

February 13<sup>th</sup>, 2023

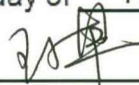
**Clark Wilson LLP**

900 – 885 West Georgia  
Vancouver, BC V6C 3H1

ATTN: Chris Ramsay and Katie Mak

RE: CCAA | Coromandel

This is Exhibit “     A     ” referred to in the  
Affidavit of     Zhen Yu Zhong      
affirmed before me at     Vancouver    , BC  
this     15     day of     February     20    23    .

  
\_\_\_\_\_  
A Commissioner/Notary Public for the  
Province of British Columbia

Colliers has been asked for an opinion on the economic viability of monetizing the Coromandel (the “Company”) assets by way of a managed process under the guidance of a court appointed monitor. This letter to the Company’s legal counsel is intended to be used in an upcoming court application for a discussion on the merits of the appointment of a monitor to oversee the orderly liquidation of some or all of the assets currently held by the Company.

This opinion being offered by Colliers is based on the 35+ years of commercial real estate experience of the author of this letter, Hart Buck. Mr. Buck has spent his career in the commercial real estate industry, focusing on the sale of residential development land. The cyclical nature of the industry has also created opportunities to add value by assisting in the sale of assets under the court oversight process, including;

- CCAA
- Receivership
- Foreclosures
- Partnership Disputes
- Strata Wind-Ups

**What is Colliers relevant experience in this field**

Colliers worked very closely with the Court appointed Monitor to assist in the orderly wind up of the affairs of League Assets Corp. a Victoria based Real Estate syndication company. League Assets held 10+ properties across Canada by way of investments from approximately 3500 individual investors. Colliers offered valuable advice to the monitor for the purposes of designing and implementing a SISF which saw the orderly disposition of the League Assets properties across the country in at least 10 major real estate markets. Mr. Buck has also been involved with multiple foreclosures and receivership proceedings throughout his career, representing many of the country’s lenders as well as working within Western Canada’s insolvency community.

A key element of Colliers’ input towards a SISF will be the coordination and assistance of the Colliers resources available including experienced brokers, who are active in the City of Vancouver in the sale of multifamily, residential development sites having characteristics similar to the Company’s, and additional, complementary services as required.



**Mr. Buck's involvement in the Insolvency sector and experience includes:**

- Canadian Insolvency conferences;
- CAIRP (Canadian Association of Insolvency and Restructuring Professionals) conferences and has been a panel speaker at two such conferences;
- Active membership within YIP (Young insolvency Professionals) attending semi-annual conference with a focus on Western Canadian insolvency practitioners, and has been a panel speaker;
- Mortgage recovery presentations to special loans teams at various financial institutions, active in western Canada;
- Presentation to the RMA, (Risk Management Association) in Vancouver as recently as November 2022;
- In the past 24 months we have completed the sale of four commercial real estate assets under the Receivership/Foreclosure processes; and
- Multiple foreclosures and receivership proceedings throughout his career, representing many of the country's lenders as well as working within Western Canada's insolvency community.

We are of the view that the current economic downturn is having a significant impact on our local commercial real estate market as evidenced by the circumstances facing the Company. While the market continues to have momentum, developer buyers will become increasingly selective on the assets they acquire and the terms under which they are purchased. The Company has acquired well located development opportunities throughout the City of Vancouver as evidenced by the 16 properties which are the topic of this application. We anticipate demand from the market as the Company's properties come to market.

Colliers is prepared to work closely with the Monitor to formulate a SISP, which will see the orderly disposition of the real estate assets of the Company. In coming up with a viable SISP, we will be analyzing each of the properties in the portfolio with specific attention to the following characteristics:

- Properties with current market value below the existing debt such as; Cambie 45, Laurel 57 and Southview Gardens, are candidates to be removed from this process;
- Properties that are under construction and therefore may require completion before they can be monetized at the highest value;
- Properties which are held in joint ventures where the Company is the minority partner as we anticipate these being addressed separately from this process in favour of the majority joint venture partner; and

- Properties held by the Company that are the result of the patient acquisition of multiple single-family homes to generate a viable development site. We note that these assembled sites may or may not conform to an existing "Area Development Plan" which will have an impact on the development timing. All of these assemblies appear to have multiple mortgages, multiple lenders and multiple titles. Details of the Alberta 40 property follow to provide an example of the complexity in the ownership and debt of these assembled development sites.

#### **Alberta 40 Overview:**

The Alberta 40 property consists of six parcels. The properties were acquired over five years between 2017 and 2022.

The six properties are held by two entities, Coromandel Alberta Street 40 Development BT Ltd. and 5576 Alberta Development Holding Ltd.

The six properties have a total of seven mortgages registered between July 2021 and August 2022. These seven mortgages have a total of nine registered owners. A summary of the mortgages follows:

- 1) CA9201893  
Registered Owner: Lanyard Investments Inc.  
Registration Date: July 19, 2021  
Properties: 5666 Alberta Street, 5676 Alberta Street, 5686 Alberta Street
- 2) CB120239  
Registered Owner: Xinlan Niu, Fang Ning  
Registration Date: July 29, 2022  
Properties: 5666 Alberta Street, 5676 Alberta Street, 5686 Alberta Street
- 3) CB92901  
Registered Owner: Hossein Sobhani, 1211192 B.C. Ltd.  
Registration Date: July 19, 2022  
Property: 5676 Alberta Street
- 4) CB136415  
Registered Owner: Xiao Dong Ye, 1084930 B.C. Ltd., 1202527 B.C. Ltd.  
Registration Date: August 8, 2022  
Property: 5676 Alberta Street
- 5) CB137640  
Registered Owner: Hossein Sobhani, 1211192 B.C. Ltd.  
Registration Date: August 8, 2022  
Property: 5592 Alberta Street

- 6) CB92903  
 Registered Owner: Hossein Sobhani, 1211192 B.C. Ltd.  
 Registration Date: July 19, 2022  
 Properties: 5638 Alberta Street
- 7) CB136415  
 Registered Owner: 1240419 B.C. Ltd., Xiao Dong Ye, 1084930 B.C. Ltd., 1202527 B.C. Ltd.  
 Registration Date: August 8, 2022  
 Properties: 5592 Alberta Street, 5638 Alberta Street

On February 7, 2023 a Certificate of Pending Litigation was registered on three of the six titles, 5666 Alberta Street, 5676 Alberta Street and 5686 Alberta Street, relating to a petition by Lanyard Investments Inc. of the same date.

It is Colliers' opinion that these assembled development sites must be sold as assembled, developable properties in order to maintain as much value as possible. For example, the potential foreclosure on 50% of the Alberta 40 site could lead to multiple sales of individual tiles creating the potential for a significant negative impact on value. The 6 houses in Alberta 40 are listed on BC Assessment's web site as having individual values averaging \$3.8m each for a total of \$23m, which is the expected outcome if sold individually versus the \$42m in debt. Colliers anticipates a sale of the consolidated Alberta 40 property in excess of the debt.

Colliers sees this logic applying to all of the assembled/multi-title properties owned by the Company.

**Benefits a Monitor brings to the process.**

We are at the view that an orderly disposition of the appropriate assets will lead to the best recovery for the stakeholders by providing the following benefits:

- No redemption period under a CCAA/receivership, allowing the properties to get to market immediately. In a foreclosure process there will be a Court Application required to set the term of redemption period and determine which of the lenders in the debt stack will receive conduct of sale,
- The opportunity for economies of scale, and a corresponding reduction of the overall real estate commissions payable under a SISP which utilizes the services of a national real estate firm, such as Colliers,
- A coordinated marketing approach that may create the opportunity for the sale of multiple properties to a common purchaser and
- Efficiencies generated by a single point of contact between Colliers and the Monitor in the execution of the SISP.



