FROM:
Todd Ingenthron
Appraisal West Real Estate Corporation
Box 30001, RPO Glenpark
Kelowna, BC V1V 2M4

Telephone Number: 250-861-3101 **Fax Number:** 250-979-0094
E-Mail: admin@appraisalwest.com

INVOICE

INVOICE NUMBER
1310-JOH-ti

DATE
10/29/13

TO:
Steve Nicholson
Origination Mortgage Corp.

Telephone Number: **Alt. Number:**
Fax Number: **E-Mail:** steve@origination.ca

REFERENCE

Internal Order #:	1310-JOH-ti
Lender Case #:	
Client File #:	
Main File # on form:	1310-JOH-ti
Other File # on form:	
Federal Tax ID:	

TERMS: Payment due upon receipt of report.
Appraisal West accepts Cheques, Direct Deposits, Cash or Visa & Mastercard (2.5% service fee applies to Visa & Mastercard)
Please make cheques payable to: Appraisal West Real Estate Corp.
Interest is charged at a rate of 2.0% per month on unpaid accounts, calculated 30 days from the date of the Invoice.

** For payments made beyond the due date, please fax notice to the above fax number indicating that the invoice has been paid including the invoice number & client name. It is not necessary to fax the entire invoice**

DESCRIPTION

Lender:
Client: Origination Mortgage Corp.
Purchaser/Borrower: Russell Norman Johnson
Property Address: 629 Christleton Avenue
City: Kelowna
Municipality: City of Kelowna **Province:** BC **Postal Code:** V1Y 5J1
Legal Description: Lot 35, Plan1246, DL 14, LD 41, ODYD, PID 011-708-107, Roll 214.14890

FEES		AMOUNT
2 Family - House with a Carriage House		375.00
Discount		-40.00
G.S.T.	5.00 %	16.75
SUBTOTAL		351.75

PAYMENTS			AMOUNT
Check #:	Date:	Description:	
Check #:	Date:	Description:	
Check #:	Date:	Description:	
SUBTOTAL			

GST# 88684 2103RT

TOTAL DUE $ 351.75

Appraisal of a Two Family Property

LOCATED AT:
629 Christleton Avenue
Kelowna, BC V1Y 5J1

LEGAL DESCRIPTION:
Lot 35, Plan1246, DL 14, LD 41, ODYD, PID 011-708-107, Roll 214.14890

FOR:
Origination Mortgage Corp.
Steve Nicholson

AS OF:
10/25/13

BY:
Todd Ingenthron

REFERENCE:

Photograph Addendum

FILE NO.: 1310-JOH-ti

CLIENT		APPRAISER	
CLIENT:	Origination Mortgage Corp.	APPRAISER:	Todd Ingenthron
ADDRESS:		ADDRESS:	Box 30001, 102-1940 RPO Glenpark
			Kelowna, BC V1V 2M4
PHONE:	FAX:	PHONE:	(250) 861-3101 FAX: (250) 979-0094

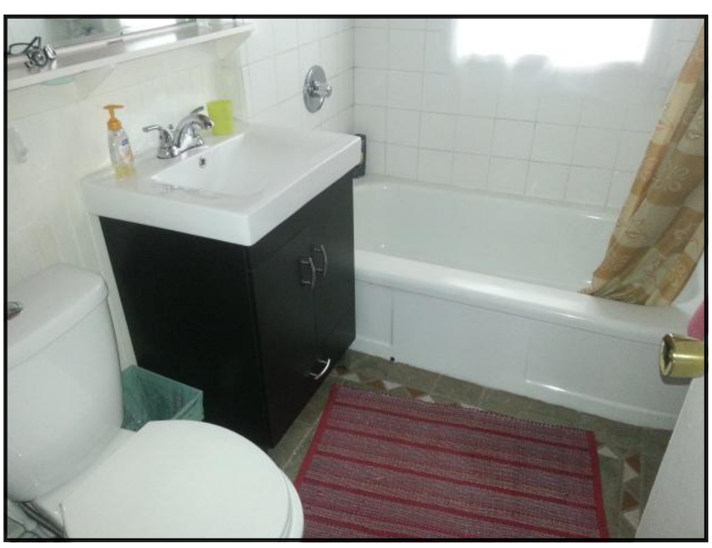
629 Christleton Avenue, Kelowna, BC V1Y 5J1

