A-1 Appraisals Ltd.
201-1583 Ellis Street
Kelowna, BC
V1Y 2A7

June 17, 2016

TD Canada Trust

Address of Property: 5700 Mountainside Drive
Kelowna, BC

Market Value: $ 955,000 as if 100% complete

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 determining an opinion of the Market Value for mortgage lending purposes. The attached report should not be construed as an environmental audit nor a detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the Appraiser. After careful consideration of all the factors that affect value, the market value was estimated to be as referenced 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 opinions expressed herein. The information contained herein should be sufficient for your purposes. Should you require further information or clarification as to any portion of this report, please contact me. I certify that I have no interest, present or contemplated in the property appraised.
1) A physical inspection of the site, improvements and photographs taken on June 16, 2016.
2) Subject property data compiled from data obtained from the City of Kelowna and my personal inspection of the site and internal and external viewing of the improvements (A title search is believed to be beyond the scope of this appraisal).
3) Estimating the Highest and Best Use from the data compiled in the steps noted above.
4) Neighbourhood description based on a drive by inspection.
5) Developing of approaches to value applicable based on information obtained from the Okanagan Mainline Real Estate Board and A-1 Appraisals Ltd. office files.
6) Assembling and analyzing the data defined in the scope of the appraisal, to arrive at a final opinion of value.
7) If a replacement cost estimate is included herein, it is market derived only and is not to be construed as a replacement cost estimate for insurance purposes.
8) The opinion of value is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions.

Thank you for this assignment.

Claire Fillion

Claire Fillion
CRA

RESIDENTIAL APPRAISAL REPORT

REFERENCE: OR0650913 FILE NO.: 0756-16

CLIENT

CLIENT: TD Canada Trust
ATTENTION:
ADDRESS:
E-MAIL:
PHONE: FAX:

APPRAISER

APPRAISER: Claire Fillion
COMPANY: A-1 Appraisals Ltd.
ADDRESS: 201-1583 Ellis Street
Kelowna, BC V1Y 2A7
E-MAIL: a-1admin@telus.net
PHONE: 250 861-8440 FAX: 250 861-8441

Appraisal Institute of Canada

SUBJECT

PROPERTY ADDRESS: 5700 Mountainside Drive **CITY:** Kelowna **PROVINCE:** BC **POSTAL CODE:**
LEGAL DESCRIPTION: Lot 1, Section 14, Township 28, Plan EPP38359, SDYD. PID 029-296-820.
Source: BCAA
MUNICIPALITY AND DISTRICT: City of Kelowna
ASSESSMENT: Land $ 273,000 Imps $ 95,200 Total $ 368,200 Assessment Date: 2016 Taxes $ 2,147 Year 2015
EXISTING USE: Single Family Dwelling OCCUPIED BY: Vacant / New

ASSIGNMENT

NAME: Kevin Lee Name Type:
PURPOSE OF THE APPRAISAL: To estimate market value (see definition herein) or [X] Other
INTENDED USE OF THE APPRAISAL: For mortgage financing purposes
INTENDED USERS (by name or type): TD Canada Trust - Ref 1380540
REQUESTED BY: [ ] Client above [X] Other Solidifi
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 [ ] Other (see comments) OTHER OWNERSHIP: [ ] Cooperative [ ] Condominium/Strata [ ] Other
MAINTENANCE FEE (if applicable): $ NA
IS THE SUBJECT A FRACTIONAL INTEREST, PHYSICAL SEGMENT OR PARTIAL HOLDING? [X] No [ ] Yes (if yes, see comments)
VALUE APPROACHES USED IN THE DEVELOPMENT OF THIS APPRAISAL: [X] DIRECT COMPARISON APPROACH [X] COST APPROACH [ ] INCOME APPROACH [ ]

EXTRAORDINARY ASSUMPTIONS & LIMITING CONDITIONS	An extraordinary assumption or limiting condition has been invoked in this appraisal report.	[X] YES	[ ] NO	If yes, see attached addendum.
HYPOTHETICAL CONDITIONS	An hypothetical condition has been invoked in this appraisal report.	[X] YES	[ ] NO	If yes, see attached addendum.
JURISDICTIONAL EXCEPTION	A jurisdictional exception has been invoked in this appraisal report.	[ ] YES	[X] NO	If yes, see attached addendum.

NEIGHBOURHOOD

NATURE OF DISTRICT:	[X] Residential	[ ] Commercial	[ ] Industrial	[ ] Agricultural	[ ]
TYPE OF DISTRICT:	[ ] Urban	[X] Suburban	[ ] Rural	[ ] Recreational	[ ] Agricultural
TREND OF DISTRICT:	[X] Improving	[X] Stable	[ ] Transition	[ ] Deteriorating	[ ]
BUILT-UP:	[X] Over 75%	[ ] 25 - 75%	[ ] Under 25%	[ ] Rural	
CONFORMITY Age:	[ ] Newer	[X] Similar	[ ] Older	[ ]	
Condition:	[ ] Superior	[X] Similar	[ ] Inferior	[ ]	
Size:	[ ] Larger	[X] Similar	[ ] Smaller	[ ]	

	From	To
AGE RANGE OF PROPERTIES (years):	New	20+
PRICE RANGE OF PROPERTIES:	$ 400,000	$ 1.5 M+

MARKET OVERVIEW: Supply:	[ ] Good	[X] Average	[ ] Poor
Demand:	[X] Good	[ ] Average	[ ] Poor
PRICE TRENDS:	[X] Increasing	[ ] Stable	[ ] Declining

COMMENTS: The subject is located in the Upper Okanagan Mission neighbourhood at the southern edge of urban development in the city. This property is located within the area known as Kettle Valley in a new subdivision known as The Creeks. The area is developed with mainly semi custom to executive quality single family homes. The appeal of this locale is the close proximity to parks, nature trails, schools, neighbourhood shopping and public transit. No adverse local influences are known that would have a negative influence on the property's value.