**Conclusion**

There are properties held by the Company that for reasons stated above are not well suited to the proposed CCAA process. Colliers is of the view that the remaining properties have equity and are candidates for a SISF to be carried out by the Monitor to the benefit of all stakeholders.

Yours Sincerely,

Colliers



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Vice President | Investment

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**Jennifer Darling**

Senior Associate

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Jennifer.darling@colliers.com

This is Exhibit "     B    " referred to in the Affidavit of     Zhen Yu Zhong     affirmed before me at     Vancouver    , BC this     15     day of     February     20    23    .



\_\_\_\_\_  
A Commissioner/Notary Public for the Province of British Columbia

**Appraisal of a High-Density Residential Rental Development Site**



located at:

**5576 - 5686 Alberta Street,  
Vancouver, BC**

effective date of valuation:

**June 16, 2022**

prepared for:

**5576 Alberta Development Holding Ltd.**



June 24, 2022

Our Reference Number: 2206-2359

5576 Alberta Development Holding Ltd.  
#1800 - 1177 West Georgia Street  
Vancouver, BC  
V6E 4A2

**Attention: Jerry Zhong**

**Re: APPRAISAL OF A HIGH-DENSITY RESIDENTIAL REDEVELOPMENT SITE  
LOCATED AT 5576 - 5686 ALBERTA STREET, VANCOUVER, BC**

In response to your request, we prepared a full narrative appraisal report of the above referenced properties (herein referred to as the “subject properties” or “subject site”) with the objective of estimating the current market value of the underlying land component in the fee simple interest, based on its concluded highest and best use. It is our understanding that the appraisal will be used to arrange mortgage financing.

According to preliminary information provided by our client, the subject site comprises six legal lots with a combined gross site area of ±38,033 sq.ft., which is consistent with BC Assessment records. It is situated on the east side of Alberta Street, between West 39th and West 41st Avenues within the City of Vancouver. Presently, each of the subject lots is improved with an older, single-family dwelling constructed between circa 1948 and 1992, with concurrent residential zoning under RS-1 (Single Detached Houses and Duplexes).

Land use at the subject site is also governed by Phase 3 of the Cambie Corridor Plan, where it is designated within the Oakridge Municipal Town Centre (“MTC”) neighbourhood as a future high-density residential area (north of West 41st Avenue). Specifically, redevelopment suggested for apartment use up to 18-storeys, plus underground parking.

Our client has proposed to construct an 18-storey residential rental project comprising of two towers and a total of 349 residential rental units, including 280 secured market rental apartments plus 69 Moderate Income rental apartments. The subject proposal would require rezoning and is at a very preliminary stage.



We have utilized the Direct Comparison Approach and Land Residual Method in deriving at our final estimate of value. After consideration of the adjustments and factors contained in this report, we have concluded the final estimate of current market value of the fee simple interest in the subject site, based on its highest and best use, as of the effective date of this appraisal on June 16, 2022 at:

**SIXTY-FOUR MILLION FOUR HUNDRED THOUSAND DOLLARS**  
**(\$64,400,000)**

Based on \$64,400,000 and the gross lot area for each of the subject lots, the final estimate of land value, as above, would equate to the following value for each of the subject lots:

Address	Site Area (Sq.Ft.)	%	Proposed Buildable (Sq.Ft.)	FSR	Value Estimate
5576 Alberta Street	6,356	17%	41,279	6.49	\$10,762,579
5592 Alberta Street	6,384	17%	41,457	6.49	\$10,809,144
5638 Alberta Street	6,337	17%	41,155	6.49	\$10,730,170
5666 Alberta Street	6,369	17%	41,364	6.49	\$10,784,693
5676 Alberta Street	6,375	17%	41,400	6.49	\$10,794,108
5686 Alberta Street	6,212	16%	40,346	6.49	\$10,519,306
<b>Total</b>	<b>38,033</b>	<b>100%</b>	<b>247,000</b>		<b>\$64,400,000</b>

Our report, containing an addendum, is attached and forms the basis of this opinion. Your attention is directed to the assumptions and limiting conditions outlined in the report that may have impact on our opinion. Our report has been prepared for the exclusive use of 5576 Alberta Development Holding Ltd. to assist with mortgage financing. We are not aware of any third party (parties) that are likely to see or rely on the report; liability in this respect or for any other use is expressly denied.

This report has been prepared to meet Canadian Uniform Standards of Professional Appraisal Practice. Should any questions arise by reason of this report, please contact the undersigned at your convenience.