Rear View of the Subject Property

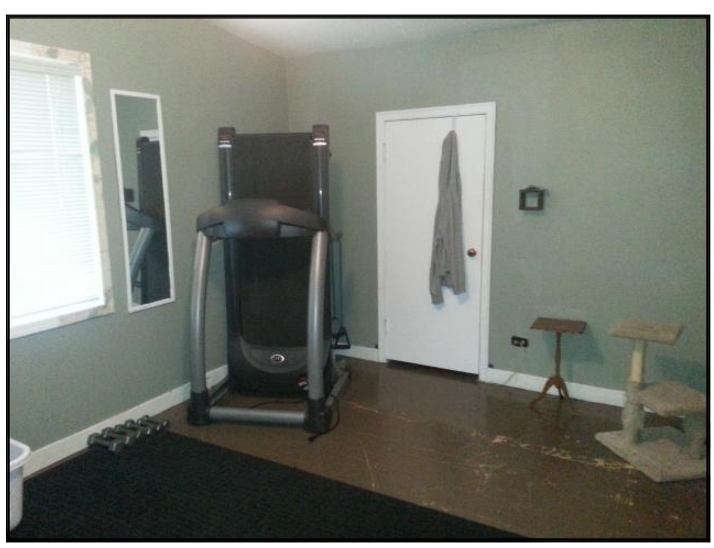
Street Scene

Living Room

Kitchen



Bathroom



Bedroom

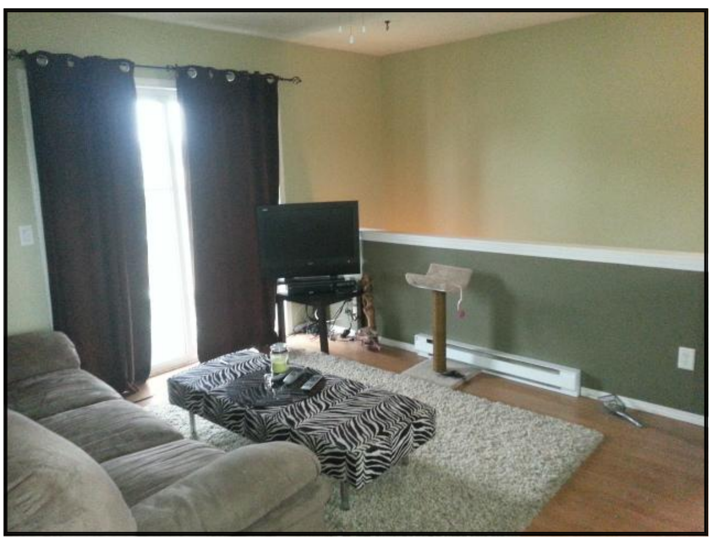
REFERENCE: **Photograph Addendum** FILE NO.: 1310-JOH-ti

CLIENT		APPRAISER	
CLIENT:	Origination Mortgage Corp.	APPRAISER:	Todd Ingenthron
ADDRESS:		ADDRESS:	Box 30001, 102-1940 RPO Glenpark
			Kelowna, BC V1V 2M4
PHONE:	FAX:	PHONE:	(250) 861-3101 FAX: (250) 979-0094

629 Christleton Avenue, Kelowna, BC V1Y 5J1

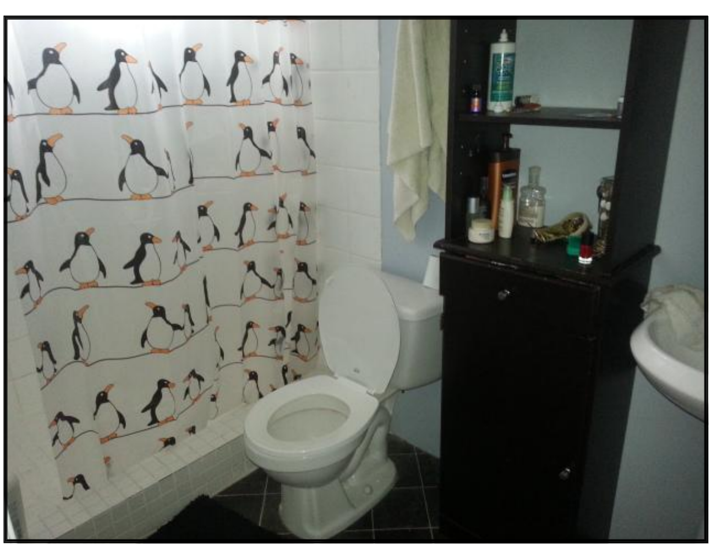
Carriage House-Front

Carriage House-Rear

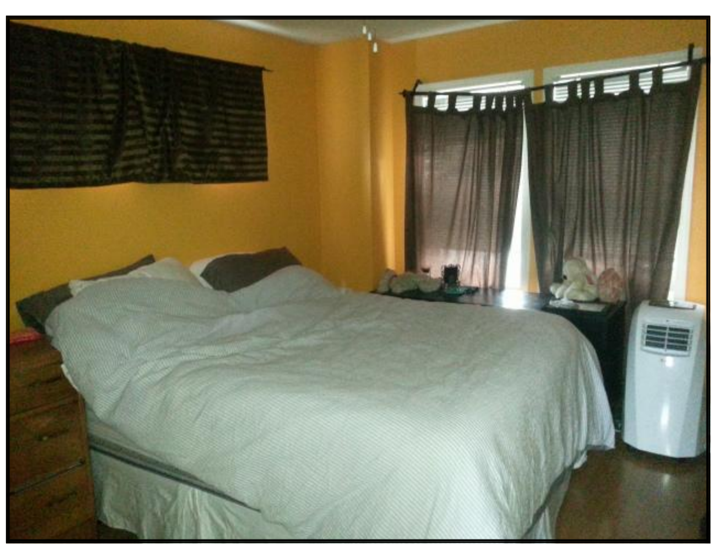


Carriage House-Living Room

Carriage House-Kitchen



Carriage House-Bathroom



Carriage House-Bedroom

REFERENCE:

RESIDENTIAL APPRAISAL REPORT

FILE NO.: 1310-JOH-ti

CLIENT

CLIENT: Origination Mortgage Corp.
ATTENTION:
ADDRESS:
E-MAIL:
PHONE: FAX:

APPRAISER

APPRAISER: Todd Ingenthron
COMPANY: Appraisal West Real Estate Corporation
ADDRESS: Box 30001, 102-1940 RPO Glenpark
Kelowna, BC V1V 2M4
E-MAIL: todd@appraisalwest.com
PHONE: (250) 861-3101 FAX: (250) 979-0094

SUBJECT

NAME: Russell Norman Johnson
PROPERTY ADDRESS: 629 Christleton Avenue CITY: Kelowna PROVINCE: BC POSTAL CODE: V1Y 5J1
LEGAL DESCRIPTION: Lot 35, Plan1246, DL 14, LD 41, ODYD, PID 011-708-107, Roll 214.14890
PURPOSE OF APPRAISAL: To estimate market value or ☐ Other To estimate market value
INTENDED USE OF APPRAISAL: For financing purposes only.
INTENDED USERS (by name or type): Origination Mortgage Corp. and its assignees.
REQUESTED BY: ☒ Client above ☐ Other Origination Mortgage Corp. per Steve Nicholson
THIS APPRAISAL REPORT REPRESENTS THE FOLLOWING VALUE (if not current, see comments): ☒ Current ☐ Retrospective ☐ Prospective
☐ Update of original report completed on with an effective date of File No.
PROPERTY RIGHTS APPRAISED: ☒ Fee Simple ☐ Leasehold ☐ Cooperative ☐ Condominium ☐ Strata Maintenance Fee $: ☐ See comments
IS THE SUBJECT A FRACTIONAL INTEREST, PHYSICAL SEGMENT OR PARTIAL HOLDING? ☒ No ☐ Yes (if yes, see comments)
MUNICIPALITY AND DISTRICT: City of Kelowna
ASSESSMENT: Land $ 252,000 Imps $ 76,600 Total $ 328,600 Assessment Date 2013 Taxes $ 2,440 Year 2013
EXISTING USE: Two family property OCCUPIED BY: Owner/Tenant
HIGHEST AND BEST USE OF SUBJECT PROPERTY: ☒ As Improved, or ☐ Other *Note: If highest and best use is not the existing use, or not the use reflected in the report, see additional comments.*

NEIGHBOURHOOD

NATURE OF DISTRICT: ☒ Residential ☐ Rural ☐ Commercial ☐ Industrial ☐
TREND OF DISTRICT: ☐ Improving ☒ Stable ☐ Transition ☐ Deteriorating ☐
BUILT-UP: ☒ Over 75% ☐ 25 - 75% ☐ Under 25% ☐
CONFORMITY: Age: ☐ Newer ☒ Similar ☐ Older ☐
Condition: ☐ Superior ☒ Similar ☐ Inferior ☐
Size: ☐ Larger ☒ Similar ☐ Smaller ☐

AGE RANGE OF PROPERTIES: New to 45+ years
MARKET OVERVIEW: Supply: ☒ Good ☐ Average ☐ Poor
Demand: ☐ Good ☒ Average ☐ Poor
PRICE TRENDS: ☒ Increasing ☐ Stable ☐ Declining
PRICE RANGE OF PROPERTIES: $ 210,000 to $ 2,000,000+
Residences in subject district

SUMMARY: INCLUDES VALUE TRENDS, MARKET APPEAL, APPARENT ADVERSE INFLUENCES IN THE AREA, IF ANY (e.g. railroad tracks, unkempt properties, major traffic arteries, Hydro facilities, anticipated public or private improvements, commercial/industrial sites, landfill sites, etc.): The KELOWNA SOUTH District is that area lying west of Gordon Road, south of Highway 97 to the north side of KLO Road and the east shore of Okanagan Lake. The subject sector comprises a mixture of single family residential homes, some two-dwelling housing and multi-family housing including duplexes as well as the KSS School and OUC (Kelowna Campus). The properties in the area are mostly older but generally well kept. Some newer infill dwellings are evident throughout the sector. The area is conforming, popular and close to most City amenities. No adverse influences were observed.

SITE

SITE DIMENSIONS: See plan attached
SITE AREA: 0.14 acre/50'front. Source: City Mapping/BCA
TOPOGRAPHY: Level with road grade.
CONFIGURATION: Rectangular
ZONING: RU6- Two Family Property
DOES EXISTING USE CONFORM TO ZONING? ☒ Yes ☐ No (see comments)
EASEMENTS: ☐ Utility ☐ Access ☒ Other N/k-Title search not completed

UTILITIES: ☒ Telephone ☒ Sanitary Sewer ☐ Septic System ☒ Municipal Water ☐ Well
☒ Natural Gas ☒ Storm Sewer ☐ Open Ditch ☐
FEATURES: ☒ Paved Road ☐ Sidewalk ☒ Street Lights ☐ Gravel Road ☐ Curbs
☒ Cablevision ☐ Lane ☐
ELECTRICAL: ☒ Overhead ☐ Underground ☐
DRIVEWAY: ☒ Private ☐ Mutual ☐ None ☐ Single ☒ Double
Surface: Concrete-Rear
PARKING: ☒ Garage ☐ Carport ☒ Driveway ☒ Street
LANDSCAPING: ☐ Good ☒ Average ☐ Fair ☐ Poor Sprinklers
CURB APPEAL: ☐ Good ☒ Average ☐ Fair ☐ Poor

