

APPRAISAL OF

LOCATED AT:

**Skyview Country Estates - Blackstrap
RM of Dundurn, SK S0K 1K0**

FOR:

Neil Ketilson

BORROWER:

N/A

AS OF:

December 1, 2010

BY:

Laura Pugh

RESIDENTIAL APPRAISAL REPORT

FILE NO.: 27564

REFERENCE:

CLIENT	CLIENT: Neil Ketilson	APPRAISER	APPRAISER: Laura Pugh
	ATTENTION:		COMPANY: Suncorp Valuations Ltd.
	ADDRESS: N/A		ADDRESS: 300 - 261 1st Avenue North Saskatoon, SK S7K 1X2
	E-MAIL: ketilson@shaw.ca		E-MAIL: residential@suncorpvaluations.com
	PHONE: 229-8976 FAX:		PHONE: 652-0311 FAX: 652-8373

SUBJECT	NAME: N/A		
	PROPERTY ADDRESS: Skyview Country Estates - Blackstrap	CITY: RM of Dundurn	PROVINCE: SK POSTAL CODE: S0K 1K0
	LEGAL DESCRIPTION: SW 23-32-4 W3rd -Lot 81		
	PURPOSE OF THE APPRAISAL: To estimate market value or <input checked="" type="checkbox"/> Other "As if Subdivided"		
	INTENDED USE OF THE APPRAISAL: Financing		
	INTENDED USERS (by name or type): Client Named Above		
	REQUESTED BY: <input checked="" type="checkbox"/> Client above <input type="checkbox"/> Other		
	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 n/a with an effective date of n/a File No. n/a		
	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: \$ <input type="checkbox"/> See comments		

NEIGHBOURHOOD	IS THIS 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: RM of Dundurn		
	ASSESSMENT: Land \$ N/A Imps \$ N/A Total \$ 0	Assessment Date: 2010	Taxes \$ N/A Year 2010
	EXISTING USE: Single Family Dwelling OCCUPIED BY: Owner		
	HIGHEST AND BEST USE OF SUBJECT PROPERTY: <input checked="" type="checkbox"/> As improved, or <input type="checkbox"/> Other <i>Note: If highest and best use is not the existing use, or not the use reflected in the report, see additional comments.</i>		
	NATURE OF DISTRICT: <input type="checkbox"/> Residential <input checked="" type="checkbox"/> Rural <input type="checkbox"/> Commercial <input type="checkbox"/> Industrial	AGE RANGE OF PROPERTIES: Varies to Rural years	
	TREND OF DISTRICT: <input type="checkbox"/> Improving <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Transition <input type="checkbox"/> Deteriorating	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	
	BUILT-UP: <input type="checkbox"/> Over 75% <input type="checkbox"/> 25 - 75% <input type="checkbox"/> Under 25% <input checked="" type="checkbox"/> Varies - Rural	PRICE TRENDS: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	
	CONFORMITY Age: <input type="checkbox"/> Newer <input type="checkbox"/> Similar <input type="checkbox"/> Older <input checked="" type="checkbox"/> Varies - Rural	PRICE RANGE OF PROPERTIES: \$ Varies to \$ Rural	
	Condition: <input type="checkbox"/> Superior <input type="checkbox"/> Similar <input type="checkbox"/> Inferior <input checked="" type="checkbox"/> Varies - Rural	Size: <input type="checkbox"/> Larger <input type="checkbox"/> Similar <input checked="" type="checkbox"/> Varies - Rural	

SUMMARY: INCLUDES VALUE TRENDS, MARKET APPEAL, PROXIMITY TO EMPLOYMENT AND AMENITIES, APPARENT ADVERSE INFLUENCES IN THE AREA, IF ANY (e.g. railroad tracks, unempt properties, major traffic arteries, hydro facilities, anticipated public or private improvements, commercial/industrial sites, landfill sites, etc.) **The RM of Dundurn is approximately 20 kilometres south of Saskatoon. Highway #11 is the main route of transportation through the area. The RM includes the resort area of Blackstrap, of which the subject is located in close proximity.**

