

Appraisal Report

Commercial Shop & Office Complex

***Lots 13, 14, 15, 16, 17, 18 & 19, Block 4, Plan PGP7277,
Section 36, Township 83, Range 19, W6M
Located at 10107 – 94th Avenue, Fort St. John, BC.***



Prepared For:

D & T Disposals Ltd.

&

Mr. Lance Ramsay

Prepared By:

Phil Hunter, AACI, P. App

Plant & Associates Appraisal Services Inc.

205, 10139 – 100th Street

Fort St. John, BC, V1J 3Y6

(250) 785-1005



205, 10139-100th Street
Fort St. John, BC
V1J 3Y6

Phone (250) 785-1005
Fax (250) 782-8574
philhunter@telus.net

January 07, 2019

D & T Disposals Ltd.
C/O 10107 – 94th Avenue
Fort St. John, BC., V1J 1G4

Re: Appraisal Report

I have made an investigation and prepared an appraisal report of the parcels of land legally described as Lots 13, 14, 15, 16, 17, 18 & 19, Block 4, Plan PGP7277, Section 36, Township 83, Range 19, W6M, located at 10107 – 94th Avenue, Fort St. John, British Columbia. The appraised property consists of (7) C4 – Service Commercial zoned parcels of land totalling 61,179.72 square feet, improved with an 8,560 square foot service commercial shop complex of steel frame construction, with an attached 2,288 square foot office area of wood frame construction. The yard area has been stripped of the top soil, levelled, packed and is well gravelled, the parking area on the north side of the building is paved with asphalt, and the yard area on the west side of the building is fenced with chain link.

The purpose of the appraisal is to express an opinion of market value of the fee simple interest in the property, as of **January 07, 2019**, assuming it was offered for sale on the open market. I understand the function of the appraisal is for *mortgage purposes*.

Market Value is defined as “The most probable price in cash, terms equivalent to cash, or in other precisely revealed terms, for which the appraised property will sell in a competitive market. Market value assumes all conditions requisite to fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self interest, and assuming that neither is under undue duress.” The exposure period associated with the statement of value reported herein is estimated to be **3 to 6 months**.

The property was valued as if offered in the open market for a reasonable time in which to find a buyer. I have appraised the fee simple interest in the property and have assumed the property to be available for development to its highest and best use, free and clear of all liens and encumbrances. Fee Simple Interest is defined as an absolute ownership unencumbered by any other interest or estate, and subject only to the limitations of expropriation, escheat, police power and taxation.

The real property was appraised as if environmentally clean. No consideration has been given to any potential environmental problems with the land. My analysis, opinions and conclusions were developed, and this report has been prepared, in conformity with the *Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP – 2018)*.

During my inspection and after this time, a study of the various real estate markets was made. In forming my opinion of the highest and best use of the land and its value indications, consideration has been given to the present state of the economy; past, present and future market trends; the supply of and demand for the various segments of development; and overall pattern of development in the area.

My report consists of:

- This appraisal summary letter, which identifies the property appraised, describes the nature and scope of the engagement and states the conclusion of value;
- An introductory section containing an overview of the engagement, the purpose of the appraisal and an identification of the property appraised; and
- A valuation analysis section containing a discussion of the appraisal methods employed, detailed information on the comparables utilized and the assumptions considered in forming my value estimate.

Subject to the noted assumptions and conditions presented in this report, in my opinion the market value of the subject property as of *January 07, 2019*, is estimated at...

Two Million Fifty Thousand (\$ 2,050,000.00) Dollars

An investigation was made of the titles, but not liabilities against the property appraised.

Respectfully submitted,



Phil E. Hunter, AACI, P. App
Plant & Associates Appraisal Services Inc.

Table of Contents

Title Page	
Letter of Transmittal	

Part I – Preface

Summary of Salient Facts and Important Conclusions.....	1
Assumptions and Limiting Conditions.....	3
Scope of the Appraisal.....	6
Area Data.....	7
Neighbourhood Description.....	17
Site Description.....	20
Assessment & Taxation / Zoning.....	24
Highest and Best Use.....	27
Sale / Listing History.....	32
Exposure Time & Marketing Period.....	32
Environmental Statement.....	33
Description and Analysis of the Improvements.....	34

Part II – Analysis and Conclusions

Valuation.....	38
Cost Approach.....	40
Income Approach.....	53
Direct Comparison Approach.....	67
Correlation and Conclusions.....	77
Certificate.....	79

Part III – Addenda

Copy of Title Search.....	Exhibit A
Permitted Uses.....	Exhibit B
Assessment Report.....	Exhibit C
Property Photographs.....	Exhibit D

Part I – Preface

Summary of Salient Facts & Important Conclusions

<i>Date of Valuation:</i>	As of January 07, 2019	
<i>Property Address:</i>	10107 – 94 th Avenue Fort St. John, B.C.	
<i>Legal Description:</i>	Lots 13, 14, 15, 16, 17, 18 & 19, Block 4, Plan PGP7277, Section 36, Township 83, Range 19, W6M	
<i>Registered Owner:</i>	D & T Disposals Ltd. Inc. No. 0479273	
<i>Land Size:</i>	<p><i>Lot 13:</i> 51.30' x 168.40' = 8,638.92 square feet <i>Lot 14:</i> 52.00' x 168.40' = 8,756.80 square feet <i>Lot 15:</i> 52.00' x 168.40' = 8,756.80 square feet <i>Lot 16:</i> 52.00' x 168.40' = 8,756.80 square feet <i>Lot 17:</i> 52.00' x 168.40' = 8,756.80 square feet <i>Lot 18:</i> 52.00' x 168.40' = 8,756.80 square feet <i>Lot 19:</i> 52.00' x 168.40' = <u>8,756.80 square feet</u> <i>Total:</i> <i>61,179.72 square feet</i></p>	
<i>Building Improvements:</i>	The subject property is improved with an 8,560 square foot service commercial shop complex of steel frame construction, with an attached 2,288 square foot office area of wood frame construction.	
<i>2018 Property Assessment:</i>	<i>Lot 13:</i>	\$ 133,400.00
	<i>Lot 14:</i>	\$ 134,100.00
	<i>Lots 15, 16, 17, 18 & 19:</i>	<u>\$ 1,112,000.00</u>
	<i>Total:</i>	<i>\$ 1,379,500.00</i>
<i>2018 Property Taxes:</i>	<i>Lot 13:</i>	\$ 2,683.97
	<i>Lot 14:</i>	\$ 2,724.96
	<i>Lots 15, 16, 17, 18 & 19:</i>	<u>\$ 23,269.15</u>
	<i>Total:</i>	<i>\$ 28,678.08</i>

.../Cont'd

Roll Number:	Lot 13:	420-001585.000
	Lot 14:	420-001586.000
	Lots 15, 16, 17, 18 & 19:	420-001587.000

PID Number:	Lot 13:	012-635-006
	Lot 14:	012-635-022
	Lot 15:	012-635-031
	Lot 16:	012-635-049
	Lot 17:	012-635-057
	Lot 18:	012-635-065
	Lot 19:	012-635-073

Zoning: C4 – Service Commercial

Highest & Best Use: *As if vacant:* Conforming commercial development.

As Improved: Its current use as a service commercial shop / office complex.

Estimate of Market Value

Two Million Fifty Thousand (\$ 2,050,000.00) Dollars

Assumptions & Limiting Conditions

This report is prepared at the request of **Mr. Lance Ramsay** on behalf of **D & T Disposals Ltd.** for the purpose of an appraisal of **Market Value** to assist in establishing the value of the subject property for **mortgage purposes**. It is not reasonable for any person other than **Mr. Lance Ramsay, a representative of D & T Disposals Ltd. or the prospective mortgagee** to rely on this appraisal without first obtaining written authorization from the same and this Appraiser. There may be qualifications, assumptions, or limiting conditions in addition to those set out below, relevant to that person's identity or his intended use. This report is prepared on the assumption that no other person will rely on it for any other purpose, and that the liability to all such persons is denied.

While qualified in appraisal matters, the author is not qualified and does not purport to give legal advice. It is assumed that:

- (1) The legal description is correct;
- (2) Title to the property is good and marketable;
- (3) There are no encroachments, encumbrances, restrictions, leases or covenants that would in any way affect the valuation except as expressly noted herein;
- (4) The existing use is a legally conforming use which may be continued by any purchaser from the existing owner; and
- (5) Rights of way, easements or encroachments over other real property and leases or other covenants noted herein are legally enforceable.

Because these assumptions have been made, no investigation, legal or otherwise, has been undertaken which would verify these assumptions except as expressly noted herein. The author is not a qualified surveyor (and no legal survey concerning the subject property has been provided.) Sketches, drawings, diagrams, photographs, etc., are presented in this report for the limited purpose of illustration and are not to be relied upon by themselves.

The author is not qualified to give engineering advice. It is assumed that there are no patent or latent defects in the subject improvements, that no objectionable materials such as Urea Formaldehyde Foam are present, that they are structurally sound and in need of no immediate repairs, unless expressly noted within this report.

.../Cont'd

No soil tests have been done, nor have tests be done of the heating, plumbing, electrical, air-conditioning or other systems and, for the purpose of this opinion, they are assumed to be in good working order.

No investigation has been undertaken with the local zoning office, the fire department, the building inspector, the health department or any other government regulatory agency unless such investigations are expressly represented to have been made in this report. The subject property must comply with such government regulations and, if it does not comply, its non-compliance may affect market value. To be certain of compliance, further investigations may be necessary.

Neither possession of this report nor a copy of it carry with it the right of publication. All copyright is reserved to the author and is considered confidential by the author and his client. It shall not be disclosed, quoted from or referred to, in whole or in part, or published in any manner, without the express written consent of the appraiser.

Market data has been obtained, in part, from documents as reported by the real estate board. Except as noted herein, a reasonable attempt has been made to verify all such information. Because market conditions, including economic, social and political factors change rapidly and on occasion without warning, the market value expressed as of the date of this appraisal cannot be relied upon to estimate the market value as of any other date except with further advice of the appraiser.

The compensation for services rendered in this report does not include a fee for court preparation or court appearance, which must be negotiated separately. Nor may this appraisal be used as evidence in a Court of Law or for Assessment Appeal purposes, without obtaining prior written consent of the appraiser. If signatures are not in original ink, this report is invalid.

The distribution of the total valuation in this report, between land and improvements, applies only under the existing program of utilization. The separate valuation for land and buildings must not be used in conjunction with any other appraisal and is invalid if so used. This appraisal also may not be used for fire insurance purposes, as insurance values are established on a different basis.

Hypothetical Condition

“That which is contrary to what exists, but is supposed for the purpose of analysis.” (1)

There are no hypothetical conditions contained within this report.

Extraordinary Assumption

“Extraordinary Assumptions presume uncertain information to be factual. If found to be false, these assumptions could alter the appraiser’s opinions or conclusions.” (2)

There are no extraordinary assumptions contained within this report.

1. Canadian Uniform Standards of Professional Appraisal Practice. Appraisal Institute of Canada. Ottawa. January 01, 2018.
2. Canadian Uniform Standards of Professional Appraisal Practice. Appraisal Institute of Canada. Ottawa. January 01, 2018.

Scope of the Appraisal

Property Appraised

The appraised property consists of (7) C4 – Service Commercial zoned parcels of land totalling 61,179.72 square feet, improved with an 8,560 square foot service commercial shop complex of steel frame construction, with an attached 2,288 square foot office area of wood frame construction. The yard area has been stripped of the top soil, levelled, packed and is well gravelled, the parking area on the north side of the building is paved with asphalt, and the yard area on the west side of the building is fenced with chain link.

Purpose of the Appraisal

The purpose of this appraisal is to determine the current **Market Value** of the Fee Simple Interest in the property appraised, assuming it to be available for sale on the open market.

Function of the Appraisal

The function of the report is for *potential mortgage purposes*.

Valuation Date

January 07, 2019

Date of Inspection

December 28, 2018

Property Rights Appraised

The property rights appraised are the Fee Simple Interest.

Definition of Fee Simple

Fee simple interest is defined as absolute ownership, without limitation to any particular class of heirs or restrictions, but subject only to the limitations of expropriation, escheat, police power and taxation. It is an Inheritable Estate.

Scope of the Appraisal

The scope of the appraisal is the extent of the process of collecting, confirming and reporting data. The data compiled in this report was derived from an on-site inspection which included talking to the land owner, observations and taking pictures of the property. Information has also been gathered from assessment / taxation departments, real estate agents and other reliable officials with relevant information. Some of the data contained herein may have been collected by another professional with this company.

Area & City Analysis

General Locale

The Subject Property is located in the southwest quadrant of the City of Fort St. John (The Energetic City), situated within the northeast section of the Province of British Columbia. Fort St. John is located approximately 45 miles North of Dawson Creek (The Mile Zero City) which is where the Alaska Highway originates, and approximately 285 miles North of Prince George.

Economic Background

Development of the area began in 1794 with the establishment of the Rocky Mountain Fort, now the site of Fort St John. This was the first trading post and the oldest white settlement in British Columbia. The North West Company's control over the fur trade ended in 1821 when it amalgamated with the Hudson's Bay Company. Gold was discovered along the banks of the Peace River in 1861, signalling that wealth existed in this region. The Federal Governments return of the Peace River Block to the Province of BC in 1930, combined with the extension of rail lines into the area the following year, brought an influx of Depression era farmers seeking a fresh start. As a result, agriculture serves as the historical economic base for Fort St John.

In 1951, Fort St John Number One well struck oil, the first such strike in BC, which eventually led to Westcoast Energy's discovery of natural gas. In 1957 Canada's first major natural gas pipeline was constructed from Taylor, located 9 miles south of Fort St John, to the United States border. The Pacific Great Eastern Railway was extended to Fort St John in 1958, which allowed for rapid growth in the oil and gas sector as well as establishing a forest industry. Ft St John also serves as the main service centre for the W.A.C. Bennett Hydroelectric Dam, completed in 1967, as well as the Peace Canyon Dam, both of which provide energy that is sold throughout BC. The inevitable population growth that was required to service these industries led to Fort St John's incorporation as a city in 1975.

The major employment industries today are associated with oil and gas, forestry, and agriculture. British Columbia's oil and gas industry is the second largest in Canada, with more than 32,000 people employed across the province. Presently, almost all of the exploration and production of oil and gas is taking place in the Peace River region, with Fort St John located in the center of this development. Oil and gas collected from areas around Ft St John are piped to the McMahan refinery in Taylor, and then transported to Kamloops via the Spectra Energy pipeline. As exploration is labour intensive, any increase in drilling activity has a direct impact upon the local economy, and there is good reason to believe this industry has a bright future.

Fort St. John became home to BC's first Oil and Gas Commission, the result of a joint initiative between government and industry, whose mission is to streamline the regulatory process. The Commission has been given the authority to grant licenses, permits, and approvals. Expanding markets and a new plan for developing oil and gas resources should mean jobs and prosperity for Fort St John

The second key industry in the area is forestry, contributing \$90 million dollars annually into the local economy. Over 600 people are directly employed while another 350 are contracted to provide log harvesting and hauling. Canadian Forest Products (CANFOR) is the principal employer and operates two mills. Peace Valley OSB operates a state of the art oriented strand board facility producing 820 million square feet of 3/8" panel annually, making it one of the largest OSB Mills in the world and a major contributor to the economic growth within the North Peace region of British Columbia.

Agriculture is the third key industry. The Peace River area is the largest agricultural region in the province, with more than one million acres of land cultivated annually. Cattle ranchers sell approximately 60,000 calves from the region every year. In addition, more wheat, barley, canola, and grass seed is produced here than any other area of BC. This highly diversified industry includes beef, dairy, sheep, honey production, greenhouse operations, and organic farming. Game farming, including bison and reindeer, has seen strong growth. A full one third of Canada's bison population is located in the region.

Population Trends

The 2016 Census indicates that the City of Fort St. John has a population of 20,155. In comparison, the 2011 Census reported a population of 18,609, the 2006 Census reported a population of 17,400, the 2001 Census indicated a population of 16,034, the 1996 Census reported a population of 15,021 and the 1991 Census indicated that the population was 14,156. In essence then, the population has increased by 5,599 in 25 years, which equates to a total population increase of 42.37% or 1.69% per year.

The population of Ft St. John has fluctuated in line with the economic booms and busts. Being highly dependent upon the oil and gas industry, when the demand for oil and gas increases so too does the population. For example, the City's population dropped from over 14,000 down to 12,000 during the prolonged depression that ran from 1983 to 1989.

The trading area has a population in excess of 50,000, extending north to the Yukon border, south to Dawson Creek, west to Chetwynd and east to the Alberta border. Fort St. John has a total labour force of 8,520 made up predominantly of young people. Of the City's total population, approximately 25% is made up of people under the age of 20 and another 30% between the ages of 20 – 34.

When compared to the population averages in BC, what is most striking is that Fort St. John has a higher than average percentage of their total population made up of people from 15 – 44 and a much lower than average proportion of people in the 45 – 64 age group. It is also significant that for people 65 and older, Ft St Johns proportion is 50% less than the provincial average.

It is of significance to note that the median age of Fort St. John's population is 29.8 years as compared to the median provincial age which is 40.8 years.

A map of the relative location of Fort St. John within Northeastern British Columbia is shown on the following page.

Year end building numbers from City Hall show that the value of new construction in Fort St. John in ***2017 was approximately \$54,666,000.00*** from a total of 92 permits. The ***2016 total was approximately \$81,453,000.00*** from 69 permits, the ***2015 total was approximately \$165,000,000.00*** from a total of 277 permits. The 2014 total was ***\$155,000,000.00*** from a total of 330 permits, the ***2013 total was \$135,000,000.00*** from 300 permits, the ***2012 total was \$63,800,000.00*** from 289 permits and the ***2011 total was \$68,200,000.00*** from 295 permits, after removing \$270,600,000.00 for the new hospital.

Recent Regional Economic Developments

The \$8 Billion ***BC Hydro Site "C" hydro electric project*** was finally announced on ***December 16, 2014***, which could have a substantial effect upon regional economic growth in the near future. Although the continuation of this project had until recently been in question, the Provincial NDP Government announced on ***December 11, 2017*** that this project would in fact see completion, although the projected cost of the project has risen to \$10.7 Billion.

In addition, ***LNG Canada***, a joint venture between ***Shell, Petronas, PetroChina Co Ltd., Mitsubishi Corp.*** and ***Korea Gas Corp.*** announced on ***October 02, 2018*** that they would be moving forward with construction of a ***\$40 Billion LNG Facility*** to be constructed in Kitimat. This could have a substantial effect upon regional economic growth in the near future.

