

## BMO Covered Bond Program Monthly Investor Report

**Calculation Date:** 30-Jun-14  
**Date of Report:** 17-Jul-14

This report contains information regarding BMO Covered Bond Program's Cover Pool as of the indicated Calculation Date. The composition of the Cover Pool will change as Mortgage Loans are added and removed from the Cover Pool from time to time and, accordingly, the characteristics and performance of the Mortgage Loans in the Cover Pool will vary over time.

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### Program Information

<u>Series</u>	<u>Initial Principal Amount</u>	<u>C\$ Equivalent</u>	<u>Maturity Date</u>	<u>Coupon Rate</u>	<u>Rate Type</u>
CB2	US\$ 2,000,000,000	\$2,077,200,000	June 9, 2015	2.850%	Fixed
CB3	US\$ 1,500,000,000	\$1,488,900,000	January 25, 2016	2.625%	Fixed
CB4	US\$ 2,000,000,000	\$2,020,600,000	October 31, 2014	1.300%	Fixed
CB5	US\$ 2,000,000,000	\$2,017,000,000	January 30, 2017	1.950%	Fixed

### Parties

Issuer	Bank of Montreal
Security and Covered Bond Trustee	Computershare Trust Company of Canada
Guarantor	BMO Covered Bond Trust

<u>Bank of Montreal Credit Ratings</u>	<u>Moody's</u>	<u>Fitch Ratings</u>	<u>DBRS</u>	<u>Standard &amp; Poor</u>
BMO Financial Group - Senior Debt	Aa3	AA-	AA	A+
- Short-Term	P-1	F1+	R-1(High)	A-1
Ratings Outlook	Negative <sup>(1)</sup>	Stable	Stable	Stable

<sup>(1)</sup> On June 11, 2014, Moody's changed its outlook for long-term ratings from stable to negative for the seven largest Canadian banks, including Bank of Montreal.

BMO Covered Bond - Series CB2	Aaa	AAA	AAA
BMO Covered Bond - Series CB3	Aaa	AAA	AAA
BMO Covered Bond - Series CB4	Aaa	AAA	AAA
BMO Covered Bond - Series CB5	Aaa	AAA	AAA

### Events of Defaults & Test Compliance

BMO Event of Default?	No
Trust Event of Default?	No

### Supplementary Information

<u>Series</u>	<u>Swap Provider</u>	<u>Translation Rate</u>
CB2	Bank of Montreal	1.03860 C\$/US\$
CB3	Bank of Montreal	0.9926 C\$/US\$
CB4	Bank of Montreal	1.0103 C\$/US\$
CB5	Bank of Montreal	1.0085 C\$/US\$

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### Asset Coverage Test (C\$)

**Outstanding Covered Bonds** \$ **7,603,700,000**

A = Lesser of (i) LTV adjusted outstanding principal balance and (ii) Asset percentage adjusted outstanding principal balance

\$ 8,458,495,375

B = Principal collections not applied

-

C = Proceeds of Intercompany Loan not applied

-

D = Substitution Assets

-

E = The aggregate amount of the proceeds from any sale of Selected Loans standing to the credit of the GIC Account and recorded on the Pre-Maturity Liquidity Ledger

-

Z = Potential negative carry on funds held in GIC from sale of assets

119,103,395

**Total: A+B+C+D+E-Z** \$ **8,339,391,980**

Method for Calculating "A": A (ii)  
Asset Percentage 95.00%

**Asset Coverage Test Pass/Fail**

**Pass**

### Cover Pool - Summary Statistics

Current Balance \$ 8,903,680,983

Number of Mortgage Loans in Pool 49,390

Average Loan Size \$ 180,273

Number of Properties 49,390

Weighted Average Loan to Value (LTV) 64.96%

Weighted Average Rate 3.14%

Weighted Average Original Term 56.36 (Months)

Weighted Average Remaining Term 24.76 (Months)

Weighted Average Seasoning 31.60 (Months)

### Cover Pool - Demographic Distribution

Province	Number of Loans	Percentage	Principal Balance	Percentage
Alberta	6,340	12.84	\$ 1,338,146,322	15.03
British Columbia	6,437	13.03	1,487,195,993	16.70
Manitoba	918	1.86	127,153,573	1.43
New Brunswick	1,191	2.41	134,575,206	1.51
Newfoundland	1,582	3.20	212,079,658	2.38
Nova Scotia	1,737	3.52	242,216,933	2.72
Ontario	20,274	41.05	3,693,415,978	41.48
Prince Edward Island	342	0.69	40,483,970	0.45
Quebec	9,395	19.02	1,436,935,995	16.14
Saskatchewan	1,171	2.37	191,063,008	2.15
Yukon Territories	3	0.01	414,348	0.00
Northwest Territories	-	-	-	-
<b>Grand Total</b>	<b>49,390</b>	<b>100.00</b>	<b>\$ 8,903,680,983</b>	<b>100.00</b>

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### Cover Pool - Credit Score Distribution

