

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

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**Programme Information**

Series	Initial Amount	Translation Rate	C\$ Equivalent	Maturity Date	Extended Due for Payment Date	Coupon Rate	Rate Type	Maturity Type
CBL1	€1,000,000,000	1.4618	\$1,461,800,000	17 Dec 2018	17 Dec 2019	1.250%	Fixed	Soft
CBL2	€1,000,000,000	1.5363	\$1,536,300,000	25 Mar 2021	25 Mar 2022	1.500%	Fixed	Soft
CBL3	€1,000,000,000	1.3869	\$1,386,900,000	26 Jan 2022	26 Jan 2023	0.500%	Fixed	Soft
CBL4	USD\$750,000,000	1.2592	\$944,400,000	20 Apr 2018	20 Apr 2019	1.400%	Fixed	Soft
CBL5	£100,000,000	1.7100	\$171,000,000	27 Sep 2021	27 Sep 2022	3 month £ Libor +0.370%	Floating	Soft
CBL5 (Tranche 2)	£70,000,000	1.6400	\$114,800,000	27 Sep 2021	27 Sep 2022	3 month £ Libor +0.370%	Floating	Soft
CBL6	€750,000,000	1.4618	\$1,096,350,000	29 Sep 2023	29 Sep 2024	0.000%	Fixed	Soft
			<u>\$6,711,550,000</u>					

Weighted Average Maturity of Outstanding Covered Bonds (months)	43.31
Weighted Average Remaining Term of Loans in Cover Pool (months)	27.86

**Series Ratings**

	Moody's	DBRS	Fitch Ratings
CBL1	Aaa	AAA	AAA
CBL2	Aaa	AAA	AAA
CBL3	Aaa	AAA	AAA
CBL4	Aaa	AAA	AAA
CBL5	Aaa	AAA	AAA
CBL5 (Tranche 2)	Aaa	AAA	AAA
CBL6	Aaa	AAA	AAA

**Supplementary Information**
**Parties**

Issuer	National Bank of Canada (NBC)
Guarantor Family	NBC Covered Bond (Legislative) Guarantor Limited Partnership
Servicer & Cash Manager	National Bank of Canada
Swap Providers	National Bank of Canada
Covered Bond Trustee & Custodian	Computershare Trust Company of Canada
Asset Monitor	Deloitte LLP
Account Bank & GIC Provider	National Bank of Canada
Standby Account Bank & GIC Provider	Royal Bank of Canada (RBC)
Paying Agent	The Bank of New York Mellon (Luxembourg) S.A.

**National Bank of Canada Ratings**

	Standard & Poor's	Moody's	DBRS	Fitch Ratings
Senior Debt	A	Aa3**	AA (low)	A+
Short Term	A-1	P-1	R-1 M	F1
Outlook	Stable	Negative	Negative	Stable

**Applicable Ratings of Standby Account Bank & GIC Provider (RBC)**

	Moody's	DBRS	Fitch Ratings
Senior Debt	Aa3**	AA	AA
Short Term	P-1	R-1 H	F1+

\*\*Subsequent to Calculation Date of this Monthly Investor Report, on May 10, 2017, Moody's downgraded the long-term ratings of the six DSIBs, including NBC (LT rating: from "Aa3" to "A1") and RBC (LT rating: from "Aa3" to "A1"), reflecting Moody's expectation of a more challenging operating environment for banks in Canada for the remainder of 2017 and beyond. The short term Prime-1 ratings of the six DSIBs were affirmed.

**Description of Ratings Triggers**
**A. Party Replacement**

If the rating(s) of the Party falls below the level stipulated below, such party is required to be replaced or in the case of the Swap Provider

- (i) transfer credit support and
- (ii) replace itself or obtain a guarantee for its obligations.

Role (Current Party)	Moody's	DBRS	Fitch
Account Bank & GIC Provider (NBC)	P-1*	R-1(mid) & A(low)	F1* or A
Standby Account Bank & GIC Provider (RBC)	P-1*	R-1(mid) & A(low)	F1* or A
Cash Manager (NBC)	P-2*	BBB (low)	F2*
Servicer (NBC)	Baa3	BBB (low)	F2*
Interest Rate Swap Provider (NBC)	P-2* or A3	R-2(high)* & BBB(high)	F3* or BBB-
Covered Bond Swap Provider (NBC)	P-2* or A3	R-2(high)* & BBB(high)	F3* or BBB-
Title Holder on Mortgages (NBC)	Baa3	BBB (low)	BBB-

