



ANNUAL INFORMATION FORM

WALL FINANCIAL CORPORATION

April 21, 2017

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FORWARD-LOOKING STATEMENTS

Certain information included in this Annual Information Form contains forward-looking statements within the meaning of applicable securities laws including, among others, statements concerning the Company's future objectives, strategies to achieve those objectives, as well as statements with respect to management's plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "anticipate", "believe", "continue", "estimate", "expect", "intent", "objective", "outlook", or "plan", or similar expressions or statements that events, conditions or results "will", "may", "could", or "should" occur or be achieved. Such forward-looking statements reflect management's current beliefs, expectations, estimates, projections and assumptions that were made in light of management's experience and perception of historical trends, as well as information currently available to management.

This Annual Information Form contains forward-looking statements concerning planned increases in rental units, and rates, average daily rates and occupancy rates, timing for completion and commencement of construction projects and renovations, anticipated timing of the closings of sales, anticipated cost and financing of planned projects, capital expenditures and investments, property acquisitions, development plans, and operating and financial conditions. These statements are based on management experience, historical results, current expectations and analyses, trends, government policies, and current business and economic conditions, including the Company's (as defined below) analysis of its business and services and its expectations regarding the effects of anticipated business and service changes and the potential benefits of such efforts and activities on the Company's results of operations in future periods. Forward-looking statements are subject to inherent uncertainties and risks, including, but not limited to: general business and economic conditions in the Company's operating regions, pricing pressures and other competitive factors, results of the Company's ongoing efforts to reduce costs, market its developments for sale, and the availability and terms of financing. Consequently, actual results and events may vary significantly from those included in, contemplated or implied by such statements. The Company, except as required by applicable law, undertakes no obligation to publicly update or revise any forward looking statements.

THE COMPANY

Wall Financial Corporation (the "**Company**") was incorporated under the laws of the Province of British Columbia in January 1969. The Company amended its memorandum and articles, by special resolution, at its annual general meeting held on May 31, 2005, to comply with the *Business Corporations Act* (British Columbia), which replaced the *Company Act* (British Columbia) in March 2004. The registered office of the Company is located on the 10th Floor – 938 Howe Street, Vancouver, British Columbia, V6Z 1N9 and the principal office of the Company is located at 1010 Burrard Street, Vancouver, British Columbia, V6Z 2R9.

At January 31, 2017, the Company held interests in four entities established in the Province of British Columbia which own assets greater than 10% of the consolidated assets of the Company and/or earned gross revenues greater than 10% of the consolidated revenues of the Company. The Company holds a 100% interest in the Shannon Condominium Developments Unit Trust, which has assets of \$128,898,000 and a 75% interest in the Wall Centre Central Park Condominiums Limited Partnership ("**Central Park LP**"), which has assets of \$278,762,000. The Company also holds a 75% interest in the Wall Centre (Point Grey) Developments Limited Partnership, and a 100% interest in the SWC Hotels LLP that earned revenues of \$163,986,000 and \$54,938,000, respectively, which, combined with the \$37,696,000 in revenues from the Central Park LP, represent, in aggregate, 84.7% of the gross revenues of the Company. There were no other subsidiaries of the Company that owned assets or have revenues greater than 10% of the consolidated assets and/or revenues of the Company.

GENERAL DEVELOPMENT OF THE COMPANY

The Company is a Canadian public real estate investment and development company. The Company's historical asset base consists of residential apartment properties and hotels located in the Metro Vancouver region of British Columbia. The majority of these properties were built by the Company and continue to be managed by the Company. At January 31, 2017, the total number of hotel units was 934, and the total number of residential and

commercial units was 1,081. These properties provide a stable income stream and capital appreciation which is utilized for further asset growth, investment in development properties for resale, and to pay dividends to shareholders.

The Company operates in three different segments of the real estate industry: ownership and management of revenue-producing residential and commercial properties, the ownership and management of hotel properties, and the development and sale of residential housing units (referred to as development properties).

Revenue Producing Residential Properties

The Company owns twelve rental properties in Metro Vancouver, consisting of 1,075 residential and six commercial rental units as at January 31, 2017. As set forth in the table that follows, all but one of the properties is 100% owned by the Company.

Portfolio of Rental Properties

Property Name and Address	Year Built or Acquired	No. of Units	Percentage of Ownership
1415 St. Georges Avenue, North Vancouver, B.C.	2009	77	100
Amber Lodge, 1045 West 14 th Avenue, Vancouver, B.C.	1972	50	100
Ambleside Tower, 1552 Esquimalt Avenue, West Vancouver, B.C.	1970	185	100
Beaconhill, 125 West Keith Road, North Vancouver, B.C.	1969	98	100
Hastings Golf, 5555 Hastings Street, Burnaby, B.C.	2011	0	100
Maple Place, 10611 – 10675 150 th Street, Surrey, B.C.	1973	250	100
Seafair, 3851 Francis Road, Richmond, B.C.	1969	78	100
Shannon Mews & Apartments, 1507 W. 57 th , Vancouver, B.C.	2015	214	100
Shannon Mansion, Atlas Lane, Vancouver, B.C.	2016	6	100
1050 Burrard Street, Vancouver, B.C.	2016	2	100
Vista Del Mar, 145 West Keith Road, North Vancouver, B.C.	1967	86*	70
Yorkshire, 2336 York Avenue, Vancouver, B.C.	1970	35	100
		1,081	

*The Company has a 70% ownership interest in the Vista rental property, which contains 123 rental units, of which the Company's share is 86 units.