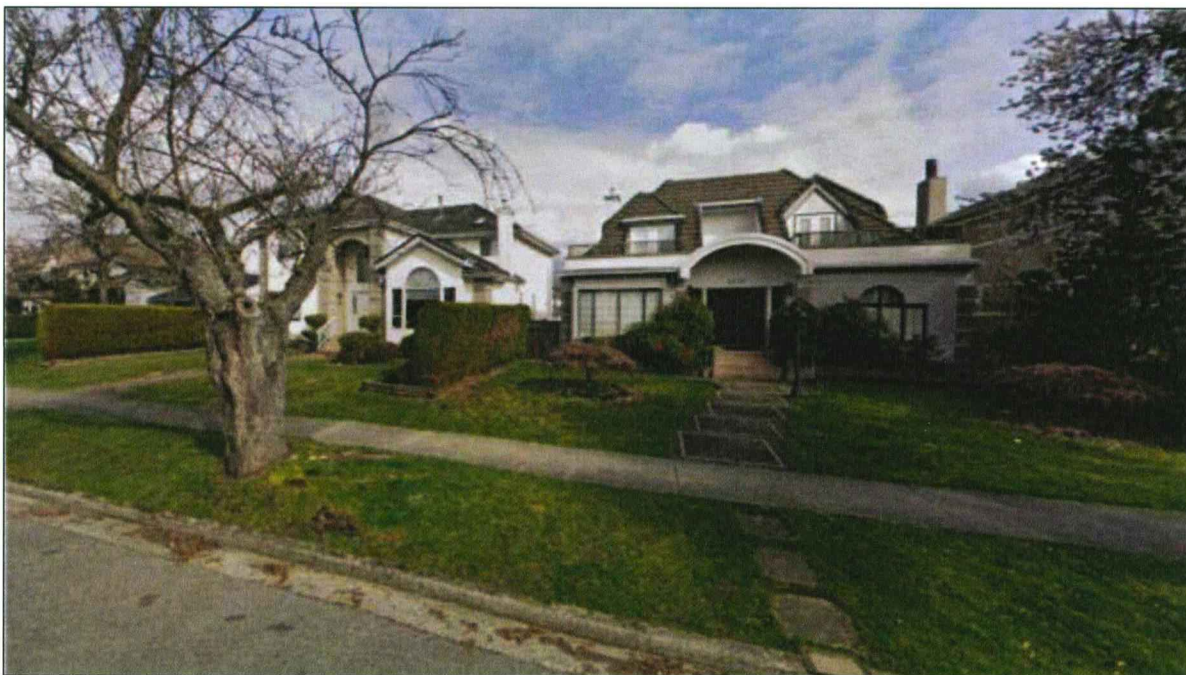
Yours truly,

**L.W. Property Advisors Ltd.**

**DRAFT – JUNE 24, 2022**

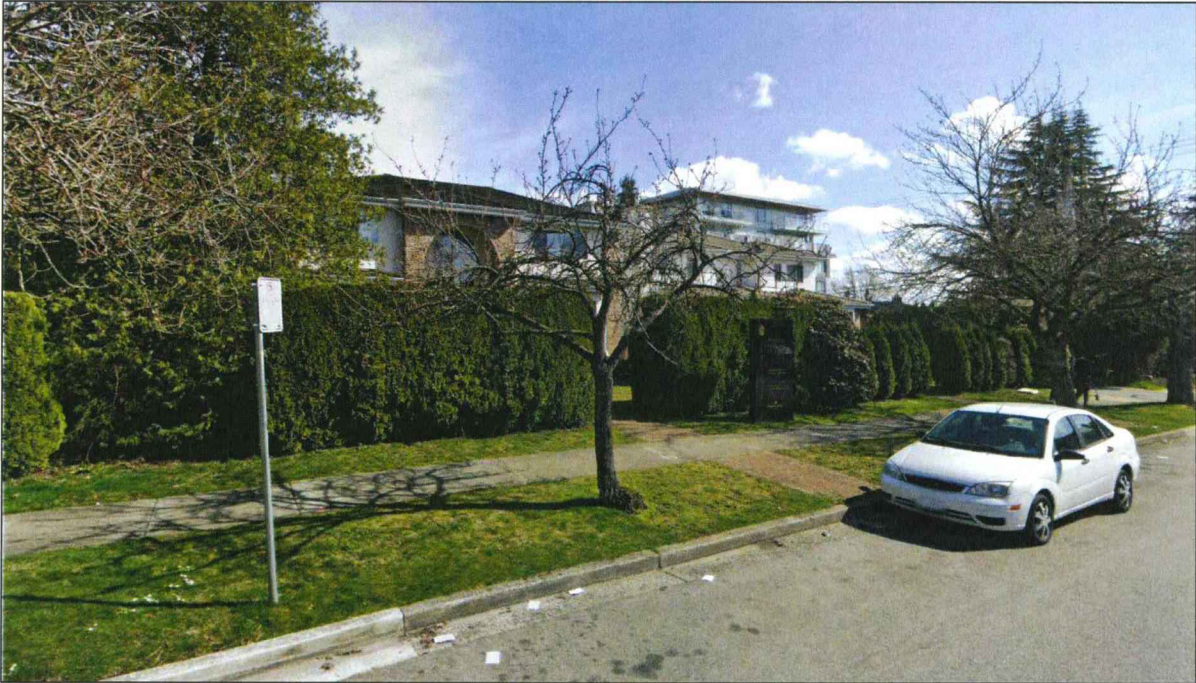
Per: Rose Wang, Principal  
B. Comm., AACI, P.App.  
ACI Membership No. 902311  
Signed:

Photographs of the Subject Properties



Views from Alberta Street





Views from Alberta Street





View from rear lane



Aerial view of the subject site

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## addenda

Appendix "A"	Copies of the Title Information
Appendix "B"	Copy of the RS-1 Zoning Bylaw
Appendix "C"	Copy of the preliminary building plans dated June 3, 2022
Appendix "D"	Qualifications of the Appraiser



## 1.0 SUMMARY OF SALIENT FACTS

<b>Effective Date of Valuation:</b>	June 16, 2022
<b>Civic Addresses:</b>	5576 - 5686 Alberta Street, Vancouver, BC
<b>Gross Site Area:</b>	±38,033 sq.ft. (Based on BC Assessment records)
<b>Zoning:</b>	RS-1 (One Family Dwelling District)
<b>Cambie Corridor Plan :</b>	High-Density Residential Areas (north of 41st Avenue) Apartment up to 18 storeys
<b>Proposed Gross Building Area:</b> (For FSR Calculation)	±247,000 sq.ft. (6.49 FSR) (Based on a copy of preliminary building plans dated June 3, 2022, and information provided by our client)
<b>Proposed Rentable Area:</b>	280 Market Rental Units ±167,960 sq.ft. 69 Moderate Income Rental Units ±41,990 sq.ft. <b>Total: ±209,950 sq.ft.</b>
	<b>Proposed building efficiency at 85% of buildable area for FSR purposes</b> (Based on information provided by our client)

### 2022 Property Assessment And 2022 Property Taxes:

Address	2022 Assessment Value			2022 Property Taxes
	Land	Improvement	Total	
5576 Alberta Street	\$3,750,000	\$10,000	\$3,760,000	\$13,438.41
5592 Alberta Street	\$3,766,000	\$140,000	\$3,906,000	\$14,104.59
5638 Alberta Street	\$3,742,000	\$130,000	\$3,872,000	\$14,023.02
5666 Alberta Street	\$3,742,000	\$90,000	\$3,832,000	\$13,318.71
5676 Alberta Street	\$3,742,000	\$100,000	\$3,842,000	\$14,101.23
5686 Alberta Street	\$3,665,000	\$100,000	\$3,765,000	\$13,628.21
<b>Total</b>	<b>\$22,407,000</b>	<b>\$570,000</b>	<b>\$22,977,000</b>	<b>\$82,614.17</b>



**Proposed Development:** A high-density residential rental project comprising 280 market rental units and 69 Moderate Income rental units within two 18-storey towers.

### **SUMMARY OF IMPORTANT CONCLUSIONS**

**Highest and Best Use:** Holding properties pending rezoning and development of the proposed residential rental project consistent with the Cambie Corridor Plan Phase 3.

**Direct Comparison Approach:** **\$64,220,000**

**Land Residual Technique:** **\$64,540,000**

**Final Estimate of Land Value** **\$64,400,000**

## 2.0 DEFINITION OF THE APPRAISAL EXERCISE

### EFFECTIVE DATE OF VALUATION

This appraisal reflects a value estimate as of June 16, 2022 (the date of inspection).

### TERMS OF REFERENCE

We have been instructed by our client 5576 Alberta Development Holding Ltd. to prepare a full narrative appraisal report to estimate the current market value of the underlying land component of the subject site. We have utilized the Direct Comparison Approach and Land Residual Technique in this appraisal exercise. The function of this report is to assist our client with arranging mortgage financing.

We have been provided with a copy of preliminary building plans dated June 3, 2022, and further information confirmed by our client. As such, we have relied upon these plans and information regarding the proposed building layouts and measurements at the subject site. Specific construction materials and finishing details are not yet available but we have been instructed to assume the proposed subject development will comprise typical finishing specific to secured market rental accommodations in the Vancouver West area. Given the preliminary status with the current proposal and design concept, we reserve the right to amend our appraisal upon receiving more updated information on the proposed subject development.

The proposed high-rise residential rental tower does not yet exist as of the date of appraisal. The appraisal does not address unforeseeable events that could alter the proposed improvements and/or the market conditions reflected in the analyses.

### SCOPE OF APPRAISAL

The scope of this appraisal encompasses the research and analysis necessary to provide an estimate of market value for the subject site in accordance with the Canadian Uniform Standards of Professional Appraisal Practice.

- Rose Wang conducted a cursory inspection of the subject site from Alberta Street on June 16, 2022;
- inspected the neighbourhood and researched market trends and competitive properties;
- verified factual information relating to property taxes and assessments from BC Assessment

Authority records;

- other property data (i.e. site dimensions, site areas and zoning) have been compiled from public records at the City of Vancouver City Hall and from the City of Vancouver Planning Department online records;
- determined Highest and Best Use of the property from an analysis of the site, surrounding land improvements, land use trends, and financial data;
- detailed planning and engineering consulting services lie beyond the scope of this appraisal. No geotechnical, environmental or engineering reports have been supplied to us in conjunction with this assignment;
- obtained sales data for comparable properties from our office files, Multiple Listing Service, Realnet, Zonda Urban, AutoProp and other real estate agents.

