



**APPRAISAL REPORT OF
THE PROPERTY LOCATED AT
1083 Ouellette Avenue
Windsor, Ontario**

Prepared By:
E.S. Gorski Realty Ltd.
201-2525 Roseville Garden Drive
Windsor, Ontario N8T 3J8

Prepared For:
1830029 Ontario Inc.
1083 Ouellette Ave.
Windsor, Ontario N9A 4J8

Appraisal Date:
As of May 8, 2019

E.S. Gorski Realty Ltd.

Real Estate Appraisers . Real Estate Brokers
Property Consultants

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May 16, 2019

1830029 Ontario Inc.
1083 Ouellette Ave.
Windsor, ON N9A 4J8

Attention: Dr. Kristen Kupeyan

kkupeyan@hotmail.com

Dear Dr. Kupeyan:

Re: Narrative Appraisal Report of
1083 Ouellette Avenue
Windsor, Ontario
Our File # M19-31895

In compliance with your request, we have completed an opinion of the Market Value of the "Leased Fee Interest" of the above-referenced property. Please be informed that we have made a careful, personal inspection of the property and have given due- consideration to all factors and forces that influence property value at the subject location. The property being valued excludes any chattels, goodwill, business income or non-realty items (e.g. tax shelter advantages, shares, shareholder loans, etc.) associated with the property.

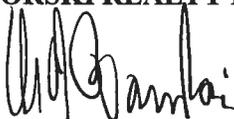
Based on our investigations, it is our opinion that the market value of the "Leased Fee Estate" as of May 8, 2019 is estimated to be:

Three Million Four Hundred Thousand Dollars
(\$3,400,000)

Subject to all terms of reference, Assumptions and limiting Conditions.

This value estimate is based on an exposure time of 6 months immediately prior to the effective date of this appraisal. The following report will document the analysis and the approaches to value used in arriving at this conclusion and contains the pertinent data used in our investigations.

Yours truly,
E. S. GORSKI REALTY LTD.



EDWARD S. GORSKI, BA, FRI, AACI, P. App.



ROBERT FAZEKAS, BA

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EXECUTIVE SUMMARY

Subject Property:	1083 Ouellette Ave., Windsor, ON N9A 4J8	
Client:	1830029 Ontario Inc.	
Intended Users:	TD Commercial Banking	
Applicant:	1830029 Ontario Inc.	
Effective Date of Valuation:	May 8, 2019	
Purpose:	To estimate the market value of the “ <i>Leased fee interest</i> ” on a free and clear basis as of the effective date of valuation.	
Intended Use of Valuation:	For financing purposes	
Type of Appraisal:	Narrative Appraisal	
Ownership Interest:	100% of the Leased Fee Interest	
Location:	Windsor ON MLS zone- 02	
Zoning Classification:	Commercial CD3.5 (See Appendix F)	
Highest and Best Use:	The continued use of the property, improved with a commercial building designed for medical office use, subject to any economic changes.	
Final Estimate of Value:	Comparative Approach to Value:	\$2,300,000
	Income Approach to Value	\$3,400,000
	Cost Approach to Value	\$3,200,000
Reconciled Value:	\$ 3,400,000	
Exposure Time:	6 months subject to assumptions and limiting conditions	
Marketing Time:	6 months	

INTRODUCTION

E.S. Gorski Realty was retained by **Dr. Kristen Kupeyan** on behalf of 1830029 Ontario Inc., to perform an appraisal of a property located in Windsor ON, which is a 0.617 acre site comprised of a fully renovated Medical Office building of 13,200 SF under the municipal address of **1083 Ouellette Avenue, Windsor ON, N9A 4J8**. The purpose of the appraisal is for Financing purposes and the subsequent report will be used and will be relied upon by **TD Bank Financial Group**. The preliminary visual site inspection was first conducted on January 14, 2019. Photographs taken during the site inspection are included in this report. At the time, the 2nd floor and basement area were under construction. A subsequent visual site inspection was conducted on May 8, 2019 to assess the progress of the construction. Photos of the site visit are enclosed herein. During each site visit, E.S. Gorski Realty was permitted access to the site and building by **Mr. Andrew Moukled, President and CEO of Management Advisory Practitioners Inc.**

The site inspections included a visual examination of the following elements:

- The overall building site including all parking areas
- The comprised building including exterior walls, windows and roof systems as well as the interior of the building.
- The mechanical systems to the building.

Our engagement entailed the following scope of work:

- Inspected the property and the surrounding area;
- Reviewed available data
- Examined market conditions and analyzed their potential effect on the property;
- Verified current land use and zoning regulations;
- Conducted a detailed review of the local competitive market;
- Reviewed sales and listing data on comparable properties;
- Considered the highest and best use of the property; and
- Prepared Narrative Appraisal Report

This is a Full Narrative Appraisal Report and complies with the reporting requirements set forth under the Canadian Uniform Standards of the Appraisal Institute of Canada. As such, all relevant material is provided in this report including the discussion of appropriate data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Additional supporting documentation concerning the data, reasoning, and analyses are retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated herein.

The estimate of value contained in this report is founded upon a thorough and diligent examination and analysis of information obtained from numerous sources. Certain information has been accepted at face value, especially if there was no reason to doubt its accuracy. Other empirical data required interpretive analysis pertinent to the objective of this appraisal.

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This report has been prepared at the request of **the “Client”**, for the purpose of providing an estimate of the market value of the subject property. It is not reasonable for any person other than the client or its intended user, to rely upon this appraisal without first obtaining written authorization from the client and the author of this report. This report has been prepared on the assumption that no other person will rely on it for any other purpose and all liability to all such persons is denied.

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EXTRAORDINARY ASSUMPTION

Please note at the time of inspection that the lower level of the building was still in the process of being fitted out for tenant occupancy. It had been indicated by the Owner of the subject building that the renovations required would be complete by August 1, 2019. It is the assumption of this report that the renovations and tenant improvements will be completed, and the analysis and estimates contained in this report are based on those renovations and tenant improvements “as complete”. It is recommended that a final inspection be completed to ensure the lower level is completed with the same quality of finish as the rest of the building. Any individual relying on the conclusions of this report is encouraged to assure themselves of the final completion of the lower level of the building.

PROPERTY DATA

DESCRIPTION

The subject property a site with an area of 0.617 acres. The site is improved with a 3 - storey plus full basement facility, located at the north- west corner of Ouellette Avenue and Pine Street. The original building on the site is older but has been renovated with additions and brought to new condition, with high level finishing throughout. The building is currently being used as a medical office building. The main floor at grade level is the main entrance to the building. The second level is slightly above grade and is rented in its entirety to a medical office. The 3rd and 4th levels are offices shared by doctors. The lower level is fully rented to a pharmacy and offices. All 4 levels are accessible by an elevator. The rear and sides of the property are asphalt paved with parking spaces for 37 vehicles

LEGAL DESCRIPTION

The entire site is an assemblage of 4 properties with the following legal descriptions

1077 Ouellette Ave.: LT 12 BLK 6 PL 271 EXCEPT PT 1 PL 12R25955 CITY OF WINDSOR.
PIN # 011870514,
Roll # 3739-040-360-01300-0000

1083 Ouellette Ave.: PT LT 13 BLK 6 PL 271 WINDSOR AS IN R820502 EXCEPT PT 2 PL 12R25955 CITY OF WINDSOR.
PIN # 011870516,
Roll # 3739-040-360-01200-0000

1089 Ouellette Ave.: LT 14 BLK 6 PL 271 EXCEPT PTS 4 & 5 PL 12R25955 CITY OF WINDSOR,
PIN # 011870519,
Roll # 3739-040-360-01100-0000

1088 Pelissier St.: PT LT 13 BLK 6 PL 271 AS IN R556122 EXCEPT PT 3 PL 12R25955 CITY OF WINDSOR,
PIN # 011870512,
Roll # 3739-040-360-03600-0000

Current Owner: 1830029 ONTARIO INC.

TAX INFORMATION

1077 Ouellette Ave.: Assessment value: \$202,500.
Taxes: \$5,755.85

1083 Ouellette Ave.: Assessment Value: \$259,500.
Taxes: \$10,952.70

1089 Ouellette Ave.: Assessment Value: \$229,000.
Taxes: \$6,509.09

1088 Pelissier St.: Assessment Value: \$50,500.
Taxes: \$1,435.41

Total Taxes: \$24,653.05

All assessed Values are based on Jan 1, 2018 MPAC assessment

SALES TRANSFER HISTORY

A review of assessment data in GEO WAREHOUSE, shows the following arms- length transactions

1077 Ouellette Ave.: Transfer to 1830029 Ontario Inc. for \$299,000 in May 2012

1083 Ouellette Ave.: Transfer to 1818770 Ontario Inc. for \$280,000 in June 2010

1089 Ouellette Ave.: Transfer to 1818766 Ontario Inc. for \$235,000 in June 2010

1088 Pelissier St.: Transfer to 1830029 Ontario Inc for \$125,000 in August 2015

CURRENT OR RECENT CONTRACTS

The subject has no recent MLS activity.

NEIGHBOURHOOD DESCRIPTION

The subject is situated at the north- west corner of Ouellette Avenue and Pine Avenue, with frontage on the west side of Ouellette and known municipally as 1083 Ouellette Avenue, **Windsor ON N9A 4J8**

The immediate neighbourhood district is considered **downtown Windsor**, just south of City Centre in an area with a concentration of converted residential homes, office buildings and commercial buildings. The neighbourhood is bounded by Erie Street to the north, Giles Blvd., to the south, Pelissier Street to the east and Goyeau Street to the west.

The property is well- suited for doctors' offices, as the Hotel- Dieu Regional Hospital is located directly across from the property.

The following is a further description of the neighbourhood looking:

NORTH: immediately north of the property along Ouellette Avenue are residential homes that have been renovated to primarily doctors' offices to take advantage of the proximity to Hotel Dieu Regional Hospital. City Centre is 4 blocks north and consists of businesses, restaurants, condominium towers and office buildings. Caesar's Windsor Casino and Entertainment venue is 6 blocks north as well as Dieppe Gardens and miles of walking trails running east west along Riverside Drive. New University Downtown campuses including the School of Creative Arts at the renovated Old Armories building as well as the School of Social Work and the Centre for the Executive and Professional Education are just north of the subject.

SOUTH looking south of the property are primarily businesses, retail stores and offices along Ouellette Ave. Travelling further south along Ouellette leads to Tecumseh Road which is the City's longest commercial corridor running east- west from the west side of the City at Huron Church to the far east side at the Town of Tecumseh. Continuing down Ouellette Ave, leads to Dougal Ave and eventually to the EC Row Expressway and the 401 Highway.

EAST looking immediately east of the property is Hotel Dieu Regional Hospital. Further east is established residential neighbourhoods.

WEST looking west of the property are primarily older established residential neighbourhoods. Approximately 3 miles west of the property is the University of Windsor's main campus. The University has an enrollment of approximately 15,800 students, including 1,800 part- time students (2017-18 statistics). The Ambassador Bridge is just west of that and provides bridge access to the U.S.

NEIGHBOURHOOD PHOTOS



View of properties along Ouellette Ave., looking north



View looking south along Ouellette Avenue.