**B. Specified Rating Related Action**

i. The following actions are required if the rating of the Cash Manager (NBC) falls below the stipulated rating:

	Moody's	DBRS	Fitch
(a) Amounts received by the Servicer are to be deposited directly to the GIC Account and not provided to the Cash Manager	P-1*	BBB(low)	F1* or A
(b) Amounts held by the Cash Manager belonging to the Guarantor are to be deposited to the Transaction Account or the GIC account, as applicable, within 5 business days	P-1*	BBB(low)	F1* or A

ii. The following actions are required if the rating of the Servicer (NBC) falls below the stipulated rating:

	Moody's	DBRS	Fitch
(a) Servicer is required to transfer amounts belonging to the Guarantor to the Cash Manager or the GIC Account, as applicable, within 2 business days	P-1*	BBB(low)	F1* or A

iii. The following actions are required if the rating of the Issuer (NBC) falls below the stipulated rating:

	Moody's	DBRS	Fitch
(a) Repayment of the Demand Loan	N/A	N/A	F2* or BBB+
(b) Establishment of the Reserve Fund	P-1*	R-1(mid)* & A(low)	F1* or A
(c) Fund Pre-Maturity Liquidity Required Amount on Hard Bullet Covered Bonds	P-1*	6 months: A(high) 12 months: A(low)	F1+*

iv. The following actions are required if the rating of the Issuer (NBC) falls below the stipulated rating:

	Moody's	DBRS	Fitch
(a) The Interest Rate Swap and the Covered Bond Swap will become effective except as otherwise provided in the Covered Bond Swaps Agreements	Baa1	BBB(high)	BBB+

v. Each Swap Provider is required to transfer credit support, replace itself or obtain a guarantee of its obligations if the rating of such Swap Provider falls below the specified rating.

	Moody's	DBRS	Fitch
(a) Interest Rate Swap Provider	P-1* or A2	R-1(mid)* & A(high)	F1* or A
(b) Covered Bond Swap Provider	P-1* or A2 (1)	R-1(mid)* & A(high)	F1* or A

\*Short Term rating

(1) If credit support provider or Guarantor does not have a short-term rating assigned by Moody's, the long term unsecured rating trigger is A1.

**Events of Default**

Issuer Event of Default	No
Guarantor Event of Default	No

**Asset Coverage Test**

<b>Outstanding Covered Bonds</b>	<b>\$6,711,550,000</b>	
A = Lesser of (i) LTV Adjusted True Balance and (ii) Asset Percentage Adjusted True Balance	\$11,611,791,459	A(i): \$12,662,804,208 A(ii): \$11,611,791,459
B = Principal Receipts	\$0	Asset Percentage: 91.70%
C = Cash Capital Contributions	\$0	Maximum Asset Percentage: 93.00%
D = Substitute Assets	\$0	
E = Reserve Fund Balance	\$0	
Y = Contingent Collateral Amount		
Z = Negative Carry Factor calculation	\$121,101,754	
<b>Total: A + B + C + D + E - Y - Z</b>	<b>\$11,490,689,705</b>	

**Asset Coverage Test** **PASS**

Note: Due to rounding, numbers presented may not add up precisely to the totals provided.

**Valuation Calculation**

<b>Trading Value of Covered Bonds</b>	<b>\$7,053,426,266</b>
A = LTV Adjusted Loan Present Value	\$12,495,504,154
B = Principal Receipts	\$0
C = Cash Capital Contributions	\$0
D = Trading Value of Substitute Assets	\$0
E = Reserve Fund Balance	\$0
F = Trading Value of Swap Collateral	\$0
<b>Present Value Adjusted Aggregate Asset Amount</b>	
<b>Total: A + B + C + D + E + F</b>	<b>\$12,495,504,154</b>

Weighted average market rate used for discounting: 3.30%

**Amortization Test**

Event of Default on the part of the registered issuer?	No
Do any Covered Bonds remain outstanding?	Yes
Amortization Test Required?	No
Amortization Test	N/A

**Intercompany Loan Balance**

Guarantee Loan	\$7,325,431,742
Demand Loan	\$5,567,287,084
<b>Total</b>	<b>\$12,892,718,826</b>

**Covered Bonds Outstanding vs OSFI Limit**

Covered Bonds Currently Outstanding (CAD Equivalent):	
Issued under the Legislative Covered Bond Programme	\$6,711,550,000
<b>Total</b>	<b>\$6,711,550,000</b>
OSFI Maximum (CAD Equivalent):	\$9,134,378,200

Note: Covered Bonds issued under the Structured Covered Bond Programme do not form part of the Legislative Covered Bond Programme, nor do they benefit from the Covered Bond Legislative Framework.

