Mortgage Commitment

BROKER INFORMATION

Name: Origination Mortgage Corp.

Address: 2061 Abbott Street Kelowna BC V1Y 1C5

Attention: Steve Nicholson | Application Reference #:OMGC-293

LENDER INFORMATION

Name: Merix Financial

Address: Suite 1800 390 Bay Street ON M5H2Y2

Lender Reference #: 1477379 | Mortgage Insurance Reference #: 63697256

APPLICANT INFORMATION

Applicant: Garry Chan
Hia Inthavixay

Property Information

Address: 4350 Underwood AVE North Vancouver BC V7K2R6

With reference to the above, Merix Financial is pleased to provide a mortgage loan offer, under the following terms and conditions:

Loan		Terms		Payment	
Purchase/Value	$ 1,630,000.00	Mortgage Type	First	Principal and Interest	$ 3,951.21
Downpayment	$ 630,000.00	Term Type	Closed	Taxes (Estimated)	
Amount	$ 1,000,000.00	Interest Rate	2.500%	Taxes Paid By	Borrower
Insurance Premium	$ 0.00	Term (Months)	60	Total Installment	$ 3,951.21
Total Loan	$ 1,000,000.00	Amortization (Months)	360		
Other Mortgages		Frequency	Monthly	Commitment Expires	29-May-2014
Closing Date	29-May-2014				

LENDER AUTHORIZATION

All of our normal requirements and, if applicable, those of the mortgage insurer must be met. All costs including legal, survey, mortgage insurance, etc. are for the account of the applicant(s). The mortgage insurance premium (if applicable) will be added to the mortgage. This mortgage is subject to the details and terms outlined as well as the conditions described on the attached Schedule A.

Approved by: Chris La

MERIX FINANCIAL

CLIENT ACCEPTANCE

I/We the undersigned applicant(s) accept the terms of this mortgage as stated above and agree to fulfill the conditions of approval as outlined on the attached Schedule A to the lender's satisfaction. I/We further certify that the information given on the mortgage application is true and correct.

Applicant: Garry Chan	Signature ______________	Date ______________
Applicant: Hia Inthavixay	Signature ______________	Date ______________

FirmName:	Origination Mortgage Corp.	**Lender Name:**	Merix Financial
Attention:	Steve Nicholson	**Lender Reference #:**	1477379
Application Reference #:	OMGC-293	**Mortgage Insurance Reference #:**	63697256

CONDITIONS OF APPROVAL

OTHER

- ☐ Statutory declaration signed by mortgagor(s) indicating that the property will be owner occupied.
  The Lender reserves the right to amend our decision if the property is not being occupied as your principal residence.

- ☐ As the down payment is from the sale of your current residence, we require a legible, fully complete copy of the unconditional Agreement for Purchase & Sale for that property - attach all waivers and conditions.
  If you have a mortgage on that property, we will require a current mortgage statement to verify the equity in the property.

- ☐ The Lender requires written confirmation of employment at Walmart in form of letter reflecting:
  (i) Start date,
  (ii) Position,
  and (iii) Minimum annual salary $130,000.00. **RECEIVED**

  If salary and/or guaranteed number of hours can not be confirmed, the lender reserves the right to request additional documentation. In addition, if declared income includes overtime income, bonus income and/or is part time income, the Lender will request, in addition to the documentation already provided, copies of the most recent 2 years Notice of Assessments. The Lender will utilize the 2 year average or the most recent year assessment, which ever amount is lower. Please note, should the Notice of Assessments show tax arrears, the Lender requires confirmation prior to instructing that the tax arrears have been paid in full.

- ☐ The Lender requires a current paystub for Garry Chan confirming income as submitted. **RECEIVED**

- ☐ The Lender requires written confirmation of employment at Co-op Housing in form of letter reflecting:
  (i) Start date,
  (ii) Position,
  and (iii) Minimum annual salary $33,013.00.

  If salary and/or guaranteed number of hours can not be confirmed, the lender reserves the right to request additional documentation. In addition, if declared income includes overtime income, bonus income and/or is part time income, the Lender will request, in addition to the documentation already provided, copies of the most recent 2 years Notice of Assessments. The Lender will utilize the 2 year average or the most recent year assessment, which ever amount is lower. Please note, should the Notice of Assessments show tax arrears, the Lender requires confirmation prior to instructing that the tax arrears have been paid in full.

