



BRITISH COLUMBIA
 COMMISSIONER FOR TAKING AFFIDAVITS
 1000 WEST BROADWAY, SUITE 1000
 VANCOUVER, B.C. V6P 3E1
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BY E-MAIL

Monday, December 6, 2010

0847566 B.C. Ltd.
 0802508 B.C. Ltd.
 50 East Cordova Holdings Ltd.
 0766996 B.C. Ltd.
 Mrs. Viola Helen Wolsey
 Mr. George Wolsey
 0847569 B.C. Ltd.
 0847571 B.C. Ltd.
 0610650 B.C. Ltd.
 0766986 B.C. Ltd.
 Delivery Drugs Ltd.

c/o George and Viola Wolsey
 Email: violaw2@shaw.ca

This is Exhibit "A" referred to in the
 affidavit of Alexander Hayne
 made before me on October 3, 2011.
 Commissioner for taking Affidavits
 for British Columbia

Dear Sirs/Madams:

\$2,500,000 MORTGAGE COMMITMENT LETTER




Bankers Mortgage Corporation doing business as InstaFund Financial (Commercial) (referred to herein as "InstaFund") is pleased to present you with a commitment to provide a Loan with terms and conditions described below (the "Loan"). Funding of the Loan is subject to the successful offering of the Loan as a syndicated mortgage investment to private mortgage investor(s). This \$2,500,000 Mortgage Commitment Letter (referred to herein as the "Mortgage Commitment Letter") is not valid until signed by InstaFund where indicated on page 16 below.

1. LOAN PROGRAMME:

West Hastings Property

- a) 0847566 B.C. Ltd. and 0802508 B.C. Ltd. are the registered and beneficial owners, respectively, of a three-storey rooming house/hotel with full basement that provides ground floor pub facilities plus 32 sleeping rooms on the 2nd and 3rd floors comprising of a total net rentable building area of approx. 13,000 sq.ft. located at 35 - 37 West Hastings Street, Vancouver, B.C. and as further described in the Appraisal Report dated September 15, 2010 prepared by Cushman & Wakefield LePage, Inc. (referred to herein as the "West Hastings Property").

Initials of all Parties:

- b) The main floor pub facilities of the West Hastings Property are currently operating as the "Funky Winkerbeans Pub" - a 189-seat pub operating under the Liquor Primary License No. 004540 issued to 0847569 B.C. Ltd. with 3rd Party Operator, 0847571 B.C. Ltd.
- c) The 2nd and 3rd floors of the West Hastings Property are currently operating as the "Palace Hotel" - a 32-room Single Room Occupancy ("SRO") Rooming House.

East Cordova Property

- d) 50 East Cordova Holdings Ltd. and 0766996 B.C. Ltd. are the registered and beneficial owners, respectively, of a four-storey rooming house/hotel with full basement that provides ground floor commercial space plus 37 sleeping rooms on the 2nd, 3rd and 4th floors located at 50 - 52 East Cordova Street, Vancouver, B.C. and as further described in the Appraisal Report dated September 15, 2010 prepared by Cushman & Wakefield LePage, Inc. (referred to herein as the "East Cordova Property").
- e) The ground floor commercial space of the East Cordova Property is currently vacant.
- f) The 2nd, 3rd and 4th floors of the East Cordova Property are currently operating as the "Wonder Rooms Rooming House" - a 37-room SRO Rooming House.

Langley House, Chilliwack House and Richmond Condominium

- g) Mrs. Viola Helen Wolsey is the registered and beneficial owner of the following properties:
 - i) 303 sq. meter house located on 4.62 acre lot located at 21017 36th Ave., Langley, B.C. and as further described in Appraisal Report dated October 25, 2010 prepared by Bakerview Realty Appraisers (referred to herein as the "Langley House").
 - ii) 108 sq. meter house located on 778 sq. meter lot located at 46537 Mayfair Ave., Chilliwack, B.C. and as further described in Appraisal Report dated December 15, 2008 prepared by Bakerview Realty Appraisers (referred to herein as the "Chilliwack House").
 - iii) 61 sq. meter residential strata-titled condominium unit located at #212-8231 Granville Ave., Richmond, B.C. and as further described in Appraisal Report dated December 6, 2008 prepared by Bakerview Realty Appraisers (referred to herein as the "Richmond Condominium")
- h) Together, the West Hastings Property, the East Cordova Property, the Langley House, the Chilliwack House, and the Richmond Condominium are referred to as the "Secured Property".

Initials of all Parties:

- i) The Borrower(s) and Covenantor(s) have applied to InstaFund for a \$2,500,000 Mortgage Loan to refinance the Secured Property and for other Lender-approved purposes as outlined below.

The following Sources and Uses of Funds budget has been prepared by InstaFund based on information provided by the Borrower(s) and Covenantor(s), and in some cases, based on estimates. All figures are subject to change.

Uses of Funds

Repay existing IMOR Capital Corp. mortgage (estimate)	\$ 1,900,000
Repay existing Cooper Pacific mortgage (estimate)	\$ 375,000
Repay existing Silken Management mortgage (estimate)	\$ 520,000
\$2,500,000 Mortgage Commitment Fee (3.00% of Loan Amount)	\$ 75,000
\$2,500,000 Mortgage Asset Monitor Fee (1.00% of Loan Amount)	\$ 25,000
\$2,500,000 Mortgage Collateral Reserve	\$ 50,000
\$600,000 Mortgage Commitment Fee (4.00% of Loan Amount)	\$ 24,000
\$600,000 Mortgage Asset Monitor Fee (3.00% of Loan Amount)	\$ 18,000
\$600,000 Mortgage Collateral Reserve	\$ 12,000
Lender's Legal Fees (estimate)	\$ 18,000
Funds to be placed in \$2.5M Mortgage Cost Trust Account	\$ 115,000
EQUALS: Total Uses of Funds	\$ 3,132,000

Sources of Funds

IMOR Capital Corp. \$2,500,000 Mortgage Loan	\$ 2,500,000
IMOR Capital Corp. \$600,000 Mortgage Loan	\$ 600,000
Funds required by Borrower(s) (estimate)	\$ 32,000
EQUALS: Total Sources of Funds	\$ 3,132,000

- Note 1: All figures listed in "Uses of Funds", above, are subject to verification and approval by the Lender and/or its solicitor.
- Note 2: At the option of the Lender, Loan proceeds will be controlled and/or disbursed by the Lender or its solicitor for the purposes outlined above or for other Lender-approved purposes.
- Note 3: Any shortfall of funds to complete the refinancing of the Secured Property is the responsibility of the Borrower(s) and Covenantor(s).

- j) This Mortgage Commitment Letter assumes that details of the Secured Property are as reported to InstaFund by the Borrower(s) and Covenantor(s) and as outlined in the Appraisal Report(s) provided to InstaFund by the Borrower(s) and Covenantor(s).
- k) The Borrower(s) and Covenantor(s) are responsible to satisfy all Loan funding conditions prior to the Loan advance. Upon satisfaction of all Loan funding conditions, the full Loan Amount will be advanced to the Borrower(s) in a single advance.
- l) The Borrower(s) and Covenantor(s) are responsible to keep the Loan and all other mortgage(s) registered against each of the Secured Property(s) in good standing while the Loan remains outstanding and to repay the Loan in full on or before the Loan Maturity Date.

Initials of all Parties:

2. MORTGAGEE(S) / LENDER(S):

Name: **IMOR Capital Corp.** in trust for private mortgage investors,
and/or nominee
Address: **#220 - 1040 W. Georgia St., Vancouver, B.C. V6E 4H1**
Telephone: **(604) 687-2020**

3. MORTGAGOR(S) / BORROWER(S):

Name: **0847566 B.C. Ltd.**
Relationship: **The registered owner of the West Hastings Property**

Name: **0802508 B.C. Ltd.**
Relationship: **The beneficial owner of the West Hastings Property**

Name: **50 East Cordova Holdings Ltd.**
Relationship: **The registered owner of the East Cordova Property**

Name: **0766996 B.C. Ltd.**
Relationship: **The beneficial owner of the East Cordova Property**

Name: **Viola Helen Wolsey**
Relationship: **The registered and beneficial owner of the Langley House,
the Chilliwack House and the Richmond Condominium.**
Address: **21017 36th Avenue, Langley, B.C. V3A 8N5**

4. COVENANTOR(S):

Name: **0847569 B.C. Ltd.**
Relationship: **Owner of Liquor Primary Licence 004540**

Name: **0847571 B.C. Ltd.**
Relationship: **3rd Party Operator of Liquor Primary Licence 004540,
Operator of Funky Winkerbeans Pub**

Name: **0766986 B.C. Ltd.**
Relationship: **Pharmaceutical Company owned by Viola Wolsey**

Name: **Delivery Drugs Ltd.**
Relationship: **Pharmaceutical Company owned by Viola Wolsey**

Name: **0610650 B.C. Ltd.**
Relationship: **Pharmaceutical Company owned by Viola Wolsey**