SITE

SITE DIMENSIONS: See attached plot map
SITE AREA: 0.17 acre [ ] Sq. Ft. [ ] Sq. M. [X] Acres [ ] Hectares
Source: BCAA/City Maps
TOPOGRAPHY: Sloped lot
CONFIGURATION: Irregular - corner influence
ZONING: RU-1h Large Lot Housing - Hillside
Source: BCAA/City Maps
DOES EXISTING USE CONFORM TO ZONING? [X] YES [ ] NO (see comments)
TITLE SEARCHED: [ ] YES [X] NO [ ]

UTILITIES:	[X] Telephone	[X] Sanitary Sewer	[X] Storm Sewer	[X] Natural Gas	[ ] Septic
	[ ] Open Ditch	[ ]			
WATER SUPPLY:	[X] Municipal	[ ] Private Well	[ ] Other		
FEATURES:	[ ] Gravel Road	[X] Paved Road	[ ] Lane	[X] Sidewalk	[X] Curbs
	[X] Street Lights	[X] Cablevision	[ ]		
ELECTRICAL:	[ ] Overhead	[X] Underground	[ ]		
DRIVEWAY:	[X] Private	[ ] Mutual	[ ] None	[ ] Single	[X] Double
	[ ] Underground	[ ] Laneway	[ ]		
	Surface: Concrete/aggregate				
PARKING:	[X] Garage	[ ] Carport	[X] Driveway	[ ] Street	
LANDSCAPING:	[ ] Good	[X] Average	[ ] Fair	[ ] Poor	
CURB APPEAL:	[X] Good	[ ] Average	[ ] Fair	[ ] Poor	W/complete

COMMENTS: No survey has been made available to the appraiser as part of the assignment. The title has not been searched. The subject site is assumed to be free and clear of all encumbrances. The site is irregular in shape, sloped with corner influence near the intersection with Mountainside Court. This property offers a good view overlooking the valley and Okanagan Lake from a distance. The driveway and front walkway are aggregate surface. There are some retaining walls along the front, side and back boundary already in place. The landscaping, When Complete, will have terraced landscaping, more retaining wall along the back and south side of the house, lawn irrigation, shrubbery and some grass. The deck railings will have glass panels and metal railings when complete. See attached photos. Measurements taken from plans.

RESIDENTIAL APPRAISAL REPORT

REFERENCE: OR0650913 FILE NO.: 0756-16

IMPROVEMENTS

YEAR BUILT (estimated): 2016	BUILDING TYPE: Detached	ROOFING: Asphalt Shingles	
EFFECTIVE AGE: New years	DESIGN/STYLE: 2 Storey	Condition: [X] Good [ ] Average [ ] Fair [ ] Poor	
REM. ECONOMIC LIFE: 70 years	CONSTRUCTION: Wood frame		
DEPRECIATION 0.0 %	BASEMENT: Full (unfinished room below gar + stg.)	EXTERIOR FINISH: Cedar, Stucco, Stone	
	ESTIMATED BASEMENT AREA: 1,017 [ ] Sq. M. [X] Sq. Ft.	Condition: [X] Good [ ] Average [ ] Fair [ ] Poor	
NEW CONSTRUCTION ONLY	BASEMENT FINISH: [ ] 0 to 25% [ ] 25 to 50% [X] 50 to 75% [ ] 75 to 100%		
CONSTRUCTION COMPLETE: No	WINDOWS: Vinyl thermopane		
PERCENTAGE COMPLETE: 95%	FOUNDATION WALLS: Concrete		

BEDROOMS(#)		BATHROOMS(#)				INTERIOR FINISH	Walls	Ceilings
1	Large	1	2-piece	X	Good	Drywall	[X]	[X]
2	Average	1	3-piece		Average	Plaster	[ ]	[ ]
	Small	1	4-piece		Fair	Panelling	[ ]	[ ]
		1	5-piece		Poor	High ceilings	[ ]	[X]
							[ ]	[ ]

CLOSETS: [ ] Good [X] Average [ ] Fair [ ] Poor
INSULATION: [X] Ceiling [X] Walls [X] Basement [ ] Crawl Space
Info Source: Assumed to be as per building code
PLUMBING LINES: Mixed - Copper, Plastic Info Source: View
FLOOR PLAN: [X] Good [ ] Average [ ] Fair [ ] Poor
BUILT-INS/EXTRAS: [ ] Stove [ ] Oven [X] Dishwasher [ ] Garburator
[ ] Vacuum [ ] Security System [X] Fireplace(s) [ ] Skylights [ ] Solarium
[ ] HR Ventilator [X] Central Air [ ] Air Cleaner [ ] Sauna [ ] Whirlpool
[X] Garage Opener [ ] Swimming Pool [X] appliance package
OVERALL INT. COND: [X] Good [ ] Average [ ] Fair [ ] Poor

FLOORING: Hardwood, ceramic tiles
ELECTRICAL: [ ] Fuses [X] Breakers
ESTIMATED RATED CAPACITY OF MAIN PANEL: 200 amps
HEATING SYSTEM: Forced air - central air Fuel type: Natural gas
WATER HEATER: Type: 73 gls. - natural gas

ROOM ALLOCATION

LEVEL:	ENTRANCE	LIVING	DINING	KITCHEN	FAMILY	BEDROOMS	DEN	FULL BATH	PART BATH	LAUNDRY	media	storg.		TOTAL	AREA
MAIN	Foyer	1	1	1		1	1		1					5	1,275
SECOND						3		2		X				3	1,217
THIRD															
ABOVE GRADE TOTALS	ROOMS: 8		BEDROOMS: 4			BATHROOMS: 2F 1H								8	2,492
BASEMENT	X				1	1		1			unfin.	unfin		2	1,017
														0	
ORDER TOTALS	ROOMS: 10		BEDROOMS: 5			BATHROOMS: 3F 1H		UNIT OF MEASUREMENT: [ ] Sq. M. [X] Sq. Ft.						10	3,509

BASEMENT FINISHES/UTILITY: The walkout basement is finished with a family room with a wet bar and gas fireplace, patio door onto back patio, bedroom and a 3 piece bathroom. The remainder is unfinished storage area, mechanical room and room below the garage area.

GARAGES/CARPORTS: Attached double garage, lined and finished, and offers access to the house. Aggregate driveway.

DECKS, PATIOS, OTHER IMPROVEMENTS: Covered entry. Back deck off the master bedroom, covered deck below and patio below.

COMMENTS: NOTE: the following description and analysis of the improvements has been based upon a physical site inspection of the improvements. Photographs of the subject site and improvements were also utilized to aid in visualization. No structural survey was carried out, nor were utility supplies or mechanical systems tested. The comments result solely from a visual inspection and it is noteworthy to mention that I am neither a building inspector nor a surveyor by profession and as such the description of land and building is meant to provide the reader with a general overview only.

The site is improved with a new 2 storey house constructed over a full basement. The main floor offers an open floor plan to the island kitchen, eating area and living room. There is a foyer entrance, 2 piece washroom, bedroom, storage room and mud room off the garage. The upper floor has the master bedroom with private deck, walkin closet and custom ensuite, 2 other bedrooms and a 4 piece bathroom and laundry area. The 3 bedrooms on the upper floor require the hardwood floor to be installed.

Items to complete: Hardwood floor covering to the 3 bedrooms on the upper floor.
Completing the retaining walls to the back and south side of the yard, lawn irrigation, landscaping, grass, shrubs and deck railings.

* The final opinion of value is based on the items mentioned above being 100% complete. We recommend a final inspection to confirm completion of the above mention items. As of this date: it is estimated to be at 95% complete.