**Cover Pool Summary Statistics**

Previous Month Ending Balance	\$12,860,420,168
Current Balance	\$12,665,689,815
Number of Mortgages in Pool	105,644
Average Mortgage Size	\$119,890
Number of Properties	82,763
Number of Borrowers	79,765
Weighted Average Indexed Authorized LTV	62.78%
Weighted Average Indexed Drawn LTV	55.64%
Weighted Average Original LTV	72.97%
Weighted Average Interest Rate	2.68%
Weighted Average Seasoning	24.82 months
Weighted Average Original Term	52.68 months
Weighted Average Remaining Term	27.86 months

Note: Due to rounding, numbers presented in the following distribution tables may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

**Cover Pool Delinquency Distribution**
**Aging Summary**

	<u>Number of Loans</u>	<u>Percentage</u>	<u>Principal Balance</u>	<u>Percentage</u>
Current and less than 30 days past due	105,516	99.88%	\$12,649,534,344	99.87%
30 to 59 days past due	80	0.08%	\$9,624,675	0.08%
60 to 89 days past due	23	0.02%	\$3,645,188	0.03%
90 or more days past due	25	0.02%	\$2,885,607	0.02%
<b>Total</b>	<b>105,644</b>	<b>100.00%</b>	<b>\$12,665,689,815</b>	<b>100.00%</b>

**Cover Pool Provincial Distribution**

<u>Province</u>	<u>Number of Loans</u>	<u>Percentage</u>	<u>Principal Balance</u>	<u>Percentage</u>
British Columbia	2,520	2.39%	\$613,729,518	4.85%
Prairies	4,210	3.99%	\$830,123,922	6.55%
Ontario	15,734	14.89%	\$3,108,004,995	24.54%
Quebec	81,143	76.81%	\$7,941,176,674	62.70%
Atlantic	2,037	1.93%	\$172,654,707	1.36%
Other	0	0.00%	\$0	0.00%
<b>Total</b>	<b>105,644</b>	<b>100.00%</b>	<b>\$12,665,689,815</b>	<b>100.00%</b>

**Cover Pool Credit Score Distribution**

<u>Credit Score</u>	<u>Number of Loans</u>	<u>Percentage</u>	<u>Principal Balance</u>	<u>Percentage</u>
Score Unavailable	1,766	1.67%	\$258,814,384	2.04%
599 and below	1,356	1.28%	\$157,818,311	1.25%
600 - 650	2,900	2.75%	\$358,075,196	2.83%
651 - 700	10,294	9.74%	\$1,348,631,777	10.65%
701 - 750	34,184	32.36%	\$4,346,511,295	34.32%
751 - 800	43,872	41.53%	\$5,022,474,503	39.65%
801 and above	11,272	10.67%	\$1,173,364,350	9.26%
<b>Total</b>	<b>105,644</b>	<b>100.00%</b>	<b>\$12,665,689,815</b>	<b>100.00%</b>

**Cover Pool Interest Rate Type Distribution**

<u>Interest Rate Type</u>	<u>Number of Loans</u>	<u>Percentage</u>	<u>Principal Balance</u>	<u>Percentage</u>
Fixed	83,160	78.72%	\$9,304,309,272	73.46%
Variable	22,484	21.28%	\$3,361,380,543	26.54%
<b>Total</b>	<b>105,644</b>	<b>100.00%</b>	<b>\$12,665,689,815</b>	<b>100.00%</b>

**Cover Pool Occupancy Type Distribution**

<u>Occupancy Type</u>	<u>Number of Loans</u>	<u>Percentage</u>	<u>Principal Balance</u>	<u>Percentage</u>
Owner Occupied	91,166	86.30%	\$10,287,587,331	81.22%
Non-Owner Occupied	14,478	13.70%	\$2,378,102,484	18.78%
<b>Total</b>	<b>105,644</b>	<b>100.00%</b>	<b>\$12,665,689,815</b>	<b>100.00%</b>

**Mortgage Asset Type Distribution**

<u>Asset Type</u>	<u>Number of Loans</u>	<u>Percentage</u>	<u>Principal Balance</u>	<u>Percentage</u>
Conventional Mortgage	47,313	44.79%	\$6,418,654,267	50.68%
Mortgage Segment of All-in-One Product	58,331	55.21%	\$6,247,035,549	49.32%
<b>Total</b>	<b>105,644</b>	<b>100.00%</b>	<b>\$12,665,689,815</b>	<b>100.00%</b>

