

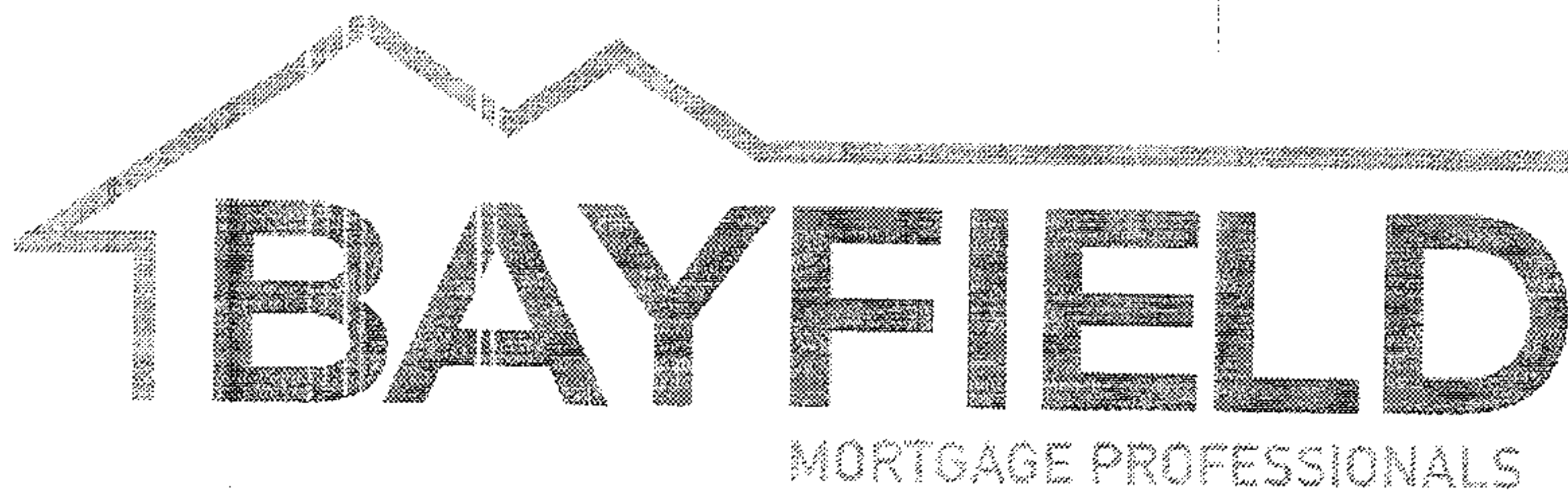
Appendix 1

Copy of nominal Mortgage, Mortgage Terms,
and related documents

Appendix 1 - A

OFFER OF FINANCING LETTER, dated July 11, 2017

BAYFIELD MORTGAGE PROFESSIONALS



LANGLEY
101-19909 64th AVE
Langley, BC V2Y 1G9
PHONE 604.533.4478
TOLL FREE 1.888.918.3388
FAX 604.533.8909

Date: _____

OFFER OF FINANCING – SCHEDULE

ADDITIONAL TERMS/CONDITIONS:

1) Mortgage to be prepaid from proceeds for 12 months.

PAYMENTS: With the exception of "Interest Only" payment, all payments consist of principal and interest. Payments are applied firstly towards any interest, and secondly towards principal reduction.

PRE-PAYMENT PENALTIES/EXTRA PAYMENTS (Applicable to 'Closed' Mortgages Only):

1) Extra Payments: In order to pay off the mortgage faster, a prepayment of up to three (3) mortgage payments (payment X3) per month, or in addition to the regular monthly payment, a minimum of \$100.00 per month can be made without penalty to the Mortgagor(s).

2) 'Lump Sum' Payment: An annual "lump sum" payment can be made on the renewal date without penalty.

3) Early Payout Penalties: If the Mortgagor(s) prepay more than the maximum prepayment as set out above, then the prepayment shall be subject to an additional interest payment equal to the lessor of:

- a) 0 months interest calculated on the principal amount of the indebtedness outstanding immediately before the application of such a prepayment; or
- b) if the remaining term of the mortgage is less than three months, interest shall be calculated on the principal amount of the indebtedness outstanding immediately before the application of such prepayment, up to and including the last date of the mortgage term.