**Listed below are the hypothetical and extraordinary limiting conditions that apply to this assignment.**

- We have assumed that the proposed residential rental development will comprise an 18-storey residential rental project comprising of two towers and a total of 349 residential rental units, including 280 secured market rental apartments plus 69 Moderate Income rental apartments and is assumed to be over an underground parking structure, which is consistent with the plans, documents and information provided by our client and obtained from the City of Vancouver Planning Department online records.
- Estimated values upon completion are approximate only and final value estimates may change. The value estimates reported herein can only be accurately confirmed when construction is complete or nearing completion.



### 3.0 DEFINITION OF THE APPRAISAL EXERCISE

#### PROPERTY RIGHTS APPRAISED

The property rights appraised are those of the “fee simple” interest defined as:

*“The greatest interest an individual can own in land, or complete ownership in law, subject only to the governmental powers of taxation, expropriation, escheat and police powers.”*

#### DEFINITION OF MARKET VALUE

The “Canadian Uniform Standards of Professional Appraisal Practice” (2022 Standards), defines Market Value as:

*“the most probable price which 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 and knowledgeably, and assuming the price is not affected by undue stimulus.”*

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

- 1. buyer and seller are typically motivated;*
- 2. both parties are well informed or well advised, and acting in what they consider their best interests;*
- 3. a reasonable time is allowed for exposure in the open market;*
- 4. payment is made in terms of Canadian dollars or in terms of financial arrangements comparable thereto; and*
- 5. 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.*

#### EXPOSURE TIME

Exposure time is the estimated length of time the properties would have been offered prior to a hypothetical market value sale on the effective date of valuation. It is a retrospective estimate based on an analysis of past events, assuming the competitive and open market. It assumes not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable market effort. Exposure time is therefore interrelated with the conclusion of value.

In consideration of these factors, we have analyzed the following:

- Exposure periods of comparable sales revealed during the course of this appraisal;
- Exposure time for similar properties in comparison to the subject property as published by the Greater Vancouver and Fraser Valley Real Estate Boards; and
- Knowledgeable real estate professionals.

Based on the foregoing analysis, an exposure time of 3 to 6 months is reasonable, defensible, and appropriate. L.W. Property Advisors Ltd. assumes the subject property would have been competitively priced and aggressively promoted regionally.

DRAFT

## 4.0 IDENTIFICATION OF THE SUBJECT PROPERTIES

### CIVIC ADDRESSES AND LEGAL DESCRIPTIONS

Address	PID	Legal Description	Title Number
5576 Alberta Street	010-685-278	LOT 4 BLOCK 849 DISTRICT LOT 526 PLAN 7240	CA9613221
5592 Alberta Street	010-685-286	LOT 5 BLOCK 849 DISTRICT LOT 526 PLAN 7240	CA8291650
5638 Alberta Street	010-685-294	LOT 6 BLOCK 849 DISTRICT LOT 526 PLAN 7240	CA9170912
5666 Alberta Street	007-903-651	LOT 7 BLOCK 849 DISTRICT LOT 526 PLAN 7240	CA9170910
5676 Alberta Street	010-685-324	LOT 8 BLOCK 849 DISTRICT LOT 526 PLAN 7240	CA9170913
5686 Alberta Street	010-519-301	LOT 9 BLOCK 849 DISTRICT LOT 526 PLAN 7240	CA9170911

### REGISTERED OWNERS

#### 5576 Alberta Street:

5576 Alberta Development Holding Ltd.

1800-1177 West Georgia Street

Vancouver, BC, V6E 4A2

#### 5592 Alberta Street:

Jennifer Wah Hon Wong

5592 Alberta Street

Vancouver, BC, V5Y 3M6

#### 5638 - 5686 Alberta Street:

Coromandel Alberta Street 40 Development BT Ltd.

1800-1188 West Georgia Street

Vancouver, BC, V6E 4A2

### REGISTERED CHARGES

A review of title information for the subject site indicates that 5592 Alberta Street has a clear title. In addition, the following charges are registered under the subject's title of certificates:

#### 5576 Alberta Street:

- A restrictive covenant (GB38509);
- A mortgage (CA9613236) and an assignment of rents (CA9613237) are registered to 1063711 BC Ltd. on December 29, 2021;



5638 - 5686 Alberta Street:

- A mortgage (CA9613238) and an assignment of rents (CA9613239) are registered to 1063711 BC Ltd. on December 29, 2021.

Under the scope of this appraisal, we have assumed that the charges registered on the subject titles do not adversely impact the value and developability of the subject site. We recommend the reader to obtain opinion from a legal professional if more in depth information is required regarding the legal notations and charges registered under the subject's title of certificates. Copies of the title certificates are attached in addenda as Appendix "A".

**PROPERTY HISTORY**

Our client currently holds the ownership of the subject properties at 5638 – 5686 Alberta Street. According to BC Assessment records, the properties were purchased by our client over a period from February 2017 to August 2017 for a total consideration of \$13,500,000.

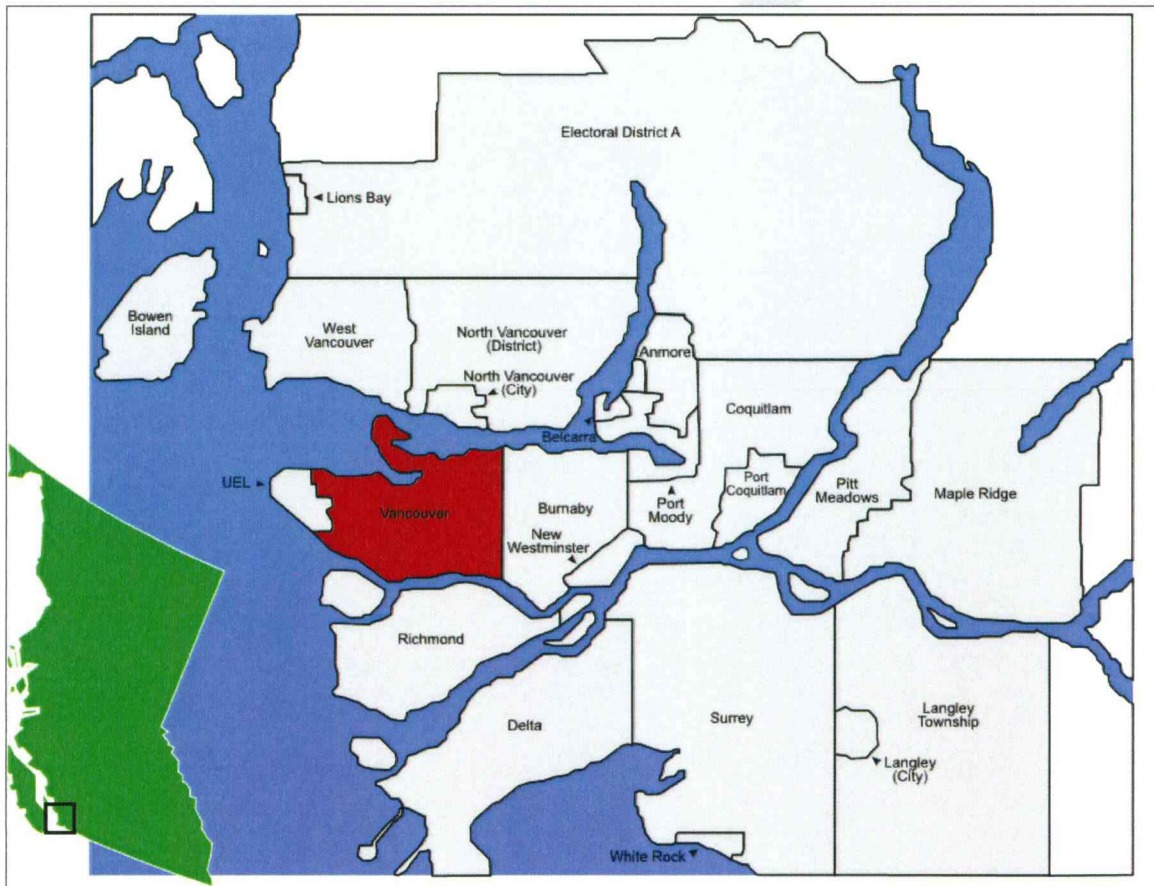
According to a copy of the Assignment of Purchase and Sale dated October 6, 2021, CW Lin Investment Ltd. assigned the purchase contract of 5576 Alberta Street to our client (5576 Alberta Development Holding Ltd.). A deposit rebate of \$200,000 has been paid to the assignor by our client. The total acquisition price to our client is at \$4,800,000 and the purchase was completed on December 29, 2021.