COMMENTS: (includes any positive and negative features such as conformity with zoning, effects of known easements, known restrictions on title, such as judgments or liens, effects of assemblage, any known documentation of environmental contamination, etc.) The subject site is located on the south side of Christleton Avenue, between Richter and Pandosy Streets, and backing onto a rear lane. The fully landscaped site includes lawn, shrubs and trees & underground sprinklers. The lot size is typical for the area & the subject conforms to neighbouring properties. The parcel is zoned RU6, two family property, by the City of Kelowna, and therefore the carriage house conforms to the current zoning. No negative features are noted.
Note: The following information pertains to the original residence. For a description of the carriage house - see narrative attached.

IMPROVEMENTS

CONSTRUCTION COMPLETE: Yes PERCENTAGE COMPLETE: 100
YEAR BUILT (estimated) 1945+/- EFFECTIVE AGE: 37 years REMAINING ECONOMIC LIFE (estimated): 33 years

FLOOR AREA: ☐ Sq. M. ☒ Sq. Ft.
MAIN 856
SECOND
THIRD
FOURTH
TOTAL 856
Source: Measured

BUILDING TYPE: House + carr.hse
DESIGN/STYLE: 1 Storey Bungalow(main)
CONSTRUCTION: Wood Frame
BASEMENT: Partial cellar
BASEMENT AREA: N/A ☐ Sq. M. ☒ Sq. Ft. 0 % Finished
WINDOWS: Wood & Aluminum single pane
FOUNDATION WALLS: Poured concrete

ROOFING: Asphalt Shingle
Condition: ☐ Good ☒ Average ☐ Fair ☐ Poor
EXTERIOR FINISH: Vinyl Siding
Condition: ☐ Good ☒ Average ☐ Fair ☐ Poor
UFFI APPARENT: ☐ Yes ☒ No ☐ Removed

BEDROOMS (#): Large; 2 Average; Small
BATHROOMS (#): 2-Piece; 3-Piece; 1 4-Piece; 5-Piece
x Good; Average; Fair; Poor

INTERIOR FINISH:	Walls	Ceilings
Drywall	☒	☒
Plaster	☒	☒
Paneling	☐	☐
Acoustic Tile	☐	☒
	☐	☐

CLOSETS: ☐ Good ☒ Average ☐ Fair ☐ Poor
INSULATION: ☒ Ceiling ☒ Walls ☐ Basement ☐ Crawlspace
Source: Assumed
PLUMBING LINES: Assumed mixed
FLOORPLAN: ☐ Good ☒ Average ☐ Fair ☐ Poor
BUILT-INS/EXTRAS: ☐ Garbage Disposal ☐ Central Air ☐ Swimming Pool ☐ Fireplace(s)
☐ Oven ☐ Air Cleaner ☐ Sauna ☐ Garage Opener ☐ Dishwasher
☐ Vacuum ☐ Solarium ☐ Security System ☐ Stove ☐ Whirlpool
☐ Skylights ☐ HR Ventilator ☒ 4 appliances

FLOORING: Sheet vinyl, tile, hardwood & laminate.
ELECTRICAL: ☐ Fuses ☒ Breakers
Estimated capacity of main panel: 100 estimated amps
HEATING SYSTEM: Forced Air Fuel Type Gas
WATER HEATER: Type Gas-40 US Gallons(estimated)
OVERALL INT. COND: ☒ Good ☐ Average ☐ Fair ☐ Poor

BASEMENT FINISHES/UTILITY: Partial cellar houses the mechanical equipment. The remainder of the house is built on a crawl space. Only a limited inspection of the crawl space was made from the cellar area.
GARAGES/CARPORTS: Detached 2 car garage, lined & insulated, with carriage house built above (see narrative attached).
DECKS, PATIOS, OTHER IMPROVEMENTS: Partially covered rear deck.
COMMENTS: (Building, appearance, quality, condition, services, extras, anticipated public or private improvements, etc.) See attached addenda.

RESIDENTIAL APPRAISAL REPORT

ROOM ALLOCATION

LEVEL:	MAIN	SECOND	THIRD		BASEMENT
ENTRANCE	2				
LIVING	1				
DINING					
KITCHEN	1-ea				
FULL BATH	1				
PART BATH					
BEDROOM	2				
FAMILY					
LAUNDRY	1				
OTHER					
TOTAL ROOMS	4				

COST APPROACH

SOURCE OF COST DATA: ☐ MANUAL ☒ CONTRACTOR ☐ OTHER

		COST NEW	DEPRECIATED COST
LAND VALUE			$ 250,000
BUILDING			
COST	856 @ $ 105	$ 89,880	$
GARAGE	Incl. in carriage house	$	$
BASEMENT FINISH			
Cellar/crawl		$ 11,000	$
OTHER EXTRAS		$	$
Extras		$ 2,000	$
Decks		$ 6,000	$
Site Improvements		$ 4,500	$ 10,000
Carriage House		$	$ 85,000
TOTAL REPLACEMENT COST		$ 113,380	
LESS: ACCRUED DEPRECIATION	30 %	$ 34,014	$ 79,366
INDICATED VALUE			$ 424,366
VALUE BY THE COST APPROACH (rounded):			$ 424,000

NOTE: The construction cost estimates contained herein were not prepared for insurance purposes and are invalid for that use. The Cost Approach is not applicable when appraising individual strata/condominium type dwelling units.