Name: **George Wolsey**
Relationship: **Spouse of Viola Wolsey.**
Address: **21017 36th Avenue, Langley, B.C. V3A 8N5**

Initials of all Parties:







5. SECURED PROPERTY:

West Hastings Property

Municipal Address: 35 – 37 West Hastings Street, Vancouver, B.C.
Legal Description: Lot A of Lots 13 to 15, Block 3, Old Granville Townsite, Plan 1193
PID: 014-879-697

East Cordova Property

Municipal Address: 50 – 52 East Cordova Street, Vancouver, B.C.
Legal Description: Lot 11, Block 8, District Lot 196, Plan 184
PID: 012-633-861

Langley House

Municipal Address: 21017 – 36th Avenue, Langley, B.C.
Legal Description: Lot 1, Section 25, Township 7, New Westminster District Plan 72363
PID: 004-750-039

Chilliwack House

Municipal Address: 46537 Mayfair Avenue, Chilliwack, B.C.
Legal Description: Lot 36 Except: The Easterly 3 feet having a frontage of 3 feet on Mayfair Avenue by full depth of said lot and adjoining Lot 35; Division "J" New Westminster District Plan 8777
PID: 011-350-270

Richmond Condominium

Municipal Address: #212 – 8231 Granville, Avenue, Richmond, B.C.
Legal Description: Strata Lot 97, Section 9, Block 4, North Range 6 West, New Westminster District Strata Plan NW2095 Together with an interest in the common property in proportion to the unit entitlement of the Strata Lot as shown on Form 1.
PID: 002-300-354

6. LOAN FUNDING DATE:

At the sole discretion of InstaFund, the Loan Funding date will occur between Thursday, December 16, 2010 and Tuesday, December 21, 2010.

The Borrower(s) and/or Covenantor(s) acknowledge that interest on the initial Loan Advance shall accrue from the earlier of December 21, 2010 or the date funds are provided by the Lender to the Lender's solicitor, whether or not the Borrower(s) are in a position to draw funds in accordance with the terms and conditions of this Mortgage Commitment Letter.

Initials of all Parties:

7. PAYMENT PROVISIONS:

Loan Amount: \$2,500,000.00
 Loan Term: 13 months from Interest Adjustment Date
 Amortization Period: Interest only
 Interest Rate: Until December 31, 2011
 Canadian Bank Prime Rate + 9.00% per annum,
 minimum 12.00% per annum, calculated monthly
Commencing January 1, 2012
 Canadian Bank Prime Rate + 15.00% per annum,
 minimum 18.00% per annum, calculated monthly.
 Interest Adjustment Date: January 1, 2011
 Interest Calculation Period: Monthly
 Payment Dates: First of month.
 First Payment Date: February 1, 2011
 Periodic Payment Amounts: \$25,000.00 per month (see note below)
 Last Payment Date: February 1, 2012
 Assignment of Rents: Yes
 Place of Payment: Above postal address of Mortgagee
 Balance Due Date: February 1, 2012

NOTE: Notwithstanding that the Borrower(s) will make monthly interest payments of \$25,000.00 per month, the Lender will allow unpaid interest, compounded monthly, to accrue to the principal of the Loan subject to the following:

- a) Loan to be maintained up-to-date and to be in good standing during the term of Loan.
- b) No event of default of the Loan to have occurred during the term of Loan.

8. COLLATERAL RESERVE:

The Borrower(s) will assign \$50,000.00 to the Lender from the initial advance of Loan as a Collateral Reserve which, upon the occurrence of an event of default of the Loan, may be used by the Lender, at its sole discretion, to maintain monthly Loan interest, to pay for any costs to enforce the terms of the Loan, to reduce the Principal Loan Balance and/or to realize on the Loan Security.

Upon payout of the Loan in full, any unused amounts in the Collateral Reserve Account will be returned to the Borrower(s) subject to minimum interest provisions of the Loan outlined in Section 11., below.

9. INTEREST RESERVE:

None. 100% of the monthly interest payments will be made from the Borrower(s) and/or Covenantor(s) financial resources.

10. MORTGAGE TERMS: To be determined by Lender's Solicitor

Initials of all Parties:




11. EARLY REPAYMENT TERMS:

The Loan may be repaid in full prior to the balance due date, according to the following terms:

- a) The Loan is closed until March 31, 2011.
- b) If the Loan is repaid in full between April 1, 2011 and June 30, 2011, a prepayment penalty of \$25,000 will be payable to InstaFund.
- c) After June 30, 2011, the Loan is open for repayment in full without penalty.

