Kootenay Columbia Appraisals
Box 509, Rossland, BC. V0G 1Y0

File No. **OR0674307**

Real Estate Appraisal

Of

LOCATED AT:

3819 5 AVE
Castlegar, BC V1N4Y5

FOR:

Scotiabank Mortgage Authority
675 Cochrane Drive, 6th Floor
Markham, ON L3R0B8

AS OF:

August 4, 2016

BY:

Richard T Turner
Kootenay Columbia Appraisals

Kootenay Columbia Appraisals
Box 509, Rossland, BC. V0G 1Y0

Rossland, BC. V0G 1Y0

Scotiabank Mortgage Authority

675 Cochrane Drive, 6th Floor
Markham, ON L3R0B8

Address of Property: *3819 5 AVE*
Castlegar, BC V1N4Y5

Market Value: $ *$595,000*

In accordance with your recent request & authorization, an investigation, analysis & appraisal report of the abovementioned property has been completed for the purpose of estimating it's market value.

Following careful consideration of all factors which affect value, the market value was estimated to be as referenced above.

This estimate is subject to the definition of market value & to the limiting conditions attached, to which the reader's attention is specifically directed.

Please note that this does not include an environmental assessment. Unless stated otherwise, the subject property is assumed to be free of any toxic contaminants subsurface. While a thorough building inspection has been made, it's purpose is to estimate market value, and no professional engineering comments regarding the structural integrity of the building(s) can be made.

The following report represents the basis & reasoning for all opinions expressed herein.

The information contained herein should be sufficient for your purposes. Should you require further information or clarification as to any part of the report, please contact me.

I hereby certify that I have no interest in the subject property, either at present or contemplated.

R Turner

Richard T Turner
AACI, P.App.

RESIDENTIAL APPRAISAL REPORT

REFERENCE: **Kootenay Columbia Appraisals Ltd.** FILE NO.: **OR0674307**

CLIENT

CLIENT: **Scotiabank Mortgage Authority**
ATTENTION:
ADDRESS: **675 Cochrane Drive, 6th Floor**
Markham, ON L3R0B8
E-MAIL:
PHONE: **905-530-2085** FAX:

APPRAISER

APPRAISER: **Richard T Turner**
COMPANY: **Kootenay Columbia Appraisals Ltd.**
ADDRESS: **2566 McLeod Ave., Box 509**
Rossland, B.C. V0G 1Y0
E-MAIL: **kcappr@telus.net**
PHONE: **250-362-9696** FAX: **866-819-9189**

Appraisal Institute of Canada

SUBJECT

PROPERTY ADDRESS: **3819 5 AVE** CITY: **Castlegar** PROVINCE: **BC** POSTAL CODE: **V1N4Y5**

LEGAL DESCRIPTION: **Lot 58, Plan NEP87626, DL 4598, Kootenay Land District 26. PID # 027-691-047 Roll # 232-01001.345**

Source: **BC Assessment**

MUNICIPALITY AND DISTRICT: **City of Castlegar**

ASSESSMENT: Land $ **95,900.00** Imps $ **389,000.00** Total $ **484,900.00** Assessment Date: **07/01/2014** Taxes $ **4,095.55** Year **2016**

EXISTING USE: **Residential, single family dwelling** OCCUPIED BY: **Owner**

ASSIGNMENT

NAME: **Pat & Leah Biln; Solidifi # OR0674307** Name Type:

PURPOSE OF THE APPRAISAL: To estimate market value (see definition herein) or [X] Other

INTENDED USE OF THE APPRAISAL: **Mortgage purposes**

INTENDED USERS (by name or type): **As above**

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 [ ] Other (see comments) OTHER OWNERSHIP: [ ] Cooperative [ ] Condominium/Strata [ ] Other

MAINTENANCE FEE (if applicable): $ **n/a**

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.	[ ] YES	[X] NO	If yes, see attached addendum.
HYPOTHETICAL CONDITIONS	An hypothetical condition has been invoked in this appraisal report.	[ ] YES	[X] 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	[ ] Suburban	[ ] Rural	[ ] Recreational	[ ] Agricultural
TREND OF DISTRICT:	[ ] 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):	**0**	**7**
PRICE RANGE OF PROPERTIES:	$ **375000**	$ **550000**

