APPRAISAL OF

A SINGLE FAMILY DWELLING

LOCATED AT:

12978 110 Avenue
Surrey, BC V3T 2P3

FOR:

Origination Mortgage Corp., Heather Wesenberg
2126 Long Street
Kelowna, BC V1Y 0C6

BORROWER:

Debbie Wright

AS OF:

July 4, 2016

BY:

Fabian Boudville
Gateway Appraisal & Consulting Group Inc.

Gateway Appraisal & Consulting Group Inc.
1263 Nanaimo Street
Vancouver BC V5L 4T5
Office Tel # 677-1188 FAX # 677-1189

July 4, 2016

Origination Mortgage Corp., Heather Wesenberg

2126 Long Street
Kelowna, BC V1Y 0C6

Address of Property: 12978 110 Avenue
Surrey, BC V3T 2P3

Market Value: $ $660,000

In accordance with your request and authorization, an investigation, analysis and appraisal report on the above described property has been completed for the purpose of estimating the market value.

After careful consideration of all the factors that affect value, the market value was estimated to be as refenced above. This estimate is subject to the limiting conditions attached to this appraisal and to which the reader's attention is specifically directed. The following report presents the basis of all opinons expressed herein. The information contained herein should be sufficient for your purposes. Should you require further information or clarification as to any portions of this report, please contact me. We would note that it is incumbent upon the recipient of this appraisal, through this transmittal letter, to exercise proper due diligence and to use prudent mortgage underwriting practices.

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. Gateway Appraisals and its employees 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 mentioned client and, as noted, is for their intended use only. This report is not to be used for any other purpose other than the purpose it was originally intended for. This report is a confidential document and is not to be used for statistical purposes, information analysis or added to a database. Violators are subject to remedies available to the appraiser under the copyright laws of Canada.

Due to system limitations, both authors' signature cannot appear on the transmittal letter and as such, the reader and intended user are directed to the Certification for validation and confirmation of the authors of the report. The authors have taken all steps necessary to fully disclose the system limitations and to comply with CUSPAP.

I certify that I have no interest, present or contemplated in the property appraised.

Fabian Boudville

Fabian Boudville
CRA

REFERENCE: Wright

RESIDENTIAL APPRAISAL REPORT

FILE NO.: FBX607001

CLIENT

CLIENT:	Origination Mortgage Corp., Heather Wesenberg
ATTENTION:	
ADDRESS:	2126 Long Street, Kelowna, BC V1Y 0C6
E-MAIL:	heather@origination.ca
PHONE:	604-603-9395
FAX:	778-478-9093

APPRAISER

APPRAISER:	Fabian Boudville
COMPANY:	Gateway Appraisal & Consulting Group Inc.
ADDRESS:	1263 Nanaimo Street, Vancouver BC V5L 4T5
E-MAIL:	fabian5@shaw.ca
PHONE:	604-590-9065/677-1188
FAX:	(H)590-6021 (O)677-1189

SUBJECT

NAME: Debbie Wright

PROPERTY ADDRESS: 12978 110 Avenue CITY: Surrey PROVINCE: BC POSTAL CODE: V3T 2P3

LEGAL DESCRIPTION: Plan 9275 Lt.10 Bk5N Ld36 Sec.16 Rng2W NwdRoll#:2160090189 Pid#:011-420-537

PURPOSE OF THE APPRAISAL: To estimate market value or [X] Other "as is" on the effective date of the appraisal

INTENDED USE OF THE APPRAISAL: For first Mortgage Lending purposes only

INTENDED USERS (by name or type): **This appraisal is for the Exclusive use of Scotiabank**

REQUESTED BY: [X] Client above [ ] Other

THIS APPRAISAL REPORT REPRESENTS THE FOLLOWING VALUE: (if not current, see comments) [X] Current [ ] Retrospective [ ] Prospective

[ ] Update of original report completed on ______ with an effective date of ______ File No. ______

PROPERTY RIGHTS APPRAISED: [X] Fee Simple [ ] Leasehold [ ] Cooperative [ ] Condominium [ ] Strata Maintenance Fee: $ ______ [ ] See comments

IS THIS SUBJECT A FRACTIONAL INTEREST, PHYSICAL SEGMENT OR PARTIAL HOLDING? [X] No [ ] Yes (if yes, see comments)

MUNICIPALITY AND DISTRICT: CITY OF SURREY

ASSESSMENT: Land $ 526,000.00 Imps $ 21,700.00 Total $ 547,700.00 Assessment Date: 2016 Taxes $ 2,953.81 Year 2016

EXISTING USE: SINGLE FAMILY RESIDENTIAL OCCUPIED BY: OWNER

HIGHEST AND BEST USE OF SUBJECT PROPERTY: [X] 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: [X] Residential [ ] Rural [ ] Commercial [ ] Industrial [ ]

TREND OF DISTRICT: [ ] Improving [X] Stable [ ] Transition [ ] Deteriorating [ ]

BUILT-UP: [X] Over 75% [ ] 25 - 75% [ ] Under 25% [ ]

CONFORMITY Age: [ ] Newer [ ] Similar [X] Older [ ]

Condition: [ ] Superior [X] Similar [ ] Inferior [ ]

Size: [ ] Larger [ ] Similar [X] Smaller [ ]

AGE RANGE OF PROPERTIES: New to 60+ years

MARKET OVERVIEW: Supply: [X] Good [ ] Average [ ] Poor

Demand: [X] Good [ ] Average [ ] Poor

PRICE TRENDS: [X] Increasing [ ] Stable [ ] Declining

PRICE RANGE OF PROPERTIES: $ 620000 to $ 1200000 for single family residential dwellings

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 is located in the Surrey City Centre (Whalley) neighbourhood of North Surrey. This is a well established residential neighbourhood which is comprised of older single family dwellings, apartments, townhouses & office blocks. There are currently new multi-family developments being built in this area and the Central City shopping centre and Surrey City Hall is located here. The neighbourhood appeals to the average-lower income family, has easy access to residential amenities/Skytrain, and generally has average-good overall appeal.