According to a copy of contract of purchase and sale dated September 24, 2021, CW Lin Investment Ltd. and the current owner of 5592 Alberta Street entered into a contract to purchase the property for a total consideration of \$11,500,000. Completion is set on July 5, 2022. On October 6, 2021, CW Lin Investment Ltd. assigned the contract to our client (5576 Alberta Development Holding Ltd.). A deposit of \$500,000 is to be paid to Jennifer Wah Hon Wong (the Vendor) by our client.

According to BC Assessment, 5592 Alberta Street previously transacted in July 2020 for a total consideration of \$3,362,000, whereas the remaining subject properties did not have any other transaction within the market within the past 7 years. A copy of the original Contract of Purchase and Sale dated September 24, 2021 is included in the addenda as Appendix "C". Furthermore, copies of the Assignment of Purchase and Sale dated October 6, 2021 are also included in Appendix "C".

## 5.0 MARKET AREA DESCRIPTION

The subject site is located in the City of Vancouver. Vancouver is located in the southwest corner of the Province of British Columbia in a region known as Metro Vancouver which comprises 22 separate municipalities, one treaty First Nation and one electoral area. According to the 2016 Census, the population of Metro Vancouver was 2.4 million and the population of the City of Vancouver was 631,490.

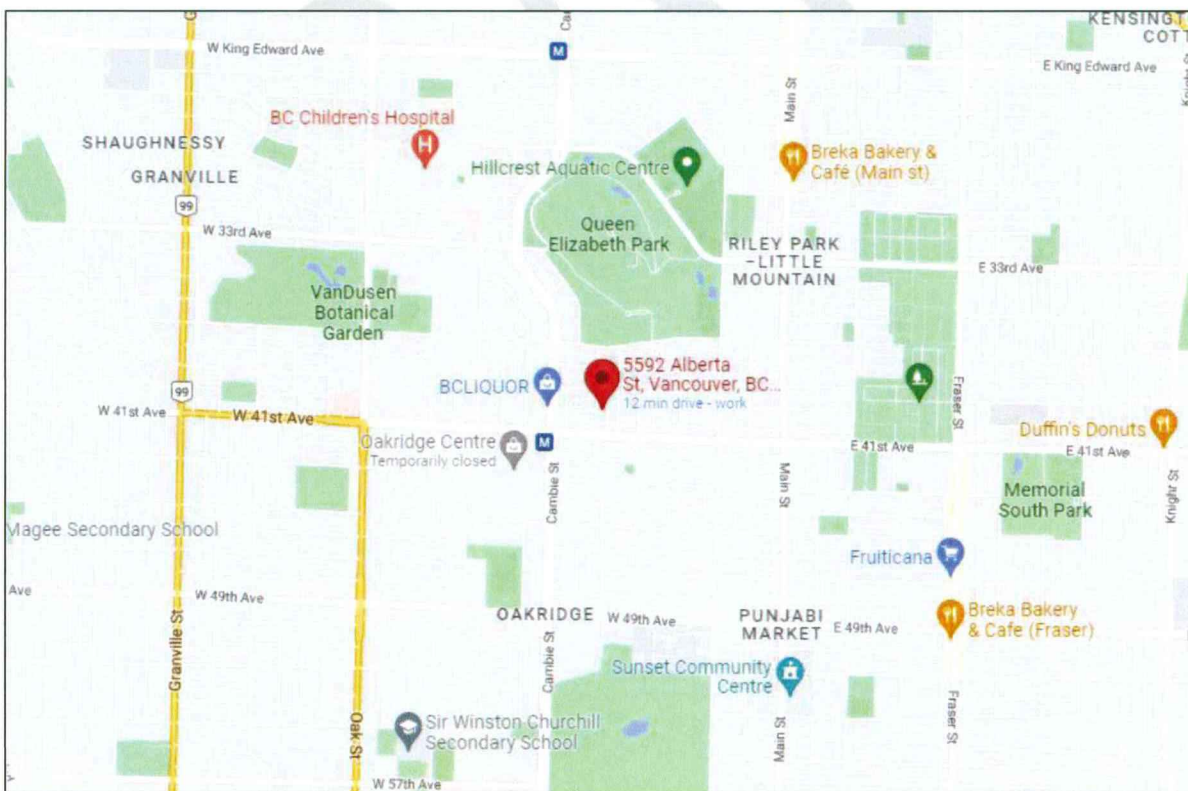


The City of Vancouver is bound by the Burrard Inlet to the north, Georgia Strait to the west, Fraser River (North Arm) to the south and Boundary Road to the east. Situated directly east of Vancouver is the City of Burnaby and further east is the City of New Westminster. The City of Richmond is located south of the subject property just beyond the North Arm of the Fraser River.



As the major commercial and financial center of British Columbia, Vancouver is comprised of a good network of major transportation arterials. In the north-south direction, Highway 99 connects North Vancouver, West Vancouver and Trans-Canada Highway 1 in the north, and the Vancouver International Airport, Richmond and the US Border in the south. Running in an east-west direction, Broadway connects to Highway 7 in the east providing access to Burnaby and the Tri-cities on the north arm of the Fraser River. Kingsway, passing through Burnaby and New Westminister, connects to Surrey and other cities on the south arm of the Fraser River.

The subject properties are located on the Westside of Vancouver, within the Cambie Corridor. More specifically, the subject properties are located within the Oakridge Town Centre neighbourhood within the Cambie Corridor. The major east-west commuter routes within proximity to the subject are West 41st, 49th and King Edward (West 25th Avenue) Avenues and Avenues connecting the subject area to UBC to the west and the City of Burnaby to the east. Cambie Street provides access from the subject site to Downtown Vancouver to the North and to Marine Drive and City of Richmond to the south. The subject site is located on the east side of Alberta Street. The subject location is defined on the map illustrated below.





**NEIGHBOURHOOD DESCRIPTION**

The subject site is located on the east side of Alberta Street and just north of West 41st Avenue. To the north of the subject properties on the southwest corner of Cambie Street and 33rd Avenue is the Holy Name Roman Catholic Church. On the northwest corner of 33rd Avenue and Heather Street is the St. Vincent Hospital campus care project. On the southwest corner of Heather Street and 33rd Avenue is the historical RCMP Fairmont Complex, currently used as a training facility. Opposite West 33rd Avenue on the southeast corner is the Youville Residence, a seniors care centre. BC Children's and BC Women's Hospitals complex are located opposite on Oak Street from West 28th to 32nd Avenues.