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

COMMENTS: **In a good residential location, well away from any adverse conditions in the newest neighbourhood of Castlegar; Twin Rivers subdivision, with new homogeneous housing & river views. Market conditions have been active, with fairly good demand in this price range and an average amount of listings available.**

SITE

SITE DIMENSIONS:

SITE AREA: **6,969 Sq.Ft.** [X] Sq. Ft. [ ] Sq. M. [ ] Acres [ ] Hectares

Source: **BC Assessment**

TOPOGRAPHY: **Terraced/level**

CONFIGURATION: **Rectangular**

ZONING: **Residential R-1**

Source: **City of Castlegar**

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	[ ] Sidewalk	[X] Curbs
	[X] Street Lights	[X] Cablevision	[ ]		
ELECTRICAL:	[ ] Overhead	[X] Underground	[ ]		
DRIVEWAY:	[X] Private	[ ] Mutual	[ ] None	[ ] Single	[X] Double
	[ ] Underground	[ ] Laneway	[ ]		
	Surface: **Concrete**				
PARKING:	[X] Garage	[ ] Carport	[X] Driveway	[ ] Street	
LANDSCAPING:	[X] Good	[ ] Average	[ ] Fair	[ ] Poor	
CURB APPEAL:	[X] Good	[ ] Average	[ ] Fair	[ ] Poor	

COMMENTS: **No indications of detrimental easements or right of ways, but no title search has been made. Average to good landscape with lawns, underground irrigation, retaining walls. Good views from rear over the Columbia River below; green belt to rear ensures the view will remain.**

RESIDENTIAL APPRAISAL REPORT

REFERENCE: Kootenay Columbia Appraisals Ltd. FILE NO.: OR0674307

IMPROVEMENTS

YEAR BUILT (estimated): 2012
EFFECTIVE AGE: 4 years years
REM. ECONOMIC LIFE: 50 years years
DEPRECIATION 5 %

NEW CONSTRUCTION ONLY
CONSTRUCTION COMPLETE: Yes
PERCENTAGE COMPLETE: 100%

BUILDING TYPE: Detached single family dwelling
DESIGN/STYLE: 1.5 storey
CONSTRUCTION: Wood frame
BASEMENT: Full
ESTIMATED BASEMENT AREA: 1,199 [ ] Sq. M. [X] Sq. Ft.
BASEMENT FINISH: [ ] 0 to 25% [ ] 25 to 50% [ ] 50 to 75% [X] 75 to 100%
WINDOWS: Vinyl framed double pane
FOUNDATION WALLS: Poured concrete

ROOFING: Asphalt shingles
Condition: [X] Good [ ] Average [ ] Fair [ ] Poor
EXTERIOR FINISH: Hardiboard
Condition: [X] Good [ ] Average [ ] Fair [ ] Poor

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

INTERIOR FINISH	Walls	Ceilings
Drywall	X	X
Plaster		
Panelling		

CLOSETS: [X] Good [ ] Average [ ] Fair [ ] Poor
INSULATION: [X] Ceiling [X] Walls [X] Basement [ ] Crawl Space
Info Source: Inspection & building age
PLUMBING LINES: PVC plastic Info Source: Inspection
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 [ ]

FLOORING: Good hardwood, carpeting & ceramic tile
ELECTRICAL: [ ] Fuses [X] Breakers
ESTIMATED RATED CAPACITY OF MAIN PANEL: 200 amps
HEATING SYSTEM: Forced air, DV high-efficiency Fuel type: Gas
WATER HEATER: Type: On demand
OVERALL INT. COND: [X] Good [ ] Average [ ] Fair [ ] Poor

ROOM ALLOCATION

LEVEL:	ENTRANCE	LIVING	DINING	KITCHEN	FAMILY	BEDROOMS	DEN	FULL BATH	PART BATH	LAUNDRY				TOTAL	AREA
MAIN	3	1	1	1			1		1	1				4	1,199
SECOND						3		2						3	952
THIRD															
ABOVE GRADE TOTALS	ROOMS: 7		BEDROOMS: 3		BATHROOMS: 2F 1H									7	2,151
BASEMENT	2				1	1		1						2	
ORDER TOTALS	ROOMS: 9		BEDROOMS: 4		BATHROOMS: 3F 1H		UNIT OF MEASUREMENT: [ ] Sq. M. [X] Sq. Ft.							9	2,151

BASEMENT FINISHES/UTILITY: Full basement, fully finished in similar quality materials as per upper floors. On grade at rear from slope of land. 4th bedroom & 3 piece washroom with large size acrylic shower. Plywood lined storage room.

