

## BMO Covered Bond Program Monthly Investor Report

**Calculation Date:** 31-Aug-14  
**Date of Report:** 17-Sep-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	Stable	Stable	Negative
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

\$ 8,520,901,942

B = Principal collections not applied

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

C = Proceeds of Intercompany Loan not applied

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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

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

103,985,902

**Total: A+B+C+D+E-Z** \$ **8,416,916,040**

**Asset Coverage Test Pass/Fail**

**Pass**

### Cover Pool - Summary Statistics

Current Balance \$ 8,969,371,588

Number of Mortgage Loans in Pool 49,248

Average Loan Size \$ 182,127

Number of Properties 49,248

Weighted Average Loan to Value (LTV) 65.45%

Weighted Average Rate 3.10%

Weighted Average Original Term 56.17 (Months)

Weighted Average Remaining Term 25.78 (Months)

Weighted Average Seasoning 30.39 (Months)

### Cover Pool - Demographic Distribution

Province	Number of Loans	Percentage	Principal Balance	Percentage
Alberta	6,505	13.21	\$ 1,429,207,062	15.93
British Columbia	6,504	13.21	1,517,268,685	16.92
Manitoba	904	1.84	127,806,682	1.42
New Brunswick	1,195	2.43	135,341,652	1.51
Newfoundland	1,591	3.23	215,761,565	2.41
Nova Scotia	1,725	3.50	243,833,382	2.72
Ontario	19,780	40.16	3,599,694,092	40.13
Prince Edward Island	337	0.68	39,642,176	0.44
Quebec	9,354	18.99	1,429,925,222	15.94
Saskatchewan	1,141	2.32	190,321,794	2.12
Yukon Territories	52	0.11	8,690,345	0.10
Northwest Territories	152	0.31	30,606,545	0.34
Nunavut	8	0.02	1,272,387	0.01
<b>Grand Total</b>	<b>49,248</b>	<b>100.00</b>	<b>\$ 8,969,371,588</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	494	1.00	\$ 66,486,524	0.74
500 - 519	80	0.16	11,621,812	0.13
520 - 539	110	0.22	17,101,302	0.19
540 - 559	151	0.31	26,914,874	0.30
560 - 579	274	0.56	50,458,404	0.56
580 - 599	474	0.96	82,461,360	0.92
600 - 619	662	1.34	121,311,414	1.35
620 - 639	1,091	2.22	193,739,611	2.16
640 - 659	1,628	3.31	302,208,993	3.37
660 - 679	2,148	4.36	426,864,866	4.76
680 - 699	3,101	6.30	625,881,129	6.98
700 - 719	3,978	8.08	782,542,941	8.72
720 - 739	5,232	10.62	1,011,349,508	11.28
740 - 759	6,609	13.42	1,257,432,303	14.02
760 - 779	7,420	15.07	1,347,997,896	15.03
780 - 799	7,075	14.37	1,169,738,494	13.04
> 799	8,721	17.71	1,475,260,156	16.45
<b>Grand Total</b>	<b>49,248</b>	<b>100.00</b>	<b>\$ 8,969,371,588</b>	<b>100.00</b>

### Cover Pool - Rate Type Distribution

Rate Type	Number of Loans	Percentage	Principal Balance	Percentage
Fixed	32,655	66.31	\$ 5,931,237,190	66.13
Variable	16,593	33.69	3,038,134,398	33.87
<b>Grand Total</b>	<b>49,248</b>	<b>100.00</b>	<b>\$ 8,969,371,588</b>	<b>100.00</b>

### Cover Pool - Occupancy Type Distribution

Occupancy Type	Number of Loans	Percentage	Principal Balance	Percentage
Owner Occupied	44,060	89.47	\$ 8,086,770,058	90.16
Non-Owner Occupied	5,188	10.53	882,601,530	9.84
<b>Grand Total</b>	<b>49,248</b>	<b>100.00</b>	<b>\$ 8,969,371,588</b>	<b>100.00</b>

### Cover Pool - Mortgage Rate Distribution

Mortgage Rate - %	Number of Loans	Percentage	Principal Balance	Percentage
<1.00	1	0.00	\$ 177,062	0.00
1.00 to 3.99	44,882	91.13	8,347,556,124	93.07
4.00 to 4.49	3,167	6.43	450,324,306	5.02
4.50 to 4.99	786	1.60	116,505,346	1.30
5.00 to 5.49	305	0.62	42,475,489	0.47
5.50 to 5.99	92	0.19	10,995,282	0.12
6.00 to 6.49	13	0.03	1,196,746	0.01
6.50 to 6.99	-	-	-	-
7.00 to 7.49	1	0.00	117,503	0.00
7.50 to 7.99	1	0.00	23,730	0.00
<b>Grand Total</b>	<b>49,248</b>	<b>100.00</b>	<b>\$ 8,969,371,588</b>	<b>100.00</b>

### Cover Pool - Loan to Value Distribution

Current LTV (%)	Number of Loans	Percentage	Principal Balance	Percentage
0 - 50.00	16,142	32.78	\$ 1,692,422,572	18.87
50.01-55.00	3,253	6.61	554,119,317	6.18
55.01-60.00	3,318	6.74	634,276,501	7.07
60.01-65.00	3,411	6.93	705,785,322	7.87
65.01-70.00	4,610	9.36	987,844,770	11.01
70.01-75.00	7,580	15.39	1,780,869,229	19.86
75.01-80.00	4,284	8.70	1,009,063,109	11.25
>80.00	6,650	13.50	1,604,990,768	17.89
<b>Grand Total</b>	<b>49,248</b>	<b>100.00</b>	<b>\$ 8,969,371,588</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	14,850	30.15	\$ 2,430,769,105	27.10
12 to 17	5,371	10.91	916,000,771	10.21
18 to 24	7,302	14.83	1,454,583,343	16.22
25 to 30	6,193	12.58	1,141,908,651	12.73
31 to 36	4,918	9.99	766,960,957	8.55
37 to 42	731	1.48	107,032,580	1.19
43 to 48	4,636	9.41	1,021,142,967	11.38
49 to 54	1,061	2.15	238,026,948	2.65
55 to 60	4,186	8.50	892,946,265	9.96
61 to 63	-	-	-	-
<b>Grand Total</b>	<b>49,248</b>	<b>100.00</b>	<b>\$ 8,969,371,588</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	7,209	14.64	\$ 1,131,862,692	12.62
Multi-Residential	1,905	3.87	372,953,461	4.16
Single Family	37,314	75.77	6,945,111,585	77.43
Townhouse	2,820	5.73	519,443,849	5.79
<b>Grand Total</b>	<b>49,248</b>	<b>100.00</b>	<b>\$ 8,969,371,588</b>	<b>100.00</b>

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