

## **JOHANNSEN APPRAISAL SERVICES**



### **APPRAISAL OF REAL PROPERTY**

#### **LOCATED AT:**

45 Blake Street East  
SHAFTESBURY TOWN PLOT 2 N PT LOT 33 SS BLAKE ST PIN 471220265 SWS  
Little Current ON P0P 1K0

#### **FOR:**

Dominion Lending Centres

#### **AS OF:**

January 19, 2013

#### **BY:**

**NEIL FADDIS**

Reviewed by: Fred Johannsen  
Johannsen Appraisal Services  
239 Pine Street  
Sudbury, ON P3C 1X4

REFERENCE

## RESIDENTIAL APPRAISAL REPORT

FILE NO: 13-0017N

<b>CLIENT</b>	CLIENT: <u>Dominion Lending Centres</u> ATTENTION: <u>Bob Taylor</u> ADDRESS: _____ E-MAIL: _____ PHONE: _____ FAX: _____	<b>APPRAISER</b>	APPRAISER: <u>NEIL FADDIS</u> COMPANY: <u>Johannsen Appraisal Services</u> ADDRESS: <u>239 Pine Street</u> <u>Sudbury, ON P3C 1X4</u> E-MAIL: <u>johannsen@bellnet.ca</u> PHONE: <u>(705) 675-7180</u> FAX: <u>(705) 675-7826</u>
	NAME: <u>Nancy Anne Milburn and Glen Edward Gammie</u> PROPERTY ADDRESS: <u>45 Blake Street East</u> CITY: <u>Little Current</u> PROVINCE: <u>ON</u> POSTAL CODE: <u>P0P1K0</u> LEGAL DESCRIPTION: <u>SHAFTESBURY TOWN PLOT 2 N PT LOT 33 SS BLAKE ST PIN 471220265 SWS</u> PURPOSE OF APPRAISAL: <input type="checkbox"/> To estimate market value or <input type="checkbox"/> Other INTENDED USE OF APPRAISAL: <u>Financial</u> INTENDED USERS (by name or type): <u>Dominion Lending Centres</u> REQUESTED BY: <input type="checkbox"/> Client above <input checked="" type="checkbox"/> Other <u>Dominion Lending Centres</u> THIS APPRAISAL REPORT REPRESENTS THE FOLLOWING VALUE (if not current, see comments): <input checked="" type="checkbox"/> Current <input type="checkbox"/> Retrospective <input type="checkbox"/> Prospective <input type="checkbox"/> Update of original report completed on _____ with an effective date of _____ File No: _____ PROPERTY RIGHTS APPRAISED: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Cooperative <input type="checkbox"/> Condominium <input type="checkbox"/> Strata Maintenance Fee \$ _____ See comments: _____ IS THE SUBJECT A FRACTIONAL INTEREST, PHYSICAL SEGMENT OR PARTIAL HOLDING? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (if yes, see comments) MUNICIPALITY AND DISTRICT: <u>Little Current, Northeastern Manitoulin and the Islands</u> ASSESSMENT: Land \$ _____ Imps \$ _____ Total \$ <u>90,000</u> Assessment Date: <u>Jan 1, 2008</u> Taxes \$ <u>1,000</u> Year <u>2012</u> EXISTING USE: <u>Single Family</u> OCCUPIED BY: <u>Owner - Assumed</u> HIGHEST AND BEST USE OF SUBJECT PROPERTY: <input checked="" type="checkbox"/> As improved, or <input type="checkbox"/> Other Note: If highest and best use is not the existing use, or not the use reflected in the report, see additional comments.		
<b>SUBJECT</b>	NATURE OF DISTRICT: <input checked="" type="checkbox"/> Residential <input type="checkbox"/> Rural <input type="checkbox"/> Commercial <input type="checkbox"/> Industrial <input type="checkbox"/> TREND OF DISTRICT: <input type="checkbox"/> Improving <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Transition <input type="checkbox"/> Deteriorating <input type="checkbox"/> BUILT-UP: <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25 - 75% <input type="checkbox"/> Under 25% <input type="checkbox"/> CONFORMITY: Age: <input type="checkbox"/> Newer <input checked="" type="checkbox"/> Similar <input type="checkbox"/> Older <input type="checkbox"/> Condition: <input type="checkbox"/> Superior <input checked="" type="checkbox"/> Similar <input type="checkbox"/> Inferior <input type="checkbox"/> Size: <input type="checkbox"/> Larger <input checked="" type="checkbox"/> Similar <input type="checkbox"/> Smaller <input type="checkbox"/> AGE RANGE OF PROPERTIES: <u>New</u> to <u>100+</u> years MARKET OVERVIEW: Supply <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor Demand: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor PRICE TRENDS: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining PRICE RANGE OF PROPERTIES: \$ <u>79,000</u> to \$ <u>375,000</u>		
	SUMMARY: INCLUDES VALUE TRENDS, MARKET APPEAL, APPARENT ADVERSE INFLUENCES IN THE AREA, IF ANY (e.g. railroad tracks, unkempt properties, major traffic arteries, hydro facilities, anticipated public or private improvements, commercial/industrial sites, landfill sites, etc.) The subject property is located in the town of Little Current, Northeastern Manitoulin and the Islands. Little Current is located 120km west-south-west of the Greater City of Sudbury and 2km distance to Little Current schools, shopping, churches, recreation park and medical services. Area consists of single-family detached dwellings, some similar in style and size to the subject. Many properties in the area have received some upgrades over the years. There are no apparent adverse factors noted at time of inspection that would affect the subjects future marketability. Manitoulin island relies on tourism, farming, lumber and transport industry.		