SITE

SITE DIMENSION: 65.6 X 128.5

SITE AREA: 8429 Sq.Ft. Source: CITY PLANS

TOPOGRAPHY: Slightly upward sloping from grade; level at the rear

CONFIGURATION: RECTANGULAR SHAPED

ZONING: RF

DOES EXISTING USE CONFORM TO ZONING? [X] YES [ ] NO (see comments)

EASEMENTS: [ ] Utility [ ] Access [X] Other NONE; Title Not Searched

UTILITIES: [X] Telephone [X] Sanitary Sewer [ ] Septic System [X] Municipal Water [ ] Well

[X] Natural Gas [X] Storm Sewer [X] Open Ditch [ ]

FEATURES: [X] Paved Road [ ] Sidewalk [X] Street Lights [ ] Gravel Road [ ] Curbs

[X] Cablevision [ ] Lane [ ]

ELECTRICAL: [X] Overhead [ ] Underground [ ]

DRIVEWAY: [X] Private [ ] Mutual [ ] None [X] Single [ ] Double

Surface: ASPHALT

PARKING: [X] Garage [ ] Carport [ ] Driveway [ ] Street

LANDSCAPING: [ ] Good [X] Average [ ] Fair [ ] Poor

CURB APPEAL: [ ] Good [X] 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 is an oversized 8429 sf Rectangular shaped inside residential lot that is fully serviced and is slightly upward sloping with the main street and level at the rear. It has a South facing fenced rear yard. Landscape is standard and consists of sod, shrubbery and mature trees. Extras include a paved driveway, a single garage, a covered concrete patio, a shed and a wood perimeter fence. The subject property conforms well with other standard cost quality built rancher style homes in the area but is a smaller improvement for the area with only 2 bedrooms. It has been updated with vinyl windows and a newer roof and gutters among other features. Secondly, the subject lot is a view lot with a good city and mountain view. (see attached photo)

IMPROVEMENTS

CONSTRUCTION COMPLETE: YES PERCENTAGE COMPLETE: 100

YEAR BUILT (estimated): 1953 EFFECTIVE AGE: 38 years REMAINING ECONOMIC LIFE (estimated): 32 years

FLOOR AREA [ ] Sq. M. [X] Sq. Ft.

MAIN	902
SECOND	
THIRD	
FOURTH	
TOTAL	902

Source: MEASURING

BUILDING TYPE: detached

DESIGN/STYLE: rancher

CONSTRUCTION: Wood Frame

BASEMENT: Crawl

BASEMENT AREA: [ ] Sq. M. [ ] Sq. Ft. ______ % Finished

WINDOWS: Vinyl dble glazed

FOUNDATION WALLS: Poured Concrete

ROOFING: ASPHALT SHINGLE

Condition: [X] Good [ ] Average [ ] Fair [ ] Poor

EXTERIOR FINISH: WOOD

Condition: [X] Good [X] Average [ ] Fair [ ] Poor

UFFI APPARENT: [ ] Yes [X] No [ ] Removed

BEDROOMS(#)		BATHROOMS(#)		
	Large	2-piece	X	Good
2	Average	3-piece		Average
	Small	1 4-piece		Fair
		5-piece		Poor

INTERIOR FINISH	Walls	Ceilings
Drywall	[X]	[X]
Plaster	[ ]	[ ]
Panelling	[X]	[ ]
	[ ]	[ ]
	[ ]	[ ]

CLOSETS: [X] Good [ ] Average [ ] Fair [ ] Poor

INSULATION: [X] Ceiling [X] Walls [ ] Basement [X] Crawl Space

Source: Not inspected: Assume to meet municipal code

PLUMBING LINES: Copper/PVC/Plastic

FLOOR PLAN: [X] Good [ ] Average [ ] Fair [ ] Poor

BUILT-INS/EXTRAS: [ ] Garbage Disposal [ ] Central Air [ ] Swimming Pool [ ] Fireplace(s)

[ ] Oven [ ] Air Cleaner [ ] Sauna [X] Garage Opener [ ] Dishwasher

[ ] Vacuum [ ] Solarium [ ] Security System [ ] Stove [ ] Whirlpool

[ ] Skylights [ ] HR Ventilator [X] Hood Fan

FLOORING: Hardwood/W-W Carpet/Commercial Tile/Vinyl Tile

ELECTRICAL: [ ] Fuses [X] Breakers

Estimated rated capacity of main panel: 100 amps

HEATING SYSTEM: Forced Air Fuel type: Gas

WATER HEATER: Type: ELEC: 170 litres

OVERALL IN. COND: [X] Good [ ] Average [ ] Fair [ ] Poor

BASEMENT FINISHES, UTILITY: Crawl. We assume here that the crawl space and subject dwelling are free and clear of any structural defects.

GARAGES/CARPORTS: 300 SF SINGLE GARAGE WITH GARAGE OPENER

DECKS, PATIOS, OTHER IMPROVEMENTS: Landscape, Driveway, Patio: 139 sf, Fence

COMMENTS: (Building, appearance, quality, condition, services, extras, anticipated public or private improvements, etc.) See Attached Addendum

REFERENCE: Wright

RESIDENTIAL APPRAISAL REPORT

FILE NO.: FBX607001

ROOM ALLOCATION

LEVEL:	MAIN	SECOND	THIRD		BASEMENT
ENTRANCE	1				
LIVING	1				
DINING	1				
KITCHEN	1				
FULL BATH	1				
PART BATH					
BEDROOM	2				
FAMILY					
LAUNDRY	in garage				
OTHER					
TOTAL ROOMS	5				