The residential units are leased primarily for one-year terms and all leasing arrangements are governed by the British Columbia *Residential Tenancy Act*. Rental rates may be increased on tenant turnover or on the anniversary date of each tenant's date of occupancy. The average turnover rate for all of the Company's units is approximately 30% annually. To keep properties competitive, properties are regularly upgraded to ensure that the Company achieves top rental rates. Upon acquisition, older properties are typically renovated.

In fiscal 2017, the Company completed renovations at two of its rental properties to maximize earnings potential from these properties. Upgrades to the 185-unit Ambleside Tower property were completed in April 2016, and units were leased upon completion at an average of 24% higher re-rental rates. Renovations at the 78-unit Seafair property were completed in April 2016 and have been re-rented at an average increase of \$500 per month.

The Company will increase its portfolio of rental properties by 313 units over the next year through the development of new purpose built rental properties. The Company will add 273 strata rental units upon completion of the Wall Centre Yaletown building located in downtown Vancouver, B.C., with completion expected in the fall of 2017. Construction is also underway at the Company's 40-unit property at 1121 Seymour Street in Vancouver, B.C., with completion scheduled for August 2017.

Acquisitions

On August 2, 2016, the Company acquired three legal lots totalling 35,529 sq. ft. to create a development site with the potential for up to 120,000 square feet of residential area in the Cambie and 43rd neighbourhood of Vancouver,

B.C. for a gross purchase price of approximately \$35,000,000. The site is part of the Cambie Community Plan and requires rezoning and development approval.

In June 2016, the Company acquired two rental units at 1050 Burrard Street, Vancouver B.C. at a gross purchase price of \$954,800, and in February 2017, the Company completed construction of an additional three rental units at the Vista Del Mar property.

Dispositions

There were no dispositions of investment rental properties for the past three completed fiscal years.

Hotel Properties

The Company owns and manages two hotel properties in Metro Vancouver, and has been in the hospitality sector since 1994 with the opening of the Sheraton Vancouver Wall Centre Hotel in downtown Vancouver.

Property Name and Address	Year Built or Acquired	No. of Units	Percentage of Ownership
Sheraton Vancouver Wall Centre Hotel, 1088 Burrard Street, Vancouver, B.C.			
South Tower	1994	438	100
North Tower	2001	308	100
		746	
Westin Wall Centre Vancouver Airport Hotel, 3099 Corvette Way, Richmond, B.C.	2010	188	100
		934	

The Sheraton Vancouver Wall Centre Hotel is the largest single hotel property in British Columbia, with 746 guestrooms and 45,000 sq. ft. of meeting space. Occupancy for the twelve months ended January 31, 2017 was 70.77% with an average daily rate (“ADR”) of \$192.53.

To remain competitive and to increase revenues from the hotel, the Company recently completed a \$40 million renovation project at the hotel, which includes interior alterations and improvements to update the guest rooms, corridors, and lobby in both the north and south towers. Renovations to the north tower of the hotel were completed in June 2015, and renovations to the south tower were completed in June 2016.

The Westin Wall Centre Vancouver Airport Hotel opened in late January 2010. The hotel is located near the Vancouver Airport and consists of 188 guestrooms and 9,900 sq. ft. of meeting space. For the twelve months ended January 31, 2017, occupancy was 79.18% with an ADR of \$156.09.

Revenue from the Company’s hotel properties is seasonal, with higher revenue in the summer months.

Development Properties

The Company is active in the development and sale of residential housing. It is the Company’s policy to only acquire land for development which is zoned for its intended use, or where the required rezoning is contemplated and encouraged by the governing authorities. All construction projects are managed through fixed price contracts with general contractors or sub-contractors.

The Company has four projects under active development as at January 31, 2017:

Eagle Mountain	An 80 acre, single-family subdivision property in Abbotsford B.C. with approvals in place for 262 building lots. The property is being developed with a 15% non-controlling interest partner. Development is being phased. The current phases, Phase
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V and Phase VI, consist of 31 lots and 70 lots respectively, all of which are fully serviced. For Phase V, 30 lots have sold and closed and there are 67 sales in place for Phase VI (of which 61 have closed). Servicing is underway on the next phase of 74 lots with completion expected by October 2017.

Wall Centre Central Park	A four tower project consisting of 1,060 residential units at Boundary and Vanness in Vancouver, B.C. Development is being conducted in two phases. Of the 728 condominium units in Phase 1, 103 units have closed as at January 31, 2017 with the remaining units in Phase 1 expected to close by May 2017. All 332 residential units in Phase 2 are under contract for sale, and are expected to complete by spring, 2018.
Shannon Wall Centre Kerrisdale Phase 2	A five-acre development project consisting of 322 residential units located in the Kerrisdale neighbourhood at 57th and Granville Street in Vancouver, B.C. Pre-sales of units in Phase 2 commenced in March, 2015 and as at January 31, 2017, 289 of the 322 residential units are under contract for sale. Construction is now underway with completion of the first of four buildings expected in late 2018.
Strathcona Village	A three-tower mid-rise mixed-use project with 280 market residential units, and 60,000 sq. ft. of light industrial space. The project also includes the construction of 70 affordable housing units, which comprises the community amenity contribution for the project, and upon completion, will be transferred to the City of Vancouver. All 280 units are under contract for sale and the Company is underway with the sale of the light industrial space. Construction is underway with completion expected in October 2017.