2017 Building Permit Totals

BUILDING INSPECTION REPORT FOR THE MONTH OF DECEMBER 2017									
	CURRENT MONTH			YEAR TO DATE			PREVIOUS YEAR TO DATE		
	# OF PERMITS	# OF DWELLINGS	CONST. VALUE	# OF PERMITS	# OF DWELLINGS	CONST. VALUE	# OF PERMITS	# OF DWELLINGS	CONST. VALUE
Single Family	0		-	10	10	6,034,000.00	23	23	10,826,000.00
Mobile Home	0		-	1	1	115,000.00	1	1	100,000.00
Duplex	0		-	6	12	4,993,000.00	11	22	9,688,000.00
Multiple Family	0		-	7	69	19,625,000.00	7	23	8,300,000.00
Garage / Renovation	1		1,000.00	36	0	1,345,000.00	35	0	1,233,000.00
Commercial	4		177,000.00	40	0	7,385,000.00	46	0	17,656,000.00
Industrial	0		-	7	0	14,369,000.00	1	0	11,000,000.00
Institutional	0		-	1	0	800,000.00	3	0	22,650,000.00
TOTAL	5	0	\$ 178,000.00	108	92	\$ 54,666,000.00	127	69	\$ 81,453,000.00

SOURCE OF REVENUE	TOTAL PERMITS	CURRENT MONTH	YEAR TO DATE	PREVIOUS YEAR
Building Permits	5	935.00	272,679.00	423,448.75
Moving & Dem'l Permits	1	50.00	350.00	300.00
Sign Permits	1	45.00	3,415.00	4,410.00
Plumbing Permits	2	185.00	10,038.00	12,785.00
Sprinkler Permits	0	-	11,075.00	1,258.00
SSAC Charges	0	-	77,100.00	46,700.00
DCC Charges	0	-	209,452.59	167,546.42
Plan Processing Fees	4	500.00	11,758.00	15,675.00
Letters of Compliance			4,400.00	-
TOTAL	9	\$ 1,715.00	\$ 600,267.59	672,123.17

	CURRENT MONTH	YEAR TO DATE
Plan Checks	5	105
Office Appointments	5	302
Formal Inspections	19	662
Site Visits	21	147

2017 Total # of permits issued - 92 - For a total value of \$54,666,000.00

2017 Total # of new dwelling units created - 92

2016 Building Permit Totals

BUILDING INSPECTION REPORT FOR THE MONTH OF DECEMBER 2016									
	CURRENT MONTH			YEAR TO DATE			PREVIOUS YEAR TO DATE		
	# OF PERMITS	# OF DWELLINGS	CONST. VALUE	# OF PERMITS	# OF DWELLINGS	CONST. VALUE	# OF PERMITS	# OF DWELLINGS	CONST. VALUE
Single Family	0		-	23	23	10,826,000.00	67	67	30,986,000.00
Mobile Home	0		-	1	1	100,000.00	0	0	-
Duplex	0		-	11	22	9,688,000.00	45	90	33,231,000.00
Multiple Family	0		-	7	23	8,300,000.00	27	201	46,070,000.00
Garage / Renovation	0		-	35	0	1,233,000.00	86	0	1,414,050.00
Commercial	2		50,000.00	46	0	17,656,000.00	48	0	51,060,000.00
Industrial	0		-	1	0	11,000,000.00	0	0	-
Institutional	0		-	3	0	22,650,000.00	4	0	1,990,000.00
TOTAL	2	0	\$ 50,000.00	127	69	\$ 81,453,000.00	277	358	\$ 164,751,050.00

SOURCE OF REVENUE	TOTAL PERMITS	CURRENT MONTH	YEAR TO DATE	PREVIOUS YEAR
Building Permits	2	250.00	423,448.75	832,910.00
Moving & Dem'l Permits	0	-	300.00	900.00
Sign Permits	5	225.00	4,410.00	2,970.00
Plumbing Permits	0	-	12,785.00	32,210.00
Sprinkler Permits	0	-	1,258.00	2,210.50
SSAC Charges	0	-	46,700.00	280,550.00
DCC Charges	0	-	167,546.42	701,252.26
Plan Processing Fees	2	200.00	15,675.00	32,700.00
Letters of Compliance			-	5,000.00
TOTAL	7	\$ 675.00	\$ 672,123.17	1,890,702.76

	CURRENT MONTH	YEAR TO DATE
Plan Checks	2	127
Office Appointments	18	278
Formal Inspections	47	1005
Site Visits	28	284

2016 Total # of permits issued - 127 - For a total value of \$81,453,000.00

2016 Total # of new dwelling units created - 69

2015 Building Permit Totals

BUILDING INSPECTION REPORT FOR THE MONTH OF DECEMBER 2015									
	CURRENT MONTH			YEAR TO DATE			PREVIOUS YEAR TO DATE		
	# OF PERMITS	# OF DWELLINGS	CONST. VALUE	# OF PERMITS	# OF DWELLINGS	CONST. VALUE	# OF PERMITS	# OF DWELLINGS	CONST. VALUE
Single Family	3	3	\$ 1,328,000.00	67	67	\$ 30,986,000.00	94	94	\$ 34,110,000.00
Mobile Home	0	0	\$ -	0	0	\$ -	3	3	\$ 463,000.00
Duplex	2	4	\$ 1,528,000.00	45	90	\$ 33,231,000.00	67	134	\$ 37,943,000.00
Multiple Family	0		\$ -	27	201	\$ 46,070,000.00	22	300	\$ 43,443,000.00
Garage / Renovation	1		\$ 5,000.00	86	0	\$ 1,414,050.00	83	0	\$ 1,476,000.00
Commercial	5		\$ 4,638,000.00	48	0	\$ 51,060,000.00	53	0	\$ 37,707,000.00
Industrial	0		\$ -	0	0	\$ -	1	0	\$ 619,000.00
Institutional	0		\$ -	4	0	\$ 1,990,000.00	7	0	\$ 951,081.00
TOTAL	11	7	\$ 7,499,000.00	277	358	\$164,751,050.00	330	531	\$ 156,712,081.00

SOURCE OF REVENUE	TOTAL PERMITS	CURRENT MONTH	YEAR TO DATE
Building Permits	11	\$ 38,045.00	\$ 832,910.00
Moving & Dem'l Permits	1	\$ 50.00	\$ 900.00
Sign Permits	0	\$ -	\$ 2,970.00
Plumbing Permits	9	\$ 1,315.00	\$ 32,210.00
Sprinkler Permits	0	\$ -	\$ 2,210.50
SSAC Charges	4	\$ 5,000.00	\$ 280,550.00
DCC Charges	6	\$ 24,927.17	\$ 701,252.26
Plan Processing Fees	10	\$ 1,600.00	\$ 32,700.00
Letters of Compliance		\$ -	\$ 5,000.00
TOTAL	41	\$ 70,937.17	\$ 1,890,702.76

	CURRENT MONTH	YEAR TO DATE
Plan Checks	11	277
Office Appointments	7	257
Formal Inspections	102	2049
Site Visits	47	375

2015 Total # of permits issued - 277 - For a total value of \$164,751,050.00

2015 Total # of new dwelling units created - 358

2014 Building Permit Totals

BUILDING INSPECTION REPORT FOR THE MONTH OF DECEMBER 2014									
	CURRENT MONTH			YEAR TO DATE			PREVIOUS YEAR TO DATE		
	# OF PERMITS	# OF DWELLINGS	CONST. VALUE	# OF PERMITS	# OF DWELLINGS	CONST. VALUE	# OF PERMITS	# OF DWELLINGS	CONST. VALUE
Single Family	1	1	\$ 439,000.00	94	94	\$ 32,381,000.00	56	56	\$ 20,069,000.00
Mobile Home	0	0	\$ -	3	3	\$ 463,000.00	12	12	\$ 1,030,000.00
Duplex	4	8	\$ 2,368,000.00	67	134	\$ 37,943,000.00	58	116	\$ 31,901,000.00
Multiple Family	2	16	\$ 5,874,000.00	22	300	\$ 43,443,000.00	16	155	\$ 25,755,000.00
Garage / Renovation	0		\$ -	83	0	\$ 1,476,000.00	102	0	\$ 1,163,000.00
Commercial	4		\$ 372,000.00	53	0	\$ 37,707,000.00	54	0	\$ 54,397,000.00
Industrial	0		\$ -	1	0	\$ 619,000.00	0	0	\$ -
Institutional	0		\$ -	7	0	\$ 951,081.00	5	0	\$ 1,339,000.00
TOTAL	11	25	\$ 9,053,000.00	330	531	\$154,983,081.00	303	339	\$ 135,654,000.00

SOURCE OF REVENUE	TOTAL PERMITS	CURRENT MONTH	YEAR TO DATE
Building Permits	11	\$ 45,265.00	\$ 766,980.00
Moving & Dem'l Permits	1	\$ 50.00	\$ 450.00
Sign Permits	8	\$ 360.00	\$ 6,210.00
Plumbing Permits	11	\$ 2,540.00	\$ 50,275.00
Sprinkler Permits	3	\$ 193.00	\$ 1,250.00
SSAC Charges	5	\$ 6,000.00	\$ 87,600.00
DCC Charges	7	\$ 38,624.12	\$ 844,537.37
Plan Processing Fees	11	\$ 1,725.00	\$ 34,325.00
Letters of Compliance	4	\$ 800.00	\$ 5,600.00
TOTAL	61	\$ 95,557.12	\$ 1,797,227.37

	CURRENT MONTH	YEAR TO DATE
Plan Checks	11	331
Office Appointments	14	216
Formal Inspections	119	2082
Site Visits	3	330

2014 Total # of permits issued - 330 - For a total value of \$154,983,081.00

2014 Total # of new dwelling units created - 531

2012 / 2013 Building Permit Totals

BUILDING INSPECTION REPORT FOR THE MONTH OF NOVEMBER 2013									
	CURRENT MONTH			YEAR TO DATE			PREVIOUS YEAR TO DATE		
	# OF PERMITS	# OF DWELLINGS	CONST. VALUE	# OF PERMITS	# OF DWELLINGS	CONST. VALUE	# OF PERMITS	# OF DWELLINGS	CONST. VALUE
Single Family	8	8	\$ 3,065,000.00	54	54	\$ 19,297,000.00	55	55	\$ 18,478,000.00
Mobile Home	0	0	\$ -	12	12	\$ 1,030,000.00	26	26	\$ 2,191,000.00
Duplex	1	2	\$ 403,000.00	58	116	\$ 31,901,000.00	33	66	\$ 19,201,000.00
Multiple Family	2	59	\$ 10,512,000.00	16	155	\$ 25,755,000.00	15	71	\$ 12,780,000.00
Garage / Renovation	3		\$ 39,000.00	101	0	\$ 1,162,000.00	106	0	\$ 1,416,000.00
Commercial	1		\$ 75,000.00	54	0	\$ 54,362,000.00	48	0	\$ 7,834,000.00
Industrial	0		\$ -	0	0	\$ -	0	0	\$ -
Institutional	0		\$ -	5	0	\$ 1,339,000.00	6	0	\$ 142,000.00
TOTAL	15	69	\$ 14,094,000.00	300	337	\$134,846,000.00	289	218	\$ 62,042,000.00

SOURCE OF REVENUE	TOTAL PERMITS	CURRENT MONTH	YEAR TO DATE
Building Permits	15	\$ 69,860.00	\$ 675,557.50
Moving & Dem'l Permits	0	\$ -	\$ 350.00
Sign Permits	18	\$ 720.00	\$ 2,835.00
Plumbing Permits	14	\$ 9,290.00	\$ 27,120.00
Sprinkler Permits	1	\$ 386.00	\$ 589.00
DCC Charges	3	\$ 81,730.36	\$ 526,775.94
Plan Processing Fees	13	\$ 1,875.00	\$ 30,200.00
Letters of Compliance	8	\$ 1,600.00	\$ 7,400.00
TOTAL	72	\$165,461.36	\$ 1,270,827.44

	CURRENT MONTH	YEAR TO DATE
Plan Checks	15	300
Office Appointments	8	170
Formal Inspections	191	1452
Site Visits	33	312

2013 Total # of permits issued - 300 - For a total value of \$134,846,000.00

2013 Total # of new dwelling units created - 337

2012 Total # of permits issued - 289 - For a total value of \$62,042,000.00

2012 Total # of new dwelling units created - 218

2011 Building Permit Totals

**BUILDING INSPECTION REPORT
FOR THE MONTH OF DECEMBER 2011**

	CURRENT MONTH			YEAR TO DATE			PREVIOUS YEAR TO DATE		
	# OF PERMITS	# OF DWELLINGS	CONST. VALUE	# OF PERMITS	# OF DWELLINGS	CONST. VALUE	# OF PERMITS	# OF DWELLINGS	CONST. VALUE
Single Family	7	7	\$ 1,583,000.00	78	78	\$ 23,064,000.00	75	75	\$ 21,329,000.00
Mobile Home	6	6	\$ 480,000.00	18	18	\$ 1,516,000.00	13	13	\$ 1,079,000.00
Duplex	2	4	\$ 1,100,000.00	19	38	\$ 10,610,000.00	18	36	\$ 7,650,000.00
Multiple Family	1	4	\$ 727,000.00	3	4	\$ 817,000.00	3	8	\$ 1,380,000.00
Garage / Renovation	2		\$ 51,000.00	121	0	\$ 1,475,000.00	117	0	\$ 1,792,000.00
Commercial	6		\$ 1,454,000.00	44	0	\$ 11,741,000.00	49	0	\$ 5,489,000.00
Industrial	0		\$ -	2	0	\$ 2,700,000.00	2	0	\$ 112,000.00
Institutional	0		\$ -	10	0	\$ 286,951,000.00	7	0	\$ 7,624,000.00
TOTAL	24	21	\$ 5,395,000.00	295	138	\$ 338,874,000.00	284	132	\$ 46,455,000.00

SOURCE OF REVENUE	TOTAL PERMITS	CURRENT MONTH	YEAR TO DATE
Building Permits	24	\$ 27,530.00	\$ 790,464.00
Moving & Dem'l Permits	0	\$ -	\$ 400.00
Sign Permits	4	\$ 40.00	\$ 2,640.00
Plumbing Permits	17	\$ 2,050.00	\$ 22,895.00
Sprinkler Permits	0	\$ 130.00	\$ 2,226.50
TOTAL	45	\$ 29,750.00	\$ 818,625.50

	CURRENT MONTH	YEAR TO DATE
Plan Checks	24	293
Office Appointments	15	218
Formal Inspections	114	1561
Site Visits	12	236

2011 TOTAL # OF PERMITS ISSUED - 295 - \$338,874,000.00 / 2011 TOTAL # OF NEW DWELLING UNITS CREATED - 138

2010 Building Permit Totals

**BUILDING INSPECTION REPORT
FOR THE MONTH OF DECEMBER 2010**

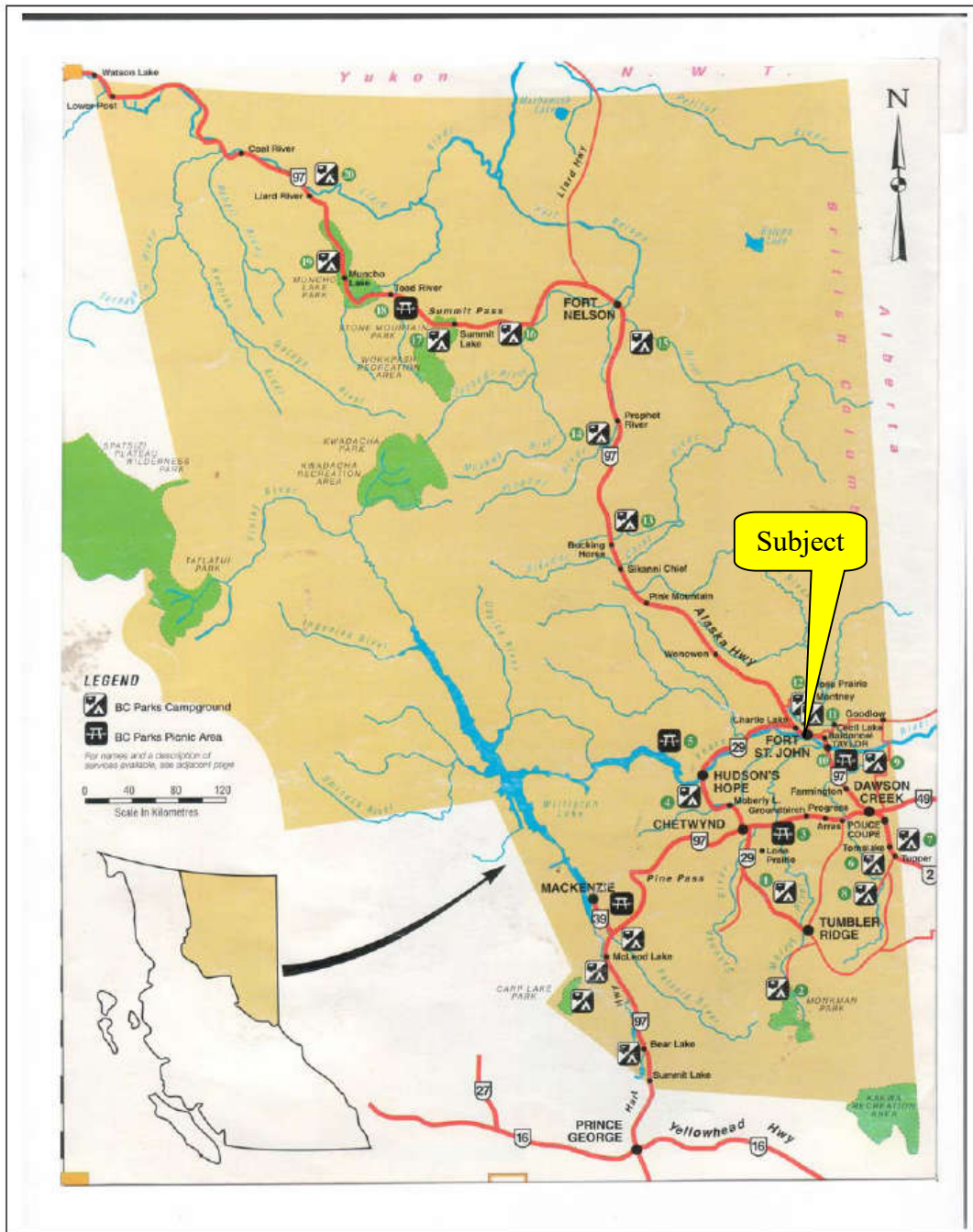
	CURRENT MONTH			YEAR TO DATE			PREVIOUS YEAR TO DATE		
	# OF PERMITS	# OF DWELLINGS	CONST. VALUE	# OF PERMITS	# OF DWELLINGS	CONST. VALUE	# OF PERMITS	# OF DWELLINGS	CONST. VALUE
Single Family	6	6	\$ 1,646,000.00	75	75	\$ 21,329,000.00	70	70	\$ 14,509,000.00
Mobile Home	0	0	\$ -	13	13	\$ 1,079,000.00	2	1	\$ 75,000.00
Duplex	1	2	\$ 576,000.00	18	36	\$ 7,650,000.00	14	28	\$ 5,539,000.00
Multiple Family	1		\$ 10,000.00	3	8	\$ 1,380,000.00	2	0	\$ 25,000.00
Garage / Renovation	2		\$ 35,000.00	117	0	\$ 1,792,000.00	118	0	\$ 943,000.00
Commercial	3		\$ 180,000.00	49	0	\$ 5,489,000.00	52	0	\$ 5,321,000.00
Industrial	1		\$ 62,000.00	2	0	\$ 112,000.00	1	0	\$ 100,000.00
Institutional	0		\$ -	7	0	\$ 7,624,000.00	5	0	\$ 2,297,000.00
TOTAL	14	8	\$ 2,509,000.00	284	132	\$ 46,455,000.00	264	99	\$ 28,809,000.00

SOURCE OF REVENUE	TOTAL PERMITS	CURRENT MONTH	YEAR TO DATE
Building Permits	14	\$ 12,545.00	\$ 231,437.00
Moving & Dem'l Permits	1	\$ 50.00	\$ 450.00
Sign Permits	6	\$ 160.00	\$ 1,840.00
Plumbing Permits	8	\$ 970.00	\$ 11,425.00
Sprinkler Permits	0	\$ -	\$ 66.00
TOTAL	29	\$ 13,725.00	\$ 245,218.00

	CURRENT MONTH	YEAR TO DATE
Plan Checks	12	255
Office Appointments	9	252
Formal Inspections	107	1608
Site Visits	14	342

2010 TOTAL # OF PERMITS ISSUED - 284 - \$46,455,000.00 / 2010 TOTAL # OF NEW DWELLING UNITS CREATED - 13

NORTHEASTERN BRITISH COLUMBIA



Neighbourhood Description

The subject neighbourhood is located in the southwest quadrant of the City, in an area which is zoned primarily ***C4 – Service Commercial***. The neighbourhood is defined by the ***Alaska Highway*** to the south, ***96th Avenue*** to the north, ***100th Street*** to the east, and ***108th Street*** to the west.