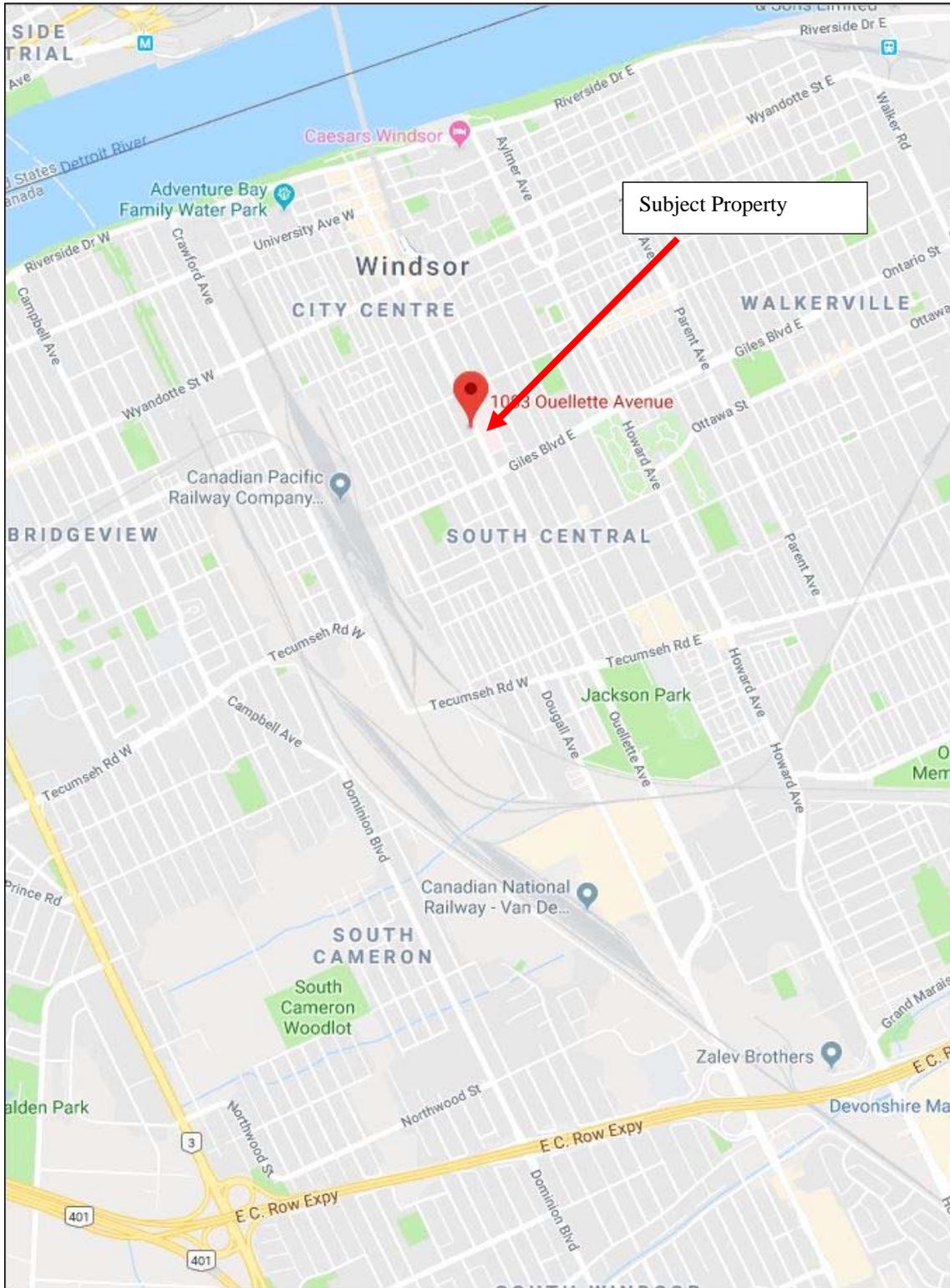


View looking north along Pelissier Street at the rear of the property

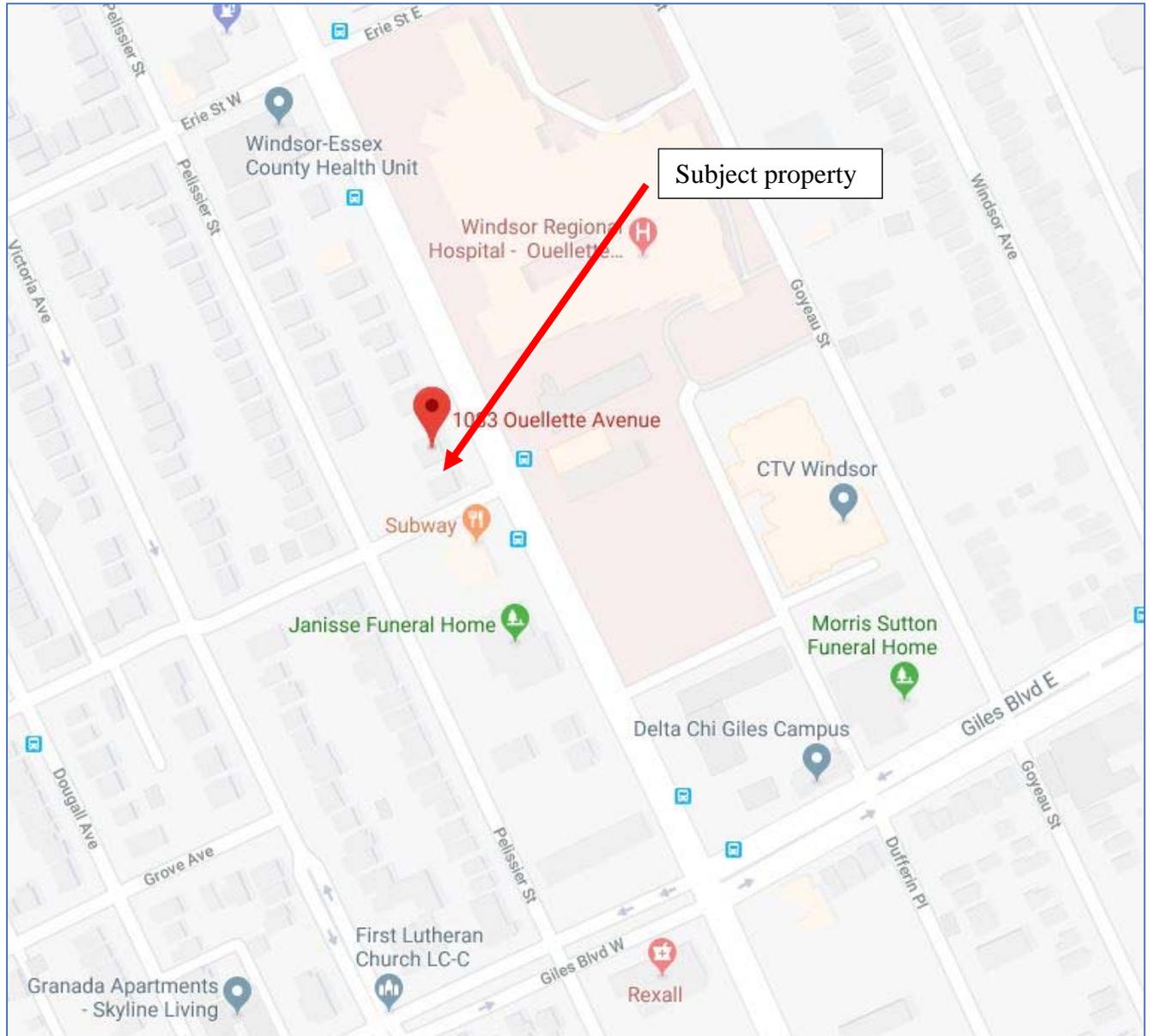


View looking west along Pine Street at the south side of the property

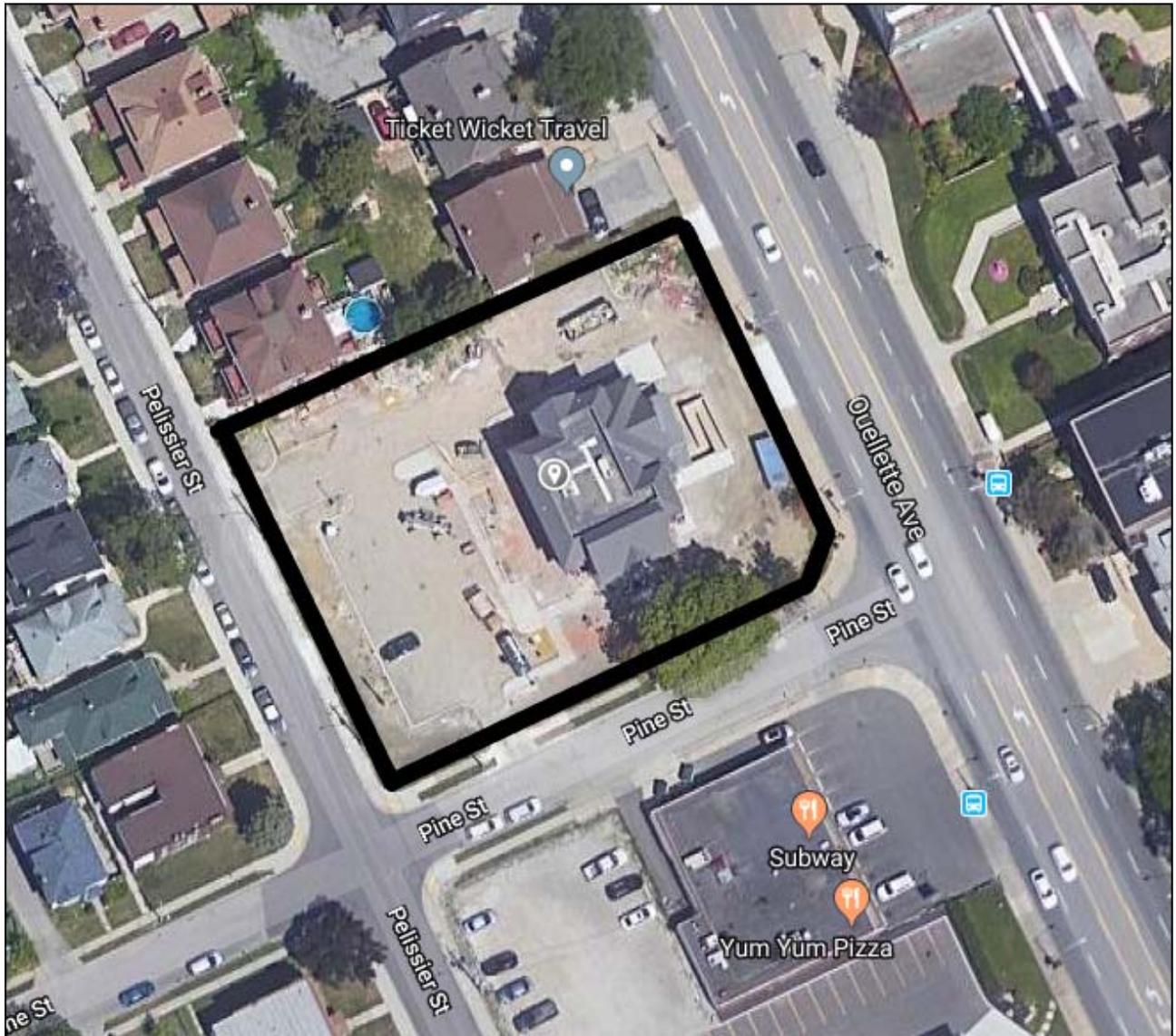
GENERAL AREA MAP



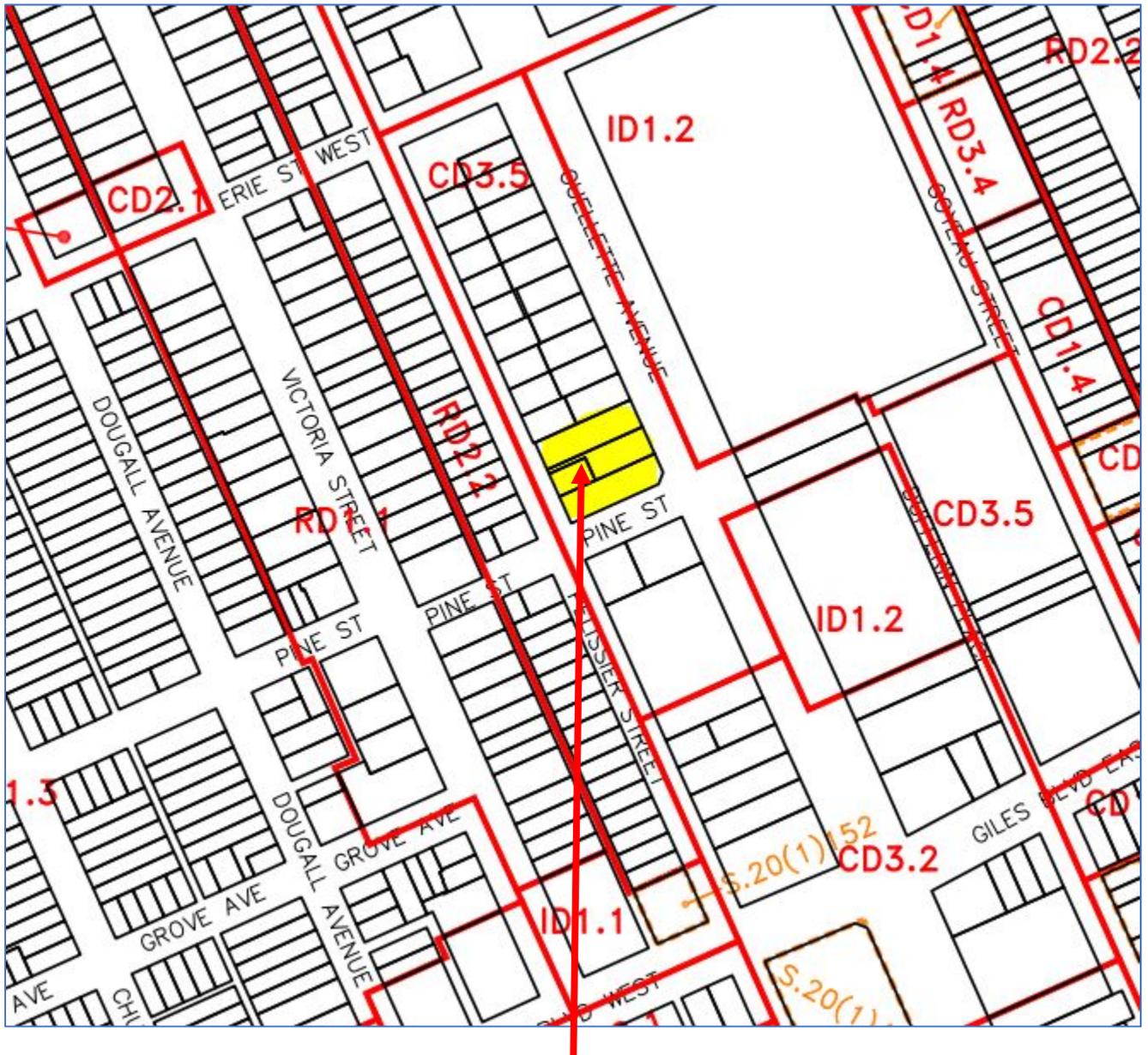
NEIGHBOURHOOD MAP



SATELLITE IMAGES



ZONING

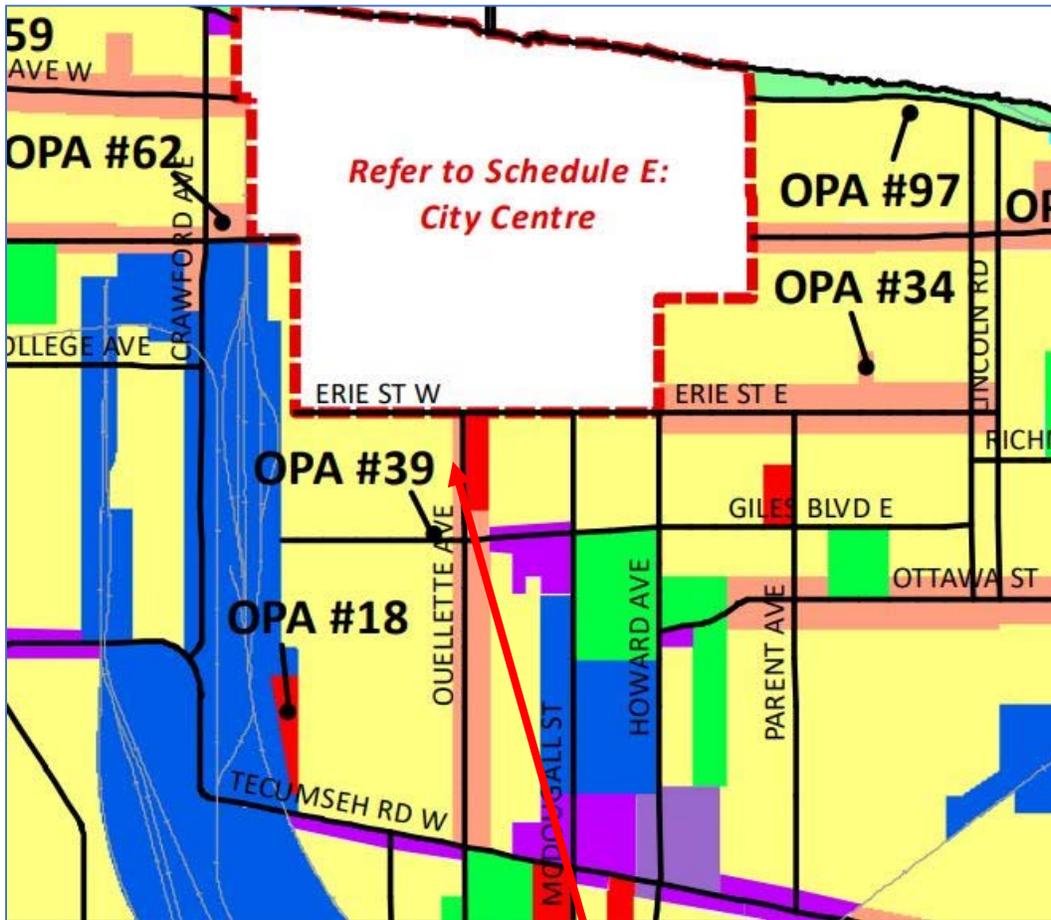


SUBJECT PROPERTY

The zoning map shows the property zoned as CD 3.5 Commercial which allows for a wide variety of commercial uses, including medical office. The subject conforms to the current zoning and its use is permitted under the current by-laws.

See appendix for full information on the zoning and permitted uses.

OFFICIAL PLAN

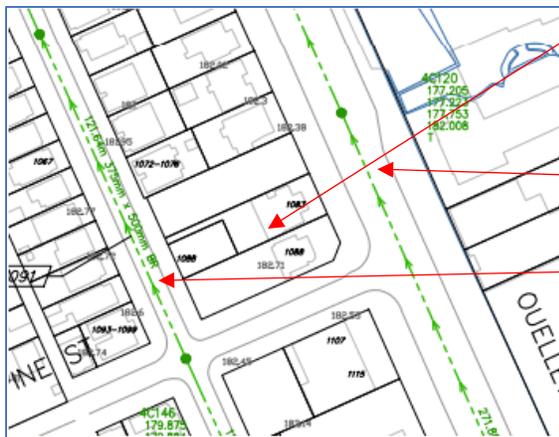


The official plan designation for the property is “MIXED USE” (see below schedule).



SITE ANALYSIS

Land Area	The subject site has a frontage of 157.65 feet and with 178.60 feet along its northern limit, 163.73 feet along its southerly limit and with 151.88 feet at the rear. The building is situated at the centre of the site and occupies approximately 11% of the site.
Land Area	26,920.51 SF or 0.617 acres
Topography	Level- the site is at grade with the surrounding properties.
Shape	Irregular but mostly rectangular in shape
Condition	General site condition appears to be good at time of inspection.
Frontage/ Visibility/ Access	The site has good frontage and good depth for the neighbourhood and area. Access to the site is via Pine Street and Pelissier Street, directly into the parking area at the west side of the site. A turning lane provides access from Ouellette Avenue onto Pine Street for north bound traffic.
Parking	Approximately 37- car parking exists at the rear of the site. Additional paved parking area exists at the north side of the site.
Easements/Restrictions	None noted by the appraiser that would affect the value estimated in this report.
Street Improvements	Located along an asphalt paved arterial road with lanes going both north and south.
Site Services	Hydro, gas and municipal water are available and connected to the property.



Subject Site

Waste management and storm water management are provided by a single combined sewer system at both the front and rear of the site, as depicted by the dotted green lines in the site service map.

EXTERIOR BUILDING PHOTOGRAPHS

Description	
Front view of building	

Description	
North view of building	

Description

South side view of building



Description

Rear view of building showing paved parking area.



INTERIOR PHOTOGRAPHS

Description

Grade – level entry showing public access to elevator



Description

Typical Interior office area



Description

Typical washroom area



Description

Typical interior office area



Description

2nd level office area



Description

2nd level office area



Description

Lower level Pharmacy and office area, to be completed.



Description

lower level office area., to be completed.



BUILDING IMPROVEMENT DESCRIPTION

IMPROVEMENT		CONDITION	IMPROVEMENT		CONDITION
Cladding:	Brick and vinyl siding	good	Flooring:	Ceramic, high quality laminate	good
Roof:	Peaked roof with new steel covering	good	Interior Walls:	Drywall	good
Windows:	Vinyl	good			
Foundation:	Concrete	adequate			
Plumbing:	Copper	adequate	ceilings	t- bar acoustic panels	good
Hydro:	400 amp/ 240 volt split to 200-amp breakers each floor.	good	Lighting	Florescent	adequate
Heat:	Forced air units with central air on each floor.	good	Construction:	Wood frame	Adequate
Central Air:	Each floor	good	parking:	37- car asphalt parking at the rear and to the north side of property	good
Hot Water System:	50 gallons for each floor	good			

IMPROVEMENT DESCRIPTION:

Description: The site is improved with a 3 - storey plus full basement facility, located at the north- west corner of Ouellette Avenue and Pine Street. The original building on the site is older but has been renovated with additions and brought to new condition, with high level finishing throughout. The building is currently being used as a medical office building. The main floor at grade level is the main entrance to the building. The second level is slightly above grade and is rented in its entirety to a medical office. The 3rd and 4th levels are offices shared by doctors. The lower level is fully rented to a pharmacy and offices. All 4 levels are accessible by an elevator.

Age: As new

Structure Type: Three storey commercial building-professional offices

Building Size: **Main Floor (lobby): 517 SF**
 2nd level: 2,817 SF
 3rd level: 3,051 SF
 4th level: 2,817 SF
 Total above – grade: 9,202 SF

Basement area: 2,529.70 SF
 Total finished area: 11,731 SF

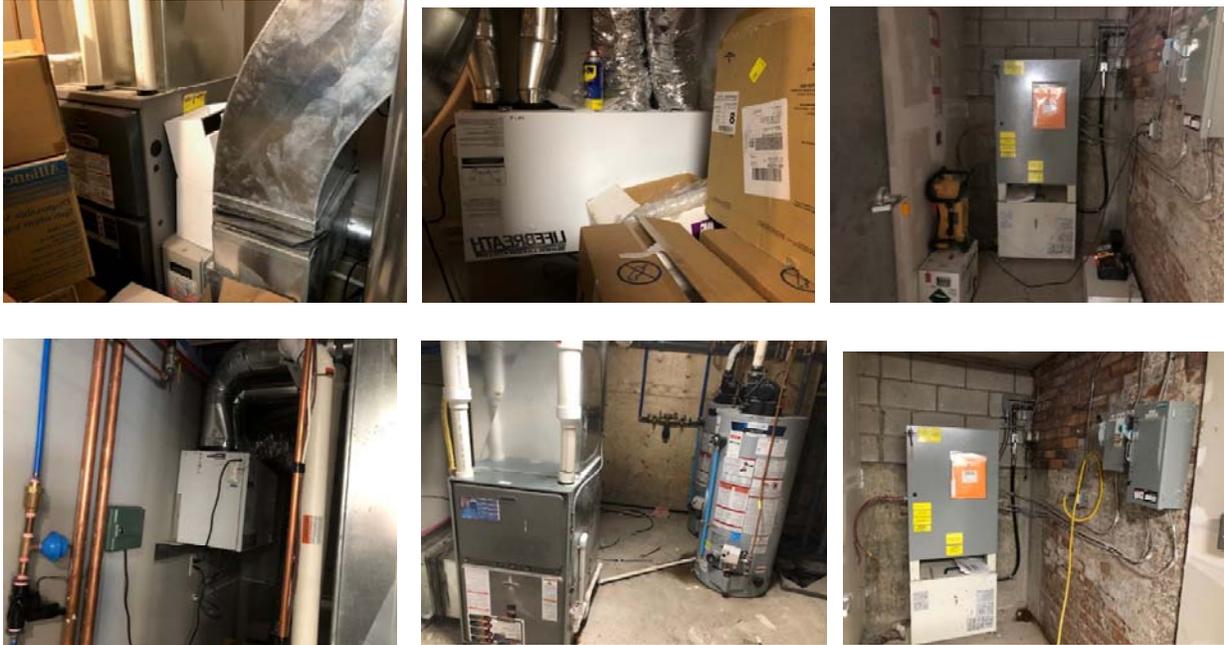
Mechanical: There are four hydro meters. The service is 400-ampere breaker - single phase, 240 volts split to 200-amp breaker panels for each floor. The building is heated and cooled with HVAC units on each floor.