RESIDENTIAL APPRAISAL REPORT

REFERENCE: OR0650913 FILE NO.: 0756-16

HIGHEST AND BEST USE

LAND VALUE AS IF VACANT: $ see cost approach SOURCE OF DATA: MLS / A-1 Appraisal files Comment:

EXISTING USE: Single family residence

HIGHEST AND BEST USE OF THE LAND AS IF VACANT: [X] Residential [ ] Other

HIGHEST AND BEST USE OF THE PROPERTY AS IMPROVED: [X] Existing Residential Use [ ] Other

SUMMARY AND CONCLUSION: The highest and best use of the subject is the current use as a single family residential property.

DIRECT COMPARISON APPROACH

	SUBJECT	COMPARABLE NO. 1 Description	$ Adjustment	COMPARABLE NO. 2 Description	$ Adjustment	COMPARABLE NO. 3 Description	$ Adjustment
5700 Mountainside Drive Kelowna		462 Rockview Lane Kelowna		377 Angler Court Kelowna		272 Quilchena Drive Kelowna	
DATA SOURCE	Contract date	MLS		MLS		MLS	
DATE OF SALE	June 1, 2016	April 13, 2016		June 1, 2016		June 2, 2016	
SALE PRICE	$ 900,000 + gst	$ 1,062,850 + gst	53,143	$ 838,800 + gst	41,940	$ 830,000	
DAYS ON MARKET		74		60		9	
LOCATION	Kettle Valley, view	Kettle Valley, view		Kettle Valley, view		Kettle Valley, Inf/view	
SITE SIZE	0.17 acre irreg/corner	0.20 ac - mid lot	-25,000	0.18 ac - mid lot	-25,000	0.16 acre - mid	40,000
BUILDING TYPE	Detached	Detached		Detached		Detached	
DESIGN/STYLE	2 Storey	2 Storey		2 Storey		2 Storey	
AGE/CONDITION	New / Good	New / Super.	-50,000	New / Good		New / Good	
LIVEABLE FLOOR AREA	2492 Sq.Ft.	2946 sf.	-40,000	3003 sf.	-45,000	2532 sf.	-3,500
ROOM-COUNT (Total / Bdrms / Baths)	8 / 4 / 3F 1H	6 / 3 / 3.5		6 / 3 / 5F	-8,000	6 / 3 / 3.5	
BASEMENT	1017 sf - Finished	1222 sf - F/F W0	-5,000	1167 sf F/F W0		1012 sf - F/Fin	
PARKING	Att-Dble+ Gar/SS	Att-triple+ garage		Att-Dble Garage	20,000	Att-Dble Garage	20,000
Fully lands.	Decks and patio	Deck,patio,fr/land	5,000	Patio, Fr/lands.	30,000	Deck,patio,lands	10,000
	C-Air, G-Fps, Bi-s	C-Air, G-Fp, Bi-s		C-Air, G-Fp, Vac	15,000	C-Air, Fp, BI-s	
				Interior extras	50,000	Interior extras	50,000
						SP includes gst	
reported/extras	+ $8,000 plus gst						
	for hardwood floor						
ADJUSTMENTS (Gross%, Net%, Dollar)		16.8 % / -5.8 %	$ 61,857	28.0 % / 9.4 %	$ 78,940	14.9 % / 14.0 %	$ 116,500
ADJUSTED VALUES			$ 1,000,993		$ 917,740		$ 946,500

COMMENTS: In general, sales of comparable properties in the Greater Kelowna area are limited, due to the small number of offerings, not market demand factors. The above sales utilized represent the best available market evidence for the subject at this time. Adjustments for lot size include influences of terrain, location, views and lot sizes. The age/condition adjustment include influences of age, condition and quality of upgrades. Other adjustments have been made for variables recognized by the market. All comparables are 2 storey homes that are located within the Kettle Valley neighbourhood. Comparable 1 is a larger new house, superior in extras with a triple car garage. Comparable 2 is a new home with larger floor area, inferior in decks and landscaping. Comparable 3 is also a new home that has inferior views and inferior in quality extras.

* Based on the comparables available at this time, the mid range value by the Direct Comparison Approach/Market Derived is $955,000 includes gst and is subject to the home being 100% complete including all landscaping and deck railings. We recommend a final inspection to confirm completion of the home and all landscaping.

ESTIMATED VALUE BY THE DIRECT COMPARISON APPROACH (rounded): $ 955,000* W/C

RESIDENTIAL APPRAISAL REPORT

REFERENCE: OR0650913 FILE NO.: 0756-16

SALES HISTORY

ANALYSIS OF KNOWN CURRENT AGREEMENTS FOR SALE, OPTIONS, LISTINGS OR MARKETING OF THE SUBJECT: (minimum of one year) Tax record details indicate that the vacant lot was purchased for $259,500, and since that time, a new 2 storey custom house has been built. The subject is currently listed for $929,800 activated 02/11/2016 and expired 05/189/2016. The subject was relisted for $929,800 and sold on the MLS for $900,000+GST and reported + $8,000+gst of upgrades which is the hardwood floors.

ANALYSIS OF SALE TRANSFER HISTORY: (minimum of three years) See above.

EXPOSURE TIME

ANALYSIS OF REASONABLE EXPOSURE TIME: After soft market conditions from mid 2008 to the end of 2013, market values stabilized and residential sales volumes started to increasing in 2014. In 2015 market values started to show signs of recovery especially for those homes priced under $500,000. The residential market in 2016 has been very strong with limited listings available and home prices increase month over month. As of the end of May 2016 the year to date average sale price for single family residential is at $572,260 up 15.42% over the same time in 2015 and the median sale price is at $530,000 up 12.77%. The days to sell is at 54, down 17.35% from the same time period in 2015. Sales volumes for single family residential year to date sales volumes are up 26.55% and active listings are down 29.18%. Giving consideration to the current strong market conditions the appraised value is based on a listing and exposure period of less than 90 days.

RECONCILIATION AND FINAL ESTIMATE OF VALUE

RECONCILIATION AND FINAL ESTIMATE OF VALUE: The Cost Approach is based on data derived from the market and supports the Direct Comparison Approach. The Direct Comparison Approach confirms that a prudent purchaser will not pay more for a property than the price to acquire an equally desirable substitute property under similar circumstances. This Approach is the most commonly used and preferred method of valuing residential properties and is considered most reliable.

The Income Approach to value has not been included as residential properties do not typically sell based on the income that may be generated by the property, such as the subject.

UPON REVIEWING AND RECONCILING THE DATA, ANALYSES AND CONCLUSIONS OF EACH VALUATION APPROACH, THE MARKET VALUE OF THE INTEREST IN THE SUBJECT PROPERTY

AS AT June 16, 2016 (Effective Date of the Appraisal) **IS ESTIMATED TO BE $** 955,000 as if 100% complete including landscaping.

