

Home / Performance / Portfolio / Mortgages / Fixed-Term Mortgage Fund

Fixed-Term Mortgage Fund

BCI finances Canadian income-producing commercial and multi-family residential properties through our Fixed-Term Mortgage Fund. The risk factors that are used to evaluate mortgage investments include: location; improvement(s) quality; tenant financial strength; green building features; borrower and covenantor’s financial strength; loan-to-value level; debt servicing ability; and borrower experience. Mortgage agreements may include additional security provisions such as personal guarantees, corporate guarantees, letters of credit, and the pledging of additional collateral.

CONTACT BCI FOR COMMERCIAL MORTGAGE LENDING

SECURITY

- First, second or third mortgages
- First mortgage bonds

ASSET TYPES

- Hotels
- Industrial
- Land lease communities
- Multi-family residential
- Office
- Retail
- Self storage
- Seniors housing

TERMS

Typically one to five years, but may hold longer-term mortgages as well.

INTEREST RATES

Interest rates for these mortgages are determined by adding credit and liquidity spreads over the current yields of Government of Canada bonds with similar terms to maturities. bclMC’s portfolio managers utilize a multi-factor risk rating model to assess credit risk levels on individual investment opportunities. The risk factors that are evaluated include: location; improvement(s) quality; tenant financial strength; borrower and covenantor’s financial strength; loan-to-value level; debt servicing ability; borrower’s experience.

LOAN-TO-VALUE

Maximum 75 per cent loan-to-value

ADDITIONAL SECURITY

Mortgage agreements may also include additional security provisions such as: personal guarantees; corporate guarantees; letters of credit; pledging of additional collateral.

THIRD-PARTY REPORTS

All mortgages require a property inspection, current market appraisal, and a current environmental audit.

LOAN SIZE

Typical range \$30,000,000 and higher

PRE-FUNDING CONDITIONS

The Fixed-Term Fund typically requires three years of operating history as well as an acceptable level of leasing in place. No mortgages will be funded without a property inspection, building assessment, current market appraisal, lease reviews, and a current environmental audit.

RETURN TO MORTGAGES



MANAGING RISK

Risk management is integral to our fiduciary role. It’s the process in which we identify, evaluate, control, monitor and communicate risks and opportunities.



PERFORMANCE

We work in our clients’ best financial interests and are committed to delivering investment returns that help our clients build a financially secure future.



PORTFOLIO OVERVIEW

We manage \$135.5 billion on behalf of our clients. Our global, diversified portfolio spans the asset classes.

WHO WE ARE

Our Clients
Governance
Board of Directors
Executive Management

OUR APPROACH

Investment Beliefs
Responsible Investing
Proxy Voting Record
Advocacy

INVESTMENTS

Performance
Portfolio [+]
Pooled Funds

PUBLICATIONS

2016-2017 Corporate Annual Report
2016 Responsible Investing Annual Report
Media
Publications Archive