12. BUILDING IMPROVEMENT COST TRUST ACCOUNT:

The Borrower(s) will assign \$115,000 to the Lender from the funding of the Loan to be placed in a Building Improvement Cost Trust Account to be used to pay for Lender-approved costs in connection with building improvements, including tenant improvements, to the West Hastings Property and/or East Cordova Property. At the option of the Lender, draws from the Building Improvement Cost Trust Account will be released upon the satisfaction of the following conditions:

- a) Building improvement cost budget(s) to be reviewed and approved by the Lender and/or its appointed cost consultant.
- b) Advances from the Building Improvement Cost Trust Account will be made on a "cost-in-place" and "cost-to-complete" basis as determined by the Lender and/or its appointed cost consultant.
- c) At the option of the Lender, draws from the Building Improvement Cost Trust Account may be controlled by the Lender and paid directly to any sub-trades or sub-contractors.
- d) There must always be sufficient un-advanced funds in the Building Improvement Cost Trust Account to complete any building improvements and/or tenant improvements to the West Hastings Property and/or East Cordova Property.
- e) Construction of any building improvements, including tenant improvements, to the West Hastings Property and/or East Cordova Property must be performed by a qualified contractor.
- f) Cost overruns, if any, are the responsibility of the Borrower(s) and Covenantor(s).
- g) Upon the occurrence of an event of default of the Loan, any funds remaining in the Building Improvement Cost Trust Account may be used by the Lender at its sole discretion, to maintain monthly Loan interest, to pay for any costs to enforce the terms of the Loan, to reduce the Principal Loan Balance and/or to realize on the Loan Security

13. ADDITIONAL OR MODIFIED TERMS:

- a) \$500.00 charge for non-negotiable cheques, per occurrence.
- b) \$500.00 late payment fee, per occurrence.
- c) \$500.00 administration fee for each signature provided by InstaFund or the Lender relating to the Loan or the Loan Security. This fee also applies to any partial mortgage discharge(s), per title to be discharged.
- d) \$500.00 per hour (or portion thereof) working fee for each occasion InstaFund or the Lender performs work in connection with Loan. This working fee will not be applicable unless the Loan is in default or otherwise requires special attention outside the normal administration of a mortgage loan in good-standing.

Initials of all Parties:





- e) This Mortgage Commitment Letter and the Loan are not assumable.
- f) Mortgage documents will be drawn by the Lender's solicitor using the Lender's specified forms.
- g) Costs of all documentation, registration, discharges, insurance and taxes, etc. pertaining to the Loan and the Loan Security are the responsibility of the Borrower(s).
- h) The principals of the Borrowing Company will postpone any shareholder loans to the Lender.
- i) The Secured Property may not be further encumbered without the written consent of the Lender.
- j) Notice of registration of the mortgage security subject to Section 28 of the Property Law Act to be provided to prior mortgagees as outlined in Section 14. below.
- k) 2010 property taxes and utilities for the Secured Property are to be paid at the time of the initial Loan advance. All future property taxes and utilities for the Secured Property are to be paid when due and maintained up to date.

13.1 SPECIAL LOAN TERMS – COMPLETION, TENANCY AND OCCUPANCY:

The Borrower(s) and Covenantor(s) covenant and agree as follows:

- a) On or before March, 1, 2011, the Lender to receive confirmation that the West Hastings Property and the East Cordova Property are in compliance with government regulations and that there are no outstanding work orders.
- b) Commencing April 1, 2011, not less than 30 of the 32 SRO rooms located within the West Hastings Property will be leased and occupied by tenants paying market rent at or above \$425/room per month, on an aggregate average basis.
- c) Commencing April 1, 2011, not less than 35 of the 37 SRO rooms located within the East Cordova Property will be leased and occupied by tenants paying market rent at or above \$425/room per month, on an aggregate average basis.
- d) On or before October 1, 2011, the ground floor commercial space of the East Cordova Property will be fully leased and occupied by a Lender-approved tenant paying market rent as determined by the Lender and/or a Lender-approved appraiser.

Failure to comply with items a), b), c) or d) listed in above will be an event of default of the Loan.




13.2 SPECIAL LOAN TERMS – ASSET MONITOR FEE:

The Lender will appoint an Asset Monitor for the duration of the Loan. Unless otherwise specified by the Lender, InstaFund will be the Lender's Asset Monitor.

Responsibilities of the Asset Monitor include, but are not limited to, the following:

- a) To review the Building Improvement Cost Budget(s) and progress draws from the Building Improvement Cost Trust Account in connection with any building improvements including tenant improvements to the West Hastings Property and/or East Cordova Property.
- b) To review monthly income and expense reporting of the West Hastings Property and the East Cordova Property.