Acquisitions

The following outlines acquisitions made by the Company of development properties over the last three completed fiscal years not already discussed above.

On April 13, 2017, the Company, along with other investors, acquired property located in North Vancouver, B.C. for a gross purchase price of \$138,500,000 for a future development. The Company has a 28.6% interest in the property and will guarantee all loans incurred in respect of the property. Development and construction is expected to commence in early 2018.

Dispositions

The following highlights the disposition of development properties over the last three completed fiscal years:

Project Name	Sales Revenue		
	2017	2016	2015
Shannon Wall Centre Phase 1	2,603,322	55,136,762	-
Wall Centre False Creek	-	48,000	234,415
Eagle Mountain	15,016,217	7,316,158	1,298,458
Wall Centre Central Park	37,696,083	-	-
Wall Centre (Point Grey)	163,969,191	-	-
Mandarin Residences*	70,005,658	-	-
Others	214,875	564,456	100,000
Total	289,505,346	63,065,376	1,632,873

*The Mandarin Project was developed with Fairmont Pacific Properties Limited, an arm's length 50% joint venture partner. The above sales revenue for Mandarin Residences represents the Company's 50% share of the total project revenues.

The Wall Centre False Creek project is a four tower project consisting of 558 residential and three commercial units in the southeast False Creek neighbourhood. As at December, 2013, all of the 561 units have closed.

Phase 1 of the Shannon Wall Center Kerrisdale project consists of 219 residential rental units and 59 condominium units, all of the condominium units have closed as of April 2016.

The 170-unit Wall Centre (Point Grey) condominium project (Binning Tower) is located on leased land in the Wesbrook neighbourhood at the University of British Columbia. All of the units have closed as of October, 2016.

The Mandarin Residences is a two tower project with 347 residential units located on No. 3 Road in Richmond, B.C. All 347 units have closed as of October 2016.

Information pertaining to the Shannon Wall Centre Phase 2 and the Eagle Mountain projects is provided for in the discussion above under “Development Properties” on pages 3 and 4.

INVESTMENTS

There were no significant changes in investment activities or investment strategies for fiscal 2017.

EMPLOYEES

The Company employs approximately 673 people in its various locations:

Head Office and Property Management	25 full-time
Development	58 full-time
Hotel Operations	460 full-time and 130 part-time

All employees are non-union. Employment at the hotels fluctuates seasonally, with summer being the period of highest employment.

RISK FACTORS

All real estate investments are subject to a degree of risk and uncertainty. In the normal course of its business, the Company is exposed to various risks that could adversely impact the Company’s financial condition, results of operations, and the value of the Company’s common shares. Certain of these risks and the Company’s actions are summarized below. The risks set out below are not the only risks faced by the Company. Other risks and uncertainties may also affect our business, financial condition and results of operations.

General risks:

We are exposed to the micro- and macro-economic conditions that affect the markets in which the Company operates and owns assets. In general, a decline in economic conditions will result in downward pressure on the Company’s margins and asset values as a result of lower demand for the services and products offered by the Company. Specifically, general inflation and interest rate fluctuations; population growth and migration; job creation and employment patterns; consumer confidence; government policies, regulations and taxation; and availability of credit and financing could pose a threat to our ongoing business operations.

International economic forces and conditions will impact the Company’s hotel business as a significant portion of the Company’s hotel business is from conventions and tourists from the US. The Company adapts its business plan to reflect current conditions and management believes that the Company has sufficient resources to carry its operations through uncertain times.

The Company participates in joint arrangements under the normal course of business that may have an effect on certain assets and businesses. These joint arrangements may involve risks that would not otherwise be present if the third parties were not involved, including the possibility that the partners have different economic or business interests or goals. Also, within these arrangements, the Company may not have sole control of major decisions relating to these assets and businesses, such as: decisions relating to the sale of the assets and businesses; timing

and amount of distributions of cash from such entities to the Company and its joint arrangement partners; and capital expenditures.

Industry risks:

Real estate investments are generally subject to varying levels of risk. These risks include changes to general economic conditions, government and environmental regulations, local supply/demand, and competition from other real estate companies. Real estate assets are relatively illiquid in down markets, particularly raw land. As a result, the Company may not be able to quickly rebalance its portfolio in response to changing economic or investment conditions.

Concentration of assets risk:

The majority of the Company's assets are located in metro Vancouver. Adverse changes in economic conditions in metro Vancouver may have a material adverse effect on the Company's business, cash flows, financial condition and results of operations and ability to pay dividends. The metro Vancouver economy is influenced by the demand for new housing in the region, which is primarily impacted by interest rates, growth in employment, migration, and general economic conditions.

Investment properties:

In its operation of residential rental properties, the Company's primary risks are general economic conditions and local market conditions, reduced revenue growth in the event of increased vacancy rates, the inability to increase rental rates due to oversupply, restrictive government legislation or changes to government legislation, and the failure to maintain the properties at a competitive level.