Interior Finish: The interior is a mix of ceramic tile and high- grade laminate flooring. with drywall partitioning and drop tile and drywall ceiling. The interior is divided into four levels with medical office facility plus common areas and elevator connecting all four levels. The office areas will contain reception, patient areas, offices, staff areas, kitchen/lunchroom and washrooms.

Roof: The roof is a wood frame peaked roof design with new metal roof covering. All aspects of the roof are new. No signs of any roof leakage and all roof areas appear to be in “as new” condition.

Please note: the appraiser did not have access to any of the roof areas to perform an intensive inspection of the condition, but only was able to have a cursory inspection from the ground level and inspection of the interior ceiling areas to determine if there is any current or prior leaking of water into the building from the roof. If required, the reader is encouraged to seek a professional opinion regarding the condition of the roof.

MECHANICALS



CONDITION All aspects of both the exterior and interior of the building are new, and the over-all condition of the improvements are excellent at the time of inspection.

Effective Age: 1 year (as new)

Remaining Economic Life: Based on the present condition of the building we estimate the remaining economic life to be in the range of 100 years.

Depreciation: 0%

ENVIRONMENTAL CONSIDERATIONS

No detrimental environmental issues were noted during the appraiser's inspection of the property, but please note that the appraiser is not qualified to comment on environmental issues that may affect market value of the subject property.

Unless expressly stated, the property is assumed to be free and clear of pollutants and contamination, including but not limited to mould, mildews or conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise and free of any environmental condition, past, present, or future that may affect the market value of the subject property.

If the party relying on this report requires information about environmental issues, then that party is cautioned to retain an expert qualified in such issues.

We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property and the reader is cautioned to verify a satisfactory Province of Ontario Phase One environmental study has been completed. The value contained in this report is contingent upon this data.

HIGHEST AND BEST USE

Fundamental to the concept of real estate value is the principle of highest and best use. It is generally defined as that use which is most likely to produce the greatest net return over a given period. Net return is not necessarily limited to monetary gain(s) and may take the form of amenities. Highest and Best Use may be defined as follows:

"The reasonable probable and legal use of vacant or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.
Source: The Dictionary of Real Estate Appraisal, Fourth Edition, 2002 Appraisal Institute

So, the analysis of the use of a property that will yield the most profitability, must meet four criteria:

- 1) Is the property physically possible?
- 2) Is the property legally permissible?
- 3) Is the property financially feasible?
- 4) Is the property maximally productive?

Further to the analysis of the highest and best use, is the analysis of the highest use based on the property being vacant versus the value as improved.

The Highest and Best Use of land or a site as vacant is defined as the use of a property based on the assumption that the parcel is vacant or can be made vacant by demolishing any improvements and that among all reasonable, alternative uses, is the use that yields the highest present land value, after payments are made for Labour, capital, and co-ordination.

The Highest and Best Use of land or a site as improved is the use of the property as it exists. An existing property should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

In the analysis of highest and best use, two determinations must be made.

- First, the use of the property vacant is analyzed based on the development of the site as though vacant and available for use is made. The preceding four criteria are applied and a conclusion regarding the maximally productive use of the property is drawn.
- Second, the use of the property as improved is analyzed and a determination is made about the expected value as improved versus the best use of the property as vacant. The use which produces the highest price or value consistent with the rate of return warranted by the market, is the maximally productive use.

Highest and Best Use as Vacant:

Considering the location of the subject property, along a busy commercial corridor and across the street from Hotel Dieu Regional Hospital, as well as the current zoning and official plan designation, the property's current commercial use would be considered the best use of the property, if the property were vacant.

Highest and Best Use as Improved:

The improvements to the property were purpose- built and are well suited for medical office use. The current zoning of Commercial CD 3.5 and the official plan designation of "Mixed- use" allow for its current use. Considering the location of the subject both along a main arterial road and across the street from a regional Hospital, the current use of the property and its improvements is physically possible and legally permissible. The improvements occupy only 11% of the overall size of the property and would therefore be financially feasible.

Considering the current economic conditions of the Windsor- Essex County market, the continued use of the property and its improvements for medical office use, allowed within the current zoning, represents the maximum productivity of the site, versus the redevelopment of the site for any other purpose.

CONCLUSION:

Based on the analysis, the continued use of the property, improved with a commercial building designed for medical office use would be considered the subject's Highest and Best Use, subject to any economic changes.

VALUATION METHODS

The valuation of real estate, depending upon whether it is considered vacant or improved, can best be accomplished through the application of one or more of the following approaches to value.

D) Valuation of Vacant Land

With respect to estimating the market value of land, the valuation of vacant land can be accomplished through the application of one and/or both most commonly used approaches to value. Although there are other approaches, they are infrequently used and inapplicable to the subject site.

Direct Sales Comparison Approach

This is a valuation based on direct comparison with recent sales of similar parcels in the open market. This is one of the most commonly used land valuation techniques.

Subdivision Development Approach

This approach involves a proposed or hypothetical development, subdivision, and sale of subsequent lots. Development costs, including all profits and sales expenses, are deducted from the expected revenue to be gained from the sale of individual lots. The difference between projected revenue and expenses represents the land value. If sales are assumed to occur over a lengthy holding period, the land value obtained above will generally be discounted to reflect the necessary holding period. This technique is applicable when subdivision and development represent the highest and best use of the appraised parcel. This is another commonly used technique.

Allocation Approach

This technique relies on the establishment of a ratio between the proportion of land and improvements for a property. This method only provides a rough guide to land value given the fluctuation in the contribution to value provided by various types of improvements. This technique is infrequently used given its inaccuracy.

Extraction Approach

The Extraction approach may be thought of as a variation on the Allocation Approach. Land value is extracted from the sale proceeds of an improved property by deducting the contribution of the improvements, which is estimated from the depreciated costs. The remaining value represents the value of the land. Similar to the Allocation Approach, this technique is infrequently used.

Land Residual Approach

The Land Residual Approach is a valuation based on capitalizing the income attributable to land from a property. The potential income from new improvements, under their highest and best use, is deducted from the total property income. The remaining income represents the land income, which is capitalized at an appropriate land capitalization rate. A major difficulty with this technique is the establishment of an appropriate land capitalization

Ground Rent Capitalization Approach

This is a valuation based on the capitalization of ground rent using market derived capitalization rates. Ground rents are infrequently found in most of real estate markets.

II) Valuation of Improved Properties

For improved properties, there are essentially 3 techniques used depending upon the type of improvements.

Cost Approach

An estimate is made of the investment that would be required under current market conditions to construct equivalent improvements to those of the subject property. An estimate of loss in value from various forms of depreciation, i.e. physical, functional, and economic, is deducted from the reproduction cost new. The market value of the land under its Highest and Best Use is added to the estimate of value of the improvements after allowance for depreciation. The resulting figure is the estimate of value by the Cost Approach.

Direct Sales Comparison Approach

This approach is a procedure whereby a value indication is derived by comparing the property being appraised to recently sold properties, applying appropriate units of comparison, and adjusting the sales prices of the comparable properties, based on the elements of comparison. This is a very accurate valuation technique when ample, high quality data is available.

Income Approach

An estimate is made of the expected future income and of the anticipated cost to produce that income. After considering the return that a prudent investor would require on his/her investment and the time over which the original investment is expected to be recaptured, a discount rate(s) is applied against the anticipated net income. The result is the estimate of value by the Income Approach.

III) Final Estimate of Value

The previously outlined appraisal techniques will generally result in varying estimates of value. The values will not necessarily be identical, whether vacant land or an improved property is being appraised, given the different assumptions underpinning each technique. Each estimate, through a process of correlation and reconciliation, is considered considering its accuracy, importance in the marketplace, and relevancy of data. The resulting figure is called the Final Estimate of Value.

IV) Methods of Valuation Employed in this Report

The Direct Comparison Approach involves a procedure whereby a value indication is derived by comparing the property being appraised to recently sold properties, applying appropriate units of comparison, and adjusting the sales prices of the comparable properties, based on the elements of comparison. This approach was undertaken.

The Income Approach is considered to be a good indicator of value for income producing properties. This approach is almost always profit orientated. Profits are in the form of financial benefits such as annual net income, rents, or a capital gain. This approach was undertaken.

For this report, the Direct Comparison Approach, Cost Approach and Income Approach to Value will be used in deriving a value estimate.

DIRECT SALES COMPARISON APPROACH

The Direct Sales Comparison Approach is a valuation method whereby the property being appraised is compared with similar properties that have recently been sold, offered for sale, rented, or offered for rent. The assumption is that if the subject property had been exposed to the market it would have been in competition with the comparable property and appealing to the same type of purchaser would have been in the same market.

The Direct Sales Comparison Approach is based on the Principle of Substitution which maintains that a prudent buyer will not pay more for a property than it would cost to buy an equally desirable substitute property provided there is no undue delay in making the acquisition. Provided that a sufficient number of valid comparable properties can be found, the Direct Sales Comparison is an excellent test of value as it reflects the actions of buyers and sellers in the market place. The main weakness of the approach is that in some areas, it is difficult to find market transactions or offerings of properties for sale that can logically be compared to the subject property. Since all market data is based on transactions that have already occurred and is therefore historical in nature, this approach requires an assumption that the market will continue to behave in the future as it has in the past.

This approach is most effective and reliable when there are sufficient quantities of accurate, reliable market data, which may be properly analyzed. The data must be evaluated as though through the eyes of a typical purchaser without regard to the appraiser's personal viewpoint. The best data is usually derived from the neighbourhood from which the subject property is located and reasonably current to the date of appraisal. The substance of the Direct Sales Comparison Approach is to search out the recently sold or offered competitive properties and through an adjustment process develop an indication of what they would have sold for if they had possessed the physical and economic characteristic of the property being appraised. Such value indicators are developed for several comparable sales and when properly reconciled provide a valid indication of the value of the subject property.

In pursuit of the aforementioned objective, the following steps have been undertaken:

A market study was undertaken to locate comparable properties and a search was conducted for properties that were:

- 1) Located within the general market of the subject property
- 2) Have recently sold
- 3) Are comparable to the subject in type and style

Information pertinent to the above has been collected, and data regarding differences both in time of sale and other factors between each comparable and the subject property were analyzed.

Each sale was compared to the subject and the necessary adjustments were made.

To make effective comparisons, information has been acquired for each comparable. The data-gathering program has been systematic so that all pertinent and salient characteristics have been itemized for both the subject and comparable properties.

Attention has been paid to physical features such as: lot size, landscaping, physical and functional obsolescence, neighbouring influences and desirability.

In addition, consideration has been given to the comparable properties, not only regarding the price obtained but also the number of similar sales, the dates of these sales, the period of exposure to the market, sale motivation and terms under which the properties were sold.

The economic and social conditions prevailing at the time have been considered as have mortgage interest rates, changing price levels, activity of the real estate market, frequency of commercial failure and property vacancy, economic trends in the neighbourhood or municipality and the effect of local governmental attitudes and policies.

SELECTED COMPARABLE PROPERTIES

The following properties were selected to be used in the comparative analysis of the property.

Sale #	Address	Area	Sale Price	Sale Date
1	3000 Temple Drive	Windsor MLS zone- 07	\$ 3,400,000	November 27, 2017
2	378 Ouellette Avenue	Windsor MLS zone -02	\$ 5,200,000	November 2, 2017
3	2255 Cadillac Street	Windsor MLS zone -07	\$ 1,400,000	July 26, 2018
4	8100 Twin Oaks Drive	Windsor MLS zone- 06	\$ 2,224,000	November 29, 2017
5	3535 North Service Rd E	Windsor MLS zone- 07	\$ 1,495,000	February 26, 2018

The proceeding is a list of recent sales of commercial office buildings located in the Windsor market, that would be considered comparable to the subject property. All comparable sales were gathered from MLS data.

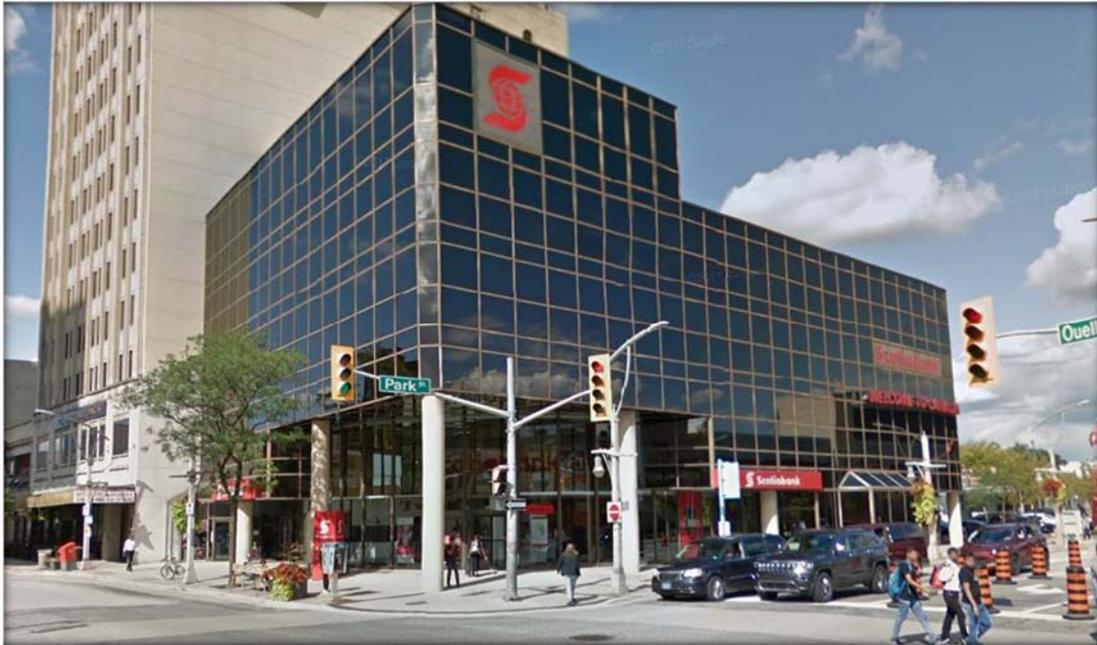
The following pages will highlight more detailed information regarding the sales used.

MARKET COMPARABLE #1



Address:	3000 Temple Drive
Date of Sale:	November 27, 2017
Land Dimensions:	3.85 Acres
Comments:	First – class single storey office building in business park, close to EC Row Expressway. Asphalt and lighted parking lot.
Seller:	Victorian Order of Nurses Windsor Essex Endowment Foundation
Zoning:	Manufacturing District MD 1.4
Area:	Central-Windsor, MLS zone 00-07
Sale Price:	\$3,400,000
Source:	MLS # 1707013
Condition:	Good
Size:	27,155 SF
Unit of measurement- Unadjusted price per SF (rounded):	\$125

MARKET COMPARABLE #2



Address:	378 Ouellette Avenue
Date of Sale:	November 2, 2017
Land Dimensions:	89' x 242' (0.498 acres)
Comments:	Quality 3- storey office complex located close in Downtown Windsor. On- site parking for 35 cars. Bank of Nova Scotia as main floor tenant.
Seller:	The Bank of Nova Scotia
Zoning:	Commercial District CD 3.1
Area:	Downtown- Windsor, MLS zone 00-02
Sale Price:	\$5,200,000
Source:	PIN # 011710377 (Geowarehouse)
Condition:	Good
Size:	38,400 SF
Unit of Measurement- Unadjusted price per SF (rounded)	\$135

MARKET COMPARABLE #3



Address:	2255 Cadillac Street
Date of Sale:	July 26, 2018
Land Dimensions:	200' x 79'
Comments:	Well- maintained office complex currently leased to one tenant. Onsite parking.
Seller:	1646318 Ontario Limited
Zoning:	Commercial District CD 2.1
Area:	Central- south Windsor MLS zone 00-07
Sale Price:	\$1,400,000
Source:	MLS # 18001818
Condition:	Good
Size:	10,000 SF
Unit of Measurement- Unadjusted price per SF (rounded)	\$137

MARKET COMPARABLE #4



Address:	8100 Twin Oaks Drive
Date of Sale:	November 29, 2017
Land Dimensions:	186.54' x Irregular 59,427 SF (1.364 acres)
Comments:	Professional office complex in Twin Oaks Business/ Industrial Park. 16,000 Sf building designed to be sub-divided into 10 independent units with separate utilities. On- site 100 + car parking
Seller:	KFJ Holdings Ltd.
Zoning:	Manufacturing District MD 2.4
Area:	South- East Windsor, MLS zone 00-06
Sale Price:	\$2,224,000
Source:	MLS # 1511856
Condition:	Good
Size:	16,085
Unit of Measurement- Unadjusted price per SF (rounded)	\$138

MARKET COMPARABLE #5



Address:	3535 North Service Road East
Date of Sale:	February 26, 2018
Land Dimensions:	170.25' x Irregular
Comments:	Quality office complex located close to the EC Row Expressway. Open concept design with open concept recessed production atrium. Open sky- lit ceilings. Quality workmanship throughout.
Seller:	Argyle, Canglo and McKenzie Investments and Leaseholds Inc.
Zoning:	Manufacturing District MD 1.4
Area:	South- central Windsor, MLS zone 00-07
Sale Price:	\$1,495,000
Source:	MLS # 1800613
Condition:	Good
Size:	9,538 SF
Unit of Measurement- Unadjusted price per SF (rounded)	\$157

CONCLUSIONS

The preceding comparable sales are improved properties, that would be considered similar to the subject. Various adjustments were made to the sales data to compare each property to the subject (see below). If the comparable property's attribute were inferior to the subject, a positive-value adjustment was made to the sale. If the comparable property's attribute was superior to the subject, a negative value adjustment was made to the sale. The net result of the adjustments was analyzed, and a reconciled value is determined.

