Mortgage Commitment

BROKER INFORMATION

Name: Origination Mortgage Corp.

Address: 2061 Abbott Street Kelowna BC V1Y 1C5

Attention: Steve Nicholson

Application Reference #:OMGC-169

LENDER INFORMATION

Name: Merix Financial

Address: Suite 1800 390 Bay Street ON M5H2Y2

Lender Reference #: 1461236

Mortgage Insurance Reference #: 62599582

APPLICANT INFORMATION

Applicant: Rob Law

Marianne Law

Property Information

Address: 1847 Maple ST Kelowna BC V1Y1H4

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	$ 520,000.00	Mortgage Type	First	Principal and Interest	$ 2,520.84
Downpayment	$ 26,000.00	Term Type	Closed	Taxes (Estimated)	
Amount	$ 494,000.00	Interest Rate	3.450%	Taxes Paid By	Borrower
Insurance Premium	$ 13,585.00	Term (Months)	60	Total Installment	$ 2,520.84
Total Loan	$ 507,585.00	Amortization (Months)	300		
Other Mortgages		Frequency	Monthly	Commitment Expires	09-Dec-2013
Closing Date	09-Dec-2013				

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: Rob Law	Signature ____________	Date ____________
Applicant: Marianne Law	Signature ____________	Date ____________

INITIAL

FirmName:	Origination Mortgage Corp.	**Lender Name:**	Merix Financial
Attention:	Steve Nicholson	**Lender Reference #:**	1461236
Application Reference #:	OMGC-169	**Mortgage Insurance Reference #:**	62599582

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.

☐ The granting of the Loan or any part thereof or approval for insurance by CMHC or the Pre-Qualification of the Loan by CMHC is not to be construed or relied on by the borrower(s) and any guarantor(s) as representing a confirmation of the value or condition of the underlying property, whether or not appraisals or inspections are carried out by or for CMHC; nor is it to be construed or relied on by the borrower(s) and any guarantor(s) as representing a confirmation of the borrower(s) and any guarantor(s) ability to pay the Loan.

All information obtained from or concerning the borrower(s) and any guarantor(s) in connection with approving the Loan, including credit bureau information, will be accessible to and may be used by CMHC for any purpose related to the provision of mortgage insurance generally; the borrower(s) and any guarantor(s) hereby consent thereto. Any information retained by CMHC in that regard will be subject to federal access to information and privacy legislation.

☐ The Lender requires confirmation the following debt(s) have been paid out prior to close: ROYAL BANK Credit Line with Balance of $9,522.

FOR CONFIRMATION, PLEASE PROVIDE CURRENT RBC CREDIT LINE STATEMENT TO CONFIRM BALANCE AND THEN CONFIRMATION FULL BALANCE HAS BEEN PAID OFF

☐ The Lender requires confirmation the following debt(s) have been paid out prior to close: ROYAL BANK Credit Line Statement with balance of $12,000

FOR CONFIRMATION, PLEASE PROVIDE CURRENT RBC CREDIT LINE STATEMENT TO CONFIRM BALANCE AND THEN CONFIRMATION FULL BALANCE HAS BEEN PAID OFF

☐ As $26,000.00 of the down payment is a gift, we will require a Gift letter executed by both parties, the borrower and the donor.
This letter is to confirm the following points: The proceeds are a true gift and never have to be repaid.
The donor of the gift is an immediate relative and no part of the gift is being provided by a third party having any interest (direct or indirect) in the sale of the property. We will require confirmation the gift is in the borrower¿s possession at least 15 days prior to the closing date. Verification must be made in the form of a bank account history confirming deposit of the gift funds to the borrower's bank account and that the balance in the account is sufficient to cover the required down payment.

☐ The Lender requires written confirmation of employment at SD23 in form of letter reflecting:
(i) Start date,
(ii) Position,
and (iii) Minimum annual salary $70,352.00. ***PLEASE PROVIDE CURRENT EMPLOYMENT LETTER FROM HR DEPT***

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 Rob confirming income as submitted. **RECEIVED**

☐ The Lender requires written confirmation of employment at SD23 in form of letter reflecting:
(i) Start date,
(ii) Position
and (iii) Minimum hourly rate and number of guaranteed hours confirming income of no less than $39,430.00.

PLEASE PROVIDE CURRENT EMPLOYMENT LETTER FROM HR DEPT

INITIAL

	Date:	Initials:

FirmName:	Origination Mortgage Corp.	**Lender Name:**	Merix Financial
Attention:	Steve Nicholson	**Lender Reference #:**	1461236
Application Reference #:	OMGC-169	**Mortgage Insurance Reference #:**	62599582

OTHER

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 advance that the tax arrears have been paid in full.

☐ The Lender requires a current paystub for Marianne confirming income as submitted. **RECEIVED**

☐ 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.
PLEASE PROVIDE PCDS

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.

☐ The Lender requires bank statements clearly showing client's name and account number verifying accumulation of closing costs equal to 1.5% of the purchase price are from the applicant's own resources. Must be from a non-borrowed source.

☐ 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 09/12/2013.
In the event that the effective rate of interest is lower at closing, the interest rate may be adjusted.

☐ 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.

INITIAL

	Date:	Initials:

FirmName:	Origination Mortgage Corp.	**Lender Name:**	Merix Financial
Attention:	Steve Nicholson	**Lender Reference #:**	1461236
Application Reference #:	OMGC-169	**Mortgage Insurance Reference #:**	62599582

OTHER

☐ 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.

☐ 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 Mortgagor (Borrower) may repay the mortgage at any time upon payment of a penalty equal to the GREATER of the Interest Rate Differential (IRD) or 3 month`s interest based on the outstanding balance of the mortgage. The IRD is based on the difference between the interest rate on the mortgage and the then current interest rate for a mortgage then offered by The Lender for a term closest to the term remaining on the mortgage as determined by The Lender.

☐ 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.

INITIAL

	Date:	Initials:

Mortgage Commitment			Schedule A
Response: Nov-19-2013 03:12:38 PM EST			Page 5 of 5
FirmName:	Origination Mortgage Corp.	**Lender Name:**	Merix Financial
Attention:	Steve Nicholson	**Lender Reference #:**	1461236
Application Reference #:	OMGC-169	**Mortgage Insurance Reference #:**	62599582

OTHER

☐ Please provide written confirmation Robert's 2012 income tax balance of $1196.81 has been paid off in full.

INITIAL

	Date:	Initials:

Registrar of Mortgage Brokers
1200² 13450 102nd Avenue
Surrey, BC V3T 5X3

BORROWER CONFLICT OF INTEREST DISCLOSURE STATEMENT
FORM 10 - Section 17.3

This information statement has not been filed with the Registrar of Mortgage Brokers. There has been no determination made by the Registrar as to whether the disclosed information complies with the *Mortgage Brokers Act*.

Please write or print clearly. If additional information is required, reference and attach a schedule to this form.

Rob Law, Marianne Law
Name of Borrower(s):

Merix Financial
Name of Lender:

Origination Mortgage Corp. — (250) 212-2010
Name of Mortgage Broker: — *Telephone:*

Steve Nicholson — Dec 09, 2013
Name of Submortgage Broker: — *Date of transaction:*

1847 Maple Street Kelowna, British Columbia V1Y 1H4
Civic address of property to be mortgaged:

Detached 002-724-251
Legal description of property to be mortgaged:

Other Parties to the Transaction Represented by the Mortgage Broker

The Mortgage Broker represents the following parties to the transaction:

- [X] The borrower(s): Rob and Marianne Law
- [X] The lender: Merix Financial
- [ ] Syndicate mortgage lenders: *(attach list if more space required)*
  Name
  Name
  Name
- [X] A person or entity which will acquire the mortgage from the investor/lender: Rob & Marianne Law
  Name
- [ ] Other - please describe:

NOTE:
If the Mortgage Broker has NOT indicated that it represents you, the Mortgage Broker must still exercise a duty of care to you and deal with you fairly. It is recommended that you obtain independent advice with respect to the transaction.

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Mortgage Broker's Interest in the Transaction

[X] The Mortgage Broker and/or its associates or related parties **will not** acquire a direct or indirect interest in the transaction described above.

[ ] The Mortgage Broker and/or its associates or related parties **will** acquire a direct or indirect interest in the transaction described above. In particular, ____________________________, (State the Name of Party)

who is ____ will:
(State Relationship with Mortgage Broker)

- [ ] be the lender in the transaction;
- [ ] be a syndicate mortgage lender with the lender/investors;
- [ ] acquire the mortgage from the lender or investor; or
- [ ] ____
(Identify nature of interest)

Are there Other Mortgage Brokers acting in this Transaction?

(X) No

( ) Yes ____
(State Name, Relationship to Mortgage Broker and/or Borrowers and role in transaction)

____

Compensation to the Mortgage Broker

The Mortgage Broker will be compensated for this mortgage transaction in the following ways:

- [X] Commission/income or fee paid by the lender
- [ ] Commission/income or fee paid by another mortgage broker
- [ ] ____

(Other - please specify)

The Mortgage Broker may (or will) also receive additional compensation (either monetary or non-monetary) from the lender which includes:

- [X] Additional commission/income based on its or another mortgage broker's volume of business or funding efficiency with the lender
- [ ] Additional commission/income because the Borrower is paying a higher interest rate than would otherwise be available to the Borrower from the lender in the transaction
- [X] Points, Rewards and other incentives
(Other- please describe)

Referrals to the Mortgage Broker

The Mortgage Broker, its associates or related parties have paid or will pay a fee in the amount of $ 0 to NA (Name) for receiving a referral or recommendation relating to the transaction.

INITIAL

Please state any other facts which may result in a conflict of interest with the borrower:

CERTIFICATION

I certify that I am the mortgage broker or an authorized representative of the mortgage broker and based on my knowledge, belief and information provided by third parties, this Disclosure Statement contains no untrue statement and does not omit to state a fact that is required to be stated or that Is necessary to prevent a statement that is made from being false or misleading in circumstances in which it was made.

Origination Mortgage Corp.	2061 Abbott Street Kelowna, British Columbia, V1Y1C5
Full name of Mortgage Broker	*Address (Including Postal Code)*
	2013,11,19
Signature of Mortgage Broker or Authorized Representative	*Date Signed (YYYY,MM,DD)*

ACKNOWLEDGEMENT OF RECEIPT

		2013,11,19
Signature	*Name (Please Print)*	*Date Signed (YYYY,MM,DD)*
		2013,11,19
Signature	*Name (Please Print)*	*Date Signed (YYYY,MM,DD)*

INITIAL

FIXED CREDIT
DISCLOSURE STATEMENT

Pursuant to the *Mortgage Brokers Act* and
The *Business Practices and Consumer Protection Act*

Lender: Merix Financial

The Borrower may use the following phone number to obtain information about the Mortgagor's account during the Lender's ordinary business hours: (250) 212-2010

Broker: Steve Nicholson, Origination Mortgage Corp.

Borrower: Rob Law, Marianne Law

Property: 1847 Maple Street Kelowna, British Columbia V1Y 1H4

Effective Date of Disclosure Statement: November 19, 2013

Mortgage Terms and Details

1 The interest rate on the mortgage is: Fixed

2 The initial annual interest rate is: 3.450 %

and the compounding period is: Semi Annually

3 Total mortgage amount: $ 507,585.00

4 The total interest paid: $ 81,208.29

5 The Total Cost of Credit (Calculation details are in 'Cost of Credit Details' section): $ 81,208.29

6 (1) If the mortgage amount advanced is to be repaid in accordance with a specific schedule of payments:

(a) To be advanced as follows: as per mortgage commitment

(b) The term of the mortgage is: 5 years

(c) The amortization period is: 25 years

(d) The maturity date is: December 9, 2018

(e) Payments in the amount of $ 2,520.84 are to be made by the Borrower as follows: Monthly (timing) commencing January 9, 2014 for a term of 5 years

(f) Prepayments can be made under the following conditions:
as per mortgage commitment

OR

(2) If the amount advanced is not to be repaid in accordance with a specific schedule of payments, outstanding balance (or portion thereof) must be paid out under the following circumstances:
as per mortgage commitment
(Alternatively, reference the specific provisions of the credit agreement that describes those circumstances.)

Interest

7 The date on which interest begins to accrue is: December 9, 2013

AND if a grace period is given, the details are: as per mortgage commitment

8 Interest for each payment period is calculated against the balance owing. Unpaid interest will be compounded under the following circumstances:
as per mortgage commitment

9 Where the annual interest rate may change, the method of determining the annual interest is:
as per mortgage commitment

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Cost of Credit Details

10 Total Mortgage Amount: $ 507,585.00

11 Fees, Charges and Payments deducted from mortgage amount from Lender

(a) Lender fee: $

(b) Broker Fee if deducted by lender: $

(c) Estimated Inspection/Appraisal costs: $

(d) Estimated Survey costs: $

(e) Loan pay outs: $

(f) Other charges, fees and payments:

(i) ____ $

(ii) ____ $

(iii) ____ $

(g) Default Insurance (CMHC/Genworth/Other): $ 13,585.00

Total deducted from mortgage amount: $ 13,585.00

Total amount from lender: $ 494,000.00

12 Value Received by the borrower for proceeding with the transaction

(a) Total from Lender less deductions: $ 494,000.00

(b) Estimated appraisal if borrower has unrestricted use at or prior to completion: $

(c) Estimated survey if borrower has unrestricted use at or prior to completion: $

(d) Estimated loan pay outs: $

(e) Cashback received from lender: $

(f) Default Insurance (CMHC/Genworth/Other): $ 13,585.00

(g) Other Value Received:

(i) ____ $

(ii) ____ $

(iii) ____ $

Total Value Received by the borrower: $ 507,585.00

13 Value Given by the borrower for proceeding with the transaction

(a) Commencing January 9, 2014, 60 Monthly payments of $ 2,520.84

will be paid by the borrower.

Total Payments: $ 151,250.40

(b) Remaining mortgage balance on maturity date: $ 437,542.89

(c) Other Value Given by Borrower at or prior to completion

(i) Legal fees where choice of legal firm is restricted: $

(ii) Title Insurance: $

(iii) ____ $

(iv) ____ $

(v) ____ $

Total Value Given by the borrower: $ 588,793.29

14 Cost of Credit (Value Given Less Value Received): $ 81,208.29

15 The Annual Percentage Rate[1] (APR) is: 3.450 %

The APR is not the contract rate of the mortgage. It is the interest costs, plus the non-interest costs required to obtain the mortgage, expressed as a percentage of the average mortgage balance over the term of the mortgage.

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16 Payments not included in the cost of credit

Payments contained in the transaction the borrower derives a direct and unrestricted benefit from:

(a)	Estimated legal fees if freely chosen by borrower:	$
(b)	Estimated appraisal if borrower has unrestricted use at or prior to completion:	$
(c)	Estimated survey if borrower has unrestricted use at or prior to completion:	$
(d)	Land Title Registration Fees:	$
(e)	Other Payments not included in the cost of credit:	
	(i)	$
	(ii)	$
	(iii)	$

Total Payments not included in the cost of credit: $ 0.00

Security

17 In addition to the Mortgage, the following security was granted for Credit:

(a)

(b)

(c)

Other Charges:

18 Other Charges possibly applicable to borrower

(a) Default Charges:

(b) Discharge Fee:

(c) NSF:

(d) Other Charges:

(i)

(ii)

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Certification and Acknowledgement

I, Steve Nicholson of Origination Mortgage Corp., 2061 Abbott Street Kelowna, British Columbia, V1Y1C5 the Lender / Broker in this Mortgage, have fully completed the above statement.

____

Signature of Lender or Broker

I, ________________________ of ______________________________

(Name) (Address)

the Borrower in this Mortgage, acknowledge receipt of the above Disclosure Statement which I received on the ______ day of ____________ year __________________

____

Signature of Borrower

Notes:

1. The Annual Percentage Rate is calculated using the formula:
   APR = Annualized Cost of Credit / Average Principal
   = Cost of Credit / (Mortgage Term x Average Principal) where the Mortgage Term is expressed in years

INITIAL

ORIGINATION MORTGAGE CORP
278 Mathison Place
Kelowna, BC
V1Y 5R5
T 250 212 2010
F 778 478 9093
steve@origination.ca

Protecting your mortgage?

DATE : November 19, 2013

Applicant: Rob Law

Co-Applicant(s): Marianne Law

A mortgage is the single largest debt most Canadians have, making your mortgage insurance an important responsibility. At Origination Mortgage we recognize that mortgage insurance from your bank or lender may not be your best solution. Our network of qualified Financial Planners can help you compare your choices.

Please choose One of the following:

- ☐ I/We would like to see more options, choices and compare this to mortgage insurance offered by the bank or lender. Please have Jeremy Harris of JS Harris Financial contact me at ____________________ to determine the best plan for me.

- ☐ I/We Choose to decline the options for mortgage insurance. I/We understand that by declining this options, I/We personally assume all responsibility for this decision and release Origination Mortgage Corp from any future liability.

Sincerely,

Signature of Applicant Signature of Co-Applicant(s)

Witness to Signature(s):

Signature of Witness