The Company manages these risks by insisting on a high standard of maintenance and invests only in those locations highly desired by tenants. Vacancy rates are stable in Metro Vancouver and remain at a relatively low rate of 1% to 2% and rental rates are increasing. The Company is proceeding with capital improvements at those properties where the greatest benefit in terms of increased rents may be achieved.

Hotels:

In its hotel operations, the Company is exposed to a variety of risks such as changes in market and economic conditions, an increase in the supply of hotel rooms, currency rate fluctuations, and changes in the labour market. These risks are managed by securing long-term relationships with clients, developing and enhancing relationships with international hotel chains and their reservation systems, and ensuring a strong and open relationship with staff.

Properties under development:

There are a variety of risks associated with the Company's development activities such as municipal regulatory requirements and environmental considerations that affect the approval for planning, subdivision and use of land. During this period, the market conditions in general and/or the market for condominium units in the size and price range in the Company's developments may change dramatically. Other risks include increasing costs of construction, reduced demand for new residential units, and general market risk. The Company is also subject to risk that the actual performance of acquisitions made by the Company may be materially different from the assumptions made in purchasing the properties.

The Company manages the risks associated with its development activities as follows:

- Acquiring land for development that is zoned for its intended use or where the required re-zoning is contemplated and encouraged by the governing authorities.
- Managing construction costs through fixed-price contracts with general contractors or sub-contractors.
- Undertaking pre-sale programs where feasible and securing the sales with non-refundable deposits.
- Encouraging purchasers to secure and lock-in purchase financing.

Technology and information security:

The Company is also subject to technology and information security risk, including the risk that confidential information held by the Company is stolen or accessed causing financial or personal harm to the affected individual(s) or the Company's business. The Company reduces this risk through enhancement of policies and procedures, and monitoring and auditing to ensure compliance related to information technology, safety of data, and secure storage of physical files. The Company is also subject to risks related to reliance on key personnel and catastrophic and general uninsured loss.

Interest rate risk:

Certain debt on the Company's properties bears interest at floating rates. Fluctuations in interest rates will impact the cost of financing incurred in the future. The Company monitors its interest rate exposure on an ongoing basis.

Based on the debt outstanding for the year ended January 31, 2017, management has determined that every 1% increase or decrease in the applicable interest rates results in a corresponding \$937,000 decrease or increase in the Company's net earnings.

Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation. The maximum exposure to credit risk is the full carrying value of the financial instrument.

The Company is exposed to credit risk with respect to amounts receivable. This risk is mitigated by the Company's general policy to secure loans receivables with real estate property. For its hotel operations, the Company's credit policy is designed to ensure there is a standard credit practice throughout the Company to measure and monitor credit risk. The policy outlines delegation of authority, the due diligence process required to approve a new customer or counterparty and the maximum amount of credit exposure per single entity. The Company also regularly monitors credit risk and exposure to any single customer or counterparty.

Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the maintenance of sufficient available credit facilities to Company ongoing operational and capital requirements.

The Company regularly monitors its operations and cash flows to ensure that current and future obligations will be met. The Company believes that its current sources of liquidity are sufficient to cover its currently known short and long term cash obligations.

Management continually performs risk assessments to ensure that all significant risks related to the Company's operations have been reviewed and assessed to reflect changes in market conditions and the Company's operating activities. The Company does not enter into financial instrument arrangements for speculative purposes.

DIVIDENDS

The Company paid the following dividends within the last three years:

Date	Dividend per common share	
October 24, 2016	\$	0.60
June 30, 2014	\$	0.60

The Company has a flexible dividend policy. The directors of the Company review the financial position of the Company and make determinations on the amount and timing of dividends based on the Company's availability of and need for cash flow.

DESCRIPTION OF CAPITAL STRUCTURE

General Description

The Company's authorized share capital consists of 54,000,000 common shares without par value, of which 33,953,365 common shares are issued and outstanding as at January 31, 2017. The following summarizes certain provisions of the Company's common shares. This summary is qualified in its entirety by the articles of the Company and the actual terms and conditions of the common shares. The Company has amended its memorandum and articles, by special resolution, at its annual general meeting held on May 31, 2005, to comply with the new *Business Corporations Act* (British Columbia), which replaced the *Company Act* (British Columbia) in March 2004.

Common Shares

The holders of the Company's common shares are entitled to notice of, to attend and to one vote per common share, at all meetings of the Company's shareholders, except meetings at which only holders of a specified class, other than common shares, or series of shares, are entitled to vote. The holders of the Company's common shares are entitled to receive dividends as and when declared by the Company's board of directors (the "**Board**"). In the event of the liquidation, dissolution or winding-up of the Company or other distribution of assets of the Company among its shareholders for the purpose of winding-up its affairs, the holders of the Company's common shares, after payment of all outstanding debts, are entitled to share in distributions of the property or assets of the Company.

MARKET FOR THE SECURITIES OF THE COMPANY

The common shares of the Company are listed on the Toronto Stock Exchange (“TSX”). The stock symbol is WFC and the CUSIP number is 931902100. The trading price range and volume for the common shares of the Company on the TSX during the fiscal year ended January 31, 2017 are set out below.

Date	High (\$)	Low (\$)	Close (\$)	Volume
January 2017	20.00	20.00	20.00	20,200
December 2016	19.95	18.80	19.95	12,500
November 2016	18.25	18.25	18.25	10,600
October 2016	19.74	19.50	19.50	17,400
September 2016	18.00	16.50	17.50	23,200
August 2016	14.80	14.80	14.80	6,500
July 2016	14.22	14.22	14.22	2,200
June 2016	15.00	15.00	15.00	4,100
May 2016	14.50	14.50	14.50	206,600
April 2016	13.30	13.30	13.30	14,100
March 2016	13.95	13.95	13.95	11,100
February 2016	14.95	14.95	14.95	6,800

PRIOR SALES

The following table summarizes the distribution of securities other than common shares that were issued during the most recently completed financial year, identifying the type of security, the price per security, the number of securities issued, expiry date and the date on which the securities were issued.

<u>Date</u>	<u>Type of Security</u>	<u>Price per Security (CDN\$)</u>	<u>Number of Securities</u>	<u>Expiry Date</u>
June 20, 2016	Stock Options	\$14.51	1,000,000	September 26, 2016
Total:			1,000,000	

ESCROWED SECURITIES

At January 31, 2017, there were no securities of the Company held in escrow.

DIRECTORS AND OFFICERS**Directors**

The names and municipalities of residence of the proposed directors of the Company, each of whom will hold office until the next annual general meeting of shareholders of the Company, and their principal occupations all as at the date of the Annual Information Form, are as follows:

Name and Municipality of Residence	Year First Appointed as Director	Principal Occupation for the Past 5 Years⁽⁴⁾
Barton Brett Finlay ⁽³⁾ Vancouver, B.C., Canada	2008	Professor, Michael Smith Laboratories and the Departments of Biochemistry and Molecular Biology, University of British Columbia

Name and Municipality of Residence	Year First Appointed as Director	Principal Occupation for the Past 5 Years ⁽⁴⁾
David E. Gruber Vancouver, B.C., Canada	2017	Partner of Farris, Vaughan, Wills & Murphy LLP, a full-service business law firm.
Robert King ^{(1) (2) (3)} Vancouver, B.C., Canada	2005	President, King Pacific Capital Corporation, a real estate investment firm, and Principal, Westbridge Capital Group, a commercial mortgage business
Michael Redekop ^{(1) (2)} Abbotsford, B.C., Canada	2011	President, Quadra Homes Ltd., a real estate investment and holding company
Peter Ufford ^{(1) (2) (3)} Surrey, B.C., Canada	1993	President of Stack Investments Ltd., an investment holding company
Bruno Wall Vancouver, B.C., Canada	1994	President of the Company

⁽¹⁾ Members of the Audit Committee.

⁽²⁾ Members of the Management and Investment Committee.

⁽³⁾ Members of the Governance and Nomination Committee.

⁽⁴⁾ The information as to principal occupation, business or employment is not within the knowledge of management of the Company and has been furnished by the respective individual.

Officers

The names and municipalities of residence of the officers of the Company for the year ended January 31, 2017 and the office held by them are as follows:

Name and Municipality of Residence	Position	Principal Occupation for the Past 5 Years
Peter Ufford Surrey, B.C., Canada	Chair	President of Stack Investments Ltd., an investment holding company
Bruno Wall Vancouver, B.C., Canada	President, Treasurer, CEO and CFO	President of the Company
Joanne Liu Burnaby, B.C., Canada	Secretary, and Vice-President, Finance	Vice-President, Finance of the Company
Sascha Voth Vancouver, B.C., Canada	General Manager, and Vice-President, Hotel Operations	Hotel Manager

All of the officers of the Company, unless otherwise noted, have been employed by the Company in various capacities during the five years preceding this Annual Information Form.

The directors and executive officers of the Company, as a group, beneficially own, directly or indirectly, or exercise control or direction over, 4,300,410 or 12.67% of the common shares of the Company. The information as to common shares beneficially owned or controlled by directors and executive officers, is not within the knowledge of management of the Company and has been furnished by the respective individual.

Cease Trade Orders or Bankruptcies

No director or executive officer of the Company is, or has been within 10 years before the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any company that, while that person was acting in that capacity

- (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was issued while

- the proposed director was acting in the capacity as a director, chief executive officer or chief financial officer; or
- (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while he was acting in the capacity of a director, chief executive officer or chief financial officer.

Bankruptcies

No director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is or has been within 10 years before the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any company that while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

No director or executive officer of the Company has, within 10 years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Penalties and Sanctions

No director has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

CORPORATE AND PROPERTY FINANCING (THE COMPANY AND SUBSIDIARIES)

The Company's financing consists of mortgage financing on investment properties and bank lines-of-credit secured by charges on investment and hotel properties. Construction financing for properties held for and under development are available in the form of Canadian dollar prime rate loans, letters of credit and bankers' acceptances. These credit facilities are secured by first mortgages and assignment of rents on related properties. The Company's policy on debt management is to maintain maximum flexibility while reducing risk. This is achieved by managing the ratio of short and long-term debt depending on market conditions, and fixing short term rates for up to a year through bankers' acceptances.