<b>NEIGHBOURHOOD</b>	SITE DIMENSIONS: <u>192.67</u> X <u>192.67</u> Irr SITE AREA: <u>16,012.08</u> sqft Source: <u>MPAC</u> TOPOGRAPHY: <u>Level to street grade</u> CONFIGURATION: <u>Irregular</u> ZONING: <u>Residential - Assumed</u> DOES EXISTING USE CONFORM TO ZONING? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (see comments) EASEMENTS: <input type="checkbox"/> Utility <input type="checkbox"/> Access <input checked="" type="checkbox"/> Other <u>Unknown</u> UTILITIES: <input checked="" type="checkbox"/> Telephone <input checked="" type="checkbox"/> Sanitary Sewer <input type="checkbox"/> Septic System <input type="checkbox"/> Municipal Water <input type="checkbox"/> Well FEATURES: <input checked="" type="checkbox"/> Natural Gas <input type="checkbox"/> Storm Sewer <input checked="" type="checkbox"/> Open Ditch <input type="checkbox"/> Gravel Road <input type="checkbox"/> Curbs <input checked="" type="checkbox"/> Paved Road <input type="checkbox"/> Sidewalk <input checked="" type="checkbox"/> Street Lights <input type="checkbox"/> ELECTRICAL: <input checked="" type="checkbox"/> Cablevision <input type="checkbox"/> Lane <input type="checkbox"/> <input checked="" type="checkbox"/> Overhead <input type="checkbox"/> Underground <input type="checkbox"/> DRIVEWAY: <input checked="" type="checkbox"/> Private <input type="checkbox"/> Mutual <input type="checkbox"/> None <input type="checkbox"/> Single <input checked="" type="checkbox"/> Double PARKING: <input type="checkbox"/> Garage <input type="checkbox"/> Carport <input checked="" type="checkbox"/> Driveway <input checked="" type="checkbox"/> Street LANDSCAPING: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor CURB APPEAL: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor		
	COMMENTS: (includes any positive and negative features such as conformity with zoning, effects of known easements, known restrictions on title, such as judgments or liens, effects of assemblage, any known documentation of environmental contamination, etc.) Easements are not known as a title search has not been conducted nor a plan of survey been made available to the appraiser. Site consists of a serviced municipal lot, that is landscaped which projects good buyer appeal. Comparable lots in the area. There appears to be no readily apparent adverse easements or encroachments.		
<b>SITE</b>	CONSTRUCTION COMPLETE: <u>Yes</u> PERCENTAGE COMPLETE: <u>100</u> YEAR BUILT (estimated): <u>1910</u> EFFECTIVE AGE: <u>20</u> years REMAINING ECONOMIC LIFE (estimated): <u>40</u> years FLOOR AREA: <input type="checkbox"/> Sq. M <input checked="" type="checkbox"/> Sq. Ft. BUILDING TYPE: <u>Detached</u> MAIN: <u>834</u> DESIGN/STYLE: <u>2 Storey</u> SECOND: <u>686</u> CONSTRUCTION: <u>Wood construction - Assumed</u> THIRD: _____ BASEMENT: <u>Crawl Space</u> FOURTH: _____ BASEMENT AREA: <u>686</u> <input type="checkbox"/> Sq. M <input checked="" type="checkbox"/> Sq. Ft. <u>0</u> % Finished TOTAL: <u>1520</u> WINDOWS: <u>wood frame with wood storms</u> Source: <u>Measured</u> FOUNDATION WALLS: <u>Stone - assumed</u> BEDROOMS (#): _____ BATHROOMS (#): _____ INTERIOR FINISH: Walls <input checked="" type="checkbox"/> Ceilings <input checked="" type="checkbox"/> 1 Large _____ 2-Piece _____ Good _____ Drywall <input checked="" type="checkbox"/> 1 Average _____ 3-Piece <input checked="" type="checkbox"/> Average _____ Plaster <input checked="" type="checkbox"/> 1 Small _____ 4-Piece _____ Fair _____ Paneling <input checked="" type="checkbox"/> Basement _____ 5-Piece _____ Poor _____ Tile / Ceiling Tiles <input checked="" type="checkbox"/> _____ _____ _____ _____ Wood / Rail & Tile <input checked="" type="checkbox"/> FLOORING: <u>Laminate, rug, vinyl, softwood</u> ELECTRICAL: <input type="checkbox"/> Fuses <input checked="" type="checkbox"/> Breakers <u>Owner reported</u> Estimated capacity of main panel: <u>200</u> amps HEATING SYSTEM: <u>Forced Air</u> Fuel Type: <u>Oil</u> WATER HEATER: Type <u>Hydro - owned</u> ROOFING: <u>Asphalt shingles - Upgraded 2008</u> Condition: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor EXTERIOR FINISH: <u>Aluminum Siding</u> Condition: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor UFFI APPARENT: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Removed CLOSETS: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor INSULATION: <input checked="" type="checkbox"/> Ceiling <input checked="" type="checkbox"/> Walls <input checked="" type="checkbox"/> Basement <input type="checkbox"/> Crawlspace Source: <u>Visual / Assumed / Owner</u> PLUMBING LINES: <u>Copper and ABS - where visible</u> FLOORPLAN: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor BUILT-IN/EXTRAS: <input type="checkbox"/> Garbage Disposal <input checked="" type="checkbox"/> Central Air <input type="checkbox"/> Swimming Pool <input type="checkbox"/> Fireplace(s) <input type="checkbox"/> Oven <input type="checkbox"/> Air Cleaner <input type="checkbox"/> Sauna <input type="checkbox"/> Garage Opener <input checked="" type="checkbox"/> Dishwasher <input type="checkbox"/> Vacuum <input type="checkbox"/> Solarium <input type="checkbox"/> Security System <input type="checkbox"/> Stove <input type="checkbox"/> Whirlpool <input type="checkbox"/> Skylights <input type="checkbox"/> HR Ventilator <input type="checkbox"/> OVERALL INT. COND: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor		
	BASEMENT FINISHES/UTILITY: <u>Basement of dwelling is used as cold cellar. Floor is dirt and walls are stone and concrete.</u> GARAGES/CARPORTS: <u>No garage, no carport, with double gravel driveway to front of dwelling.</u> DECKS, PATIOS, OTHER IMPROVEMENTS: <u>Shed at rear of property with small deck of back entry. Large closed porch at side of dwelling being used as storage.</u> COMMENTS: (Building, appearance, quality, condition, services, extras, anticipated public or private improvements, etc.) Subject property is in average condition, exhibiting minimal home ownership physical deterioration. Improvements are of average quality construction. Floor plan is acceptable and considered typical for this style home in this area. No functional inadequacies or external obsolescence was observed. Marketability of the property is considered average. Main floor of dwelling has kitchen, eat-in dining, living room, bathroom, den, laundry area, and storage. Second floor has bathroom, 3 bedrooms, and storage.		