The subject properties are situated within close proximity to a number of parks and recreational facilities that include Columbia Park (at W 42nd and Columbia Street), Van Dusen Botanical Gardens (on W 37th Avenue and Oak Street), Queen Elizabeth Park (on Cambie Street and W 29th Avenue), Oak Meadows Park (at Oak and W 37th Avenue), Braemar Park (at Willow Street and W 27th Avenue), Hillcrest Community Centre (on W 29th Avenue just east of Yukon Street) and Nat Bailey Stadium Parks (located at Ontario Street and 30th Avenue). Eric Hamper Secondary School and Sir William Van Horne Elementary School are located within walking distance to the subject site.

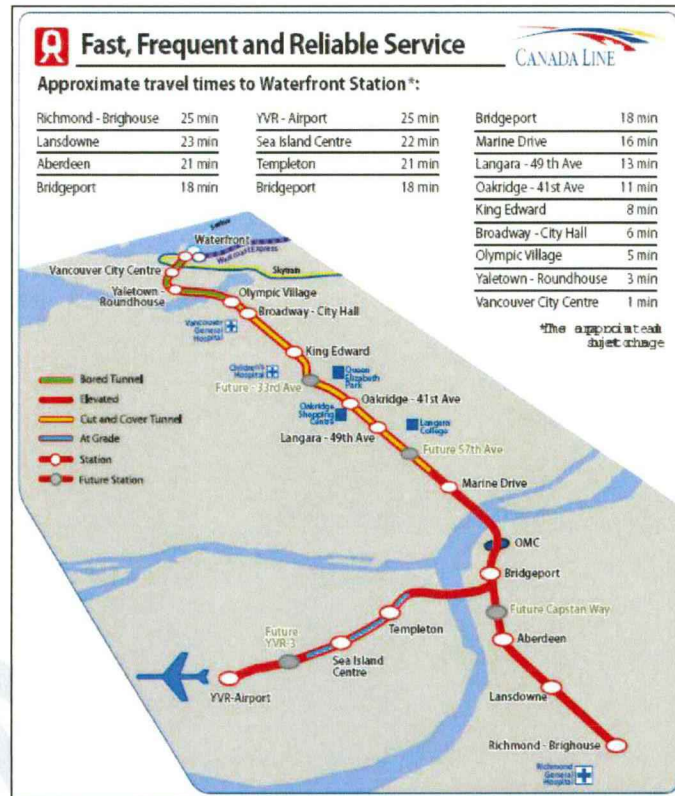
There is a number of commercial districts located along the major intersections formed by the four major commuter routes: Cambie Street to the east, Oak Street to the west, King Edward Avenue to the north and West 41st Avenue to the south. At the southeast corner of King Edward Avenue and Oak Street is the King Edward Mall anchored by Safeway. Oakridge Centre, Vancouver's first shopping Centre occupying a ±28 acre site, is situated opposite from the subject property on the southwest corner of Cambie Street and West 41st Avenue. The Oak Transit Center redevelopment site is located immediately northwest of the subject at Oak and West 41st Avenue and is to offer a mix of commercial, market housing and non market housing uses. Further northwest of the subject at West 18th Avenue and Oak Street is the Balfour Site that sold to Wesgroup and is proposed with a mix of medium density non market housing rental and low density market townhomes. The variety of amenities and services that are provided within the subject neighbourhood reflect the diversity of the population and represent the need for a diverse mix of housing styles.

**MAJOR DEVELOPMENTS**

Major developments near the subject neighbourhood include the following:

1. **The Canada Line** – Canada Line is a rail rapid transit line connecting central Richmond, the Airport and Sea Island along the Cambie corridor to central Broadway and downtown Vancouver. In total, the Canada Line is almost 11.8 miles (19 km) long with 16 stations.

The Canada Line runs underground from downtown Vancouver to West 64<sup>th</sup> Avenue. The elevated portion of the line begins just before Marine Drive, continues over the Fraser River to Richmond City Centre and YVR. There are three stations situated within proximity to the subject including Oakridge – 41st Avenue, Langara – 49th Avenue and King Edward stations. A future station is proposed for the northeast corner of the Cambie Gardens site at Cambie Street and West 57th Avenue.



2. **Langara Gardens** comprises 21 acres of mixed use residential and commercial space set within a park like setting. The property presently includes four residential Hi-rise towers and a number of two storey townhouses. Three of the four Hi-rise buildings were constructed circa 1968, including Langara House (20 Floors), Langara Manor (20 Floors) and Langara Tower (20 Floors). 621 West 57th was constructed circa 1988 and has 22 storeys. The site has a combined total of 607 residential units with a floor space ratio of 0.782.

In 2009, Peterson Group purchased the Langara Gardens complex for \$157,000,000 and commenced planning work regarding redeveloping the property. In 2015, Concert Properties and Peterson Group formed a partnership for future redevelopment of the project.



According to the Langara Gardens Policy Statement, the future outlook of the site will include retention of the existing four, high rise residential rental towers, revitalization and possible expansion of the existing grade level commercial space, provision of multipurpose public plazas, a daycare, and redevelopment of the portion of the site currently improved with garden apartments and townhouses with new residential buildings of various forms and heights including eleven new high rise towers ranging from 12 to 28 storeys, three 6 storey midrise buildings and five 4-storey low rise buildings. A variety of spaces and unit types are proposed for the redevelopment and is anticipated to bring approximately 1,800 market residential units. The overall development density envisioned for the lands is approximately 2.80 over the entire site including the existing towers, which translates to a total of approximately 2,540,000 sq.ft. of gross building area.

3. **Oakridge Centre.** The redevelopment of Oakridge will have a large impact on the area around it including the subject area. In March 2014, City of Vancouver approved the rezoning proposal for the Oakridge lands. The property owners have refined development plans over the past 4 years and the latest designs include 10 towers and 4 mid-rise buildings, an enlarged Civic Centre, a community park, a library, childcare facilities, community centre, performance space, social housing components along with approximately 941,438 sq.ft. of commercial retail space, 434,896 sq.ft. of office space and 2,600+ market residential units, and 5,330 parking spaces. The overall development density is anticipated at 3.57 FSR. To date, Tower 4 in Phase 1 of the overall development is 67% sold and Tower 7 in Phase 2 is 55% sold.



This development is proposed to create a mixed use transit orientated area that will act as an Iconic Landmark, a Municipal Town Centre and transit hub for the Canada Line.



4. **Cambie Gardens** The redevelopment of the former Pearson Dogwood lands owned by Vancouver Coastal Health. The site was purchased by the Onni Group in 2015. The developer intends to redevelop the lands with a master planned community known as Cambie gardens. This phased development will include various market housing units allocated within mid-rise buildings to high rise towers, social housing units, Pearson replacement units, seniors housing units, community health centres, children's daycare, retail space, City Park and a future Canada Line Station located at 57th Avenue and Cambie Street. The properties were successfully rezoned from the previous RT-2 to CD-1 696 for the intended redevelopment.

A number of mid rise and high rise mixed use buildings are proposed on the parcels to offer commercial retail, daycare centre, community health centre, residential amenity, Pearson replacement units, social housing and market housing accommodation. Based on the proposed marketable building areas of 773,199 sq.ft. (including commercial retail and market housing), the marketable density on the site is 2.48 FSR. The non marketable building areas will be constructed as part of Community Amenity Contribution and the land purchase agreement between Onni Group and Vancouver Coastal Health Authority. To date, East and West towers within Phase 1 of the overall development are 64% sold.



## 5. Oakridge Transit Centre (OTC)

The 13.8 acres site, located at 949 West 41st Avenue, known as “The Oakridge Transit Centre (OTC)” was sold by Translink in 2016 to Modern Green Development. In June 2022, Grosvenor acquired the majority shares in the ownership of OTC, now becoming the lead in the master planned development.

