

Request for Financing
from
Bob Smithrite
&
Bobbie Smithrite

Contact Information

Bob Smithrite

Residence:	44 West 24 st Street Vancouver, B.C. V5Y 2C9	Mailing:	P.O. Box 2321 Central Vancouver, B.C. V5V 333
Res. Phone:	(604) 877-1233	Work Phone:	(604) 874-1234
Res. Fax:	(604) 877-2345	Work Fax:	(604) 873-1235
Cell Phone:	(604) 444-4424	email:	bob@bob.com

Bobbie Smithrite

Residence:	(same as Bob)	Mailing:	(same as Bob)
Res. Phone:	(same as Bob)	Work Phone:	(604) 855-5132
Res. Fax:	(same as Bob)	Work Fax:	(604) 544-4456
Cell Phone:		email:	(same as Bob)

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Borrower's Objectives

- 1) We wish to obtain the maximum pre-approved mortgage funding for the purchase of an additional revenue property, or properties.
- 2) We would like to lock in the mortgage interest rate for as long as possible - preferably 90 days or longer.
- 3) We wish to deal with a mortgage lender who is ready and willing to finance revenue property in the smaller towns and communities of Alberta.
- 4) We prefer to align ourselves with a lender who is prepared to include our rental income in calculating our TDS and GDS ratios.

Borrower's Objectives

- 1) We wish to establish a line of credit, (or an equity take-out), on one of our properties to enable us to:
 - ◊ invest in additional property.
 - ◊ invest in first, (or second), mortgages with low loan to value ratios.
 - ◊ invest in a variety of eligible investments through our self-directed RRSP's.
- 2) We anticipate that the collateral for this line of credit will be secured by the lender increasing our first mortgage amount or by registering a second mortgage against one or more of our currently held properties.
- 3) We desire a line of credit which increase the total indebtedness on the property to a maximum of (XXX)%. We are also seeking an interest rate no higher than prime plus 0.50%.
- 4) Our preference is for a revolving line of credit requiring us to make interest-only payments on a monthly basis and with no minimum repayment of principal.

Monthly Cashflow Summary

(as at June 1, 2000)

Monthly Income Sources	Monthly	Totals
Revenue property rental income (See Appendix C)	17,500	
Employment or business income	1000	
Pensions: Old Age Security (OAS), Guaranteed Income Supplement (GIS), Canada Pension (CPP), company pension, war veteran's pension	1000	
Retirement Income from RRSP's, investments, dividend and interest income	1000	
Other Income: child tax benefit, GST refunds, etc.	1000	
Income from part-time job	1000	
Total Income Per Month		\$ 22,500

EXPENSES

Regular Monthly Expenses	Monthly	Totals
Revenue property debt servicing and all other expenses (See Appendix E)	18,000	
Principle residence mortgage (PIT) or rent	1000	
Utilities: heat, light, basic telephone rental, cable television	100	
Automobile transportation: gasoline, maintenance, parking	100	
Public transportation: monthly bus/skytrain pass	100	
Groceries and other household supplies	100	
Clothing: including work clothes, sportswear, repairs, accessories	100	
Medical & Dental Care: including prescription drugs and deductible expenses	100	
Consumer Credit Payments: department store accounts, credit cards etc.	100	
Other Personal Spending: grooming aids, haircuts, dry-cleaning, etc.	100	\$ 19,800

Discretionary Spending	Monthly	Totals
Savings: retirement fund, vacation fund	100	
Educational Expenses: tuitions, books, materials	100	
Entertainment: dining, theatre tickets, printed materials, etc.	100	
Gifts: special occasions, charitable donations, etc.	100	
Miscellaneous: long-distance phone/fax calls, lunches & snacks, indulgences....	100	\$ 500

Occasional Expenses (including regular non-monthly payments)	Annually	Monthly
Home/Apartment Insurance: paid annually	1200	\$ 100
Auto Insurance: paid semi-annually or annually	1200	100
Recreational and/or club memberships: paid quarterly	1200	100
Furniture & Appliance Purchases & Repairs: occasional expenses	1200	100

Total Expenses Per Month	\$ 20,700
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MONTHLY RESIDUAL INCOME:	\$ 1800
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Balance Statement

(as at June 1, 2000)

ASSETS

Deposit Accounts (banks, trust co.'s, credit unions, etc.)