This comparative approach emphasizes individual comparable sales as a whole and undivided entity, which is exactly what a buyer does. Adjustments are based on both quantitative market data and qualitative considerations. The following are some of the adjustments considered but may not appear on the chart.

Rights Conveyed: In analyzing the comparable properties used, it was determined that in all cases the rights conveyed were Fee Simple and no adjustment were required.

Financing: There was no information available to suggest that there were any special financing arrangements involved in the comparable sales and it was assumed in all cases that typical types of financing arrangements were involved in the sales.

Conditions of Sale Adjustment: Each of the transactions was reported to have involved cash to the vendor with no unusual conditions or restrictions.

Time: In the analysis of real estate, it is often necessary to adjust the prices of comparable properties, as they are dated relative to current time or the date of valuation. The further away in time, the more likely there has been some price variation over time in the market place, and the more likely a time/price adjustment will be needed. However, it should also be noted that prices can go up and then come back down and vice versa, so that an older comparable sale may require no adjustment, while a newer one may have to be adjusted.

The methods of measuring changes in real estate values include statistical, trending, analysis of the sale and resale of a property (paired sale), or the analysis of sales of two similar properties.

The most recent information published for this type of property suggests an active market, with increasing values. For this reason, time adjustments were applied accordingly.

Zoning: Any variations in zoning to the subject property that would have an effect on value, were considered and adjustments were made accordingly.

The following represents a summary of some of the important adjustments made to the comparable properties and reflects the methodology in arriving to an adjusted range of values from which to reconcile a market determined value of the subject.

MARKET COMPARABLE ADJUSTMENT CHART

Criteria	SUBJECT	COMP #1	Adjustment	COMP #2	Adjustment
Lot Size (SF)	26,920 SF	155,944	downward	21,538	Slight upward
Price per unit		\$125		\$135	
Sale Date		11-27-2017	Slight upward	11-02- 2017	Slight upward
Location	Good	good	Slight upward	superior	downward
Condition	New	inferior	upward	inferior	upward
Economic Profile	Good	inferior	upward	inferior	upward
Total Adjustment			upward		upward

Criteria	SUBJECT	COMP #3	Adjustment	COMP #4	Adjustment
Lot Size (SF)	26,920 SF	15,800	upward	59,427	upward
Price per unit		\$137		\$138	
Sale Date		07-26- 2018	None	11-29- 2017	Slight upward
Location	Good	inferior	upward	inferior	upward
Condition	New	inferior	upward	inferior	upward
Economic Profile	Good	inferior	upward	inferior	upward
Total Adjustment			upward		upward

Criteria	SUBJECT	COMP #5	Adjustment		
Lot Size (SF)	26,920 SF	43,905	upward		
Price per unit		\$157			
Sale Date		02-Feb- 2018	None		
Location	Good	good	Slight upward		
Condition	New	good	upward		
Economic Profile	Good	inferior	upward		
Total Adjustment			upward		

RECONCILIATION OF THE ESTIMATE OF VALUE

The comparable sales selected for analysis in arriving at the valuation, are recent sales and considered to be reflective of the market for industrial buildings similar to the subject. All comparable sales are located within the Windsor- Essex market area. The adjustments made are considered to be reasonable adjustments based on market participation and reaction. The unit of comparison used was on a “per square foot” basis.

The unadjusted values range from a low of \$125 PSF to a high of \$157 PSF

DESCRIPTION OF The COMPARABLE PROPERTIES

Sale #1 is located at 3000 Temple Drive in Windsor. The area is just north of the EC Row Expressway of Central Ave, in an area of light industrial buildings. The building is 27,155 SF situated on a 3.85-acre site. The building is a single storey office complex, with large lighted parking area. The condition of the building is good but inferior to the newer construction of the subject. The overall area would be considered good but lacks the special purpose location and economic profile of the subject.

Sale #2 is located at 378 Ouellette in the downtown core- City Centre of Windsor. The property is situated at the north- east corner of Ouellette and Park Street. The building is a 3- storey office building with the Bank of Nova Scotia as the main tenant. There is on- site parking for 35 cars. The condition of the building is good. The over- all area is superior to the subject but lacks the special purpose location and economic profile of the subject.

Sale #3 is located at 2255 Cadillac Street. The area is a mix of residential and commercial, in proximity of the Fiat- Chrysler Assembly plant. The building is a single storey 10,000 SF office building leased to a financial institution. There is onsite parking. The condition of the building is good, but inferior to the subject. The over all area is inferior to the subject and lacks the special purpose location and economic profile of the subject.

Sale #4 is located at 8100 Twin Oaks Drive, in the east end of the City of Windsor. The property is situated in an industrial park, surrounded by primarily industrial buildings. The building is a 16,000 SF professional office complex designed into 10 separate independent units with separate utilities. The building was mostly vacant at time of sale. On- site parking for over 100 cars exists. The condition of the building is good but inferior to the newer construction of the subject. The overall area would be considered good, for specific tenants catering to the industrial market, but lacks the special purpose location and economic profile of the subject of proximity to a regional Hospital.

Sale #5 is located at 3535 North service Road, just south- east of the corner of Central and the EC Row Expressway. The building is a 9,538 SF single- storey open concept office building specifically constructed for an architectural engineering firm. The condition of the building is good but inferior to the newer construction of the subject. The overall area would be considered good but lacks the special purpose location and economic profile of the subject of proximity to a regional Hospital.

Following adjustments to all of the data, we have the following range of values:

Adjusted range of values: Low: \$150 PSF to High: \$200 PSF

The subject property is a completely renovated office complex purpose – built to cater to medical Doctors to take advantage of the proximity to Hotel- Dieu Regional Hospital.

Considering the age, condition, location and economic profile of the subject, it is estimated that the value of the subject property based on the comparables, would be at the top end of this range of adjusted values.

The reconciled estimate of value would be **\$200 PSF** and this unit value will be employed in estimating the subject’s market value by the Direct Comparison Approach to Value, with the gross structural area above grade, being used in the calculation.

MARKET VALUE DETERMINATION

Therefore we will have:

Calculation:	
Market Value Estimate=	Building Area (in SF) X Unit Value (PSF) determined by the Comparison Approach to Value
Equals:	11,731.70 SF X \$200 PSF
Equals:	\$2,346,340
Equals:	\$2,300,000 (rounded)

ESTIMATED VALUE BY THE COMPARISON APPROACH: \$2,300,000

INCOME APPROACH

The Income Approach is used in the valuation of investment properties such as the subject, which are bought and sold primarily on the basis of produced income.

This approach is relevant to the subject property in that the motive to invest in an income producing property is almost always profit orientated. Profits are in the form of financial benefits such as annual net income, or a capital gain. There is a relationship between the net income that a property is capable of earning and its value at any given time.

The value of the capital good or asset is measured by calculating its present worth, as of a specific date of the anticipated future benefits to its owner over a specified period of time.

Capitalization is the process of converting an income stream into a single capital value and the result of this process represents the capital amount, which a prudent purchaser would pay as of the effective date of valuation.

The following basic valuation principles are applicable in the Income Approach.

Highest and Best Use - involves available alternatives, which produce the highest present value relative to the amount invested.

Supply and Demand - involves availability and need for rental accommodation for various users.

Contribution - the capitalized value of any component of the projected income stream measures the contribution to the total property value that the particular component produced.

Anticipation - it involves estimating the present worth of the anticipated future income streams.

Change - emphasized the importance of proper analytical market and income forecasting, rather than arbitrary mathematical extensions of past performance.

Substitution - pertains to the selection of vacancy rates, operating expenses, financing, etc.

Conformity - income properties often have several uses and user options.

METHODS OF CAPITALIZATION

Following are methods of capitalization, which can be used.

Direct Capitalization

This method is applied by using a single year's income expectancy and converting it into a value indication. This can be established by dividing expected income by an appropriate income rate or by multiplying the expected income by an appropriate income factor. For example, applying an overall capitalization rate to the property's annual income, including land and building, a value is determined.

The second method is using residual techniques that break down a property's income into components and apply a market derived capitalization rate for each of those components.

Yield Capitalization

This second method is used to convert a series of future cash flows over a period of time into an opinion of value. It is a process of computing the sum of the future payments of an annuity whereby each payment is discounted by a derived yield rate into present value.

Residual Techniques

Discounted Cash Flow (DCF)

Is a preferred technique for investors and can be used to determine present value of a property, given the rate of return, or given the properties purchase price a DCF can calculate the rate of return. A yield rate is extracted through market comparable sales and applied to projected cash flows or income streams of an investment property and a reversion to indicate present value.

DEVELOPING THE VALUE ESTIMATE

The usual steps involved in developing a value estimate by this approach are:

1. Estimate the total annual gross income of the property, less allowance for future vacancies and bad debts.
2. Estimate the total annual operating expenses.
3. Calculate the annual net operating income (gross income less expenses).
4. Select an appropriate capitalization rate.
5. Using a suitable procedure, convert the anticipated annual net operating income stream into an indication of the capital value of the property.

RENTAL ANALYSIS

In order to properly derive a net operating revenue stream for the property, we must determine the subject's single year rental expectancy. To properly analyze the income potential of the property we must conduct an analysis of the existing rents and compare these values to the market rents to help determine the market sustainability of any of the existing rents.

The following rental information was supplied by the owner of the property.

Unit	Tenant
3rd & 4th Floor	Dr. Kristen Kupeyan MPC
3rd & 4th Floor	Dr. Christopher Blue MPC
3rd Floor	Dr. Wimmer
2nd Floor	Trade Union Wellness Inc.
Basement	Brad Laporte, Pharmacist.

Unit	Rental Area (SF)	Lease start	Lease End	Base Rent	Additional Rent	Annual
3rd & 4th Floor	2,817.00	1-May-18	30-Apr-23	\$20 PSF	\$6.50 PSF	\$ 56,340.00
3rd & 4th Floor	3,051.00	1-May-18	30-Apr-23	\$20 PSF	\$6.50 PSF	\$ 61,020.00
3rd Floor	Shared rent	1-Sep-18	31-Aug-21	\$7,000/ MTH		\$ 84,000.00
2nd Floor	2,817.00	1-Feb-18	31-Jan-23	\$22 PSF	\$6.50 PSF	\$ 61,974.00
Basement	2,529.70	1-Aug-19	31-Jul-23	\$22 PSF	\$6.50 PSF	\$ 55,653.40
Main Lobby	517.00					
Totals	11,731.70					\$ 318,987.40

Note: The rental arrangement for Dr. Wimmer is a shared rental, where the tenant pays a fixed amount for the use of the examination rooms, receptionist and nursing staff for a specified period. The lease is constructed as such:

The sum of \$2,500.00 plus HST shall be payable each and every month during the term of this Agreement for the use of two (2) examining rooms two (2) days per each week of every month. If the Associate wishes to increase his use of the said examining rooms by an additional day each week, the Associate shall pay the sum of \$1,250.00 per month plus HST for each additional day of usage per week.

Receptionist – The sum of \$2,100.00 plus HST shall be payable each and every month during the term of this Agreement for the use of receptionist services for two (2) days/week of every month. If the Associate wishes to increase its use of receptionist services, the Associate shall pay the sum of \$700.00 per month plus HST for each additional day of usage per week.

Nursing staff – The sum of \$1,800.00 plus HST shall be payable each and every month during the term of this Agreement for the use of nursing staff for two (2) days/week of every month. If the Associate wishes to increase its use of the nursing staff, the Associate shall pay the sum of \$900.00 per month plus HST for each additional day of usage per week.

- Note:**
- 1) The rent calculation for Dr. Wimmer is based on 2 days/ week/ month of shared rent.**
 - 2) The lower level space is rented to Brad Laporte, Pharmacist. Renovations to the space is not yet complete. The predicted completion of the work required is August 1, 2019 which is when the lease will commence.**

MARKET RENT ANALYSIS

The below noted survey, illustrates a number of office leases in the Windsor-Essex market area. The appraiser did not review the individual lease agreements.

Lease	Lease Date	Address	Rental Area (PSF)	Rental Rate	Net/ Gross	Comments
1	15-Feb-2018	3353 Walker Rd	1,500	\$12 PSF	NET	Commercial office space
2	21-Jun-2018	3100 Temple #700	1,340	\$15 PSF	NET	Commercial office space
3	02-Nov-2017	3155 Howard #202	2,250	\$11 PSF	NET	Commercial office space
4	15-Feb-2018	1565 Wyandotte	2,300	\$13 PSF	NET	Commercial office space
5	24-Apr-2018	1074 Goyeau	945	\$16 PSF	NET	Commercial office space
6	16-Aug-2018	3335 Banwell #300	1,178	\$14.95 PSF	NET	Commercial office space
		Average		\$13.65 PSF		

The average lease in the preceding list of market comparable leases, is \$13.65 PSF, and the range is from a low of \$11 PSF to a high of \$16 PSF.

The existing rent of \$22 PSF is higher than the rents depicted in the survey data, but considering the location of the subject being across from Hotel Dieu Regional Hospital and each of the individual units being purpose- built and retrofitted specifically for medical office (Doctor) tenants, it is the appraiser's opinion that the current lease rates as provided by the Owner, can be considered market rent and would be sustainable in the event any vacancies would come available.

APPRAISERS INCOME/EXPENSE STATEMENT

The income/ expense statement that we will use to determine the income approach to value will be constructed using a revenue stream based on the above market research and expense information derived from generally accepted industry norms as noted by the appraiser in his reviews of other financial statements of similar properties.

Please note that the income approach value could be affected by any inaccuracies of operational data and as such the value could be altered if any variations were found to the operational estimates of expenses. The income approach value could be affected by any either positively or negatively depending on the inaccuracy.

Note: The interpretation expressed herein of the operation and ownership of the property is based on the experience of the appraiser and his interpretation of current market. The indicated net income in this report and the assumptions made of the subject property that appear in this section of the report are presented for the sole purpose of giving the reader an overview of the salient facts thereof.

We expressly deny any legal liability relating to the effect of any inaccuracies or assumptions in the financial information and its effects on the market value of the subject property.

In our analysis the following was considered:

Vacancy & Collection Loss: Based on market survey, and activity, we will apply a vacancy/ bad debt rate of 5.0%.

Building Reserve Allowance: a structural reserve of 2% (annual), was taken into account with the calculations.

The following summary analysis of the revenue stream was based on the square footage of the building multiplied by the analyzed market rent. It is assumed that the tenant to the property would be responsible for the taxes, utilities and maintenance of the building and property, however in order to ensure this flow of income, it is necessary to incur some operating expenses. In the preceding operational data, we took into account a cost for property management and insurance. The values used for property management and insurance are based on industry norms and financial income statements reviewed by the appraiser in the past.

Estimated Net Income for Capitalization Purposes			
Gross Potential Rental Income- 500 Ouellette Ave./ 36 Wyandotte Street East			
	Monthly	Annual	\$PSF
3rd & 4th Floor	\$ 16,780.00	\$ 201,360.00	
2nd floor	\$ 5,164.50	\$ 61,974.00	
Lower level	\$ 4,637.75	\$ 55,653.00	
Total Revenue	\$ 26,582.25	\$ 318,987.00	
Recoverable Expenses 2nd Floor:		\$ 18,310.50	
Recoverable Expenses Lower level		\$ 16,438.00	
Recoverable Expenses 3rd & 4th Floors		\$ 38,142.00	
Total Recoverable Expenses		\$ 72,890.50	
Total Estimated Gross Potential Rental Income Year 2019		\$ 391,877.50	\$ 391,877.50
Less:	Vacancy and Credit Loss (@ 5% GPR)		\$ 19,593.88
Equals:	Effective Gross Income (EGI)		\$ 372,283.63
EXPENSES			
Estimated	Insurance	\$ 633.33	\$ 7,599.96
	Management (4% of EGI)	\$ 1,240.95	\$ 14,891.35
	Repairs & Maintenance	\$ 1,000.00	\$ 12,000.00
	Waste Disposal	\$ 300.00	\$ 3,600.00
	Hydro/ Water	\$ 1,200.00	\$ 14,400.00
	Gas	\$ 300.00	\$ 3,600.00
	Elevator	\$ 40.00	\$ 480.00
	Taxes	\$ 2,054.42	\$ 24,653.05
	Security	\$ 80.00	\$ 960.00
	Parking Meters	\$ 200.00	\$ 2,400.00
	Grass Cutting	\$ 500.00	\$ 6,000.00
	Building Superintendent	\$ 1,600.00	\$ 19,200.00
Total Expenses			\$ 109,784.36
Equals:	Net Operating Income		\$ 262,499.27
Less:	Structural Reserve (2% of EGI)		\$ 7,445.67
Equals:	Net Income for Capitalization Purposes		\$ 255,053.60

OVERALL RATE CAPITALIZATION

An overall capitalization rate applies to a direct ratio between annual net operating income before depreciation and the total value or sale price of the real property.