GARAGES/CARPORTS: 2 car garage; insulated & drywalled interior & with door lift.

DECKS, PATIOS, OTHER IMPROVEMENTS: Covered porch at front with exposed aggregate floor, T&G ceiling. Covered/open decks at rear, with patio under off basement.

COMMENTS: 3-4 bedroom semi-custom home fairly typical to this new neighbourhood; well finished with good trim carpentry, kitchen with granite counters, good cabinetry & tile splash, stainless appliances, pantry closet. Open living areas on view side of home. 9' ceilings. Good grade flooring. Master bedroom via double doors; walk-in closet & good 5 piece ensuite; soaker tub plus tiled & glassed shower. All contemporary vessel basins.

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HIGHEST AND BEST USE

LAND VALUE AS IF VACANT: $ 90,000 SOURCE OF DATA: Local sales Comment:

EXISTING USE: Residential, single family dwelling.

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:

DIRECT COMPARISON APPROACH

	SUBJECT	COMPARABLE NO. 1 Description	$ Adjustment	COMPARABLE NO. 2 Description	$ Adjustment	COMPARABLE NO. 3 Description	$ Adjustment
Address	3819 5 AVE Castlegar	3341 Southridge Drive, Castlegar		3713 Powell Road, Castlegar		1392 Relkoff Road, Castlegar	
DATA SOURCE							
DATE OF SALE		03/10/2016		06/22/2016		07/18/2016	
SALE PRICE	$	$ 530,000		$ 497,500		$ 617,500	
DAYS ON MARKET		120		119		115	
LOCATION	Twin Rivers	Birchland Heights	35,000	Twin Rivers	35,000	Brilliant	35,000
SITE SIZE	6,969 Sq.Ft.	10,019 sq.ft.		58 x 122		4.00 acres	-50,000
BUILDING TYPE	Detached SFD	Detached SFD		Detached SFD		Detached SFD	
DESIGN/STYLE	1.5 storey	Bungalow	20,000	Bungalow	20,000	Bungalow	20,000
AGE/CONDITION	4 / Good	1993 / Good	30,000	2010 / Good	10,000	1980 / Good	30,000
LIVEABLE FLOOR AREA	2151 Sq.Ft.	2,330	-10,000	1,624	30,000	1,929	12,500
ROOM-COUNT (Total / Bdrms / Baths)	7 / 3 / 3.5	7 / 3 / 3	7,500	6 / 3 / 3	7,500	7 / 4 / 3	7,500
BASEMENT	1199 SF/Finished	Full/80% finished	-10,000	Full/Finished	-5,000	1,701 SF/Finished	-10,000
PARKING	Garage/Driveway	3 car garage	-15,000	2 car garage		3 bay garage	-15,000
Fireplaces	Gas.	2 Gas.	-5,000	Gas.		One	
Landscaping	Good	Good		Good		Good	
Other	Central air	Central air		Central air		Shop/garage	-45,000
Other space	Cov.& open decks	Cov./Open deck	7,500	Cov./Open deck		Cov./Open deck	
ADJUSTMENTS (Gross%, Net%, Dollar)		26.4 % 11.3 %	$ 60,000	21.6 % 19.6 %	$ 97,500	36.4 % -2.4 %	$ 15,000
ADJUSTED VALUES		$ 590,000		$ 595,000		$ 602,500	

COMMENTS: Recent & quite similar sales are analyzed in this comparison & offer a fairly accurate range of value indications in the Direct Comparison Approach, but there is limited local market activity at over $500,000.