In 2017, Vancouver City Council approved a policy statement for the OTC and Adjacent Sites that supports the redevelopment of the lands as a mixed use community to include:

- 1,149 market condo units;
- 180 secured market rental units, including 45 moderate income rental units;
- 300 social housing units;
- 15,000 sq.ft. of retail space;
- 8,500 sq.ft. of childcare facility; and
- A new 2.34-acre public park.

Similar to Langara Gardens, the City has suggested that 20% of the residential area to be used as affordable housing targeted towards low to moderate income households. The project is slated to be named “Oak Green”. The project is planned to be constructed in 5 phases, with Phase 1 (along West 41st Avenue) starting in 2020, and the final phase to be completed in 2031.



## 6. Jewish Community Centre



The Vancouver Jewish Community Centre, located near Oak St. and W. 41st Avenue, will be revitalized with a new complex that will include an expanded childhood education centre, youth and teen centre, adult day centre, seniors centre, 450-seat theatre, cultural and arts spaces, and a



new Vancouver Holocaust Education Centre, recreational facilities such as a new aquatic centre, fitness gym; and non-market residential housing.

In September 2018, the City of Vancouver approved the rezoning proposal to amend CD-1 (285) to allow for redevelopment of the Jewish Community Centre site. Phase 1 of the redevelopment will consist of a new 20,700 square metre, 9-storey community centre facility located on an existing parking lot, reaching completion in 2024 or 2025. Phase 2 will include demolition of the existing complex to make way for redevelopment of the remainder of the site, which will include additional facilities for the community centre plus 34,600 square metres of non-market residential housing.

#### **SUMMARY**

In conclusion, the subject is within proximity to major transportation arterials, as well a number of recreation facilities and commercial districts. The subject site is considered to be well positioned for high density multifamily residential development that is consistent with the Cambie Corridor Plan and the City's long-range plan for the area. The variety of amenities and services that are provided within the subject neighbourhood reflects the diversity of the population and large residential base.



## 6.0 SITE DESCRIPTION

### DIMENSIONS AND SHAPE

The subject site forms a 6-lot, generally rectangular shaped land assembly with a combined frontage of approximately  $\pm 312$  feet along the east side of Alberta Street and  $\pm 123$  feet of return depth. According to BC Assessment records, the total combined gross site area is approximately  $\pm 38,033$  sq.ft. A map obtained from City of Vancouver's online mapping system (VanMap Viewer) is provided below. The subject site is also serviced by a rear lane and a side lane.



### TOPOGRAPHY

The topography of the subject site is generally level and the improvements on site appear to be above grade to Alberta Street.

Presently, each of the subject lots is improved with an older, single-family dwelling constructed between circa 1948 and 1992, with concurrent residential zoning under RS-1 (Single Detached Houses and Duplexes).

No soil report or environmental study regarding the subject site had been provided to us, though we assume that soil conditions are stable and the underlying geology is adequate to support the existing improvements. No representations have been made concerning soil conditions. The site was not further tested for any toxic substances and no opinion is expressed by the appraiser as to their absence or presence on the subject site. We assume the site is not contaminated from the presence of toxic substances or environmentally sensitive waste products.



**SERVICES**

All services requisite for intensive residential development are assumed to be available including hydro, water, storm and sanitary sewers, natural gas, telephone and adequate fire and police protection; however, it is our understanding that for the site to be redeveloped, the developer would generally incur additional costs for servicing the site. Detailed engineering cost estimates lie beyond the scope of this assignment.

**STREET IMPROVEMENTS**

Alberta Street is a secondary neighborhood street running north/south pass the subject. Street improvements included paved road, curbs, sidewalks, and street lighting. The subject site is also serviced by a rear lane and a side lane.

**CONCLUSION**

It is concluded that the subject site would be a desirable parcel for future high-density, residential rental



### 7.0 ZONING AND PLANNING

#### ZONING

The existing zoning of the subject site is currently RS-1 (One Family Dwelling District). The intent of the RS-1 zone is to generally maintain the single-family residential character of the RS-1 District, but also to permit conditionally one-family dwellings with secondary suites and laneway houses. A copy of the RS-1 zoning bylaw is included in the Addenda as Appendix "B".



#### CAMBIE CORRIDOR PLAN

The subject site lies within the Cambie Corridor Plan area. The Cambie Corridor is bound by West 16th Avenue to the north, Fraser River to the south and includes four Canada Line stations: Kind Edward, Oakridge, Langara/49th Avenue, and Marine Drive. There are also two possible future stations planned at 33rd Avenue and 57th Avenue. Typically, planning around transit stations has focused on an area within a 5-minute walk from the station (approximately 400 meters). The City of Vancouver’s goal is to increase

densities in the areas surrounding transit stations and provide increased live and workspace. The Cambie Corridor Planning Program is broken up into three phases:

- Phase 1: Principles and Interim Rezoning Policy
- Phase 2: Core Area (arterial) focus
- Phase 3: Transit-influenced (surrounding neighbourhood) focus.

Phase 1 was concluded in January 2009 and Phase 2 was adopted by City Council in May 2011. The final phase of the Cambie Corridor Plan was approved by City Council in May 2018.

#### **SUBJECT'S DESIGNATION WITHIN THE CAMBIE CORRIDOR PLAN**

The subject site is located within the Oakridge Municipal Town Centre plan area. The Oakridge Municipal Town Centre and Frequent Transit Development Area is one of the 17 designated Municipal Town Centres in the Metro Vancouver Regional Growth Strategy. MTCs are regionally significant urban centres that serve as activity hubs for municipal populations, accommodating a range of job, retail, cultural, and public spaces, and a variety of housing options. The area is serviced by the Canada Line, and major bus routes including the future B-line slated for 41st Avenue. Along Cambie Street from 39th to 48th Avenue, mid rise and tower buildings will be introduced with commercial uses at street level.

According to the adopted Cambie Corridor Plan, the subject properties have been identified within the Oakridge Municipal Town Centre ("MTC") neighbourhood as a future high-density residential area (north of West 41st Avenue). Specifically, redevelopment suggested for apartment use up to 18-storeys, plus underground parking.

According to the plan, the subject are does not suggest redevelopment density in floor area ratio (FAR) or floor space ratio (FSR). Sites with a frontage of at least 50 feet are permitted for 4-storey redevelopment, with increases in height and density subject top the provision of 100% of residential floor area as secured market rental housing including 20% of the floor area as below market rental, or if a minimum of 30% of floor area is provided as social housing.

Illustrations regarding the subject site from the Cambie Corridor Plan are shown on the next pages for your reference.

### 4.3.6 High-density residential areas

Areas off the arterials identified for high-density residential will deliver a range of affordable housing options and create a diversity of building forms. These urban areas will integrate improved streetscapes to connect the neighbourhood to adjacent parks, shops, and services within the MTC.

- Residential buildings will be allowed up to 4 storeys with a minimum 15.2 m (50 ft) property frontage—see guidelines residential buildings off arterials - mid-rise

Increased height and density will be considered if the following conditions are met:

- 100% of the residential floor area is secured rental with a minimum of 20% provided as below-market rental, or
- A minimum of 30% of the residential floor area is provided as social housing

Refer to housing policy (Chapter 7) for further details.

#### Tower separation and block configuration

A minimum 90 ft tower separation will be required in all areas of the MTC (see diagram) with a maximum of two towers per block. Future tower placement will be determined by the first tower in the block or within the adjacent blocks.