SITE	SITE DIMENSION: .75 Acres	UTILITIES: <input type="checkbox"/> Telephone <input checked="" type="checkbox"/> Sanitary Sewer <input type="checkbox"/> Septic System <input checked="" type="checkbox"/> Municipal Water <input type="checkbox"/> Well
	SITE AREA: .75 Acres Source: Provided by Client	<input checked="" type="checkbox"/> Natural Gas <input type="checkbox"/> Storm Sewer <input checked="" type="checkbox"/> Open Ditch <input type="checkbox"/>
	TOPOGRAPHY: Slopes towards Blackstrap Lake	FEATURES: <input type="checkbox"/> Paved Road <input type="checkbox"/> Sidewalk <input type="checkbox"/> Street Lights <input checked="" type="checkbox"/> Gravel Road <input type="checkbox"/> Curbs
	CONFIGURATION: Irregular Rectangular	ELECTRICAL: <input type="checkbox"/> Overhead <input checked="" type="checkbox"/> Underground
	ZONING: N/A	DRIVEWAY: <input type="checkbox"/> Private <input type="checkbox"/> Mutual <input type="checkbox"/> None <input type="checkbox"/> Single <input type="checkbox"/> Double
	DOES EXISTING USE CONFORM TO ZONING? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO (see comments)	Surface: N/A-Bare Land
	EASEMENTS: <input type="checkbox"/> Utility <input type="checkbox"/> Access <input checked="" type="checkbox"/> Other None known	PARKING: <input type="checkbox"/> Garage <input type="checkbox"/> Carport <input type="checkbox"/> Driveway <input type="checkbox"/> Street N/A
		LANDSCAPING: <input type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor Snow Covered
		CURB APPEAL: <input type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor N/A

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, effect of assemblage, any known documentation of environmental contamination, etc.) **The site is located on the west side of Blackstrap Lake approximately 45 kilometres from the center of the City of Saskatoon and is directly off of Highway # 11. The site is located within Skyview Country Estates which is a new 126 lot subdivision. As per the client, the subdivision has been approved; however, the titles have not gone through. As the site was not marked at the time of inspection, the exact site could not be verified. The inspection was therefore used to get a general idea of the layout of the subdivision. All lots within the subdivision will have municipal water, electricity, natural gas and sewer. The subject will be a lake front property that is separated from the lake by a buffer of crown land.**

IMPROVEMENTS	CONSTRUCTION COMPLETE: N/A-Bare Land PERCENTAGE COMPLETE: N/A-Bare Land N/A-Bare Land	
	YEAR BUILT (estimated): N/A-Bare Land	REMAINING ECONOMIC LIFE (estimated): N/A-Bare Land years
	FLOOR AREA <input type="checkbox"/> Sq. M. <input checked="" type="checkbox"/> Sq. Ft.	BUILDING TYPE: N/A-Bare Land
	MAIN N/A-Bare Land	DESIGN/STYLE: N/A-Bare Land
	SECOND N/A-Bare Land	CONSTRUCTION: N/A-Bare Land
	THIRD N/A-Bare Land	BASEMENT: N/A-Bare Land
	FOURTH N/A-Bare Land	BASEMENT AREA: N/A <input type="checkbox"/> Sq. M. <input checked="" type="checkbox"/> Sq. Ft. N/A % Finished
	TOTAL N/A-Bare Land	WINDOWS: N/A-Bare Land
	Source: N/A-Bare Land	FOUNDATION WALLS: N/A-Bare Land
	BEDROOMS(##)	BATHROOMS(##)
	Interior Finish: Walls <input type="checkbox"/> Ceilings <input type="checkbox"/>	CLOSETS: <input type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor
	Large <input type="checkbox"/> 2-piece <input type="checkbox"/> Good	INSULATION: <input type="checkbox"/> Ceiling <input type="checkbox"/> Walls <input type="checkbox"/> Basement <input type="checkbox"/> Crawl Space
	Average <input type="checkbox"/> 3-piece <input type="checkbox"/> Average	Source: N/A-Bare Land
	Small <input type="checkbox"/> 4-piece <input type="checkbox"/> Fair	PLUMBING LINES: N/A-Bare Land
	5-piece <input type="checkbox"/> Poor	FLOOR PLAN: <input type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor
FLOORING: N/A-Bare Land	BUILT-INS/EXTRAS: <input type="checkbox"/> Garbage Disposal <input type="checkbox"/> Central Air <input type="checkbox"/> Swimming Pool <input type="checkbox"/> Fireplace(s)	
ELECTRICAL: <input type="checkbox"/> Fuses <input checked="" type="checkbox"/> Breakers N/A-Bare Land	<input type="checkbox"/> Oven <input type="checkbox"/> Air Cleaner <input type="checkbox"/> Sauna <input type="checkbox"/> Garage Opener <input type="checkbox"/> Dishwasher	
Estimated rated capacity of main panel: N/A-Bare Land amps	<input type="checkbox"/> Vacuum <input type="checkbox"/> Solarium <input type="checkbox"/> Security System <input type="checkbox"/> Stove <input type="checkbox"/> Whirlpool	
HEATING SYSTEM: N/A-Bare Land Fuel type: N/A-Bare Land	<input type="checkbox"/> Skylights <input type="checkbox"/> HR Ventilator <input type="checkbox"/> N/A-Bare Land	
WATER HEATER: Type: N/A-Bare Land	OVERALL IN. COND: <input type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
BASEMENT FINISHES, UTILITY: N/A-Bare Land		