COST APPROACH

SOURCE OF COST DATA: ☐ MANUAL ☐ CONTRACTOR ☒ OTHER appraiser

			COST NEW	DEPRECIATED COST
LAND VALUE:	APPRAISERS ESTIMATE			$ 610,000
BUILDING COST	902.00	@ $ 120.00	$ 108,240	$
GARAGE	1 garage		$ 10,000	$
BASEMENT FINISH			$	$
OTHER EXTRAS	Landscape, Driveway, Shed, Patio, Fence		$	$ 8,000
TOTAL REPLACEMENT COST			$ 118,240	
LESS: ACCRUED DEPRECIATION	54%		$ 63,850	$ 54,390
INDICATED VALUE				$ 672,390
VALUE BY THE COST APPROACH (rounded)				$ 672,400

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 Description	$ Adjustment	COMPARABLE NO. 2 Description	$ Adjustment	COMPARABLE NO. 3 Description	$ Adjustment
12978 110 Avenue Surrey		13742 Larner Road Surrey		13634 Larner Road Surrey		11091 Caledonia Drive Surrey	
MLS		R2073707		R2066612		R2056235	
DATE OF SALE	N/A	27-May-2016		03-Jun-2016		08-May-2016	
SALE PRICE	$ not a sale	$ 655,000		$ 650,000		$ 706,000	
D.O.M.		1		25		27	
LOCATION	quiet st	quiet st		quiet st		quiet st	
SITE SIZE	8429 Sq.Ft.	7906 sf		7200 sf	22,000	10700 sf	-41,000
BUILDING TYPE	detached	similiar		similiar		similiar	
DESIGN/STYLE	rancher	rancher		rancher		rancher	
AGE/CONDITION	63/38 yr good	63/rem good+	2,000	60/rem good	-15,000	71/rem good+	11,000
LIVEABLE FLOOR AREA	902 Sq.Ft.	1340 sf	-28,500	1150 sf	-16,000	1187 sf	-18,500
ROOM-COUNT (Total / Bdrms / Baths)	5 / 2 / 1F	6 / 3 / 2F	-12,000	5 / 2 / 1F		6 / 2 / 2F	-7,000
BASEMENT	crawl	none		crawl		none	
PARKING	1-garage	open	6,000	1-c/p	3,000	1-c/p	3,000
Fireplace	none	none		1-wood	-2,000	none	
View lot	Yes	No	20,000	No	20,000	No	20,000
ADJUSTMENTS (Gross/Net)		10.5% % -1.9% %	$ 12,500	12.0% % 1.8% %	$ 12,000	14.2% % -4.6% %	$ 32,500
ADJUSTED VALUES			$ 642,500		$ 662,000		$ 673,500

CONCLUSIONS: The 3 comparables here are among the most recent sales available in the same general area as the subject and have similar style and curb appeal. After adjustments, a value range of $642,500-$673,500 was received concluding a final value at $660,000 for mortgage purposes.

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 MLS, the subject property was not listed or sold within the past 3 years prior to the effective date of appraisal. We did not conduct a title search as part of this appraisal assignment.

VALUE BY THE DIRECT COMPARISON APPROACH (rounded): $ **660,000**

EXPOSURE TIME

COMMENT ON REASONABLE EXPOSURE TIME: The final estimate of $660,000 reflects a typical 30-90 day marketing period where the subject is listed for sale at a competitive asking price which would attract buyer interest and generate acceptable offers within the expressed value range.

RECONCILIATION

RECONCILIATION AND FINAL ESTIMATE OF VALUE: The two approaches employed offer good support to value. However greater weight is placed on the direct comparison approach as it reflects current market activity and reflects the actions of buyers and sellers in the market place. Thus, we conclude a market value of $672,000 in this report.

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 July 4, 2016 (Effective Date of the Appraisal) **IS $** **660,000**

THIS REPORT WAS COMPLETED ON: July 4, 2016

REFERENCE: Wright

RESIDENTIAL APPRAISAL REPORT

FILE NO.: FBX607001

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: See Attached Addendum

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: 12978 110 Avenue CITY: Surrey PROVINCE: BC POSTAL CODE: V3T 2P3

LEGAL DESCRIPTION: Plan 9275 Lt.10 Bk5N Ld36 Sec.16 Rng2W NwdRoll#:2160090189 Pid#:011-420-537

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 July 4, 2016 (Effective Date of the Appraisal) IS $ **660,000**

APPRAISER		SUPERVISORY APPRAISER (if applicable)	
SIGNATURE:	Fabian Boudville	SIGNATURE:	
NAME:	Fabian Boudville	NAME:	Leonard C. Boudville
DESIGNATION:	CRA	DESIGNATION:	CRA
DATE SIGNED:	07/04/2016	DATE SIGNED:	07/04/2016
DATE OF INSPECTION:	July 4, 2016	DATE OF INSPECTION:	did not inspect
LICENSE INFO: (where applicable)		LICENSE INFO: (where applicable)	

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 ☐ ☒ Environ. Addendum ☐ ☐

☐

REFERENCE: Wright

RESIDENTIAL APPRAISAL REPORT

FILE NO.: FBX607001

CLIENT		APPRAISER	
CLIENT:	Origination Mortgage Corp., Heather Wesenberg	APPRAISER:	Fabian Boudville
ATTENTION:		COMPANY:	Gateway Appraisal & Consulting Group Inc.
ADDRESS:	2126 Long Street	ADDRESS:	1263 Nanaimo Street
	Kelowna, BC V1Y 0C6		Vancouver BC V5L 4T5
E-MAIL:	heather@origination.ca	E-MAIL:	fabian5@shaw.ca
PHONE:	604-603-9395 FAX: 778-478-9093	PHONE:	604-590-9065/677-1188 FAX: (H)590-6021 (O)677-1189

EXTRAORDINARY ITEMS ADDENDUM

EXTRAORDINARY ASSUMPTIONS & LIMITING CONDITIONS

An extraordinary assumption is a hypothesis, either supposed or unconfirmed, which, if not true, could alter the appraiser's opinions and conclusions (e.g. an absence of contamination where such contamination is possible, the presence of a municipal sanitary sewer where unknown or uncertain). An extraordinary limiting condition is a necessary modification or exclusion of a Standard Rule which must be explained and justified by the appraiser (e.g. exclusion of a relevant valuation approach.) The appraiser must conclude before accepting the assignment which involves invoking an Extraordinary Limiting Condition that the scope of the work applied will result in opinions and conclusions which are credible. Both must accompany statements of each opinion/conclusion so affected.