Mortgages payable increased from \$172,014,447 as at January 31, 2016 to \$225,128,140 as at January 31, 2017 due to a new mortgage of \$44,044,320 related to the Shannon Mews property and a new \$15,000,000 loan facility secured by the Westin Wall Centre Hotel.

At January 31, 2017, the Company held \$92,010,836 (2016 - \$79,216,061) in mortgages on property, plant and equipment. Of this amount, \$14,500,000 (2016 - \$39,381,363) bear interest at bankers' acceptance rates plus applicable stamping fees. Two interest rate swaps are in place to fix the interest rates on the remaining balance of the mortgages payable of \$77,510,836 with \$38,776,395 (2016 - \$39,834,698) fixed at 3.27% for a term of four years maturing November 2, 2019, and with the balance of \$38,734,441 (2016 - nil) fixed at 2.99% for a term of two years maturing March 2, 2018.

For the year ended January 31, 2017, the change in the fair value of the interest rate swap contracts was a gain of \$601,087 (2016 – loss of \$425,700) and is recorded in finance costs on the statements of earnings.

Mortgages payable on investment properties of \$133,117,304, net of financing fees of \$3,633,689 (2016 - \$92,798,386, net of financing fees of \$2,420,720) bears interest at fixed rates ranging from 2.46% to 6.50% (2016 - 2.46% to 6.50%).

All mortgages are secured by first and second fixed charges over the Company's properties under development for sale, investment properties, and property, plant, and equipment.

Fixed rate mortgage maturity dates range from 2017 to 2026.

The following schedule of mortgages payable, excluding financing fees, illustrates the Company's refinancing requirements over the next five fiscal years.

Schedule of Mortgages Payable

Due Date	Amount
2018	\$ 102,376,196
2019	3,733,750
2020	39,738,643
2021	13,989,651
2022	2,219,083
Thereafter	66,704,506
	\$ 228,761,829

Existing financing is in place to meet operating requirements over the next 12 months and construction financing has been placed on the projects under development.

LEGAL PROCEEDINGS

The management of the Company is not aware of any outstanding, threatened or pending litigation as of the date of this Annual Information Form, by or against the Company, which would be material to the Company. From time to time, the Company is named as a defendant in various legal proceedings in the ordinary course of conducting its business. No such current litigation is expected to have a material adverse effect on the financial position of the Company.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, except as described herein and elsewhere in this document, no director or executive officer of the Company, no person who beneficially owns, directly or indirectly, common shares carrying more than 10% of the voting rights attached to all outstanding common shares of the Company (each of the foregoing being an "Informed Person"), no director or executive officer of an entity that is itself an Informed Person or a subsidiary of the Company, and no associate or affiliate of the foregoing, has any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the Company's last completed financial year, or in any proposed transaction which, in either case, has materially affected, or would materially affect, the Company.

The Company has entered into co-owners' and project participation agreements with PWO Investments Ltd. ("PWO"), a wholly owned company of Mr. Peter Wall, a significant shareholder of the Company, and BJW Investments Ltd. ("BJW"), a wholly owned company of Mr. Bruno Wall, the President of the Company, (collectively referred to as the "Wall Equity Companies"), with respect to certain properties under development for sale.

The Wall Equity Companies have collectively provided up to 25% of the equity to finance such properties. In fiscal 2005, the Company amended its compensation plan and the project participation agreement to reduce the amount of compensation that Peter Wall and Bruno Wall receives from the Company and to increase by a corresponding amount the consideration which the Wall Equity Companies may receive pursuant to the project participation agreement, up to a maximum of 40%. The amendments do not directly or indirectly increase the Company's liabilities, obligations, or costs. Non-controlling interest at January 31, 2017 includes \$28,444,707 (2016 - \$29,996,220) relating to these agreements with the Wall Equity Companies.

The Company, in the normal course of its operations, has had transactions with certain of its directors, officers or significant shareholders or associates or affiliates of any of these persons or companies. In all cases, the transactions are, in respect of the Company, on no more favourable terms than similar transactions with unrelated third parties. Details of these transactions are as follows.

As at January 31, 2017, the Company is indebted to PWO totaling \$100,000,000 (2016 - \$50,000,000), which is secured by a second mortgage on the Sheraton Wall Centre and Westin Wall Centre hotel properties. Of this \$100,000,000 loan, \$50,000,000 bears interest at prime plus 2% per annum (2016 – prime plus 2%), with \$30,000,000 due on demand. The remaining loan balance is due on demand and bears interest at 3.25% per annum (2016 – nil). The aggregate amount of the demand loans payable of \$80,000,000 (2016 - \$50,000,000), net of unamortized financing costs of \$104,167 (2016 – \$151,042) are recorded as a current liability on the statement of financial position. For the year ended January 31, 2017, the Company recorded interest on loans payable to PWO totaling \$3,328,000 (2016 - \$2,192,333).

In the normal course of its business activities, the Company sells individual condominium units in properties to significant shareholders, directors, and officers on similar terms as sales to unrelated parties, which have been described below.