GARAGES/CARPORTS: N/A-Bare Land DECKS, PATIOS, OTHER IMPROVEMENTS: N/A-Bare Land COMMENTS: (Building, appearance, quality, condition, services, extras, anticipated public or private improvements, etc.) N/A-Bare Land
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RESIDENTIAL APPRAISAL REPORT

REFERENCE:

FILE NO: 27564

LEVEL:	MAIN	SECOND	THIRD	BASEMENT	SOURCE OF COST DATA: <input type="checkbox"/> MANUAL <input type="checkbox"/> CONTRACTOR <input type="checkbox"/> OTHER N/A-Bare Land
ENTRANCE	N/A	Bare	Land		LAND VALUE: N/A-Bare Land \$
LIVING					BUILDING COST NEW DEPRECIATED COST
DINING					COST 0 @ \$ 0 \$
KITCHEN					GARAGE N/A-Bare Land \$ \$
FULL BATH					BASEMENT FINISH N/A-Bare Land \$ \$
PART BATH					OTHER EXTRAS N/A-Bare Land \$ \$
BEDROOM					N/A-Bare Land \$ \$
FAMILY					N/A-Bare Land \$ \$
LAUNDRY					N/A-Bare Land \$ \$
OTHER					N/A-Bare Land \$ \$
					N/A-Bare Land \$ \$
					TOTAL REPLACEMENT COST \$ 0
					LESS: ACCRUED DEPRECIATION % \$ 0 \$ 0
					INDICATED VALUE \$ 0
					VALUE BY THE COST APPROACH (rounded) \$ 0
TOTAL ROOMS					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	Description	\$ Adjustment
Skyview Country Estates - Blackstrap RM of Dundurn	Lot 15 Elkwood Country Estates RM of Dundurn		Lot 2, Block 3 Skyview Estates RM of Dundurn		Lot 9 Block 2 Pheasant Meadows Estates RM of Dundurn	
MLS	n/a		376139		Land Titles	335233
DATE OF SALE	n/a		08/28/2010		September 2008	07/22/2009
SALE PRICE	\$ n/a		\$ 110,000		\$ 140,000	\$ 140,000
DOM	n/a		44		N/A	113
LOCATION	Lake Front		No View/Nat Terrain	22,000	Lake View	14,000
SITE SIZE	.75 Acres		4.94 Acres	-12,500	1.32 Acres	4.94 Acres
BUILDING TYPE	N/A-Bare Land		N/A-Bare Land		N/A-Bare Land	N/A-Bare Land
DESIGN/STYLE	N/A-Bare Land		N/A-Bare Land		N/A-Bare Land	N/A-Bare Land
AGE/CONDITION	N/A ; N/A		N/A ; N/A		N/A ; N/A	N/A ; N/A
LIVABLE FLOOR AREA	0 Sq.Ft.		N/A-Bare Land		N/A-Bare Land	N/A-Bare Land
ROOM-COUNT	Total : Bdrms : Baths		Total : Bdrms : Baths		Total : Bdrms : Baths	Total : Bdrms : Baths
	N/A ; N/A ; N/A		N/A ; N/A ; N/A		N/A ; N/A ; N/A	N/A ; N/A ; N/A
BASEMENT	N/A-Bare Land		N/A-Bare Land		N/A-Bare Land	N/A-Bare Land
PARKING	N/A-Bare Land		N/A-Bare Land		N/A-Bare Land	N/A-Bare Land
Extras	N/A-Bare Land		N/A-Bare Land		N/A-Bare Land	N/A-Bare Land
Services	Municipal H2O		Similar		Similar	Similar
	Nat Gas					
ADJUSTMENTS (Gross/Net)			31.4% 8.6% \$ 9,500		10.0% 10.0% \$ 14,000	23.9% 6.1% \$ 8,500
ADJUSTED VALUES			\$ 119,500		\$ 154,000	\$ 148,500