## RESIDENTIAL APPRAISAL REPORT

ROOM ALLOCATION						COST APPROACH					
LEVEL	MAIN	SECOND	THIRD	BASEMENT	BASEMENT	SOURCE OF COST DATA: <input checked="" type="checkbox"/> MANUAL <input type="checkbox"/> CONTRACTOR <input type="checkbox"/> OTHER Manual					
ENTRANCE	x					LAND VALUE By comparison method \$ 25,000					
LIVING	1					BUILDING COST NEW DEPRECIATED COST					
DINING	Eat-in					COST 1520 SqFt @ \$ 89 \$ 135,960					
KITCHEN	1					GARAGE Construction and finishes \$ 0					
FULL BATH	1	1				BASEMENT FINISH 686 SqFt					
PART BATH						Foundation construction and finishes \$ 4,288					
BEDROOM		3				OTHER EXTRAS \$					
FAMILY						Wood decking \$ 0					
LAUNDRY	x					\$ 0					
OTHER	x	x			x	\$ 0					
UTILITY	x					Miscellaneous and yard items \$					
STORAGE	x	x			Storage	TOTAL REPLACEMENT COST \$ 140,247					
STUDY/DEN	1					LESS: ACCRUED DEPRECIATION 18 % \$ 25,244 \$ 115,003					
CRAWLSPACE						INDICATED VALUE See disclaimer \$ 140,002					
SUNROOM						VALUE BY THE COST APPROACH (rounded) \$					
TOTAL ROOMS 3 3						NOTE: The construction cost estimates contained herein were not prepared for insurance purposes and are invalid for that use. The Cost Approach is not applicable when appraising individual strata/condominium type dwelling units.					

SUBJECT		COMPARABLE NO. 1			COMPARABLE NO. 2			COMPARABLE NO. 3		
Description		\$ Adjustment			Description			\$ Adjustment		
45 Blake Street East		35 BLAKE ST E			6087 HWY 542			284 HIGHWAY 542 A		
Little Current ON P0P1K0		LITTLE CURRENT, P0P 1K0			MINDEMOYA, P0P 1S0			TEHKUMMAH, P0P 2C0		
EXTERIOR	Siding	Siding			Siding			Siding		
DATE OF SALE		Aug 3, 2012			Oct 5, 2012			Sep 5, 2012		
SALE PRICE	\$	\$ 125,000			\$ 84,000			\$ 144,500		
SERVICES	Municipal	Municipal			Municipal			Private 10,000		
LOCATION	Little Current	Comparable			Inferior 5,000			inferior 5,000		
SITE SIZE	192.67 x Irr	66x1625			59x165			222x184		
BUILDING TYPE	Detached	Detached			Detached			Detached		
DESIGN/STYLE	2 Storey	1 Storey			2 Storey			2 Storey		
AGE/CONDITION	E20 average	E15 Superior			E15 Similar			E15 Superior		
LIVABLE FLOOR AREA	1520 SqFt	900 sqft			1053 sqft			1503 sqft		
ROOM COUNT	Total Bdrms: Baths	Total Bdrms: Baths			Total Bdrms: Baths			Total Bdrms: Baths		
	6 3+ 2/	5 2 1			6 4 1			4 2 2		
BASEMENT	Crawl space	Crawl space			Crawl space			Unfinished		
PARKING	Private	Det 1 car garage			Private			Det 2 car garage		
HEATING	Oil	oil			Oil			Oil		
EXTRAS	Porch,shed,deck	Comparable			Comparable			Comparable		
See attached map	"A"	"B"			"C"			"D"		
DAYS ON MARKET		113			44			81		
MLS NUMBER		1012904			1015328			1014188		
ADJUSTMENTS (Gross/Net)		50 % -18.8 % \$ -23,500			13.9 % 19.9 % \$ 16,675			39.7 % -28.8 % \$ -41,575		
ADJUSTED VALUES		\$ 101,500			\$ 100,675			\$ 102,925		
<p>CONCLUSIONS Due to the lack of truly comparable sales and more current dates, the above sales were the best that were available in order to formulate a final estimate of value. The direct comparison approach reflects the actions of market participants and is considered to be most persuasive. After an extensive review of individual sales above, adjustments for gross livable floor area, effective age, and subject finishes. Based upon MLS statistical data, no time adjustment was deemed necessary. Comparable #1 and 3 exceed net, gross and line item adjustment guidelines, primarily because of the large difference in size (gla) and/or condition, but were included because of close physical proximity to the subject and similar style. After adjustments were made, the comparable sales data indicates the subject falls in the \$100675 to \$102925 value range.</p> <p>Comparable 1 has smaller living area with superior style, interior condition and finishes and superior parking condition.</p> <p>Comparable 2 has smaller living area with similar style, interior condition and finishes and similar parking condition.</p> <p>Comparable 3 has similar living area with superior style, interior condition and finishes and superior parking condition.</p> <p>Comparable number 1 appears to have been over listed.</p>										
<p>SALES HISTORY - ANALYSIS OF KNOWN CURRENT AGREEMENTS FOR SALE, PRIOR SALES, LISTINGS, OPTIONS OR MARKETING OF THE SUBJECT: (minimum of three years) The appraiser's research revealed an MLS expired listing of the Subject property within a three years prior to the effective date of this appraisal. MLS number 108991 shows an expired listing of the subject property as of July 5, 2011 for \$102,000. MLS number 102620 shows an expired listing as of May 19, 2010 for \$110,000. An electronic search was under taken through the facilities of Geo Warehouse and MPAC and a current parcel register was obtained through their services. Geo Warehouse shows last sale of subject property as of February 2012 for \$96,500.</p>										
VALUE BY DIRECT COMPARISON APPROACH (rounded) \$ 102,000										
COMMENT ON REASONABLE EXPOSURE TIME: A reasonable exposure time is 30 - 90 days on the open market.										
*** RESTRICTION: This report cannot be used for any other purpose, or party, without the express written consent of the appraiser.***										
RECONCILIATION AND FINAL ESTIMATE OF VALUE: While the cost approach indicates a higher value, the sales comparison approach was given the major weight of the decision in the final conclusion. Reasonable adjustments were made to simulate the subject features and lead to an adjusted range of market value.										
***Onis is on the lender to verify the owners and legal description of the subject property***										
AS A RESULT OF MY APPRAISAL AND ANALYSIS OF ALL APPLICABLE DATA AND RELEVANT FACTORS, IT IS MY CONCLUSION THAT THE MARKET VALUE OF THE INTEREST IN THE SUBJECT PROPERTY AS AT January 19, 2013 (Effective Date of the Appraisal) IS \$ 102,000										
THIS REPORT WAS COMPLETED ON: January 21, 2013										