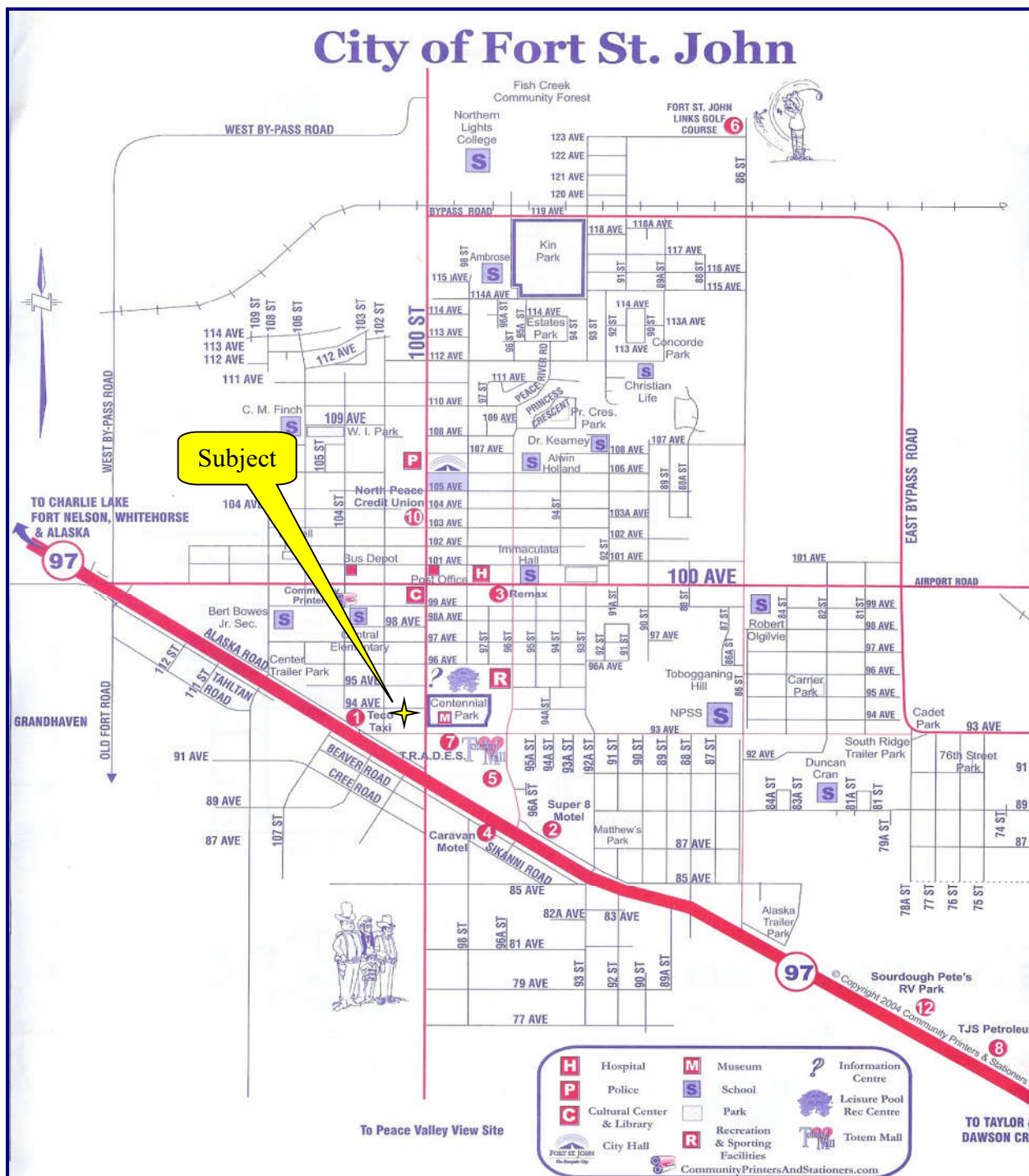
Buildings in the neighbourhood are of average to good quality, mixed Service Commercial and Light Industrial. The age of improvements in this area ranges from new to twenty five years plus, with a large portion constructed in the late 1970's and early 1980's. There has been substantial new development along the Alaska Highway over the last couple of years, which is attributable to the increased activity in the petroleum sector of the local economy. Development in the immediate area is primarily Industrial / Service Commercial in nature, with a good portion oriented towards the oil / gas industry. The topography is basically level and soils are a stable clay base, giving good support to conforming buildings and site improvements.

The area is serviced with natural gas, electricity, telephone and cable. Water and sewer services are provided by the City. The Alaska Highway, which abuts the southern boundary of the neighbourhood, is the major highway linking the City with all northern and southern communities. The roads within the subject neighbourhood are paved, and have concrete curbs and gutters.

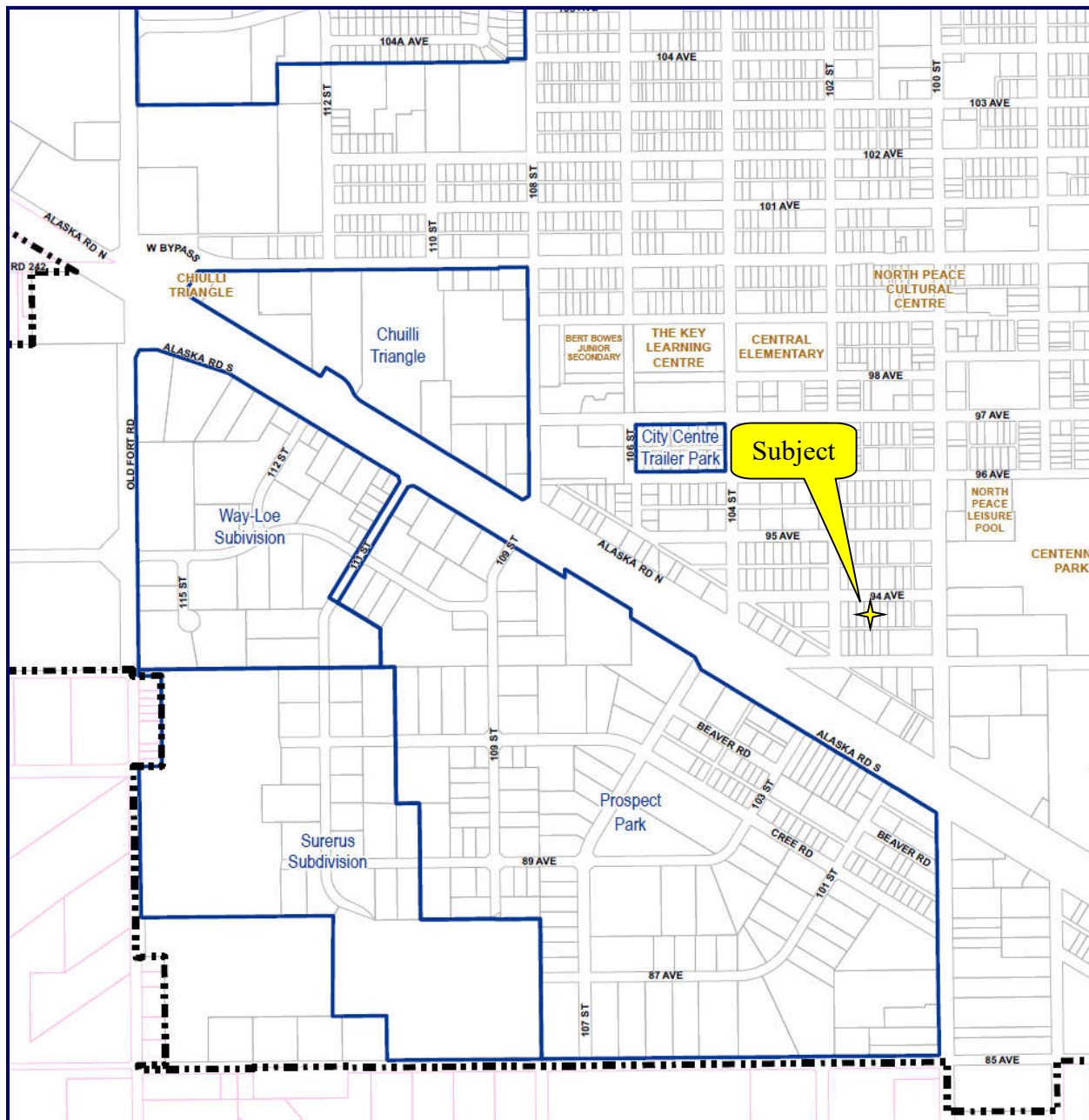
Zoning in the neighbourhood is ***C4 – Service Commercial***. Organization and planning in development of the properties within the subject neighbourhood is through the use of ***Zoning Bylaw #2181, 2014***.

A map of the City showing the subject neighbourhood is presented on the following page.

City of Fort St. John



Neighbourhood Map



Site Description

<i>Location:</i>	10107 – 94 th Avenue Fort St. John, B.C.
<i>Legal Description:</i>	Lots 13, 14, 15, 16, 17, 18 & 19, Block 4, Plan PGP7277, Section 36, Township 83, Range 19, W6M
<i>Site Size:</i>	<p><i>Lot 13:</i> 51.30' x 168.40' = 8,638.92 square feet</p> <p><i>Lot 14:</i> 52.00' x 168.40' = 8,756.80 square feet</p> <p><i>Lot 15:</i> 52.00' x 168.40' = 8,756.80 square feet</p> <p><i>Lot 16:</i> 52.00' x 168.40' = 8,756.80 square feet</p> <p><i>Lot 17:</i> 52.00' x 168.40' = 8,756.80 square feet</p> <p><i>Lot 18:</i> 52.00' x 168.40' = 8,756.80 square feet</p> <p><i>Lot 19:</i> 52.00' x 168.40' = 8,756.80 square feet</p> <p><i>Total:</i> <i>61,179.72 square feet</i></p>
<i>Topography:</i>	Level, with a moderate slope to the north in order to accommodate proper drainage.
<i>Utilities:</i>	Services to the subject site include natural gas, hydro and telephone. Hydro and telephone services are via overhead service lines via the back lane. Water and sewer services are provided by the City of Fort St. John.
<i>Street Improvements:</i>	94 th Avenue, which fronts the north side of the subject parcels, is paved and has concrete curbs and gutters and a concrete walk along the south side. 102 nd Street, which fronts the west side of the subject site, is paved and has concrete curbs and gutters and a concrete walk along the east side. Street lighting is provided via metal standards with underground wiring along both 94 th Avenue and 102 nd Street.
<i>Exposure:</i>	Good exposure.
<i>Accessibility:</i>	Excellent, due to frontage along 94 th Avenue and close proximity to both 100 th Street and the Alaska Highway.
<i>Zoning:</i>	The subject site is zoned for Service Commercial development (<i>C4 – Service Commercial</i>).

.../Cont'd

Soils: Soil testing was not carried out, but soil conditions are believed to be good and supportive of any conforming improvements.

Site Improvements: The yard area has been stripped of the top soil, levelled, packed and is well gravelled, the parking area on the north side of the building is paved with asphalt, and the yard area on the west side of the building is fenced with chain link.

Building Improvements: The subject property is improved with an 8,560 square foot service commercial shop complex of steel frame construction, with an attached 2,288 square foot office area of wood frame construction.

Title Search

A review of the land title for the subject properties shows the following charges being held on title:

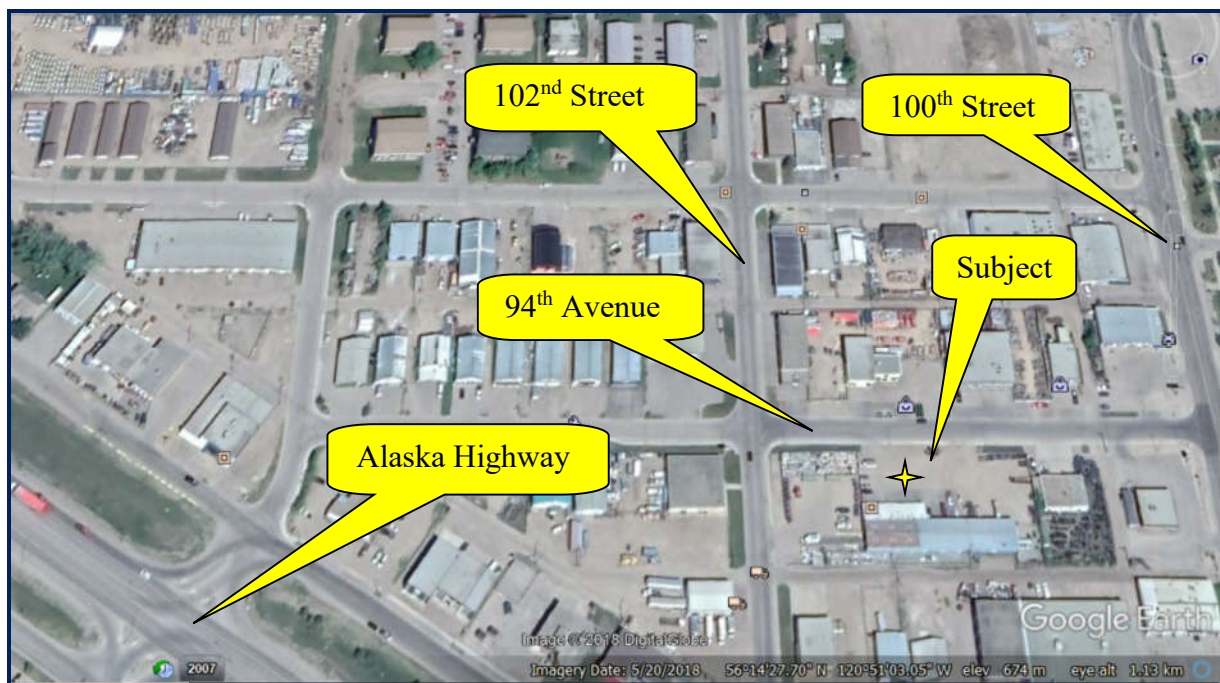
<i>Charges, Liens and Interest held on Title</i>			
<i>Charge</i>	<i>Registered Owner of Charge</i>	<i>Document Number</i>	<i>Date of Charge</i>
Mortgage	The Toronto Dominion Bank	CA5661453	2016-11-21
Assignment of Rents	The Toronto Dominion Bank	CA5661454	2016-11-21

From a review of the land title for the subject property it was noted that there is a **Mortgage** and **Assignment of Rents** registered on title for each parcel in the name of **The Toronto Dominion Bank**.

I have not filed a document search for these charges and for valuation purposes have assumed that they have no impact on the utility, marketability or market value of the subject property. If further information regarding any of these charges is required, then it is recommended that the relevant document be obtained and further enquiry be performed.

A copy of the Land Title Certificate for each of the subject properties has been included within the Addenda of this report.

Air Photo



Note: Air photo is via Google Earth. Date of imagery is May 20, 2018.

Survey Plan PGP7277 – Deposited October 13, 1955



Assessment & Taxation

The subject property has been assessed by the Province of British Columbia. The 2018 property assessment and 2018 property taxes are as follows...

2018 Assessed Values and 2018 Property Taxes

	<u>Lot 13</u>	<u>Lot 14</u>	<u>Lots 15, 16, 17, 18 & 19</u>
Land:	\$ 131,000.00	\$ 133,000.00	\$ 667,000.00
Improvements:	\$ 2,400.00	\$ 1,100.00	\$ 445,000.00
Total:	\$ 133,400.00	\$ 134,100.00	\$1,112,000.00
2018 Property Taxes:	\$ 2,683.97	\$ 23,269.15	\$ 2,724.96
Folio Number:	420-01585.00	420-01586.000	420-01587.000

Zoning

As mentioned, the subject property is zoned **C4 – Service Commercial**. Organization and planning in development of properties in the subject neighbourhood is through the use of **Zoning Bylaw #2181, 2014**, with its purpose being to achieve orderly and efficient land use and development in this area.

Minimum Size Requirements – C4 Zone: Each of the subject parcels does meet the current zoning minimum size requirement, which is 5,974 square feet.

Setback Requirements – C4 Zone: The minimum setback requirements are 5.0' (1.5 metres) from the front parcel line; 5.0' (1.5 metres) from the rear parcel line; 10.0' (3.0 metres) from the interior side parcel line and 5.0' (1.5 metres) from the exterior side parcel line. The subject building appears to be in conformity with these requirements.

Note: *No setbacks are required from the Interior Side Parcel Line of C4 zoned lands that adjoin other commercial or industrial zoned land.*

.../Cont'd

Maximum Parcel Coverage: The maximum parcel coverage for a building within a *C4 zone* is 50%. The subject site has a *collective site coverage ratio of 17.73%* and is therefore *in conformity* with this requirement. *As a result, there is adequate land area dedicated to on-site parking.*

Minimum Parcel Width: The minimum parcel width within a *C4 zone* is 49 feet. Each of the subject parcels are *in conformity* with this requirement.

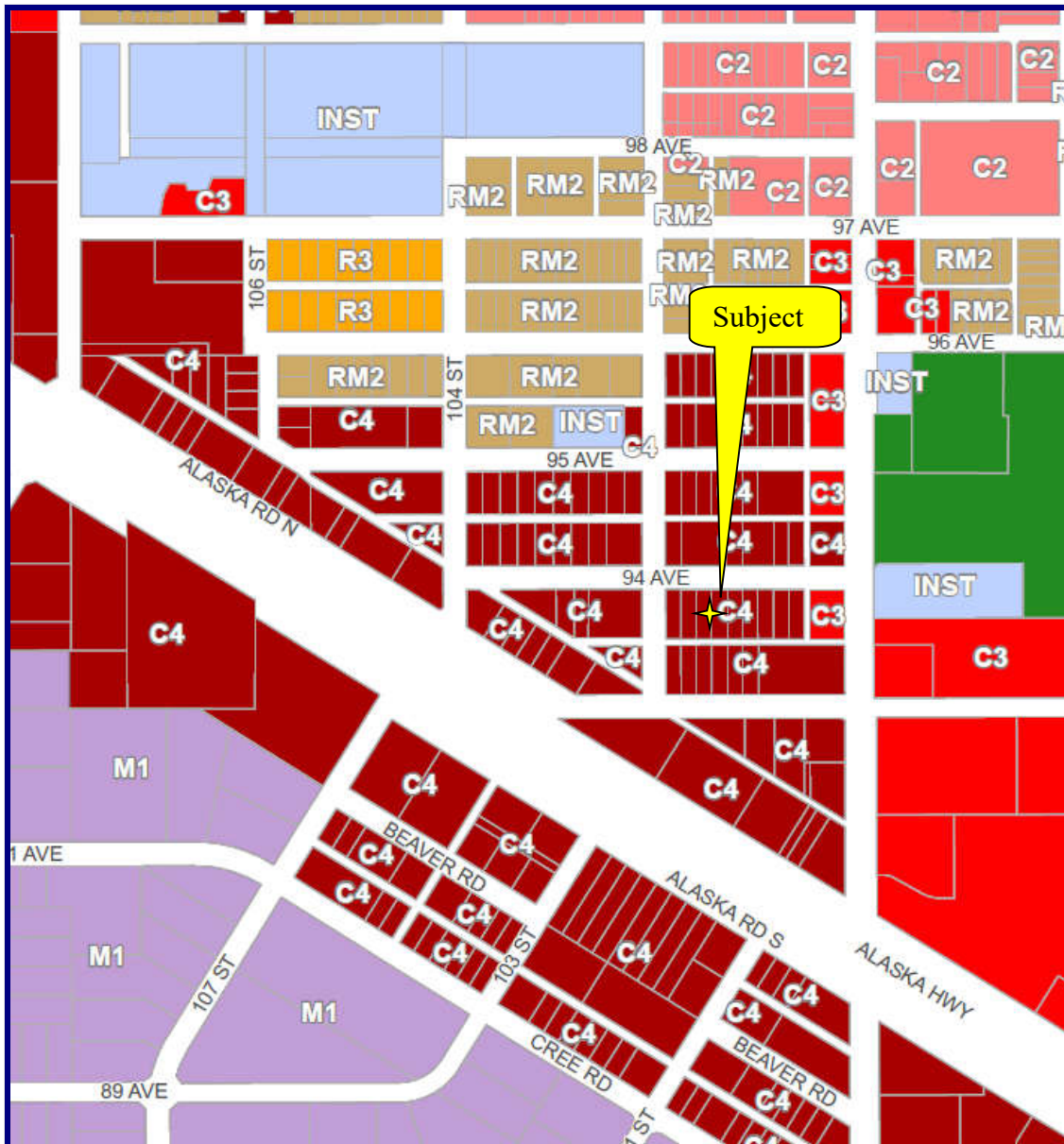
Maximum Building Height: The maximum building height within a *C4 zone* is 69 feet (21.0 metres). The subject building is *in conformity* with this requirement.

Floor Area Ratio – C4 Zone: The floor area ratio within a *C4 zone* is 1.50. The subject is *in conformity* with this requirement.

A copy of the Bylaw pertaining to permitted uses under the C4 – Service Commercial zoning designation can be found within the Addenda of this report.

.../Cont'd

Zoning Map



The subject parcels are zoned C4 – Service Commercial.

Plant & Associates Appraisal Services Inc.

Highest and Best Use

Theory and Principle of Highest and Best Use

The concept of Highest and Best Use is based on the principle or fundamental truth of human nature, that one will attempt to use any given commodity to its most productive and profitable use, to optimize the benefits of the use of the asset.

Due to its characteristic as a concept, there is no absolutely correct, complete and appropriate definition for it. Therefore, there exist several widely accepted definitions for Highest and Best Use as it relates to the valuation of real property. One that is widely recognized today is found in the **“The Appraisal of Real Estate”, Second Canadian Edition, 2005.** It reads as follows:

“The reasonably probable and legal use of vacant land or an improved property that is physically possible, legally permissible, appropriately supported, financially feasible and that results in the highest value”.

In addition to being reasonably probable, the Highest and Best Use of both the land as though vacant and the property as improved must meet four criteria. That is, the Highest and Best Use must be:

1. ***Physically possible.***
2. ***Legally permissible.***
3. ***Financially feasible.***
4. ***Maximally productive.***

1. Physically Possible Use:

In order for a use to be considered the highest and best use, the first test it must withstand is that of physical possibility. The shape and size of the site, soil bearing capacity and topography are essential concerns. In addition, the infrastructure of the neighbourhood, such as water, sewer, gas and hydro must support the use. Other important factors are location and access/egress.

2. Legally Permissible Use:

Ideally, the use should conform to all zoning restrictions, land use regulations (OCP), and to any restrictions placed upon the title. Any pollution or environmental restrictions that may be in effect must also be considered. It must be recognized that the legal use is not necessarily absolute, due to the fact that zoning bylaws may amend other land use controls such as the Official Community Plan.

.../Cont'd

3. Financially Feasible Use

The highest and best use of a site must be financially feasible. Each alternative use must be evaluated in terms of its financial feasibility. There are two steps used to determine financially feasible uses:

- Marketability
- Financial analysis

Marketability

In order for a use to be considered the highest and best use, a market must exist for that use. There must be a demand for the use being considered. Such data as demographic statistics, vacancy rates and absorption rates must be analyzed, in addition to the planned and proposed developments in a particular area.

Financial Analysis

Data for a financial analysis such as income and expense statements, vacancy rates, construction period, construction cost, lease-up period, etc, must be gathered. The income must be projected to occur over a finite investment horizon, and discounted using an appropriate rate to show the Net Present Value (NPV) in terms of current dollars. The use that shows the highest NPV of the subject site is normally the highest and best use.

4. Maximally Productive Use

Highest and Best Use is said to equate to most profitable use in the context of investment value. When analyzing property as an investment, such as a multi-family property, the investor's primary concern is to maximize profits. In essence then from an investor's view, the highest and best use is synonymous with most profitable use.

Central to the concept of Highest and Best Use are the ***Principles of Supply and Demand***. It is the market that determines the price of a particular commodity, based upon the demand for and the supply of that commodity. When the demand for a particular commodity increases, so to does the unit price of that commodity. The increase in price inevitably results in more supply, which pushes the unit price down. The point at which the demand for and the supply of a product intersect, its known as market equilibrium. At this point, any increase in supply results in lower per unit price, and any decrease in supply results in higher per unit price. For a highest and best use analysis, the principles of supply and demand will determine those uses that are financially feasible as well as which use is the most maximally productive.

.../Cont'd

Within any Highest and Best Use analysis, two separate conclusions are usually derived:

- (1) The Highest and Best Use of the land as if it was vacant;*
- (2) The Highest and Best Use of the property as improved.*

Highest and Best Use of Land as Though Vacant

The need for a Highest and Best Use conclusion for land, reflects the fact that land value is determined by its potential use, rather than its existing use. Within this analysis, (2) questions are considered:

- (1) Should the land be developed or left vacant;
- (2) What type of improvement, if any, should be put on the land and when?

The conclusion that is reached, reflects the maximally productive use of the land regardless of what actually exists on the property. If a building improvement is determined to represent the Highest and Best Use of the land “*as though vacant*”, the ideal improvement needs to be stated.

The ideal improvement should meet the following criteria:

- Takes maximum advantage of the site’s potential;
- Conforms to current market standards;
- Contains the most suitable priced components.

Highest and Best Use of the Property as Improved.

For an improved site, the contributory nature of the improvements must be evaluated in relation to the Highest and Best Use of the site as if it were vacant. This relates to the optimal use that can be made of the property with consideration given to the existing improvements. Specifically, this pertains to the use that should be made of an improved property in light of the *existing improvements* and the *ideal improvement* as concluded in the analysis of Highest and Best Use “as though vacant”.

The Highest and Best Use “*as improved*” may involve renovation or rehabilitation, expansion, adaptation or conversion to another use, partial or total demolition, or some combination of these alternatives.

.../Cont’d

Factors considered in determining the Highest and Best Use for the subject property

Location

The subject property is located within the southwest quadrant of the City with frontage and corner influence along **94th Avenue** to the north and **102nd Street** to the west, in very close proximity to both **100th Street** to the east and the **Alaska Highway** to the south. As a result, the subject has good exposure and excellent access.

Land Area and Site Characteristics

The subject property is comprised of (7) parcels of land with a total area of 61,179.72 square feet. All municipal and utility services are readily available.

Applicable Zoning

The subject parcels are zoned **C4 – Service Commercial**, which specifically allows for the following uses: **“oilfield supplies and service; offices; trade contractors, tire sales and warehousing”**. A complete list of the permitted uses under the C4 zoning designation is included within the Addendum of this report.

Building Improvements

The subject site is improved with an 8,560 square foot service commercial shop complex of steel frame construction, with an attached 2,288 square foot office area of wood frame construction.

Site Improvements:

The yard area has been stripped of the top soil, levelled, packed and is well gravelled, the parking area on the north side of the building is paved with asphalt, and the yard area on the west side of the building is fenced with chain link.

Site Coverage Ratio

The subject property has a **site coverage ratio of 17.73%**, which is within the lower end of the typical range for service commercial properties. As a result, **there is adequate yard area to accommodate parking and / or on-site storage.**

Building foot print:	<u>10,848 square feet</u>	
Land area:	61,179.72 square feet	Site Coverage Ratio: 17.73%

.../Cont'd

Supply and Demand

There is presently strong demand for both service commercial & industrial property in Fort St. John and the surrounding area, particularly for those with an above average degree of exposure like the subject property, while the supply of this property type is extremely low. *Although recent global economic uncertainty has slowed the local economy, most investors are cognizant of an inevitable increased activity in the oil and gas industry and the related service sector.*

Highest and Best Use Conclusion**Highest and Best Use of the Subject Property, as Though Vacant**

The Highest and Best Use of the subject site **“as if vacant”**, is one of the conforming commercial developments as outlined in the permitted uses of the *C4 – Service Commercial Zoning Bylaw*.

The Ideal Improvement

In reference to the Principle of Conformity and the current zoning designation, the nature of the subject neighbourhood and the current level of market supply and demand, the most likely development would entail development of a building providing some form of service to the oil and gas industry or the agricultural sector of the local economy.

Highest and Best Use of the Subject Property, as Improved

In applying these factors, I find that the current development of a **service commercial shop / office complex** does in fact satisfy the above requirements and therefore represents the Highest & Best Use of the subject property **“as improved”**.

Sale History

A search of the titles indicates that the subject properties were purchased in **March 2007** for the total consideration of **\$1,250,000.00**. To the best of my knowledge, the subject property is not currently listed for sale and has not been exposed to the general market in the recent past.

Exposure Time & Marketing Period

Exposure Time is defined in the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) January 01, 2018 as:

“The estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.”

“The overall concept of reasonable exposure time encompasses not only adequate, sufficient and reasonable time, but also adequate, sufficient and reasonable marketing effort.”

Marketing conditions in Fort St. John and area have seen substantial improvement over the last couple of years, with increased activity in the oil and gas industry coupled with relatively low interest rates. ***Although recent global economic uncertainty has slowed the local economy, most investors are cognizant of an inevitable increased activity in the oil and gas industry and the related service sector.*** Considering the location, size and condition of the property, the marketing conditions for the subject property are rated as good, and the exposure time related to the estimate of value concluded in this report is estimated to be ***3 to 6 months.***

Environmental Statement

The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the condition that might give rise to either, and in compliance with all of any environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. I expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.

Description & Analysis of the Improvements

The subject property is improved with an 8,560 square foot service commercial shop complex of steel frame construction, with an attached 2,288 square foot office area of wood frame construction.

Actual – Effective Age:

Effective age may be greater or less than chronological or actual age, depending on the maintenance of the structure.

According to BC Assessment records, the subject shop was constructed in approximately 1960. It is believed that the wash bay was constructed in approximately 1985 and the office area was constructed in approximately 1995. A physical inspection of the structure indicates that the overall condition and apparent level of maintenance is average when compared to similar buildings of the same chronological age.

Life Expectancy:	55 Years
Chronological Age:	58, 33 & 23 Years
Effective Age:	30 Years
Remaining Economic Life:	25 Years

Size & Construction Features:

Size:	Shop:	40.0' x 214.0' =	8,560 square feet
	Office:	26.0' x 88.0' =	<u>2,288 square feet</u>
	Total:		<i>10,848 square feet</i>
Foundation:	Shop:	Concrete grade beam on concrete piling (assumed).	
	Office:	Concrete piling (assumed).	
Structure:	Shop:	Steel frame.	
	Office:	Wood frame.	
Building Height:	Shop:	17.0 feet to the eave.	
	Office:	10.0' to the eave.	
Exterior Walls:	Shop:	Metal cladding.	
	Office:	Metal cladding.	

.../Cont'd

Roof: **Shop:** Low pitched pre-engineered steel infrastructure, with metal clad roof cover.

Office: Shed type roof, with wood trusses and plywood roof decking. Metal clad roof cover.

General:

Interior Finish: **Shop Area:** Poured concrete floor throughout. Interior walls are metal clad up to a height of 10.0', above which is open to the insulation blanket. The ceiling is also open to the insulation blanket. **17.00' interior height to the eave, 19.75' height at the peak.**

Wash Bay: Poured concrete floor with sump pit. The wash bay is fully lined on both the walls and ceiling with metal cladding.

Office Area: Wood floor joist with plywood decking. Painted gyproc walls and ceiling. Commercial grade vinyl flooring throughout. **9.0 interior ceiling height.**

Lighting: **Shop:** Metal halide throughout.

Wash Bay: Fluorescent.

Office Area: Fluorescent throughout.

Hydro: 200 Amp / 240 Volt (single phase) main hydro service, with 200 Amp distribution panels.

Heating: **Shop:** (3) Overhead unit heaters.

Wash Bay: (1) Overhead unit heater.

Office: Heating is supplied a (2) forced air furnaces, with supplemental electric baseboard.

Insulation: Yes. R-factor is unknown.

.../Cont'd

- Plumbing:** (2) 2-piece washrooms;
(2) Kitchen type sinks.
- Hot Water:** Supplied via a 45 litre (electric) hot water tank.
- Water & Sewer:** City.
- Windows:** Double glazed, with aluminum sash.
- Doors:** (1) 14' wide x 14' high overhead door on the west side;
(4) 12' wide x 16' high overhead doors on the north side;
(2) Glass in aluminum frame front entry doors;
(3) Insulated steel entry doors.

Note: Overhead doors consist of R-12 insulated metal panels which are electrically operated.

Yard Improvements:

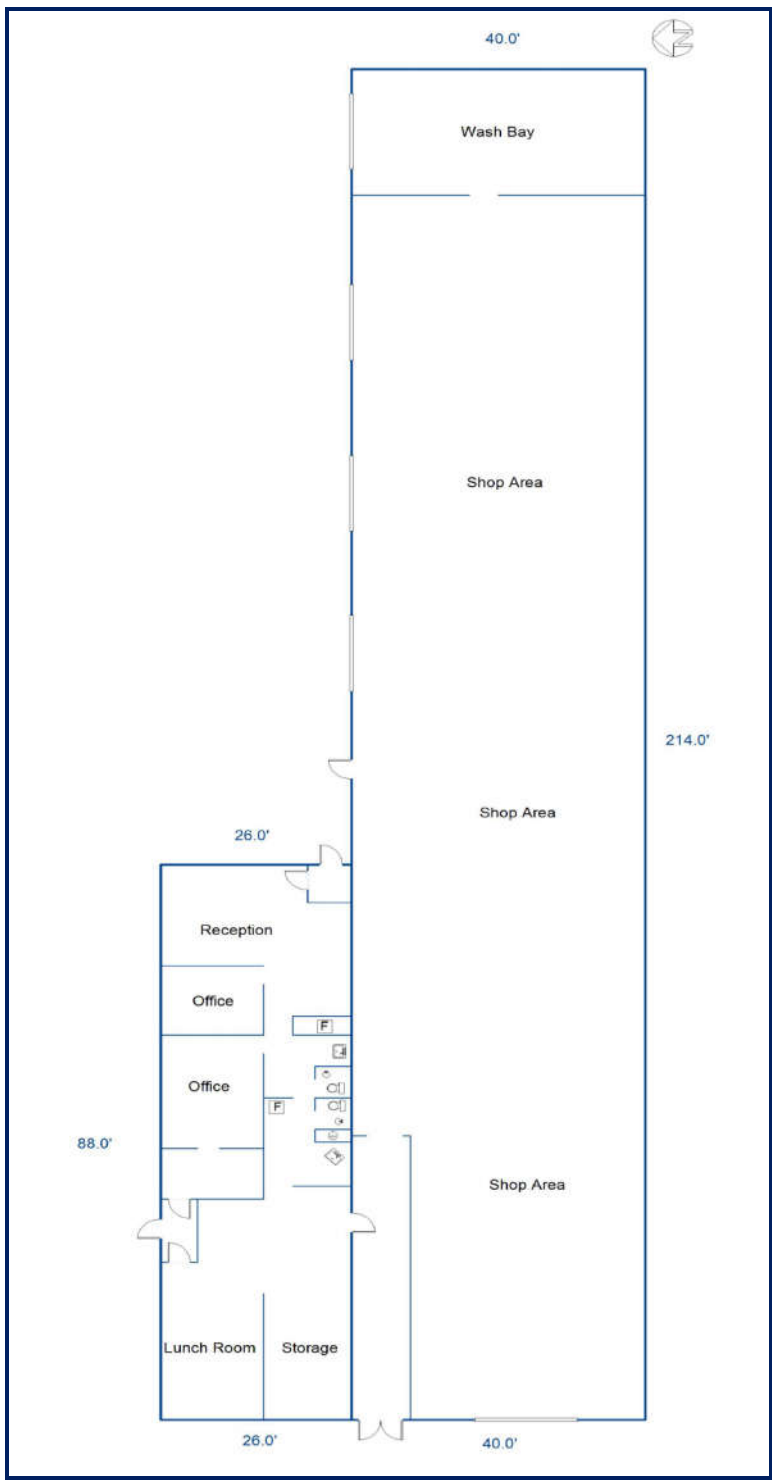
- **Gravelled parking and yard area:**
The entire site has been stripped of the top soil, levelled, packed and is well graveled.
- **Asphalt parking:**
Approximately 4,700 square feet – located on the north side of the office area.
- **Chain Link Fencing:**
The yard area located on the west side of the building is fenced with chain link.

Extras:

- **6 Ton overhead bridge rails:**
To accommodate an overhead bridge crane.
- **Hotsy Pressure Washer**
- **Air Compressor**

.../Cont'

Building Floor Plan



Valuation

The term Market Value has been defined previously in this report and may also be expressed as being the amount at which ownership would be justified.

The Market Value of a Commercial property is contingent upon a variety of factors such as location, cost of reproduction or replacement, physical condition, utility and obsolescence of the improvements. All of these factors must be investigated and considered in arriving at a conclusion of the Market Value which could result in the use of several approaches.

The three traditional approaches to value are the Cost Approach, Direct Comparison Approach and the Income Approach.

Cost Approach

In the ***Cost Approach*** to valuation, an estimate is made of the current cost of reproduction new of the improvements. This amount is then adjusted to reflect depreciation, wear and tear, and utility on the basis of personal inspection and comparison with component parts of similar new units. This analysis also recognizes factors of functional and external obsolescence. The adjusted cost indication is then added to the estimated market value of the land.

Cost of Reproduction New is defined as the estimated cost to construct, at current prices, an exact duplicate of all the improvements being appraised using the same materials, construction standards, design, layout, and quality of workmanship, and embodying the subject's deficiencies, superadequacies, and obsolescence. This estimated cost assumes construction takes place at one time with current market prices for materials, labour and manufactured equipments, contractors' overhead and profit, and fees, but without provision for overtime, bonuses for labour, and premiums for material or equipment.

Physical deterioration, a form of depreciation, is the loss in value resulting from wear and tear in operation and exposure to the elements.

