

APPRAISAL OF



AN UP AND DOWN CHARACTER DUPLEX

LOCATED AT:

180 WEST 18TH AVENUE
VANCOUVER, BC V5Y 2A5

FOR:

KATHLEEN HAZEN-SCOTIABANK
79 WELLINGTON STREET W.
TORONTO, ON M5K 1K7

BORROWER:

WESENBERG

AS OF:

December 18, 2014

BY:

KEN JUE
GATEWAY APPRAISALS

GATEWAY APPRAISAL & CONSULTING GROUP
1263 NANAIMO STREET
VANCOUVER, BC V5L 4T5
PH: (604)677-1188 FAX: (604)677-1189

DECEMBER 21, 2014

KATHLEEN HAZEN-SCOTIABANK

79 WELLINGTON STREET W.
TORONTO, ON M5K 1K7

Address of Property: 180 WEST 18TH AVENUE
VANCOUVER, BC V5Y 2A5

Market Value: \$ \$1,800,000

IN ACCORDANCE WITH YOUR INSTRUCTIONS AND AUTHORIZATION, AN INVESTIGATION, ANALYSIS AND APPRAISAL ON THE ABOVE REFERENCED PROPERTY HAS BEEN COMPLETED FOR THE PURPOSE OF ESTIMATING IT'S CURRENT MARKET VALUE.
AFTER CAREFUL CONSIDERATION OF THE AVAILABLE DATA AND ALL FACTORS THAT AFFECT VALUE, THE MARKET VALUE WAS ESTIMATED TO BE AS REFERENCED ABOVE AND IN THE BODY OF THE REPORT. THIS ESTIMATE OF VALUE IS SUBJECT TO THE ASSUMPTIONS AND LIMITING CONDITIONS ATTACHED TO THIS REPORT AND TO WHICH THE READER'S ATTENTION IS SPECIFICALLY DIRECTED.
THE FOLLOWING REPORT PRESENTS THE BASIS OF ALL OPINIONS EXPRESSED HEREIN.

THE INFORMATION CONTAINED HEREIN SHOULD BE SUFFICIENT FOR YOUR PURPOSE. SHOULD YOU REQUIRE ADDITIONAL INFORMATION OR CLARIFICATION AS TO ANY PORTION OF THIS REPORT, PLEASE CONTACT THE WRITER.
ANY USE WHICH A THIRD PARTY MAKES OF THIS REPORT, OR ANY RELIANCE, OR DECISIONS BASED ON IT, ARE THE RESPONSIBILITY OF SUCH THIRD PARTIES. THE AUTHOR OF THIS REPORT ACCEPTS NO RESPONSIBILITY FOR DAMAGES, IF ANY, SUFFERED BY ANY THIRD PARTY AS A RESULT OF DECISIONS MADE OR ACTIONS TAKEN BASED ON THIS REPORT.
THE FOLLOWING REPORT HAS BEEN COMPLETED FOR THE ABOVE REFERENCED CLIENT AND SCOTIABANK AND AS NOTED, IS FOR THEIR INTENDED USE ONLY. THIS REPORT IS NOT TO BE USED FOR ANY OTHER PURPOSES OTHER THAN THE PURPOSE IT WAS ORIGINALLY INTENDED FOR. THIS REPORT IS A CONFIDENTIAL DOCUMENT AND IS NOT TO BE ADDED TO ANY DATA BASES.

THE APPRAISER CERTIFIES THAT WE HAVE NO INTEREST, PRESENT OR CONTEMPLATED IN THE PROPERTY APPRAISED.

YOURS RESPECTFULLY SUBMITTED


KEN JUE

RESIDENTIAL APPRAISAL REPORT

REFERENCE:

FILE NO.: KJX412033

CLIENT	CLIENT:	KATHLEEN HAZEN-SCOTIABANK	APPRAISER	APPRAISER:	KEN JUE			
	ATTENTION:			COMPANY:	GATEWAY APPRAISALS			
	ADDRESS:	79 WELLINGTON STREET W.		ADDRESS:	1263 NANAIMO STREET			
		TORONTO, ON M5K 1K7			VANCOUVER, BC V5L 4T5			
	E-MAIL:	KATHLEEN.HAZEN@SCOTIABANK.COM		E-MAIL:	KEN.GATEWAY@SHAW.CA			
	PHONE:	604-880-6622	FAX:		PHONE:	604-889-2927	FAX:	604-677-1189

SUBJECT	NAME:	WESENBERG										
	PROPERTY ADDRESS:	180 WEST 18TH AVENUE		CITY:	VANCOUVER		PROVINCE:	BC	POSTAL CODE:	V5Y 2A5		
	LEGAL DESCRIPTION:	LOT 4, BLOCK 543, DISTRICT LOT 526, PLAN 2354 PID#013-868-349 ROLL#009-693-179-22-0000										
	PURPOSE OF THE APPRAISAL:	To estimate market value or ☐ Other										
	INTENDED USE OF THE APPRAISAL:	FOR FIRST MORTGAGE LENDING PURPOSES ONLY										
	INTENDED USERS (by name or type):	SCOTIABANK-FOR FIRST MORTGAGE LENDING PURPOSES ONLY										
	REQUESTED BY:	☐ Client above ☒ Other HEATHER WESENBERG-ORIGINATION MTG										
	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 THIS SUBJECT A FRACTIONAL INTEREST, PHYSICAL SEGMENT OR PARTIAL HOLDING?	☒ No ☐ Yes (if yes, see comments)											
MUNICIPALITY AND DISTRICT:	CITY OF VANCOUVER											
ASSESSMENT:	Land \$	1,245,000	Imps \$	174,000.00	Total \$	1,419,000	Assessment Date:	2014	Taxes \$	6,751.20	Year	2014
EXISTING USE:	RESIDENTIAL DUPLEX						OCCUPIED BY:	OWNER/TENANTS				
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	AGE RANGE OF PROPERTIES:	NEW	to	90	years
	TREND OF DISTRICT:	☐ Improving ☒ Stable ☐ Transition ☐ Deteriorating	MARKET OVERVIEW:	Supply:	☒ Good ☐ Average ☐ Poor		
	BUILT-UP:	☒ Over 75% ☐ 25 - 75% ☐ Under 25%		Demand:	☒ Good ☐ Average ☐ Poor		
	CONFORMITY Age:	☐ Newer ☒ Similar ☐ Older	PRICE TRENDS:	☐ Increasing ☒ Stable ☐ Declining			
	Condition:	☐ Superior ☒ Similar ☐ Inferior	PRICE RANGE OF PROPERTIES:	\$	750000	to \$	3,750,000
	Size:	☐ Larger ☒ Similar ☐ Smaller					
	SUMMARY: INCLUDES VALUE TRENDS, MARKET APPEAL, PROXIMITY TO EMPLOYMENT AND AMENITIES, 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 SUBJECT PROPERTY IS LOCATED IN THE ESTABLISHED CAMBIE AREA OF VANCOUVER. THE IMMEDIATE NEIGHBOURHOOD IS DEVELOPED PRIMARILY WITH SINGLE FAMILY DWELLINGS OF VARIOUS AGE & PRICE RANGE. LOCAL SHOPPING, PROFESSIONAL SERVICES, ENTERTAINMENT FACILITIES AND OTHER AMENITIES ARE LOCATED ALONG THE CAMBIE ST COMMERCIAL CORRIDOR, 4 BLOCKS AWAY. SEE ATTACHED ADDENDUM						

SITE	SITE DIMENSION:	33 X 122		UTILITIES:	☒ Telephone ☒ Sanitary Sewer ☐ Septic System ☒ Municipal Water ☐ Well
	SITE AREA:	4026 SF	Source:	LEGAL MAP	☒ Natural Gas ☒ Storm Sewer ☐ Open Ditch
	TOPOGRAPHY:	SLOPING GENTLY UP FRONT TO BACK		FEATURES:	☒ Paved Road ☒ Sidewalk ☒ Street Lights ☐ Gravel Road ☒ Curbs
				☒ Cablevision ☒ Lane	
	CONFIGURATION:	RECTANGULAR		ELECTRICAL:	☒ Overhead ☐ Underground
	ZONING:	RS-7 SINGLE FAMILY RESIDENTIAL		DRIVEWAY:	☐ Private ☐ Mutual ☒ None ☐ Single ☐ Double
				Surface:	
	DOES EXISTING USE CONFORM TO ZONING?	☒ YES ☐ NO (see comments)		PARKING:	☐ Garage ☐ Carport ☐ Driveway ☐ Street OPEN
	EASEMENTS:	☐ Utility ☐ Access ☐ Other	N/D	LANDSCAPING:	☒ Good ☐ Average ☐ Fair ☐ Poor
				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 judgements or liens, effect of assemblage, any known documentation of environmental contamination, etc.) THE SUBJECT SITE IS A RECTANGULAR SHAPED MUNICIPAL LOT LOCATED ON THE SOUTH SIDE OF WEST 18TH AVENUE BETWEEN COLUMBIA AND MANITOBA STREETS. THE SITE SLOPES GENTLY UP FROM THE STREET TO THE REAR YARD AND HAS MOST URBAN SERVICES AVAILABLE. A REAR LANE PROVIDES ACCESS TO OPEN ON-SITE PARKING. LANDSCAPING CONSISTS OF LAWN, SHRUBS AND TREES AND IS ADEQUATELY MAINTAINED. THE REAR YARD IS PARTIALLY FENCED FOR PRIVACY AND SECURITY. THE SURROUNDING DWELLINGS ARE MAINLY OLDER BUNGALOW AND 2 LEVEL HOMES INTERSPERSED WITH NEW CONSTRUCTION.
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CONSTRUCTION COMPLETE:	YES	PERCENTAGE COMPLETE:	100%
YEAR BUILT (estimated):	1912	EFFECTIVE AGE:	30 years
REMAINING ECONOMIC LIFE (estimated):		40 years	
FLOOR AREA ☐ Sq. M. ☒ Sq. Ft.	BUILDING TYPE:	ROOFING:	
MAIN 1,172	DESIGN/STYLE:	ASPHALT SHINGLE	
SECOND 1,267	CONSTRUCTION:	Condition: ☒ Good ☐ Average ☐ Fair ☐ Poor	
THIRD	BASEMENT:	EXTERIOR FINISH:	
FOURTH	BASEMENT AREA:	WOOD SIDING	
TOTAL 2,439	WOODS:	Condition: ☒ Good ☐ Average ☐ Fair ☐ Poor	
Source:	MEASUREMENT	FOUNDATION WALLS: CONCRETE	

IMPROVEMENTS	BEDROOMS(#)	BATHROOMS(#)	INTERIOR FINISH	Walls	Ceilings	CLOSETS:	☒ Good ☐ Average ☐ Fair ☐ Poor
	4 Large	2-piece X Good	Drywall	☒	☒	INSULATION:	☐ Ceiling ☐ Walls ☐ Basement ☐ Crawl Space
	Average 1	3-piece Average	Plaster	☐	☐	Source:	UNKNOWN
	Small 2	4-piece Fair	Panelling	☐	☐	PLUMBING LINES:	COPPER/PLASTIC
		5-piece Poor		☐	☐	FLOOR PLAN:	☒ Good ☐ Average ☐ Fair ☐ Poor
	FLOORING: HARDWOOD/FIR/CERAMIC+VINYL TILE/SHEET VINYL					BUILT-INS/EXTRAS:	☒ Garbage Disposal ☐ Central Air ☐ Swimming Pool ☐ Fireplace(s)
	ELECTRICAL: ☐ Fuses ☒ Breakers					☐ Oven ☐ Air Cleaner ☐ Sauna ☐ Garage Opener ☒ Dishwasher	
	Estimated rated capacity of main panel: 200 amps					☐ Vacuum ☐ Solarium ☒ Security System ☐ Stove ☐ Whirlpool	
	HEATING SYSTEM: FORCED HOT AIR Fuel type: GAS					☐ Skylights ☐ HR Ventilator	
	WATER HEATER: Type: 189 L - GAS					OVERALL IN. COND:	☒ Good ☐ Average ☐ Fair ☐ Poor

BASEMENT FINISHES, UTILITY:	THE WALKOUT FULL BASEMENT IS DEVELOPED WITH AN IN-LAW SUITE CONSISTING OF A LIVING ROOM FEATURING A FIREPLACE, DINING AREA, U-SHAPED KITCHEN, BEDROOM & 4 PC BATHROOM. SEE ATT. ADDEN.		
GARAGES/CARPORTS:	OPEN PARKING AREA		
DECKS, PATIOS, OTHER IMPROVEMENTS:	PORCH, BALCONIES, PATIO, FENCING, LANDSCAPING		
COMMENTS: (Building, appearance, quality, condition, services, extras, anticipated public or private improvements, etc.)	THE SUBJECT PROPERTY IS A RENOVATED 102 YR OLD 2 STOREY UP AND DOWN TRADITIONAL STYLE DUPLEX CONSISTING OF A LIVING ROOM, ISLAND KITCHEN WITH AN EATING AREA, 2 BEDROOMS, 4 PC BATHROOM & ENTRY FOYER ON THE MAIN FLOOR. THE UPPER LEVEL HAS A LIVING ROOM, L-SHAPED KITCHEN WITH AN EATING AREA, 2 BEDROOMS & 3 PC BATHROOM. FEATURES INCLUDE HARDWOOD & FIR FLOORS, UPDATED KITCHENS & BATHROOMS, CROWN MOULDINGS & HEATED BATHROOM FLOORS. SEE ADDEN.		

RESIDENTIAL APPRAISAL REPORT

REFERENCE:

FILE NO.: KJX412033

ROOM ALLOCATION	LEVEL:	MAIN	SECOND	THIRD		BASEMENT	COST APPROACH	SOURCE OF COST DATA: ☐ MANUAL ☐ CONTRACTOR ☒ OTHER		
	ENTRANCE	1				1		LAND VALUE: 33 X 122 = 4026 SF	\$	1,500,000
	LIVING	1	1			1		BUILDING	COST NEW	DEPRECIATED COST
	DINING					1		COST 2,439 @ \$ 200	\$ 487,800	\$
	KITCHEN	1	1			1		GARAGE OPEN PARKING	\$	\$
	FULL BATH	1	1			1		BASEMENT FINISH FB, 840 SF		
	PART BATH								\$ 33,500	\$
	BEDROOM	2	2			1		OTHER EXTRAS BALCONIES, PORCH,	\$	\$
	FAMILY							LANDSCAPING, FENCING,	\$	\$
	LAUNDRY					X		PATIO, ETC.	\$ 25,000	\$
	OTHER								\$	\$
									\$	\$
								TOTAL REPLACEMENT COST	\$ 546,300	
								LESS: ACCRUED DEPRECIATION 40%	\$ 218,520	\$ 327,780
								INDICATED VALUE	\$ 1,827,780	
								VALUE BY THE COST APPROACH (rounded)	\$ 1,827,800	

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.

DIRECT COMPARISON APPROACH	SUBJECT		COMPARABLE NO. 1				COMPARABLE NO. 2				COMPARABLE NO. 3			
			Description		\$ Adjustment		Description		\$ Adjustment		Description		\$ Adjustment	
	180 WEST 18TH AVENUE VANCOUVER		3333 ASH STREET VANCOUVER				561 WEST 20TH AVENUE VANCOUVER				419 WEST 18TH AVENUE VANCOUVER			
	MLS #		V1093445				V1093678				V1085265			
	DATE OF SALE		11/20/14				11/17/14				09/22/14			
	SALE PRICE	\$	\$ 1,720,000				\$ 1,603,000				\$ 1,658,000			
	DAYS/MARKET		10 DAYS				5 DAYS				7 DAYS			
	LOCATION	CAMBIE	CAMBIE				CAMBIE				CAMBIE			
	SITE SIZE	33X122=4026 SF	36.02X102.53=3693 50,000				33X122=4026 SF				33X137.5=4538 -77,000			
	BUILDING TYPE	DUPLEX	DETACHED				DETACHED				DETACHED			
	DESIGN/STYLE	2 STOREY	2 STOREY				1.5 STOREY				2 STOREY			
	AGE/CONDITION	102 Yrs REMOD	103 Yrs SIMILAR				89 YRS INF 25,000				100 Yrs INF 150,000			
	LIVEABLE FLOOR AREA	2439 SF	1068 SF 115,000				1452 SF 83,000				1835 SF 51,000			
	ROOM-COUNT	Total Bdrms Baths	Total Bdrms Baths				Total Bdrms Baths				Total Bdrms Baths			
		8 4 3F	5 2 2F 1H 14,000				7 4 2F 1H 4,000				9 3 3F 5,000			
	BASEMENT	FB, 840 SF	FB, 652 SF 3,000				FB, 730 SF 2,000				FB, 750 SF 1,500			
	PARKING	OPEN PARKING	OPEN PARKING				1 CAR C/PORT -1,000				OPEN PARKING			
		BSMT SUITE	BSMT SUITE				BSMT SUITE				BSMT SUITE			

CONCLUSIONS: AN ANALYSIS OF SALES DATA REVEAL THERE ARE NO RECENT COMPARABLES OF DUPLEXES IN THE IMMEDIATE AREA. CONSEQUENTLY, WE HAVE USED SALES OF SINGLE FAMILY HOMES OF SIMILAR VINTAGE AND MADE ADJUSTMENTS TO REFLECT THE DIFFERENCES. SALE #1 IS A MUCH SMALLER 2 STOREY SINGLE HOME IN SIMILAR CONDITION SITUATED ON A SMALLER LOT IN THE IMMEDIATE AREA. SALE #2 IS A SMALLER 1.5 STOREY HOME IN A INFERIOR CONDITION LOCATED ON AN IDENTICAL SIZE LOT WHILE SALE #3 IS A SMALLER 2 STOREY DWELLING WITH A SUITE ON EACH LEVEL IN SIGNIFICANTLY INFERIOR CONDITION SITUATED ON A DEEPER LOT IN THE IMMEDIATE AREA. CONSIDERATION WAS GIVEN FOR LOCATION, LOT & HOUSE SIZE, CONDITION, EXTRAS & AMENITIES. THE INDICATED VALUE RANGE IS BETWEEN \$1,716,000-\$1,902,000 CONCLUDING A VALUE OF \$1,800,000.

SALES HISTORY -- ANALYSIS OF KNOWN CURRENT AGREEMENTS FOR SALE, PRIOR SALES, OPTIONS, LISTINGS OR MARKETING OF THE SUBJECT: (minimum of three years)
ACCORDING TO THE REAL ESTATE BOARD OF GREATER VANCOUVER'S MULTIPLE LISTING SERVICE, THERE HAS BEEN NO TRANSFER OF TITLE, LISTING OR SALE IN THE PREVIOUS 36 MONTHS.

VALUE BY THE DIRECT COMPARISON APPROACH (rounded): \$ 1800,000

EXPOSURE TIME	COMMENT ON REASONABLE EXPOSURE TIME: THE FINAL CONCLUSION OF VALUE OF \$1,800,000 IS BASED ON A 10 TO 90 DAY MARKETING PERIOD WHERE THE SUBJECT PROPERTY IS LISTED FOR SALE AT A REASONABLE (COMPETITIVE) ASKING PRICE WHICH WILL CREATE BUYER INTEREST AND GENERATE OFFERS WITHIN THE VALUE RANGE EXPRESSED.

RECONCILIATION	RECONCILIATION AND FINAL ESTIMATE OF VALUE: OF THE 2 METHODS OF VALUATION, THE DIRECT COMPARISON APPROACH IS THE MOST APPROPRIATE METHOD FOR DUPLEX DWELLINGS. THE FINAL ESTIMATE OF VALUE IS CONCLUDED TO BE \$1,800,000 BASED ON DATA OBTAINED 28-87 DAYS PRIOR TO THE APPRAISAL DATE.
	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 DECEMBER 18, 2014 (Effective Date of the Appraisal) IS \$ 1,800,000
THIS REPORT WAS COMPLETED ON: DECEMBER 21, 2014	

RESIDENTIAL APPRAISAL REPORT

FILE NO.: KJX412033

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 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 that 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.	
	SEE ATTACHED ADDENDUM	
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 appraisal and the appraisal report."		
PROPERTY IDENTIFICATION		
ADDRESS: <u>180 WEST 18TH AVENUE</u> CITY: <u>VANCOUVER</u> PROVINCE: <u>BC</u> POSTAL CODE: <u>V5Y 2A5</u>		
LEGAL DESCRIPTION: <u>LOT 4, BLOCK 543, DISTRICT LOT 526, PLAN 2354 PID#013-868-349 ROLL#009-693-179-22-0000</u>		
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 <u>DECEMBER 18, 2014</u> (Effective Date of the Appraisal) IS \$ <u>1,800,000</u>		
APPRAISER		
SIGNATURE: 		
NAME: <u>KEN JUE</u>		
DESIGNATION: _____		
DATE SIGNED: <u>DECEMBER 21, 2014</u>		
DATE OF INSPECTION: <u>DECEMBER 18, 2014</u>		
LICENSE INFO: (where applicable) _____		
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 ☒ SCHEDULE A ☐ _____ ☐ _____ ☐ _____		
☐ _____		
SUPERVISORY APPRAISER (if applicable)		
SIGNATURE: 		
NAME: <u>LEONARD POUBVILLE</u>		
DESIGNATION: <u>CRA</u>		
DATE SIGNED: <u>DECEMBER 21, 2014</u>		
DATE OF INSPECTION: <u>DID NOT INSPECT</u>		
LICENSE INFO: (where applicable) _____		
NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.		

ADDENDUM

Borrower: WESENBERG		File No.: KJX412033	
Property Address: 180 WEST 18TH AVENUE		Case No.:	
City: VANCOUVER	Province: BC	Postal Code: V5Y 2A5	
Lender: KATHLEEN HAZEN-SCOTIABANK			

Neighbourhood Summary Comments

THE SUBJECT PROPERTY IS LOCATED IN THE ESTABLISHED CAMBIE AREA OF VANCOUVER. THE IMMEDIATE NEIGHBOURHOOD IS DEVELOPED PRIMARILY WITH SINGLE FAMILY DWELLINGS OF VARIOUS AGE & PRICE RANGE. LOCAL SHOPPING, PROFESSIONAL SERVICES, ENTERTAINMENT FACILITIES AND OTHER AMENITIES ARE LOCATED ALONG THE CAMBIE ST COMMERCIAL CORRIDOR, 4 BLOCKS AWAY. PUBLIC TRANSIT AND SCHOOLS ARE SITUATED NEARBY AND ARE WITHIN WALKING DISTANCE. EDITH CAVELL ELEMENTARY AND CHARLES TUPPER SECONDARY SCHOOL PROVIDE EDUCATIONAL SERVICES TO THE IMMEDIATE AREA.

Basement Finishes and Utility

THE WALKOUT FULL BASEMENT IS DEVELOPED WITH AN IN-LAW SUITE CONSISTING OF A LIVING ROOM FEATURING A FIREPLACE, DINING AREA, U-SHAPED KITCHEN, BEDROOM & 4 PC BATHROOM. THE REMAINDER OF THIS LEVEL IS UNFINISHED AND IS USED FOR LAUNDRY, STORAGE AND MECHANICAL PURPOSES. CEILING HEIGHT IS APPROXIMATELY 6'7" TO 7'.

Improvements Comments

THE SUBJECT PROPERTY IS A RENOVATED 102 YR OLD 2 STOREY UP AND DOWN TRADITIONAL STYLE DUPLEX CONSISTING OF A LIVING ROOM, ISLAND KITCHEN WITH AN EATING AREA, 2 BEDROOMS, 4 PC BATHROOM & ENTRY FOYER ON THE MAIN FLOOR. THE UPPER LEVEL HAS A LIVING ROOM, L-SHAPED KITCHEN WITH AN EATING AREA, 2 BEDROOMS & 3 PC BATHROOM. FEATURES INCLUDE HARDWOOD & FIR FLOORS, UPDATED KITCHENS & BATHROOMS, CROWN MOULDINGS & HEATED BATHROOM FLOORS. ORNATE DOOR KNOBS, LEADED GLASS WINDOWS AND BUILT-IN CABINETS ARE SOME OF THE ORIGINAL CHARACTERISTICS OF THE HOME.

Scope of Appraisal

IN THE PROCESS OF PREPARING THIS REPORT, WE:

- * INSPECTED THE SUBJECT PROPERTY;
- * CONFIRMED CURRENT ZONING STATUS;
- * ESTIMATED THE HIGHEST AND BEST USE OF THE PROPERTY;
- * CONDUCTED MARKET RESEARCH INTO ASKING PRICES FOR SIMILAR INDEX PROPERTIES;
- * ASCERTAINED SALE PRICES FOR INDEX PROPERTIES; AND
- * EXAMINED MARKET CONDITIONS AND ANALYZED THEIR POTENTIAL EFFECT ON THE PROPERTY.

AFTER ANALYZING THE DATA, WE ESTIMATED THE PROPERTY'S MARKET VALUE USING AN APPROPRIATE TECHNIQUE SUCH AS A COST APPROACH, DIRECT APPROACH AND/OR CAPITALIZATION OF PROJECTED NET INCOME AS REQUIRED.

THE SOURCES OF DATA PRESENTED IN THIS REPORT INCLUDE, BUT ARE NOT LIMITED TO THE LOCAL CITY/MUNICIPAL HALL, REAL ESTATE BOARD OF GREATER VANCOUVER, FRASER VALLEY REAL ESTATE BOARD, RECORD DATA OF THE APPRAISER, OTHER APPRAISERS, REALTORS AND PERSONS KNOWLEDGEABLE OF THE SUBJECT AND MARKETPLACE. IN THE PROCESS OF PREPARING THIS APPRAISAL WE INSPECTED THE SUBJECT PROPERTY, INTERVIEWED THE OWNER OR REPRESENTATIVE OF THE OWNER, CONFIRMED CURRENT LAND USE CLASSIFICATION AND PLANNING STATUS, ESTIMATED THE HIGHEST AND BEST USE OF THE PROPERTY AND EXAMINED MARKET CONDITIONS AND ANALYZED THEIR POTENTIAL EFFECT ON THE PROPERTY.

INFORMATION FOR THIS REPORT WAS GATHERED FROM PUBLIC RECORDS, LOCAL REAL ESTATE BOARD RECORDS, AND A SELECTION OF COMPARABLE SALES WITHIN THE SUBJECT MARKET AREA.

A SEARCH OF MLS HAS BEEN MADE FOR SALES AND LISTINGS INVOLVING THE SUBJECT PROPERTY DURING THE THREE YEARS, HOWEVER, NO FURTHER INVESTIGATION OF SALES HISTORY HAS BEEN PERFORMED. NO SALES OR OFFERS TO PURCHASE HAVE BEEN ENTERTAINED OVER THE PAST 36 MONTHS OTHER THAN DESCRIBED ON PAGE 2. ALL COMPARABLE SALES HAVE BEEN OBTAINED FROM MLS AND HAVE BEEN ANALYZED FOR LOCATION, CURB APPEAL AND GENERAL CONDITION.

THIS REPORT INVOKES THE DEPARTURE PROVISION OF THE CANADIAN APPRAISAL STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (CANPAP). SPECIFIC GUIDELINE 1-2 C HAS NOT BEEN PERFORMED. IT IS BEYOND THE MANDATE OF THIS REPORT TO ANALYZE ANY TITLE ENCUMBRANCES OR EASEMENTS WHICH MAY EXIST. SUCH ANALYSIS WOULD LIKELY REQUIRE LEGAL INTERPRETATION AND WOULD NECESSITATE IN-DEPTH RESEARCH INTO ALL MARKET DATA CONSIDERED FOR COMPARISON. FURTHER INVESTIGATION OF THIS NATURE SHOULD BE CONSIDERED BY ANY PARTY RELYING ON THIS REPORT.

AFTER ANALYZING THE DATA, WE ESTIMATED THE PROPERTY'S MARKET VALUE USING THE TECHNIQUES OF DIRECT COMPARISON AND IN SOME INSTANCES BY THE COST APPROACH.

GATEWAY APPRAISAL & CONSULTING GROUP

Client Reference No.:

File No.: KJX412033

CLIENT: KATHLEEN HAZEN-SCOTIABANK		ADDRESS OF PROPERTY
		180 WEST 18TH AVENUE
ADDRESS: 79 WELLINGTON STREET W.		CITY VANCOUVER
TORONTO, ON M5K 1K7		PROVINCE BC POSTAL CODE V5Y 2A5
TEL: (604) 880-6622		

ENVIRONMENTAL ADDENDUM

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, GROUND WATER OR AIR. UNLESS EXPRESSLY STATED, THE PROPERTY IS ASSUMED TO BE FREE & CLEAR OF POLLUTANTS & CONTAMINANTS, INCLUDING BUT NOT LIMITED TO MOULDS OR MILDEWS OR THE CONDITIONS THAT MAY GIVE RISE TO EITHER & IN COMPLIANCE WITH ALL REGULATORY ENVIRONMENTAL REQUIREMENTS, GOVERNMENT OR OTHERWISE & 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 PROPERTY APPRAISED.

Form produced using ACI software, 800.234.8727 www.aciweb.com

Gateway Appraisal & Consulting Group, Inc.

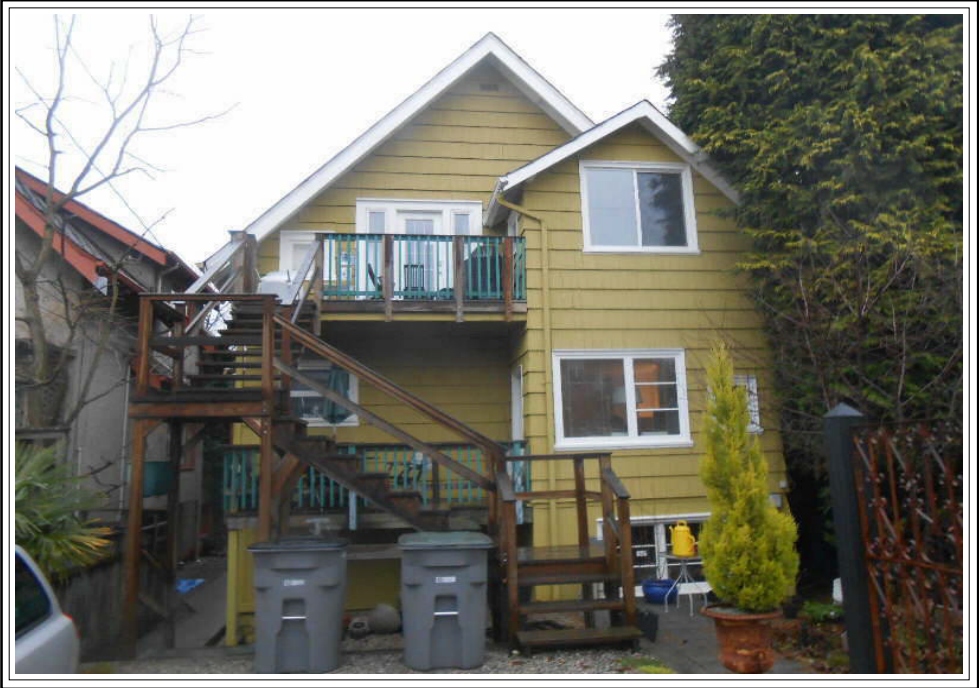
SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: WESENBERG		File No.: KJX412033
Property Address: 180 WEST 18TH AVENUE		Case No.:
City: VANCOUVER	Prov.: BC	P.C.: V5Y 2A5
Lender: KATHLEEN HAZEN-SCOTIABANK		



FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: December 18, 2014
Appraised Value: \$ 1,800,000



REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE

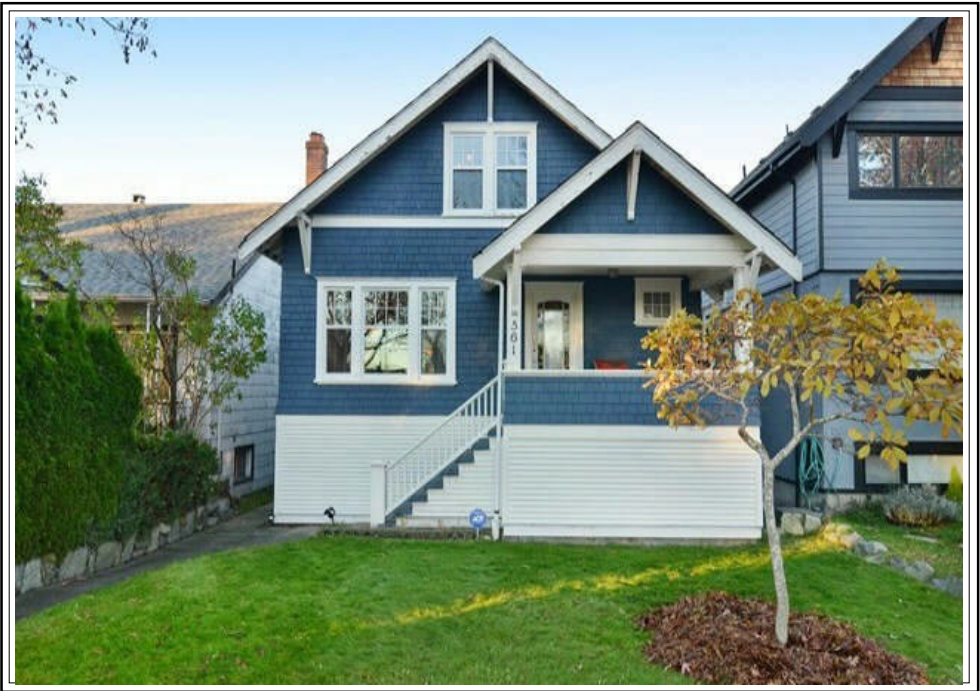
COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: WESENBERG		File No.: KJX412033
Property Address: 180 WEST 18TH AVENUE		Case No.:
City: VANCOUVER	Prov.: BC	P.C.: V5Y 2A5
Lender: KATHLEEN HAZEN-SCOTIABANK		