ESTIMATED VALUE BY THE DIRECT COMPARISON APPROACH (rounded): $ 595,000

RESIDENTIAL APPRAISAL REPORT

REFERENCE: *Kootenay Columbia Appraisals Ltd.* FILE NO.: *OR0674307*

SALES HISTORY

ANALYSIS OF KNOWN CURRENT AGREEMENTS FOR SALE, OPTIONS, LISTINGS OR MARKETING OF THE SUBJECT: (minimum of one year) ***The property has been listed for sale for 28 days at $609,900, and has an offer to purchase at $??***

ANALYSIS OF SALE TRANSFER HISTORY: (minimum of three years) ***The present owner purchased the site vacant 10/2012 at $134,500.***

EXPOSURE TIME

ANALYSIS OF REASONABLE EXPOSURE TIME: ***If the subject property was to be marketed at a price approximately 5% over the appraised value, a sale could be expected within 120 days.***

RECONCILIATION AND FINAL ESTIMATE OF VALUE

RECONCILIATION AND FINAL ESTIMATE OF VALUE: ***The near mid-point of the values indicated by the sales in the Sales Comparison Approach for the basis of the valuation herein.***

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 *08/04/2016* (Effective Date of the Appraisal) **IS ESTIMATED TO BE $** *595,000*

THIS REPORT WAS COMPLETED ON: *08/04/2016*

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.

Highest & best use is deemed to be as exists.

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:

RESIDENTIAL APPRAISAL REPORT

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: *3819 5 AVE* CITY: *Castlegar* PROVINCE: *BC* POSTAL CODE: *V1N4Y5*

LEGAL DESCRIPTION: *Lot 58, Plan NEP87626, DL 4598, Kootenay Land District 26. PID # 027-691-047 Roll # 232-01001.345*

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

AS AT *08/04/2016* (Effective date of the appraisal) IS ESTIMATED TO BE $ *595,000*

APPRAISER		**CO-SIGNING AIC APPRAISER (if applicable)**	
SIGNATURE:	R Turner	SIGNATURE:	
NAME:	*Richard T Turner*	NAME:	
AIC DESIGNATION (or Member Status):	*AACI, P.App.*	AIC DESIGNATION:	
DATE SIGNED:	*08/04/2016*	DATE SIGNED:	
PERSONALLY INSPECTED THE SUBJECT PROPERTY:	[X] YES [ ] NO	PERSONALLY INSPECTED THE SUBJECT PROPERTY:	[ ] YES [ ] NO
DATE OF INSPECTION:	*08/04/2016*	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 [ ] EXTRAORDINARY ITEMS [ ] NARRATIVE [X] PHOTOGRAPHS [ ] BUILDING SKETCH

[ ] MAPS [ ] COST APPROACH [ ] INCOME APPROACH [ ] [X] *Comps photos* [ ]

RESIDENTIAL APPRAISAL REPORT - ADDENDUM

REFERENCE: **Kootenay Columbia Appraisals Ltd.** FILE NO.: **OR0674307**

CLIENT		APPRAISER	
CLIENT:	*Scotiabank Mortgage Authority*	APPRAISER:	*Richard T Turner*
ATTENTION:		COMPANY:	*Kootenay Columbia Appraisals Ltd.*
ADDRESS:	*675 Cochrane Drive, 6th Floor*	ADDRESS:	*2566 McLeod Ave., Box 509*
	Markham, ON L3R0B8		*Rossland, B.C. V0G 1Y0*
E-MAIL:		E-MAIL:	*kcappr@telus.net*
PHONE:	*905-530-2085* FAX:	PHONE:	*250-362-9696* FAX: *866-819-9189*

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.

The scope of this appraisal, in that it is a market value appraisal & not a building inspection report, assumes that there are no un-seen structural deficiencies, mechanical inadequacies, or other faults (eg., lack of insulation in walls of older buildings) that are not easily observed or detected in a cursory property inspection.

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.

n/a; property is valued `as-is`.

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.

Not applicable in this report.

RESIDENTIAL APPRAISAL REPORT - COST APPROACH ADDENDUM

REFERENCE: Kootenay Columbia Appraisals Ltd. FILE NO.: OR0674307

CLIENT

CLIENT:	Scotiabank Mortgage Authority
ATTENTION:	
ADDRESS:	675 Cochrane Drive, 6th Floor
	Markham, ON L3R0B8
E-MAIL:	
PHONE:	905-530-2085 FAX:

APPRAISER

APPRAISER:	Richard T Turner
COMPANY:	Kootenay Columbia Appraisals Ltd.
ADDRESS:	2566 McLeod Ave., Box 509
	Rossland, B.C. V0G 1Y0
E-MAIL:	kcappr@telus.net
PHONE:	250-362-9696 FAX: 866-819-9189

Appraisal Institute of Canada

COST APPROACH

LAND VALUE 6,969 sq.ft. SOURCE OF DATA $ 90,000

ESTIMATED COST NEW:

SOURCE OF COST DATA: ☐ MANUAL ☐ CONTRACTOR ☒ OTHER

BUILDING COST: ☐ Sq. M. ☒ Sq. Ft.