Functional obsolescence is a loss in value caused by factors inherent within a building or building equipment unit, such as changes in construction materials or techniques which result in excess capital costs in existing facilities, lack of full use of space, and inability to expand or update the property.

External obsolescence is an incurable loss in value caused by negative influences outside the property itself, such as general economic conditions, availability of financing, or inharmonious property uses.

.../Cont'd

Income Capitalization Approach

In the *Income Capitalization Approach* to value, estimates are made of potential net annual income from the rental and operation of the real estate. Resulting net income is then capitalized at an appropriate rate to indicate the value of the property as an investment. The capitalization rate, which is market derived, represents the relationship between net annual income and value.

Direct Comparison Approach

In the *Direct Comparison Approach* to valuation, similar properties recently sold or currently offered for sale in the local market are analyzed and compared with the property being appraised. Adjustments are typically made for differences in such factors as time of sale; location; size, type, age and condition of the improvements; and prospective use. This approach has its greatest value in appraisal situations involving land or improved properties with common elements and similar amenities.

In the absence of sales with sufficient similarity to allow direct comparison, other reasonably comparable improved properties may be considered because they provide a range of unit prices within which the current real estate market is operating.

Cost Approach – Estimate of Land Value

The two most basic land valuation methods used in appraisal practice include the *Direct Comparison Approach* and the *Subdivision Development Method*. The *Direct Comparison Approach* involves gathering and analyzing sales of similar properties in the area, and relating these properties to the subject in order to arrive at an indication of Market Value. The *Development Method* includes projecting a hypothetical subdivision and development of the property to its 'highest and best use', and in considering the profits available, the maximum amount available for land purchase is determined, which is used as the estimate of Market Value.

Of these two approaches, the *Direct Comparison Approach* is the preferred method for arriving at the value estimate of a vacant site. It is based on the premise that an informed purchaser would pay no more for a site than the cost of acquiring one of equal attractiveness or utility on the open market. The greatest weight is placed on actual sales of similar sites made relatively concurrent with the date of the appraisal, and under comparable conditions.

The following sales are specifically quoted to assist readers in understanding the conclusions of the appraiser. It should be understood that the conclusion is not based entirely upon these sales, but rather on all market data available, including but not limited to those set out in this report.

Market Data – Vacant Commercial Land Sales**Comparable #1:**

<i>Location:</i>	10059 – 102 nd Avenue
<i>Legal Description:</i>	Lot 16, Block 2, Plan PGP2933
<i>Size:</i>	49.95' x 122.0' = 6,093.90 Square Feet
<i>Sale Price:</i>	<i>\$130,000.00</i>
<i>Sale Date:</i>	<i>June 2017</i>
<i>Price per Square Foot:</i>	<i>\$21.33</i>
<i>Improvements:</i>	Vacant
<i>Zoning:</i>	C4 – Service Commercial
<i>Remarks:</i>	Located within the central business district, in very close proximity to 100 th Street. Similar to the subject in regards to overall location, but lacks corner influence.
<i>Site Development:</i>	N/A. This parcel is in a raw state of development.

Comparable #2:

<i>Location:</i>	10139 - 100 th Avenue
<i>Legal Description:</i>	Lot 7, Plan PGP2705
<i>Size:</i>	100.0' x 140.0' = 14,000 Square Feet
<i>Sale Price:</i>	<i>\$485,000.00</i>
<i>Sale Date:</i>	<i>October 2015</i>
<i>Price per Square Foot:</i>	<i>\$34.64</i>
<i>Improvements:</i>	Vacant
<i>Zoning:</i>	C2 – Downtown Core Commercial
<i>Remarks:</i>	Located at the southeast corner of 100 th Avenue and 102 nd Street. Superior to the subject in regards to overall location due to its location within the downtown central business district, and also has corner influence.
<i>Site Development:</i>	N/A. This parcel is in a raw state of development.

Comparable #3:

<i>Location:</i>	10119 / 10123 - 99 th Avenue
<i>Legal Description:</i>	Lots 13 & 14, Plan PGP2990
<i>Size:</i>	(2) @ 50.0' x 150.0' = 15,000 Square Feet (total)
<i>Sale Price:</i>	<i>\$298,000.00</i>
<i>Sale Date:</i>	<i>October 2015</i>
<i>Price per Square Foot:</i>	<i>\$19.87</i>
<i>Improvements:</i>	Vacant
<i>Zoning:</i>	C2 – Downtown Core Commercial
<i>Remarks:</i>	Located at the southeast corner of 99 th Avenue and 102 nd Street. Similar to the subject in regards to overall location and also has corner influence.
<i>Site Development:</i>	N/A. These parcels are in a raw state of development.

Comparable #4:

<i>Location:</i>	8319 / 8323 - 100 th Avenue
<i>Legal Description:</i>	Lot 3 & Parcel B, Plan PGP5948
<i>Size:</i>	(2) @ 50.0' x 150.0' = 15,000 Square Feet (total)
<i>Sale Price:</i>	\$350,000.00 * \$320,000.00 (Excluding site development)
<i>Sale Date:</i>	October 2015
<i>Price per Square Foot:</i>	\$23.33 (Including site development) \$21.33 (Excluding site development)
<i>Improvements:</i>	Vacant
<i>Zoning:</i>	C4 – Service Commercial
<i>Remarks:</i>	This site is considered very similar to the subject in regards to overall location, but lacks corner influence.
<i>Site Development:</i>	These parcels have been stripped of the top soil, levelled, packed, partially gravelled and fenced. The estimated contributory value of the site development is approximately \$30,000. There are also (2) older buildings located on site, with very little contributory value.

Vacant Land Analysis – Commercial

Comparable:	#1	#2	#3	#4	Subject
Sale Price:	\$130,000	\$485,000	\$298,000	\$320,000	---
Sale Date:	June 2017	October 2015	October 2015	October 2015	---
Lot Size: (Square Feet)	6,093.90	14,000	15,000	15,000	61,179.72 (7) Parcels
Zoning:	C2	C2	C2	C4	C4
Sale Price per Square Foot	\$21.33	\$34.64	\$19.87	\$21.33	---

Adjustments

Time:	---	---	---	---
Time Adjusted Sale Price per Square Foot	\$21.33	\$34.64	\$19.87	\$21.33
Services:	---	---	---	---
Zoning:	- 5%	- 5%	- 5%	---
Size:	---	---	---	---
Location:	---	- 35%	---	---
Motivation:	---	---	---	---
Total Adjustments	- 5%	- 40%	- 5%	---
Adjusted Sale Price per Square Foot	\$20.26	\$20.78	\$18.88	\$21.33

Direct Comparison Approach – Adjustments

1. Time

Time is of critical importance when analyzing real estate transactions. **Sales #1, #2, #3 & #4** are all considered to be reflective of the current market. Subsequently, no time adjustments are required.

Note: Although a thorough search for more recent vacant comparable land sales has been undertaken, none we found. Subsequently, these sales represent the most recent sales data from within the local market for vacant land considered similar to the subject site.

2. Services

All of the Comparable Sales have access to natural gas, hydro and telephone, in addition to municipal water and sewer services. They are therefore considered **similar** to the subject with respect to services, and require no adjustments.

3. Zoning

Permitted Uses

Sales #1, #2 & #3 are zoned **C2 – Downtown Core Commercial** whereas **Sale #4** is zoned **C4 – Service Commercial**. The permitted uses are similar enough between these zoning designations that no adjustments are considered warranted.

Maximum Parcel Coverage

Of greater significance is the difference in the maximum parcel coverage as permitted by the various zoning designations. C2 zoning accommodates a maximum parcel coverage of 100%, whereas C4 zoning allows for 50% parcel coverage. **Sales #1, #2 & #3** have therefore been given a modest 5% adjustment in order to reflect their **superiority** to the subject in this respect.

4. Size

Unit values (sale price per square foot) tend to decrease as size increases and vice versa. However, it is significance to note that this “size curve” has become relatively flat in recent years particularly for parcels less than 1.00 acre in size, reflecting the fact that larger parcels offer more utility than smaller parcels. No size adjustments are considered warranted for any of the comparable sales, in recognition of the fact that the subject site is comprised of (7) separate parcels of land, each comprising 8,756 square feet.

.../Cont'd

5. Location

The subject property is located within the southwest quadrant of the City with frontage along **94th Avenue** to the north, in very close proximity to both **100th Street** to the east and the **Alaska Highway** to the south. As a result, the subject has good exposure and excellent access.

Sale #1 is located along 102nd Avenue, ½ a block west of 100th Street, and is considered **similar** to the subject in terms of overall location.

Sale #2 is located at the southeast corner of 100th Avenue and 102nd Street and is considered **superior** to the subject in terms of overall location due its location along 100th Avenue within the downtown core.

Sale #3 is located at the southeast corner of 99th Avenue and 102nd Street and is considered **similar** to the subject in terms of overall location.

Although **Sale #4** is located along 100th Avenue, it is located outside the central business district and is therefore considered **similar** to the subject in terms of its overall location,

Sale #2 has been adjusted accordingly.

6. Motivation

All Sales are considered valid **“arms-length”** transactions representing true market value. Therefore, no adjustments are required.

.../Cont'd

Conclusion of Land Value

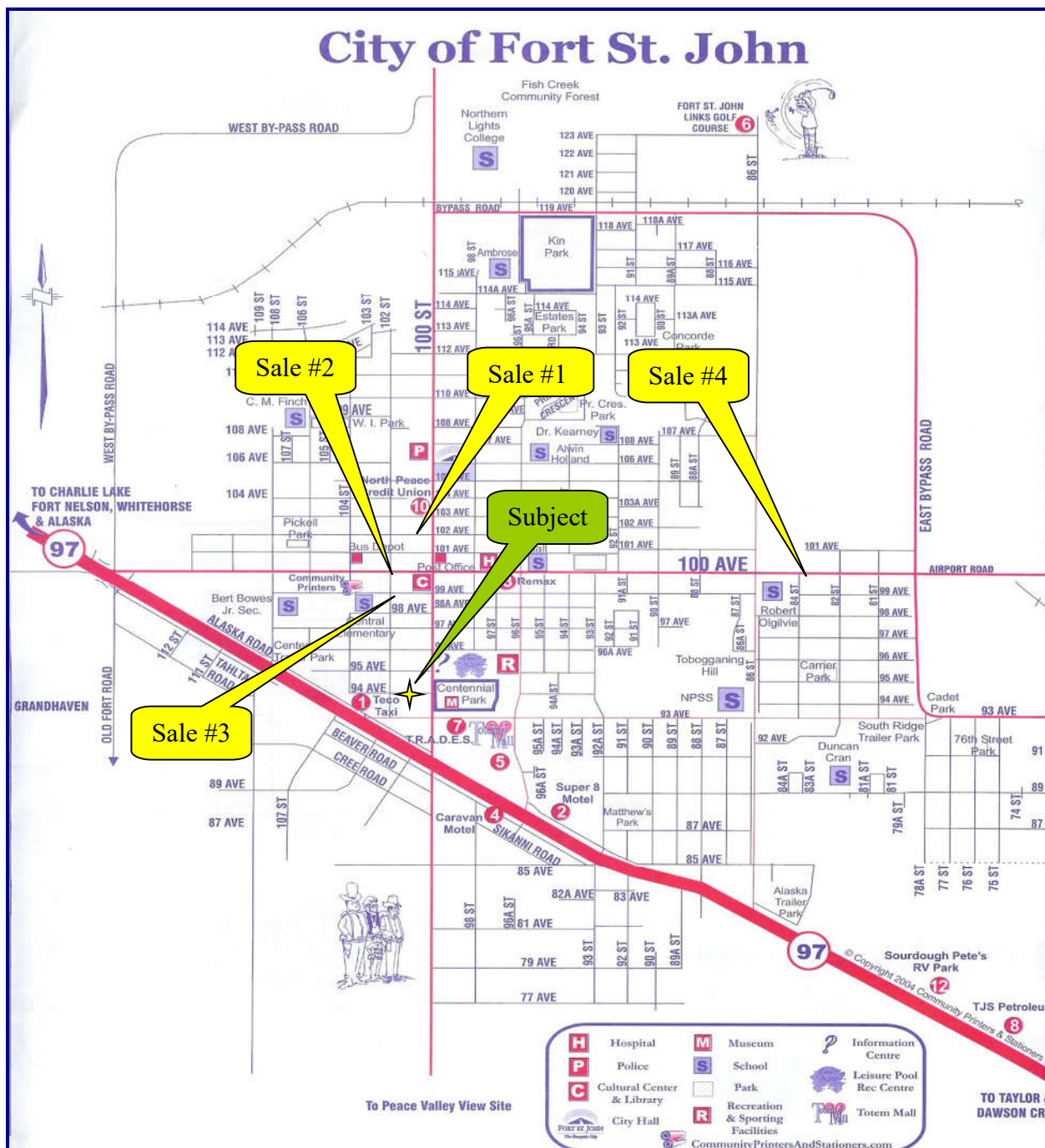
Based upon the analysis carried out, and after giving careful consideration to the size, location and overall utility of the subject parcels, along with their future potential considered, an applicable unit price is estimated at ***\$20.00 Per Square Foot ...***

<i>Lot 13: 8,638.92 Square Feet @ \$20.00 Per Square Foot =</i>	<i>\$ 172,778.40</i>
<i>Lot 14: 8,756.8 Square Feet @ \$20.00 Per Square Foot =</i>	<i>\$ 175,136.00</i>
<i>Lot 15: 8,756.8 Square Feet @ \$20.00 Per Square Foot =</i>	<i>\$ 175,136.00</i>
<i>Lot 16: 8,756.8 Square Feet @ \$20.00 Per Square Foot =</i>	<i>\$ 175,136.00</i>
<i>Lot 17: 8,756.8 Square Feet @ \$20.00 Per Square Foot =</i>	<i>\$ 175,136.00</i>
<i>Lot 18: 8,756.8 Square Feet @ \$20.00 Per Square Foot =</i>	<i>\$ 175,136.00</i>
<i>Lot 19: 8,756.8 Square Feet @ \$20.00 Per Square Foot =</i>	<i><u>\$ 175,136.00</u></i>
<i>Total:</i>	<i>\$1,223,594.40</i>

Rounded to: \$1,225,000.00

.../Cont'd

Comparable Sales Map – Vacant Commercial Land



Cost Approach – Estimated Value of the Improvements

Replacement Cost New:

The replacement cost method has been used to estimate the value of the improvements. Reproduction cost is the present cost of reproducing the improvement with a duplicate or as similar as possible with today's materials and technical methods. Depreciation is charged on a current basis and the result is an estimate of the present worth of the structure as of the date of the appraisal.

Costing rates have been obtained from the Marshall Swift Costing manual and indexed as closely as possible to the date of the appraisal.

Depreciation:

The physical life of the property is often longer than its economic life, that period over which a property will yield both a return on, and a recapture of, the investment. Depreciation of buildings normally bought and sold in the market is accelerated by competition. The physical depreciation is taken from the Marshall & Swift depreciation tables.

As defined in *The Appraisal of Real Estate, Canadian Edition, 1992*, “Depreciation is a loss in property value from any cause. It may also be defined as the difference between the reproduction cost or replacement cost of the improvement and its market value”. To measure Accrued Depreciation, an appraiser identifies and measure the loss in value experienced by the subject building in its present condition and compares its present value with the value it would have if it were new.

Physical Depreciation

This refers to the physical components of a structure. This category of depreciation is caused by the physical deterioration of structural components over time.

Functional Depreciation

This refers to the loss in utility (and hence value) due to the inability of any component part of the structure or any item of equipment to perform its proper function in accordance with today's standards and requirements.

External Depreciation

This results from a negative influence away from the property. External depreciation can be localized in nature due to the proximity to a negative influence, such as a railway in a residential neighbourhood. External depreciation can also have an effect upon an entire town or regional area, due to factors such as high unemployment or overbuilding followed by depressed occupancy levels and rental rates.

Depreciated Replacement Cost Estimate

CALCULATOR COST FORM	
For subscribers using the MARSHALL VALUATION SERVICE Calculator Cost Method	
1. Subscriber making survey <u>PLANT & ASSOCIATES APPRAISAL SERVICES INC.</u>	Date of survey <u>December 28, 2018</u>
2. Name of building: <u>D & T Disposals</u> Owner: <u>D & T Disposals Ltd.</u>	
3. Located at <u>10107 - 94th Avenue, Fort St. John, BC.</u>	
4. Occupancy.....	SECTION I
5. Building class and quality.....	SHOP
6. Exterior wall.....	SECTION II
7. No. of stories & height per story.....	OFFICE
8. Average floor area.....	Class: S - Steel Frame Quality: Average
9. Average perimeter.....	Class: D - Wood Frame Quality: Average
10. Age and condition.....	Metal Cladding
	No. 1 Ht. 17.5'
	No. 1 Ht. 10.0'
	8,560
	2,288
	508
	228
	Age: 30 Years (effective)
	Age: 25 Years (effective)
	Condition: Average
	Condition: Average
11. Region ; <u>Western X</u> Central Eastern	
12. Climate: Mild Moderate <u>Extreme X</u>	
13. Base square foot cost.....	SECTION I
	SECTION II
	\$80.00
	\$75.00
<u>SQUARE FOOT REFINEMENTS</u>	
14. Heating, cooling, ventilation.....	\$1.38
15. Elevator deduction.....	\$2.13
16. Miscellaneous.....	\$0.00
17. Total lines 13 through 16.....	\$0.00
	\$0.00
	\$81.38
	\$77.13
<u>HEIGHT AND SIZE REFINEMENTS</u>	
18. Number of stories - multiplier.....	1.000
19. Height per story - multiplier (see Line 7).....	1.086
20. Floor area/perimeter multiplier (see Lines 8 and 9)...	1.040
21. Combined height and size multiplier (Lines 18 x 19 x 20)	1.129
	1.000
	1.000
	1.000
	1.000
<u>FINAL CALCULATIONS</u>	
22. Refined square foot cost (Line 17 x 21).....	SECTION I
23. Current cost multiplier (Sect. 99 p. 3).....	SECTION II
24. Local multiplier (Sect. 99, pp. 5 through 10).....	\$91.91
25. Final sq.ft. cost (Line 22 x Line 23 x Line 24).....	\$77.13
	1.050
	1.050
	1.500
	1.500
	\$144.76
	\$121.48
26. Area (back of this form).....	8,560
27. Line 25 x Line 26.....	2,288
28. Lump sum (Line 34).....	\$1,239,182.22
29. Reproduction cost (Line 27 + Line 28).....	\$277,945.67
	\$0.00
	\$0.00
	\$1,239,182.22
	\$277,945.67
30. Depreciation % (Section 97).....	50%
31. Depreciation amount (Line 29 x Line 30).....	35%
	\$619,591.11
	\$97,280.98
32. DEPRECIATED COST (Line 29 - Line 31).....	\$619,591.11
	\$180,664.68

Summary of the Cost Approach

Size (Total Floor Area):	10,848 Square Feet
Chronological Age:	58, 33 & 23 Years
Effective Age:	30 Years
Life Expectancy:	55 Years
Remaining Economic Life	25 Years

Building Improvements:

Reproduction Cost New: **\$ 1,517,127.89**

Less:

Physical Depreciation:	\$ 716,872.09
Functional Depreciation:	Nil
External Depreciation:	<u>Nil</u>

Total Depreciation: **\$ 716,872.09**

Total Depreciated Value of Building: **\$ 800,255.79**

Plus: Site Improvements

- Site services	\$ 25,000.00	
- Asphalt Parking		
4,700 square feet @ \$5.00 /SF (Net):	\$ 23,500.00	
- Gravelled Yard		
Approximately 1.15 acres @ \$80,000 (Net):	\$ 92,000.00	
- Chain Link Fencing		
425 square feet @ \$25.00 / LF (Net):	<u>\$ 10,625.00</u>	<u>\$ 151,125.00</u>

Total Depreciated Value of Improvements: **\$ 951,380.79**

Plus: Land Value as Established: **\$ 1,225,000.00**

Net Indicated Value via the Cost Approach: **\$ 2,176,380.79**

Rounded To: \$ 2,175,000.00

Note: The net value attributed to site improvements is based upon their overall contribution to market value, not necessarily their replacement cost.

The Income Approach

The Income Approach is based on the premise that the market value for an income producing property can be determined by the observed relationship between the projected annual net income and the market value of the property, which is determined by analyzing market transactions (the sale price and annual income projection from similar type properties). This relationship is measured through the following process.

1. Analyzing the local rental market for properties similar to the subject and selecting an economic rental rate. Estimating the appropriate total gross annual income potential of the subject property including all ancillary income such as parking, laundry, commercial lease recoveries, etc. From the **Potential Gross Income**, deduct an appropriate allowance for vacancy and bad debt. The remainder represents the total annual **Effective Gross Income** for the subject;

2. From the market, allow an appropriate rate for management and a reserve for structural maintenance for this type of property, which provides an annual estimated operating expense for the subject property;

3. Calculate the **Net Operating Income (N.O.I.)** of the subject property by deducting the estimated annual operating expenses from the total annual **Effective Gross Income (E.G.I.)** for the subject;

4. Analyze the relationship between sale prices and the **Net Operating Income** (annual) of comparable properties to determine a market derived **Capitalization Rate (Cap. Rate)**, and convert the appropriate annual **Net Operating Income (N.O.I.)** estimate, using the correct mathematical technique, into an indication of value.

If the buildings rent is higher or lower than market rent, the market value of the building may be increased or decreased by purchasers within the “general market”.

I have analyzed the rental market in order to determine an economic rent for the subject property.

Rent Comparable #1



<i>Building Type:</i>	Industrial shop & office complex.
<i>Location:</i>	<i>8512 – 100th Street Fort St. John, B.C.</i>
<i>Land Size / Zoning:</i>	1.235 acres / C4 – Service Commercial
<i>Building Size / Construction:</i>	3,360 Square Feet / Steel Frame
<i>Age at Lease Date:</i>	20 Years (effective)
<i>Lease Term:</i>	1 Year - Commencing October 01, 2017
<i>Monthly Rent:</i>	\$5,100.00 (\$61,200.00 per annum)
<i>Rental Rate:</i>	<i>\$18.21 / SF (Triple Net)</i>
<i>Remarks:</i>	Located along 100 th Street, south of the Alaska Highway. Slightly inferior to the subject in terms of the land area but slightly superior overall location. Similar to the subject with respect to overall building quality and utility, but superior to the subject with respect to overall condition.

Rent Comparable #2



<i>Building Type:</i>	Retail shop complex.
<i>Location:</i>	10916 / 10920– 100 th Avenue Fort St. John, B.C.
<i>Land Size / Zoning:</i>	.54 of an acre / C4 – Service Commercial
<i>Building Size / Construction:</i>	7,600 Square Feet (main floor) / Concrete Block
<i>Age at Lease Date:</i>	25 Years (effective).
<i>Lease Term:</i>	3 Years - Commencing March 01, 2016.
<i>Monthly Rent:</i>	\$ 10,991.88 (\$131,902.56 per annum) – For the main floor.
<i>Rental Rate:</i>	<i>\$17.35 / SF (Triple Net)</i>
<i>Remarks:</i>	Inferior to the subject in terms of total land area but slightly superior overall location. Similar to the subject with respect to overall building quality, condition and utility.

Rent Comparable #3



<i>Building Type:</i>	Service commercial shop & office.
<i>Location:</i>	10347 – 101 st Avenue Fort St. John, B.C.
<i>Land Size / Zoning:</i>	18,300 square feet / C2 – Downtown Core Commercial
<i>Building Size / Construction:</i>	4,650 Square Feet, with an additional 1,440 square feet of upper floor office area / Concrete Block construction
<i>Age at Lease Date:</i>	30 Years (effective)
<i>Lease Term:</i>	5 Years - Commencing November 01, 2015
<i>Monthly Rent:</i>	\$7,750.00 (\$93,000.00 per annum)
<i>Rental Rate:</i>	<i>\$15.27 / SF (Triple Net)</i>
<i>Remarks:</i>	Inferior to the subject in terms of land area but similar overall location. Similar to the subject with respect to overall building quality, condition and utility.

Rent Comparable #4



<i>Building Type:</i>	Industrial shop & office
<i>Location:</i>	10811– 89 th Avenue Fort St. John, B.C.
<i>Land Size / Zoning:</i>	.41 of an acre / M1 – Light Industrial
<i>Building Size / Construction:</i>	2,525 Square Feet / Wood Frame
<i>Age at Lease Date:</i>	10 Years (effective).
<i>Lease Term:</i>	5 Years - Commencing February 01, 2015.
<i>Monthly Rent:</i>	\$ 3,891.33 (\$46,696.00 per annum).
<i>Rental Rate:</i>	<i>\$18.50 / SF (Triple Net)</i>
<i>Remarks:</i>	Inferior to the subject in terms of total land area but similar overall location. Similar to the subject with respect to overall building quality and utility, but superior overall condition.

Rent Comparable #5



<i>Building Type:</i>	Light Industrial shop complex.
<i>Location:</i>	8704 – 107 th Street Fort St. John, B.C.
<i>Land Size / Zoning:</i>	.57 of an acre / M1 – Light Industrial
<i>Building Size / Construction:</i>	6,010 Square Feet / Wood Frame
<i>Age at Lease Date:</i>	30 Years (effective).
<i>Lease Term:</i>	5 Years - Commencing November 01, 2015.
<i>Monthly Rent:</i>	\$ 7,467.50 (\$89,610.00 per annum)
<i>Rental Rate:</i>	<i>\$14.91 / SF (Triple Net)</i>
<i>Remarks:</i>	Inferior to the subject in terms of total land area and overall location. Similar to the subject with respect to overall building quality, condition and utility.

Rental Rate Analysis

Following is a summary of leased areas, which are considered to be typical for the *Fort St. John Market*, in support of an economic rental rate for the subject property.

Comparable:	#1	#2	#3	#4	#5
Location	8512 100 th Street F.S.J.	10920 100 th Avenue	10347 101 st Avenue	10811 89 th Avenue	8704 107th Street
Land Size	1.235	.54	.42	.41	.57
Building Size					
Office:	2,825 Sf. (25%)	3,600 Sq. Ft. (47%)	3,234 Sq. Ft. (53%)	416 Sq. Ft. (16%)	1,110 Sq. Ft. (17%)
Shop:	5,012 Sf. (75%)	4,000 Sq. Ft. (53%)	2,856 Sq. Ft. (47%)	2,109 Sq. Ft. (84%)	5,440 Sq. Ft. (83%)
Total:	3,360 SF.	7,600 Sq. Ft	6,090 Sq. Ft	2,525 Sq. Ft	6,550 Sq. Ft
Site Coverage	6.24%	32.68%	25.40%	14.14%	24.88%
Age at Lease Date	20 Years (eff)	25 Years (Eff.)	30 Years (Eff.)	10 Years (Eff.)	25 Years (Eff.)
Condition	Above Average	Average	Average	Average	Average
Rental Income per Month	\$5,100.00	\$10,991.88	\$7,750.00	\$3,891.33	\$7,467.50
Rental Rate per Square Foot	\$18.21	\$17.35	\$15.27	\$18.50	\$14.91
Lease Term	1 Year	3 Years	5 Years	2 Years	5 Years
Lease Date	2017	2016	2015	2015	2015
Construction	Steel Frame	Concrete Block	Concrete Block	Wood Frame	Wood Frame
Use	Service Commercial	Service Comm.	Service Comm.	Light Ind.	Light Ind.
Remarks	Triple Net Rent	Absolute Net Rent	Triple Net Rent	Triple Net Rent	Absolute Net Rent

Rental Analysis – Conclusion

The list of comparable rental properties indicates a rental range of ***\$14.91 to \$18.50 per square foot (Triple Net)*** for service commercial and light industrial properties that range in age from 10 years to 30 years, ***depending to a large extent upon the size of the land, the degree of site development, the amount of office finishing and the overall condition of the property.*** From the rental analysis undertaken, it is clearly evident that the market recognizes not only the value of the building but also the inherent value of the land. Subsequently, higher rental rates are achieved for larger parcels.

The comparable properties analyzed with respect to their rental rates, are reflective of current market rents for older service commercial and light industrial type developments, with a measure of both shop & office space. It should be understood that the conclusion of market rent is not based entirely upon these properties, but rather on all market data available, including but not limited to those set out in this report.

In view of the rental survey, which includes rental information not included in this report, and after giving careful consideration to the location, age, building size, land size and the quality of rental space, it is concluded that the current economic rental rate for the subject property is in the range of ***\$18.00 per square foot (Triple Net)***, which equates to approximately ***\$16,270.00 per month or \$195,264.00 per annum.***

Note: Triple Net is a lease in which the tenant pays all property operating expenses (including property taxes) in addition to the scheduled rent. The building owner is responsible for structural maintenance and management.

.../Cont'd

Potential Gross Income (Annual) – Current Market Rent

Total Floor Area: **10,848 Square Feet @ \$18.00 Per Square Foot = \$ 195,264.00**

Vacancy Rates and Credit Loss

Having established a fair economic rent for the subject property, the next step in the Income Approach involves deducting a reasonable amount for vacancy and credit loss. Prudent investors analyzing typical investment properties recognize the potential for lost income which occurs due to periodic vacancies. In order to recognize this loss in income, an allowance is generally made in the income projection over the economic life of the building.

Therefore, after considering the present economic climate, the location, age, quality and design of the subject building, **a stabilized vacancy rate and credit loss of 5%** is believed applicable to the subject property given the current market situation and the fact that the subject enjoys frontage along the Alaska Highway. Current leasing activity in Fort St. John has shown a strong tendency towards Triple Net leases, whereby the operating expenses are recovered by the landlord, with the exception of management fees, and structural repairs and maintenance. ***Accordingly, a reserve for structural maintenance is estimated at 2% of the Effective Gross Income (EGI) per year, and management is estimated at 3% of EGI.***

Projected Income & Expense Statement

Potential Gross Income:	\$ 195,264.00
Less: Vacancies & Bad Debt: (5%) =	\$ 9,763.20
Effective Gross Income:	\$ 185,500.80
<u>Expenses:</u>	
Structural Maintenance: (2%)	\$ 3,710.01
Management: (3%)	<u>\$ 5,565.02</u>
Total Expenses:	<u>\$ 9,275.03</u>
Net Operating Income:	<u>\$ 176,225.77</u>

Direct Capitalization

Direct Capitalization is a method used to convert an estimate of a single year's income expectancy into an indication of value in one direct step – either by dividing the income estimate by an appropriate income rate (**Capitalization Rate**), or by multiplying the income estimate by an appropriate factor (**Gross Income Multiplier**). The income expectancy considered is typically the current year's net income (**N.O.I.**). The rate or factor selected represents the relationship between income and value that is observed in the market, and is derived through an analysis of comparable sales. The net income from a property is divided by the sale price in order to obtain the Capitalization Rate. A multiplier can be derived by dividing a property's sale price by its annual potential or effective gross income. In this instance, we have chosen to derive a **Capitalization Rate**, based upon an analysis of relatively recent sales in the local market.

Sale #	1	2	3	4	5	6	7
Address	55 Vic Turner Road Dawson Creek	9911 100 th Avenue Fort St. John	10215 100 th Street Fort St. John	5 Collins Road Dawson Creek	41 Collins Road Dawson Creek	37 Vic Turner Road Dawson Creek	41 Vic Turner Road Dawson Creek
Sale Price	\$3,800,000	\$1,420,000	\$6,250,000	\$2,900,000	\$4,300,000	\$4,815,000	\$1,880,000
Sale Date	October 2017	Nov. 2015	Oct. 2015	Sept. 2015	June 2015	Feb. 2014	May 2012
N.O.I.	\$298,000	\$128,000	\$437,000	\$235,000	\$380,000	\$385,000	\$159,700
Building Size	17,650 SF	11,718 SF	16,000 SF	14,968 SF	13,200 SF	13,558 SF	8,800 SF
Age	2 Years	30 Years	15 Years (eff.)	8 Years	5 Years (Eff)	1 Year	3 Months
Construction	Steel Frame	Conc. Block	Conc. Block	Steel Frame	ICF	Wood Frame	Steel Frame
Use	Industrial	Retail	Retail / Office	Industrial	Industrial	Office	Industrial
Capitalization Rate	7.84%	9.01%	7.00%	8.10%	8.83%	8.00%	8.49%

.../Cont'd

Capitalization Rate Analysis – Conclusion

The above properties, which range in age from 3 months to 30 years, indicate a range of Capitalization Rates of 7.00% to 9.01%, with an average of 8.18% and a median of 8.10%.

Taking into consideration the quality, age and condition of the subject improvements, the above average degree of access and exposure enjoyed by the subject site due to its location along **94th Avenue** in very close proximity to **100th Street** and the **Alaska Highway**, this analysis lends substantial support to an **overall Capitalization Rate of 9.00% for the subject property.**

Band of Investment – Mortgage & Equity Components

As further support for the valuation of the subject property using Direct Capitalization, we have also analyzed the Overall Capitalization Rate as indicated by the Mortgage Equity Method, which is essentially a blend of the return required by the investor on the equity portion and the return required by the lender on the mortgage portion.

Because most properties are purchased with debt and equity capital, the **Overall Capitalization Rate** must satisfy the market return requirements of both investment positions. Lenders must anticipate receiving a competitive interest rate commensurate with the perceived risk of the investment or they simply will not make funds available. Lenders also require that the loan principal be repaid through periodic amortization payments. Similarly, equity investors must anticipate receiving a competitive equity cash return commensurate with the perceived risk or they will invest their funds elsewhere.

The capitalization rate for debt is called the **Mortgage Constant (R_m)**. It is the ratio of the annual debt service to the principal amount of the mortgage loan. The mortgage constant is calculated by multiplying each period's payment by the number of payments per year, and then dividing the amount by the amount of the loan. The same result can be obtained by multiplying the **monthly constant** (the ratio of monthly payments to the mortgage amount) by 12.

The **Mortgage Constant** is a function of the interest rate, the number of compound periods per year, and the amortization period of the loan. It is the sum of the interest rate and the **Sinking Fund Factor** (that factor which, when applied to a given capital sum or principal amount, will provide the periodic payment which will accumulate to the given capital amount over the specified period of time, together with the accumulation of all compound interest).

The equity investor also seeks a systematic cash return. The rate used to capitalize equity income is called the **Equity Dividend Rate (R_e)**. It is the ratio of annual pre-tax cash flow to the amount of equity investment. This rate is not simply a rate of return on capital, rather it is made up of both **return on** and **return of capital**. For appraisal purposes, a property's equity capitalization rate is the anticipated return to the investor, usually for the first year of the holding period.

The **Overall Capitalization Rate** must satisfy both the mortgage constant requirement of the lender, and the pre-tax cash flow requirement of the equity investor. It is a composite rate, weighted in proportion to the total property investment represented by debt and equity. **The Overall Capitalization Rate is a weighted average of the Mortgage Constant (R_m) and Equity Dividend Rate (R_e)**. The loan to value ratio (M) represents the loan or debt portion of the property investment, while the equity portion (E) is expressed by (1 – M).

Equity Dividend Rates are derived from comparable sales by dividing the cash flow of each sale by the equity investment.

Plant & Associates Appraisal Services Inc.

Indicated Capitalization Rate (Ro) via Mortgage Equity Method

The Mortgage Equity Method: Obtaining an overall rate is basically an investment analysis. The real estate market is not a cash market, and income producing properties such as the subject are rarely purchased with all cash. In valuing an investment property therefore, it is reasonable to assume that the capital structure will consist of equity funds plus mortgage financing, and that the availability and terms of financing will affect the value of the property.

The quality of an income stream is a major factor in determining the ability to attract capital, and conversely, the equity rate may be interpreted in terms of risk.

The real estate market competes for investment capital against alternative opportunities. In each case, the rate of return is weighed against risks in the investment. There is no precise, fixed relationship between the real estate market and the rate of return of other investments such as the bond market, but since all are rooted in the same national economy, there will be a tendency for them to be similarly affected during any specific trend pressure.

All pertinent factors including the quality of income, certainty of return on equity, marketability, mortgage interest rates, and potential appreciation/depreciation are considered in the selection of the capitalization rate.

In the analysis of this particular real estate investment, several assumptions were based on data extracted from the local market and financial institutions. Based on the study carried out, an investor in this type of property, with a good credit standing, would be able to obtain **70%** first mortgage financing at **5.00% (2.00% over prime)** amortized over no more than **fifteen years**.

.../Cont'd

Conclusion of Value via the Income Approach

A dividend rate (Re) of at least 8% would be required to attract 30% equity (E) capital to this type of an investment. An annual loan constant (Rm) has been calculated at .0948.

***Calculation of the Overall Capitalization Rate
(Mortgage Equity Method)***

$$(M \times R_m) + (E \times R_e) = R_o \text{ or,}$$

$$(.70 \times .0948) + (.30 \times .08) = .09036$$

Rounded To: 9.00%

The range of indicated Capitalization Rates is therefore 9.00% via Mortgage Equity and 9.00% via Direct Capitalization. 9.00 % is deemed appropriate for the subject property.

The estimated net annual income previously concluded, is converted to an indication of value as follows:

<u>N.O.I.</u>	<u>\$ 176,225.77</u>		
Capitalization Rate	9.00%	=	\$ 1,958,064.11

Rounded To: \$ 1,960,000.00

(Mortgage constant - 15 years @ 5.00 %)

Note: In the overall capitalization rate estimation, maximum weight has been brought from four important considerations for this kind of property, such as liquidity, management, inflation and risk associated with the current economic climate of Fort St. John.

Direct Comparison Approach

Theory and Basic Steps:

The Direct Comparison Approach is a process by which the market value of a property is derived by analyzing the market for similar properties that have sold and then comparing these properties to the subject property. This approach to value looks at the differences in the legal, physical, location, and economic characteristics of comparable sales in relation to the subject, in addition to differences in the property rights transferred, sale dates, motivation, and financing terms.

The appraisal principles of Supply and Demand, Substitution, Balance, and Externalities, together with the concepts of Anticipation and Change, are all factors in the Direct Comparison Approach.

Supply and Demand:

This premise behind this principle is that sale prices are determined by the negotiations between buyers and sellers, which in essence makes up the market. Buyers represent market demand while the properties for sale represent market supply. If the demand for a particular type of property is high, prices tend to increase. Conversely, if the demand is low, prices tend to decrease.

Substitution:

This principle states that a knowledgeable purchaser will pay no more for acquiring a particular property than the cost of acquiring an equally desirable substitute with similar utility, within a reasonable amount of time. Implicit within in this is that the reliability of the Direct Comparison Approach is dependent upon an adequate supply of similar properties that have sold.

Balance:

When supply increases, demand tends to decrease, and when supply decreases, demand tends to increase. In essence then, the forces of supply and demand are always moving towards equilibrium or balance. The factors affecting supply and demand tend to become balanced over time, although absolute balance is never achieved. Changes in factors such as consumer preference, population characteristics, and disposable income, are always in a state of flux.

.../Cont'd

Externalities:

Positive and negative external forces have an impact upon all property types. Upswings or downturns in the economy influence property values. In addition, negative influences such as undesirable locations, substandard road ways or street lighting, and inadequate transportation facilities, will have an adverse affect on value. Conversely, external influences such as highway exposure, can have a positive affect on value.

Anticipation:

The concept of anticipation states that value rises based upon the future benefits that one will receive from owning a particular piece of property.

Change:

The concept of change implies that property values are not static. As a result, for an estimate of market value to have any validity, it must be done as of a specific date.

Comparable #1



<i>Building Type:</i>	Service commercial shop complex.
<i>Location:</i>	<i>10128 – 95th Avenue, Fort St. John, B.C.</i>
<i>Legal Description:</i>	Lot 9, Block 2, Plan PGP7277
<i>Land Size / Zoning:</i>	.17 of an Acre / C4 – Service Commercial
<i>Building Size / Construction:</i>	4,000 Square Feet, with an additional upper floor office area of 1,200 square feet / Wood Frame
<i>Age / Condition:</i>	38 Years with an effective age of 25 years / Good condition.
<i>Sale Date / Sale Price:</i>	<i>December 2017 / \$840,000.00</i>
<i>Sale Price per Square Foot:</i>	<i>\$161.53 (based upon total floor area)</i>
<i>Remarks:</i>	Located with corner influence along 102 nd Street, one block northeast of the subject. Very similar to the subject property in regards to overall location but smaller land size. Similar to the subject in regards to building quality and utility, but superior overall condition.

Plant & Associates Appraisal Services Inc.

Comparable #2

<i>Building Type:</i>	Service commercial shop complex.
<i>Location:</i>	<i>10014 – 92nd Street, Fort St. John, B.C.</i>
<i>Legal Description:</i>	Lot 33, Plan PGP23858
<i>Land Size / Zoning:</i>	.33 of an Acre / C4 – Service Commercial
<i>Building Size / Construction:</i>	3,200 Square Feet / Steel Frame
<i>Age / Condition:</i>	36 Years with an effective age of 25 years / Above average condition.
<i>Sale Date / Sale Price:</i>	<i>February 2017 / \$625,000.00</i>
<i>Sale Price per Square Foot:</i>	<i>\$195.31</i>
<i>Remarks:</i>	Located immediately adjacent to 100 th Avenue. Slightly superior to the subject property in regards to overall location but smaller land size. Similar to the subject in regards to overall building quality but slightly superior overall condition. Inferior to the subject with respect to utility as this building has no interior office finishing.

Comparable #3

<i>Building Type:</i>	Light industrial shop complex.
<i>Location:</i>	<i>10903 – 89th Avenue, Fort St. John, B.C.</i>
<i>Legal Description:</i>	Lot 20, Plan PGP26178
<i>Land Size / Zoning:</i>	.41 of an Acre / M1 – Light Industrial
<i>Building Size / Construction:</i>	3,200 Square Feet / Steel Frame
<i>Age / Condition:</i>	21 Years / Average condition.
<i>Sale Date / Sale Price:</i>	<i>May 2017 / \$688,000.00</i>
<i>Sale Price per Square Foot:</i>	<i>\$215.00</i>
<i>Remarks:</i>	Located in Prospect Industrial Park (Phase I). Similar to the subject property in regards to overall location but smaller land size. Similar to the subject in regards to overall building quality and utility, but superior to the subject with respect to overall condition.

Comparable #4

<i>Building Type:</i>	Service commercial shop complex.
<i>Location:</i>	<i>10407 – Beaver Road, Fort St. John, B.C.</i>
<i>Legal Description:</i>	Parcel A, Block 5, Plan PGP27792
<i>Land Size / Zoning:</i>	.31 of an Acre / C4 – Service Commercial
<i>Building Size / Construction:</i>	6,000 Square Feet / Steel Frame
<i>Age / Condition:</i>	37 Years with an effective age of 30 years / Average condition.
<i>Sale Date / Sale Price:</i>	<i>June 2017 / \$829,000.00</i>
<i>Sale Price per Square Foot:</i>	<i>\$138.16</i>
<i>Remarks:</i>	Inferior to the subject property in regards to overall location, and smaller land size. Similar to the subject in regards to overall building quality and utility, and similar to the subject with respect to overall condition.

Plant & Associates Appraisal Services Inc.

Direct Comparison Approach – Analysis

Comparable:	#1	#2	#3	#4	Subject
Location	10128 95 th Avenue Fort St. John	10014 – 92 nd Street Fort St. John	10903 – 89 th Avenue Fort St. John	10407 – Beaver Rd. Fort St. John	10107– 94 th Avenue Fort St. John
Sale Price:	\$840,000	\$625,000	\$688,000	\$829,000	--
Sale Date:	December 2017	February 2017	May 2017	June 2017	--
Land Size (Acres):	.17	.33	.41	.31	1.40
Building Size:	5,200 Sq. Ft.	3,200 Sq. Ft.	3,200 Sq. Ft.	6,000 Sq. Ft.	10,848 Sq. Ft.
Age:	25 Years (Effective)	25 Years (Effective)	21 Years	30 Years (Effective)	30 Years (Effective)
Condition:	Above Average	Average	Average	Average	Average
Construction:	Wood Frame	Steel Frame	Steel Frame	Steel Frame	Steel Frame & Wood Frame
Sale Price per Square Foot:	\$ 161.53	\$ 195.31	\$ 215.00	\$ 138.16	N/A

Adjustments

Time	---	---	---	---
Adjusted Price per Square Foot	\$ 161.53	\$ 195.31	\$ 215.00	\$ 138.16
Land Size & Location	+ 70%	+ 50%	+ 40%	+ 60%
Building Size	- 26%	- 35%	- 35%	- 22%
Age / Quality / Condition / Utility	- 20%	- 15%	- 20%	---
Services	---	---	---	---
Total Adjustments	+ 24%	---	- 15%	+ 38%
Adjusted Price per Square Foot	\$200.29	\$195.31	\$182.75	\$190.66

Plant & Associates Appraisal Services Inc.

Direct Comparison Approach – Adjustments

Time:

Time is of critical importance when analyzing real estate transactions. *Sales #1, #2, #3 & #4* transpired in 2017 and are considered to be reflective of the current market. Subsequently, no time adjustments are required.

A thorough search for sales of similar properties in 2018 was undertaken, but none were found. These sales therefore represent the most recent sales of shop / office complexes considered similar to the subject with respect to location, land size, condition and overall utility.

Land Size & Location:

The collective size of the subject site is larger than the land size for *Sales #1, #2, #3 & #4*, so size adjustments are required.

Sale #1 is located in the southwest quadrant of the City, at the northeast corner of 102nd Street and 95th Avenue and is considered **very similar** to the subject in terms of overall location and exposure.

Sale #2 is located in the northeast quadrant of the City, immediately adjacent to 100th Avenue, and is considered **slightly superior** to the subject in terms of overall location and exposure.

Sale #3 is located along 89th Avenue, in Prospect Industrial Park (Phase 1), and is considered **similar** to the subject in terms of overall location and exposure.

Sale #4 is located along Beaver Road, immediately adjacent to Prospect Park (Phase 1), and is considered **inferior** to the subject in terms of overall location and exposure.

Building Size:

Market evidence clearly indicates that unit values (sale price per square foot of building area) tend to decrease as size increases and vice versa. *Sales #1, #2, #3 & #4* have been adjusted accordingly. The factor for this adjustment has been derived from an historical analysis of improved commercial & light industrial sales from within the local market.

.../Cont'd

Age, Condition, Quality, Utility:**Age / Condition**

The subject building was originally constructed in approximately 1960, the wash bay was constructed in approximately 1985 and the office area was constructed in approximately 1995. The overall condition and apparent level of maintenance is average when compared to similar buildings of the same chronological age, and the effective age is estimated at 30 years.

Sales #1, #2 & #3 are considered slightly superior to the subject building in terms of their overall condition and have been adjusted accordingly. Sale #4 is considered reasonably similar to the subject building with respect to overall condition.

Quality

The subject building is comprised of steel frame construction for the shop area and wood frame construction for the office area. *Sale #1* is of wood frame construction while *Sales #2, #3 & #4* are of steel frame construction. All sales are therefore considered reasonably similar to the subject with respect to their overall quality.

Utility – Drive Thru Bays

The subject building does not have drive-thru bays.

Sales #1, #2, #3 & #4 also lack drive-thru bays, and are therefore similar to the subject in this respect.

Utility – Office Development

The subject building has average quality office development.

Sales #1, #3 & #4 have a typical measure of office development and are therefore reasonably similar to the subject in this respect.

Sales #2 has no office development. It is therefore considered substantially inferior to the subject in this respect, and has been adjusted accordingly.

Services:

Comparable Sales #1, #2, #3 & #4 are located within the City limits and have full access to all services, including City water & sewer. They are therefore considered similar to the subject in regards to services and require no adjustments.

.../Cont'd

Direct Comparison Approach – Conclusion of Value

The comparable sales support an adjusted range in value of ***\$182.75 per square foot to \$200.29 per square foot, including the value of the underlying land.*** After giving consideration to size, condition, location and overall utility, along with current market trends, ***a unit value of \$195.00 per square foot is estimated for the subject building including the value of the underlying land.***

10,848 Square Feet @ \$195.00 Per Square Foot = \$ 2,115,360.00

Rounded To: \$ 2,115,000.00

Correlation and Final Value Estimate

<i>Indicated Value by the Cost Approach</i>	\$ 2,175,000.00
<i>Indicated Value by the Income Approach.....</i>	\$ 1,960,000.00
<i>Indicated Value by the Direct Comparison Approach.....</i>	\$ 2,115,000.00

The **Cost Approach** is a good indication of value when the subject improvements are new and little depreciation has occurred. This approach is particularly useful when the site value is well supported and the improvements are relatively new or suffer only minor accrued depreciation, therefore representing a use that approximates the highest and best use of the site as if vacant. ***The subject building was originally constructed in approximately 1960, the wash bay was constructed in approximately 1985 and the office area was constructed in approximately 1995. The subject complex is in average condition for its age with an estimated effective age of 30 years, and the estimate of accrued depreciation is therefore considered somewhat subjective.***

The Cost Approach is particularly important when there is insufficient comparable sales data thus limiting the usefulness of the Direct Comparison Approach, and when the uniqueness of a property makes it difficult to utilize comparable rental data in developing the Income Approach. ***Although the cost to develop a property is not always recognized by the market upon the sale and must therefore be measured against what the market will support, this approach to value has been given moderate weight and does provide a well supported estimate of value for the subject land.***

The **Income Approach** bases its conclusions on the amount of income that a property of this type is capable of generating in the current market. The Income Approach is a reliable indicator of value for investment properties. Sustainability of the income and selection of an appropriate capitalization rate are essential factors determining the reliability of this approach, both of which are well supported by local market data. ***Buildings like the subject are often leased within the local market, so the income potential of the real estate is of critical significance. Therefore, the Income Approach has been given substantial weight, and is well supported by the Direct Comparison Approach.***

The **Direct Comparison Approach** measures market activity directly by analyzing sales of similar properties and using these sales, after adjusting for individual differences, as an indication of what the subject property would sell for. In developing the value estimate by comparison, four sales were used which provide an overall picture of the service commercial / industrial market in Fort St. John and the BC Peace River Region and is indicative of what an “owner / user” would pay for the property. ***This approach to value is given substantial weight and is well supported by the Income Approach.***

.../Cont'd

Conclusion of Market Value

After reviewing and analyzing all available data, it is my opinion that the **market value** of the subject property as of ***January 07, 2019***, is estimated at...

Two Million Fifty Thousand (\$ 2,050,000.00) Dollars

Certificate

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

- The statements of fact contained in this report are true and correct.

- The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and represent my personal, unbiased professional analysis, opinions and conclusions.

- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.

- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

- My analysis, opinions and conclusions were developed, and this report has been prepared, in conformity with the ***Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP – 2018)***.

- I have made a personal inspection of the property that is the subject of this report.

- No one provided professional assistance to the person signing this report.

.../Cont'd

I have personally inspected the subject property legally described as ***Lots 13, 14, 15, 16, 17, 18 & 19, Block 4, Plan PGP7277, Section 36, Township 83, Range 19, W6M, located at 10107 – 94th Avenue, Fort St. John, British Columbia, on December 28, 2018,*** and have considered the factors affecting the value thereof.

Based upon the information contained in this report, it is my opinion that the **market value** of the subject property described herein, as of ***January 07, 2019*** is...

Two Million Fifty Thousand (\$ 2,050,000.00) Dollars

***Dated and Signed in Fort St. John, B.C.
This Seventh Day of January, 2019.***



***Phil E. Hunter, AACI, P. App
Plant & Associates Appraisal Services Inc.***

Plant & Associates Appraisal Services Inc.

Part III – Addenda

Exhibit A

Title Search – Lot 13 (Page 01)

TITLE SEARCH PRINT

2018-12-26, 10:34:59

File Reference:

Requestor: Barry Plant

Declared Value \$ 118474

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

Land Title District Land Title Office	PRINCE GEORGE PRINCE GEORGE
Title Number From Title Number	BB67801 BB67794
Application Received	2007-03-02
Application Entered	2007-03-15
Registered Owner in Fee Simple Registered Owner/Mailing Address:	D & T DISPOSALS LTD., INC.NO. 479273 P.O. BOX 6925 FORT ST. JOHN, BC V1J 4J3
Taxation Authority	Fort St. John, City of
Description of Land Parcel Identifier: Legal Description:	012-635-006 LOT 13 BLOCK 4 SECTION 36 TOWNSHIP 83 RANGE 19 WEST OF THE SIXTH MERIDIAN PEACE RIVER DISTRICT PLAN 7277
Legal Notations	NONE
Charges, Liens and Interests Nature: Registration Number: Registration Date and Time: Registered Owner: Remarks:	MORTGAGE CA5661453 2016-11-21 15:29 THE TORONTO-DOMINION BANK INTER ALIA
Nature: Registration Number: Registration Date and Time: Registered Owner: Remarks:	ASSIGNMENT OF RENTS CA5661454 2016-11-21 15:29 THE TORONTO-DOMINION BANK INTER ALIA
Duplicate Infeasible Title	NONE OUTSTANDING

Title Search – Lot 13 (Page 02)

TITLE SEARCH PRINT

File Reference:

Declared Value \$ 118474

2018-12-26, 10:34:59

Requestor: Barry Plant

Transfers NONE

Pending Applications NONE

Title Search – Lot 14 (Page 01)

TITLE SEARCH PRINT

2018-12-26, 10:41:54

File Reference:

Requestor: Barry Plant

Declared Value \$ 108913

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

Land Title District Land Title Office	PRINCE GEORGE PRINCE GEORGE
Title Number From Title Number	BB67802 BB67795
Application Received	2007-03-02
Application Entered	2007-03-15
Registered Owner in Fee Simple Registered Owner/Mailing Address:	D & T DISPOSALS LTD., INC.NO. 479273 P.O. BOX 6925 FORT ST. JOHN, BC V1J 4J3
Taxation Authority	Fort St. John, City of
Description of Land Parcel Identifier: Legal Description:	012-635-022 LOT 14 BLOCK 4 SECTION 36 TOWNSHIP 83 RANGE 19 WEST OF THE SIXTH MERIDIAN PEACE RIVER DISTRICT PLAN 7277
Legal Notations	NONE
Charges, Liens and Interests Nature: Registration Number: Registration Date and Time: Registered Owner: Remarks:	MORTGAGE CA5661453 2016-11-21 15:29 THE TORONTO-DOMINION BANK INTER ALIA
Nature: Registration Number: Registration Date and Time: Registered Owner: Remarks:	ASSIGNMENT OF RENTS CA5661454 2016-11-21 15:29 THE TORONTO-DOMINION BANK INTER ALIA
Duplicate Infeasible Title	NONE OUTSTANDING

Title Search – Lot 14 (Page 02)

TITLE SEARCH PRINT

File Reference:

Declared Value \$ 108913

2018-12-26, 10:41:54

Requestor: Barry Plant

Transfers NONE

Pending Applications NONE

Title Search – Lot 15 (Page 01)

TITLE SEARCH PRINT

2018-12-26, 10:40:47

File Reference:

Requestor: Barry Plant

Declared Value \$ 204523

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

Land Title District Land Title Office	PRINCE GEORGE PRINCE GEORGE
Title Number From Title Number	BB67803 BB67796
Application Received	2007-03-02
Application Entered	2007-03-15
Registered Owner in Fee Simple Registered Owner/Mailing Address:	D & T DISPOSALS LTD., INC.NO. 479273 P.O. BOX 6925 FORT ST. JOHN, BC V1J 4J3
Taxation Authority	Fort St. John, City of
Description of Land Parcel Identifier: Legal Description:	012-635-031 LOT 15 BLOCK 4 SECTION 36 TOWNSHIP 83 RANGE 19 WEST OF THE SIXTH MERIDIAN PEACE RIVER DISTRICT PLAN 7277
Legal Notations	NONE
Charges, Liens and Interests Nature: Registration Number: Registration Date and Time: Registered Owner: Remarks:	MORTGAGE CA5661453 2016-11-21 15:29 THE TORONTO-DOMINION BANK INTER ALIA
Nature: Registration Number: Registration Date and Time: Registered Owner: Remarks:	ASSIGNMENT OF RENTS CA5661454 2016-11-21 15:29 THE TORONTO-DOMINION BANK INTER ALIA
Duplicate Infeasible Title	NONE OUTSTANDING

Title Search – Lot 15 (Page 02)

TITLE SEARCH PRINT

File Reference:

Declared Value \$ 204523

2018-12-26, 10:40:47

Requestor: Barry Plant

Transfers NONE

Pending Applications NONE

Title Search – Lot 16 (Page 01)

TITLE SEARCH PRINT

2018-12-26, 10:36:25

File Reference:

Requestor: Barry Plant

Declared Value \$ 204523

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

Land Title District	PRINCE GEORGE
Land Title Office	PRINCE GEORGE
Title Number	BB67804
From Title Number	BB67797
Application Received	2007-03-02
Application Entered	2007-03-15
Registered Owner in Fee Simple	
Registered Owner/Mailing Address:	D & T DISPOSALS LTD., INC.NO. 479273 P.O. BOX 6925 FORT ST. JOHN, BC V1J 4J3
Taxation Authority	Fort St. John, City of
Description of Land	
Parcel Identifier:	012-635-049
Legal Description:	LOT 16 BLOCK 4 SECTION 36 TOWNSHIP 83 RANGE 19 WEST OF THE SIXTH MERIDIAN PEACE RIVER DISTRICT PLAN 7277
Legal Notations	NONE
Charges, Liens and Interests	
Nature:	MORTGAGE
Registration Number:	CA5661453
Registration Date and Time:	2016-11-21 15:29
Registered Owner:	THE TORONTO-DOMINION BANK
Remarks:	INTER ALIA
Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA5661454
Registration Date and Time:	2016-11-21 15:29
Registered Owner:	THE TORONTO-DOMINION BANK
Remarks:	INTER ALIA
Duplicate Infeasible Title	NONE OUTSTANDING