BM Savings Account	()	1000
RB Savings Account	()	1000
BT 30-day Short-Term Note	()	1000
Various chequing accounts	()	1000
TOTAL Deposit Accounts		\$ 4000

Investments (Registered & Unregistered Funds)

RRSP/RRIF Portfolio	(Appendix A)	1000
Education Portfolio	(Appendix A)	1000
Investment Portfolio	(Appendix B)	1000
Life Insurance (cash surrender value)		1000
TOTAL Investments		\$ 4000

Real Estate Portfolio

Rental Property Portfolio	(Appdx C)	1000
Principal Residence		1000
Recreational Property		1000
TOTAL Real Estate Portfolio		\$ 3000

Goods and Chattels

Vehicles: 1989 Dodge Ram,	1000
Gold, Silver, Diamonds, Jewelry	1000
Antiques	1000
Fine Art Collection	1000
Rare Book Collection	1000
Silverware & China	1000
Furniture & Appliances	1000
Business Equipment	1000
TOTAL Goods and Chattels	\$ 9000

LIABILITIES

Mortgages

(See Appendix C)

TOTAL Mortgages \$ 11,000

Consumer Loans (See Appendix D)

Car Loan: 1995 Dodge Ram	1000
Business Loan	1000
Line of Credit	1000
TOTAL Loans	\$ 3000

Accounts Payable (See Appendix E)

Royal Bank Visa	()	1000
Royal Bank Visa	()	1000
VanCity MasterCard	()	1000
TOTAL Accounts Payable		\$ 5000

TOTAL ASSETS

\$ 20,000 TOTAL LIABILITIES

\$ 10,000

Net Worth = \$ 10,000

Appendix A

RRSP / RRIF / Education Portfolio

(as at June 1, 2000)

Fixed Term / Variable Term RRSP's / RRIF's	Shares	Price Ea.	Value
Royal Bank Savings Deposit	()	2300	2300
Canada Trust 5-year GIC	()	9000	10,000
Bayshore Trust revolving term 30-day note	()	5000	5300
Government of Alberta 180-day Treasury Bill	()	7000	7500
TOTAL Fixed Term / Variable Term RRSP / RRIF's			\$ 25,100
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Mutual Fund RRSP's / RRIF's			Value
Industrial Growth Fund	()	1000	8.00
Templeton Canadian Fund	()	600	6.00
Trimark Growth Equity Fund	()	500	14.00
TOTAL Mutual Fund RRSP's / RRIF's			\$ 18,600
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Self Directed RRSP's / RRIF's			Value
Eron Mortgage Corp. (Gateway Dev. 1st Mort.)	()	50000	61,000
C.I. Emerging Markets Fund	()	1100	7.00
Laurentian Bank interest bearing account	()		3800
TOTAL Self Directed RRSP's / RRIF's			\$ 72,500
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Education Fund	Shares	Price Ea.	Value
Templeton Emerging Markets Fund	(0)	500	6.50
C.I. Pacific Fund	(0)	750	7.00
Royal Bank Savings Account	(0)		1000
TOTAL Education Fund			\$ 9500
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TOTAL VALUE OF RRSP's / RRIF's / EDUCATION PORTFOLIO			\$ 125,700

Appendix B

Investments Portfolio

(as at June 1, 2000)

Fixed Term / Variable Term Deposits	Shares	Price Ea.	Value
Royal Bank Savings Deposit	()	-	2300
Canada Trust 5-year GIC	(0)	15.50	10,000
Bayshore Trust revolving term 30-day note	(0)	6.26	5300
Government of Alberta 180-day Treasury Bill	(0)	-	7500
TOTAL Fixed Term / Variable Term Deposits			\$ 25,100
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Mutual Fund Investments			Value
Industrial Growth Fund	(0)		1000
Templeton Canadian Fund	(0)		1000
Trimark Growth Equity Fund	(0)		1000
TOTAL Mutual Fund Investments			\$ 3000
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Government Bonds (including Canada Savings Bonds)			Value
TOTAL Government Bonds			\$
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Annuities & Life Insurance (CSV)			Value
TOTAL Annuities & Life Insurance			\$
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Canadian Stocks & Bonds			Value
TOTAL Canadian Stocks & Bonds			\$
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Foreign Holdings			Value
TOTAL Foreign Holdings			\$
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TOTAL VALUE OF INVESTMENT PORTFOLIO			\$ 28,100