FEES & DISBURSEMENTS:

The following fees and disbursements will be charged, and will be added to the remaining mortgage balance until they are repaid in full, or the mortgage is paid in its entirety. Any amounts added to the mortgage will accrue interest at the same rate of the mortgage:

- 1) NSF/Non-payment penalty: \$100.00
- 2) Discharge fee (B.C): \$75.00
- 3) Renewal Administration fee: \$350.00 per year

RENEWAL POLICY:

1) If the Mortgagee in its sole and unfettered discretion wishes to renew this mortgage loan, the Mortgagee will provide by mail at the mailing address shown in the Mortgage, or electronic mail to an address provided by the Mortgagor(s), a written notice called a "Mortgage Renewal Notice" which will set out the terms on which the Mortgagee will renew this mortgage loan. The Mortgagee may renew this mortgage loan on substantially the same terms as set forth in the "Offer of Financing".

2) If the Mortgagor(s) wish(es) to renew this mortgage upon the terms as set forth in the "Mortgage Renewal Notice" then the Mortgagor(s) will return the signed "Mortgage Renewal Notice" to the Mortgagee at least thirty (30) days before the Balance Due Date as set forth in Item 5(1) of the mortgage.

3) If the Mortgagor(s) do(es) not return the completed "Mortgage Renewal Notice" before the Balance Due Date, the Mortgagee, at its option, may renew this mortgage as a one year closed mortgage loan, closed to prepayment, at the rate of interest as specified in the Offer of Financing.

4) If the Mortgagee does not provide the Mortgagor(s) with a "Mortgage Renewal Notice" or the Mortgagor(s) notify(ies) the Mortgagee that it chooses not to renew this mortgage loan, the Mortgagor will be required to repay the balance owing under the mortgage together with all accrued interest, penalties and other charges owing to the Mortgagee on the Balance Due Date.

X _____
Approved & Accepted

X _____
Approved & Accepted

Date: _____

Mortgage Summary

Jul-11-2017 05:18:42 PM EST

PRYCE, SHERRIN YRDL-210

REQUESTED MORTGAGE				Lender: <Not Assigned>
Applicant(s): Ms. SHERRIN PRYCE				
Type: First	Product: Refinance		Property Type: FreeHold	
Property Address: 608 TRUTCH Street VICTORIA, BC V8V 4C5				
Lot: 10, SEC3, VIC L.D. PLAN VIP826	Block: PID# 000-772-721 ROLE#3217007		Concession/Township: CITY OF VICTORIA	
Rate: 7.450%	Amortization: 40 Years	Term: 1 Year	Closing Date: Jul-21-17	
Financing Waiver Date:	Amount: \$ 800,000.00	Down Payment:	\$ 514,163.00	
Payment: \$ 5,168.42	Purchase Price:	Value:	\$ 1,250,000.00	
1st Mortgage:	\$ 800,000.00	Insurance Premium:	\$ 0.00	
2nd Mortgage:		Insurance Premium:		
3rd Mortgage:		Insurance Premium:		
VALUATION				
Annual Income				
Applicants	Income	Rental	Other	
Ms. SHERRIN PRYCE	\$ 35,891.00		\$ 119,100.00	
Total Income:	\$ 35,891.00		\$ 119,100.00	
Annual Payments				
1st Mortgage:	\$ 62,021.04	Property Taxes:	\$ 5,864.00	
2nd Mortgage:		Heating:	\$ 1,200.00	
3rd Mortgage:		Condo Fees (50%):	\$ 0.00	
		Total (P.I.T.H.):	\$ 69,085.04	
		Other Debts:	\$ 0.00	
		Guarantor(s) Mtg. Payment:	\$ 0.00	
		Guarantor(s) Other Payments:	\$ 0.00	
		Total Debts:	\$ 69,085.04	
RATIOS				
GDS: 88.695%	TDS: 48.862%	LTV: 64.000%		
SOLICITOR				
Solicitor Name:	Firm:			
Address:				
Phone Number:	Fax Number:			
COMMENTS				

MORTGAGE APPLICATION

Jul-11-2017 05:18:15 PM EST

PRYCE, SHERRIN

YRDL-210

APPLICANT						Applicant
Name: Ms. SHERRIN PRYCE						
Address: 603 TRUTCH Street VICTORIA, BC V8V 4C5						
Residential Status: Own		Time at residence: 27 Years				
Work Phone: 250-858-4148		Cell Phone: 250-858-4148		Home Phone: 250-858-4148		
Fax Number:		eMail:				
Marital Status: Divorced		Date of Birth: Mar-26-1954		Dependents: 0		SIN: 623-320-207
Current Employer: SELF EMPLOYED						
Occupation: Self-Employed			Job Title:		Time at job:	
			Self Employed: Yes		Employment Type: Full Time	
					Annual Income: \$ 35,891.00	
Other Income						
Type		Description			Amount	
					Total:	
Financial						
Assets		Description				Value
Household Goods		PERSONAL POSSESSIONS (ANTIQUES)				\$ 200,000.00
					Total:	
					\$ 200,000.00	
Liabilities		Description			Value	
					Balance	
					Monthly Payment	
					Payoff	
		Totals				
Other Properties						
Address: 311 VANCOVER Street VICTORIA, BC V8W 1C4						
Property Value:		\$ 1,275,000.00				
Monthly Rental Income:		\$ 6,425.00		Rental Offset Option: Add Percentage to Gross Income		Offset %: 100
Property Taxes:		\$ 5,447.00		Condo Fees:		Heating: \$ 100.00
Hydro:		Repairs:		Mgmt Expenses:		Insurance: Interest Charges:
General Expenses:						