	Area	@ $	COST NEW	DEPRECIATED COST
Gross living area (finished liveable floor area above grade)	2,151.00	250.00	$ 537,750	$
Basement	1,199	30.00	$ 35,970	$
Garages/Carports			$	$
			$	$
			$	$
			$	$
OTHER EXTRAS			$	$
Decks			$ 25,000	$
Landscape			$ 10,000	$
			$	$
			$	$
			$	$
TOTAL REPLACEMENT COST			$ 608,720	
ACCRUED DEPRECIATION:				
	5 %		$ 30,436	$ 578,284
DEPRECIATED VALUE OF THE IMPROVEMENTS				$ 578,284
CONTRIBUTORY VALUE OF THE SITE IMPROVEMENTS				$
INDICATED VALUE				$ 668,284
VALUE BY THE COST APPROACH(rounded)				$ 668,300

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:

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: *Pat & Leah Biln*		File No.: *OR0674307*	
Address: *3819 5 AVE*		Case No.:	
City: *Castlegar*	Prov: *BC*	P.C.: *V1N4Y5*	Lender: *Scotiabank Mortgage Authority*

FRONT VIEW OF SUBJECT PROPERTY

Date: *August 4, 2016*
Appraised Value: $ *595,000*

REAR VIEW OF SUBJECT PROPERTY

STREET SCENE

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: *Pat & Leah Biln*		File No.:	*OR0674307*
Address: *3819 5 AVE*		Case No.:	
City: *Castlegar*	Prov: *BC*	P.C.: *V1N4Y5*	Lender: *Scotiabank Mortgage Authority*

