measures used are defined as follows:

### Allowance as a Percentage of Gross Loans

Allowance as a percentage of gross loans is calculated as the total allowance divided by the gross on-balance sheet loans outstanding, which includes all on-balance sheet loans, except for loans held for sale.

### Common Equity Tier 1, Tier 1 and Total Capital Ratios

The capital ratios provided are those of the Company's wholly owned subsidiary Home Trust Company. The calculations are in accordance with guidelines issued by OSFI.

### Dividend Payout Ratio

Dividend payout ratio is a measure of the proportion of a Company's earnings that is paid to shareholders in the form of dividends. The Company calculates its dividend payout ratio as the amount of dividends per share as a percentage of diluted earnings per share.

### Efficiency Ratio

Management uses the efficiency ratio as a measure of the Company's efficiency in generating revenue. This ratio represents non-interest expenses as a percentage of total revenue, net of interest expense. The Company also looks at the same ratio on a taxable equivalent basis and will include this adjustment in arriving at the efficiency ratio, on a taxable equivalent basis. A lower ratio indicates better efficiency.

### Leverage Ratio

The leverage ratio provided is that of the Company's wholly owned subsidiary Home Trust Company. The calculations are in accordance with guidelines issued by OSFI. The leverage ratio is defined as the Capital Measure divided by the Exposure Measure, with the ratio expressed as a percentage. The Capital Measure is the all-in Tier 1 capital of Home Trust Company. The Exposure Measure consists of on-balance sheet assets, derivatives, securities financing transactions and off-balance sheet exposures.

### Liquid Assets

Liquid assets are unencumbered high quality assets for which there is a broad and active secondary market available to the Company to sell these assets without incurring a substantial discount. Liquid assets are a dependable source of cash used by the Company when it experiences short-term funding shortfalls.

### Market Capitalization

Market capitalization is calculated as the closing price of the Company's common shares multiplied by the number of common shares of the Company outstanding.

### Net Interest Margin (Non-TEB)

Net interest margin is a measure of profitability of assets. Net interest margin is calculated by taking net interest income divided by average total assets.

### Net Interest Margin (TEB)

Net interest margin is a measure of profitability of assets. Net interest margin (TEB) is calculated by taking net interest income, on a taxable equivalent basis, divided by average total assets.

### Net Non-Performing Loans as a Percentage of Gross Loans (NPL Ratio)

The NPL ratio is calculated as the total net non-performing loans divided by the gross on-balance sheet loans, which includes all on-balance sheet loans, except for loans held for sale.

### Provision as a Percentage of Gross Loans (PCL Ratio)

The PCL ratio is calculated as the total provision expense divided by the gross on-balance sheet loans outstanding, which includes all on-balance sheet loans, except for loans held for sale.

### Provision as a Percentage of Gross Uninsured Loans

The provision as a percentage of gross uninsured loans ratio is calculated as the total provision expense divided by the gross on-balance sheet uninsured loans outstanding.

### Return on Assets (ROA)

Return on assets is a profitability measure that presents the annualized net income as a percentage of the average total assets for the period.

### Return on Shareholders' Equity (ROE)

ROE calculated on an annualized basis and is defined as net income available to common shareholders as a percentage of average common shareholders' equity.

### Risk-Weighted Assets (RWA)

The risk-weighted assets reported are those of the Company's wholly owned subsidiary Home Trust Company. The calculations are in accordance with guidelines issued by OSFI.

### Taxable Equivalent Basis (TEB)

Most banks and trust companies analyze and discuss their financial results on a taxable equivalent basis (TEB) to provide uniform measurement and comparison of net interest income. Net interest income (as presented in the consolidated statements of income (loss)) includes tax-exempt income principally from preferred and common equity securities. The adjustment to TEB increases income and the provision for income taxes to what they would have been had the income from tax-exempt securities been taxed at the statutory tax rate.

### Total Assets under Administration (AUA)

Total assets under administration refers to all on-balance sheet assets plus all off-balance sheet loans that qualify for derecognition under IFRS.

### Total Loans under Administration (LUA)

Total loans under administration refers to all on-balance sheet loans plus all off-balance sheet loans that qualify for derecognition under IFRS.