Credit Score	Number of Loans	Percentage	Principal Balance	Percentage
<500 or Unavailable	495	1.00	\$ 64,977,896	0.73
500 - 519	78	0.16	11,590,537	0.13
520 - 539	116	0.23	17,683,488	0.20
540 - 559	154	0.31	26,857,418	0.30
560 - 579	277	0.56	51,511,040	0.58
580 - 599	494	1.00	85,742,018	0.96
600 - 619	686	1.39	122,879,900	1.38
620 - 639	1,139	2.31	205,044,670	2.30
640 - 659	1,650	3.34	306,588,207	3.44
660 - 679	2,195	4.44	430,369,552	4.83
680 - 699	3,140	6.36	633,407,372	7.11
700 - 719	4,071	8.24	807,163,721	9.07
720 - 739	5,356	10.84	1,034,572,569	11.62
740 - 759	6,732	13.63	1,284,899,547	14.43
760 - 779	7,531	15.25	1,368,116,871	15.37
780 - 799	7,246	14.67	1,202,440,370	13.50
> 799	8,030	16.26	1,249,835,809	14.04
<b>Grand Total</b>	<b>49,390</b>	<b>100.00</b>	<b>\$ 8,903,680,983</b>	<b>100.00</b>

### Cover Pool - Rate Type Distribution

Rate Type	Number of Loans	Percentage	Principal Balance	Percentage
Fixed	33,043	66.90	\$ 5,945,624,076	66.78
Variable	16,347	33.10	2,958,056,907	33.22
<b>Grand Total</b>	<b>49,390</b>	<b>100.00</b>	<b>\$ 8,903,680,983</b>	<b>100.00</b>

### Cover Pool - Occupancy Type Distribution

Occupancy Type	Number of Loans	Percentage	Principal Balance	Percentage
Owner Occupied	44,127	89.34	\$ 8,014,404,729	90.01
Non-Owner Occupied	5,263	10.66	889,276,254	9.99
<b>Grand Total</b>	<b>49,390</b>	<b>100.00</b>	<b>\$ 8,903,680,983</b>	<b>100.00</b>

### Cover Pool - Mortgage Rate Distribution

Mortgage Rate - %	Number of Loans	Percentage	Principal Balance	Percentage
<1.00	1	0.00	\$ 177,892	0.00
1.00 to 3.99	44,620	90.34	8,214,850,733	92.26
4.00 to 4.49	3,408	6.90	491,303,661	5.52
4.50 to 4.99	896	1.81	134,413,645	1.51
5.00 to 5.49	331	0.67	47,718,327	0.54
5.50 to 5.99	112	0.23	13,547,764	0.15
6.00 to 6.49	20	0.04	1,526,456	0.02
6.50 to 6.99	-	-	-	-
7.00 to 7.49	1	0.00	117,691	0.00
7.50 to 7.99	1	0.00	24,815	0.00
<b>Grand Total</b>	<b>49,390</b>	<b>100.00</b>	<b>\$ 8,903,680,983</b>	<b>100.00</b>

### Cover Pool - Loan to Value Distribution

Current LTV (%)	Number of Loans	Percentage	Principal Balance	Percentage
0 - 50.00	16,262	32.93	\$ 1,699,767,965	19.09
50.01-55.00	3,274	6.63	548,447,600	6.16
55.01-60.00	3,420	6.92	653,450,081	7.34
60.01-65.00	3,427	6.94	702,280,943	7.89
65.01-70.00	4,585	9.28	978,673,231	10.99
70.01-75.00	7,789	15.77	1,818,950,579	20.43
75.01-80.00	4,785	9.69	1,144,011,075	12.85
>80.00	5,848	11.84	1,358,099,510	15.25
<b>Grand Total</b>	<b>49,390</b>	<b>100.00</b>	<b>\$ 8,903,680,983</b>	<b>100.00</b>

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*Note:*  
 All mortgages originated before April 11, 2007 with LTV greater than 75% are insured and all mortgages originated after April 11, 2007 with LTV greater than 80% are insured as permitted by a change to the Bank Act (Canada).

### Cover Pool - Months to Maturity Distribution

<u>Months to Maturity</u>	<u>Number of Loans</u>	<u>Percentage</u>	<u>Principal Balance</u>	<u>Percentage</u>
<12	13,148	26.62	\$ 2,124,399,447	23.86
12 to 17	8,129	16.46	1,375,288,881	15.45
18 to 24	5,750	11.64	1,141,557,862	12.82
25 to 30	8,590	17.39	1,676,034,035	18.82
31 to 36	4,696	9.51	726,736,612	8.16
37 to 42	1,111	2.25	147,772,637	1.66
43 to 48	3,467	7.02	780,508,908	8.77
49 to 54	2,091	4.23	443,909,958	4.99
55 to 60	2,408	4.88	487,472,643	5.47
61 to 63	-	-	-	-
<b>Grand Total</b>	<b>49,390</b>	<b>100.00</b>	<b>\$ 8,903,680,983</b>	<b>100.00</b>

### Cover Pool - Property Type Distribution

<u>Property Type</u>	<u>Number of Loans</u>	<u>Percentage</u>	<u>Principal Balance</u>	<u>Percentage</u>
Condominium	7,304	14.79	\$ 1,139,497,354	12.80
Multi-Residential	1,894	3.83	370,706,811	4.16
Single Family	37,379	75.68	6,876,870,959	77.24
Townhouse	2,813	5.70	516,605,859	5.80
<b>Grand Total</b>	<b>49,390</b>	<b>100.00</b>	<b>\$ 8,903,680,983</b>	<b>100.00</b>

*Note:*  
 Percentages and totals in the above tables may not add exactly due to rounding.