- ☐ The Lender requires a current paystub for Hia confirming income of no less than $33,013.

- ☐ The Lender requires all Broker conditions met a minimum 10 business days prior to close date.
  If conditions not fulfilled, funds may not be advanced on the scheduled closing date.
  Your commitment will be cancelled or closing date extended if application within the rate hold period.

- ☐ Solicitor Name and Address including telephone number required.

- ☐ The Lender has assigned your mortgage transaction to the Closing Service First Canadian Title (FCT). FCT is responsible to obtain Lender Title Insurance on behalf of the Lender. The Lender Title Insurance fee is a cost to the borrower.

- ☐ The Lender must receive a fully executed Agreement of Purchase and Sale along with MLS Listing for the property being purchased.

  Documents must be deemed satisfactory to the Lender. Agreement should include the vendors full name, address and phone number, realtor information. Property information to include sq. footage, heat type, garage type and size.

  Please note that if the purchase of the subject property is a private transaction between the applicant and current owner, this commitment will be considered null and void.

- ☐ This Mortgage will be subject to all extended terms set forth in our standard form of mortgage contract or in the mortgage contract prepared by our solicitors, whichever the case may be, and insured mortgage loans will be subject to the provisions of the National House Act (N.H.A.) and the regulations thereunder.

- ☐ The interest rate on your commitment letter will be honoured provided the mortgage loan is advanced by 29/05/2014.
  In the event that the effective rate of interest is lower at closing, the interest rate may be adjusted.

	Date:	Initials:

FirmName:	Origination Mortgage Corp.	**Lender Name:**	Merix Financial
Attention:	Steve Nicholson	**Lender Reference #:**	1477379
Application Reference #:	OMGC-293	**Mortgage Insurance Reference #:**	63697256

OTHER

☐ A title insurance policy, from a title insurance provider acceptable to the Lender, must be obtained covering the lenders interests without exceptions to coverage. Computershare Trust Company of Canada should be named as insured.

☐ Title to the Property must be acceptable to our Solicitor who will ensure that the Mortgagor(s) have good and marketable title in fee simple to the property and that it is clear of any encumbrances which might affect the priority of the Lenders Mortgage. We will accept title insurance from a title insurance provider acceptable to the Lender. The Mortgage must be a first charge on the property.

☐ Should you decide to sell the mortgaged property and purchase another property, you may transfer the remaining mortgage balance together with the interest rate set out therein to the new property provided that the Mortgage Loan is not in default, a new mortgage loan application has been accepted by the lender, all terms and conditions set out in the subsequent Mortgage Loan approval have been met and the closing dates of the two properties are within 30 days. Should the existing mortgage be paid out and the new mortgage not funded then prepayment charges will apply on your existing mortgage. Should the amount of the new mortgage be less than the balance on your existing mortgage, a prepayment penalty will apply to the difference between the two.

☐ There may be a fee charged for any payment returned due to insufficient funds or stopped payments.

☐ Payment of property taxes will be your responsibility, unless otherwise stated in this commitment.

☐ The terms in this commitment cannot be altered unless confirmed in writing by the Lender.

☐ Please return signed commitment signed by all parties.

☐ Thank you for choosing us for your financing. We look forward to hearing from you soon.
1) You will be required to obtain fire insurance coverage in an amount at least equal to the replacement cost. Computershare Trust Company of Canada is to be shown as 1st Loss Payable, as Mortgagee.
2) You will be required to sign a financing disclosure statement in accordance with the consumer protection legislation of your province. This statement will be signed at your solicitor s office.
3) Payment of your The Lender Mortgage is to be by way of Pre Authorized Payment Plan. You will sign a Pre Authorized Payment Plan enrollment agreement and you will provide the Lender with a Void cheque for the account you wish the mortgage payment withdrawn from.
4) The Lender will use the law firm of your choice for preparation and registration of the mortgage. We reserve the right to disqualify certain law firms based on past performance.

Please provide your Mortgage Representative with the name, address, phone and fax numbers of your solicitor.

☐ This approval is subject to cancellation at the option of the Lender should any of the following occur:If there has been any material change to the applicant s financial status as disclosed in the loan application or if there have been any unapproved material changes to the mortgaged premises that adversely affect the value thereof.

Any misrepresentation of facts contained in this loan application or other documentation entitles the Lender to decline to advance a portion or all of the loan proceeds, or to demand immediate repayment of all monies secured by the mortgage.