The overall capitalization rate can be estimated with various techniques determined by a study of the quality and quantity of data, stability, and continuity of the income to be received. The techniques include:

1. *Derivation of Capitalization Rate from Comparable Sales*
2. *Derivation of Capitalization Rate from Effective Gross Income Multipliers*
3. *Derivation of Capitalization Rate by Band of Investment – Mortgage and Equity*
4. *Derivation of Capitalization Rate by Band of Investment – Land and Building*
5. *Debt Coverage Formula*
6. *Residual Techniques*
 - *Land Residual*
 - *Building Residual*
 - *Mortgage Residual*
 - *Equity Residual*
7. *Comparable Sales Method*

For this report, the Comparable Sales Method and a Mortgage- Equity analysis will be used to derive a capitalization value

FORMULATION OF THE MARKET CAPITALIZATION RATE

The indicated capitalization rates from the following summary of comparable sales, are estimated by dividing each property's net operating income by its sale price. These rates should represent what informed; prudent investors are requiring and obtaining for similar competitive properties with respect to the risk of duration of income.

A number of market-generated overall capitalization rates have been summarized. The market derived capitalization rates are based on the properties net operating income expectancies for the first year (date of sale through the next 12 months) to coincide with the subject's anticipated net operating income for the first year of operation. The net operating income data made available for the comparable properties, just prior to the date of value, is calculated and estimated in the same manner, as the subject property net operating income is estimated.

CAPITALIZATION RATES

The following chart is a summary of investment transactions, sold, over the last 2 years, in the Windsor-Essex marketplace, to help determine the appropriate capitalization rate.

Sale #	Sale Address	Sale Price	Cap Rate %	Sale Date	Comments
1	1350 Provincial Road	\$2,000,000	7.20%	23-Jun-17	1- storey office situated on 1.38 acres. Building is leased out to 3 individual tenants. 62 surface parking spaces.
2	1460-80 Tecumseh Rd. East	\$ 415,000.00	7.60%	18-May-18	3- unit commercial retail building along busy commercial corridor. Zoning CD 2.1
3	3063 Walker Road	\$2,782,000	9.10%	7-Apr-16	3- Storey office building situated on just over an acre of land, located on the south end of the City, overlooking the EC Row Expressway.
4	493 Ouellette Ave.	\$ 600,000.00	9.70%	23-Mar-17	8,100 SF 3-storey building in the downtown core. Renovated in 2014
5	321-27 Ouellette Ave.	\$ 650,000.00	10.46%	21-Nov-16	12,000 SF 2-storey building with retail on the main floor and offices on the 2nd floor.

The range is from a **low of 6.93% to a high of 9.5%**. The lowest part of the range is occupied by a sale of an industrial building located along a major arterial road. The upper part of the range is an 18,000 SF building used as a mechanics garage.

Considering the condition, the location and the economic profile of the subject property, the market generated capitalization rate is expected to gravitate to the middle part of the range of values. The selected capitalization rate deemed most representative of the market is reconciled at **7.5%**

DERIVATION OF CAPITALIZATION - MORTGAGE AND EQUITY

Investment properties are usually purchased for the sole purpose of producing profit for the owner. Hence, the primary criterion of value associated with this type of property is the amount of the periodic income and the ultimate yield which will be produced during the investment cycle.

The Mortgage-Equity Concept is a procedure of discounting future returns through the use of an overall capitalization rate. This overall capitalization rate is a composite rate which blends both the financial and economic factors influencing the value of an investment property into a single figure. Application of this rate to the average annual net operating income will produce an expression of the total market value. No distinction is made between the ratio of land and improvements in the process.

This analysis of both the returns the debt and equity portions of an investment is a good way of deriving and supporting a market cap rate used in an Income Approach to value. Simply put, the method is a weighted average of the returns to both the debt and the equity.

The debt or mortgage side of the equation is found by surveying lenders to find out their typical loan terms for a particular property. The calculation is the loan to value as derived by the analysis of financing for the property multiplied by the mortgage constant. The mortgage constant can be determined by the following calculation:

Mortgage Loan Constant (monthly) = $I / (1 - 1 / (1 + i)^n)$, where:

i = the loans interest rate

n = the number of months of the loan.

The Equity portion of the equation is found by surveying investors for a typical or average expected rate of return for a property similar in nature to the subject. The return for this analysis can also be the expected return of the subject or the expected return that an investor would receive on a similar type of investment.

The formula for calculating the overall capitalization rate is using this concept is:

$R = (M \times f) + (E \times y)$ where,

R = Overall Capitalization Rate,

M = Ratio of Mortgage to Value,

f = Mortgage Constant,

E = Ratio of Equity to Value,

y = Equity Dividend Rate.

In the case of the subject property, we would make the following assumptions:

- 1) A mortgage for 65% loan to value.
- 2) A mortgage interest rate of 5%
- 3) Term will be for five years with the amortization being 20 years.
- 4) Equity will be 35% of appraised value.
- 5) Chosen Equity Dividend Rate is will be 7.00%.
- 6) Mortgage constant will be 0.00659951 monthly

Calculating the Overall Capitalization Rate

Since: $Ro = (M \times f) + (E \times y)$

Therefore: $Ro = (.65 \times [.00659951 \times 12]) + (.35 \times .07)$
 $= 0.0514762 + 0.0245$
 $= 0.0759762$ or **7.6%**

RECONCILIATION OF THE INCOME APPROACH TO VALUE

Providing there is appropriate market data, **market derived capitalization rates are always preferred to capitalization rates derived by the mortgage- equity analysis** and therefore the selected overall capitalization rate deemed most representative of the market is the capitalization rate of **7.5%** as reconciled by the market comparable transactions. The derived capitalization rate by the Mortgage- Equity analysis was similar and therefore justifies the reconciliation.

COMPUTING THE SUBJECT CAPITAL VALUE

Value Estimate is represented by the formula:

Value Estimate =		Net Income /Overall Capitalization Rate
		$V = NI /Ro - \text{Physical Incurable}$

Therefore, value Estimate	=	\$255,053.60 /7.5%
Estimated Value	=	\$3,400,714.60

Therefore, the estimated market value of the subject property by the Income Approach to Value is (say):

\$3,400,000 (rounded)

COST APPROACH TO VALUE

The underlying principle of "Objective Value" theory is the cost of its creation.

While normally no one would pay more for a property than the cost to create a substitute, it is important to include all hidden and indirect costs including finance charges, taxes and insurance during the construction period.

Cost is defined as the amount of money necessary to produce a commodity, whereas value is thought of as the relationship between a thing desired and a potential purchaser. The differences between cost and value is depreciation.

The Cost Approach method provides a potential purchaser with an indication of the cost of creating an identical building on the site (reproduction cost) and then converting cost (land plus building) into an indication of value, by the deduction of accrued depreciation.

Replacement Cost of a structure is the overall cost of construction necessary to replace the subject building with a substitute of like utility, on the basis of current prices.

Reproduction Cost of a building is the total cost of construction required to replace the subject building with an exact replica on the basis of current prices. Reproduction Cost is the only method used in Canada in the Cost Approach to Value.

The Cost Approach consists of four steps:

1. Estimate the site value as if vacant.
2. Estimate the current cost of reproducing the existing improvements.
3. Estimate and deduct depreciation from all causes.
4. Add the site value plus the depreciated reproduction cost of the improvements.

The following are land comparable sales which are considered to be reliable in this instance.

SITE VALUATION – SUBJECT SITE AS IF VACANT

The following commercial land sales are located within proximity of the subject and are considered to be fairly reliable in deriving a value of the subject site as if vacant.

	Address	Area	Size/ SF	Sale Price	Price/ SF	Sale Date	Comments
1	850 Wyandotte West	Downtown	159,865	\$ 835,000.00	\$ 5.22	26-Jun-18	Total of 3.67 acres just west of the Downtown core. Signalized intersection. Zoning of CD 2.2
2	731 Goyeau Street	Downtown Core	30,956	\$ 450,000.00	\$ 14.53	3-Feb-15	0.711 acres located in the Downtown Core of the City. Corner signalized location.
3	785 Goyeau Street	Downtown Core	46565.64	\$ 850,000.00	\$ 18.25	7-Mar-18	1.069 acres located in the Downtown core of the City. Corner signalized location.
4	58 Park St. East	Downtown core	33,846.12	\$ 3,975,000.00	\$117.44	2-May-14	Assemblage of properties in the downtown core for the development of an institutional building purpose-built for the University of Windsor
5	156 Ouellette Ave.	Downtown core	23,110.09	\$ 4,460,000.00	\$192.98	Oct, 2008	Assemblage of 3 properties for the development of a 3-storey building purpose- built for the TD Bank.

The unit of measurement used is the land sale per square foot. The unadjusted values had a very wide range from a low of \$5.22 PSF to a high of \$192.98 PSF. All properties are zoned Commercial and are located in the downtown core or in the case of sale #1, just west of the downtown core.

The preceding list of comparable land sales show a wide diversity of sales. Sales #3 and #4 were the assembly of land for development purposes, the building of a satellite University location in the case of sale #3 and the development of a new TD Bank in the case of sale #4. For the purposes of this assessment, we will consider these 2 sales to be outliers, as the special motivations behind the sales are less indicative of market value than the other sales listed.

Of the 3 remaining sales, both sale #2 and sale #3 are most directly similar to the subject. Both properties were market exposed and would be the best reflection of the market value of the underlying land at the subject property.

The reconciled estimate of value would be **\$16 PSF (rounded)**, would be mid- point between the 2 sales and this unit value will be employed in estimating the subject’s land value to be used in the Cost Approach to value, with the total land area (in SF) being used in the calculation.

Calculation:	
Estimate Market Value of Land=	Land area (in SF) X Unit Value (PSF)
Equals:	26,920.51 SF X \$16 PSF
Equals:	\$430,728.16
Equals:	\$430,000 (rounded)

BUILDING VALUATION

In estimating the replacement cost of the improvements on the subject property, reference was made to building cost data. As well the appraiser had reached out to several prominent contractors/ developers for estimates of reconstruction costs of the subject property. The appraiser also has the benefit of recent cost estimates for a variety of recently constructed structures. This assembled data has been used to provide an estimate of cost for the subject based on the appraiser's physical inspection of the building in conjunction with information gathered.

It is generally considered that the economic life of most commercial type structures is 70 years, more or less, before complete rehabilitation is required. The following is a summary of the estimated value by the Cost Approach.

Property Address		8 Clarke Street, Leamington ON		
Building Cost Estimate/ SF		Main Floor		\$250 PSF
		2nd Floor		\$210 PSF
Source of cost data		Office Files, Contractors		
		Unit Cost	Estimated Cost New	Depreciated Cost
Building Type:	3- Storey			
Main Floor+ 2 nd level in SF	3,334	\$250	\$ 833,500	
3 rd floor area in SF	3,051	\$230	\$ 701,730	
4 th floor area in SF	2,817	\$230	\$ 647,910	
Lower Level in SF	2,529.70	\$200	\$ 505,940	
Extra's	Landscaping	Parking area		\$ 100,000
Total Replacement Cost				\$ 2,789,080
Effective age	0 years			
R.E.L.	70 years			
Depreciation	0 %		0	0
Land Value				\$ 430,000
Estimated Value by the Cost Approach				\$ 3,219,080

Therefore, the estimated market value of the subject property's Fee Simple Interest by the Income Approach to Value is (say):

\$3,200,000 (rounded)

RECONCILIATION OF THE VALUES

In this report, three approaches to estimating the value of the subject were undertaken. The Direct Comparison Approach is generally a good measurement of value considering it is market derived. In this case, **FIVE** improved properties were analyzed, and an adjusted value was determined.

The Income Capitalization Approach was also undertaken. A current rent roll to the building was provided by the Owner the current in place rent was analyzed based on a selection of market rents in the area. Based on the location and the special- purpose built nature of the improvements, it was determined that the in- place rent was a sustainable rent should the property ever become vacant. An appropriate market vacancy rate was applied and along with the operational expenses that occur at the building as well as estimated expenses based on market research, a Net Operating Income was calculated. An analysis of market-based investment transactions was used to determine an appropriate capitalization rate. A total of **FIVE** market comparable transactions were analyzed and a market derived capitalization rate of **7.5 %** per cent was determined and justified using a mortgage- equity analysis.

Considering that the improvements to the property are the complete renovation and addition to an older building, it was appropriate to undertake a Cost Approach to estimate the value of the property. **FIVE** land sales located in the same general area as the subject were considered and it was determined that the subject site would be valued at **\$430,000** if vacant. An evaluation of the cost to reproduce the improvements to the property were carried out based on research with several prominent contractors/ developers, who provided estimates of reconstruction costs of the subject improvements. The appraiser also has the benefit of recent cost estimates for a variety of recently constructed structures. This assembled data has been used to provide an estimate of cost for the subject improvements based on the appraiser's physical inspection of the building in conjunction with information gathered.

The following is a summary of the three different approaches to estimating the value of the subject.

SUMMARY OF VALUES	
Direct Comparison Approach to Value	\$2,300,000
Income Approach to Value	\$3,400,000
Cost Approach to Value	\$3,200,000

CONCLUSION

While the Comparison Approach to Value is generally a good measurement of value the lack of new construction sales that could have been used as comparables and the unique nature of the medical tenancies that take advantage of the proximity to the Hotel Dieu Regional Hospital, weakened this approach.

Considering the new construction nature of the subject, the Cost Approach to estimating the value was undertaken. The comparable properties used to determine the land cost were relevant and the estimated costs to reproduce the improvements were based on market research with a number of contractors and developers.

The subject property is wholly leased out to individual tenants and thus the Income Approach to Value was relied upon as well. The primary criterion of value associated with this type of property is the amount of the periodic income and the ultimate yield which will be produced during the investment cycle. Good market derived information was used for this approach which gave more weight to this approach.

Although all measures to determine value were based on market statistics and are reliable approaches to determine market value, for the purposes of this report, the most weight was given to the Income Approach to Value. It is worthwhile to note, that in addition to the rental revenues used in this approach, there will be additional revenues generated by the parking meters installed on the property. Estimates by the Owner indicate that there may be additional \$5,000 + monthly parking revenues generated by patron parking as well as overflow parking from Hotel Dieu Regional Hospital across the street. This additional income would only bolster the value estimated in this report.

This appraisal was prepared in an objective and independent manner. After considering the data analyzed during the preparation of this report and relying upon the writer's experience, we reconciled the value as follows:

Based upon the data, analyses and conclusions contained herein, we certify the Market Value of the "*Leased Fee Interest*" as at **May 8, 2019 to be \$3,400,000**

APPENDIX A

APPRAISER'S CERTIFICATION

We certify to the best of our knowledge and belief:

- The facts and data reported in the review process are true and correct;
- The analyses, opinions and conclusions in this report are limited only by the assumptions and limiting conditions stated in this report, and are my personal, unbiased professional analyses, opinions, and conclusions;
- We have no (or the specified) present or prospective interest in the property that is the subject of this review report, and I have no (or the specified) personal interest with respect to the parties involved;
- We are not in a conflict of interest to undertake this assignment;
- We have no bias with respect to the property that is the subject of this review report or to the parties involved with this assignment;
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results;
- Our compensation is not contingent on any action or event resulting from the analyses, opinions, or conclusions in, or the use of, this review report;
- Our analysis, opinions and conclusions were developed & this report has been prepared, in conformity with Canadian Uniform Standards of Professional Appraisal Practice.
- We have the knowledge and experience to complete the assignment competently,
- No one provided professional assistance or third-party professional assistance to the person signing this review report;
- As at the date of this report the undersigned has fulfilled the requirements of The Appraisal Institute of Canada Continuing Professional Development Program for Members.
- The undersigned are Members in good standing of the Appraisal Institute of Canada.
- Edward Gorski performed a cursory inspection and Robert Fazekas completed a full inspection of the subject property contained in this report.

Based upon the data, analyses and conclusions contained herein, we certify **the Market Value of the "Leased Fee Estate" as at May 8, 2019 to be \$3,400,000**

Yours truly,

E. S. GORSKI REALTY LTD.



EDWARD S. GORSKI, BA, FRI, AACI, P. App.



ROBERT FAZEKAS, BA

APPENDIX B

QUALIFICATIONS OF APPRAISER

Edward S. Gorski, BA, FRI, AACI

201-2525 Rose Ville Garden Drive

Windsor, Ontario

N8T 3J8

Tel: (519) 966-9940 Fax: (519) 966-9528

Full Time Real Estate Appraiser since 1973

Professional Memberships & Associations:

Designation AACI - Appraisal Institute of Canada #2461, October 3, 1986

- I.D. # 021760 – Re-certified to 2020

F.R.I. - Fellow of the Real Estate Institute

Licensed Broker - Ontario Real Estate Association

Member - Canadian Real Estate Association

- Windsor Essex County Real Estate Board

- Real Estate Institute of Canada

Bachelor of Arts Degree - Political Science and Economics at University of Windsor

Approved Appraiser for:

- All Major Banks
- Various Credit Unions
- Various Insurance Companies
- Royal LePage Relocation Service
- Various Mortgage Lending Companies
- Farm Credit Corp.
- Essex Windsor Solid Waste Authority
- Various Legal Firms in Windsor-Essex County

Appraisal Experience

- Residential
- Agricultural (Greenhouses)
- Industrial
- Commercial

CURRICULUM VITAE
of
ROBERT FAZEKAS, BA
realestate@robertfazekas.com

Education

1981-1984	Bachelor of Arts, University of Windsor
2015-Present	Appraisal Institute of Canada Designate
2015-Present	Bachelor of Land Economics, UBC- <i>ongoing</i>

Business/Employment Experience

1988- Present	<i>Licensed Real Estate Salesperson</i> Member of the Essex County Real Estate Board RE/MAX Capital Inc. Commercial Real Estate Specialist
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March 2017-present	<i>E.S. Gorski Realty Ltd.</i> Property Valuations, Appraisal services
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Appraisal Experience

- Residential
- Agricultural
- Industrial
- Commercial

APPENDIX C

TERMS OF REFERENCES

Property Rights Appraised

Fee Simple is defined as:

An absolute fee; a fee without limitations to any particular class of heirs or restrictions, but subject to the limitations of eminent domain, escheat, police power and taxation.

The ownership interest being appraised is 100% of the fee simple estate or interest. There are no fractional interests being considered or valued in this assignment.

This does not necessarily mean that the subject property or comparable properties used, are not without mortgages, liens, easements or right of ways.

Also, the estimated value does not include consideration for any extraordinary financing, rental or income guarantees, special tax considerations or any other benefits, which may influence the ordinary market value, unless otherwise described in this report.

Leased Fee Interest is defined as:

“An ownership interest held by the landlord with the right of use and occupancy conveyed by lease(s) to others; the right of lessor (the leased fee owner) and the leased fee are specified by the contract terms contained within the lease”.

The Appraisal of Real Estate, (Canadian Edition, 1992) pg. 114-115

A lease is defined as: *a legal agreement which grants to another the right to use, occupy, or control all or part of a property for a stated period of time at a stated rental.*

The ownership interest being appraised is 100% of the leased fee simple interest. There are no fractional interests being considered or valued in this assignment.

This does not necessarily mean that the subject property or comparable properties used, are not without mortgages, liens, easements or right of ways.

Also, the estimated value does not include consideration for any extraordinary financing, rental or income guarantees, special tax considerations or any other benefits, which may influence the ordinary market value, unless otherwise described in this report.

Type of Appraisal Report

Appraisal types include:

- Narrative - comprehensive and detailed;
- Short Narrative - concise and briefly descriptive.
- Form - a standardized format combining check-off boxes and narrative comments.

In this instance, a Narrative that is intended to comply with the reporting requirements set forth under Definitions of the Canadian Uniform Standards of Professional Appraisal Practice for a Summary Appraisal Report has been undertaken. As such, it presents summary discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the stated intended use.

See "Scope of Appraisal" regarding the procedures and data collected to undertake this report

Definition of Market Value

The Appraisal Institute of Canada defines market value as follows:

The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably and assuming undue stimulus does not affect the price.

Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions under which:

- ❖ Buyer and seller are typically motivated;
- ❖ Both parties are well informed or well advised, and each acting in what he considers his own best interests;
- ❖ A reasonable time is allowed for exposure in the open market;
- ❖ Payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and
- ❖ The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale

(The Appraisal Institute of Canada "Canadian Uniform Standards of Professional Appraisal Practice". 2010 ed., p. 54)

Exposure Time

An estimate of market value is related to the concept of reasonable exposure time. Exposure time is the property's estimated marketing time prior to a hypothetical sale at market value on the effective date of the appraisal. Reasonable exposure time is a necessary element of a market value definition but is not a prediction of a specific date of sale.

Ongoing discussions with commercial brokers active within the commercial real estate market, have indicated that properties such as the subject typically require a marketing period of six months, depending on several factors including location, condition of the improvements, and motivation of the purchaser/vendor. Therefore, it is concluded that for the subject property to sell at the market value estimated herein as of the effective date of this report, an exposure period of approximately six months would be required.

Purpose & Intended Use of Appraisal

To estimate the market value of the “*Fee Simple Interest*” on a free and clear basis as of the “effective date of evaluation”. The only function (intended use) of this report is to provide a real estate valuation to the client to establish a current market value for financing purposes.

This report has been prepared only for the party named and only for the specific use stated. Use of this report by any other party or for any other purpose than stated herein is completely unauthorized. The report is subject to those Assumptions and Limiting Conditions contained in addition to any assumptions, which may be stated in the body of the report.

PUBLICATION

Without limiting the generality of the foregoing, neither all nor any part of the contents of this report shall be disseminated to the public in any manner whatsoever or through any media whatsoever or disclosed, quoted from or referred to in any report, financial statement, prospectus, or offering memorandum, or in any documents filed with any governmental agency without the prior written consent and approval of E.S. Gorski Realty Ltd as to the purpose, form and content of such dissemination, disclosure, quotation or reference.

Scope of Appraisal

This is a Full Narrative Appraisal Report and complies with the reporting requirements set forth under the Canadian Uniform Standards of the Appraisal Institute of Canada. As such, all relevant material is provided in this report including the discussion of appropriate data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Additional supporting documentation concerning the data, reasoning, and analyses are retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated herein.

Our engagement entailed the following scope of work:

- Inspected the property and the surrounding area;
- Reviewed available data
- Examined market conditions and analyzed their potential effect on the property;
- Verified current land use and zoning regulations;
- Conducted a detailed review of the local competitive market;
- Reviewed sales and listing data on comparable properties;
- Considered the highest and best use of the property; and
- Prepared Narrative Appraisal Report

DILIGENCE

The estimate of value contained in this report is founded upon a thorough and diligent examination and analysis of information obtained from numerous sources. Certain information has been accepted at face value, especially if there was no reason to doubt its accuracy. Other empirical data required interpretive analysis pertinent to the objective of this appraisal.

COPYRIGHT

All copyright is reserved to E.S. Gorski Realty Ltd and this report is considered confidential by E.S. Gorski Realty Ltd. Possession of this report or any copy of this report thereof, does not carry with it the right to reproduction or publication in any manner, in whole or in part, nor may it be disclosed, quoted from, or referred to in any manner without the prior consent and approval of E.S. Gorski Realty Ltd, as to the purpose, form and content of any such disclosure, quotation or reference

This report has been prepared at the request of **the “Client”**, for the purpose of providing an estimate of the market value of the subject property. It is not reasonable for any person other than the client or its intended user, to rely upon this appraisal without first obtaining written authorization from the client and the author of this report. This report has been prepared on the assumption that no other person will rely on it for any other purpose and all liability to all such persons is denied.

All copyright is reserved to the author and this report is considered confidential by the author, and the Client. Possession of this report, or a copy thereof, does not carry with it the right to reproduction or publication in any manner, in whole or in part, nor may it be disclosed, quoted from, or referred to in any manner, in whole or in part, without the prior written consent and approval of the author as to the purpose, form, and content of any such disclosure, quotation, or reference. Without limiting the generality of the foregoing, neither all nor any part of the contents of this report shall be disseminated or otherwise conveyed to the public in any manner whatsoever or through any media whatsoever or disclosed, quoted from or referred to in any report, financial statement, prospectus, or offering memorandum of the client, or in any documents filed with any governmental agency without the prior written consent and approval of the author as to the purpose, form and content of such dissemination, disclosure, quotation or reference.

APPENDIX D

LIMITING CONDITIONS

1. The estimated market value of the real estate, which is the object of this appraisal, pertains to the value of the “*Lease Fee Interest*” in the real property. The property rights appraised herein exclude mineral rights, if any.
2. The estimate of value contained in this report is founded upon a thorough and diligent examination and analysis of information gathered and obtained from numerous sources. Certain information has been accepted at face value, especially if there was no reason to doubt its accuracy. Other empirical data required interpretative analysis pursuant to the objective of this appraisal. Certain inquiries were outside the scope of this mandate. For these reasons, the analyses, opinions, and conclusions contained in this report are subject to the following Contingent and Limiting conditions.
3. The property has been valued on the basis that title to the real estate herein appraised is good and marketable.
4. The author of this report cannot accept responsibility for legal matters, questions of survey, opinions of title, hidden or unapparent conditions of the property, toxic wastes or contaminated materials, soil, or sub-soil conditions, environmental, engineering, or other technical matters, which might render this property valuable than as stated herein. If it came to our attention as the result of our investigation and analysis that certain problems may exist, a cautionary note has been entered in the body of the report.
5. The legal description of the property and the area of the site were obtained from the Registry Office. Further, the plans and sketches contained in this report are included solely to aid the recipient in visualizing the location of the property, the configuration and boundaries of the site and the relative position of the improvements on the said lands.
6. The property has been valued on the basis that the real estate is free and clear of all value influencing encumbrances, encroachments, restrictions, or covenants except as may be noted in this report and that there are no pledges, charges, liens, or special assessments outstanding against the property other than as stated and described herein.
7. The property has been valued on the basis that there are no outstanding liabilities except as expressly noted herein, pursuant to any agreement with a municipal or other government authority, pursuant to any contract or agreement pertaining to the ownership and operation of the real estate or pursuant to any lease or agreement to lease, which may affect the stated value or saleability of the subject property or any portion thereof.
8. The interpretation of the leases and other contractual agreements, pertaining to the operation and ownership of the property, as expressed herein, is solely the opinion of the author and should not be construed as a legal interpretation. Further, the summaries of these contractual

agreements, which appear in the Addenda, are presented for the sole purpose of giving the reader an overview of the salient facts thereof.

9. The property has been valued on the basis that the real estate complies in all material respects with any restrictive covenants affecting the site and has been built and is occupied and being operated, in all material respects, in full compliance with all requirements of law, including all zoning, land use classification, building, planning, fire and health by-laws, rules, regulations, orders and codes of all federal provincial, regional and municipal governmental authorities having jurisdiction with respect thereto. (It is recognized there may be work orders or other notices of violation of law outstanding with respect to the real estate and that there may be certain requirements of law preventing occupancy of the real estate as described in this report. However, such circumstances have not been accounted for in the appraisal process).

10. Investigations have been undertaken in respect of matters, which regulate the use of land. However, no inquiries have been placed with 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 regulations and, if it does not comply, its non-compliance may affect the market value of this property. To be certain of such compliance, further investigations may be necessary.

11. The property has been valued on the basis that all rents referred to in this report are being paid in full and when due and payable under the terms and conditions of the attendant leases, agreements to lease or other contractual agreements. Further, it is assumed that all rents referred to in this report represent the rental arrangements stipulated in the leases, agreements to lease or other contractual agreements pertaining to the tenants' occupancy, to the extent that such rents have not been prepaid, abated, or inflated to reflect extraordinary circumstances, and are full enforceable notwithstanding that such documentation may not be fully executed by the parties thereto as at the date of this appraisal, unless such conditions have been identified and noted in this report.

12. The data and statistical information contained herein were gathered from reliable sources and are believed to be correct. However, these data are not guaranteed for accuracy, even though every attempt has been made to verify the authenticity of this information as much as possible.

13. The estimated market value of the property does not necessarily represent the value of the underlying shares, if the asset is so held, as the value of the share could be affected by other considerations. Further, the estimated market value does not include consideration of any extraordinary financing, rental or income guarantees, special tax considerations or any other atypical benefits which may influence the ordinary market value of the property, unless the effects of such special conditions, and the extent of any special value that may arise as a result, have been described and measured in this report.

14. Should title to the real estate presently be held (or changed to a holding) by a partnership, in a joint venture, through a Co-tenancy arrangement or by any other form of divisional ownership, the value of any fractional interest associated therewith may be more or less than the percentage of ownership appearing in that agreement pertaining to such divisional ownership.

15. In the event of syndication, the aggregate value of the limited partnership interests may be greater than the value of the freehold or fee simple interest in the real estate, due to the possible contributory value of non-realty interests or benefits such as provision for tax shelter, potential for capital appreciation, special investment privileges, particular occupancy and income guarantees, special financing, or extraordinary agreements for management services.

16. Should the author of this report be required to give testimony or appear in court or at any administrative proceeding relating to this appraisal, prior arrangements shall be made therefore, including provisions for additional compensation to permit adequate time for preparation and for any appearances, which may be required. However, neither this nor any other of these assumptions nor limiting conditions is an attempt to limit the use that might be made of this report should it properly become evidence in a judicial proceeding. In such a case, it is acknowledged that it is the judicial body, which will decide the use of this report, which best serves the administration of justice.

17. Because market conditions, including economic, social, and political factors, change rapidly and, on occasion, without notice or warning, the estimate of market value expressed herein, as of the effective date of this appraisal, cannot necessarily be relied upon as of any other date without subsequent advice of the author of this report.

18. The value expressed herein is in Canadian dollars.

19. This report is only valid if it bears the original signature(s) of the author(s).

EXTRAORDINARY ASSUMPTION

An Extraordinary Assumption is an assumption, which if not true, could alter the appraiser's opinions and conclusions. They are required when a Hypothetical Condition is necessary due to circumstances that are not self-evident regarding the appraised property. Hypothetical Conditions include retrospective appraisals, significant renovations to the improvements, completion of proposed improvements, etc.

The following Extraordinary Limiting Conditions apply in this report:

- 1) No title search was performed. GEOWAREHOUSE and MPAC searches were undertaken;
- 2) Inspection of all the comparable properties, was not possible and details were verified as best as possible with various market sources;
- 3) The appraiser is not responsible for any economic or social condition that could have a detrimental effect on the subject property. We assume that these conditions will remain stable as of the effective date of valuation.
- 4) The value contained within is contingent upon a site that is clean and free from any contamination.

1. This report has been prepared at the request of the Client, to assist in estimating the current market value of the described subject property. It is not reasonable for any person other than the client to rely upon this appraisal without first obtaining written authorization from the Client, and from the authors of this report. There may be additional qualifications, assumptions or limiting conditions in addition to those set out below which are relevant to people other than the client. This report has been prepared on the assumption that no person other than the Client will rely on this analysis for any purpose. Liability to any person is denied.

2. The authors are not qualified as lawyers and do not purport to give legal advice. It is assumed that:

(a) The legal description as furnished is correct;

(b) Title to the property is good and marketable;

(c) There are no encroachments, encumbrances, restrictions, leases or covenants that would in any way affect the valuation, except as expressly noted herein;

(d) The existing use is a legally conforming use, which may be continued by any purchaser from the existing owner;

(e) Rights of way, easements, or encroachments of the subject property over other real property and leases or other covenants noted herein are legally enforceable.

No investigation, legal or otherwise, has been undertaken which would verify these assumptions except as expressly noted in this report.

3. The authors are not qualified surveyors. No current 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 in and of themselves.

4. The authors are 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 are present, that the improvements are structurally sound and in need of no immediate repairs, unless expressly noted within this report. No soil tests have been done, nor have tests been done of the heating, plumbing, electrical, air conditioning/freezer or other systems and, for the purpose of this opinion, they are assumed to be in good working order.

5. No investigation has been undertaken with the local zoning office, the fire department, the building inspector, the health department nor any other government regulatory agency unless such investigations are expressly represented to have been made in this report. The subject property must comply with all government regulations, and if it does not comply, non-compliance may affect market value. In order to be certain of compliance, further investigation may be necessary.

6. Neither possession of this report nor a copy of it carries with it the right of publication. All copyright is reserved to the author and is considered confidential. This report 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 author. This right of copyright is subject only to confidential review by the Appraisal Institute of Canada as provided in the Code of Ethics, Standards of Professional Conduct, Standards of Professional Practice and Supplemental Standards of Professional Appraisal Practice.
7. Market data has been obtained, in part, from documents obtained at the Land Registry Office and as reported by various real estate boards. As well as using such documented evidence of market transactions, it was also necessary to rely on hearsay evidence. Except as noted herein, a reasonable attempt has been made to verify all such information.
8. Market conditions, i.e. economic, social and political factors change rapidly and, on occasion, without warning. The appraised value is predicated upon a stable business environment and stable interest rates. Fluctuations in interest rates and business conditions can have a major impact on the demand/supply for real estate, with subsequent impact on real estate values, including the subject property. The market value expressed as of the effective date cannot be relied upon to estimate the market value as of any other date.
9. The compensation for services rendered in this report does not include a fee for court preparation or court appearance, which must be negotiated separately. However, neither this clause nor any other limiting condition is an attempt to limit the use that might be made of this report should it become evidence in judicial proceedings. In such a case, it is acknowledged that the judicial system will decide the use of this report.
10. Should perilous, toxic or other potentially hazardous materials exist in the improvements, the soil of the subject property or abutting lands, such materials could cause a loss in value. The appraiser is not qualified to detect, test for, investigate or otherwise ascertain the existence of such substances, and assumes no responsibility relative to the possible presence of such materials. Furthermore, it is beyond the scope of this appraisal to address the matter of remedial costs that might be associated with the detection, removal, correction or treatment of the subject property in the event such substances exist on the subject or adjacent lands. No steps have been taken by the appraiser to retain experts or other qualified persons to ascertain the possible existence of such material, as such fact finding is not part of the appraiser's mandate, and no funds have been provided for such an undertaking. It is suggested that the client retain appropriate experts or qualified persons to address such environmental matters.
11. This report is valid only if it bears the original signature of the authors.
12. The value is the most likely value of a broad range of values.
13. Given that no current legal survey has been made or provided as part of this assignment and that only a cursory inspection has been made of the premises, it is impossible to guarantee that there may not be a minor violation of the land use controls, registered easements, restrictive covenants or unregistered leases which may still be in effect. The author can only warrant that

on a best efforts basis that it appears that the property conforms to the intent of the land use controls, the registered easements, restrictive covenants or unregistered leases, which may still be in effect.

14. Unless otherwise stated, this appraisal takes no account of the potential for a higher price that may result from buyers such as abutters who may gain special benefits from acquisition. Discovery of the identity, motivation and purchasing power of parties in a position to gain special benefits requires information not publicly available and is beyond the scope of this appraisal.

15. The reader is cautioned to verify a satisfactory Province of Ontario Phase One environmental study has been completed. If contamination were found on the property, the market value would be affected downward.

APPENDIX E

DEFINITIONS

Definitions form an integral part of The Standards and for the purpose of these Standards, their application is compulsory:

AACI: Accredited Appraiser Canadian Institute designation.

A.I.C.: Appraisal Institute of Canada

ACCEPTED APPRAISAL STANDARDS: this is a level of professional practice qualifications that affect current appraisal teachings, experience and work performance that reasonable appraisers would believe to be justified.

ACCRUED DEPRECIATION: The difference between an improvement's cost new and its value as of any given date.

AD VALOREM FEE: A fee levied in proportion to the value of the property being appraised.

APPRAISAL: A formal opinion of value:

1. prepared as a result of a retainer;
2. intended for reliance by identified parties, and;
3. for which the appraiser assumes responsibility

Comment: An expression of value is not an appraisal if it is not the result of a retainer, if it is not intended to be relied upon, and if it is one for which the appraiser would not be expected to accept responsibility.

APPRAISAL PRACTICE: the work or services performed by appraisers, defined by three terms in these standards: appraisal, review, and consulting.

Comment: These three terms are intentionally generic, and not mutually exclusive. For example, an estimate of value may be required as part of a review or consulting service. The use of other nomenclature by an appraiser (e.g. analysis, counseling, evaluation, study, submission, valuation) does not exempt an appraiser from adherence to these standards.

APPRAISAL REPORT: types include:

- 1) Full Narrative - comprehensive and detailed; prepared without invoking an Extraordinary Limiting Condition.
- 2) Narrative - a detailed report where an Extraordinary Limiting Condition has been invoked.
- 3) Short Narrative - concise and briefly descriptive.
- 4) Form - a standardized format combining check-off boxes and narrative comments.

APPRAISAL REVIEW: the act or process of developing and communicating an opinion about the quality of another appraiser's work. Comment: The subject of an appraisal review assignment may be all or part of an appraisal report, the work file, or a combination of these.

ASSEMBLAGE: the merging of adjacent properties into one common ownership or use.

ASSIGNMENT: an appraisal, consulting or review service provided as a consequence of an agreement between an appraiser and client.

ASSUMPTION: that which is taken to be true.

BIAS: a preference or inclination used in the development or communication of an appraisal, review, or consulting assignment that precludes an appraiser's impartiality.

CRA: Canadian Residential Appraiser designation.

CLIENT: the party or parties who engages an appraiser (by employment or contract) in a specific assignment.

Comment: The client identified by the appraiser in an appraisal, consulting, or review report (or in the assignment work file) is the party or parties with whom the appraiser has an appraiser-client relationship in the related assignment, and may be an individual, group, or entity.

COMPETENCE: having the required or adequate ability or qualities to perform the specific assignment.

CONFIDENTIAL INFORMATION: information, not otherwise publicly available, provided in the trust that the recipient will not disclose it to another.

CONSULTING: the act or process of providing information, analysis of real estate data, and recommendations or conclusions on diversified problems in real estate, other than an appraisal.

CONTINGENT FEE: compensation that is dependent on the result.

COUNCIL: The National Governing Council of the Institute.

DEPRECIATION: a loss in property value from any cause.

EFFECTIVE DATE: the date at which the analyses, opinions and advice in an appraisal, review or consulting service apply.

EXTRAORDINARY ASSUMPTION: an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions.

EXTRAORDINARY LIMITING CONDITION: a necessary modification or exclusion of a Standard Rule. May diminish the reliability of the report.

FEASIBILITY ANALYSIS: a study of the cost-benefit relationship of an economic endeavor.

HAZARDOUS SUBSTANCE: any material within, around or near the property in question that has sufficient form, quantity and bio-availability to create a negative impact on value.

HIGHEST AND BEST USE: the reasonably probable and legal use of property, that is physically possible, appropriately supported, and financially feasible, and that results in the highest value.

HYPOTHETICAL CONDITION: that which is contrary to what exists but is supposed for the purpose of analysis.

INSTITUTE: The Appraisal Institute of Canada and its authorized Committees.

INTANGIBLE PROPERTY (INTANGIBLE ASSETS): nonphysical assets, including but not limited to franchises, trademarks, patents, copyrights, goodwill, equities, mineral rights, securities, and contracts, as distinguished from physical assets such as facilities and equipment.

INTENDED USE: the use or uses of an appraiser's reported appraisal, consulting, or review assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment.

INTENDED USER: the client and any other party as identified, by name or type, as users of the appraisal, consulting, or review report, by the appraiser based on communication with the client at the time of the assignment.

INVESTMENT ANALYSIS: a study that reflects the relationship between acquisition price and anticipated future benefits of a real estate investment.

JURISDICTIONAL EXCEPTION: permits the appraiser to disregard a part or parts of these Standards that are determined to be contrary to law or public policy in a given jurisdiction and only that part shall be void and of no force or effect in that jurisdiction.

LARGER PARCEL: the subject property when considered together with contiguous or nearby property, the value of which is impacted by common ownership.

LEASE: a legal agreement which grants to another the right to use, occupy, or control all or part of a property for a stated period of time at a stated rental.

LIMITING CONDITION: a statement in the appraisal identifying conditions that impact the value conclusion.

MARKET ANALYSIS: a study of real estate market conditions for a specific type of property.

P.App: Professional Appraiser designation

PERSONAL PROPERTY: identifiable portable and tangible objects which are considered by the general public as being "personal," e.g. furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and equipment; all property that is not classified as real estate.

PROFESSIONAL PRACTICE PEER GROUP: committees authorized under the by-laws of the Institute to administer Canadian Uniform Standards.

REAL ESTATE: land, buildings, and other affixed improvements, as a tangible entity.

REAL PROPERTY: the interests, benefits, and rights inherent in the ownership of real estate. Comment: In some jurisdictions, the terms real estate and real property have the same legal meaning. The separate definitions recognize the traditional distinction between the two concepts in appraisal theory.

REASONABLE APPRAISER: one who maintains a level of performance that would be acceptable to the professional practice peer group.

RECERTIFICATION OF VALUE: an inspection performed to confirm whether or not the hypothetical conditions in the appraisal have been met.

REPORT: any communication, written or oral, of an appraisal, review, or consulting service that is transmitted to the client upon completion of an assignment. Comment: Most reports are written, and most clients mandate written reports. Oral report requirements are included to cover court testimony and other oral communications of an appraisal, review or consulting service.

RETAINER: engagement by a client of an appraiser to produce a formal report for an intended use.

SCOPE OF WORK: the amount and type of information researched, and the analysis applied in an assignment. Scope of work includes, but is not limited to, the following:

- the degree to which the property is inspected or identified;
- the extent of research into physical or economic factors that could affect the property;
- the extent of data research; and
- the type and extent of analysis applied to arrive at opinions or conclusions.

SIGNATURE: personalized evidence-indicating authentication of the work performed by the appraiser and the acceptance of the responsibility for content, analyses, and the conclusions in the report. Comment: A signature can be represented by a hand-written mark, a digitized image controlled by a personalized identification number, or other media, where the appraiser has sole personalized control of affixing the signature.

VALUE: the monetary relationship between properties and those who buy, sell, or use those properties. Comment: Value expresses an economic concept. As such, it is never a fact, but always an opinion of the worth of a property at a given time in accordance with a specific definition of value. In appraisal practice, value must always be qualified, e.g., market value, liquidation value, investment value, rental value.

WORKFILE: documentation necessary to support an appraiser's analyses, opinions and conclusions.

APPENDIX F

Zoning Permitted Uses

Zoning By-law 8600

Section 16 – Commercial Districts 3.

Page 16.5

16.5 COMMERCIAL DISTRICT 3.5 (CD3.5)

16.5.1 PERMITTED USES

<i>Business Office</i>	<i>Personal Service Shop</i>
<i>Child Care Centre</i>	<i>Place of Entertainment and Recreation</i>
<i>Commercial School</i>	<i>Place of Worship</i>
<i>Food Outlet - Take-Out</i>	<i>Professional Studio</i>
<i>Hotel</i>	<i>Public Hall</i>
<i>Medical Office</i>	<i>Repair Shop - Light</i>
<i>Medical Appliance Facility</i>	<i>Restaurant</i>
<i>Micro-Brewery</i>	<i>Retail Store</i>

Dwelling Units in a Combined Use Building with any of the above uses

Double Duplex Dwelling

Duplex Dwelling

Lodging House

Multiple Dwelling

Residential Care Facility

Semi-Detached Dwelling

Townhome Dwelling

Existing Funeral Establishment

Existing Gas Bar

Existing Service Station

Restaurant with Drive-through existing before November 1, 2004

Any use accessory to any of the above uses, including a *Caretaker's Residence*. An *Outdoor Storage Yard* is prohibited.

16.5.5 PROVISIONS

- | | | |
|-----|---|---|
| .1 | Lot Frontage – minimum | 15.0 m |
| .2 | Lot Area – minimum | |
| | For a <i>building</i> containing only non-residential uses | 400.0 m ² |
| .4 | Building Height – maximum | Equal to the length of the longest <i>exterior lot line</i> |
| .8 | Landscaped Open Space Yard – minimum | 30.0% of <i>lot area</i> |
| .10 | Gross Floor Area | |
| | Within the same <i>building</i> , for a <i>Retail Store, Personal Service Shop, Repair Shop – Light</i> , or any combination thereof | 250.0 m ² |
| .11 | Gross Floor Area Ratio – maximum | 3.0 |
| .15 | For a <i>Combined Use Building</i> , all <i>dwelling units</i> , not including entrances thereto, shall be located above the non-residential uses | |
| .17 | Exposed flat concrete block walls or exposed flat concrete walls, whether painted or unpainted, are prohibited. | |

16.5 COMMERCIAL DISTRICT 3.5 (CD3.5) – continued**16.5.5 PROVISIONS (continued)**

- .20 Building Setback – minimum
- | | |
|--|--------------------------|
| a) From an <i>exterior lot line</i> : | 6.0 m |
| b) From an <i>exterior lot line</i> abutting Pelissier Street or Dufferin Place for that part of the building having a <i>building height</i> of more than 12.0 m: | 18.0 m |
| c) From an <i>interior lot line</i> where a habitable room window faces the <i>interior lot line</i> for that part of the <i>building</i> having a <i>building height</i> of 12.0 m or less: | 6.0 m |
| d) From an <i>interior lot line</i> where a habitable room window faces the <i>interior lot line</i> for that part of the <i>building</i> having a <i>building height</i> of more than 12.0 m: | 11.0 m |
| e) From an <i>interior lot line</i> where a habitable room window does not face the <i>interior lot line</i> for that part of the <i>building</i> having a <i>building height</i> of 12.0 m or less: | 3.0 m |
| f) From an <i>interior lot line</i> where a habitable room window does not face the <i>interior lot line</i> for that part of the <i>building</i> having a <i>building height</i> of more than 12.0 m: | 25.0% of building height |
- .50 Any new *building* or *structure* shall be erected on a *through lot*, except that where a lot is not a *through lot*, one *accessory building* or one accessory structure having a maximum *gross floor area* of 40.0 m² may be erected on such lot.
- .60 Dwelling Unit Density – maximum *dwelling units* per hectare
- | | |
|---|-----|
| a) Lot Frontage less than 30.0 m: | 100 |
| b) Lot Frontage 30.0 m or more: | 230 |
| c) Where both the <i>landscaped open space yard</i> is greater than 40% of the <i>lot area</i> and the <i>lot frontage</i> is more than 30.0 metres, the maximum <i>dwelling units</i> per hectare may be increased by 15%. | |
- .70 Notwithstanding Sections 16.5.5.1 to 16.5.5.60, a *Double Duplex Dwelling*, *Duplex Dwelling*, *Semi-Detached Dwelling* or *Townhome Dwelling* shall comply with the provisions of Section 11.2.5.

APPENDIX G



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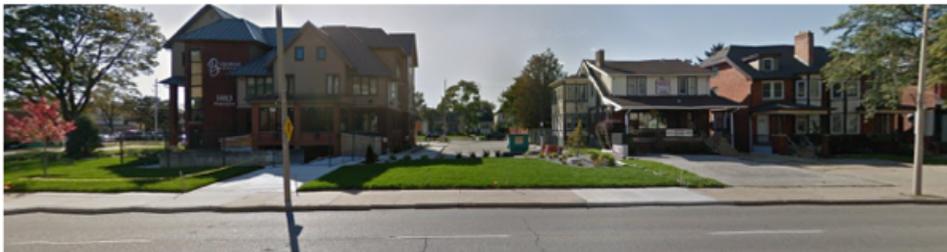
1077 Ouellette Ave, Windsor, N9A4J8

Back Overview Property Details Site & Structure Valuation & Sales PINs & Maps Demographics Tools Close

<p>Owner Name 1830029 ONTARIO INC.</p>	<p>Last Sale \$299,000 May 29, 2012</p>	<p>Lot Size NOT AVAILABLE Measurements Available (See Site & Structure)</p>	<p>Assessed Value N/A</p>	<p>Phased-In Value N/A</p>
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Legal Description
LT 12 BLK 6 PL 271 EXCEPT PT 1 PL 12R25955 CITY OF WINDSOR

Property Details

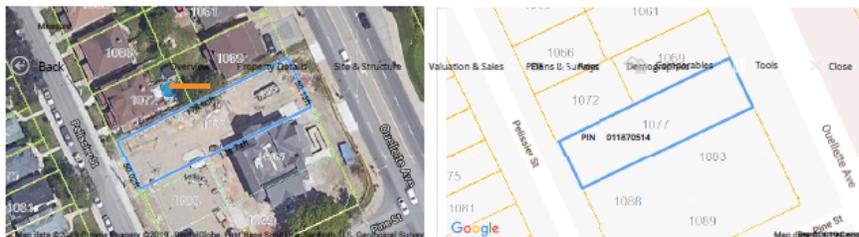


GeoWarehouse Address: 1077 OUELLETTE AVE, WINDSOR, N9A4J8
 Land Registry Office: Essex (12)
 Owner Names: 1830029 ONTARIO INC.

Ownership Type: Freehold
 Land Registry Status: Active

Registration Type: Certified (Land Titles)
 PIN: 011870514

Site & Structure



Lot Size
 Area: 8,944.80 ft² (0.205 ac) | Perimeter: 456.04 ft
 Measurements: 178.60 ft x 50.02 ft x 178.74 ft x 50.13 ft
 Lot Measurement Accuracy: HIGH

Valuation & Sales

Sales History

Sale Date	Sale Amount	Type	Party To	Notes
May 29, 2012	\$299,000	Transfer	1830029 ONTARIO INC.;	

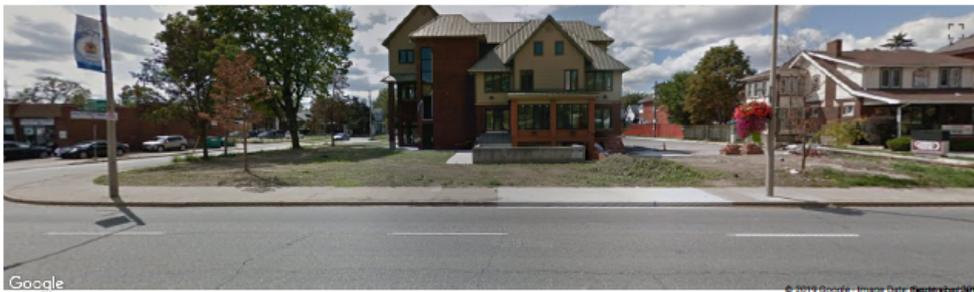
1083 Ouellette Ave, Windsor, N9A4J8

Back Overview Property Details Site & Structure Valuation & Sales FEHns U. S. Maps Demographics Tools Close

<p>Owner Name 1830029 ONTARIO INC.</p>	<p>Last Sale \$280,000 Jun 30, 2010</p>	<p>Lot Size NOT AVAILABLE Measurements Available (See Site & Structure)</p>	<p>Assessed Value N/A</p>	<p>Phased-In Value N/A</p>
---	--	--	--------------------------------------	---------------------------------------

Legal Description
PT LT 13 BLK 6 PL 271 WINDSOR AS IN R820502 EXCEPT PT 2 PL 12R25955 CITY OF WINDSOR

Property Details



GeoWarehouse Address
1083 OUELLETTE AVE, WINDSOR, N9A4J8

Land Registry Office
Essex (12)

Owner Names
1830029 ONTARIO INC.