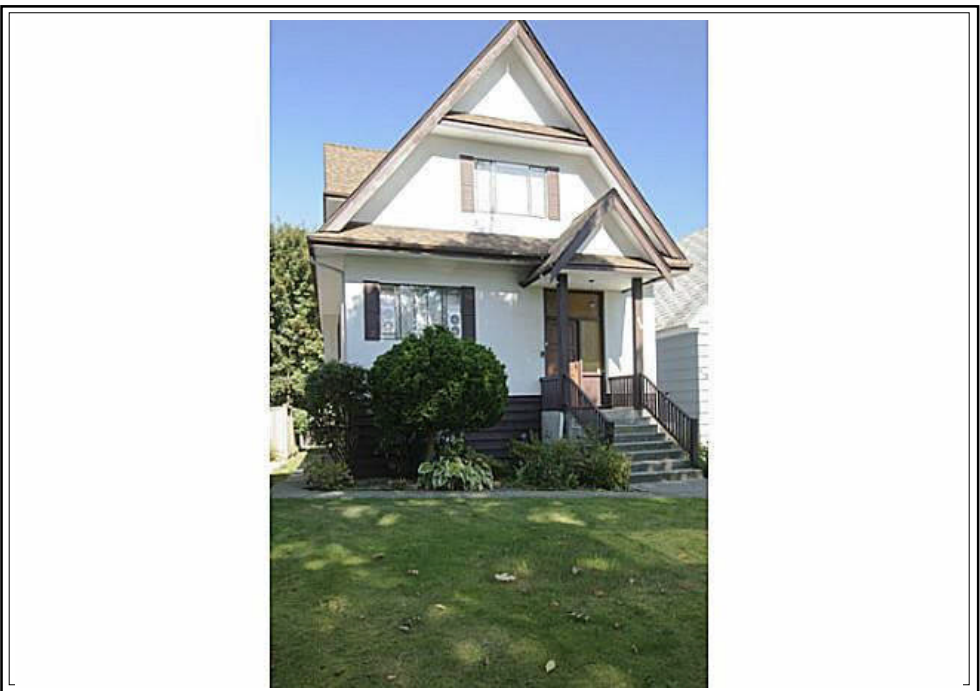
COMPARABLE SALE #1

3333 ASH STREET
VANCOUVER
Sale Date: 11/20/14
Sale Price: \$ 1,720,000



COMPARABLE SALE #2

561 WEST 20TH AVENUE
VANCOUVER
Sale Date: 11/17/14
Sale Price: \$ 1,603,000



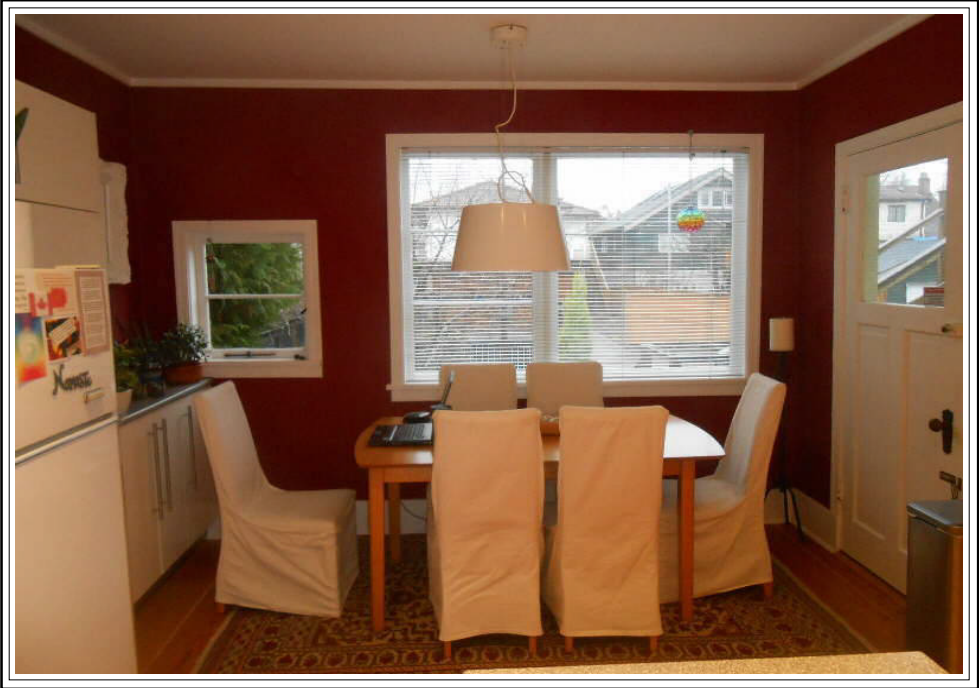
COMPARABLE SALE #3

419 WEST 18TH AVENUE
VANCOUVER
Sale Date: 09/22/14
Sale Price: \$ 1,658,000

GATEWAY APPRAISALS			
Borrower: WESENBERG		File No.: KJX412033	
Property Address: 180 WEST 18TH AVENUE		Case No.:	
City: VANCOUVER		Prov.: BC	P.C.: V5Y 2A5
Lender: KATHLEEN HAZEN-SCOTIABANK			



LIVING ROOM-MAIN FLOOR

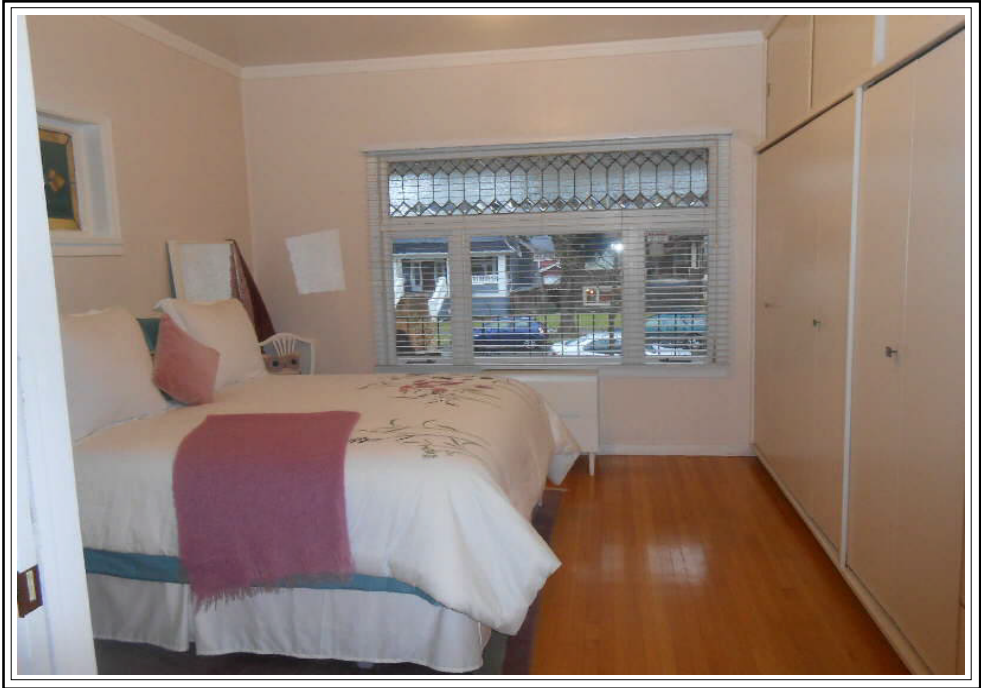


EATING AREA-MAIN FLOOR

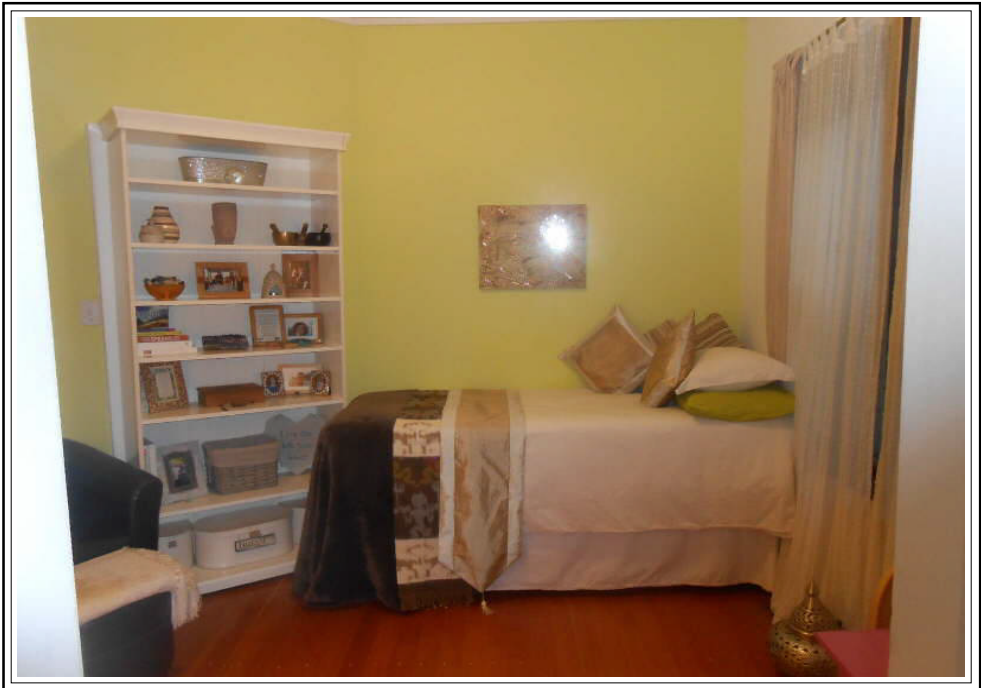


KITCHEN-MAIN FLOOR

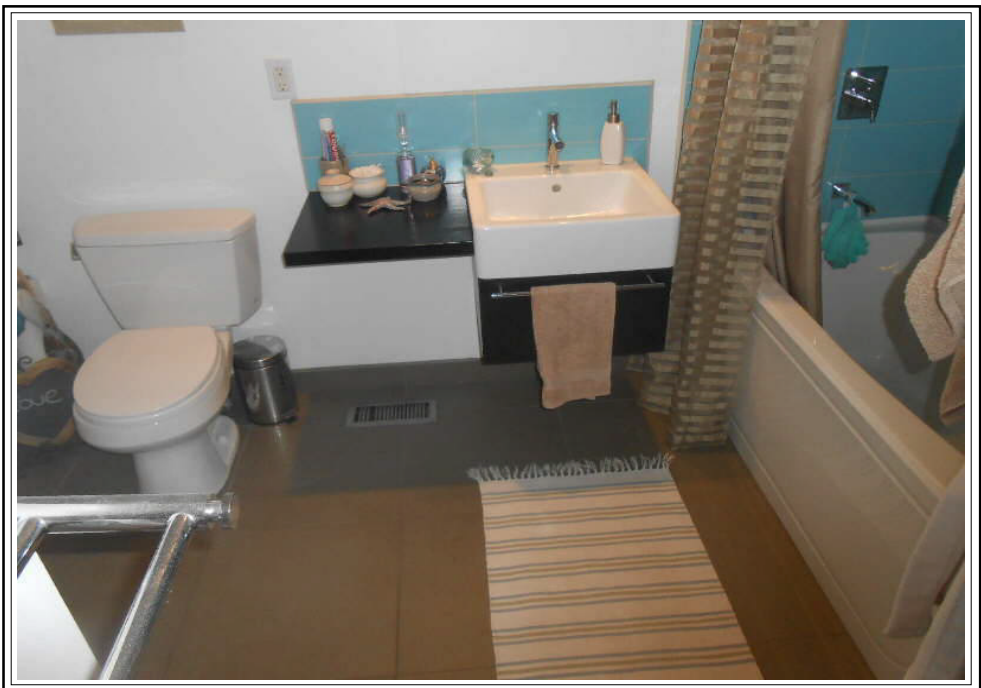
Borrower: WESENBERG		File No.: KJX412033
Property Address: 180 WEST 18TH AVENUE		Case No.:
City: VANCOUVER	Prov.: BC	P.C.: V5Y 2A5
Lender: KATHLEEN HAZEN-SCOTIABANK		