Initials of all Parties:

- c) To review monthly residential rents rolls for the West Hastings Property and East Cordova Property.
- d) To review compliance with the terms of this Mortgage Commitment Letter.
- e) To perform other duties as specified by the Lender related to Asset Monitoring of the Secured Property.

Borrower(s) and Lender are to establish monthly reporting procedures acceptable to the Lender. The Lender will receive monthly income and expense reporting in accordance with the Uniform System of Accounts in Excel format.

A non-refundable Asset Monitor Fee will be \$25,000 for the term of the Loan.

14. PERMISSIBLE PRIOR ENCUMBRANCES:

The Lender will consent to the following prior financial encumbrances:

West Hastings Property

None.

East Cordova Property

First Mortgage and Assignment of Rents registered under numbers BB508748 and BB508749 in favour of Peoples Trust Company with a principal balance not to exceed \$950,000 at an interest rate not to exceed 7.00% per annum.

Langley House

First Mortgage registered under number BB264474 in favour of Coast Capital Savings with a principal balance not to exceed \$740,000 at an interest rate not to exceed Canadian Bank Prime Rate + 2.00% per annum.

Chilliwack House

First Mortgage and Assignment of Rents registered under numbers CA503893 and CA503894 in favour of Coast Capital Savings with a principal balance not to exceed \$170,000 at an interest rate not to exceed 6.00% per annum.

Richmond Condominium

First Mortgage registered under number CA644441 in favour of TD Bank with a principal balance not to exceed \$95,000 at an interest rate not to exceed Canadian Bank Prime + 0.75% per annum.

15. PERMISSIBLE SUBSEQUENT ENCUMBRANCES:

Secured Property

Mortgage in favour of IMOR Capital Corp. with a maximum outstanding balance of not more than \$600,000 at an interest rate not to exceed Canadian Bank Prime + 24.00% per annum.

Initials of all Parties:

16. PARTIAL DISCHARGE PROVISION(S):

Chilliwack Property ONLY

The Lender will execute a partial discharge of the IMOR Capital Corp. Second Mortgage registered over the Chilliwack Property ONLY providing that the partial discharge is used to effect a sale of the Chilliwack Property in accordance with conditions a) through e), below:

- a) Loan payments to be up-to-date and Loan to be otherwise in good standing; and
- b) 100% of net sales proceeds to be paid, firstly, to reduce the First Mortgage registered over the Chilliwack Property, and, secondly, to reduce the IMOR Capital Corp. Second Mortgage; and
- c) Chilliwack Property selling price to be not less than 95% of the appraised value as indicated in the Appraisal Report dated December 15, 2008 prepared by Bakerview Realty Appraisers; and
- d) Subject to the minimum Interest Provisions as outlined of Section 11., herein; and
- e) Subject to the Lender receiving a \$500.00 Discharge Fee.

17. INSURANCE REQUIREMENTS:

West Hastings Property

Fire Insurance:	Actual Cash Value Coverage not less than \$990,000
Public Liability Insurance:	\$5,000,000.00, per occurrence.
Earthquake Insurance:	Required.
Business Interruption Insurance:	Required.
Loss Payee:	Lender to be named as First Loss Payee.

East Cordova Property

Fire Insurance:	Actual Cash Value Coverage not less than \$930,000
Public Liability Insurance:	\$5,000,000.00, per occurrence.
Earthquake Insurance:	Required.
Business Interruption Insurance:	Required.
Loss Payee:	Lender to be named as Second Loss Payee.

Langley House, Chilliwack House and Richmond Condominium


Fire Insurance:	Full Replacement Value Coverage.
Public Liability Insurance:	\$2,000,000.00, per occurrence.
Earthquake Insurance:	Required.
Loss Payee:	Lender to be named as Second Loss Payee.

Written confirmation of "PAID" premium(s) of above coverage(s) for the entire duration of the coverage(s)' policy period.

Standard mortgage clause(s) required.

The Lender may require insurance coverage(s) to be reviewed and approved by its insurance consultant at the Borrower(s)' expense.