I/We accept the Offer to provide mortgage financing and agree to be bound by the terms, conditions and provisions contained herein.

I/We hereby authorize the Lender, its successor and/or assigns, to make whatever credit/payoff inquiries it deems necessary in connection with my/our credit application or in the course of review or collection of any credit extended in reliance on the application.

I/We hereby authorize any person or consumer reporting agency to compile and furnish any information it may have or obtain in response
to such credit inquiries.

I/We authorize this document to be reproduced by a copy machine to facilitate multiple credit and payoff inquiries.

The Mortgagor(s) and Guarantor (if applicable) acknowledge receipt of a signed copy of the Mortgage Loan Commitment.

☐ The applicant is responsible for any costs relating to the mortgage including legal, appraisal, survey, Title Insurance or inspection fees.

	Date:	Initials:

FirmName:	Origination Mortgage Corp.	**Lender Name:**	Merix Financial
Attention:	Steve Nicholson	**Lender Reference #:**	1477379
Application Reference #:	OMGC-293	**Mortgage Insurance Reference #:**	63697256

OTHER

☐ The title to the property must be satisfactory to our solicitor and the mortgage must be a first charge on the property. Legal expenses are your responsibility, whether the loan is carried out or not. Instructions to the lawyer will be forwarded upon acceptance of this Commitment.

☐ The Lender may refuse any subsequent financial charges to be registered against the subject property without their approval.

☐ The Lender must be in receipt of a signed Pre-authorized Debit Form and a Personal Pre-Printed Void Cheque for automatic payments. Pre-authorized Payment Form may be obtained at www.mortgagedocuments.ca

☐ Merix Financial mortgages are facilitated through Paradigm Quest Inc.

☐ The adjustable rate mortgage can be paid in full subject to 3 months interest at the then current customer rate.

☐ 1) Pay up to 20% of the original mortgage amount each anniversary year, without penalty. A minimum payment amount of $1,000.00 is required.
2) Increase your regular payments by up to 20% of the original P and I portion per anniversary year, without penalty.
3) Partial prepayment options used in any combination may not exceed the 20% yearly prepayment maximum.

☐ The interest rate on this Mortgage is set at Prime -0.50%. The interest rate will change from time to time. The principal and interest payment will be recalculated every time the Prime Rate changes, based on the new interest rate and remaining amortization. The term "Prime Rate" means on any day, the annual rate of interest which Paradigm Quest Inc. establishes at its principal office in Toronto as the reference rate of interest to determine interest rates it will charge on such day for commercial loans in Canadian dollars made to its customers in Canada and which it refers to as its "Paradigm prime rate of interest".

Early renewal is not applicable however this mortgage is convertible to a fixed rate term, at anytime, at no cost, on the condition that the new term is greater than or equal to the remaining term on the adjustable rate mortgage. Upon conversion to a fixed rate term mortgage all features and benefits of the adjustable rate mortgage are rescinded and the mortgagor/chargor adopts the features and benefits of the term selected.

The adjustable rate mortgage can be paid in full subject to 3 months interest at current customer rate.

☐ Solicitor to confirm final purchase price inclusive of taxes and that there are no incentives or kickbacks. In the event of closing date change, Solicitor is responsible for obtaining a fully executed addendum to the purchase contract confirming amended closing date.

☐ Prior to advancement of funds, Lender s solicitor to obtain an Occupancy Certificate confirming 4350 Underwood Avenue, North Vancouver, British Columbia V7K 2R6 has been inspected and approved for occupancy and/or the New Home Warranty Unit Enrollment Number and the Builders Registration Number. The security must be 100% complete by the mortgage funding date, seasonal adjustments allowed.

In BC, a copy of the occupancy permit must be submitted to the solicitor s office prior to the release of the Builders Lien Holdback and/or the final advance.

☐ The Lender requires Garry Chan to provide satisfactory copies of the last 2 years personal Notice of Assessments confirming an income of $154,526. The Lender will utilize the 2 year average or the most recent year assessment, which ever amount is lower. Please note, should the Notice of Assessments show tax arrears, The Lenderrequires confirmation prior to instructing that the tax arrears have been paid in full.

RECEIVED

☐ Please provide bank/RRSP/investment statements to confirm minimum networth of $300K.

☐ The Lender requires confirmation of previous related employment and income for Hia I Inthavixay via one of the following:
1)Record of Employment ,
2) T4
or 3) Final pay stub.

	Date:	Initials: