

## BMO Covered Bond Program Monthly Investor Report

**Calculation Date:** 31-Dec-13  
**Date of Report:** 17-Jan-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+	R1-(High)	A-1
Ratings Outlook	Stable	Stable	Stable	Stable
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

\$ 8,775,806,504

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

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

163,236,722

Total: A+B+C+D+E-Z \$ 8,612,569,781

Asset Coverage Test Pass/Fail **Pass**

### Cover Pool - Summary Statistics

Current Balance \$ 9,237,695,899

Number of Mortgage Loans in Pool 51,572

Average Loan Size \$ 179,122

Number of Properties 51,572

Weighted Average Loan to Value (LTV) 64.68%

Weighted Average Rate 3.20%

Weighted Average Original Term 55.57 (Months)

Weighted Average Remaining Term 25.33 (Months)

Weighted Average Seasoning 30.24 (Months)

### Cover Pool - Demographic Distribution

Province	Number of Loans	Percentage	Principal Balance	Percentage
Alberta	6,721	13.03	\$ 1,398,750,592	15.14
British Columbia	6,769	13.13	1,555,196,802	16.84
Manitoba	947	1.84	127,029,799	1.38
New Brunswick	1,180	2.29	129,822,427	1.41
Newfoundland	1,590	3.08	205,491,812	2.22
Nova Scotia	1,784	3.46	246,595,339	2.67
Ontario	21,218	41.14	3,851,772,354	41.70
Prince Edward Island	346	0.67	40,866,801	0.44
Quebec	9,741	18.89	1,476,245,204	15.98
Saskatchewan	1,270	2.46	205,151,071	2.22
Yukon Territories	5	0.01	757,231	0.01
Northwest Territories	1	0.00	16,468	0.00
<b>Grand Total</b>	<b>51,572</b>	<b>100.00</b>	<b>\$ 9,237,695,899</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	522	1.01	\$ 68,647,169	0.74
500 - 519	83	0.16	12,337,569	0.13
520 - 539	114	0.22	17,717,475	0.19
540 - 559	177	0.34	30,659,321	0.33
560 - 579	288	0.56	55,531,895	0.60
580 - 599	542	1.05	96,422,619	1.04
600 - 619	740	1.43	135,406,852	1.47
620 - 639	1,218	2.36	223,428,428	2.42
640 - 659	1,758	3.41	332,742,005	3.60
660 - 679	2,363	4.58	469,078,105	5.08
680 - 699	3,350	6.50	675,562,887	7.31
700 - 719	4,335	8.41	871,033,141	9.43
720 - 739	5,666	10.99	1,102,563,808	11.94
740 - 759	7,170	13.90	1,371,294,174	14.84
760 - 779	8,035	15.58	1,456,834,211	15.77
780 - 799	7,754	15.04	1,279,975,996	13.86
> 799	7,457	14.46	1,038,460,243	11.24
<b>Grand Total</b>	<b>51,572</b>	<b>100.00</b>	<b>\$ 9,237,695,899</b>	<b>100.00</b>

### Cover Pool - Rate Type Distribution

Rate Type	Number of Loans	Percentage	Principal Balance	Percentage
Fixed	33,833	65.60	\$ 6,047,781,889	65.47
Variable	17,739	34.40	3,189,914,010	34.53
<b>Grand Total</b>	<b>51,572</b>	<b>100.00</b>	<b>\$ 9,237,695,899</b>	<b>100.00</b>

### Cover Pool - Occupancy Type Distribution

Occupancy Type	Number of Loans	Percentage	Principal Balance	Percentage
Owner Occupied	45,705	88.62	\$ 8,254,983,191	89.36
Non-Owner Occupied	5,867	11.38	982,712,707	10.64
<b>Grand Total</b>	<b>51,572</b>	<b>100.00</b>	<b>\$ 9,237,695,899</b>	<b>100.00</b>

### Cover Pool - Mortgage Rate Distribution

Mortgage Rate - %	Number of Loans	Percentage	Principal Balance	Percentage
<1.00	1	0.00	\$ 180,394	0.00
1.00 to 3.99	45,328	87.89	8,312,273,101	89.98
4.00 to 4.49	4,319	8.37	639,485,456	6.92
4.50 to 4.99	1,288	2.50	197,036,475	2.13
5.00 to 5.49	444	0.86	66,639,924	0.72
5.50 to 5.99	155	0.30	19,598,337	0.21
6.00 to 6.49	29	0.06	2,101,663	0.02
6.50 to 6.99	5	0.01	219,703	0.00
7.00 to 7.49	1	0.00	118,353	0.00
7.50 to 7.99	2	0.00	42,493	0.00
<b>Grand Total</b>	<b>51,572</b>	<b>100.00</b>	<b>\$ 9,237,695,899</b>	<b>100.00</b>

### Cover Pool - Loan to Value Distribution

Current LTV (%)	Number of Loans	Percentage	Principal Balance	Percentage
0 - 50.00	17,239	33.43	\$ 1,778,048,992	19.25
50.01-55.00	3,507	6.80	568,404,824	6.15
55.01-60.00	3,680	7.14	698,992,340	7.57
60.01-65.00	3,619	7.02	742,396,021	8.04
65.01-70.00	4,483	8.69	956,385,959	10.35
70.01-75.00	7,619	14.77	1,741,322,353	18.85
75.01-80.00	6,291	12.20	1,566,919,943	16.96
>80.00	5,134	9.96	1,185,225,468	12.83
<b>Grand Total</b>	<b>51,572</b>	<b>100.00</b>	<b>\$ 9,237,695,899</b>	<b>100.00</b>

*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).

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### 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	11,824	22.93	\$ 1,848,537,014	20.01
12 to 17	7,569	14.68	1,263,962,872	13.68
18 to 24	9,146	17.73	1,609,527,331	17.42
25 to 30	4,720	9.15	985,388,818	10.67
31 to 36	8,892	17.24	1,778,700,691	19.25
37 to 42	4,408	8.55	716,580,285	7.76
43 to 48	914	1.77	111,257,452	1.20
49 to 54	2,996	5.81	704,408,191	7.63
55 to 60	1,103	2.14	219,333,245	2.37
61 to 63	-	-	-	-
<b>Grand Total</b>	<b>51,572</b>	<b>100.00</b>	<b>\$ 9,237,695,899</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	7,654	14.84	\$ 1,183,534,983	12.81
Multi-Residential	2,018	3.91	388,097,652	4.20
Single Family	39,066	75.75	7,147,651,339	77.37
Townhouse	2,834	5.50	518,411,924	5.61
<b>Grand Total</b>	<b>51,572</b>	<b>100.00</b>	<b>\$ 9,237,695,899</b>	<b>100.00</b>

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