Initials of all Parties:





18. SUMMARY OF LOAN SECURITY:

Prior to funding of the Initial Loan Advance, the Lender will require the following Loan security and other or further Loan security, all of which must be found satisfactory to the Lender and its solicitor:

- a) \$2,500,000 Mortgage and Assignment of Rents registered *inter alia* over the Secured Property subject only to prior mortgage(s) as outlined in Section 14., above.
- b) General Security Agreement registered under P.P.S.A. with respect to the Borrower(s) and Covenantor(s).
- c) Assignment of all permits, licenses and approvals relating to the Secured Property.
- d) Unlimited, joint and several Corporate Covenant(s) of any company providing a corporate covenant.
- e) Unlimited, joint and several Personal Covenant(s) of Viola Helen Wolsey and George Wolsey.
- f) Assignment of \$115,000 to be placed in the Building Improvement Cost Trust Account.
- g) Assignment of \$50,000.00 Collateral Reserve as described herein.
- h) Insurance coverage(s) over the Secured Property as described herein.
- i) Title Insurance in favour of the Lender.
- j) Hazardous substances and environmental indemnity agreement by the Borrower(s) and Covenantor(s) in favour of the Lender.
- k) Opinion of the Lender's solicitor regarding title, security, insurance, and supporting documentation related to the Loan.
- l) Such other and further Loan security in connection with the Secured Property as may be required by the Lender or its solicitor.

19. CONDITIONS PRECEDENT TO FUNDING:

Funding of the Loan is subject to the successful offering of the Loan as a syndicated mortgage investment to private mortgage investors.

Funding of the Loan is subject to the concurrent funding of a \$600,000 mortgage loan by IMOR Capital Corp.

Funding of the Initial Loan Advance is conditional upon receipt of the following items, on or before Tuesday, December 14, 2010, all to be found satisfactory to the Lender and its solicitor:

- a) Satisfactory site inspection of the Secured Property by the Lender. **(NOTE: this condition has been satisfied)**
- a) 12 monthly post-dated cheques in the amount of \$25,000.00 for the period from February 1, 2011 to February 1, 2012.
- b) Signed, Personal Net Worth Statement(s) and satisfactory Credit Bureau Reports of Viola Helen Wolsey and George Wolsey. **(NOTE: this condition has been satisfied)**
- b) Confirmation of share ownership structure of 0847566 B.C. Ltd., 0802508 B.C. Ltd., 50 East Cordova Holdings Ltd. and any company providing a corporate covenant.

Initials of all Parties:








- c) Copies of trust agreement(s) between Douglas Robinson, as legal owner, and Viola Wolsey and/or George Wolsey, as beneficial owner(s), with respect to share ownership structure of 0847566 B.C. Ltd., 0802508 B.C. Ltd., 50 East Cordova Holdings Ltd. and any company providing a corporate covenant.
- c) Most recent Financial Statements of the 0847566 B.C. Ltd., 0802508 B.C. Ltd., 50 East Cordova Holdings Ltd., 0766996 B.C. Ltd. and any company providing a corporate covenant.
- d) Residential Rent Rolls of the West Hastings Property and the East Cordova Property.
- d) Copy of Lease Contracts with any existing or prospective commercial tenants of the West Hastings Property and the East Cordova Property.
- e) Copy of the "Funky Winkerbeans Pub" 189-seat Liquor Primary License No. 004540. **(NOTE: this condition has been satisfied)**
- e) Confirmation of prior mortgage balance(s) and good standing status of all prior mortgages registered against each of the Secured Property(s).
- f) An Appraisal Report, acceptable to the Lender, to confirm a minimum "As Is" market value of \$3,750,000 and minimum NOI of \$231,353 for the West Hastings Property. **(NOTE: this condition has been satisfied)**
- g) An Appraisal Report, acceptable to the Lender, to confirm a minimum "As Is" market value of \$2,300,000 and minimum NOI of \$131,423 for the East Cordova Property. **(NOTE: this condition has been satisfied)**
- h) An Appraisal Report, acceptable to the Lender, to confirm a minimum "As Is" market value of \$1,250,000 for the Langley House. **(NOTE: this condition has been satisfied)**
- i) An Appraisal Report, acceptable to the Lender, to confirm a minimum "As Is" market value of \$255,000 for the Chilliwack House. **(NOTE: this condition has been satisfied)**
- j) An Appraisal Report, acceptable to the Lender, to confirm a minimum "As Is" market value of \$163,000 for the Richmond Condominium. **(NOTE: this condition has been satisfied)**
- k) Letter from the appraiser(s) of the Secured Property giving the Lender authority to rely upon their Appraisal Report(s) for mortgage lending purposes.
- l) Environmental Report(s) to confirm that the West Hastings Property and the East Cordova Property do not contain any environmental contamination. **(NOTE: this condition has been satisfied)**
- m) Insurance requirements as specified herein.
- n) Executed copy of Form 10 Conflict of Interest and Disclosure Statement
- o) Registered Mortgage documentation satisfactory to Lender's solicitor.
- p) Such other and further information, material or requirements that may be required by InstaFund, the Lender or the Lender's solicitor.