Title Search – Lot 16 (Page 02)

TITLE SEARCH PRINT

File Reference:

Declared Value \$ 204523

2018-12-26, 10:36:25

Requestor: Barry Plant

Transfers NONE

Pending Applications NONE

Title Search – Lot 17 (Page 01)

TITLE SEARCH PRINT	2018-12-26, 10:37:31
File Reference:	Requestor: Barry Plant
Declared Value \$ 204523	
CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN	
Land Title District Land Title Office	PRINCE GEORGE PRINCE GEORGE
Title Number From Title Number	BB67805 BB67798
Application Received	2007-03-02
Application Entered	2007-03-15
Registered Owner in Fee Simple Registered Owner/Mailing Address:	D & T DISPOSALS LTD., INC.NO. 479273 P.O. BOX 6925 FORT ST. JOHN, BC V1J 4J3
Taxation Authority	Fort St. John, City of
Description of Land Parcel Identifier: Legal Description:	012-635-057 LOT 17 BLOCK 4 SECTION 36 TOWNSHIP 83 RANGE 19 WEST OF THE SIXTH MERIDIAN PEACE RIVER DISTRICT PLAN 7277
Legal Notations	NONE
Charges, Liens and Interests Nature: Registration Number: Registration Date and Time: Registered Owner: Remarks:	MORTGAGE CA5661453 2016-11-21 15:29 THE TORONTO-DOMINION BANK INTER ALIA
Nature: Registration Number: Registration Date and Time: Registered Owner: Remarks:	ASSIGNMENT OF RENTS CA5661454 2016-11-21 15:29 THE TORONTO-DOMINION BANK INTER ALIA
Duplicate Indefeasible Title	NONE OUTSTANDING
Title Number: BB67805	TITLE SEARCH PRINT
	Page 1 of 2

Title Search – Lot 17 (Page 02)

TITLE SEARCH PRINT

File Reference:
Declared Value \$ 204523

2018-12-26, 10:37:31
Requestor: Barry Plant

Transfers NONE

Pending Applications NONE

Title Search – Lot 18 (Page 01)

TITLE SEARCH PRINT

2018-12-26, 10:38:44

File Reference:

Requestor: Barry Plant

Declared Value \$ 204523

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

Land Title District Land Title Office	PRINCE GEORGE PRINCE GEORGE
Title Number From Title Number	BB67806 BB67799
Application Received	2007-03-02
Application Entered	2007-03-15
Registered Owner in Fee Simple Registered Owner/Mailing Address:	D & T DISPOSALS LTD., INC.NO. 479273 P.O. BOX 6925 FORT ST. JOHN, BC V1J 4J3
Taxation Authority	Fort St. John, City of
Description of Land Parcel Identifier: Legal Description:	012-635-065 LOT 18 BLOCK 4 SECTION 36 TOWNSHIP 83 RANGE 19 WEST OF THE SIXTH MERIDIAN PEACE RIVER DISTRICT PLAN 7277
Legal Notations	NONE
Charges, Liens and Interests Nature: Registration Number: Registration Date and Time: Registered Owner: Remarks:	MORTGAGE CA5661453 2016-11-21 15:29 THE TORONTO-DOMINION BANK INTER ALIA
Nature: Registration Number: Registration Date and Time: Registered Owner: Remarks:	ASSIGNMENT OF RENTS CA5661454 2016-11-21 15:29 THE TORONTO-DOMINION BANK INTER ALIA
Duplicate Infeasible Title	NONE OUTSTANDING

Title Search – Lot 18 (Page 02)

TITLE SEARCH PRINT

File Reference:
Declared Value \$ 204523

2018-12-26, 10:38:44
Requestor: Barry Plant

Transfers NONE

Pending Applications NONE

Title Search – Lot 19 (Page 01)

TITLE SEARCH PRINT	2018-12-26, 10:39:48
File Reference:	Requestor: Barry Plant
Declared Value \$ 204523	
CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN	
Land Title District Land Title Office	PRINCE GEORGE PRINCE GEORGE
Title Number From Title Number	BB67807 BB67800
Application Received	2007-03-02
Application Entered	2007-03-15
Registered Owner in Fee Simple Registered Owner/Mailing Address:	D & T DISPOSALS LTD., INC.NO. 479273 P.O. BOX 6925 FORT ST. JOHN, BC V1J 4J3
Taxation Authority	Fort St. John, City of
Description of Land Parcel Identifier: Legal Description:	012-635-073 LOT 19 BLOCK 4 SECTION 36 TOWNSHIP 83 RANGE 19 WEST OF THE SIXTH MERIDIAN PEACE RIVER DISTRICT PLAN 7277
Legal Notations	NONE
Charges, Liens and Interests Nature: Registration Number: Registration Date and Time: Registered Owner: Remarks:	MORTGAGE CA5661453 2016-11-21 15:29 THE TORONTO-DOMINION BANK INTER ALIA
Nature: Registration Number: Registration Date and Time: Registered Owner: Remarks:	ASSIGNMENT OF RENTS CA5661454 2016-11-21 15:29 THE TORONTO-DOMINION BANK INTER ALIA
Duplicate Infeasible Title	NONE OUTSTANDING
Title Number: BB67807	TITLE SEARCH PRINT
	Page 1 of 2

Title Search – Lot 19 (Page 02)

TITLE SEARCH PRINT

File Reference:

Declared Value \$ 204523

2018-12-26, 10:39:48

Requestor: Barry Plant

Transfers NONE

Pending Applications NONE

Exhibit B

C4 – Service Commercial Zoning Bylaw

C-4 Service Commercial

Intent of the C-4 zone is to permit a wide range of commercial uses with a focus on highway and service commercial to support the local resource industries

Minimum Parcel Area	555 sq m
Minimum Parcel Width	15 m
Minimum Setbacks	<ul style="list-style-type: none">• Front: 1.5 m• Interior side: 0 m or 6 m where abuts a R, RM or P zone• Exterior side: 3 m or 6 m where abuts a R, RM or P zone• Rear: 1.5 m or 6 m where abuts a R, RM or P zone
Maximum Parcel Coverage	50%
Maximum Building Height	21 m
Floor Area Ratio	1.5
Minimum Unobstructed Frontage	50%
Additional Requirements	<ul style="list-style-type: none">• Landscaping Pg. 67• Parking Pg 69• Development Permit Pg 77

C4 – Service Commercial Zoning Bylaw

.....
C-4 Permitted Uses:

- Art gallery or studio;
- Auction sales and storage (excluding heavy machinery, animals and agriculture)
- Automobile, recreational vehicle sales and repairs
- Building contractors, supply and storage
- Bus depot;
- Caretaker lodging as per suite requirements
- Cartage, delivery, express terminal storage
- Commercial amusement enterprise
- Commercial school;
- Commercial printing;
- Day care centre, major;
- Drive-thru;
- Dry cleaners & laundromat;
- Funeral parlour or undertaking establishment
- Heavy equipment sales and service;
- Hotel , motel and campground;
- Laboratories, scientific and research
- Liquor establishment;
- Liquor store;
- Office;
- Oil field supplies and services;
- Parking lot and parkade;
- Personal service establishment;
- Propane sales;
- Publishing, printers and printing;
- Recycling depot;
- Refrigeration service,
- Retail store;
- Restaurant;
- Service station;
- Taxi dispatch office
- Tire sales
- Veterinary hospital
- Warehousing
- Wholesale establishment

Exhibit C

Assessment Report – Lot 13, Block 4, Plan PGP7277

Detailed Tax Report								
Property Information								
Prop Address	9315 102 ST	Jurisdiction	CITY OF FORT ST JOHN					
Municipality	CITY OF FORT ST JOHN	Neighborhood	HWY/IND PK SERV COMM					
Area	FORT ST. JOHN (ZONE 60)	SubAreaCode	N60SW					
PropertyID	012-635-006	BoardCode	N					
PostalCode								
Property Tax Information								
TaxRoll Number	01585000	Gross Taxes	\$2,683.97					
Tax Year	2018	Tax Amount Updated	05/30/2018					
More PIDS	012-635-006							
Legal Information								
PlanNum	Lot	Block	LotDist	LandDist	Section	Township	Range	Meridian
PGP7277	13	4		44	36	83	19	6
Legal FullDescription								
PL PGP7277 LT 13 BLK 4 LD 44 SEC 36 TWP 83 RNG 19 MER 6. MERIDIAN W6.								
Land & Building Information								
Width			Depth					
Lot Size	8639 SQUARE FEET			Land Use				
Actual Use	PARKING (LOT ONLY, PAVED OR GRAVEL-COM)			Zoning				
BCA Description	FENCING - CHAIN LINK							
WaterConn								
BCADate Update	03/16/2018							
Actual Totals								
Land			Improvement			Actual Total		
\$131,000.00			\$2,400.00			\$133,400.00		
Municipal Taxable Totals								
Gross Land		Gross Improve		Exempt Land		Exempt Improve		Municipal Total
\$131,000.00		\$2,400.00		\$0.00		\$2,400.00		\$133,400.00
School Taxable Totals								
Gross LandSch		Gross ImproveSch		Exempt LandSch		Exempt ImproveSch		School Total
\$131,000.00		\$2,400.00		\$0.00		\$2,400.00		\$133,400.00
Sales History Information								
Sale Date		Sale Price		Document Num		SaleTransaction Type		
3/2/2007		\$118,474.00		BB67801		REJECT NOT SUITED SALE ANALYSIS		
3/2/2007		\$118,474.00		BB67794		REJECT NOT SUITED SALE ANALYSIS		
11/7/2006		\$0.00		BA146540		REJECT NOT SUITED SALE ANALYSIS		

Assessment Report – Lot 14, Block 4, Plan PGP7277

Detailed Tax Report								
Property Information								
Prop Address	10121 94 AV	Jurisdiction	CITY OF FORT ST JOHN					
Municipality	CITY OF FORT ST JOHN	Neighborhood	HWY/IND PK SERV COMM					
Area	FORT ST. JOHN (ZONE 60)	SubAreaCode	N60SW					
PropertyID	012-635-022	BoardCode	N					
PostalCode								
Property Tax Information								
TaxRoll Number	01586000	Gross Taxes	\$2,724.96					
Tax Year	2018	Tax Amount Updated	05/30/2018					
More PIDS								
012-635-022								
Legal Information								
PlanNum	Lot	Block	LotDist	LandDist	Section	Township	Range	Meridian
PGP7277	14	4		44	36	83	19	6
Legal FullDescription								
PL PGP7277 LT 14 BLK 4 LD 44 SEC 36 TWP 83 RNG 19 MER 6. PART NE 1/4, MERIDIAN W6.								
Land & Building Information								
Width			Depth					
Lot Size	8757 SQUARE FEET			Land Use				
Actual Use	PARKING (LOT ONLY, PAVED OR GRAVEL-COM)			Zoning				
BCA Description	FENCING - CHAIN LINK							
WaterConn								
BCADate Update	03/16/2018							
Actual Totals								
Land		Improvement			Actual Total			
\$133,000.00		\$1,100.00			\$134,100.00			
Municipal Taxable Totals								
Gross Land		Gross Improve		Exempt Land		Exempt Improve		Municipal Total
\$133,000.00		\$1,100.00		\$0.00		\$1,100.00		\$134,100.00
School Taxable Totals								
Gross LandSch		Gross ImproveSch		Exempt LandSch		Exempt ImproveSch		School Total
\$133,000.00		\$1,100.00		\$0.00		\$1,100.00		\$134,100.00
Sales History Information								
Sale Date		Sale Price		Document Num		SaleTransaction Type		
3/2/2007		\$108,913.00		BB67802		REJECT NOT SUITED SALE ANALYSIS		
3/2/2007		\$108,913.00		BB67795		REJECT NOT SUITED SALE ANALYSIS		
11/7/2006		\$0.00		BA146541		REJECT NOT SUITED SALE ANALYSIS		

Assessment Report – Lots 15, 16, 17, 18 & 19, Block 4, Plan PGP7277

Detailed Tax Report								
Property Information								
Prop Address	10115 94 AV	Jurisdiction	CITY OF FORT ST JOHN					
Municipality	CITY OF FORT ST JOHN	Neighborhood	HWY/IND PK SERV COMM					
Area	FORT ST. JOHN (ZONE 60)	SubAreaCode	N60SW					
PropertyID	012-635-049	BoardCode	N					
PostalCode								
Property Tax Information								
TaxRoll Number	01587000	Gross Taxes	\$23,269.15					
Tax Year	2018	Tax Amount Updated	05/30/2018					
More PIDS								
012-635-049,012-635-057,012-635-065,012-635-073,012-635-031								
Legal Information								
PlanNum	Lot	Block	LotDist	LandDist	Section	Twnship	Range	Meridian
PGP7277	16	4		44	36	83	19	6
Legal FullDescription								
PL PGP7277 LT 16 BLK 4 LD 44 SEC 36 TWP 83 RNG 19 MER 6, MERIDIAN W6, LOT 17, BLOCK 4, PLAN PGP7277, SECTION 36, TOWNSHIP 81, RANGE 19, MERIDIAN W6, PEACE RIVER LAND DISTRICT, LOT 18, BLOCK 4, PLAN PGP7277, SECTION 36, TOWNSHIP 83, RANGE 19, MERIDIAN W6, PEACE RIVER LAND DISTRICT, LOT 19, BLOCK 4, PLAN PGP7277, SECTION 36, TOWNSHIP 83,								
Land & Building Information								
Width		Depth						
Lot Size	43784 SQUARE FEET	Land Use						
Actual Use	STORAGE & WAREHOUSING (CLOSED)	Zoning						
BCA Description	MATERIAL STORAGE							
WaterConn								
BCADate Update	03/16/2018							
Actual Totals								
Land	Improvement	Actual Total						
\$667,000.00	\$445,000.00	\$1,112,000.00						
Municipal Taxable Totals								
Gross Land	Gross Improve	Exempt Land	Exempt Improve	Municipal Total				
\$667,000.00	\$445,000.00	\$0.00	\$10,000.00	\$1,112,000.00				
School Taxable Totals								
Gross LandSch	Gross ImproveSch	Exempt LandSch	Exempt ImproveSch	School Total				
\$667,000.00	\$445,000.00	\$0.00	\$10,000.00	\$1,112,000.00				
Sales History Information								
Sale Date	Sale Price	Document Num	SaleTransaction Type					
3/2/2007	\$204,523.00	BB67807	REJECT NOT SUITED SALE ANALYSIS					
3/2/2007	\$204,523.00	BB67806	REJECT NOT SUITED SALE ANALYSIS					
3/2/2007	\$204,523.00	BB67805	REJECT NOT SUITED SALE ANALYSIS					

Exhibit D

Front View of Subject Property – Looking South



Front View of Subject Property – Looking Southeast



Rear View of Subject Property – Looking Northeast



Rear View of Subject Property – Looking Northwest



Reception Area – Looking North



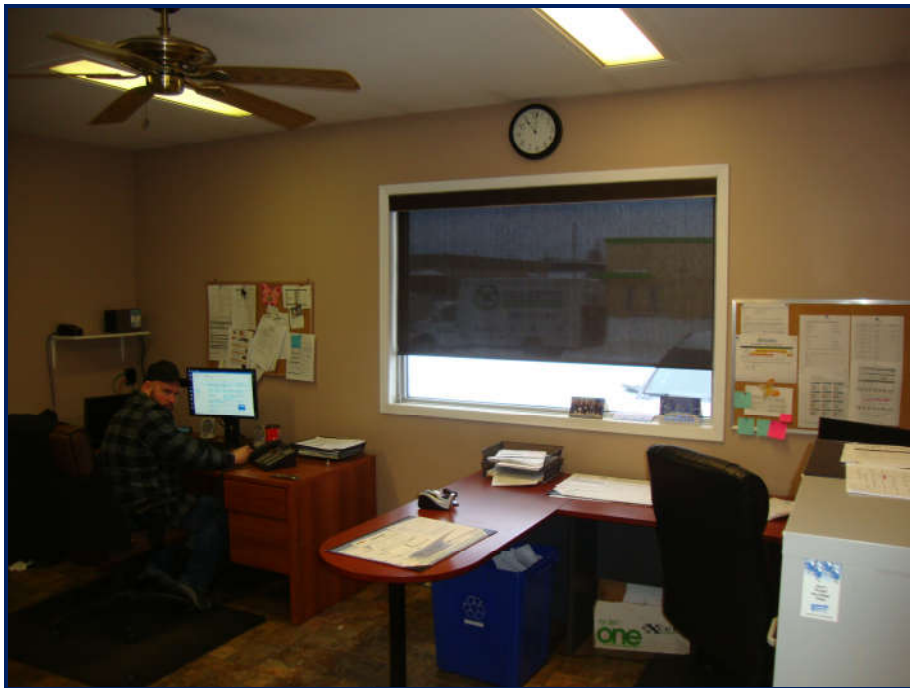
Reception Area – Looking West



Office



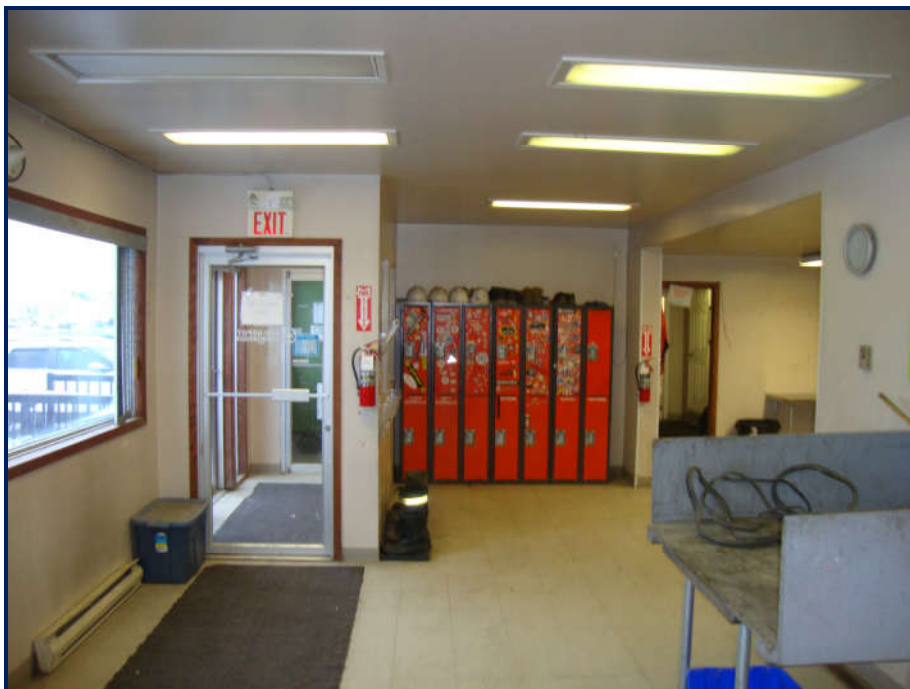
Office



West Side Office Area – Looking West



West Side Office Area – Looking East



Shop Area – Looking East



Shop Area – Looking West



Wash Bay – Looking North



Wash Bay – Looking South



Typical Unit Heater



Hotsy Pressure Washer – Wash Bay



75 KVA Hydro Transformer



Air Compressor



Street View – Looking East along 94th Avenue



Street View – Looking West along 94th Avenue



Street View – Looking North along 102nd Street



Street View – Looking South along 102nd Street



Rear Service Lane – Looking East



Rear Service Lane – Looking West