HYPOTHETICAL CONDITIONS

Hypothetical conditions may be used when they are required for legal purpose, for purposes of reasonable analysis or for purposes of comparison. Common hypothetical conditions include proposed improvements and prospective appraisals. For every Hypothetical Condition, an Extraordinary Assumption is required (see above). An analysis based on a hypothetical condition must not result in an appraisal report that is misleading or that relies on actions or events that would be illegal or improbable within the context of the assignment. Following is a description of each hypothetical condition applied to this report, the rationale for its use and its effect on the result of the assignment.

JURISDICTIONAL EXCEPTION

The Jurisdictional Exception permits the appraiser to disregard a part or parts of the Standards determined to be contrary to law or public policy in a given jurisdiction and only that part shall be void and of no force or effect in that jurisdiction. The following comments identify the part or parts disregarded, if any, and the legal authority justifying these actions.

ADDENDUM

Borrower: Debbie Wright		File No.: FBX607001	
Property Address: 12978 110 Avenue		Case No.: Wright	
City: Surrey	Province: BC		Postal Code: V3T 2P3
Lender: Origination Mortgage Corp., Heather Wesenberg			

Condition of the Improvements
The subject property is a 2 bedroom old time rancher style dwelling that was built with standard cost quality building materials and workmanship, and has been partly updated. Features include vinyl windows throughout, an updated 4 year old roof, newer roof gutters and a new furnace, a 1 year old hot water tank, updated electrical service with 100 amp breakers, real hardwood floors in the living room and main entrance, commercial tile floors in the kitchen and dining room, standard quality carpets in both bedrooms, vinyl tile floors in the 4-piece bathroom, standard wood kitchen and bathroom cabinets with laminate countertops throughout, updated bathroom fixtures (sink, toilet bowl and bathtub), average quality doors, original wood siding and a wood panelled living room. Overall internal appeal is good.

Scope of Appraisal
In the process of preparing this appraisal, we inspected the Subject Property, confirmed the current land use classification and planning status, estimated the highest and best use of the property, examined current market conditions and analyzed their potential effects on the property. Information for this report was gathered from BC Assessment records, the local Real Estate board and a selection of comparable sales within the subject's market area. A search of the MLS was made for sales and listings involving the subject property during the past 3 years; however, no further investigation of sales history has been performed. As noted, the subject has not been sold on the marketplace during the past 36 months. All comparable sales have been obtained from MLS and have been analyzed for locaton, appeal and general condition. After analyzing the data, we estimated the property's market value using the direct comparison approach. Condominium documents and an Estoppal Certicate have not been reviewed and the final value estimate assumes no adversities. An inspection of the mechanical, electrical and structural components was not made. This report should not be viewed as a Building Inspection.

The basic premise of the Cost Approach is that the property value is the sum of the value of the land plus the depreciated replacement cost of the improvements. As property types such as the subject are normally purchased for the utility they provide, rather than their depreciated replacement cost, this approach was given nominal weight in the final reconciliation or was not used for strata properties.

The Direct Comparison Approach to value is justified by the Principle of Substitution which affirms that a prudent purchaser will not normally pay more for a property than the price to acquire an equally desirable property under similar circumstances. This is the approach used to determine value.

Verbal consent was obtained to take interior photographs of the subject propery from the current occupants onsite.

Additional Assumptions and Limiting Conditions
This report invokes the departure provision of the Canadian Standards of Professional Appraisal Practice (Canpap). Specific guideline 1-2c 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 require legal interpretation and would necessitate an in-depth research into all market data considered for comparison. Further investigation in this area should be considered by any party relying on this report.

Client Reference No.: Wright | **File No.:** FBX607001

CLIENT: Origination Mortgage Corp., Heather Wesenberg	ADDRESS OF PROPERTY
ADDRESS: 2126 Long Street	12978 110 Avenue
Kelowna, BC V1Y 0C6	CITY Surrey
TEL: (604) 603-9395	PROVINCE BC POSTAL CODE V3T 2P3

ENVIRONMENTAL ADDENDUM

It is imperative that the reader, or any other interested party, be aware that the Appraiser did not inspect the premises for fire or smoke detectors, or for the presence of carbon monoxide detectors, nor did the appraiser inspect the condition of such equipment, if present. The Appraiser takes no responsibility whatsoever for the lack of, or condition of, detection devices that may be located on the premises, nor does the appraiser warrant compliance in any manner of such equipment, if present.

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 condition that might give rise to either, and is in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future that might affect the value of the property. If the party relying on this report requires information about environmental issues, that party is cautioned to retain an expert qualified in these issues. We expressly deny any legal liability relating to the effect of environmental issues on the Market Value of the appraised property

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Debbie Wright		File No.: FBX607001
Property Address: 12978 110 Avenue		Case No.: Wright
City: Surrey	Prov.: BC	P.C.: V3T 2P3
Lender: Origination Mortgage Corp., Heather Wesenberg		