Appendix C

Overview of Rental Property Portfolio

(as at June 1, 2000)

#	Property Address & Mortgage Information	Year Purch	Current Value	Mortgage Balance	Mortgage Payment	Taxes (Monthly)	Rental Income
1.	184 - 22nd Avenue, Edm, AB <i>1st: BM, 3-yr term, VRM open, 25-yr amort., 7.75%, due 11/97</i>	1985	265,000	124,369	880	130	1,400
2.	550 - Eighth Street, Edmonton, AB	1988	140,000	Clear Title	N/A	92	725
3.	#123 - 46 - 21st Avenue, Edson, AB <i>1st: BM, 3-yr term, VRM open, 25-yr amort., 7.75%, due 11/97</i>	1991	485,000	256,530	1815	187	1,575
4.	602 Hawkfield Drive, Calgary AB [vacant lot]	1992	57,500	Clear Title	N/A	62	N/A
5.	718 Soutland Dr, Calgary, AB <i>1st: BM, 3-yr term, VRM open, 25-yr amort., 7.75%, due 07/96</i> <i>2nd: Private, 5-yr term, closed, 25-yr amort., 11.00%, due 12/97</i>	1992	130,000	76,261	495	143	1,335
6.	228 Binns Street, Williams , AB <i>1st: CIBC, 6-mth term, open, 25-yr amort., 7.875%, due 12/96</i>	1994	47,500	34,001	261	61	325
7.	123- 178th St, Edmonton, AB <i>1st: CIBC, 6-mth term, open, 25-yr amort., 7.875%, due 12/96</i> <i>2nd: Private, 2-yr term, closed, 7-yr amort., 10.75%, due 12/96</i>	1994	57,500	52,582	454	64	425
8.	1790 Daniel Street, Trail, BC [vacant lot]	1994	10,000	Inter Alia	Inter Alia	5	N/A
9.	212 - 1584 Diamond Street, Medicine Hat, AB <i>1st: CIBC, 6-mth term, open, 25-yr amort., 7.875%, due 12/96</i> <i>2nd: Private, 2-yr term, closed, 25-yr amort., 10.75%, due 12/96</i>	1994	59,000	46,747	403	67	525
10.	680 Hendry Street, Slave Lake, AB <i>1st: CIBC, 6-mth term, open, 25-yr amort., 7.875%, due 12/96</i> <i>2nd: Private, 3-yr term, closed, 25-yr amort., 13.00%, due 12/97</i>	1994	82,000	66,543	574	76	900
11.	334- 1744 Topping Street, Trail, BC <i>1st: CIBC, 6-mth term, open, 25-yr amort., 7.875%, due 12/96</i> <i>2nd: Private, 2-yr term, closed, 7-yr amort., 10.75%, due 12/96</i>	1994	79,000	66,475	574	70	750
				5,333	101		

Appendix C

Overview of Rental Property Portfolio - *continued*

#	Property Address & Mortgage Information	Year Purch	Current Value	Mortgage Balance	Mortgage Payment	Taxes (Monthly)	Rental Income
	TOTALS FOR ALL REVENUE PROPERTIES		\$ 1,622,500	\$ 957,142	\$ 7555	\$ 1153	\$ 9955

* This comment may be used for any necessary additional info on a property or properties above. Just add asterisks above where appropriate and change this line.

Appendix D

Credit Status

(as at June 1, 2000)

Line of Credit		Monthly Payments	Current Balance	Credit Limit
BM. - Account #12345-444 (PLC)	()	230.00	(7600)	15,000
BM - Account #12468-123 (Revolving Loan)	()	350.00	(52400)	150,000
CT - Account #23369-135 (PowerLine)	()	525.00	(90000)	112,500
TOTALS for Lines of Credit		\$ 1105.00	\$ (150,000)	\$ 277,500

Credit Cards		Payments	Balance	Limit
Bank of Montreal M/C #3322 2344 22211	()	110.00	(1535)	9300
Royal Bank Visa #4554 014 234 454	()	---	0	4500
ATB M/Card #9199 8288 7337 5055 ()		---	(633)	2000
TOTALS for Credit Cards		\$ 110.00	\$ (2168)	\$ 15,800.00