20. MORTGAGOR'S INSURANCE AGENT: *Please advise*
 Name:
 Address:
 Telephone:

21. SOLICITOR FOR MORTGAGOR: *Please advise*
 Name:
 Firm:
 Address:

Initials of all Parties:   

22. LENDER'S SOLICITOR:

Name: Mr. Stephen McCullough
Firm: Lawson Lundell
Address: 1600 Cathedral Place, 925 W. Georgia Street, Vancouver, BC V6C 3L2
Telephone: (604) 631-9118
Email: smccullough@lawsonlundell.com

23. COMMITMENT FEE:

The Borrower(s) and Covenantor(s) agree that, upon acceptance of this Mortgage Commitment Letter, a \$75,000 Commitment Fee is earned by InstaFund.

The \$75,000 Commitment Fee will be payable at the earlier of the Loan Funding Date or Tuesday, December 21, 2010, whichever is earlier.

The Borrower(s) and Covenantor(s) agree that, if the Borrower(s) fail to borrow the Loan in accordance with the terms and conditions of this Mortgage Commitment Letter, the Borrower(s) and Covenantor(s) will remain liable for the unpaid balance of the Commitment Fee. As security for payment of the balance of the Commitment Fee, the Borrower(s) hereby mortgages and charges its right, title and interest in the Secured Property, as and by way of an equitable charge, in favour of InstaFund Financial (Commercial). The equitable charge created hereby shall remain in effect until the balance of the Commitment Fee is paid in full.

24. ACCEPTANCE OF MORTGAGE COMMITMENT LETTER:

The Borrower(s) and Covenantor(s) should indicate their acceptance of this Mortgage Commitment Letter by providing InstaFund with an executed copy of this Mortgage Commitment Letter.

Acceptance of this Mortgage Commitment Letter by the Borrower(s) and Covenantor(s) must be received by InstaFund on or before 10:00 A.M. on Tuesday, December 7, 2010.

25. EXPIRY DATES:

Unless this Mortgage Commitment Letter is accepted by the Borrower(s) and Covenantor(s) and received by the Lender on or before 10:00 A.M. on Tuesday, December 7, 2010, then, at the option of the Lender, the Lender's obligation to fund the Loan will cease.

Unless the Loan is funded by the Lender and funds are drawn by the Borrower(s) in accordance with the terms and conditions of this Mortgage Commitment Letter on or before Tuesday, December 21, 2010, then, at the option of the Lender, the Lender's obligation to fund the Loan will cease.

26. ADDITIONAL COMMITMENT FEE:

The Borrower(s) and Covenantor(s) agree that, in the event the Borrower(s) fails to repay the Loan in full by January 31, 2012, InstaFund will earn an Additional Commitment Fee

Initials of all Parties:

equal to 3.00% of the original Loan Amount which will become due and payable by the Borrower(s) and Covenantor(s) on February 1, 2012.

The Borrower(s) and Covenantor(s) agree that failure to pay the Additional Commitment Fee will be an event of default under the Loan and that the Borrower(s) and Covenantor(s) will remain liable for the unpaid balance of the Additional Commitment Fee. As security for payment of the balance of the Additional Commitment Fee, the Borrower(s) hereby mortgages and charges its right, title and interest in the Secured Property and the Secured Shares, as and by way of an equitable charge in favour of InstaFund Financial (Commercial). The equitable charge created hereby shall remain in effect until the balance of the Additional Commitment Fee is paid in full.

27. DEDUCTIONS FROM MORTGAGE PROCEEDS BY LENDER'S SOLICITOR:

Interest Adjustment:	to be determined by Lender's solicitor.
Building Improvement Cost Trust Account:	\$ 115,000.00
Lender's Commitment Fee:	\$ 75,000.00
Asset Monitor Fee:	\$ 25,000.00
Collateral Reserve:	\$ 50,000.00
B.C. Securities Commission Filing Fee:	\$ 750.00
Legal Fees:	Lawyer to advise.

NOTE: Payouts of existing mortgages, outstanding taxes, utilities, etc. are to be deducted from mortgage proceeds and paid by the Lender's solicitor and/or paid by the Borrower(s)' solicitor subject to the appropriate undertakings.

28. TITLE:

The Borrower(s) and Covenantor(s) represent that:



- a) The Borrower(s) are, or shall become, the registered and beneficial freehold interest owner of the Secured Property at the time of the advance of funds; and
- b) There are no judicial or administrative actions, suits, or proceedings pending or threatened against or affecting the Borrower(s), Covenantor(s) or the Secured Property.