COMPARABLE SALES DATA

SUBJECT		COMPARABLE NO. 1 Description	$ Adjustment	COMPARABLE NO. 2 Description	$ Adjustment	COMPARABLE NO. 3 Description	$ Adjustment
629 Christleton Avenue Kelowna, BC V1Y 5J1		1891 Bowes Street Kelowna, BC		1459 Highland Drive Kelowna, BC		844 Fuller Avenue Kelowna, BC	
DATE OF SALE	*Pending Offer*	08/12/13		06/06/13	+13,500	05/21/13	+14,500
SALE PRICE	$394,000	$429,900		$448,000		$480,000	
Days on Market	49	67		212		43	
LOCATION	Kelowna South	Kelowna South		Glenmore		Kelowna North	
SITE SIZE	0.14 acre	0.19 acre	-5,000	0.22 acre	+5,000	0.15 acre	
BUILDING TYPE	House + carr.hse	House + carr.hse		House + carr.hse		House + carr.hse	
DESIGN/STYLE	1Sty (Bungalow)	1Sty (Bungalow)		1Sty (Bungalow)		1Sty (Bungalow)	
AGE/CONDITION	68A 37E Good	53 Inferior	+15,000	51 Inferior	+5,000	63 Similar	
LIVABLE FLOOR AREA	856 Sq.Ft.	1,050	-10,000	1,525	-35,000	1,047	-10,000
ROOM COUNT (Total / Bdrms / Baths)	4 / 2 / 1:0	9 / 4 / 3	-5,000	11 / 6 / 3	-5,000	9 / 5 / 2	-2,500
BASEMENT	Part cellar,crawl	860-860fin.	-30,000	837-837fin.(ste)	-33,000	1,047-779fin.	-31,000
PARKING	2 Car Garage	1 Car Carport	+15,000	Open Parking	+20,000	1 Car Garage	+10,000
Extras	4ap	6ap,fp,vc.	-3,000	5ap,fp,ca,ht.	-6,000	None	+2,000
Landscaping	Average,Spr.	Average	+1,000	Average,Spr.		Average	+1,000
Carriage house	578sf-Good	745-Similar	-10,000	700sf-Similar	-10,000	959-Superior	-45,000
ADJUSTMENTS (Gross/Net)		21.9 % 7.4 %	$ -32,000	29.6 % 10.2 %	$ -45,500	24.2 % 12.7 %	$ -61,000
ADJUSTED VALUES		$ 397,900		$ 402,500		$ 419,000	

CONCLUSIONS: Recent sales of RU6 zoned two family residences are limited. The three comparables represent recent sales of similar RU6 zoned two family residences located in Kelowna.

Adjustments are employed to improve their comparability to the subject property. Adjustments are considered to be necessary for market conditions (time) where applicable. All land adjustments in the site size category reflect overall land values taking into consideration size, location, views, topography and configuration. Adjustments in the age/condition category reflect overall age/condition and quality. Basement adjustments include basement finishing and foundation size.

Index 1 is superior in lot size and inferior in quality. Index 2 is inferior in location & quality & superior in lot size. Index 3 has a superior carriage house.

The sales, adjusted for various differences with the subject property, are good indicators of the subject value. The value, derived by the Direct Comparison Approach, is based on a weighted average basis.

SALES HISTORY - ANALYSIS OF KNOWN CURRENT AGREEMENTS FOR SALE, PRIOR SALES, LISTINGS, OPTIONS OR MARKETING OF THE SUBJECT: (minimum of three years) The Okanagan Mainline Real Estate Board on-line records show the subject property is currently listed for $449,900 and has been listed since 09/06/13. The current subject to offer is reported to be $394,000. The subject property was listed on 06/01/12 for $449,800 and expired on 12/31/12. The subject property was listed on 11/10/11 for $499,800 and expired on 05/31/12. No other listings or sales within the past 3 years are known to exist.

VALUE BY DIRECT COMPARISON APPROACH (rounded) **$** 410,000

EXPOSURE TIME

COMMENT ON REASONABLE EXPOSURE TIME: Exposure time is a retrospective view of the market and properties like the subject, in the subjects location and properly priced tend to sell with 1 to 3 months exposure in market conditions prevailing up to the date of the appraisal.

RECONCILIATION

RECONCILIATION AND FINAL ESTIMATE OF VALUE: Value of the subject property is based on the final estimate indicated by the Direct Comparison Approach to value. The Cost Approach (CA) is given little weight. It is not typically used by purchasers or vendors in the market place, particularly with respect to older homes. Further, there is little or no empirical evidence to support rates of depreciation used in the approach other than indicated by the comparable sales used in the Direct Comparison Approach. According the CA is not necessarily a reliable indicator of market value and the reader is warned not to rely on its market value estimate. The subject property is considered to have average marketability.