THIS REPORT WAS COMPLETED ON: June 17, 2016

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 (CUSPAP) 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.

The appraisal issue that is the focus of this engagement has been discussed and defined with the client, the work required to solve the issue planned, and the necessary market data acquired, analyzed and reconciled into an estimate of market value in a manner typically expected in a "form" report.

The specific tasks and items necessary to complete this assignment include a summary of the following:

1. assembly and analysis of relevant information pertaining to the property being appraised, including listing and acquisition particulars if acquired within three years prior to the effective date of the appraisal;
2. an inspection of the subject property and the surrounding area;
3. assembly and analysis of pertinent economic and market data;
4. an analysis of land use controls pertaining to the subject property;
5. a summary discussion and statement of "Highest and Best Use", or most probable use;
6. a discussion of the appraisal methodologies and procedures employed in arriving at the indications of value;
7. inclusion of photographs, maps, graphics and addendum/exhibits when deemed appropriate; and
8. reconciliation of the collected data into an estimate of market value or market value range as at the effective date of the appraisal.

All data considered appropriate for inclusion in the appraisal is, to the best of our knowledge, factual. Due to the type of property being appraised and the nature of the appraisal issue, the findings have been conveyed in this "form" format.

Other: The market value conclusion should not be viewed as a fully detailed narrative appraisal. The contents are concise and briefly descriptive. The market value is based upon a review of available sales data, primarily the data provided by the Okanagan Mainline Real Estate Board, MLS, and private sales data from office records. The MLS sales are not normally inspected nor verified unless there is reason to doubt their accuracy. The sales data is then adjusted by way of the application of appraisal theory and experience. It is often necessary to use adjustments that are subjective to derive the current market value of the subject. In most instances the comparables were not inspected in the interior. Information obtained from the BC Assessment Authority, Okanagan Mainline Real Estate Board and previous office files were used to complete this report.

RESIDENTIAL APPRAISAL REPORT

REFERENCE: OR0650913 FILE NO.: 0756-16

ASSUMPTIONS AND LIMITING CONDITIONS AND EXTRAORDINARY ITEMS

ORDINARY ASSUMPTIONS & LIMITING CONDITIONS

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA) and 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 analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.
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 and in accordance with the Personal Information Protection and Electronic Documents Act (PIPEDA).
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 and the loan is insured, liability is extended to the mortgage 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. This report form is the property of the Appraisal Institute of Canada (AIC) and for use only by AIC members in good standing. Use by any other person is a violation of AIC copyright. This appraisal report, its content and all attachments/ addendums and their content are the property of the author who has signed this report (the author). The client, intended users and any appraisal facilitator are strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
15. 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.
16. Where the intended use of this report is for financing or mortgage lending, and in accordance with the Office of the Superintendent of Financial Institutions Canada (OSFI) Residential Mortgage Underwriting Practices and Procedures B-20 (June 2012), it is the intended user's responsibility to grant mortgage loans on the basis of the borrower's demonstrated willingness and capacity to services his/her debt obligations.

CERTIFICATION

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

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 impartial and unbiased professional analyses, opinions and conclusions;
3. I have no past, present or prospective interest in the property that is the subject of this report and no personal and/or professional interest or conflict of with respect to the parties involved with this assignment;
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermined results, the amount of value estimate, or a conclusion favouring the client;
6. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP);
7. I have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with the Canadian Uniform Standards of Professional Appraisal Practice;
8. Except as herein disclosed, no one has provided significant professional assistance to the person(s) signing this report;
9. As of the date of this report the undersigned has fulfilled the requirements of the Appraisal Institute of Canada Continuing Professional Development Program for members;
10. The undersigned is (are all) members in good standing of the Appraisal Institute of Canada.

CO-SIGNING AIC APPRAISER'S CERTIFICATION If an AIC appraiser has co-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: 5700 Mountainside Drive CITY: Kelowna PROVINCE: BC POSTAL CODE:

LEGAL DESCRIPTION: Lot 1, Section 14, Township 28, Plan EPP38359, SDYD. PID 029-296-820.

BASED UPON THE DATA, ANALYSES AND CONCLUSIONS CONTAINED HEREIN, THE MARKET VALUE OF THE INTEREST IN THE PROPERTY DESCRIBED,

AS AT June 16, 2016 (Effective date of the appraisal) IS ESTIMATED TO BE $ 955,000 as if 100% complete including landscaping.

APPRAISER		**CO-SIGNING AIC APPRAISER (if applicable)**	
SIGNATURE:	Claire Fillion	SIGNATURE:	
NAME:	Claire Fillion	NAME:	
AIC DESIGNATION (or Member Status):	CRA	AIC DESIGNATION:	
DATE SIGNED:	June 17, 2016	DATE SIGNED:	
PERSONALLY INSPECTED THE SUBJECT PROPERTY:	[X] YES [ ] NO	PERSONALLY INSPECTED THE SUBJECT PROPERTY:	[ ] YES [ ] NO
DATE OF INSPECTION:	June 16, 2016	DATE OF INSPECTION:	
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.*

SOURCE OF DIGITAL SIGNATURE SECURITY:

ATTACHMENTS AND ADDENDA: [ ] ADDITIONAL SALES [X] EXTRAORDINARY ITEMS [X] NARRATIVE [X] PHOTOGRAPHS [X] BUILDING SKETCH
[X] MAPS [X] COST APPROACH [ ] INCOME APPROACH [ ] [ ] [ ]

RESIDENTIAL APPRAISAL REPORT - ADDENDUM

REFERENCE: OR0650913 FILE NO.: 0756-16

CLIENT		APPRAISER	
CLIENT:	TD Canada Trust	APPRAISER:	Claire Fillion
ATTENTION:		COMPANY:	A-1 Appraisals Ltd.
ADDRESS:		ADDRESS:	201-1583 Ellis Street
			Kelowna, BC V1Y 2A7
E-MAIL:		E-MAIL:	a-1admin@telus.net
PHONE:	FAX:	PHONE:	250 861-8440 FAX: 250 861-8441

Appraisal Institute of Canada

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 one or more valuation approaches). 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.

As is typical for a residential appraisal, this is a form report. It does not contain the information, detail and analysis of a narrative report.

It is imperative that the reader or any other interested party be aware that the appraiser did not inspect the premises for the detection of smoke or fire detection systems, 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. This would require inspection and written confirmation from the fire departments or appropriate city or municipal offices.

No title search has been undertaken for this assignment. The title is assumed to be good and marketable. However, the absence of a search increases the level of risk inherent in the analysis and conclusions found in this report.