**Cover Pool Interest Rate Distribution**

<u>Interest Rate (%)</u>	<u>Number of Loans</u>	<u>Percentage</u>	<u>Principal Balance</u>	<u>Percentage</u>
Less than 2.000	1,730	1.64%	\$336,946,929	2.66%
2.000 - 2.999	85,015	80.47%	\$10,370,984,657	81.88%
3.000 - 3.999	16,833	15.93%	\$1,745,662,249	13.78%
4.000 - 4.999	1,283	1.21%	\$128,360,278	1.01%
5.000 - 5.999	277	0.26%	\$29,567,522	0.23%
6.000 - 6.999	506	0.48%	\$54,168,180	0.43%
7.000 - 7.999	0	0.00%	\$0	0.00%
8.000 or Greater	0	0.00%	\$0	0.00%
<b>Total</b>	<b>105,644</b>	<b>100.00%</b>	<b>\$12,665,689,815</b>	<b>100.00%</b>

**Cover Pool Remaining Balance**

<u>Remaining Principal Balance (\$)</u>	<u>Number of Loans</u>	<u>Percentage</u>	<u>Principal Balance</u>	<u>Percentage</u>
99,999 and below	57,334	54.27%	\$2,794,863,408	22.07%
100,000 - 149,999	18,862	17.85%	\$2,327,804,883	18.38%
150,000 - 199,999	12,315	11.66%	\$2,134,961,591	16.86%
200,000 - 249,999	6,862	6.50%	\$1,530,909,147	12.09%
250,000 - 299,999	3,954	3.74%	\$1,077,350,914	8.51%
300,000 - 349,999	2,276	2.15%	\$736,003,191	5.81%
350,000 - 399,999	1,360	1.29%	\$507,973,937	4.01%
400,000 - 449,999	834	0.79%	\$353,533,236	2.79%
450,000 - 499,999	538	0.51%	\$255,100,704	2.01%
500,000 - 549,999	286	0.27%	\$149,696,709	1.18%
550,000 - 599,999	255	0.24%	\$146,068,488	1.15%
600,000 - 649,999	140	0.13%	\$87,192,919	0.69%
650,000 - 699,999	112	0.11%	\$75,425,777	0.60%
700,000 - 749,999	86	0.08%	\$62,382,777	0.49%
750,000 - 799,999	73	0.07%	\$56,362,263	0.45%
800,000 - 849,999	84	0.08%	\$69,205,274	0.55%
850,000 - 899,999	65	0.06%	\$56,970,321	0.45%
900,000 - 949,999	55	0.05%	\$50,730,233	0.40%
950,000 - 999,999	50	0.05%	\$48,676,519	0.38%
1,000,000 and above	103	0.10%	\$144,477,525	1.14%
<b>Total</b>	<b>105,644</b>	<b>100.00%</b>	<b>\$12,665,689,815</b>	<b>100.00%</b>

**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>
5 or Less	9,504	9.00%	\$1,053,112,207	8.31%
6 - 11	8,449	8.00%	\$945,507,818	7.47%
12 - 23	26,834	25.40%	\$2,898,860,048	22.89%
24 - 35	26,666	25.24%	\$3,429,322,649	27.08%
36 - 47	23,475	22.22%	\$2,950,119,944	23.29%
48 - 59	10,039	9.50%	\$1,306,194,452	10.31%
60 - 71	523	0.50%	\$58,845,564	0.46%
72 - 83	99	0.09%	\$15,610,826	0.12%
84 or Greater	55	0.05%	\$8,116,307	0.06%
<b>Total</b>	<b>105,644</b>	<b>100.00%</b>	<b>\$12,665,689,815</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>
Single Family	83,547	79.08%	\$9,693,377,822	76.53%
Condominium	11,538	10.92%	\$1,490,002,972	11.76%
2-4 Family Units	10,559	9.99%	\$1,482,309,022	11.70%
<b>Total</b>	<b>105,644</b>	<b>100.00%</b>	<b>\$12,665,689,815</b>	<b>100.00%</b>