BEDROOM-MAIN FLOOR



BEDROOM-MAIN FLOOR

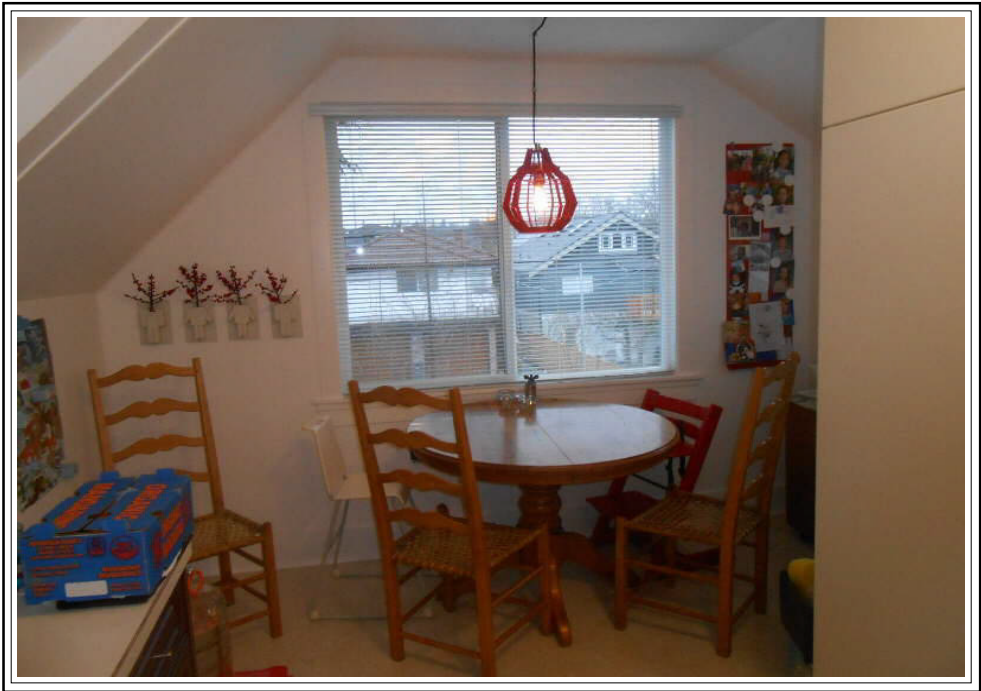


BATHROOM-MAIN FLOOR

Borrower: WESENBERG		File No.: KJX412033
Property Address: 180 WEST 18TH AVENUE		Case No.:
City: VANCOUVER	Prov.: BC	P.C.: V5Y 2A5
Lender: KATHLEEN HAZEN-SCOTIABANK		



LIVING ROOM-SECOND FLOOR



EATING AREA-SECOND FLOOR



KITCHEN-SECOND FLOOR

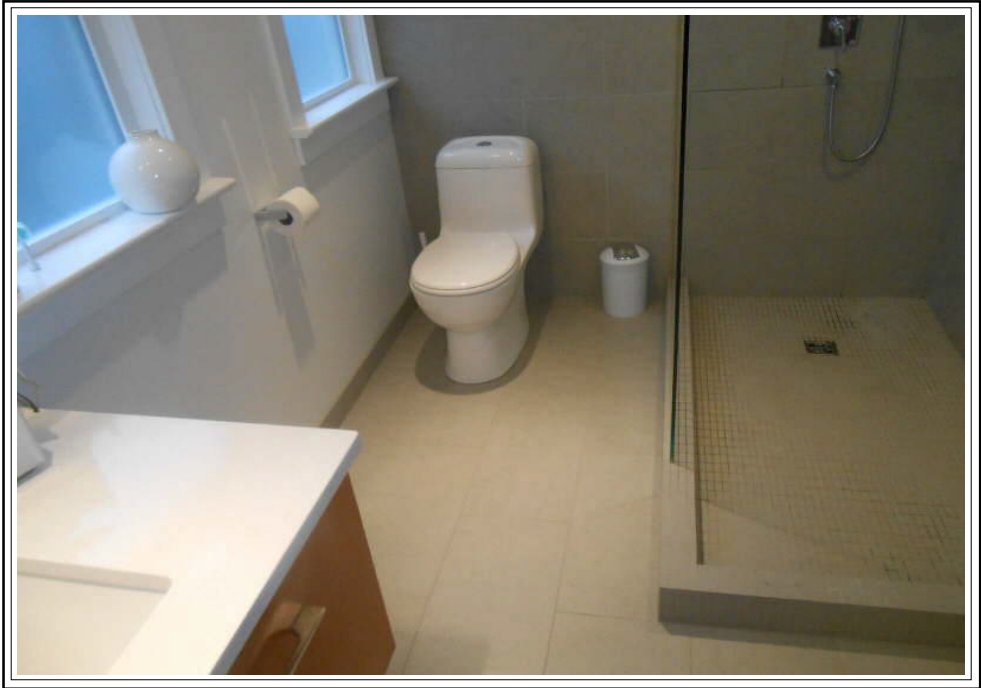
Borrower: WESENBERG		File No.: KJX412033
Property Address: 180 WEST 18TH AVENUE		Case No.:
City: VANCOUVER	Prov.: BC	P.C.: V5Y 2A5
Lender: KATHLEEN HAZEN-SCOTIABANK		



BEDROOM-SECOND FLOOR

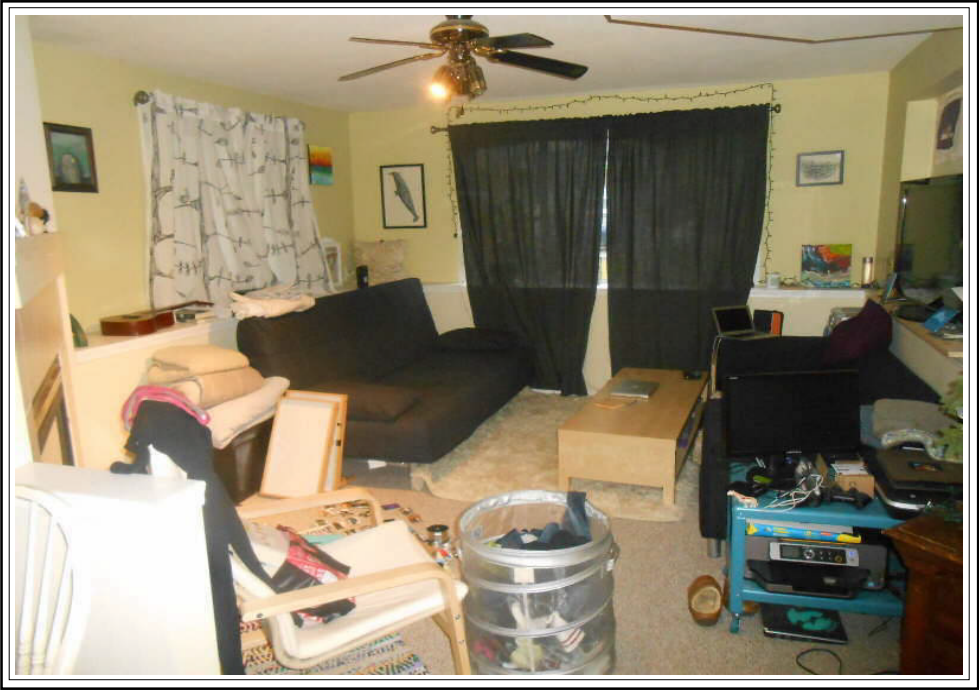


BEDROOM-SECOND FLOOR

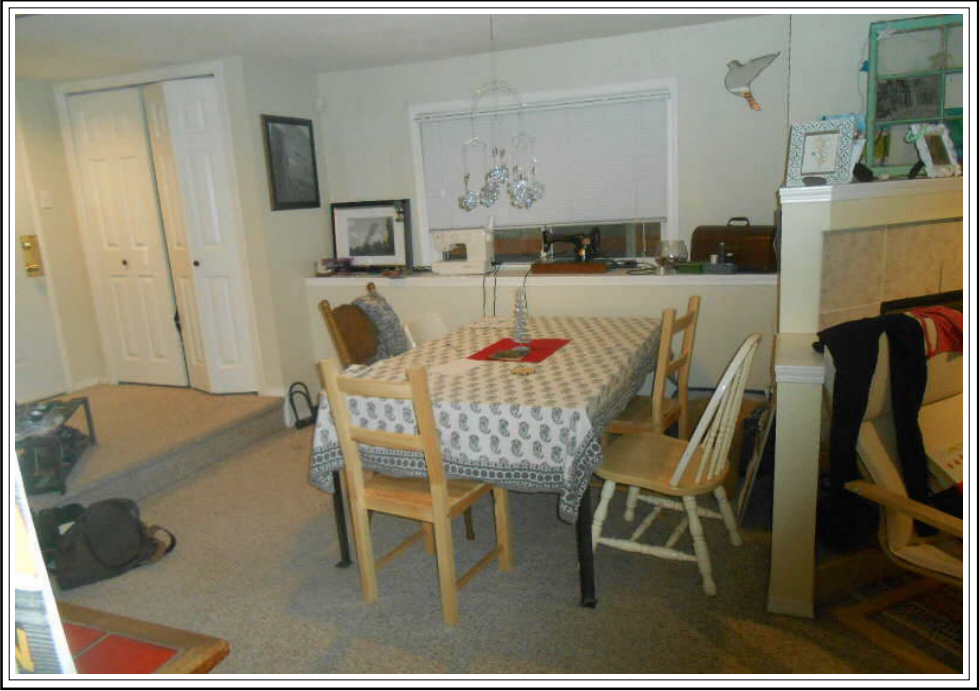


BATHROOM-SECOND FLOOR

GATEWAY APPRAISALS			
Borrower: WESENBERG		File No.: KJX412033	
Property Address: 180 WEST 18TH AVENUE		Case No.:	
City: VANCOUVER		Prov.: BC	P.C.: V5Y 2A5
Lender: KATHLEEN HAZEN-SCOTIABANK			