When preparing an appraisal for lending purposes only, appraisers do not investigate if the prospective loan and applicant satisfy prudent loan underwriting criteria. Correspondingly, we assume no responsibility for loans made where the borrower lacks the ability or motivation to repay the loan or where the lender has not followed prudent lending practices. When we authorize a lender to rely on this report, we grant such authorization subject to the lender completing a thorough due diligence investigation that reasonably concludes that the borrower has the intention and capacity to repay the loan. In the case of second or third mortgages, there is more risk than in the case of first mortgages that generally have loan to value ratio of a maximum of 80%.

To rely upon this report the user must be: - the named client appearing on the appraisal report; or, - must be authorized to rely upon this report by way of a letter of authorization provided by the appraiser.

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.

None.

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.

None are necessary.

RESIDENTIAL APPRAISAL REPORT - COST APPROACH ADDENDUM

REFERENCE: OR0650913 FILE NO.: 0756-16

CLIENT

CLIENT:	TD Canada Trust
ATTENTION:	
ADDRESS:	
E-MAIL:	
PHONE:	FAX:

APPRAISER

APPRAISER:	Claire Fillion
COMPANY:	A-1 Appraisals Ltd.
ADDRESS:	201-1583 Ellis Street Kelowna, BC V1Y 2A7
E-MAIL:	a-1admin@telus.net
PHONE:	250 861-8440 FAX: 250 861-8441

Appraisal Institute of Canada

COST APPROACH

LAND VALUE Included: Services, landscaping, ret-walls, driveway SOURCE OF DATA A-1 Appraisals files / MLS $ 335,000

ESTIMATED COST NEW:

SOURCE OF COST DATA: [X] MANUAL [X] CONTRACTOR [ ] OTHER

BUILDING COST: [ ] Sq. M. [X] Sq. Ft.

	Area	@ $	COST NEW	DEPRECIATED COST
Gross living area (finished liveable floor area above grade)	2,492	180.00	$ 448,560	$
Basement	1,017	60.00	$ 61,020	$
Garages/Carports plus suspended slab	727		$ 54,000	$
OTHER EXTRAS C-Air, Gas FP's upscale appls/package/Bi-s, decks			$ 55,000	$
TOTAL REPLACEMENT COST			$ 618,580	
ACCRUED DEPRECIATION:		0.0 %	$ 0	$ 618,580
DEPRECIATED VALUE OF THE IMPROVEMENTS				$ 618,580
CONTRIBUTORY VALUE OF THE SITE IMPROVEMENTS Included in land value				$
INDICATED VALUE				$ 953,580
VALUE BY THE COST APPROACH (rounded)				$ 954,000

NOTE: Unless otherwise noted 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.

COMMENTS: * Based on the comparables available at this time, the mid range value by the Direct Comparison Approach/Market Derived is $955,000 includes gst and is subject to the home being 100% complete including all landscaping and deck railings. We recommend a final inspection to confirm completion of the home and all landscaping.

ADDENDUM

Borrower:		File No.: 0756-16	
Property Address: 5700 Mountainside Drive		Case No.: OR0650913	
City: Kelowna	Province: BC	Postal Code:	
Lender: TD Canada Trust			

Extra Comments

Extraordinary Assumptions and Limiting Conditions continued....

This appraisal report and its content, and all attachments/addendums and their content are the property of the author who has signed the report ("the author"). The client and the intended users of the appraisal or the data, directly or indirectly, are specifically forbidden except with prior written consent of the author. The appraisal report and all attachments/addendums are not to be modified or altered in any respect, merged with other data or published in any form, in whole or in part. Prohibited uses include screen scraping, database scraping, exploitation of, copying of, reproduction of, decompile of and any other activity intended to collect, store, reorganize or manipulate the appraisal and its content.

The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use at this time and it is assumed that it meets the needs of the lender at this time.

The lender has directed that the appraiser transmit a digital copy of this report electronically via Solidifi. Pursuant to its user agreement, Solidifi has disclaimed any warranty that their web site will be error free, has advised that information reported to and by the web site may be subject to transmission errors, and has indicated that use of the web site is at the user's sole risk. Accordingly, the lender should make its own determination as to the accuracy and reliability of the Solidifi web site for its use. The appraiser makes no representations and specifically disclaims any warranty regarding the accuracy or portrayal of content transmitted electronically via the Solidifi web site or its reliability. The appraiser uses such technology and forms at the specific direction and sole risk of the lender. At its request, the lender may obtain a true copy of the original report directly from the appraiser via secure email, mail or other means.

The report must be relied on in its entirety by the lender. The contents or no parts thereof of this report shall otherwise be extracted, reformatted nor conveyed to any person or entity, without the written consent and approval of the authors, particularly as to valuation conclusions, the identity of the appraiser(s) or firm to which the appraiser(s) are connected, or any reference to the AIC or the appraiser's designation. Further, the appraiser assumes no obligation, liability, or accountability to any third party. If this report is placed in the hands of anyone other than the lender, Solidifi shall make such party aware of all the assumptions and limiting conditions of the assignment.

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower:		File No.: 0756-16
Property Address: 5700 Mountainside Drive		Case No.: OR0650913
City: Kelowna	Prov.: BC	P.C.:
Lender: TD Canada Trust		

FRONT VIEW OF SUBJECT PROPERTY

Appraised Date: June 16, 2016
Appraised Value: $ 955,000 as if 100% com

REAR VIEW OF SUBJECT PROPERTY

STREET SCENE

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower:		File No.: 0756-16
Property Address: 5700 Mountainside Drive		Case No.: OR0650913
City: Kelowna	Prov.: BC	P.C.:
Lender: TD Canada Trust		