**Cover Pool Indexed LTV - Authorized Distribution**

<u>Indexed LTV (%)</u>	<u>Number of Loans</u>	<u>Percentage</u>	<u>Principal Balance</u>	<u>Percentage</u>
20.00 and below	2,306	2.18%	\$99,935,288	0.79%
20.01 - 25.00	1,595	1.51%	\$115,683,390	0.91%
25.01 - 30.00	2,178	2.06%	\$190,863,370	1.51%
30.01 - 35.00	2,871	2.72%	\$303,939,051	2.40%
35.01 - 40.00	3,731	3.53%	\$426,345,675	3.37%
40.01 - 45.00	4,934	4.67%	\$623,158,899	4.92%
45.01 - 50.00	6,060	5.74%	\$812,462,245	6.41%
50.01 - 55.00	7,139	6.76%	\$975,747,588	7.70%
55.01 - 60.00	8,663	8.20%	\$1,155,304,227	9.12%
60.01 - 65.00	11,306	10.70%	\$1,399,707,671	11.05%
65.01 - 70.00	11,728	11.10%	\$1,459,230,989	11.52%
70.01 - 75.00	14,782	13.99%	\$1,807,146,849	14.27%
75.01 - 80.00	20,343	19.26%	\$2,403,249,612	18.97%
Greater than 80.00	8,008	7.58%	\$892,914,962	7.05%
<b>Total</b>	<b>105,644</b>	<b>100.00%</b>	<b>\$12,665,689,815</b>	<b>100.00%</b>

**Cover Pool Indexed LTV - Drawn Distribution**

<u>Indexed LTV (%)</u>	<u>Number of Loans</u>	<u>Percentage</u>	<u>Principal Balance</u>	<u>Percentage</u>
20.00 and below	7,862	7.44%	\$407,690,289	3.22%
20.01 - 25.00	4,021	3.81%	\$320,165,786	2.53%
25.01 - 30.00	4,781	4.53%	\$440,865,409	3.48%
30.01 - 35.00	5,231	4.95%	\$546,143,546	4.31%
35.01 - 40.00	6,009	5.69%	\$667,251,365	5.27%
40.01 - 45.00	7,155	6.77%	\$851,594,240	6.72%
45.01 - 50.00	8,176	7.74%	\$1,044,023,449	8.24%
50.01 - 55.00	9,140	8.65%	\$1,194,795,653	9.43%
55.01 - 60.00	9,852	9.33%	\$1,288,864,447	10.18%
60.01 - 65.00	10,770	10.19%	\$1,393,077,892	11.00%
65.01 - 70.00	11,440	10.83%	\$1,524,502,963	12.04%
70.01 - 75.00	11,720	11.09%	\$1,644,511,634	12.98%
75.01 - 80.00	8,126	7.69%	\$1,154,373,212	9.11%
Greater than 80.00	1,361	1.29%	\$187,829,932	1.48%
<b>Total</b>	<b>105,644</b>	<b>100.00%</b>	<b>\$12,665,689,815</b>	<b>100.00%</b>

**Provincial Distribution by Indexed LTV - Drawn and Aging Summary**
**Current and less than 30 days past due**

<b>Indexed LTV (%)</b>	<b>British Columbia</b>	<b>Prairies</b>	<b>Ontario</b>	<b>Quebec</b>	<b>Atlantic</b>	<b>Other</b>	<b>Total</b>
20.00 and below	\$49,837,087	\$9,230,577	\$170,977,161	\$174,741,866	\$2,497,630	\$0	\$407,284,322
20.01 - 25.00	\$43,726,688	\$8,147,320	\$125,794,899	\$139,221,257	\$3,275,622	\$0	\$320,165,786
25.01 - 30.00	\$36,884,990	\$15,891,866	\$185,744,493	\$197,768,567	\$4,356,880	\$0	\$440,646,796
30.01 - 35.00	\$51,655,302	\$16,283,462	\$220,637,928	\$250,845,719	\$6,593,701	\$0	\$546,016,112
35.01 - 40.00	\$53,744,251	\$20,191,171	\$258,365,676	\$325,282,350	\$8,739,021	\$0	\$666,322,468
40.01 - 45.00	\$59,206,716	\$26,448,150	\$337,773,573	\$416,265,343	\$11,668,431	\$0	\$851,362,213
45.01 - 50.00	\$64,810,934	\$37,202,697	\$406,897,209	\$516,828,619	\$16,834,058	\$0	\$1,042,573,517
50.01 - 55.00	\$66,670,876	\$60,317,399	\$407,155,516	\$623,737,099	\$35,569,925	\$0	\$1,193,450,816
55.01 - 60.00	\$64,776,206	\$70,840,780	\$350,686,651	\$758,772,015	\$42,302,001	\$0	\$1,287,377,652
60.01 - 65.00	\$47,887,783	\$102,991,904	\$269,574,428	\$943,616,588	\$26,761,815	\$0	\$1,390,832,519
65.01 - 70.00	\$42,116,459	\$123,374,855	\$183,180,658	\$1,163,092,735	\$9,200,364	\$0	\$1,520,965,073
70.01 - 75.00	\$24,887,710	\$142,452,285	\$127,711,076	\$1,344,069,499	\$2,987,398	\$0	\$1,642,107,967
75.01 - 80.00	\$5,567,191	\$142,546,713	\$60,745,644	\$942,926,009	\$1,091,129	\$0	\$1,152,876,686
Greater than 80.00	\$1,392,037	\$54,038,675	\$225,597	\$131,896,110	\$0	\$0	\$187,552,419
<b>Total</b>	<b>\$613,164,229</b>	<b>\$829,957,854</b>	<b>\$3,105,470,510</b>	<b>\$7,929,063,777</b>	<b>\$171,877,975</b>	<b>\$0</b>	<b>\$12,649,534,344</b>