Ownership Type
Freehold

Registration Type
Certified (Land Titles)

Land Registry Status
Active

PIN
011870516

Site & Structure



Lot Size | Area: 6,070.84 ft² (0.139 ac) | Perimeter: 456.04 ft
Measurements: 178.74 ft x 8.03 ft x 68.81 ft x 42.15 ft x 109.93 ft x 50.20 ft
Lot Measurement Accuracy: HIGH

Valuation & Sales

Sales History

Sale Date	Sale Amount	Type	Party To	Notes
June 30, 2010	\$280,000	Transfer	1818770 ONTARIO INC.;	

1088 Pelissier St, Windsor, N9A4L7 [Suggest an address correction](#)

 Owner Name 1830029 ONTARIO INC.	 Last Sale \$125,000 Aug 07, 2015	 Lot Size NOT AVAILABLE Measurements Available (See Site & Structure)	 Assessed Value N/A	 Phased-In Value N/A
--	---	--	---	--

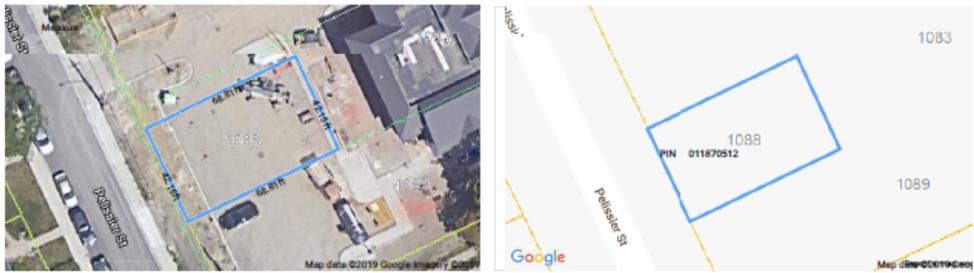
Legal Description
 PT LT 13 BLK 6 PL 271 AS IN R556122 EXCEPT PT 3 PL 12R25955 CITY OF WINDSOR

Property Details



GeoWarehouse Address 1088 PELISSIER ST, WINDSOR, N9A4L7 Land Registry Office Essex (12) Owner Names 1830029 ONTARIO INC.	Ownership Type Freehold Land Registry Status Active	Registration Type Certified (Land Titles) PIN 011870512
--	--	--

Site & Structure



Lot Size | Area: 2,895.49 ft² (0.066 ac) | Perimeter: 219.82 ft
 Measurements: 68.81 ft x 42.16 ft x 68.81 ft x 42.15 ft
 Lot Measurement Accuracy: HIGH ⓘ

Valuation & Sales

Sales History

Sale Date	Sale Amount	Type	Party To	Notes
Aug 07, 2015	\$125,000	Transfer	1830029 ONTARIO INC.;	
July 14, 2000	\$125,000	Transfer	KARABET MANAGEMENT SERVICES LTD.;	

1089 Ouellette Ave, Windsor, N9A4J8

Back Overview Property Details Site & Structure Valuation & Sales Filing U. S. Rights Demographics Tools Close

Owner Name
1830029 ONTARIO INC.

Last Sale
\$235,000
Jun 28, 2010

Lot Size
NOT AVAILABLE
Measurements Available
(See Site & Structure)

Assessed Value
N/A

Phased-In Value
N/A

Legal Description
LT 14 BLK 6 PL 271 EXCEPT PTS 4 & 5 PL 12R25955 CITY OF WINDSOR

Property Details



GeoWarehouse Address
1089 OUELLETTE AVE, WINDSOR, N9A4J8

Land Registry Office
Essex (12)

Owner Names
1830029 ONTARIO INC.

Ownership Type
Freehold

Land Registry Status
Active

Registration Type
Certified (Land Titles)

PIN
011870519

Site & Structure



Lot Size | Area: 9,009.38 ft² (0.207 ac) | Perimeter: 449.48 ft
Measurements: 178.74 ft x 51.07 ft x 163.73 ft x 21.40 ft x 35.92 ft
Lot Measurement Accuracy: HIGH

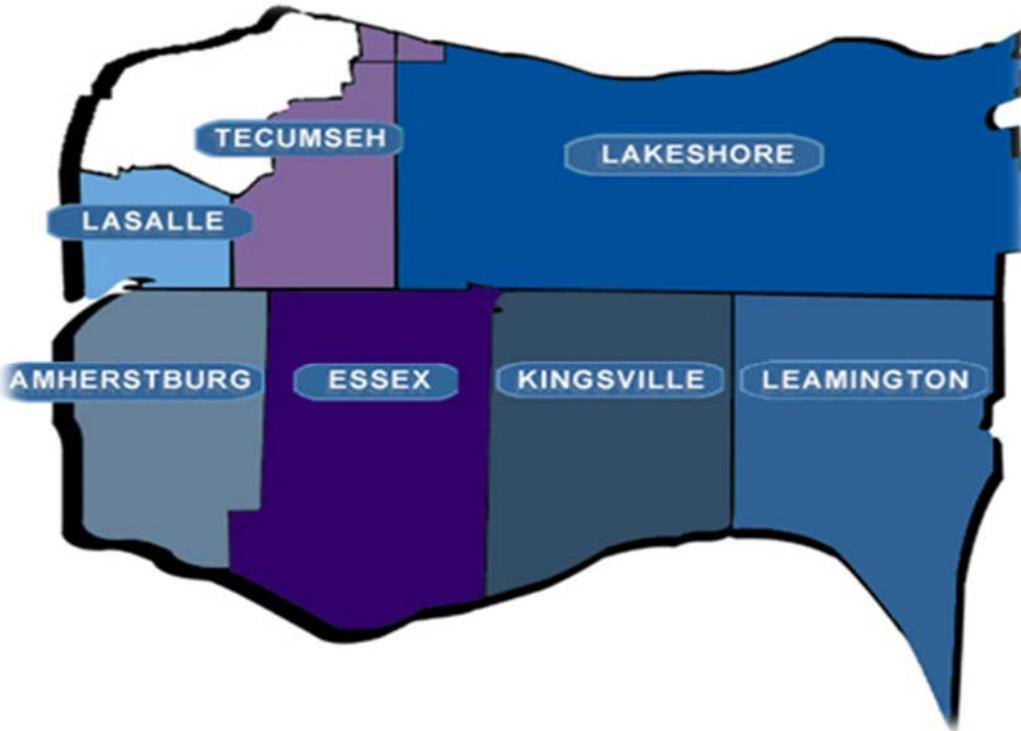
Valuation & Sales

Sales History

Sale Date	Sale Amount	Type	Party To	Notes
June 28, 2010	\$235,000	Transfer	1818766 ONTARIO INC.;	

APPENDIX H

WINDSOR- ESSEX



Boundaries

The Windsor-Essex County is truly a “...*Community of Communities*” with a population of 398,953 (2016 Census). The Municipalities of Windsor, Tecumseh, Lakeshore, LaSalle, Kingsville, Leamington, Essex, Amherstburg, and Pelee make up the extreme southwestern tip of Ontario and is in fact a peninsula, surrounded by water on three sides and where the United States lies to the north (Michigan), south (Ohio) and west (Michigan). The bodies of water include Lake St. Clair to the north, the Detroit River to the west, and Lake Erie to the south and County Road 1 to the east. The Towns of Lakeshore and Leamington form the County of Essex’s eastern boundary.

This geographical quirk places the Region in close proximity to the American Heartland. Approximately 125 million people live within a one-day (12-hour) drive (including the States of Michigan, Ohio, New York, New Jersey, Pennsylvania, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Tennessee, Kentucky, Indiana, Missouri, Illinois, Wisconsin, Minnesota and Iowa as well as Washington, D.C.) The Canada Border Services Agency and U.S. Customs and Border Protection control access to and from the United States.

The Town of Tecumseh is nestled in between the City of Windsor and LaSalle on the west and the Town of Lakeshore to the east in the northwest corner of Essex County on the southern shoreline of Lake St. Clair.

LOCAL MUNICIPALITIES	POPULATION	AREA (sq.km)
City of Windsor	217,188	146.32
Tecumseh	23,229	94.69
Lakeshore	36,611	530.32
LaSalle	30,180	65.3
Kingsville	21,552	246.84
Leamington	27,595	261.92
Essex	20,427	277.92
Amherstburg	21,936	185.68

NEAR-BY CITIES

The City of Chatham-Kent is located 83 miles east of Windsor. Another 19 miles east along the 401 is the nearest major city, London, Ontario. Toronto is a total of 226 miles east of Windsor. The City of Sarnia is located 73 miles northeast of Windsor on the eastern bank of the St. Clair River and Lake Huron and is the fourth busiest border crossing in Ontario.

Across the Detroit River, and only one mile away is Detroit’s vast metropolitan market, accounting for 5.5 million people, within 40 miles (65km), and as large as the Toronto Census Metropolitan Area. Twenty-five million people are within 250 miles; 125 million or 50% of North America’s population plus 90% of the vehicle assembly plants are within a day’s trucking time.

Origins

The Region was originally created in 1792, when the province of Upper Canada was divided by proclamation into 19 counties, one of which was the present-day Essex County. Villages quickly grew into towns and prospered from the transportation routes that developed on the lakes and rivers, of which the Detroit River was a major connecting artery. Farms sprang-up with their properties running straight back from a narrow stretch along the river in order to secure transportation to the water highway of the day, a trait that remains visible even today.

The first settlement in the City of Windsor was created in 1797 in the original town of Sandwich following American occupation of Detroit and was a welcome place for those of French and British origins who wished to stay under British rule. The fertile Region, with its long growing season, quickly became prosperous and trade further fueled prosperity. However, the Region's strategic and economic prowess became a flash point in the War of 1812 and with the Americans who temporarily gained control of the area. Windsor and the Region further changed when the Great Western Railway was brought into present-day downtown Windsor in 1854. The move ensured commercial success far into the future and connected Windsor with larger centers in the north as well as across the river.

In 1904, Henry Ford set up his first operations outside of the United States founding what would become the area's dominant industry. The Windsor-based operations grew so large during the First World War, that the Ford operations became known as Ford City. By the 1930s, the industry had become such a driving force in the local economy that Windsor had grown to a city of more than 100,000 people. Thanks largely to the jump start given by Henry Ford to the region 102 years ago, Windsor remains primarily a manufacturing-based economy and is a leader in automotive engineering, research and power train technology as well as a *Global Centre of Excellence* for tooling, dies, mould and automated machinery

Other major employers include private and institutional sectors, such as Windsor Casino Ltd., University of Windsor, Windsor Regional Hospital and Hotel-Dieu Grace Hospital.

As an agricultural center, the Region produces higher value products (such as houseplants, seedlings, and specialty vegetables during the winter months) primarily to export markets with consistent sales of over \$500 million CDN (according to statistics from the Ontario Ministry of Agriculture, Food and Rural Affairs), providing a plank of stability to the regional economy.

GOVERNMENT AND PLANNING POLICIES

The Ontario government has electricity demands below pre-recession (2008) levels, so they created an Industrial Electricity Incentive program to allow new and expanding industrial companies to access electricity that is normally exported to neighboring areas. Major initiatives for the Sanitary Sewer System in the coming years include integration of new trunk sewers through the City of Windsor that service the Town's Oldcastle Hamlet area.

Sanitary trunk sewer extensions to developable lands will be considered as the Secondary Plans evolve and new development proposals come forward. Windsor's low corporate income taxes, job skills development and remain the world's most innovative and stable markets in which to invest.

TRANSPORTATION

Windsor-Essex County is located in the heart of North America's high technology manufacturing, sharing an advanced international transportation system of expressways, international vehicular bridge and tunnel, deep-water port facilities, rail, railway tunnel, and airport.

ROADS

The Windsor-Essex Region is assessable through well-maintained expressway connectors (E.C. Rowe Expressway), provincial highways (Highway 3) and Canada's regional main street, the Macdonald Cartier Freeway (Highway 401). The sophisticated infrastructure is interconnected with the U.S. interstate system through the Detroit-Windsor Tunnel and the Ambassador Bridge, where \$500 million in goods cross these borders daily.

Business and industrial parks are strategically located throughout the highway system for access to fast and convenient service. A new interchange at Highway 3 and Highway 401 was built to improve transportation networking for the Old Castle Business Park.

The trucking industry is a diverse and competitive network that offers a variety of alternatives for local and international movement of freight. There are 50 local major trucking companies to provide full-time services. Just in Time, a zero-inventory trucking service began its origins in the Windsor-Essex Region marketplace with the major automotive companies. Over 10,000 trucks cross the Ambassador Bridge every day.

WATER

The Region can also accommodate deep-water ships of up to 1,000 feet in length in any of the 13 deep-water berths on the Canadian side for lake freighters and ocean-going vessels. Similarly the U.S. side has about the same number of deep-water berths (13) giving the region a total of 26 deep-water berths. In 2005, the Port of Windsor handled 5,470,000 metric tons of goods. Port Windsor is one of the top 15 ports in Canada and is responsible for moving 1.5 to 2.5 million tons of Canadian Salt to ports throughout the Great Lakes.

RAIL

The three highest volume rail freight crossings for Ontario's southern border include Windsor, Ontario/Detroit, Michigan Central Railway Tunnel. Rail traffic to and from the U.S. is accommodated in a twin track tunnel under the Detroit River. The rail tunnel link provides the fastest, most un-congested, easiest grade, lowest cost method of moving rail cars from Chicago to New York City via Niagara Falls.

THE CITY OF WINDSOR

The City of Windsor is the southernmost city in Canada, located on the shores of the Detroit River, due south and directly across the river from Detroit Michigan in the United States. The population of the city (according to 2016 census), is 217,188, with a trade area of 398,953

Demographics

In 2016, Windsor's population was 48.8% male and 51.2% female. Children under 15 years of age accounted for 16.3% of the city population compared to 16.6% for Canada. Persons of age 65 years and over accounted for 17.6% of the population in Windsor compared to 16.9% for Canada. The median age in Windsor is 41.4 years compared to 41.2 years for Canada.

The population of Windsor is primarily English-speaking with 88.5% of residents having knowledge of only English and 8.8% of residents having knowledge of both English and French

Transportation

Windsor is the western terminus of both Highway 401, Canada's busiest highway, and Via Rail's Quebec City- Windsor corridor. Windsor's Via station is the nation's sixth busiest in terms of passenger volumes.

Windsor has a municipal highway, E.C. Row Expressway, running east-west through the city. Consisting of 15.7 km (9.8 mi) of highway and nine interchanges, the expressway is the fastest way for commuters to travel across the city. The expressway stretches from Windsor's far west end at Ojibway Parkway east to Banwell Road on the city's border with Tecumseh.

The majority of development in the city of Windsor and neighbouring town of Tecumseh stretches along the water instead of in-land. As a result, there is a lack of major east-west arteries compared to north-south arteries. Only Riverside Drive, Wyandotte Street, Tecumseh Road, County Road 42/Cabana Road and the E.C. Row Expressway serve the almost 30 km (19 mi) from the west end of Windsor eastward. All of these roads, especially the E.C. Row Expressway are burdened with east-west commuter traffic from the development in the city's east end and suburbs further east. There are eight north-south roads interchanging with the expressway- Huron Church Road, Dominion Boulevard, Dougall Avenue, Howard Ave., Walker Road, Central Avenue, Jefferson Boulevard, and Lauzon Parkway. Windsor's many rail crossings intersect with these north-south thoroughfares

Windsor is connected to Essex and Leamington via Highway #3 and is well connected to the other municipalities and communities throughout Essex County via the county road network. Nearly 20,000 vehicles travel on Highway 3 in Essex County on a daily basis. It is the main route to work for many residents of Leamington, Kingsville and Essex.

The City's infrastructure and access to the U.S. market is second to none with rapid commercial pre-clearance on the Ambassador Bridge, the Detroit-Windsor Tunnel or with the Detroit-Windsor Truck Ferry service. Currently the Detroit-Windsor crossings are estimated to handle at least one third of the total trade between Canada and the United States. Between \$400-500 million in goods cross the Windsor/Detroit border each day and 90% of automotive assembly plants and 60% of manufacturing capabilities for the U.S. and Canada within a day's trucking time of our local manufacturers.

The latest infrastructure project is the \$1.4 billion Herb Gray Parkway that will ensure the movement of people, goods and services from Highway 401, through LaSalle, Tecumseh and the City of Windsor to the newly announced Detroit River International Crossing (The Gordie Howe International Bridge). and eliminate congestion in the residential areas.

The Regional airport in Windsor has a runway length of 9,000 feet, and handles any size of aircraft, including Boeing 747s, the Airbus-380, the Russian Antonov 124 and 225 (the largest freight aircraft in the world), which frequents the region, and has even landed the Concorde. Other major regional airports include Detroit City Airport, Detroit Metro Airport (ranked 19th in the United States in terms of passenger traffic according to Airports Council International), Willow Run (which is dedicated to airfreight services) and Oakland County Regional all within a 45-minute driving radius of Windsor.

Windsor Airport also has facilities for the Canada Border Services Agency and operates international charters, particularly in the winter season, to destinations in the Caribbean and Mexico

UNEMPLOYMENT DATA

Windsor's overall unemployment rate increased, to 7.3 per cent in September of 2018, compared to 6.6 percent in August of the same year. This figure for Windsor is 1.4 percentage points higher than the national average in the same month. This is based on the census metropolitan area, which includes parts of Essex County and the City of Windsor.

Education

The University of Windsor is Canada's southernmost university. It is a research oriented, comprehensive university with a student population of 16,000 full-time graduate and undergraduate students. Now entering its most ambitious capital expansion since its founding in 1963, the University of Windsor recently opened the Anthony P. Toldo Health Education & Learning Centre, which houses the Schulich School of Medicine & Dentistry. As well, with the help of \$40 million in Ontario government funding, the University has recently finished construction of a 300,000-square-foot (28,000 m²), \$112-million Centre for Engineering Innovation; a structure that establishes revolutionary design standards across Canada and beyond.

The university is just east of the Ambassador Bridge, south of the Detroit River. Windsor is also home to St. Clair College with a student population of 6500 full-time students. Its main campus is in Windsor, and it also has campuses in Chatham and Wallaceburg. In 2007, St. Clair College opened a satellite campus in downtown Windsor in the former Cleary International Centre. In April 2010, St. Clair College added to its downtown Windsor presence with the addition of its Media-Plex school. Together, they bring over one thousand students into the downtown core every day. The college also opened the TD Student Centre on the corner of Victoria Avenue and University Avenue in 2012