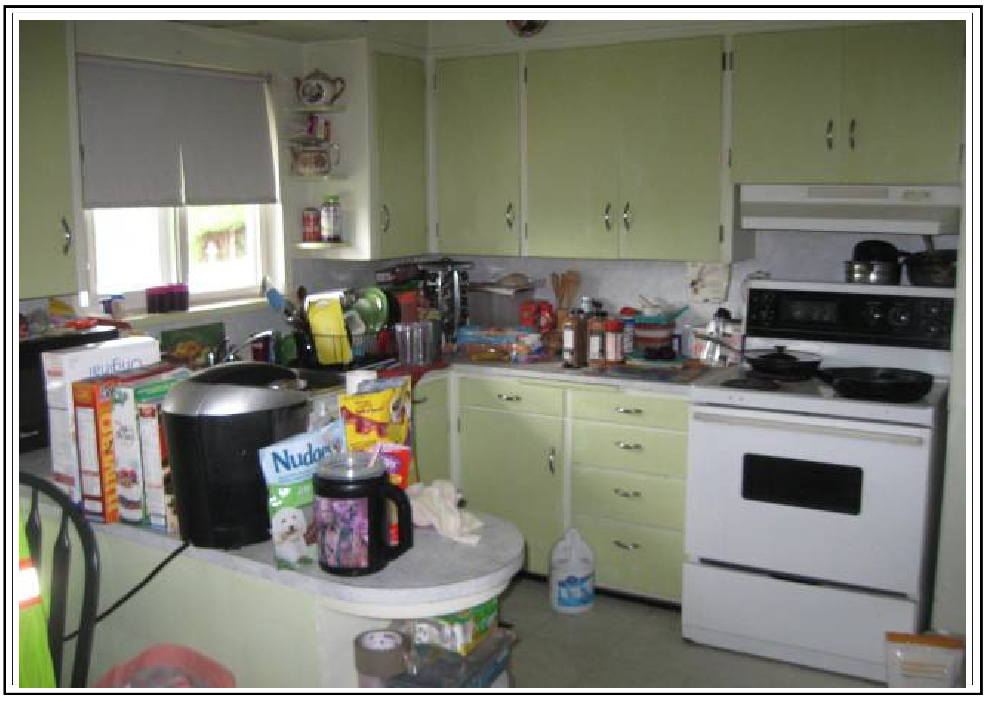
FRONT VIEW OF SUBJECT PROPERTY

Appraised Date: July 4, 2016
Appraised Value: $ 660,000

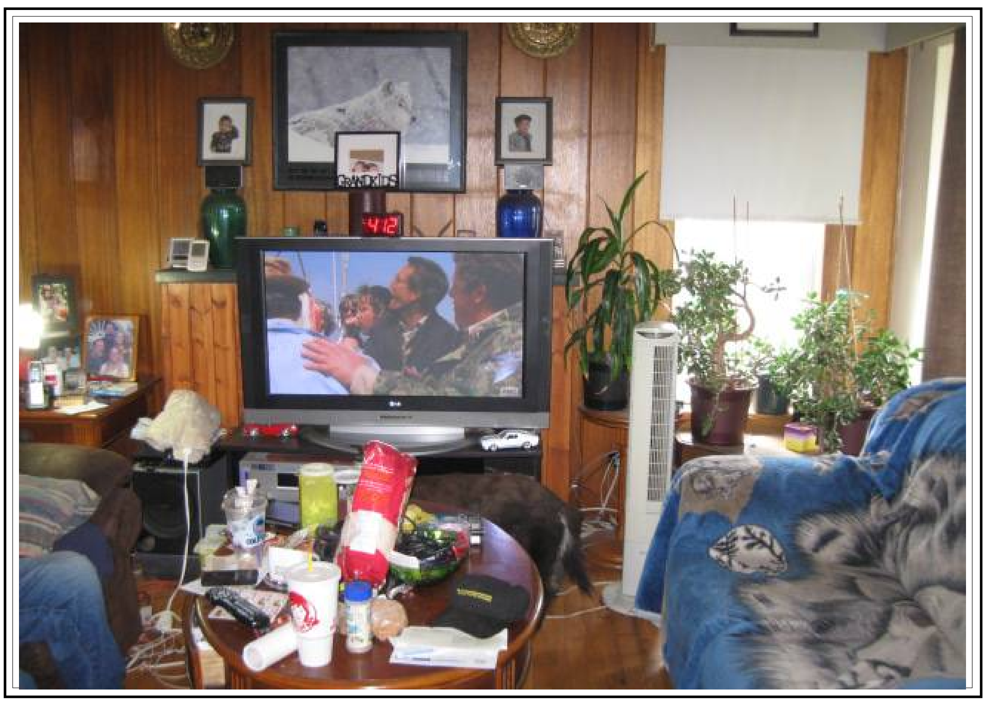
REAR VIEW OF SUBJECT PROPERTY

STREET SCENE

Borrower: Debbie Wright		File No.: FBX607001
Property Address: 12978 110 Avenue		Case No.: Wright
City: Surrey	Prov.: BC	P.C.: V3T 2P3
Lender: Origination Mortgage Corp., Heather Wesenberg		