COMPARABLE SALE #1

3341 Southridge Drive,
Castlegar
Sale Date: ***03/10/2016***
Sale Price: $ ***530,000***

COMPARABLE SALE #2

3713 Powell Road,
Castlegar
Sale Date: ***06/22/2016***
Sale Price: $ ***497,500***

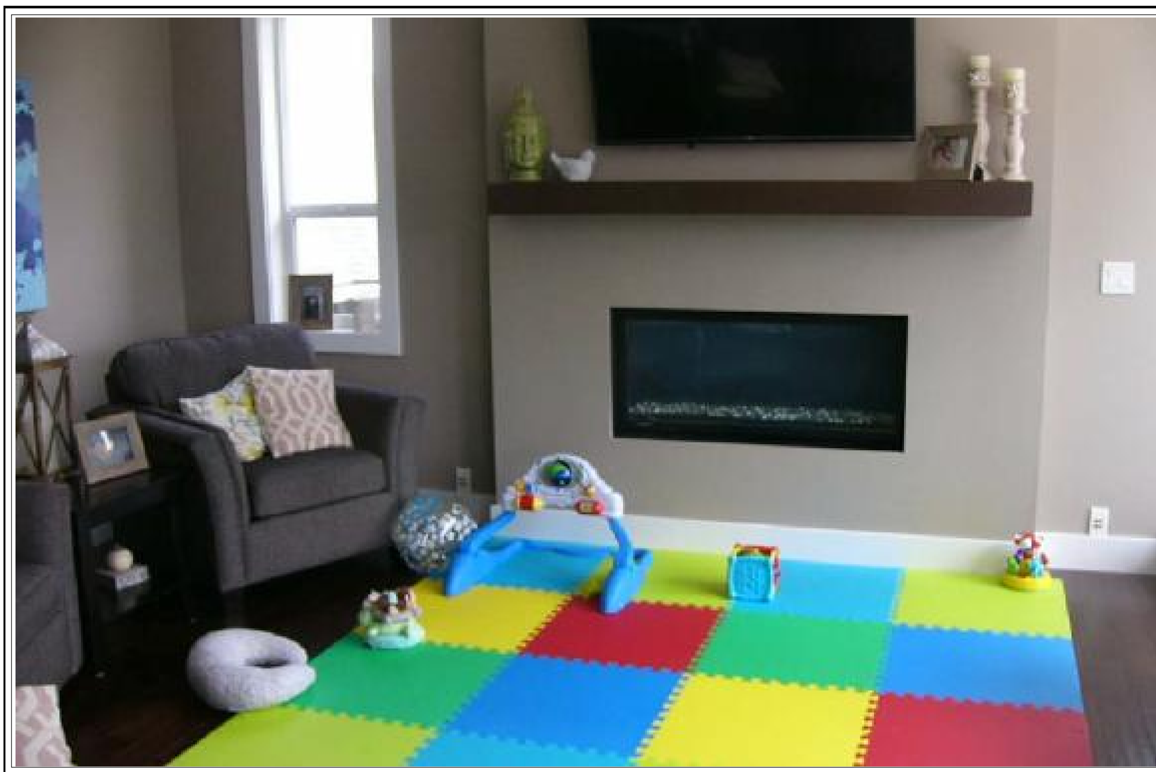
COMPARABLE SALE #3

1392 Relkoff Road,
Castlegar
Sale Date: ***07/18/2016***
Sale Price: $ ***617,500***

Borrower: *Pat & Leah Biln*		File No.: *OR0674307*	
Address: *3819 5 AVE*		Case No.:	
City: *Castlegar*	Prov: *BC*	P.C.: *V1N4Y5*	Lender: *Scotiabank Mortgage Authority*

Front Elevation of Subject Property

Kitchen



Living room

Borrower: *Pat & Leah Biln*			File No.: *OR0674307*
Address: *3819 5 AVE*			Case No.:
City: *Castlegar*	Prov: *BC*	P.C.: *V1N4Y5*	Lender: *Scotiabank Mortgage Authority*

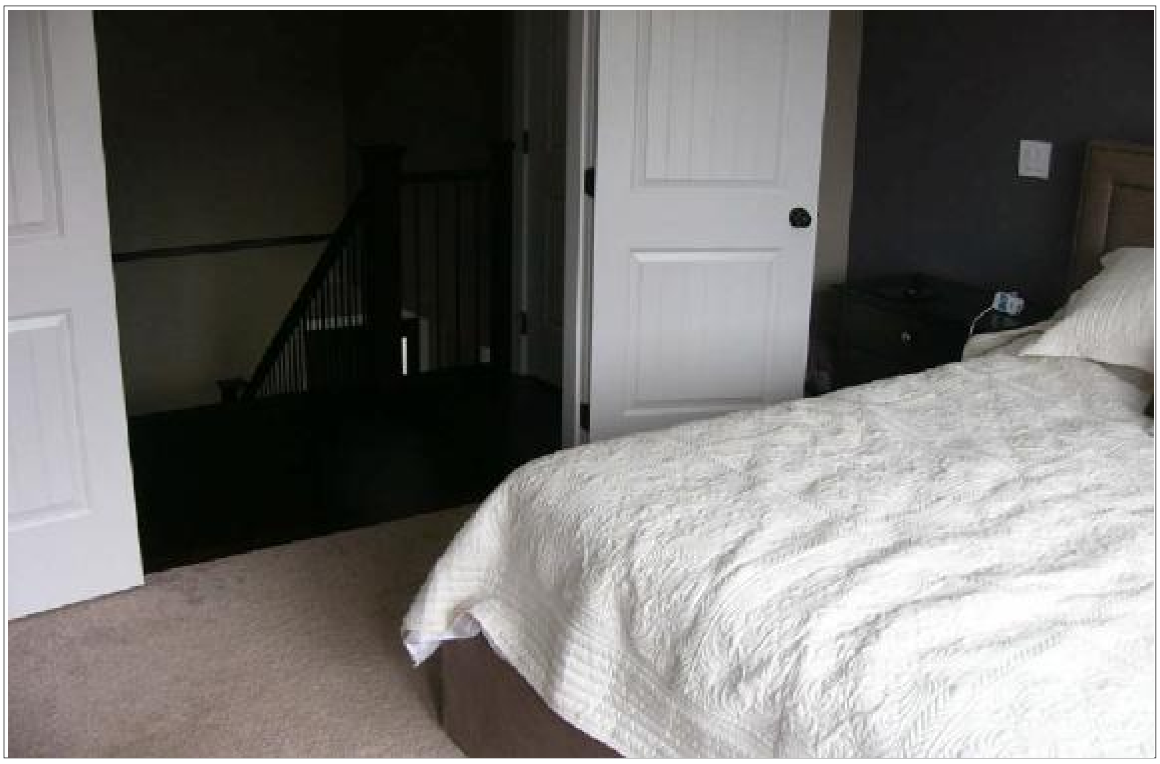
River view from rear of home

Laundry-mud room

Garage

Borrower: *Pat & Leah Biln*			File No.: *OR0674307*
Address: *3819 5 AVE*			Case No.:
City: *Castlegar*	Prov: *BC*	P.C.: *V1N4Y5*	Lender: *Scotiabank Mortgage Authority*