**30 to 59 days past due**

<b>Indexed LTV (%)</b>	<b>British Columbia</b>	<b>Prairies</b>	<b>Ontario</b>	<b>Quebec</b>	<b>Atlantic</b>	<b>Other</b>	<b>Total</b>
20.00 and below	\$236,541	\$93,961	\$0	\$75,465	\$0	\$0	\$405,966
20.01 - 25.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25.01 - 30.00	\$0	\$0	\$0	\$143,604	\$0	\$0	\$143,604
30.01 - 35.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35.01 - 40.00	\$0	\$0	\$743,818	\$185,080	\$0	\$0	\$928,898
40.01 - 45.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0
45.01 - 50.00	\$0	\$0	\$847,161	\$227,855	\$0	\$0	\$1,075,015
50.01 - 55.00	\$0	\$0	\$244,772	\$247,263	\$0	\$0	\$492,035
55.01 - 60.00	\$0	\$0	\$116,707	\$338,901	\$104,544	\$0	\$560,153
60.01 - 65.00	\$0	\$0	\$0	\$1,196,940	\$0	\$0	\$1,196,940
65.01 - 70.00	\$0	\$0	\$0	\$2,045,600	\$0	\$0	\$2,045,600
70.01 - 75.00	\$0	\$0	\$234,109	\$1,313,174	\$0	\$0	\$1,547,283
75.01 - 80.00	\$0	\$0	\$139,763	\$811,904	\$0	\$0	\$951,667
Greater than 80.00	\$0	\$0	\$0	\$277,512	\$0	\$0	\$277,512
<b>Total</b>	<b>\$236,541</b>	<b>\$93,961</b>	<b>\$2,326,330</b>	<b>\$6,863,299</b>	<b>\$104,544</b>	<b>\$0</b>	<b>\$9,624,675</b>



**National Bank of Canada Legislative Covered Bond Programme**  
**Monthly Investor Report**  
 Calculation Date: 28 Apr 2017

**60 to 89 days past due**

<u>Indexed LTV (%)</u>	<u>British Columbia</u>	<u>Prairies</u>	<u>Ontario</u>	<u>Quebec</u>	<u>Atlantic</u>	<u>Other</u>	<u>Total</u>
20.00 and below	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20.01 - 25.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25.01 - 30.00	\$75,009	\$0	\$0	\$0	\$0	\$0	\$75,009
30.01 - 35.00	\$0	\$0	\$0	\$127,434	\$0	\$0	\$127,434
35.01 - 40.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40.01 - 45.00	\$0	\$0	\$0	\$174,374	\$0	\$0	\$174,374
45.01 - 50.00	\$0	\$0	\$0	\$0	\$121,177	\$0	\$121,177
50.01 - 55.00	\$0	\$0	\$0	\$374,477	\$0	\$0	\$374,477
55.01 - 60.00	\$0	\$0	\$208,156	\$425,679	\$0	\$0	\$633,834
60.01 - 65.00	\$0	\$0	\$0	\$501,265	\$0	\$0	\$501,265
65.01 - 70.00	\$0	\$0	\$0	\$1,014,983	\$0	\$0	\$1,014,983
70.01 - 75.00	\$0	\$0	\$0	\$425,040	\$0	\$0	\$425,040
75.01 - 80.00	\$0	\$0	\$0	\$197,595	\$0	\$0	\$197,595
Greater than 80.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$75,009</b>	<b>\$0</b>	<b>\$208,156</b>	<b>\$3,240,847</b>	<b>\$121,177</b>	<b>\$0</b>	<b>\$3,645,188</b>