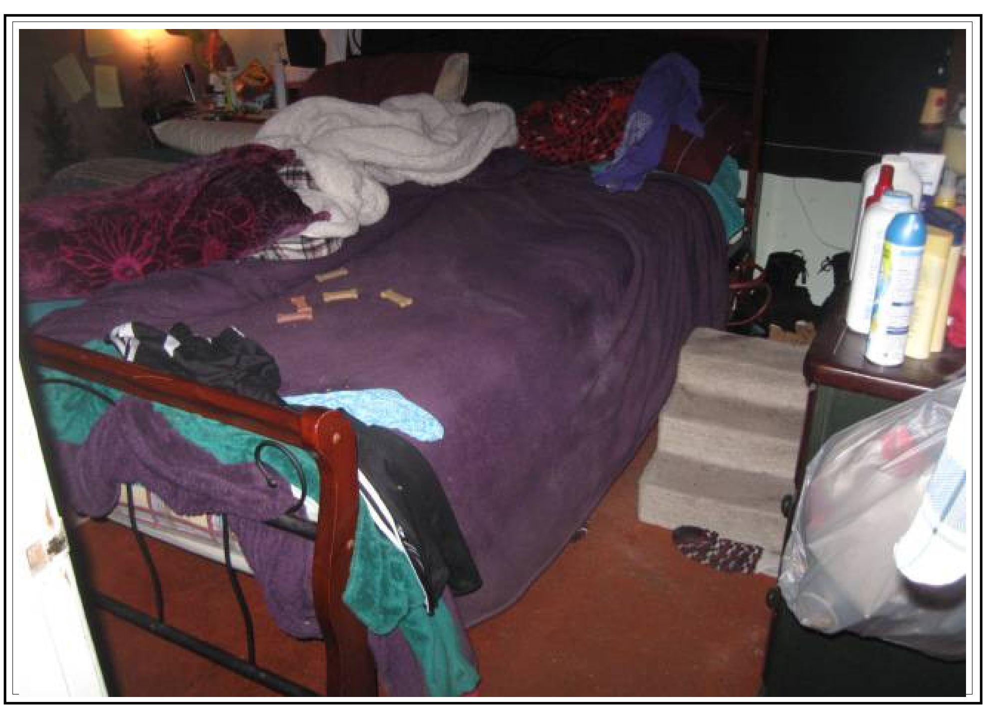


KITCHEN VIEW
SUBJECT PROPERTY



LIVING ROOM
SUBJECT PROPERTY

Note: wood panelled walls & real hardwood floors



BEDROOM #1
SUBJECT PROPERTY

Note: standard carpets

Borrower: Debbie Wright	File No.: FBX607001
Property Address: 12978 110 Avenue	Case No.: Wright
City: Surrey Prov.: BC	P.C.: V3T 2P3
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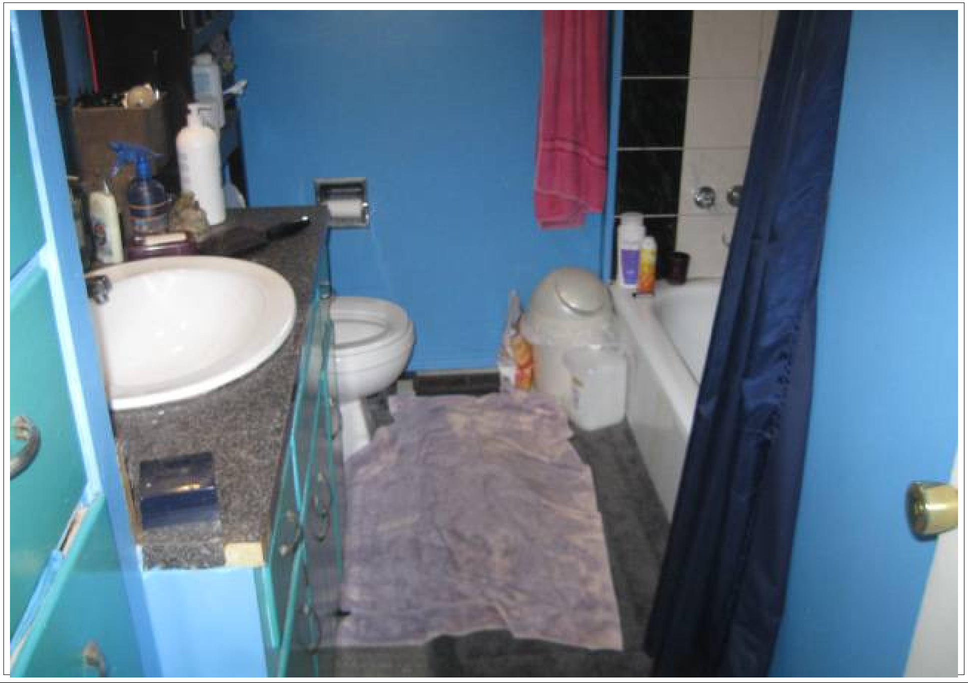


4-PIECE BATHROOM
SUBJECT PROPERTY

Note: updated bathroom fixtures

BEDROOM #2
SUBJECT PROPERTY

CITY & MOUNTAIN VIEW
SUBJECT PROPERTY

Note: photo taken from the front yard of subject lot of New Westminster/Burnaby & the North Shore Mountains

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Debbie Wright	File No.: FBX607001
Property Address: 12978 110 Avenue	Case No.: Wright
City: Surrey	Prov.: BC P.C.: V3T 2P3
Lender: Origination Mortgage Corp., Heather Wesenberg	