## RESIDENTIAL APPRAISAL REPORT

DEFINITIONS	<b>DEFINITION OF MARKET VALUE:</b> 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) <i>Note: If other than market value is being appraised, see additional comments</i>	
	<b>DEFINITION OF HIGHEST AND BEST USE:</b> The reasonably probable and legal use of the property, that is physically possible, appropriately supported, and financially feasible, and results in the highest value.	
SCOPE	The scope of the appraisal encompasses the due diligence undertaken by the appraiser (consistent with the terms of reference from the client, the purpose and intended use of the report) and the necessary research and analysis to prepare a report in accordance with the Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada. The following comments describe the extent of the process of collecting, confirming and reporting data and its analysis, describe relevant procedures and reasoning details supporting the analysis, and provide the reason for the exclusion of any usual valuation procedures. <b>Consideration for the appraisal services is based on deriving comparable sales information from the M.L.S. system. If an on site comparable inspection is sought, the fee will be adjusted upward accordingly, otherwise the client will not hold the appraiser liable for any inaccuracy in the M.L.S. information. The analysis set out in this report, relied on written and verbal information of market transactions, data and statistics obtained from a variety of sources we considered reliable. A concerted effort was made to verify the accuracy of the information herein contained. Since this appraisal is not intended to be used for court purposes or for arbitration, some of the information set out in this report may not have been fully documented or confirmed by reference to primary sources. An interior and exterior inspection of the property was completed on the effective date.</b>	
ASSUMPTIONS AND LIMITING CONDITIONS AND EXTRAORDINARY ITEMS	<b>ORDINARY ASSUMPTIONS &amp; LIMITING CONDITIONS</b> The certification that appears in this appraisal report is subject to the following conditions: 1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the author and any supervisory appraiser, subject to the qualification in paragraph 11 below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed. 2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing. 3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. No registry office search has been performed and the appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this report. The property is appraised on the basis of it being under responsible ownership. 4. The subject property is presumed to comply with government regulations including zoning, building codes and health regulations and, if it doesn't comply, its non-compliance may affect market value. 5. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property. 6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation. 7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc.) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The appraiser makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate. 8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property. 9. The appraiser obtained information, estimates and opinions that were used in the preparation of this report from sources considered to be reliable and accurate and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of items that were furnished by other parties. 10. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. 11. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the Canadian Uniform Standards of Professional Appraisal Practice ("The Standards") and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the Canadian Uniform Standards of Professional Appraisal Practice ("The Standards") and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy. 12. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use. 13. Written consent from the author and supervisory appraiser, if applicable, must be obtained before any part of the appraisal report can be used for any purpose by anyone except the client and other intended users identified in the report. Where the client is the mortgagee, liability is extended to the insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee. Written consent and approval must also be obtained before the appraisal (or any part of it) can be altered or conveyed to other parties, including mortgagees (other than the client) and the public through prospectus, offering memoranda, advertising, public relations, news, sales or other media. 14. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault. Other:	
	<b>EXTRAORDINARY ASSUMPTIONS &amp; LIMITING CONDITIONS</b> An extraordinary assumption or limiting condition has been invoked in this appraisal report. <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, see attached addendum.	
CERTIFICATION	<b>HYPOTHETICAL CONDITIONS</b> A hypothetical condition has been invoked in this appraisal report. <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, see attached addendum.	
	<b>JURISDICTIONAL EXCEPTION</b> A jurisdictional exception has been invoked in this appraisal report. <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, see attached addendum.	
	I certify that, to the best of my knowledge and belief: 1. The statements of fact contained in this report are true and correct. 2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions and conclusions. 3. I have no past, present or prospective interest or bias with respect to the property that is the subject of this report and no personal interest or bias with respect to the parties involved with this assignment, except as specified herein. 4. My engagement in this assignment is not contingent upon developing or reporting a predetermined result, upon the amount of value estimate, upon a direction in value that favours the cause of the client, upon the attainment of a stipulated result or the occurrence of a subsequent event. 5. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice. 6. I have the knowledge and experience to complete this assignment competently. Except as herein disclosed, no other person has provided me with significant professional assistance in the completion of this appraisal assignment. 7. The Appraisal Institute of Canada has a mandatory Continuing Professional Development Program for all members. As at the date of this report, the requirements of this program have been fulfilled.	
	<b>SUPERVISORY APPRAISER'S CERTIFICATION</b> If a supervisory appraiser has signed this appraisal report, he or she certifies and agrees that "I directly supervised the appraiser who prepared this appraisal report and, having reviewed the report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certification and am taking full responsibility for the valuation and the report."	
PROPERTY IDENTIFICATION	<b>PROPERTY IDENTIFICATION</b> ADDRESS: 45 Blake Street East CITY: Little Current PROVINCE: ON POSTAL CODE: P0P1K0 LEGAL DESCRIPTION: SHAFTESBURY TOWN PLOT 2 N PT LOT 33 SS BLAKE ST PIN 471220265 SWS	
	AS A RESULT OF MY ANALYSIS OF ALL APPLICABLE DATA AND RELEVANT FACTORS, IT IS MY CONCLUSION THAT THE MARKET VALUE OF THE INTEREST IN THE SUBJECT PROPERTY AS AT January 19, 2013 (Effective Date of the Appraisal) IS \$ 102,000	
	<b>APPRAISER:</b>  <b>SUPERVISORY:</b>  SIGNATURE: _____ LOCKE: _____ NAME: NEIL FADDIS NAME: FRED JOHANSEN DESIGNATION: Candidate DESIGNATION: AACI, P.App. P.Val. Broker DATE SIGNED: January 21, 2013 DATE SIGNED: January 21, 2013 DATE OF INSPECTION: January 19, 2013 DATE OF INSPECTION: Driveby LICENSE INFO (where applicable): _____ LICENSE INFO (where applicable): _____ NOTE: For this appraisal to be valid, an original or a password protected digital signature is required. NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.	
	ATTACHMENTS: <input type="checkbox"/> ADDITIONAL SALES <input type="checkbox"/> EXTRAORDINARY ITEMS ADDENDUM <input type="checkbox"/> NARRATIVE ADDENDUM <input checked="" type="checkbox"/> PHOTO ADDENDUM <input checked="" type="checkbox"/> SKETCH ADDENDUM <input checked="" type="checkbox"/> MAP ADDENDUM <input type="checkbox"/> _____ <input type="checkbox"/> _____ <input type="checkbox"/> _____	