Main floor powder room



Master bedroom

Ensuite washroom

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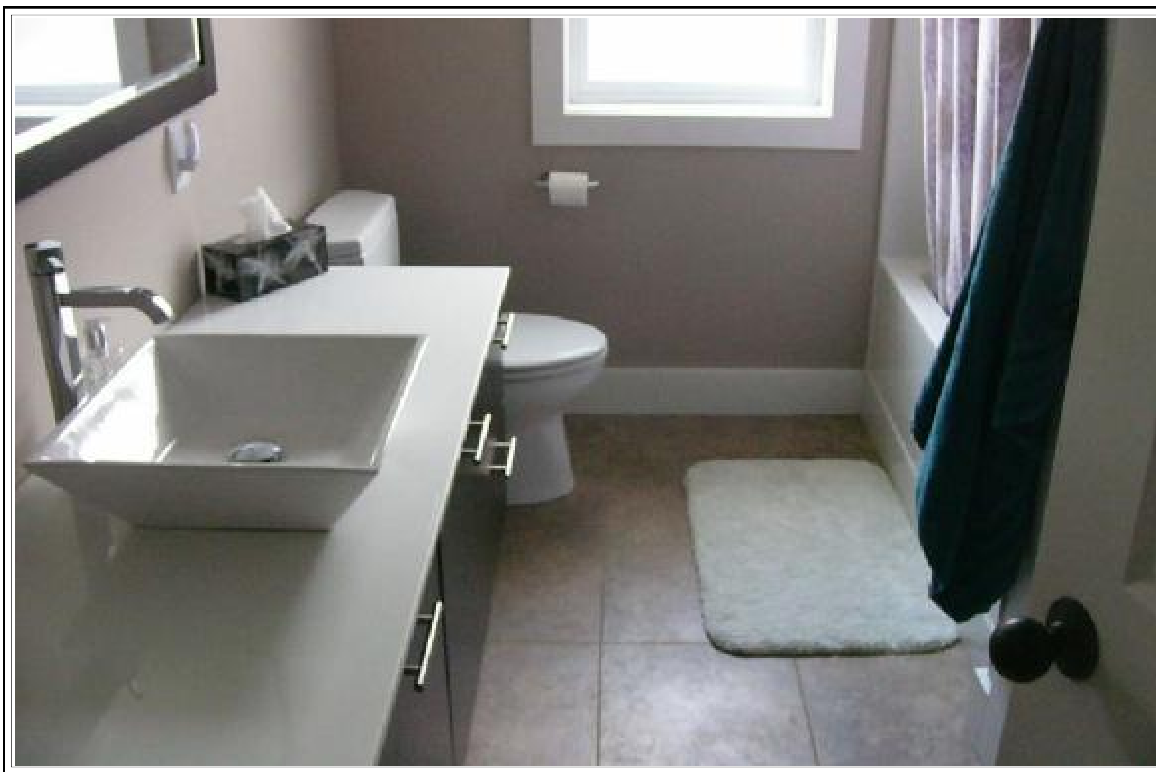
City: *Castlegar*	Prov: *BC*	P.C.: *V1N4Y5*	Lender: *Scotiabank Mortgage Authority*

Ensuite bathroom

Entry foyer & stairs



Bathroom

Borrower: *Pat & Leah Biln*				File No.: *OR0674307*	
Address: *3819 5 AVE*				Case No.:	
City: *Castlegar*	Prov: *BC*	P.C.: *V1N4Y5*		Lender: *Scotiabank Mortgage Authority*	

Basement family room

Basement family room

Basement bedroom

Borrower: Pat & Leah Biln			File No.: OR0674307
Address: 3819 5 AVE			Case No.:
City: Castlegar	Prov: BC	P.C.: V1N4Y5	Lender: Scotiabank Mortgage Authority

Basement bathroom

On-demand hot water

High-efficiency gas furnace