**90 or more days past due**

<u>Indexed LTV (%)</u>	<u>British Columbia</u>	<u>Prairies</u>	<u>Ontario</u>	<u>Quebec</u>	<u>Atlantic</u>	<u>Other</u>	<u>Total</u>
20.00 and below	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20.01 - 25.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25.01 - 30.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30.01 - 35.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35.01 - 40.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40.01 - 45.00	\$0	\$0	\$0	\$57,653	\$0	\$0	\$57,653
45.01 - 50.00	\$253,740	\$0	\$0	\$0	\$0	\$0	\$253,740
50.01 - 55.00	\$0	\$0	\$0	\$283,446	\$194,879	\$0	\$478,325
55.01 - 60.00	\$0	\$0	\$0	\$88,207	\$204,601	\$0	\$292,808
60.01 - 65.00	\$0	\$0	\$0	\$395,636	\$151,531	\$0	\$547,167
65.01 - 70.00	\$0	\$0	\$0	\$477,307	\$0	\$0	\$477,307
70.01 - 75.00	\$0	\$72,106	\$0	\$359,237	\$0	\$0	\$431,343
75.01 - 80.00	\$0	\$0	\$0	\$347,264	\$0	\$0	\$347,264
Greater than 80.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$253,740</b>	<b>\$72,106</b>	<b>\$0</b>	<b>\$2,008,751</b>	<b>\$551,011</b>	<b>\$0</b>	<b>\$2,885,607</b>

**Cover Pool Indexed LTV - Drawn by Credit Bureau Score**

**Indexed LTV (%)**

	<u>599 and below</u>	<u>600 - 650</u>	<u>651 - 700</u>	<u>701 - 750</u>	<u>751 - 800</u>	<u>801 and above</u>	<u>Score Unavailable</u>	<u>Total</u>
20.00 and below	\$1,610,300	\$4,092,086	\$14,661,857	\$53,830,311	\$240,027,083	\$85,522,626	\$7,946,025	\$407,690,289
20.01 - 25.00	\$1,071,148	\$3,361,842	\$13,898,382	\$57,329,263	\$196,694,428	\$42,699,151	\$5,111,571	\$320,165,786
25.01 - 30.00	\$2,116,110	\$7,991,767	\$28,788,268	\$99,351,422	\$242,891,224	\$48,498,635	\$11,227,984	\$440,865,409
30.01 - 35.00	\$3,337,230	\$12,840,611	\$32,259,773	\$139,914,225	\$283,358,429	\$60,882,946	\$13,550,333	\$546,143,546
35.01 - 40.00	\$3,749,636	\$15,984,317	\$46,051,754	\$188,705,727	\$332,693,887	\$60,995,211	\$19,070,833	\$667,251,365
40.01 - 45.00	\$7,153,716	\$19,096,010	\$70,821,198	\$248,466,040	\$404,947,177	\$81,458,802	\$19,651,296	\$851,594,240
45.01 - 50.00	\$9,509,067	\$24,485,720	\$99,165,224	\$328,274,708	\$457,843,929	\$97,712,439	\$27,032,362	\$1,044,023,449
50.01 - 55.00	\$14,638,861	\$30,509,904	\$116,222,443	\$387,881,094	\$508,206,791	\$108,410,783	\$28,925,776	\$1,194,795,653
55.01 - 60.00	\$15,845,337	\$33,975,730	\$125,730,842	\$455,997,364	\$514,201,242	\$115,758,338	\$27,355,595	\$1,288,864,447
60.01 - 65.00	\$23,926,932	\$44,817,768	\$154,835,783	\$493,760,998	\$529,459,673	\$118,807,673	\$27,469,066	\$1,393,077,892
65.01 - 70.00	\$27,378,186	\$53,798,408	\$190,043,215	\$618,784,458	\$487,430,692	\$124,190,601	\$22,877,403	\$1,524,502,963
70.01 - 75.00	\$27,846,580	\$53,920,277	\$227,165,522	\$700,538,788	\$477,767,842	\$133,300,972	\$23,971,652	\$1,644,511,634
75.01 - 80.00	\$17,072,306	\$42,865,187	\$192,017,633	\$490,957,449	\$307,260,019	\$82,970,011	\$21,230,607	\$1,154,373,212
Greater than 80.00	\$2,562,904	\$10,335,570	\$36,969,882	\$82,719,449	\$39,692,086	\$12,156,160	\$3,393,880	\$187,829,932
<b>Total</b>	<b>\$157,818,311</b>	<b>\$358,075,196</b>	<b>\$1,348,631,777</b>	<b>\$4,346,511,295</b>	<b>\$5,022,474,503</b>	<b>\$1,173,364,350</b>	<b>\$258,814,384</b>	<b>\$12,665,689,815</b>