CONCLUSIONS: See Attached Addendum

SALES HISTORY - ANALYSIS OF KNOWN CURRENT AGREEMENTS FOR SALE, PRIOR SALES, OPTIONS, LISTINGS OR MARKETING OF THE SUBJECT: (minimum of three years)
 Subject has not been listed or sold on the MLS over the past 3 years. The subject is listed for sale on the Skyview Country Estates website for \$165,000. The title is currently held in the name of Skyview Country Estates under title number 134665005. A complete title search was not conducted, only the preliminary search information was reviewed on ISC (the Saskatchewan Land Titles System).

VALUE BY THE DIRECT COMPARISON APPROACH (rounded): \$ 150,000 "As if Subdivided"

COMMENT ON REASONABLE EXPOSURE TIME: Due to the limited market which acreages appeal to an exposure time of over 90 days may be required with proper pricing and promotion. Most weight on the Direct Comparison Approach.

RECONCILIATION AND FINAL ESTIMATE OF VALUE: Most weight is placed on the Direct Comparison Approach, rather than the Cost Approach. The Direct Comparison Approach is felt to more reasonably reflect the recent market activity. The Cost Approach, while supportive of the estimate by Direct Comparison, does not reflect the same type of decision making process that purchasers use in making decisions. The Direct Comparison Approach is a much closer reflection of the processes used in deciding what to pay in any given circumstance.

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 December 1, 2010 (Effective Date of the Appraisal) IS \$ 150,000 "As if Subdivided"

THIS REPORT WAS COMPLETED ON: December 7, 2010

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.

The scope of the appraisal encompasses the due diligence undertaken by the appraiser (consistent with the terms of reference from the client, the purpose and intended use of the report) and the necessary research and analysis to prepare a report in accordance with the Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada. The following comments describe the extent of the process of collecting, confirming and reporting data and its analysis, describe relevant procedures and reasoning details supporting the analysis, and provide the reason for the exclusion of any usual valuation procedures.

See Attached Addendum

ORDINARY ASSUMPTIONS & LIMITING CONDITIONS

The certification that appears in this appraisal report is subject to the following conditions:

- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- Written consent from the author and supervisory appraiser, if applicable, must be obtained before any part of the appraisal report can be used for any purpose by anyone except the client and other intended users identified in the report. Where the client is the mortgagee, liability is extended to its insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee. Written consent and approval must also be obtained before the appraisal (or any part of it) can be altered or conveyed to other parties, including mortgagees (other than the client) and the public through prospectus, offering memoranda, advertising, public relations, news, sales or other media.
- If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.

Other: **See Attached Addendum**

EXTRAORDINARY ASSUMPTIONS & LIMITING CONDITIONS

An extraordinary assumption or limiting condition has been invoked in this appraisal report. YES NO If yes, see attached addendum.