29. SURVIVAL:

The obligation and promise of the Borrower(s) and Covenantor(s) to pay the Commitment Fee, interest on the Principal Amount at the interest rate from the Loan funding date, the Principal Amount was available for advance, up to and including the date the Principal Amount is repaid or no longer available, including minimum interest, legal fees and disbursements, shall survive the lapse, termination or cancellation of this Mortgage Commitment Letter.

30. MATERIAL ADVERSE CHANGE:

If, prior to the Loan Funding Date, in the sole opinion of InstaFund or the Lender, a material adverse change occurs relating to the Borrower(s), the Covenantor(s) and the

Initials of all Parties:   

Secured Property or the risk associated with the Loan, then, at the sole option of the Lender, the Lender's obligation to fund the Loan will cease.

31. INSTAFUND'S REPRESENTATIONS:

The Borrower(s) and Covenantor(s) acknowledge that InstaFund has made no verbal or written representations related to the Loan, the Secured Property, or the ability to provide financing of the Secured Property after the Loan Funding Date, except as expressly outlined in this Mortgage Commitment Letter.

32. BORROWER(S)' REPRESENTATIONS:

The Borrower(s) and Covenantor(s) represent to InstaFund and the Lender that all financial and other information provided in connection with the Borrower(s)' application to finance the Secured Property is true, accurate and complete, and acknowledges that the terms and conditions contained in this Mortgage Commitment Letter are based on reliance by InstaFund and the Lender on the truth, accuracy and completeness of the information provided and the above representations.

The Borrower(s) disclose to InstaFund Financial (Commercial) that the purpose of the Loan is primarily for business, investment or commercial purposes and is not primarily for personal, family or household purposes.

33. COMPLIANCE AND COMPLIANCE COSTS:

The Borrower(s) and Covenantor(s) agree to comply with the British Columbia Securities Act and the British Columbia Mortgage Brokers Act with respect to syndicated mortgages. All costs of compliance with the British Columbia Securities Act and the British Columbia Mortgage Brokers Act will be paid for by the Borrower(s) and Covenantor(s).

34. CREDIT AND APPRAISAL AUTHORIZATION:

The Borrower(s) and Covenantor(s) grant permission to InstaFund to conduct a complete credit investigation.

35. AGREEMENT FOR SIGNAGE:

During the term of the Loan, the Borrower(s) will allow up to four (4) "InstaFund" financing signs to be displayed in a prominent location on the Secured Property at InstaFund's expense.

36. COUNTERPARTS AND FACSIMILE EXECUTION:

This Mortgage Commitment Letter may be executed in one or more counterparts, each of which when so executed will constitute an original, and all of which will constitute one and the same Mortgage Commitment Letter. Also, this Mortgage Commitment Letter may be executed by the parties and transmitted by telecopy, and if so executed and transmitted this Mortgage Commitment Letter will be for all purposes as effective as if the parties had delivered and executed an original Mortgage Commitment Letter.

Initials of all Parties:







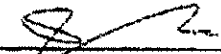
37. TIME SHALL BE OF THE ESSENCE:

It is understood that, with reference to all terms and conditions of this Mortgage Commitment Letter, time shall be of the essence.

This Mortgage Commitment Letter is not valid until signed by InstaFund where indicated below.



Yours truly,

INSTAFUND FINANCIAL (COMMERCIAL)



PER: Authorized Signatory

Initials of all Parties:

ACCEPTANCE OF MORTGAGE COMMITMENT LETTER

We hereby accept and agree to the terms and conditions contained in this Mortgage Commitment Letter.

Dated at _____, this _____ day of December, 2010.

BORROWER(S):

802508 B.C. Ltd.

Wolsey
PER: Authorized Signatory

50 East Cordova Holdings Ltd.

Wolsey
PER: Authorized Signatory

0847566 B.C. Ltd.

Wolsey
PER: Authorized Signatory

0766996 B.C. Ltd.

Wolsey
PER: Authorized Signatory

Wolsey

Viola Helen Wolsey

COVENANTORS(S):

0847569 B.C. Ltd.

Wolsey
PER: Authorized Signatory

0847571 B.C. Ltd.

Wolsey
PER: Authorized Signatory

0766986 B.C. Ltd.

Wolsey
PER: Authorized Signatory

0610650 B.C. Ltd.

Wolsey
PER: Authorized Signatory

Delivery Drugs Ltd.

Wolsey
PER: Authorized Signatory

Wolsey
George Wolsey

Initials of all Parties:

Wolsey *Wolsey*