AS A RESULT OF MY APPRAISAL AND ANALYSIS OF ALL APPLICABLE DATA AND RELEVANT FACTORS, IT IS MY CONCLUSION THAT THE MARKET VALUE OF THE INTEREST IN THE SUBJECT PROPERTY AS AT 10/25/13 (Effective Date of the Appraisal) IS $ 410,000

THIS REPORT WAS COMPLETED ON: 10/29/13

RESIDENTIAL APPRAISAL REPORT

DEFINITIONS

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market as of the specified date under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: buyer and seller are typically motivated; both parties are are well informed or well advised, and acting in what they consider their own best interests; a reasonable time is allowed for exposure in the open market; payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Source: Canadian Uniform Standards of Professional Appraisal Practice) *Note: If other than market value is being appraised, see additional comments.*

DEFINITION OF HIGHEST AND BEST USE: The reasonably probable and legal use of the property, that is physically possible, appropriately supported, and financially feasible, and results in the highest value.

SCOPE

The scope of the appraisal encompasses the due diligence undertaken by the appraiser (consistent with the terms of reference from the client, the purpose and intended use of the report) and the necessary research and analysis to prepare a report in accordance with the Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada. The following comments describe the extent of the process of collecting, confirming and reporting data and its analysis, describe relevant procedures and reasoning details supporting the analysis, and provide the reason for the exclusion of any usual valuation procedures. Unless otherwise stated, the subject property was inspected both internally and externally by the undersigned. Data contained within this report has been collected from various sources including but not limited to : The City of Kelowna, OMREB, CORD and the B.C. Assessment Authority. Additional data has been obtained through local realtors, contractors and appraisal files held at our office. Market data has been verified from the information provided by the local real estate board and if not, a party associated with the transaction. Sewer connection information for the subject property has been obtained from the owner where possible. Sewer connection info. for the comparables has been obtained from various sources incl. OMREB. However, unless specified, no effort has been made to determine whether the sewer has been prepaid or is paid on the property taxes.

ASSUMPTIONS AND LIMITING CONDITIONS AND EXTRAORDINARY ITEMS

ORDINARY ASSUMPTIONS & LIMITING CONDITIONS

The certification that appears in this appraisal report is subject to the following conditions:

1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the author and any supervisory appraiser, subject to the qualification in paragraph 11 below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. No registry office search has been performed and the appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this report. The property is appraised on the basis of it being under responsible ownership.
4. The subject property is presumed to comply with government regulations including zoning, building codes and health regulations and, if it doesn't comply, its non-compliance may affect market value.
5. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property.
6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc.) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.
8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.
9. The appraiser obtained information, estimates and opinions that were used in the preparation of this report from sources considered to be reliable and accurate and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of items that were furnished by other parties.
10. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work.
11. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the Canadian Uniform Standards of Professional Appraisal Practice ("The Standards") and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the Canadian Uniform Standards of Professional Appraisal Practice (the "Standards") and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy.
12. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
13. Written consent from the author and supervisory appraiser, if applicable, must be obtained before any part of the appraisal report can be used for any purpose by anyone except the client and other intended users identified in the report. Where the client is the mortgagee, liability is extended to its insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee. Written consent and approval must also be obtained before the appraisal (or any part of it) can be altered or conveyed to other parties, including mortgagees (other than the client) and the public through prospectus, offering memoranda, advertising, public relations, news, sales or other media.
14. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.

Other:

EXTRAORDINARY ASSUMPTIONS & LIMITING CONDITIONS
An extraordinary assumption or limiting condition has been invoked in this appraisal report. ☐ YES ☒ NO If yes, see attached addendum.

HYPOTHETICAL CONDITIONS
A hypothetical condition has been invoked in this appraisal report. ☐ YES ☒ NO If yes, see attached addendum.

JURISDICTIONAL EXCEPTION
A jurisdictional exception has been invoked in this appraisal report. ☐ YES ☒ NO If yes, see attached addendum.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions and conclusions.
3. I have no past, present or prospective interest or bias with respect to the property that is the subject of this report and no personal interest or bias with respect to the parties involved with this assignment, except as specified herein.
4. My engagement in this assignment is not contingent upon developing or reporting a predetermined result, upon the amount of value estimate, upon a direction in value that favours the cause of the client, upon the attainment of a stipulated result or the occurrence of a subsequent event.
5. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice.
6. I have the knowledge and experience to complete this assignment competently. Except as herein disclosed, no other person has provided me with significant professional assistance in the completion of this appraisal assignment.
7. The Appraisal Institute of Canada has a mandatory Continuing Professional Development Program for all members. As at the date of this report, the requirements of this program have been fulfilled.

SUPERVISORY APPRAISER'S CERTIFICATION If a supervisory appraiser has signed this appraisal report, he or she certifies and agrees that "I directly supervised the appraiser who prepared this appraisal report and, having reviewed the report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certification and am taking full responsibility for the valuation and the report."