HYPOTHETICAL CONDITIONS

A hypothetical condition has been invoked in this appraisal report. YES NO If yes, see attached addendum.

JURISDICTIONAL EXCEPTION

A jurisdictional exception has been invoked in this appraisal report. YES NO If yes, see attached addendum.

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

- The statements of fact contained in this report are true and correct.
- 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.
- 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.
- 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.
- My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice.
- 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.
- The Appraisal Institute of Canada has a mandatory Continuing Professional Development Program for all members. As at the date of this report, the requirements of this program have been fulfilled.

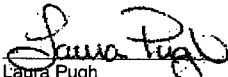
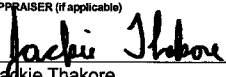
SUPERVISORY APPRAISER'S CERTIFICATION If a supervisory appraiser has signed this appraisal report, he or she certifies and agrees that "I directly supervised the appraiser who prepared this appraisal report and, having reviewed the report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certification and am taking full responsibility for the appraisal and the appraisal report."

PROPERTY IDENTIFICATION

ADDRESS: **Skyview Country Estates - Blackstrap** CITY: **RM of Dundurn** PROVINCE: **SK** POSTAL CODE: **S0K 1K0**

LEGAL DESCRIPTION: **SW 23-32-4 W3rd -Lot 81**

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 **December 1, 2010** (Effective Date of the Appraisal) IS \$ **150,000 "As if Subdivided"**

<p>APPRAISER</p> <p>SIGNATURE: </p> <p>NAME: Laura Pugh</p> <p>DESIGNATION: N/A - Candidate Member</p> <p>DATE SIGNED: December 7, 2010</p> <p>DATE OF INSPECTION: December 1, 2010</p> <p>LICENSE INFO: (where applicable)</p> <p>NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.</p>	<p>SUPERVISORY APPRAISER (if applicable)</p> <p>SIGNATURE: </p> <p>NAME: Jackie Thakore</p> <p>DESIGNATION: AACI</p> <p>DATE SIGNED: December 7, 2010</p> <p>DATE OF INSPECTION: N/A</p> <p>LICENSE INFO: (where applicable)</p> <p>NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.</p>
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ATTACHMENTS:

ADDITIONAL SALES EXTRAORDINARY ITEMS ADDENDUM NARRATIVE ADDENDUM PHOTO ADDENDUM SKETCH ADDENDUM

MAP ADDENDUM

RESIDENTIAL APPRAISAL REPORT

FILE NO.: 27564

REFERENCE:

CLIENT	CLIENT: Neil Ketilson	APPRAISER	APPRAISER: Laura Pugh
	ATTENTION:		COMPANY: Suncorp Valuations Ltd.
	ADDRESS: N/A		ADDRESS: 300 - 261 1st Avenue North
	E-MAIL: ketilson@shaw.ca		Saskatoon, SK S7K 1X2
	PHONE: 229-8976		FAX: 652-8373

EXTRAORDINARY ASSUMPTIONS & LIMITING CONDITIONS

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

The legality of subdividing the subject as a .75 acre residential site and leaving the balance of the land on a separate parcel of land has not been investigated. As per the client, the subdivision has been approved and that is assumed to be accurate. The hypothetical condition described below is applied strictly to satisfy the lender's underwriting requirements.

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.

Subject is being appraised as a .75 acre parcel, as per client's request. Legal and assessment/taxes are part of a 52.34 acre parcel. Treating the subject as only .75 acres represents an extraordinary assumption, resulting in the appraisal of a fractional interest, rather than the market value of the entire property. The estimate of value is presented for lending/underwriting purposes. The value of the property (particularly the land asset) does not contribute pro-rata to the whole.

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.

