FIXED CREDIT

DISCLOSURE STATEMENT

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

Lender: First National (BC)

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: Heather Wesenberg, Origination Mortgage Corp.

Borrower: Mark Kluge, Joan Kluge

Property: 200 Ardoon Place Nanaimo, British Columbia V9T 4V9

Effective Date of Disclosure Statement: June 27, 2016

Mortgage Terms and Details

1 The interest rate on the mortgage is: Adjustable

2 The initial annual interest rate is: 2.490 %
and the compounding period is: Semi Annually

3 Total mortgage amount: $ 359,233.00

4 The total interest paid: $ 40,629.01

5 The Total Cost of Credit (Calculation details are in 'Cost of Credit Details' section): $ 40,629.01

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: July 9, 2021

(e) Payments in the amount of $ 803.73 are to be made by the Borrower as follows:
Accelerated Biweekly (timing) commencing July 29, 2016 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: July 15, 2016
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

Cost of Credit Details

10 Total Mortgage Amount: $ 359,233.00

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):	$ 12,483.00
Total deducted from mortgage amount:	$ 12,483.00

Total amount from lender: $ 346,750.00

12 Value Received by the borrower for proceeding with the transaction

(a) Total from Lender less deductions:	$ 346,750.00
(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):	$ 12,483.00
(g) Other Value Received:	
(i)	$
(ii)	$
(iii)	$

Total Value Received by the borrower: $ 359,233.00

13 Value Given by the borrower for proceeding with the transaction

(a) Commencing July 29, 2016, 130 Accelerated Biweekly payments of $ 803.73 will be paid by the borrower.

Total Payments:	$ 104,484.90
(b) Remaining mortgage balance on maturity date:	$ 295,377.11
(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: $ 399,862.01

14 Cost of Credit (Value Given Less Value Received): $ 40,629.01

15 The Annual Percentage Rate[1] (APR) is: 2.490 %

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.

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) ______ ______

Certification and Acknowledgement

I, Heather Wesenberg 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, Joan Kluge & Mark Kluge (Name) of 4676 55B Street, Delta, BC (Address)
the Borrower in this Mortgage, acknowledge receipt of the above Disclosure Statement which I received on the June 27 day of June year 2016

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

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