PROPERTY IDENTIFICATION

ADDRESS: 629 Christleton Avenue CITY: Kelowna PROVINCE: BC POSTAL CODE: V1Y 5J1

LEGAL DESCRIPTION: Lot 35, Plan1246, DL 14, LD 41, ODYD, PID 011-708-107, Roll 214.14890

AS A RESULT OF MY ANALYSIS OF ALL APPLICABLE DATA AND RELEVANT FACTORS, IT IS MY CONCLUSION THAT THE MARKET VALUE OF THE INTEREST IN THE SUBJECT PROPERTY AS AT 10/25/13 (Effective Date of the Appraisal) IS $ 410,000

APPRAISER:		SUPERVISORY APPRAISER:	
SIGNATURE:	*Todd Ingenthron*	SIGNATURE:	*B.W. Farrell*
NAME:	Todd Ingenthron	NAME:	Brad Farrell
DESIGNATION:	Candidate Member - AIC	DESIGNATION:	CRA
DATE SIGNED:	October 29, 2013	DATE SIGNED:	October 29, 2013
DATE OF INSPECTION:	10/25/13	DATE OF INSPECTION:	No Inspection
LICENSE INFO (where applicable):	N/A	LICENSE INFO (where applicable):	3553

NOTE: For this appraisal to be valid, an original or a password protected digital signature is required. *NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.*

ATTACHMENTS:

☐ ADDITIONAL SALES ☐ EXTRAORDINARY ITEMS ADDENDUM ☒ NARRATIVE ADDENDUM ☒ PHOTO ADDENDUM ☐ SKETCH ADDENDUM

☒ MAP ADDENDUM ☒ Site Plan ☐ ☐ ☐

☐

REFERENCE: **Supplemental Addendum** FILE NO.: 1310-JOH-ti

CLIENT: Origination Mortgage Corp.
ADDRESS:
PHONE: FAX:

APPRAISER: Todd Ingenthron
ADDRESS: Box 30001, 102-1940 RPO Glenpark
Kelowna, BC V1V 2M4
PHONE: (250) 861-3101 FAX: (250) 979-0094

629 Christleton Avenue, Kelowna, BC V1Y 5J1

Site Comments

No investigation into any easements was made, nor was a title search completed. An environmental audit was not completed. No detrimental factors are known to exist including drainage problems, floor conditions, adverse easements or encroachments. The owner didn't indicate any such items. Site improvements and services to the site are available and appear to be adequate in terms of capacity and acceptable in the market place.

Description of Improvements (Main Residence

Overall building appearance and exterior quality is average. Interior has been maintained to average condition and reflects some updating. Materials and workmanship are of average quality. Layout is functional.

Renovations include, but are not limited to: wainscotting, some flooring and paint, bathroom, vinyl windows, R55 Attic insulation, cellar/basement exterior walls insulated, plastic over crawl space floor.

No differed maintenance items are evident.

No adverse external factors that may affect the marketability of the property are known to exist.

Second Residence

STYLE: Carriage House built over a detached double garage.

AGE: 2002

LAYOUT: 1 entrance, kitchen, eating area, living room, 1 bath (3-pce), 1 bedroom & laundry closet.

SIZE: 578sq.ft

CONSTRUCTION: Wood frame.

WINDOWS: Vinyl Sealed.

EXTERIOR FINISHED: Vinyl Siding

ROOFING MATERIAL: Asphalt shingle

FLOORING: Laminate, sheet vinyl & ceramic tile.

INTERIOR FINISHED: Gypsum board walls & ceilings.

FOUNDATION: Poured concrete.

PLUMBING: Assumed to be mixed. Electric hot water tank.

HEATING SYSTEM: Baseboard electric

BUILTINS/EXTRAS: None

PARKING: Built-in 2 car garage, lined & insulated (497 sq.ft)

Overall building appearance and exterior quality are average. Interior has been well maintained. Materials and workmanship are of average to good quality. Layout is functional. No negative features are noted.

REFERENCE: **Site Map** FILE NO.: 1310-JOH-ti

CLIENT:	Origination Mortgage Corp.	APPRAISER:	Todd Ingenthron
ADDRESS:		ADDRESS:	Box 30001, 102-1940 RPO Glenpark
			Kelowna, BC V1V 2M4
PHONE:	FAX:	PHONE:	(250) 861-3101 FAX: (250) 979-0094

629 Christleton Avenue, Kelowna, BC V1Y 5J1

REFERENCE: **Location Map** FILE NO.: 1310-JOH-ti

CLIENT	CLIENT: Origination Mortgage Corp.	APPRAISER	APPRAISER: Todd Ingenthron
	ADDRESS:		ADDRESS: Box 30001, 102-1940 RPO Glenpark
			Kelowna, BC V1V 2M4
	PHONE: FAX:		PHONE: (250) 861-3101 FAX: (250) 979-0094