In the year ended January 31, 2017, the Company sold a condominium unit to Mr. Bruno Wall for \$759,000 and two condominium units to PWO for an aggregate amount of \$1,930,981, the proceeds for which were received on closing in the year. The Company also entered into contracts of purchase and sale with Mr. Bruno Wall for a condominium unit for \$439,900, and with two officers of the Company, Joanne Liu and Sascha Voth, for four condominium units for an aggregate amount of \$1,606,010, the proceeds of which will all be due upon closing subsequent to fiscal 2017.

In February 2016, the Company leased premises at the Sheraton Wall Centre Hotel (the “**Premise**”) to 1062682 BC Ltd. (the “**Tenant**”), a wholly owned company of Peter Wall, for a term of 10 years commencing on April 1, 2016. Under this agreement, the Tenant shall pay a base rent of \$14,286 per month, and has amounts payable to the Company of \$45,000 as at January 31, 2017. The Tenant is responsible for its operating costs, while the Company is responsible for property taxes and utilities in respect of the Premise.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the common shares of the Company is Computershare Trust Company of Canada at its principal office in Vancouver, B.C.

MATERIAL CONTRACTS

There are no material contracts, other than contracts entered into in the ordinary course of business.

INTERESTS OF EXPERTS

The Company's independent auditors, KPMG LLP, Vancouver, British Columbia, have delivered an audit report to the Company concerning the year ended January 31, 2017 as at April 21, 2017 (audit report date). KPMG LLP is an independent auditor within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

AUDIT COMMITTEE

The Audit Committee's Charter

The Audit Committee's Charter, as approved by the Board, is included as Appendix A to this Annual Information Form for 2017.

Composition of the Audit Committee

The Audit Committee is composed of three members, each of whom is independent and financially literate as defined by Canadian securities laws. The members of the Audit Committee are Michael Redekop (Chair), Robert King and Peter Ufford.

Education and Experience of Audit Committee Members

This section describes the education and experience of the Company's Audit Committee members that is relevant to the performance of their responsibilities in that role.

Peter Ufford - Mr. Ufford joined the Board in 1993. He co-founded Give Canada Fundraising Corp. in 2000 and the same year joined Spectrum Marketing Corp., a company specializing in philanthropic or commercial naming rights agreements for established organizations. Mr. Ufford is currently President of Stack Investments Ltd., an investment holding company. Mr. Ufford has over 30 years' experience in business and non-profit administration.

Robert King - Mr. King joined the Board in 2005. Since 1995, he has served as President of King Pacific Capital Corporation, a private company specializing in mortgage finance and real estate development and investment in Western Canada. Mr. King is also a principal of Westbridge Capital Group, a full-service commercial mortgage company. Mr. King earned his MBA from Dalhousie University in 1992, a Bachelor of Arts from the University of British Columbia in 1989, an ICD.D designation from the Institute of Corporate Directors, and has over 20 years' experience with corporate and real estate financing.

Michael Redekop - Mr. Redekop joined the Board in 2011 and was appointed Chair of the Audit Committee in 2012. He received his Chartered Accountant designation in 1997 and was in public practice from 1994 to 1998. Since 2005, he is the President of Quadra Homes Ltd., a real estate holding and investment company.

Audit Committee Oversight

For the completed financial year ended January 31, 2017, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Pre-Approval Policies and Procedures

The audit committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

Audit Fees

In the financial year ended January 31, 2017, KPMG LLP billed the Company \$146,000 (2016 - \$146,000) for audit services.

Audit-Related Fees

In the financial year ended January 31, 2017 and 2016, there were no billings from KPMG LLP for assurance and related services related to the performance of the audit or review of the Company's financial statements that were not reported under "Audit Fees" above.

Tax Fees

In the financial year ended January 31, 2017, KPMG LLP billed the Company \$154,239 (2016 - \$133,592) for advice related to tax compliance, tax advice and tax planning.

All Other Fees

In the financial years ended January 31, 2017 and 2016, there were no other billings from KPMG LLP for professional services.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of securities of the Company, options to purchase securities and interests of insiders in material transactions, as applicable, is contained in the Company's Management Information Circular, dated April 21, 2017 with respect to the annual meeting of shareholders of the Company, to be held on June 14, 2017. Additional financial information is provided in the Company's comparative financial statements and management discussion and analysis for the period ended January 31, 2017. A copy of such documents may be obtained at www.sedar.com or upon request from the Secretary of the Company.

APPENDIX A
WALL FINANCIAL CORPORATION
AUDIT COMMITTEE OF THE BOARD OF DIRECTORS
CHARTER

I. PURPOSE

The primary function of the Audit Committee is to assist the Board of Directors of Wall Financial Corporation (the “Company”) in fulfilling its oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to any governmental body or the public, the Company’s systems of internal controls regarding finance, accounting and reporting that management and the Board have established, and the Corporation’s auditing, accounting and financial reporting processes generally. Consistent with this function, the Audit Committee should encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Audit Committee’s primary duties and responsibilities are to:

- Oversee management’s conduct of the Company’s financial reporting process and systems of internal accounting and financial controls.
- Monitor the independence and performance of the Company’s external auditors.
- Provide an open avenue of communication among the external auditors, financial and senior management and the Board of Directors.

II. COMPOSITION

The Audit Committee shall be comprised of three or more Directors as determined by the Board, each of whom shall be independent Directors, and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. And “independent director” is a director who is not an associate, director, officer or employee of the Company or a related party or any affiliate thereof. All members of the Committee shall have a working familiarity with basic finance and accounting practices, and at least one member shall have accounting or related financial management expertise.