LIVING ROOM-BSMT

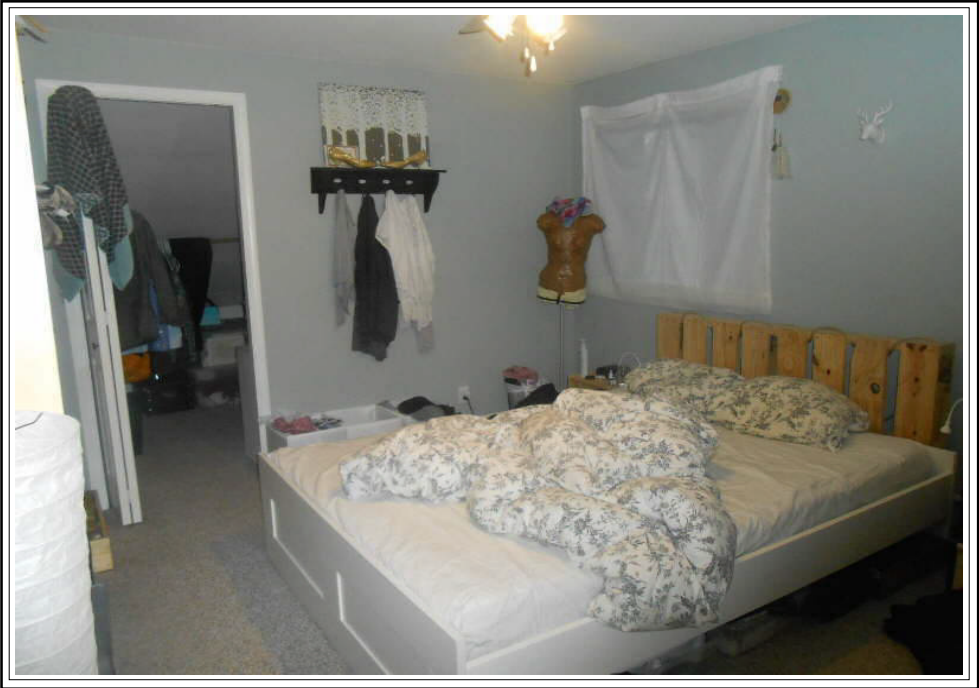


DINING AREA-BSMT

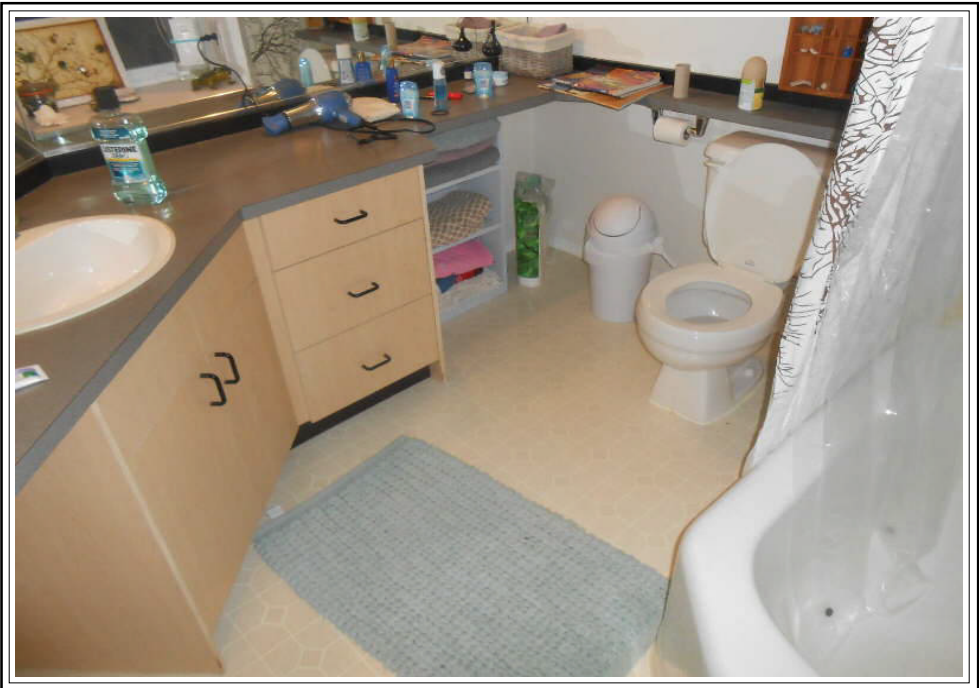


KITCHEN-BSMT

GATEWAY APPRAISALS			
Borrower: WESENBERG		File No.: KJX412033	
Property Address: 180 WEST 18TH AVENUE		Case No.:	
City: VANCOUVER	Prov.: BC	P.C.: V5Y 2A5	
Lender: KATHLEEN HAZEN-SCOTIABANK			