629 Christleton Avenue, Kelowna, BC V1Y 5J1

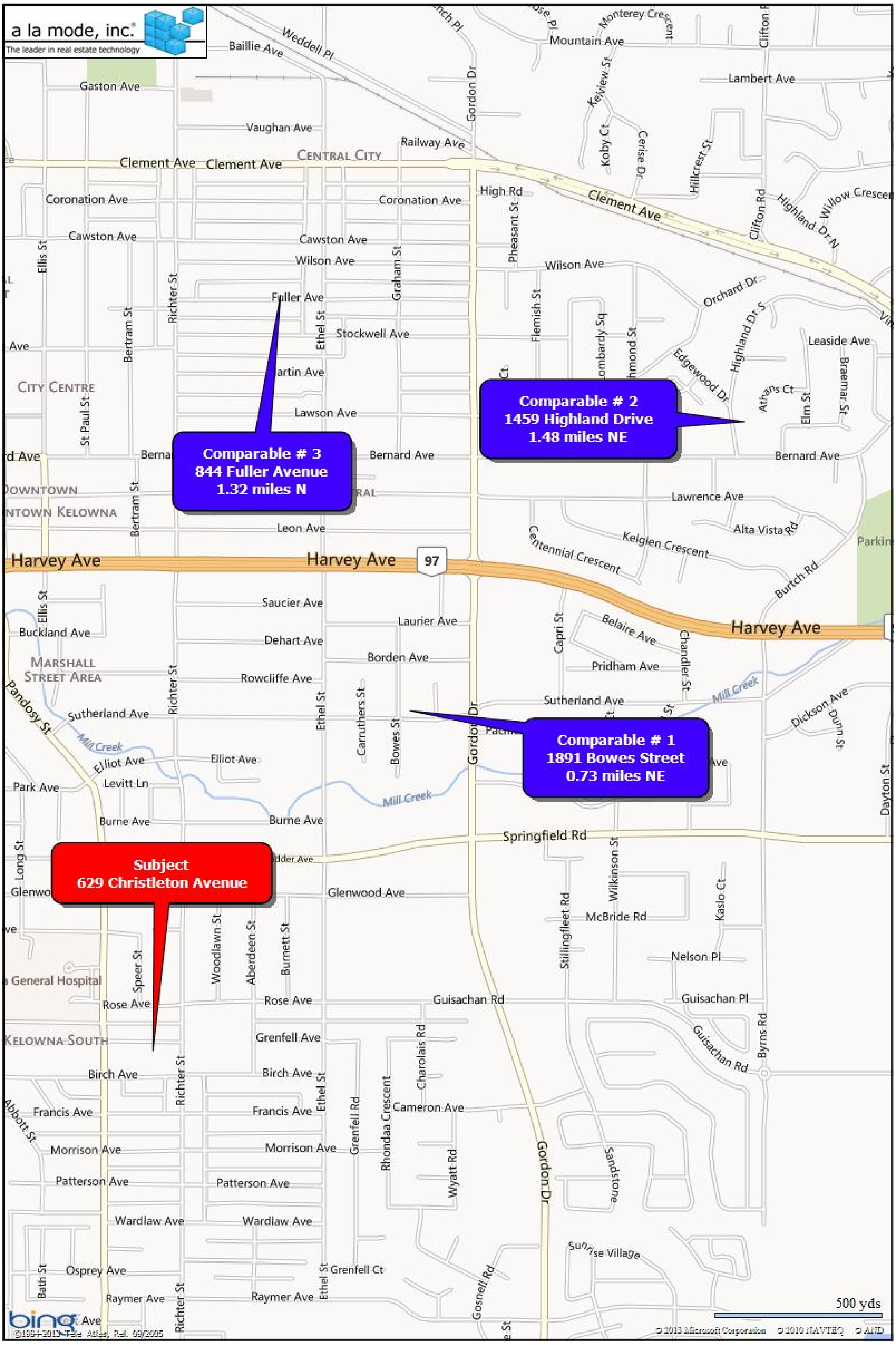
REFERENCE:

Comparables Map

FILE NO.: 1310-JOH-ti

CLIENT		APPRAISER	
CLIENT:	Origination Mortgage Corp.	APPRAISER:	Todd Ingenthron
ADDRESS:		ADDRESS:	Box 30001, 102-1940 RPO Glenpark
			Kelowna, BC V1V 2M4
PHONE:	FAX:	PHONE:	(250) 861-3101 FAX: (250) 979-0094

629 Christleton Avenue, Kelowna, BC V1Y 5J1



REFERENCE:

Comparable Photo Page

FILE NO.: 1310-JOH-ti

CLIENT		APPRAISER	
CLIENT:	Origination Mortgage Corp.	APPRAISER:	Todd Ingenthron
ADDRESS:		ADDRESS:	Box 30001, 102-1940 RPO Glenpark Kelowna, BC V1V 2M4
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629 Christleton Avenue, Kelowna, BC V1Y 5J1

Comparable 1

1891 Bowes Street

Sale Price	429,900
Liveable Floor Area	1,050
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	3
Site Size	0.19 acre
Age	53

Comparable 2

1459 Highland Drive

Sale Price	448,000
Liveable Floor Area	1,525
Total Rooms	11
Total Bedrooms	6
Total Bathrooms	3
Site Size	0.22 acre
Age	51

Comparable 3

844 Fuller Avenue

Sale Price	480,000
Liveable Floor Area	1,047
Total Rooms	9
Total Bedrooms	5
Total Bathrooms	2
Site Size	0.15 acre
Age	63