No member of the Committee shall accept any consulting, advisory or other compensatory fee from the Company other than in connection with serving on the committee or as a member of the Board.

The members of the Committee shall be elected by the Board at the annual organizational meeting of the Board or until their successors are duly elected and qualified. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote to the full Committee membership.

III. MEETINGS

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee should meet at least annually with management and the external auditors in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately.

Minutes of all meetings of the Audit Committee shall be submitted to the Board of Directors.

The Committee shall, through its chairperson, report regularly to the Board of Directors following the meetings of the Committee, addressing such matters as the quality of the Company’s financial statements, the Company’s compliance with legal or regulatory requirements, the performance and independence of the external auditors, the performance of the internal audit function or other matters related to the Committee’s functions and responsibilities.

IV. RESPONSIBILITIES AND DUTIES

While the Committee has the powers and responsibilities set forth in this charter, it is not the responsibility of the Committee to plan or conduct audits to determine that the Company's financial statements present fairly the financial position, the results of operations and the cash flows of the Company, in compliance with generally accepted accounting principles. This is the responsibility of management and the external auditors. In carrying out these oversight responsibilities, the Committee is not providing any expert or special assurance as to the Company's financial statements or any professional certification as to the external auditor's work.

To fulfill its responsibilities and duties the Audit Committee shall:

Documents/Reports Review

1. Review and update this Charter at least annually as conditions dictate.
2. Review the Company's annual financial statements, related footnotes and any report, opinion or review rendered by the external auditors, including reviewing the nature and extent of any changes in accounting principles or the application thereof.
3. Review quarterly financial statements of the Company prior to public distribution including the earnings press release.
4. Review all public filings of the Company which includes significant financial information including the Annual Report and the Annual Information Form.
5. Review and discuss the Company's disclosure and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in any annual or quarterly report.

External Auditors

6. The external auditors of the Company are responsible to the Audit Committee and Board of Directors of the Company as representatives for the Company's shareholders. The Audit Committee will recommend to the Board of Directors the selection of the external auditors, considering independence and effectiveness, and approve the fees and other compensation to be paid to the external auditors. On an annual basis, the Committee should review and discuss with the auditors all significant relationships the auditors have with the Company to ensure the auditors' independence.
7. Confer with the external auditors concerning the audit scope and plan; review and approve the external auditors' annual engagement letter; direct attention of the auditors to specific matters or areas deemed by the Committee or the auditors to be of special significance; and authorize the auditors to perform such supplemental reviews or audits as the Committee may deem desirable.
8. Review the performance of the external auditors and approve any proposed discharge of the external auditors when the circumstances warrant.
9. Periodically consult with the external auditors out the presence of management about internal controls and the fullness and accuracy of the organization's financial statements.

Financial Reporting Processes

10. In consultation with the external auditors, review the integrity of the financial reporting processes, both internal and external
11. Review and discuss:
 - The existence of significant estimates and judgements underlying the financial statements including the rationale behind those estimates as well as the details on material accruals and reserves and the Company's accounting principles;

- all critical accounting policies identified to the Committee by the external auditors;
- major changes to the Company's accounting principles and practices, including those required by professional or regulatory pronouncements and actions, as brought to its attention by management and/or the external auditors; and
- material questions of choice with respect to the appropriate accounting principles and practices to be used in the preparation of the Company's financial statements, as brought to its attention by management and/or the external auditors.

Process Improvement

12. Established regular and separate systems of reporting to the Audit Committee by each of management and the external auditors regarding any significant judgments made in management's preparation of the financial statements and the view of each as to the appropriateness of such judgments.
13. Following completion of the annual audit, review separately with each of the management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information, and any changes required in the audit plan.
14. Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
15. Review with the external auditors and management the extent to which changes or improvement in financial or accounting practices, as approved by the Audit Committee, have been implemented. (This review should be conducted at an appropriate time subsequent to implementation of changes or improvements, as decided by the Committee.)

Internal Control

16. Obtain reasonable assurance that the Company's accounting systems are reliable and that the prescribed internal controls are operating effectively.
17. Consider and review:
 - The adequacy of the Company's internal controls, including computerized information system control and security.
 - Any related significant findings and recommendations of independent accountant together with management's responses thereto.
18. Assess whether management has implemented policies ensuring that risks are identified and that controls are adequate.

Compliance and Authority

19. Review legal or regulatory matters that could have material impact on the Company's financial statements.
20. Review the procedures established by the Company to monitor compliance by the Company with any covenants and restrictions contained in its loan agreements, indentures and Declaration of Company.
21. Inquire of management and the external auditor about significant risks and exposures and assess the steps management has taken to minimize such risk to the Company, including a review of insurance coverage.
22. Review any material litigation, claims or other contingent liabilities of the Company.
23. Report Committee actions to the Board of Directors with such recommendations as the Committee may deem appropriate.

24. Perform any other activities consistent with this Charter, the Company's Declaration of Company and governing law, as the Committee or the Board deems necessary or appropriate.
25. The Audit Committee shall have the power to conduct or authorize investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to retain independent legal counsel, accountants or other to assist in the conduct of any investigation.