COMPARABLE SALE #1

13742 Larner Road
Surrey
Sale Date: 27-May-2016
Sale Price: $ 655,000

COMPARABLE SALE #2

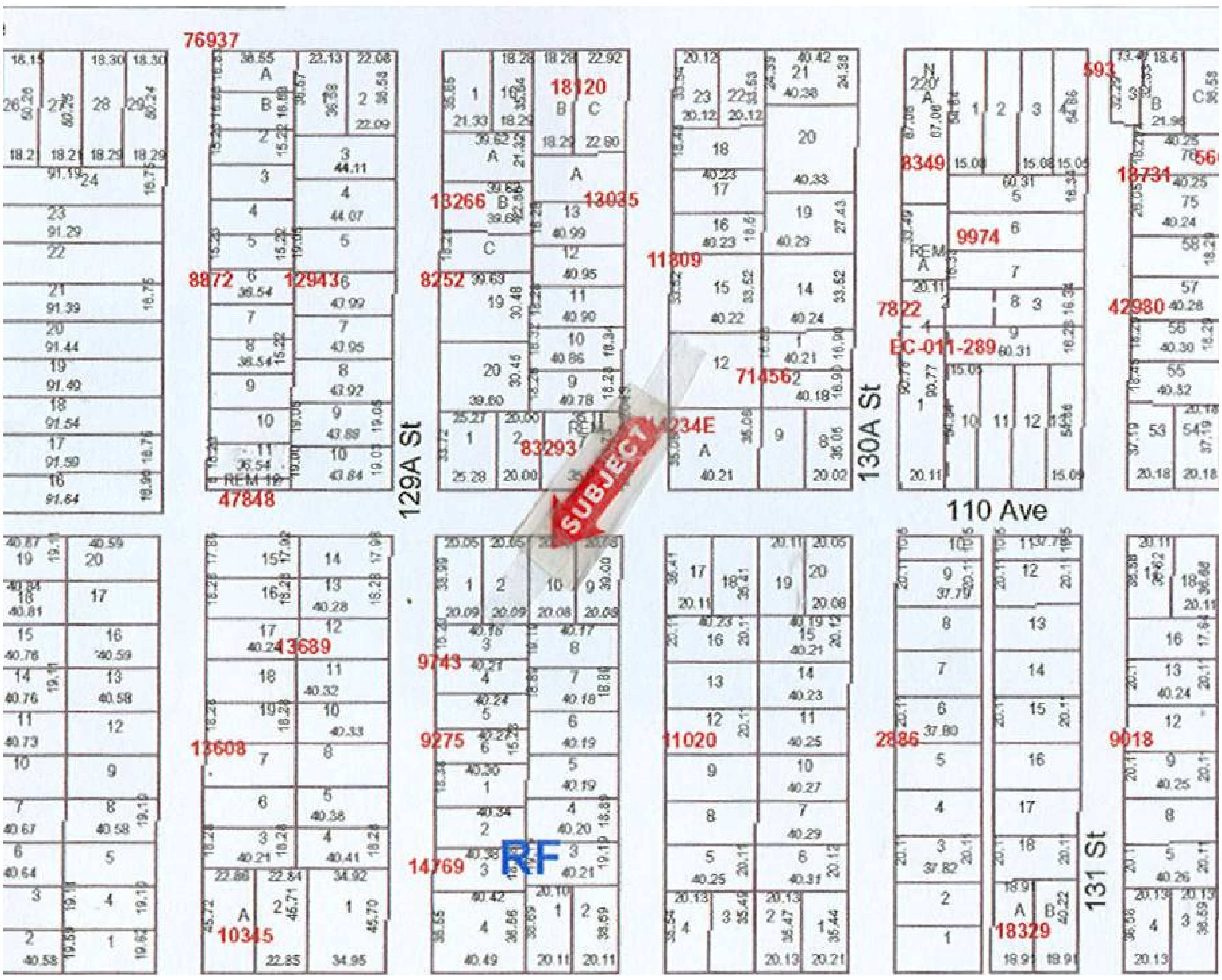
13634 Larner Road
Surrey
Sale Date: 03-Jun-2016
Sale Price: $ 650,000

COMPARABLE SALE #3

11091 Caledonia Drive
Surrey
Sale Date: 08-May-2016
Sale Price: $ 706,000

PLOT MAP

Borrower: Debbie Wright		File No.: FBX607001
Property Address: 12978 110 Avenue		Case No.: Wright
City: Surrey	Prov.: BC	P.C.: V3T 2P3
Lender: Origination Mortgage Corp., Heather Wesenberg		



LOCATION MAP

Borrower: Debbie Wright		File No.: FBX607001
Property Address: 12978 110 Avenue		Case No.: Wright
City: Surrey	Prov.: BC	P.C.: V3T 2P3
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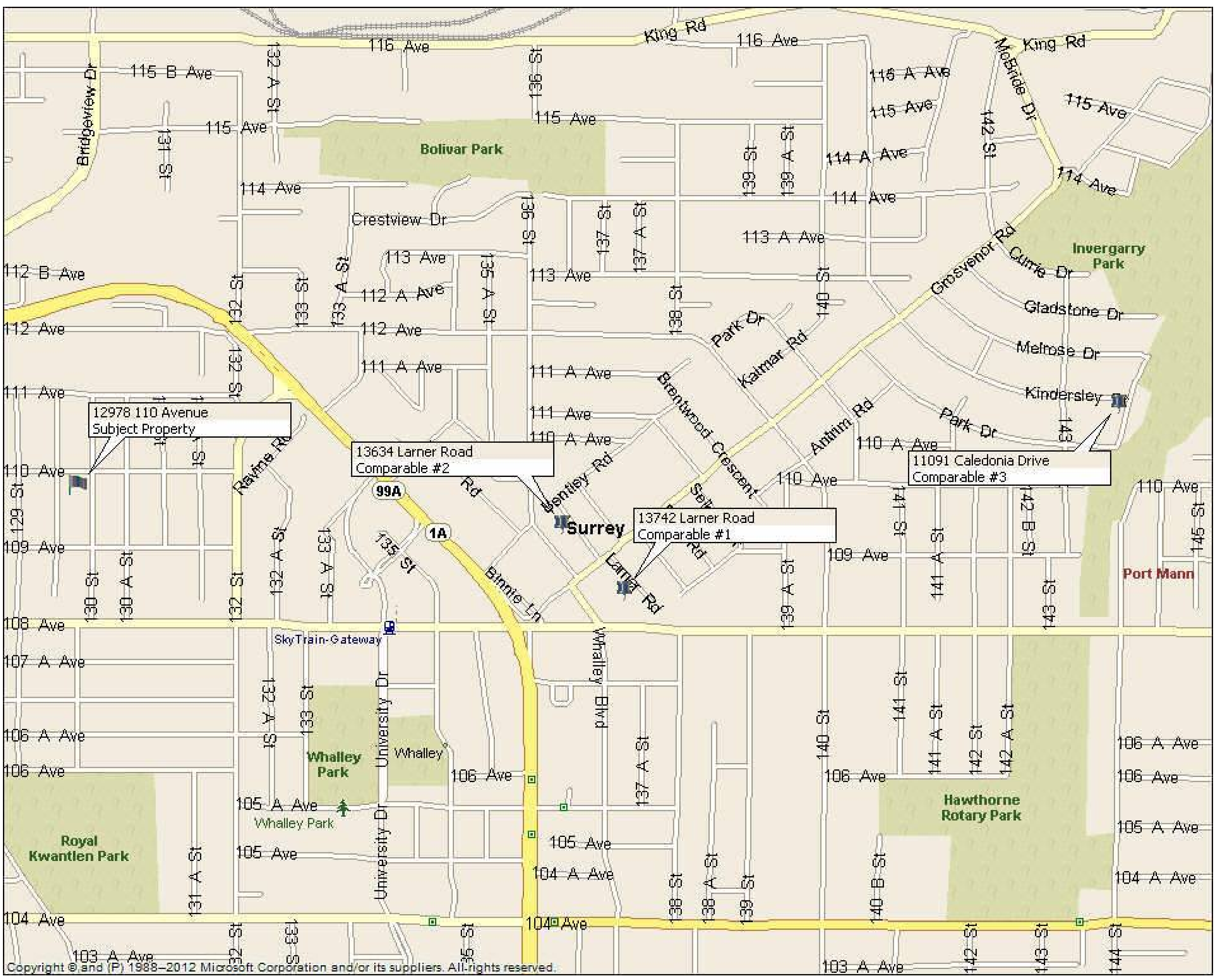