COMPARABLE SALE #1

462 Rockview Lane
Kelowna
Sale Date: April 13, 2016
Sale Price: $ 1,062,850 +

COMPARABLE SALE #2

377 Angler Court
Kelowna
Sale Date: June 1, 2016
Sale Price: $ 838,800 + gs

COMPARABLE SALE #3

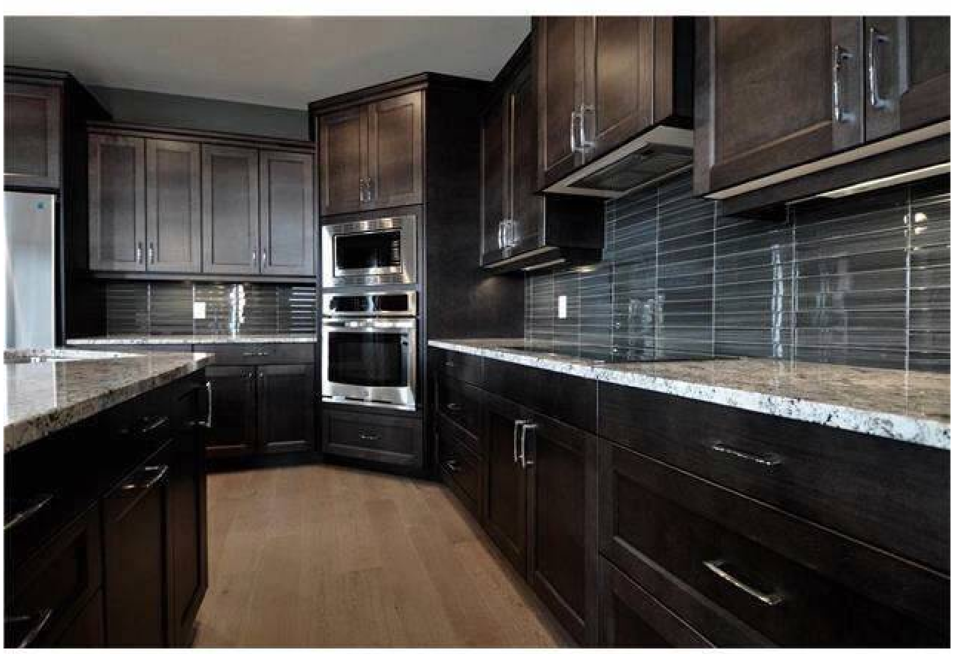
272 Quilchena Drive
Kelowna
Sale Date: June 2, 2016
Sale Price: $ 830,000

Borrower:		File No.: 0756-16	
Property Address: 5700 Mountainside Drive		Case No.: OR0650913	
City: Kelowna	Prov.: BC		P.C.:
Lender: TD Canada Trust			

View from the staircase looking
overlooking main floor

Open floor plan
Living room, access to the deck

Large view windows



Custom kitchen with island and built-in
Stainless steel appliances

Tile back splash, granite counter tops
Soft close, custom cabinetry

Borrower:		File No.: 0756-16	
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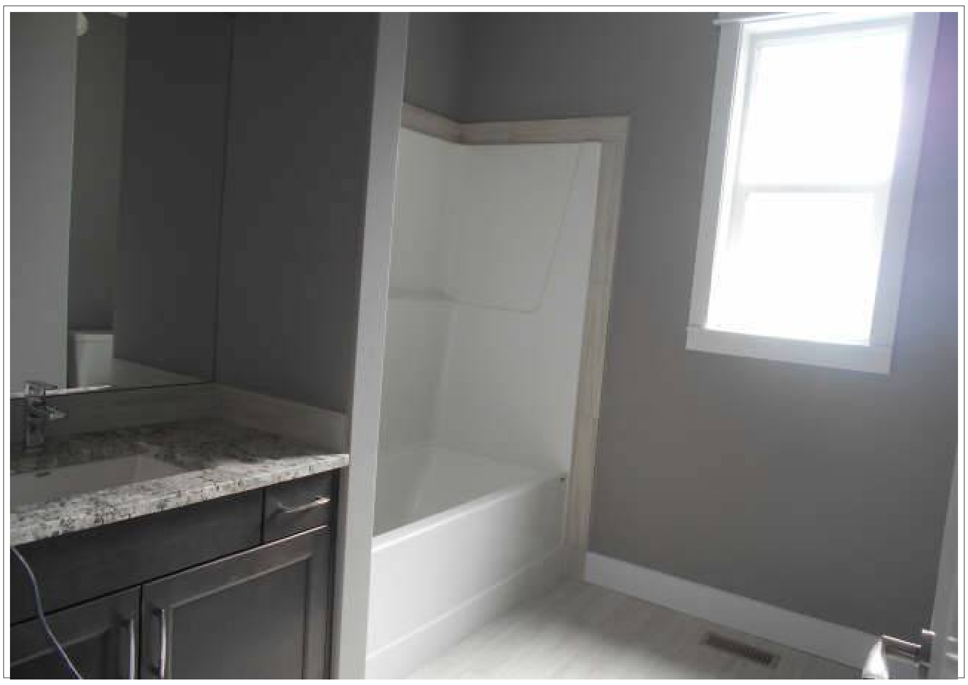
City: Kelowna	Prov.: BC		P.C.:
Lender: TD Canada Trust			

Views from the back decks
Okanagan Lake from a distance



4 piece bathroom - upper floor

Upper laundry room

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City: Kelowna	Prov.: BC	P.C.:
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Master bedroom with access to private deck

- requires hardwood floor to be installed

- and deck railing completion

Bedroom - need flooring

Bedroom - needs flooring

Borrower:		File No.: 0756-16
Property Address: 5700 Mountainside Drive		Case No.: OR0650913
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Basement - mechanical room

Basement storage room

Basement - area below the garage
Future media room - suspended slab

Approximate area 740 sf. as per plans

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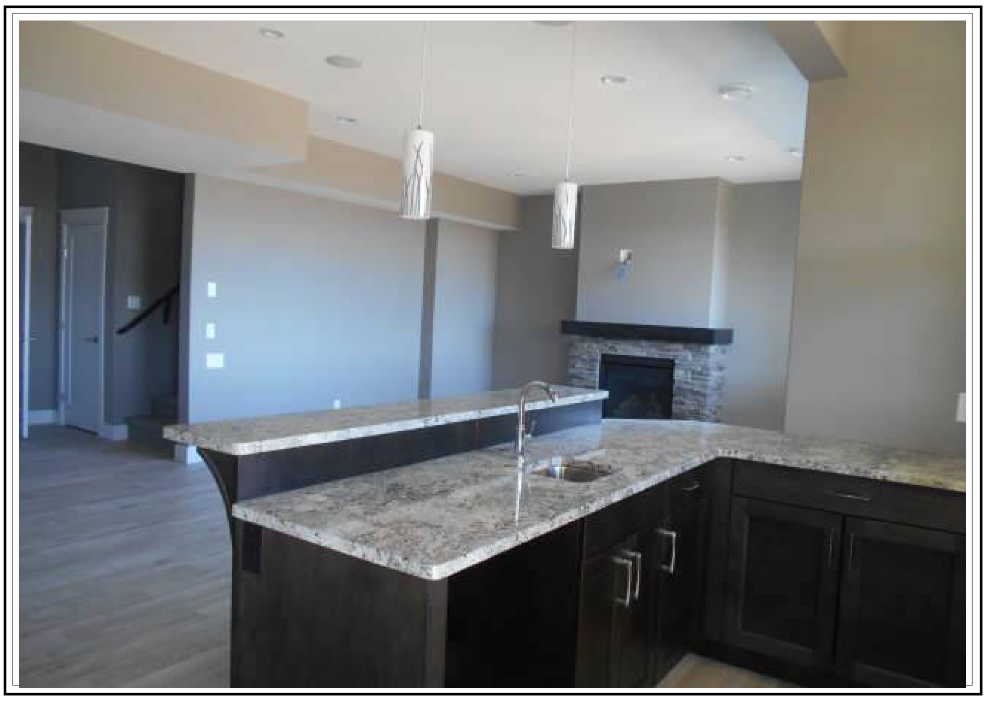