Chequing Accounts		Balance	Limit
CIBC Account #323256-02	()	305	2000
Scotiabank Account #1136895-00	()	2611	2000
Bank of Montreal Account #2229-624-21	()	(153)	2000
Bank of Montreal Account #12338-265()		289	1000
TOTALS for Chequing Accounts		\$ 3053	\$ 7000

TOTALS CREDIT	\$ (149,115)	\$ 300,000
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CIBC1 - Canadian Imperial Bank of Commerce (403) 555-1213

BM - Bank of Montreal (403) 828-2422

CT Canada Trust (780) 230-4000

M/C Mastercard (4) 240-2345

Appendix X

Real Estate Assets

(as at June 1, 2000)

#	Property Address & Description	Equity	Value	Rent
1.	1234 Main Street, (single family detached home - rented)	()	100,000	200,000
2.	345 East 4th Avenue (up & down duplex - rented)	()	500,000	3,000,000
3.	Property # 3 Address (brief description of property)	()	100,000	200,000
4.	Property # 4 Address (brief description of property)	()	100,000	1000
5.	Property # 5 Address (brief description of property)	** ()	200,000	1000
6.	Property # 6 Address (brief description of property)	*** ()	100,000	1000
7.	Property # 7 Address (brief description of property)	()	100,000	1000
8.	Property # 8 Address (brief description of property)	()	100,000	1000
9.	Property # 9 Address (brief description of property)	()	200,000	1000
10.	Property # 10 Address (brief description of property)	*** ()	100,000	1000
TOTALS		\$ 1,500,000	\$ 4,800,000	\$ 12,500

* Appraisals exist for most properties listed here to support the current values shown

** Clear title

*** Name not on title or mortgage

MS - Mary Smith

JS - John Smith

Appendix Y

Real Estate Liabilities

(as at June 1, 2000)

#	Property Address & Mortgage Details *	Balance Owing	Monthly Payment	Loan to Value
1.	1234 Main Street, Vancouver, B.C. <i>1st: CIBC1, 7%, 25 yr am, 6 mo VRM open, due 11/97</i> <i>2nd: B.M., 7%, 15 yr am, 1 yr open, due 11/97</i> <i>3rd: CIBC2, 12%, 20 yr am, 3 yr closed, due 10/96</i>	35,000 45,000 20,000	479.00 310.96 211.25	55.5 % 24.2 % 10.0 %
2.	345 East 4th Avenue <i>1st: CIBC2, 7%, 25 yr am, 5 yr open, due 11/97</i>	2,500,000	3000.00	82.0 %
3.	Property # 3 Address <i>1st: CIBC2, 7%, 25 yr am, 5 yr open, due 11/97</i>	100,000	1000.00	75.5 %
4.	Property # 4 Address <i>1st: CIBC2, 7%, 25 yr am, 5 yr open, due 11/97</i>	100,000	1000.00	75.5 %
5.	Property # 5 Address	** 0	---	---
6.	Property # 6 Address <i>1st: CIBC2, 7%, 25 yr am, 5 yr open, due 11/97</i>	100,000	1000.00	75.5 %
7.	Property # 7 Address <i>1st: CIBC2, 7%, 25 yr am, 5 yr open, due 11/97</i>	100,000	1000.00	75.5 %
8.	Property # 8 Address <i>1st: CIBC2, 7%, 25 yr am, 5 yr open, due 11/97</i>	100,000	1000.00	75.5 %
9.	Property # 9 Address <i>1st: CIBC2, 7%, 25 yr am, 5 yr open, due 11/97</i>	100,000	1000.00	75.5 %
10.	Property # 10 Address <i>1st: CIBC2, 7%, 25 yr am, 5 yr open, due 11/97</i>	100,000	1000.00	75.5 %
TOTALS		\$ 1,700,000	\$ 5,300,000	77.6 %

* All mortgage interest rates shown are for semi-annual compounding

** Clear title - no mortgage on property

CIBC1 - CIBC, (604) 555-1213, account #332221

CIBC2 - CIBC, Dave Johnson, (604) 555-9865, account #36589

B.M. - Bank of Montreal, Steven Jones, (604) 555-8652, account #4598-985 under name of 'Bob's Holdings Inc.'