BEDROOM-BSMT



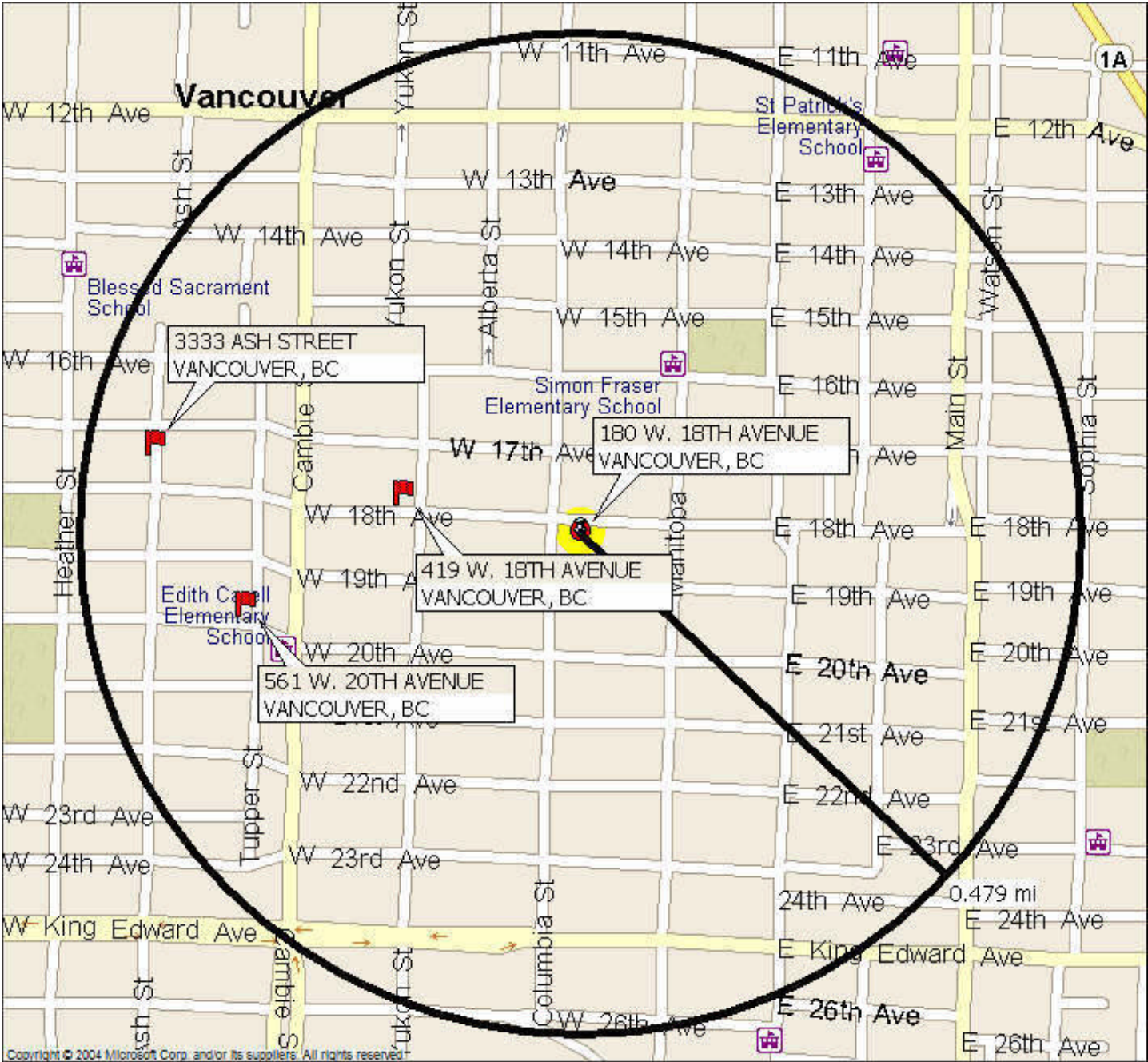
BATHROOM-BSMT



BATHROOM-BSMT

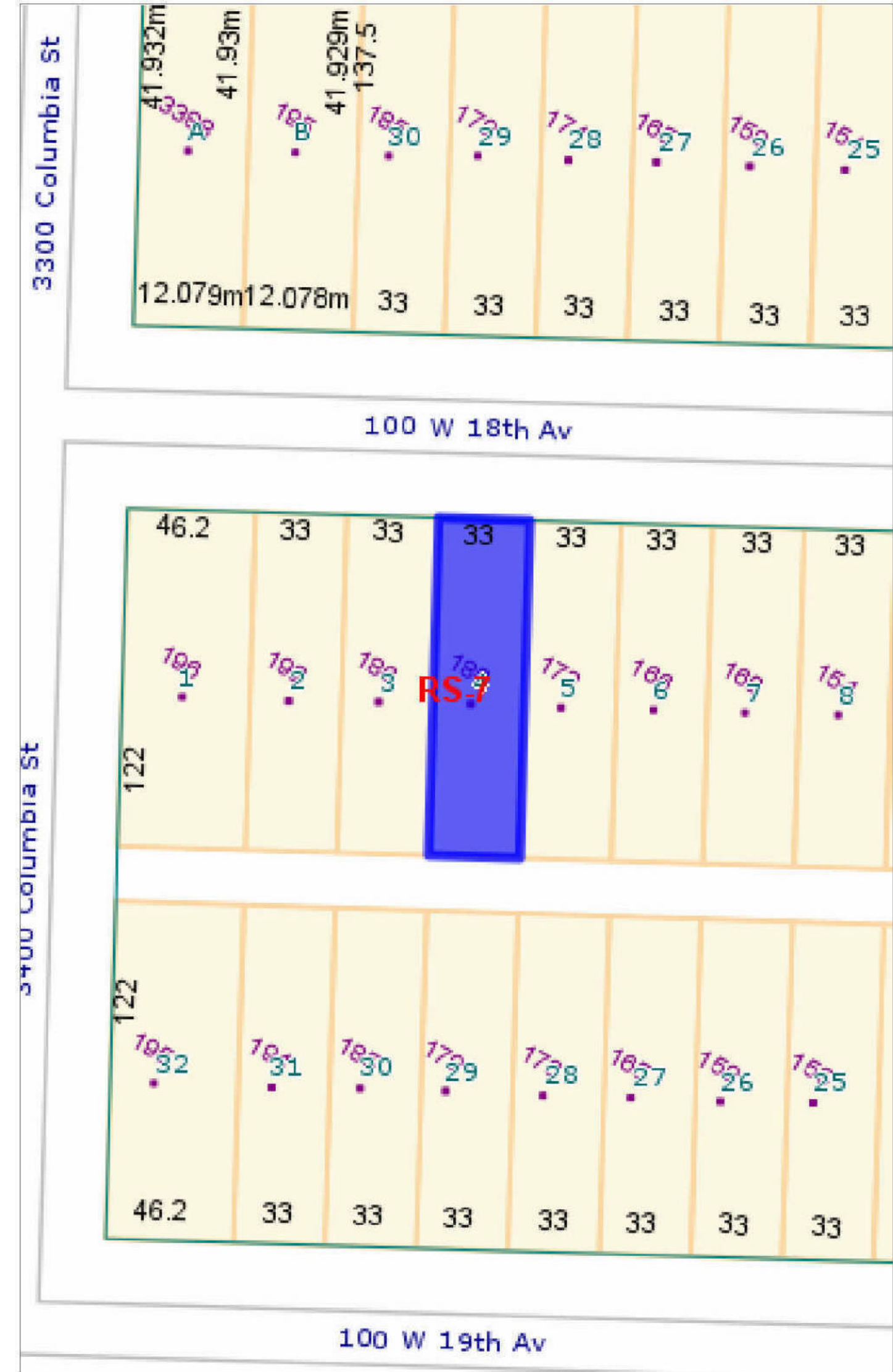
LOCATION MAP

Borrower: WESENBERG		File No.: KJX412033	
Property Address: 180 WEST 18TH AVENUE		Case No.:	
City: VANCOUVER		Prov.: BC	P.C.: V5Y 2A5
Lender: KATHLEEN HAZEN-SCOTIABANK			



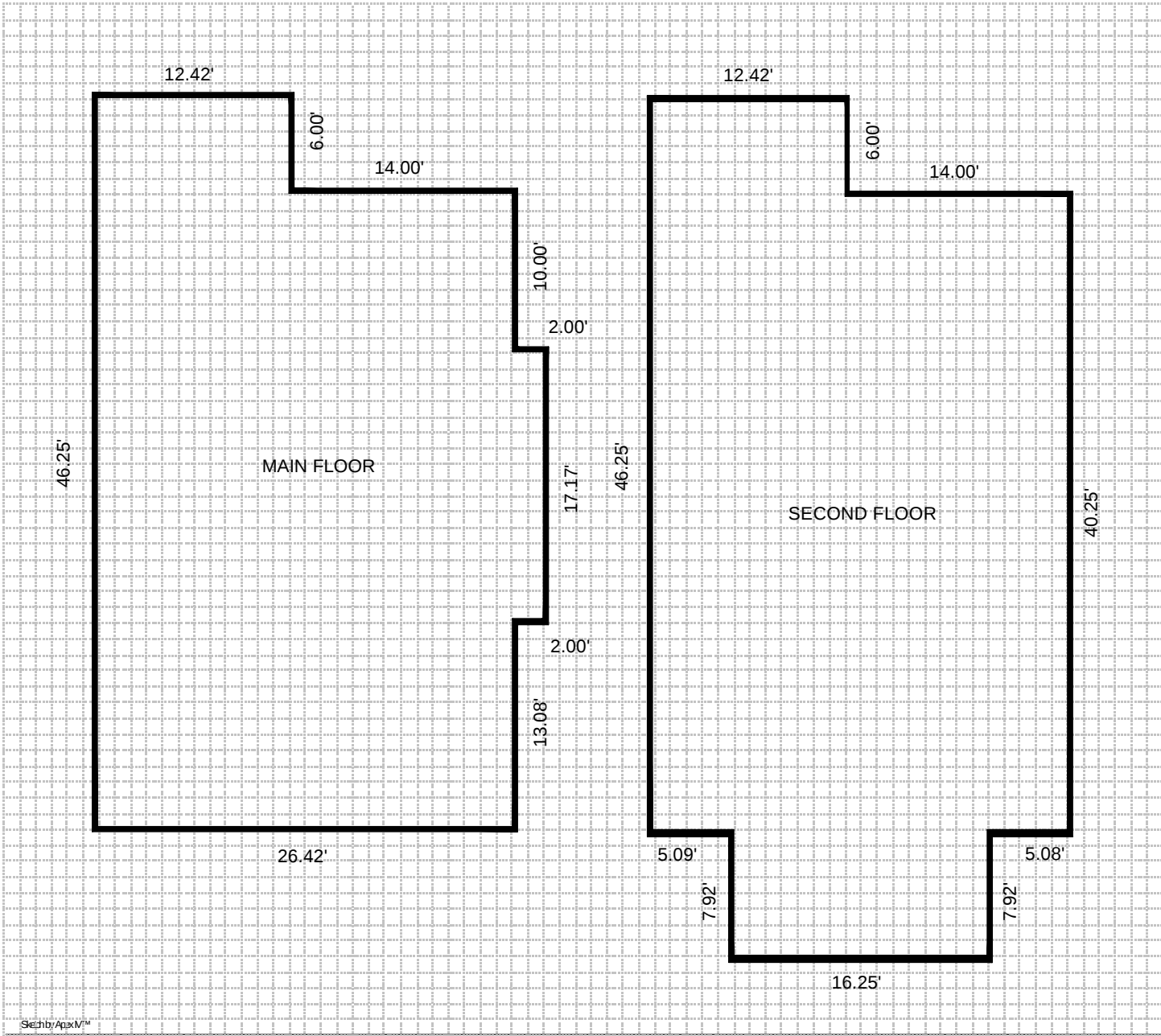
PLOT MAP

Borrower: WESENBERG		File No.: KJX412033	
Property Address: 180 WEST 18TH AVENUE		Case No.:	
City: VANCOUVER		Prov.: BC	P.C.: V5Y 2A5
Lender: KATHLEEN HAZEN-SCOTIABANK			



FLOORPLAN

Borrower: WESENBERG		File No.: KJX412033	
Property Address: 180 WEST 18TH AVENUE		Case No.:	
City: VANCOUVER		Prov.: BC	P.C.: V5Y 2A5
Lender: KATHLEEN HAZEN-SCOTIABANK			



Seib/Arx/M™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Size	Net Totals
GLA1	First Floor	1172.2650	1172.2650
GLA2	Second Floor	1266.6250	1266.6250
TOTAL LIVABLE (rounded)		2439	

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
2.00	x	17.17	34.3400
26.42	x	40.25	1063.4050
6.00	x	12.42	74.5200
Second Floor			
7.92	x	16.25	128.7000
26.42	x	40.25	1063.4050
6.00	x	12.42	74.5200
6 Calculations Total (rounded)			2439