MORTGAGE APPLICATION

PRYCE, SHERRIN

YRDL-210

FINANCING			
Requested Mortgage			
Lender: <Not Assigned>	Product Name:	Loan Type: Mortgage	
Purpose: Refinance - REFINANCE	Mortgage Type: First	Closing Date: Jul-21-17	
Payment Frequency: Monthly	Purchase/Value: \$ 1,250,000.00	Insurance Premium: \$ 0.00	
Monthly Payment: \$ 5,168.42	Total Mortgage Amount: \$ 800,000.00	Net Rate: 7.450%	
Term: 1 Year	Amortization: 40 Years		
Repayment Type: Principal And Interest			
Down Payment			
Source	Description	Amount	
Existing Equity	EQUITY	\$ 514,163.00	
Total		\$ 514,163.00	
PROPERTY			
Property Address: 608 TRUTCH Street VICTORIA, BC V8V 4C5			
Lot: 10, SEC3 VIC L.D. PLAN VIP826	Block: PID# 000-772-721 ROLE#3217007	Concession/Township: CITY OF VICTORIA	
Appraised Date	Occupancy: Owner-Occupied & Rental	Age: 110 Years	Heating Type: Forced Air Gas/Oil/Electric
Living Space: 3828 Sq Ft	Lot Size: 6840 Sq Ft	Dwelling Type: Detached	
Dwelling Style: Storey and a Half	Garage Size: None	Garage Type:	
Taxation Year: 2016	Taxes Paid By: Borrower		
Environmental Hazard: No			
Purchase Price:	Estimated Value: \$ 1,250,000.00	Appraised Value:	
Heating Cost: \$ 100.00	Condo Fees: \$ 0.00	Annual Taxes:	\$ 5,864.00
Improvements:	Value of Improvements:		
Rental Property Expense			
Monthly Rental Income: \$ 3,500.00	Rental Offset Option: Add Percentage to Gross Income		
Offset %: 100			
Insurance: \$ 0.00	Hydro: \$ 0.00	Management Expenses: \$ 0.00	
Repairs: \$ 0.00	Interest Charges: \$ 0.00	General Expenses: \$ 0.00	
Total Expense: \$ 588.67			

**FIXED CREDIT
DISCLOSURE STATEMENT**

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

Lender:

The Borrower may use the following phone number to obtain information about the Mortgagor's account during the Lender's ordinary business hours:

(888) 918-3388

Broker: Dick Alessio, Yardale Mortgage Corporation Limited

Borrower: SHERRIN J PRYCE

Property: 608 TRUTCH Street VICTORIA, British Columbia V8V 4C5

Effective Date of Disclosure Statement: July 11, 2017

Mortgage Terms and Details

- | | | |
|---|---|---------------|
| 1 | The interest rate on the mortgage is: | Fixed |
| 2 | The initial annual interest rate is: | 7.450 % |
| | and the compounding period is: | Semi Annually |
| 3 | Total mortgage amount: | \$ 800,000.00 |
| 4 | The total interest paid: | \$ 58,581.34 |
| 5 | The Total Cost of Credit (Calculation details are in 'Cost of Credit Details' section): | \$ 74,581.34 |
| 6 | (1) If the mortgage amount advanced is to be repaid in accordance with a specific schedule of payments: | |
| | (a) To be advanced as follows: | |
| | (b) The term of the mortgage is: | 1 year |
| | (c) The amortization period is: | 40 years |
| | (d) The maturity date is: | July 21, 2018 |
| | (e) Payments in the amount of \$ 5,168.42 are to be made by the Borrower as follows: | |
| | Monthly (timing) commencing August 21, 2017 for a term of 1 year | |
| | (f) Prepayments can be made under the following conditions: | |

OR

- (2) If the amount advanced is not to be repaid in accordance with a specific schedule of payments, outstanding balance (or portion thereof) must be paid out under the following circumstances:

(Alternatively, reference the specific provisions of the credit agreement that describes those circumstances.)