EXTRAORDINARY ITEMS ADDENDUM

RESIDENTIAL APPRAISAL REPORT

SUBJECT	COMPARABLE NO. 4			COMPARABLE NO. 5		COMPARABLE NO. 6	
	Description	\$ Adjustment		Description	\$ Adjustment	Description	\$ Adjustment
Skyview Country Estates - Blackstrap RM of Dundurn	Lot 4 Skyview Country Estates RM of Dundurn			Lot 76 Skyview Country Estates RM of Dundurn			
MLS	n/a	371900		371896			
DATE OF SALE	n/a	OPEN	-8,400	OPEN	-9,900		
SALE PRICE	\$ n/a	\$ 140,000		\$ 165,000	\$		
DOM	n/a	Since 06/04/2010		Since 06/04/2010			
LOCATION	Lake Front	Lake View	14,000	Lake Front			
SITE SIZE	.75 Acres	.81 Acres		.75 Acres			
BUILDING TYPE	N/A-Bare Land	N/A-Bare Land		N/A-Bare Land			
DESIGN/STYLE	N/A-Bare Land	N/A-Bare Land		N/A-Bare Land			
AGE/CONDITION	N/A ; N/A	N/A ; N/A		N/A ; N/A			
LIVEABLE FLOOR AREA	0 Sq.Ft.	N/A-Bare Land		N/A-Bare Land			
ROOM-COUNT	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
	N/A ; N/A ; N/A	N/A ; N/A ; N/A		N/A ; N/A ; N/A			
BASEMENT	N/A-Bare Land	N/A-Bare Land		N/A-Bare Land			
PARKING	N/A-Bare Land	N/A-Bare Land		N/A-Bare Land			
Extras	N/A-Bare Land	N/A-Bare Land		N/A-Bare Land			
Services	Municipal H2O	Similar		Similar			
	Nat Gas						
ADJUSTMENTS (Gross/Net)		16.0 % 4.0 % \$ 5,600		6.0 % -6.0 % \$ 9,900		% % \$	
ADJUSTED VALUES		\$ 145,600		\$ 155,100	\$		
CONCLUSIONS:							
<div style="writing-mode: vertical-rl; transform: rotate(180deg); position: absolute; left: -50px; top: 50%; font-weight: bold;">DIRECT COMPARISON APPROACH</div>							

ADDENDUM

Borrower: N/A	File No.: 27564	
Property Address: Skyview Country Estates - Blackstrap	Case No.:	
City: RM of Dundurn	Province: SK	Postal Code: S0K 1K0
Lender: Neil Ketilson		

Direct Comparison Approach Conclusions

All comparables are located within subdivisions in the RM of Dundurn. Comparables 2 and 4 were adjusted up for only being lake view properties. Comparables 1 and 3 were adjusted up for not having a lake view. Comparable 3's adjustment is slightly less due to the more park-like atmosphere of the subdivision. Comparable 2's sale price was obtained from Land Titles and is assumed to be a reliable resource for sales information. Comparables 4 and 5 are listings and given the large number of newer subdivisions around the Blackstrap Lake area and in the RM of Dundurn, it is reasonable to assume that the anticipated selling prices of these lots will be lower than the asking price and therefore, are adjusted for a list-to-sell factor.

A representative from Sunterra Ridge was contacted for sales information. As per the contact, the lots have similar services to the subject with the exception of having high pressure municipal water in place of a low pressure system which is superior to the subject. Lot sales are priced between \$75,000 to \$155,000. The lower range having no view of the lake and the upper end backing the golf course and having a view of the lake. On average, the lots in this subdivision appear to be slightly smaller.

A prior representative for Midnight Sun Estates was contacted for sales information. A typical range of \$119,000 to \$139,000 was indicated for lots in this subdivision, depending on their proximity to the lake. Lots in this subdivision are typically larger than the subject's subdivision.

Based on the high number of lots available around the Blackstrap Lake area and in the RM of Dundurn in general, a mid to upper end range value is determined.

The value presented in this report is a market value and is what the subject should typically sell for. It is recommended that it is listed above the market value. A typical list-to-sell ratio for properties in the area is 6-8%.