**Indexation Methodology**

As of the date of this Investor Report, the Guarantor uses the methodology described below (which methodology is, as of the date hereof, the "Indexation Methodology"), to establish the market value of residential properties securing loans included in the Covered Bond Portfolio on a quarterly basis for purposes of the Asset Coverage Test, the Amortization Test, the Valuation Calculation and for other purposes as may be required by the CMHC Guide from time to time. Changes to the Indexation Methodology may only be made (i) upon notice to CMHC and satisfaction of any other conditions specified by CMHC in relation thereto, (ii) if such change constitutes a material change, subject to satisfaction of the Rating Agency Condition, and (iii) if such change is materially prejudicial to the Covered Bondholders, subject to the consent of the Bond Trustee. The Indexation Methodology must at all times comply with the requirements of the CMHC Guide.

The primary index used by the Guarantor to determine the market value of a Property is the Teranet-National Bank Regional and Property Type Sub-Indices™ (the "RPT Sub-Indices"). The RPT Sub-Indices are estimated by tracking the observed or registered home prices over time based on property records of public land registries and grouped based on the first three digits of the Property's postal code. A Property must have been sold at least twice in order to be included in the calculation of the RPT Sub-Indices. In areas where sufficient data is available, the RPT Sub-Indices may be further subdivided by property type (all types, single-family homes and condominiums), which offers another layer of valuation granularity without compromising the statistical estimation error terms. To the extent necessary, the Teranet-National Bank House Price Index™ – Composite 11 Index (the "HPI – Composite 11") will be used for indexation purposes where the RPT Sub-Indices are not available. The HPI – Composite 11 combines the metropolitan areas of Victoria, Vancouver, Calgary, Edmonton, Winnipeg, Hamilton, Toronto, Ottawa, Montréal, Québec and Halifax to form a national composite index. At this time, New Brunswick and Saskatchewan are the only areas relevant to the Covered Bond Portfolio for which the RPT Sub-Indices are not available. For regions where the RPT Sub-Indices are not subdivided by property type, the Guarantor will use the all types sub-index. The RPT Sub-Indices and the HPI – Composite 11 are available by subscription at [www.housepriceindex.ca](http://www.housepriceindex.ca). This website and its contents do not form part of this Investor Report.

For each Property in the Covered Bond Portfolio, the indexed valuation for a quarter will be determined by multiplying the Original Market Value (as defined in the CMHC Guide) for such Property by the percentage change since the valuation date in the price level for the sub-index in which such Property is located and, if available, also based on the property type.

Material risks associated with using the Indexation Methodology include, but are not limited to, the following: the accuracy, adequacy, timeliness and completeness of the indices being relied upon; the consistency in underlying methodology of such indices; the continued availability of the home sale price data provided to Teranet; in the case of Properties outside of the regions covered by the RPT Sub-Indices, the risk that the HPI – Composite 11 may not accurately capture unique factors affecting local housing markets; and in the case of Properties located within the regions where the RPT Sub-Indices are not subdivided by property type, the risk that the all-types sub-index may not account for differences in property value changes based on property type.

National Bank of Canada (in its capacity as a licensor of the Index (as defined below), the "NBC Licensor") has, jointly with Teranet Inc. ("Teranet" and collectively with the NBC Licensor and their third party licensors the "Licensors"), developed a methodology and algorithm to create a residential house price index. The National Bank of Canada Legislative Covered Bond Programme (the "Programme") is not endorsed, sold or promoted by the Licensors. None of the Licensors make any representation or warranty, express or implied, to the parties to the Programme or any member of the public regarding the advisability or recommendation of investing in the Programme particularly or concerning the results to be obtained from the Teranet-National Bank House Price Index™ and the Teranet-National Bank Regional and Property Type Sub-Indices™ (the "Index") and its ability to track the performance of the residential real estate and housing markets or concerning the extent to which the capital value or income return of the Programme matches or will match the performance of the Index or the levels at which Index may stand at a particular date. The Licensors' only relationship to National Bank of Canada as licensee (in such capacity, "NBC") is the licensing of certain trademarks and trade names of the Licensors without regards to NBC or the Programme. The Licensors have no obligation to take the needs of NBC or the parties to the Programme into consideration in determining, composing or calculating the Index. None of the Licensors is responsible for and none has participated in determining the pricing, quantities or timing of the execution of the Programme by the parties thereto or the assessment or method of settlement calculation therefor. The Licensors have no obligation or liability in connection with the administration, marketing or trading of the Programme.

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