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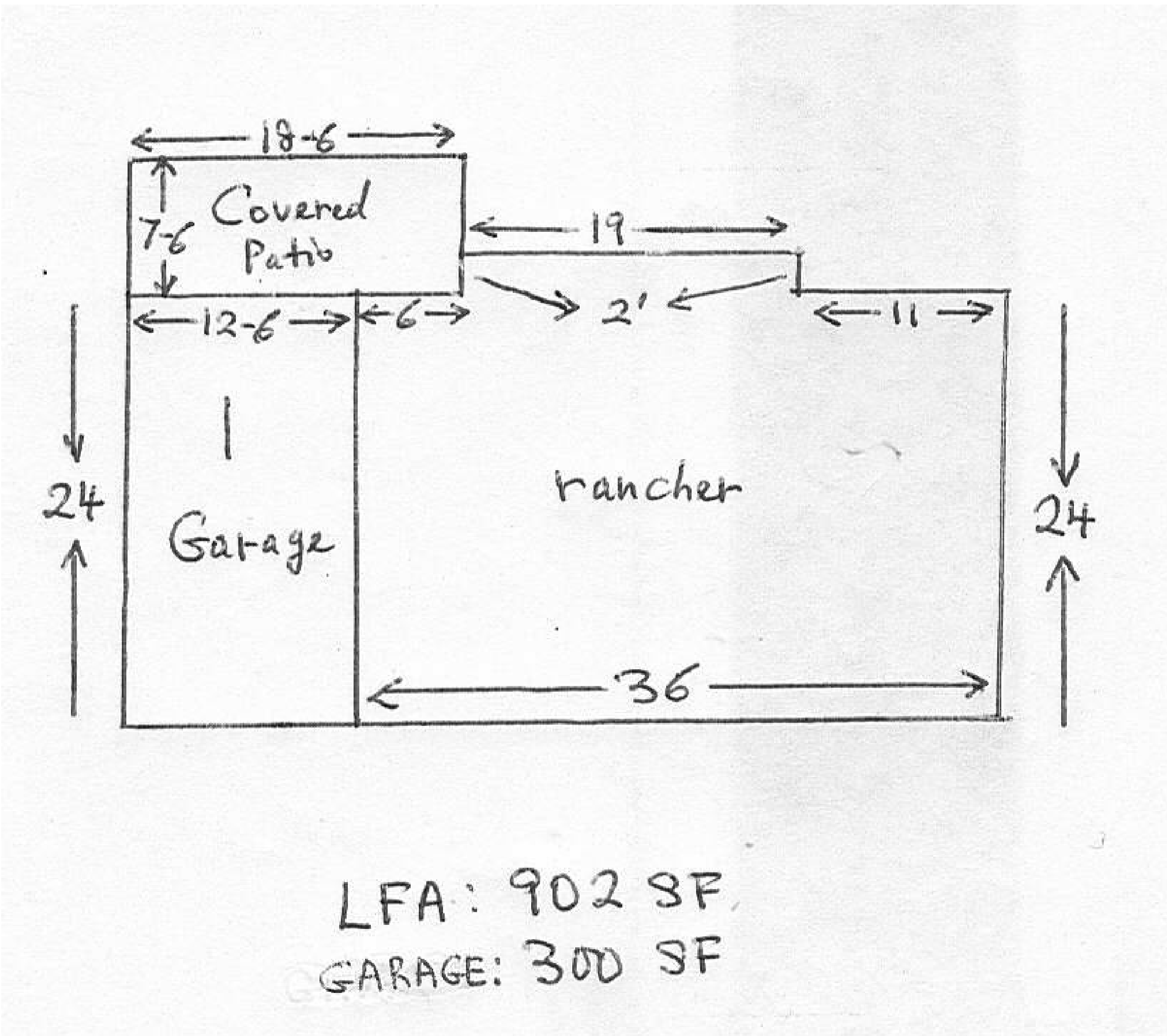

INVOICE

Gateway Appraisal & Consulting Group Inc.
1263 Nanaimo Street
Vancouver BC V5L 4T5
Office Tel # 677-1188 FAX # 677-1189

FILE NO.	INVOICE DATE	INVOICE NO.
FBX607001	July 4, 2016	FBX607001

LENDER/ CLIENT: Origination Mortgage Corp., Heather Wesenberg
2126 Long Street
Kelowna, BC V1Y 0C6

BORROWER: Debbie Wright

ADDRESS OF PROPERTY: 12978 110 Avenue
Surrey, BC V3T 2P3

APPRAISED AS OF July 4, 2016

APPRAISAL FEE: $ 270.00

DESCRIPTION / ADDITIONAL CHARGES

FULL APPRAISAL

	INVOICE SUBTOTAL:	**$**	270.00
GST # 862013356RT0001	**TAX** 5.0%	**$**	13.50
	INVOICE TOTAL:	**$**	283.50
	AMOUNT PAID:	**$**	283.50
	AMOUNT PAID:	**$**	
	BALANCE DUE:	**$**	0.00

TERMS **PAID IN CASH BY DEBBIE WRIGHT**

PLEASE MAKE CHEQUES PAYABLE TO:
Gateway Appraisal & Consulting Group Inc.
1263 Nanaimo Street
Vancouver BC V5L 4T5

Thank you for your patronage.