Scope of Appraisal

The property was inspected as per the date on the Certification Statement. The photos appended were taken at the time of inspection. Information was obtained from the RM of Dundurn, a representative from Skyview Country Estates and ISC including legal description, taxable assessment, tax levy, mapping information, and information on applicable land use controls for the property. Construction costs were obtained from local contractors. Sales data was obtained from the Multiple Listing Service of the Saskatoon Real Estate Board, ISC Land Titles and previous files on the subject and similar type properties and are assumed to be accurate reflections of market values. Technical investigations such as: detailed inspections or engineering review of the structure, roof, or mechanical systems; an environmental review of the property; a site or building survey; investigations into the bearing qualities of the soils or audits of financial and legal arrangements concerning the leases (if any) were not undertaken. Unless otherwise stated, information supplied by the client was accepted as presented.

Additional Assumptions and Limiting Conditions

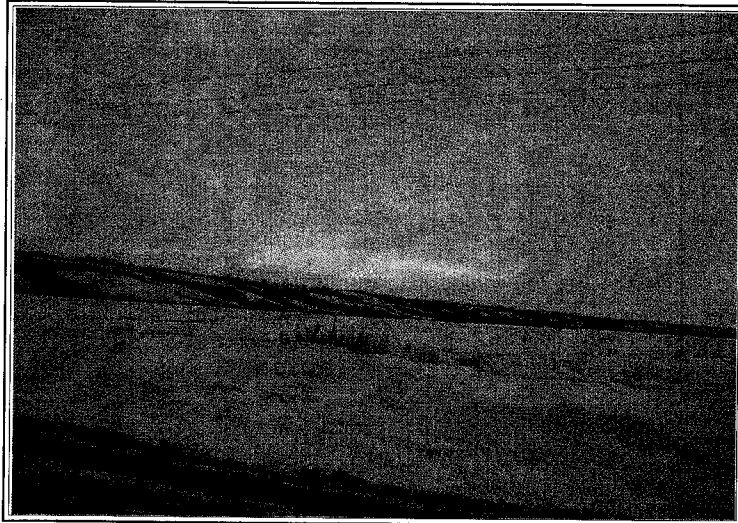
The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of 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 property appraised.

The appraiser assumes no responsibility for any loans made on the appraisal property where the borrower lacks the ability or motivation to repay the loan, or where a lender has not followed prudent lending practices. The appraisal assignment is completed on the basis of a lender completing a thorough due diligence investigation that reasonably concludes that the applicant/borrower has the capacity and intention to repay the loan. This appraisal report must not be viewed as the sole comfort for any loan extended on the appraisal property. The report is only a part of a process employed by a prudent lender directed at protecting the source of the mortgage funds.

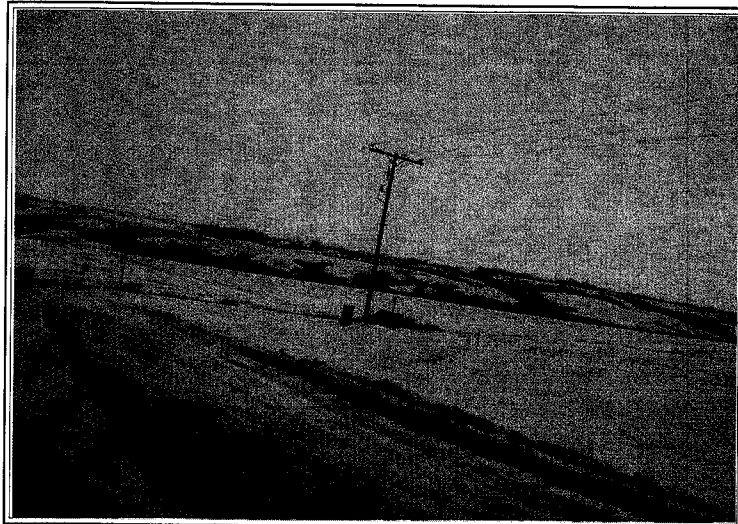
Borrower: N/A	File No.: 27564
Property Address: Skyview Country Estates - Blackstrap	Case No.:
City: RM of Dundum	Prov.: SK P.C.: S0K 1K0
Lender: Neil Ketilson	



Photos of Subdivision Area



Photos of Subdivision Area



Photos of Subdivision Area