

Concerned about mortgage interest rates?

Consider the security of a fixed rate mortgage

Your home is one of the most exciting and important investments you'll ever make. Don't let mortgage interest rate concerns get in the way. Instead, put your mind at ease with the security of a fixed rate mortgage.

Security that's locked in

As the name implies, a fixed rate mortgage offers a specific interest rate that is fixed or locked in for the term of the mortgage. It means you'll know exactly what to expect, including:

- › The interest rate of your mortgage
- › The amount of your regular mortgage payments
- › The portion of your payment that goes toward principal and interest
- › The amortization of your mortgage (or how long it will take to pay off)

And the longer you are locked in, the more you'll be protected from potential interest rate increases over the term of your mortgage.

Your fixed rate can be guaranteed in advance

If you are arranging a new RBC mortgage, your fixed interest rate can be guaranteed up to 90 days before the closing date of your home. If interest rates go down you will automatically get the lowest rate for the term selected.

And when it's time to renew, RBC will guarantee your mortgage interest rate for 30 days prior to your renewal date.

Choose what works best for you

With **closed, open and convertible** fixed rate mortgages from RBC®, you can choose the term that provides the level of security (and interest rate) that is right for you. For example:

- › If you don't anticipate paying off your mortgage before the end of the term by making a prepayment, a **closed mortgage** provides the lowest fixed rates available. However, if you change your mind, you'll probably have to pay breakage costs.



- › An **open mortgage** can be paid off in part or in full, without breakage costs. But because of the extra prepayment flexibility, interest rates are often higher.
- › A **convertible mortgage** gives you the security of a closed mortgage, but can be converted to a longer term, closed mortgage any time, without breakage costs. If you think interest rates may drop, this allows you to pick your moment to lock in your rate. But this is only beneficial if you convert and lock in at the right time.

Save interest costs by prepaying

Prepayments are optional, additional payments that go directly toward paying down your mortgage principal, the amount you initially borrowed for your mortgage. That means they help you pay off your mortgage faster — and, over time, that can save you interest costs.

At RBC, you have a number of prepayment options:

- › Make weekly or biweekly accelerated payments instead of monthly payments. It's like making one extra mortgage payment per year, which can save you substantial interest over the lifetime of your mortgage.
- › Make Double-Up® mortgage payments on any or every payment date†.
- › Prepay up to 10% of the original principal amount of your closed mortgage once every 12 months. The prepayment is applied directly to the principal of your mortgage.
- › Increase your mortgage payment up to 10% once every 12 months.
- › Make a principal prepayment of \$500 or more to your open mortgage as often as you like!

Your RBC mortgage specialist can help

Whether you're buying your first home, moving to a new home, or renewing an existing mortgage, you can count on your mortgage specialist for the advice you need. We can help you choose the best rate, term and options for you, and discuss ways to pay down your fixed rate mortgage faster.

Please contact your mortgage specialist or branch at 1-800-769-2570.



RBC Royal Bank®

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† Minimum payment of \$100, up to the equivalent of your regular monthly payment of principal and interest. VPS51719

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