### Total Revenue

Total revenue is a measure of the revenues, net of interest expense, earned by the Company before non-interest expenses, provision for credit losses and income taxes. Total revenue is the sum of interest and dividend income, net of interest expense, and non-interest income.



## Glossary of Terms

**Assets or Loans under Administration** refer to assets or loans administered by a financial institution that are beneficially owned by clients and therefore not reported on the balance sheet of the administering financial institution, plus all assets or loans beneficially owned by the Company and carried on the balance sheets.

**Average Earning Assets** represents the monthly average balance of deposits with other banks and loans and securities over a relevant period.

**Basis Point** is one-hundredth of a percentage point.

**Canada Deposit Insurance Corporation (CDIC)** is a Canadian federal Crown corporation created to protect qualifying deposits made with member financial institutions in case of their failure.

**Derivatives** are a contract between two parties, which requires little or no initial investment and where payments between the parties are dependent upon the movements in price of an underlying instrument, index or financial rate. Examples of derivatives include swaps, options, forward rate agreements and futures. The notional amount of the derivative is the contract amount used as a reference point to calculate the payments to be exchanged between the two parties, and the notional amount itself is generally not exchanged by the parties.

**Forwards** used by the Company are contractual agreements to either buy or sell a specified amount of an interest-rate-sensitive financial instrument or security at a specific price and date in the future. Forwards are customized contracts transacted in the over-the-counter market.

**Hedging** is a risk management technique used by the Company to neutralize, manage or offset interest rate, equity, or credit exposures arising from normal banking activities.

**Impaired or Non-performing Loans** are loans for which there is no longer reasonable assurance of the timely collection of principal or interest. The Company considers its non-performing loans to be those determined as Stage 3 under IFRS 9. Please see Note 2 in the unaudited interim consolidated financial statements included in the 2018 Third Quarter Report for more information.

**Insured Loans** are loans insured against default by CMHC or another approved insurer either individually at origination or by portfolio. The Company's insured lending includes single-family homes and multi-unit residential properties.

**Net Interest Income** comprises earnings on assets, such as loans and securities, including interest and dividend income, less interest expense paid on liabilities, such as deposits.

**Notional Amount** refers to the principal used to calculate interest and other payments under derivative contracts. The principal does not change hands under the terms of a derivative contract.

**Office of the Superintendent of Financial Institutions Canada (OSFI)** is the government agency responsible for regulation and supervision of banks, insurance companies, trust companies, loan companies and pension plans in Canada.

**Securitization** is the practice of selling pools of contractual debts, such as residential or commercial mortgages, to third parties.

**Swaps** are contractual agreements between two parties to exchange a series of cash flows. The Company uses interest rate swaps and total return swaps. An interest rate swap is an agreement where counterparties generally exchange fixed-rate and floating-rate interest payments based on a notional value in a single currency. A total return swap is an agreement in which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of an underlying asset, which includes both the income it generates and any capital gains.

## Acronyms

- ALCO** – Asset/Liability Committee
- AOCI** – Accumulated Other Comprehensive Income
- CDIC** – Canada Deposit Insurance Corporation
- CMB** – Canada Mortgage Bond
- CMHC** – Canada Mortgage and Housing Corporation
- COSO** – Committee of Sponsoring Organizations of the Treadway Commission
- CVA** - Credit Valuation Adjustment
- ERM** – Enterprise Risk Management
- GAAP** – Generally Accepted Accounting Principles
- GIC** – Guaranteed Investment Certificate
- HELOC** – Home Equity Line of Credit
- IASB** – International Accounting Standards Board
- IFRS** – International Financial Reporting Standards
- LTV** – Loan to Value (ratio expressed as a percentage)
- MBS** – Mortgage-Backed Security
- MD&A** – Management’s Discussion and Analysis
- N/A** – Not applicable for the respective period
- NCCF** – Net Cumulative Cash Flow
- NHA** – National Housing Act
- OCI** – Other Comprehensive Income
- OSFI** – Office of the Superintendent of Financial Institutions Canada
- TEB** – Taxable Equivalent Basis