**SUPPLEMENTAL ADDENDUM**

<b>LENDER/CLIENT</b> Dominion Lending Centres ADDRESS: TEL: (     )	<b>ADDRESS OF PROPERTY</b>  	<b>APPRAISER NEIL FADDIS</b> ADDRESS: 239 Pine Street, Sudbury, ON P2C 1X4 TEL: ( 705 ) 675-7180
--	------------------------------------	--

**ASSUMPTIONS AND LIMITING CONDITIONS (CONT')**

15. 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, or in compliance with all regulatory 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 and expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.

It is imperative that the reader or any other interested party be aware that the appraiser did not inspect the premises for fire detection or smoke detection systems, or for the presence of carbon monoxide detectors, nor did the appraiser inspect the condition of such equipment, if present.

A cost approach to value may or may not have been included in this appraisal it would be for information purposes only. While sometimes required by lenders, the cost approach is not typically used by purchasers or vendors in the marketplace, particularly with respect to older homes. Further, there is little or no empirical evidence to support the rates of depreciation used in the approach other than that indicated by the comparable sales used in the direct comparison approach to value. Accordingly, the cost approach is not necessarily a reliable indicator of market value and the reader is warned not to rely on the value indicated by the cost approach in this report, nor to use it to determine the fire insurance to be placed on the property. Fire insurance coverage is assumed to be available.

**HYPOTHETICAL CONDITIONS**

Hypothetical conditions may be used when they are required for legal purposes, for purposes of reasonable analysis or for purposes of comparison. Common hypothetical conditions include proposed improvements and prospective appraisals. For every hypothetical condition, and extraordinary assumption is required, 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.

**HAVE NOT:** considered easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations, special assignments, ordinances, by-laws, or other items of similar nature.

**HAVE NOT:** considered whether an appraised fractional interest, physical segment, or partial holding contributes pro rata on the value of the whole.

Consideration for the appraisal services is based on deriving comparable sales information from the M.L.S. system. If an on site comparable inspection is sought, the fee will be adjusted upward accordingly, otherwise the client will not hold the appraiser liable for any inaccuracy in the M.L.S. information. The analysis set out in this report relied on written and verbal information of market transactions, data and statistics obtained from a variety of sources we considered reliable. A concerted effort was made to verify the accuracy of the information herein contained. Since this appraisal is not intended to be used for court purposes or for arbitration, some of the information set out in this report may not have been fully documented or confirmed by reference to primary sources.