Interest

- 7 The date on which interest begins to accrue is: July 21, 2017
AND if a grace period is given, the details are:
- 8 Interest for each payment period is calculated against the balance owing. Unpaid interest will be compounded under the following circumstances:
- 9 Where the annual interest rate may change, the method of determining the annual interest is:

Cost of Credit Details

10 Total Mortgage Amount: \$ 800,000.00

11 Fees, Charges and Payments deducted from mortgage amount from Lender

(a) Lender fee:	\$ 2,500.00
(b) Broker Fee if deducted by lender:	\$ 8,000.00
(c) Estimated Inspection/Appraisal costs:	\$
(d) Estimated Survey costs:	\$
(e) Loan pay outs:	\$
(f) Other charges, fees and payments:	
(i) <u>TO BAYFIELD MORTGAGE</u>	\$ 5,500.00
(ii) _____	\$
(iii) _____	\$
(g) Default Insurance (CMHC/Genworth/Other):	\$
Total deducted from mortgage amount:	\$ 16,000.00

Total amount from lender: \$ 784,000.00

12 Value Received by the borrower for proceeding with the transaction

(a) Total from Lender less deductions:	\$ 784,000.00
(b) Estimated appraisal if borrower has unrestricted use at or prior to completion:	\$
(c) Estimated survey if borrower has unrestricted use at or prior to completion:	\$
(d) Estimated loan pay outs:	\$
(e) Cashback received from lender:	\$
(f) Default Insurance (CMHC/Genworth/Other):	\$
(g) Other Value Received:	
(i) _____	\$
(ii) _____	\$
(iii) _____	\$

Total Value Received by the borrower: \$ 784,000.00

13 Value Given by the borrower for proceeding with the transaction

(a) Commencing August 21, 2017, 12 Monthly payments of \$ 5,168.42
will be paid by the borrower.

Total Payments: \$ 62,021.04

(b) Remaining mortgage balance on maturity date:	\$ 796,560.30
(c) Other Value Given by Borrower at or prior to completion	
(i) Legal fees where choice of legal firm is restricted:	\$
(ii) Title Insurance:	\$
(iii) _____	\$
(iv) _____	\$
(v) _____	\$

Total Value Given by the borrower: \$ 858,581.34

14 Cost of Credit (Value Given Less Value Received): \$ 74,581.34

15 The Annual Percentage Rate¹ (APR) is: 9.341 %

The APR is not the contract rate of the mortgage. It is the interest costs, plus the non-interest costs required to obtain the mortgage, expressed as a percentage of the average mortgage balance over the term of the mortgage.

16 Payments not included in the cost of credit

Payments contained in the transaction the borrower derives a direct and unrestricted benefit from:

(a) Estimated legal fees if freely chosen by borrower:	\$ 1,500.00	
(b) Estimated appraisal if borrower has unrestricted use at or prior to completion:	\$ 350.00	
(c) Estimated survey if borrower has unrestricted use at or prior to completion:	\$ 350.00	
(d) Land Title Registration Fees:	\$	
(e) Other Payments not included in the cost of credit:		
(i)	\$	
(ii)	\$	
(iii)	\$	
Total Payments not included in the cost of credit:		\$ 2,200.00

Security

17 In addition to the Mortgage, the following security was granted for Credit:

- (a) _____
- (b) _____
- (c) _____

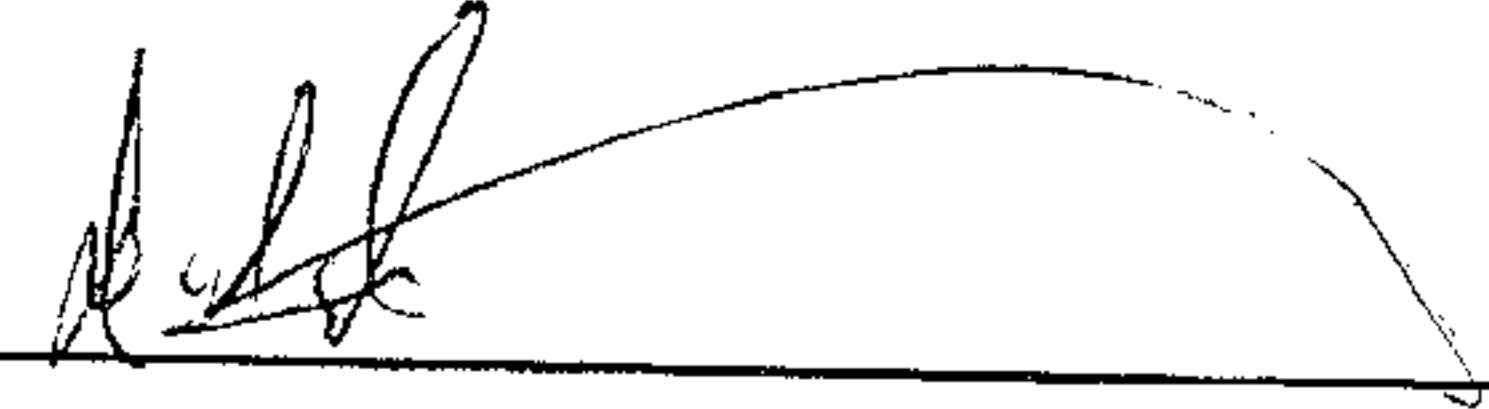
Other Charges:

18 Other Charges possibly applicable to borrower

(a) Default Charges:	\$ 0.00
(b) Discharge Fee:	\$ 275.00
(c) NSF:	\$ 100.00
(d) Other Charges:	
(i)	_____
(ii)	_____

Certification and Acknowledgement

I, Dick Alessio of Yardale Mortgage Corporation Limited, 103 - 10030 Resthaven Drive, Sidney, British Columbia, V8L3G4
the Lender / Broker in this Mortgage, have fully completed the above statement.



Signature of Lender or Broker

I, _____ of _____
(Name) (Address)
the Borrower in this Mortgage, acknowledge receipt of the above Disclosure Statement which I received on the
_____ day of _____ year _____

Signature of Borrower

Notes:

1. The Annual Percentage Rate is calculated using the formula:

$$\text{APR} = \frac{\text{Annualized Cost of Credit}}{\text{Average Principal}}$$

$$= \frac{\text{Cost of Credit}}{(\text{Mortgage Term} \times \text{Average Principal})}$$
 where the Mortgage Term is expressed in years

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CONFLICT OF INTEREST DISCLOSURE STATEMENT FORM 10

Neither the Registrar of Mortgage Brokers nor any other authority of the government of the Province of British Columbia has any way passed on the merits of the matters dealt with in this information statement. This information statement has not been filed with the Registrar of Mortgage Brokers and the registrar has not determined whether or not it complies with Part 2 of the *Mortgage Brokers Act*.

Please type or print clearly. If additional information is required, reference and attach a schedule to this form.

<small>FULL NAME OF MORTGAGE BROKER</small> Yardale Mortgage Corporation Limited	<small>TELEPHONE NO.</small> (778) 426-4378
<small>ADDRESS</small> 130 - 10030 Resthaven Drive Sidney, British Columbia	<small>POSTAL CODE</small> V 8 L 3 G 4
<small>ADDRESS OF PROPERTY TO BE MORTGAGED</small> 608 TRUTCH Street VICTORIA, British Columbia	<small>POSTAL CODE</small> V 8 V 4 C 5
<small>LEGAL DESCRIPTION OF PROPERTY TO BE MORTGAGED</small> Detached	

Describe any direct or indirect interest the mortgage broker has or, as currently contemplated, may acquire in the transaction for which this disclosure statement is provided.

LENDER TO PAY BROKER \$8000.00
BROKER WILL RETAIN 500.00

Describe any direct or indirect interest that a related party or associate of the mortgage broker, as defined in the *Mortgage Brokers Act* Regulations has or, as currently contemplated, may acquire in the transaction for which this disclosure statement is provided.

SUB BROKER WILL RECEIVE A COMMISSION OF \$7500.00

CERTIFICATION

I certify that I am the mortgage broker or an authorized representative of the mortgage broker in this transaction and based on my knowledge, belief and information provided by third parties, this Disclosure Statement contains no untrue statement and does not omit to state a fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in the circumstances in which it was made.

<small>FULL NAME OF MORTGAGE BROKER</small> Yardale Mortgage Corporation Limited	<small>ADDRESS</small> 130 - 10030 Resthaven Drive Sidney, British Columbia	<small>POSTAL CODE</small> V 8 L 3 G 4
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<small>SIGNATURE OF MORTGAGE BROKER OR AUTHORIZED REPRESENTATIVE</small> X	<small>NAME OF AUTHORIZED REPRESENTATIVE OF MORTGAGE BROKER (PLEASE PRINT)</small>	<small>DATE SIGNED</small> YYY MM DD
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ACKNOWLEDGEMENT OF RECEIPT <small>SIGNATURE</small> X	<small>NAME (PLEASE PRINT)</small>	<small>DATE SIGNED</small> YYY MM DD
--	------------------------------------	---