Basement family room with a wet bar and gas fireplace

Basement - 3 piece bathroom
access to bedroom and family room

Side view of the house

- Landscaping to be completed

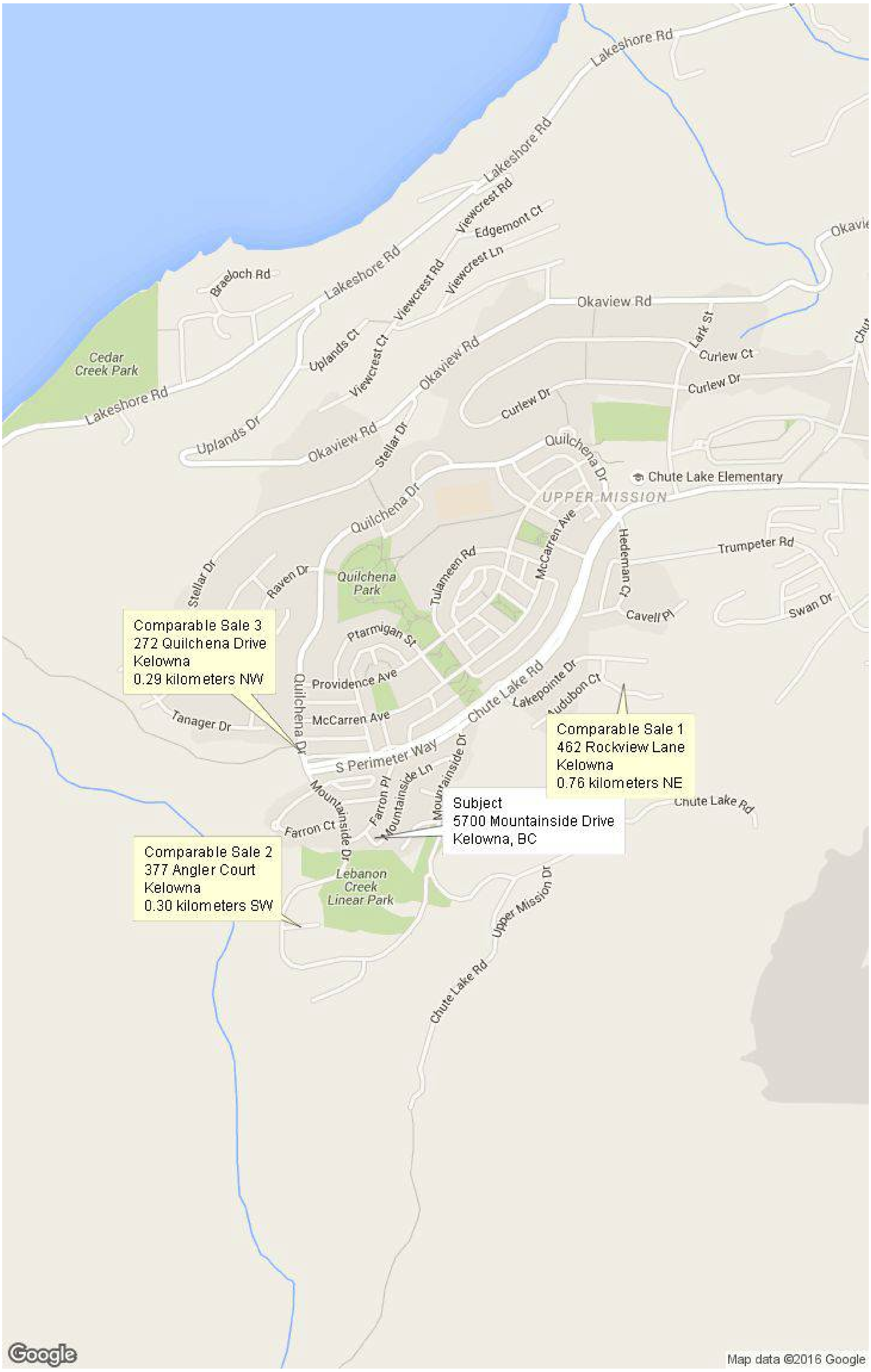
- finishing retaining walls, lawn irrigation and final landscaping and shrubbery.

PLOT MAP

Borrower:	File No.: 0756-16
Property Address: 5700 Mountainside Drive	Case No.: OR0650913
City: Kelowna Prov.: BC	P.C.:
Lender: TD Canada Trust	

LOCATION MAP

Borrower:		File No.: 0756-16	
Property Address: 5700 Mountainside Drive		Case No.: OR0650913	
City: Kelowna	Prov.: BC		P.C.:
Lender: TD Canada Trust			



Borrower:		File No.: 0756-16
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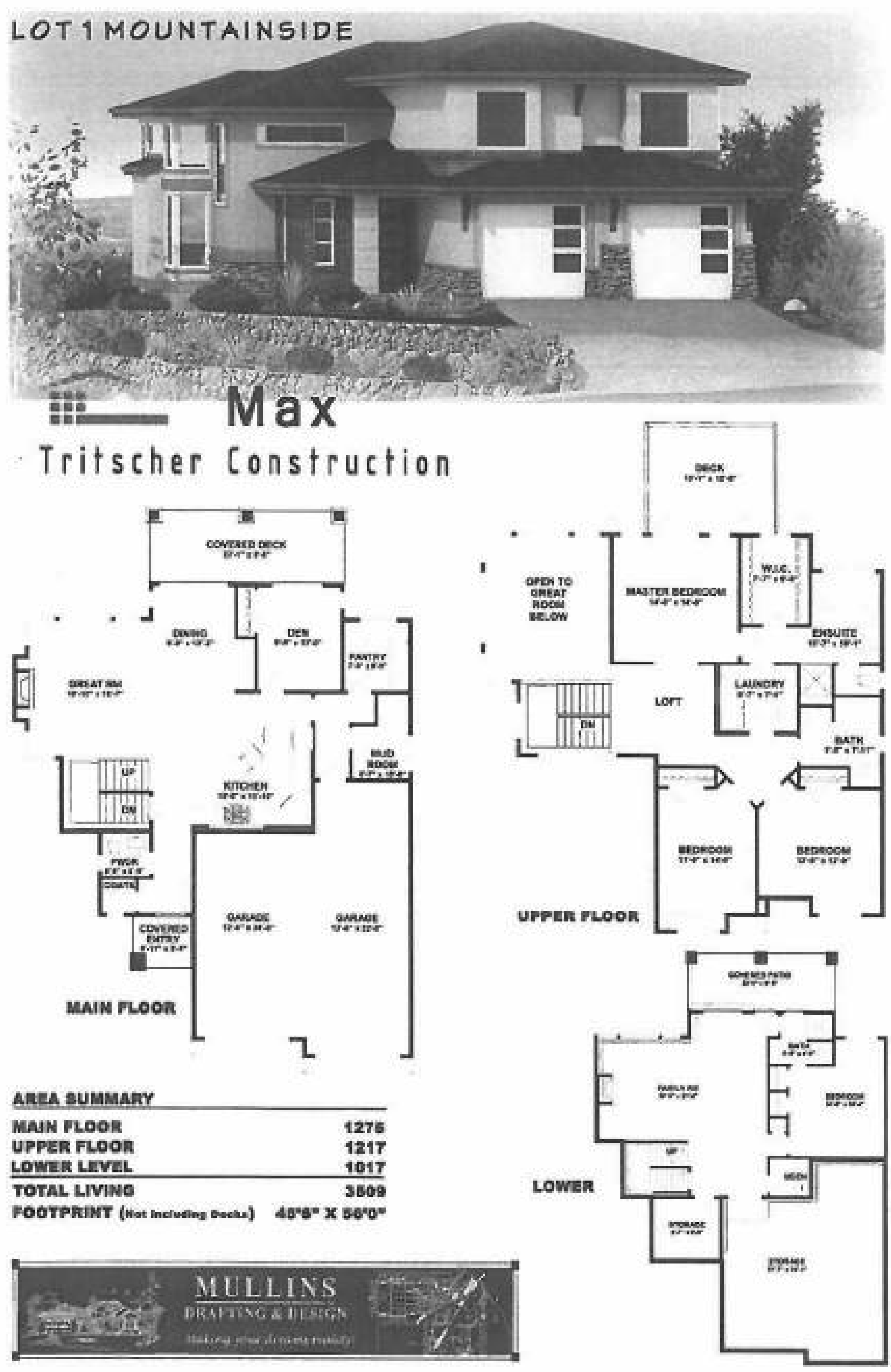