An interior and exterior inspection of the property was completed on the effective date. There are three methods of valuing real property. When the Client property is a single family dwelling and owner occupied, the subject will be valued by the Direct Sales Comparison Approach and the Cost Approach. The Income Approach would not be considered applicable in this instance. No registry or land titles office search has been performed and the property is assumed to have marketable title, free and clear of all encumbrances, including leases, unless otherwise noted. No inquiries have been made with local building controls department regarding work orders, building permits, etc. As this report has not been prepared for court or arbitration purposes, no information has been referenced to a primary source.

This report is only valid if it bears the original signature of the author.

REFERENCE:

**Subject Photos**

FILE NO: 13-0017N

<b>CLIENT</b>	CLIENT	.....	<b>APPRAISER</b>	APPRAISER	NEIL FADDIS
	ADDRESS:	.....		ADDRESS:	239 Pine Street
	PHONE:	.....		PHONE:	Sudbury, ON P2C 1X4
		FAX			(705) 675-7180
				FAX	(705) 675-7826

**Subject Front**

Sale Price  
 Livable Floor Area 1520 SqFt  
 Total Rooms 6  
 Total Bedrooms 3+  
 Total Bathrooms 2/  
 Site Size 192.67  
 Age E20

**Subject Rear****Subject Street**



REFERENCE:

**Subject Interior Photo Page 1-3**

FILE NO: 13-0017N

<b>CLIENT</b>	CLIENT	Dominion Lending Centres	<b>APPRAISER</b>	APPRAISER	NEIL FADDIS
	ADDRESS:			ADDRESS:	239 Pine Street
					Sudbury, ON P2C 1X4
	PHONE:	FAX		PHONE:	(705) 675-7180
				FAX:	(705) 675-7826

**Subject Interior**

Kitchen area - Upgraded 2012

Sale Price

Liveable Floor Area 1520 SqFt

Total Rooms 6

Total Bedrooms 3+

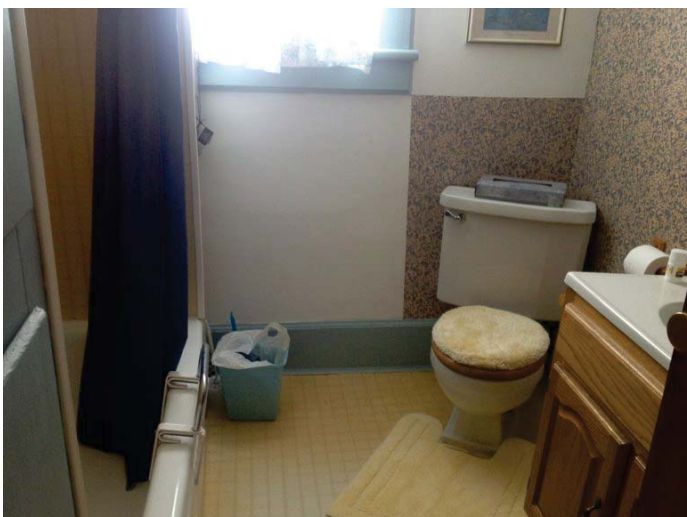
Total Bathrooms 2/

Site Size 192.67

Age E20

**Subject Interior**

Living room - Upgraded 2012

**Subject Interior**

2nd floor 4pc Bathroom

REFERENCE:

**Subject Interior Photo Page 4-6**

FILE NO: 13-0017N

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	FAX:			PHONE:	(705) 675-7180
				FAX:	(705) 675-7826

**Subject Interior**

2nd floor bedroom. Low door entry to room.

Sale Price

Liveable Floor Area 1520 SqFt

Total Rooms 6

Total Bedrooms 3+

Total Bathrooms 2/

Site Size 192.67

Age E20

**Subject Interior**

main floor utility area.

**Subject Interior**

Basement crawl space



REFERENCE:

**Comparable Photos 1-3**

FILE NO: 13-0017N

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				FAX:	(705) 675-7826

**Comparable 1**

35 BLAKE ST E

Sale Price  
 Liveable Floor Area  
 Total Rooms  
 Total Bedrooms  
 Total Bathrooms  
 Site Size  
 Age

**Comparable 2**

6087 HWY 542

Sale Price  
 Liveable Floor Area  
 Total Rooms  
 Total Bedrooms  
 Total Bathrooms  
 Site Size  
 Age

**Comparable 3**

284 HIGHWAY 542 A

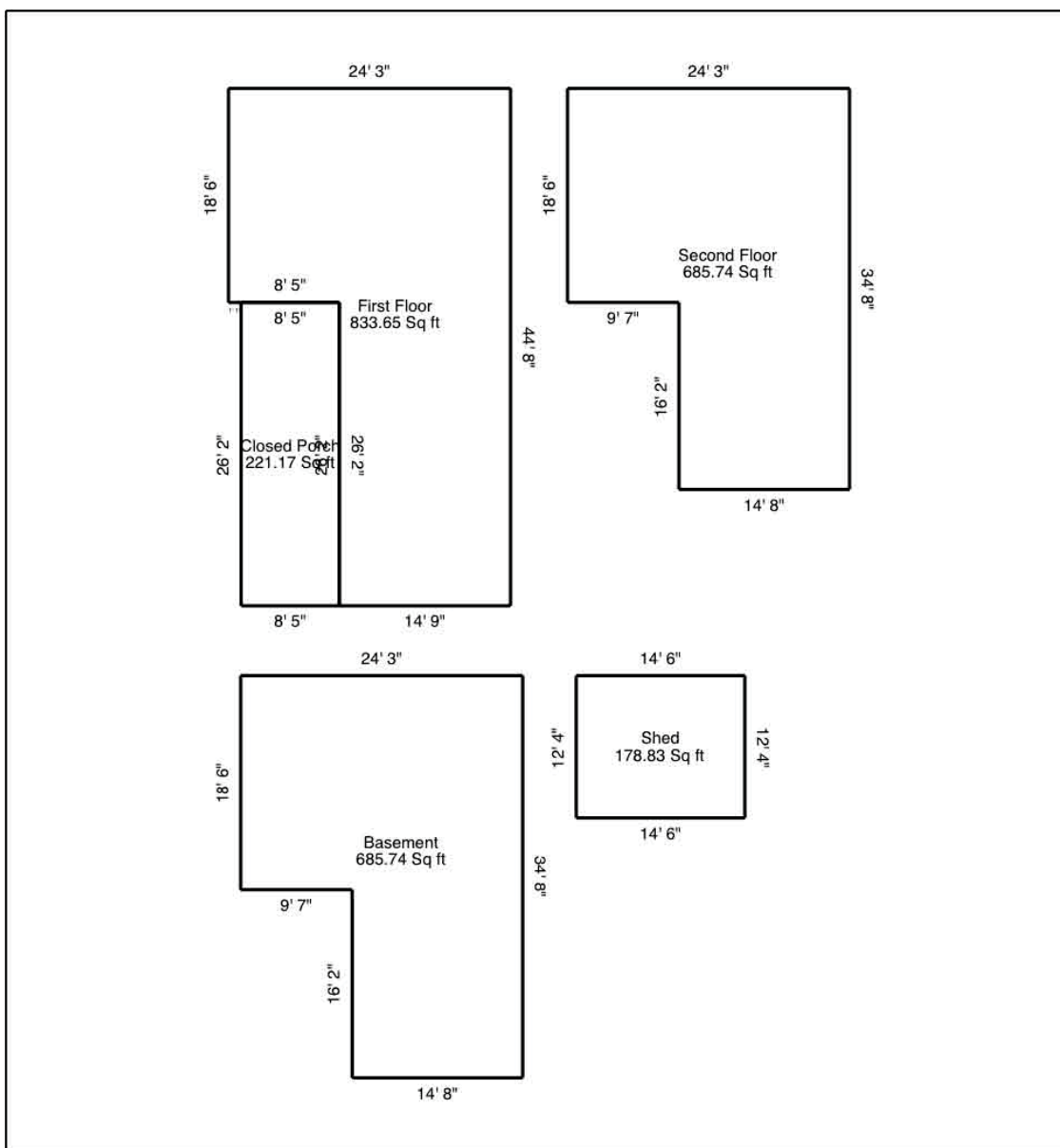
Sale Price  
 Liveable Floor Area  
 Total Rooms  
 Total Bedrooms  
 Total Bathrooms  
 Site Size  
 Age

REFERENCE:

**Building Sketch**

FILE NO: 13-0017N

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**Area Calculations Summary****Non-Living Areas**

221.17 Sq ft

221.17 Sq ft

685.74 Sq ft

685.74 Sq ft

178.83 Sq ft

178.83 Sq ft

**Total Non-Living Areas:****1085.74 Sq ft****Living Areas**

833.65 Sq ft

833.65 Sq ft

685.74 Sq ft

685.74 Sq ft

**Total Living Areas:****1519.39 Sq ft**



REFERENCE:

**Location Map**

FILE NO 13-0017N

<b>CLIENT</b>	CLIENT	Dominion Lending Centres	<b>APPRAISER</b>	APPRAISER	NEIL FADDIS
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