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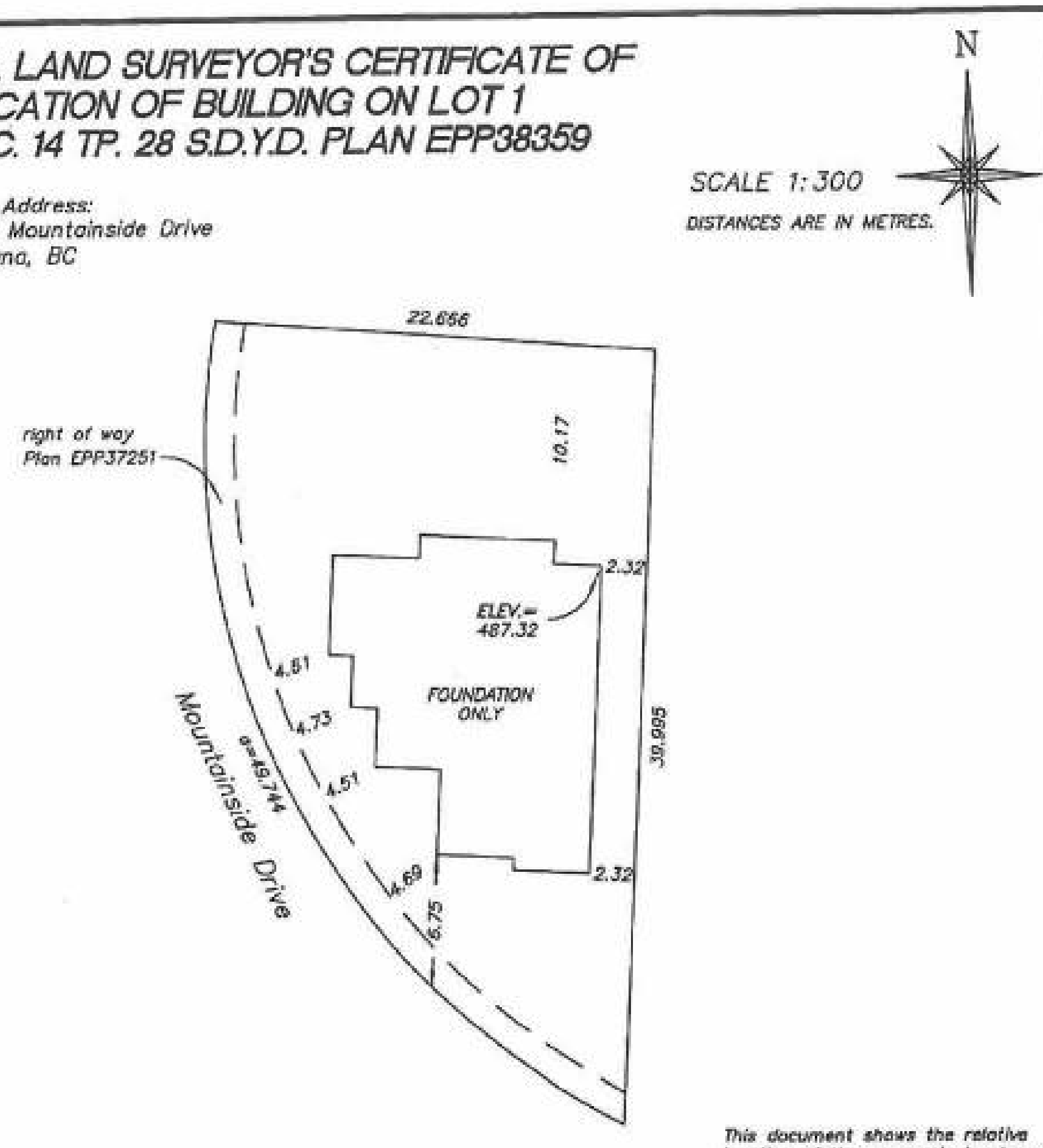
City: Kelowna	Prov.: BC		P.C.:
Lender: TD Canada Trust			

B.C. LAND SURVEYOR'S CERTIFICATE OF LOCATION OF BUILDING ON LOT 1 SEC. 14 TP. 28 S.D.Y.D. PLAN EPP38359

Civic Address:
5700 Mountainside Drive
Kelowna, BC

SCALE 1:300

DISTANCES ARE IN METRES.



This document shows the relative location of the surveyed structures and features with respect to the boundaries of the parcel described above. This document shall not be used to define property lines or property corners.

The signatory accepts no responsibility or liability for any damages that may be suffered by a third party as a result of any decisions made, or actions taken based on this document.

CERTIFIED CORRECT
this 1st day of September, 2015.

D.A. Goddard BCLS

This plan was prepared for municipal purposes and is for the exclusive use of our client.

FILE 16798 FB 380
Re: Max Tritscher

D.A. Goddard Land Surveying Inc.
103–1358 St. Paul Street, Kelowna
Phone (250) 763–3733