- Tower placement within a block must ensure future tower spacing of 90 ft within the same block, across the street and across the lane
- Consolidations that are precluded from tower forms because of tower separation should follow the guidance for 4- and 6-storey mid-rise buildings in Chapter 5

#### General tower guidance

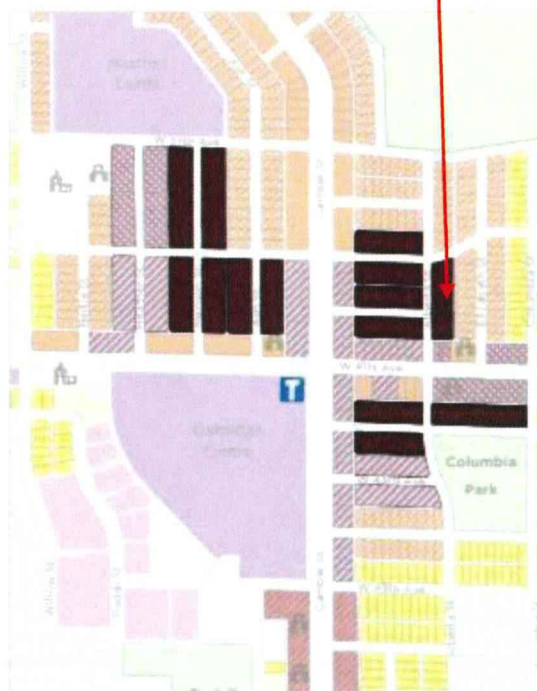
- Towers should be accessed at grade and provide entries and active uses adjacent to the streets
- Open space should provide visual amenity from the street allowing filtered views to and out of the private shared space
- Solid walls and hedged areas limiting visual porosity are discouraged
- Development proposals will include required public realm features (i.e., landscaped setbacks, wide sidewalks etc.). See *Cambie Corridor Public Realm Plan*

#### Tower typologies

Area will have two types of towers:

- Tower on podium - urban edge at parks and shopping streets
- Tower in open space - creating more open character

The Subject Site



Apartment (up to 18-storey tower with minimum consolidation requirement)

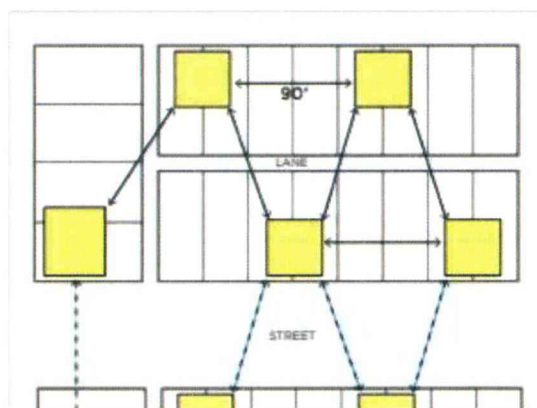


Diagram showing minimum tower separation





#### Towers on podiums

Towers on podiums should create an urban street edge, with active entries to dwelling units and engaging private space adjacent to street.

- Ground-oriented units should provide visual interest and eyes on the street
- Ground-oriented units should face the street edge and lane, providing windows, patio space, and an appropriate planting edge
- Hedges or planting should provide privacy without creating a solid wall defining the property edge
- Patios should be elevated from the sidewalk, but not create a visual barrier between the two spaces



#### Towers in open space

Towers in open space should provide substantial usable shared space for residents, while creating an active street edge that is engaging and provides visual amenity for the street.

- Building entrances should have a strong connection to the street
- Canopy or other elements extending from the tower towards the street are encouraged to signify the building entrance

#### The Subject Proposal: Two Towers in Open Space

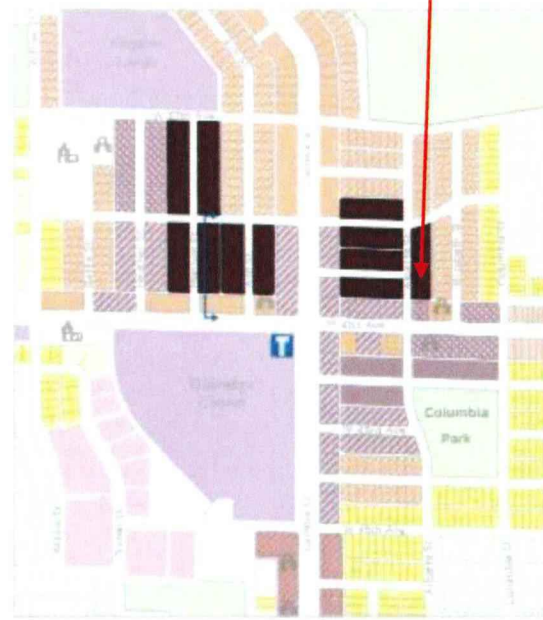
4.3.6.1 High-density residential areas (north of 41st Avenue)

**Uses:** Residential  
**Density:** Varies with building performance  
**Height:** Up to 15 or 18 storeys with site frontage requirement  
**Building type:** Tower on podium or 'tower in open space'

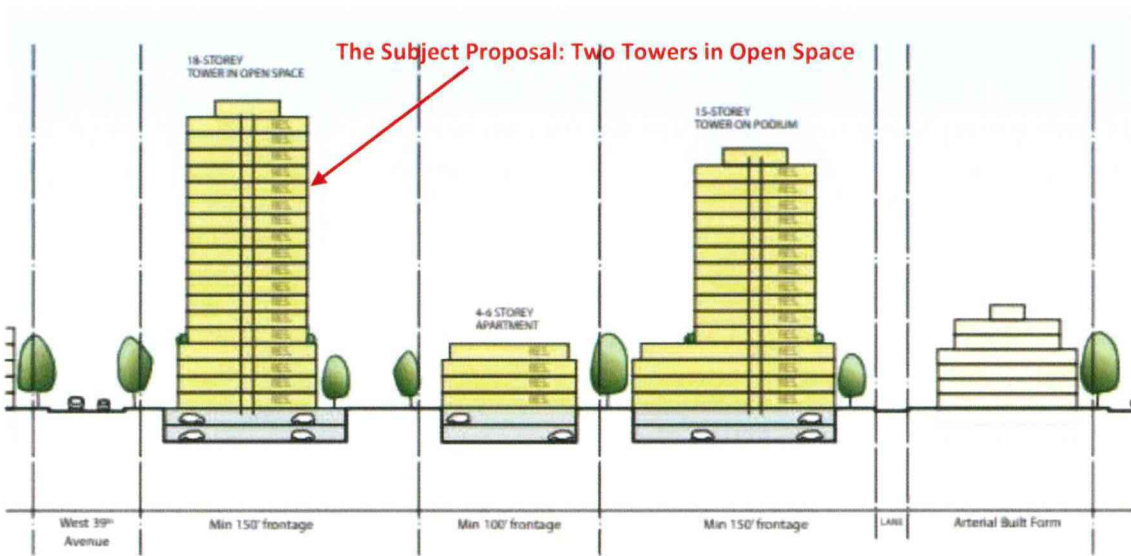
- Residential buildings will be allowed up to 4 storeys with a minimum 15.2 m (50 ft) property frontage
- Residential buildings will be allowed up to 6 storeys on sites precluded from towers, with a minimum frontage of 30.5 m (100 ft) and with the provision of 100% secured rental
- Residential buildings will be allowed up to 15 or 18 storeys (dependent on typology) with a minimum 45.7 m (150 ft) property frontage when either of the following conditions are met:
  - 100% of the residential floor area is secured rental with a minimum of 20% provided as below-market rental, or
  - A minimum of 30% of the residential floor area is provided as social housing

Refer to housing policy (Chapter 7) for further details.

The Subject Site



Apartment (up to 18-storey with minimum consolidation requirement)



Representative Section: Manson Street from 39th to 41st Avenues

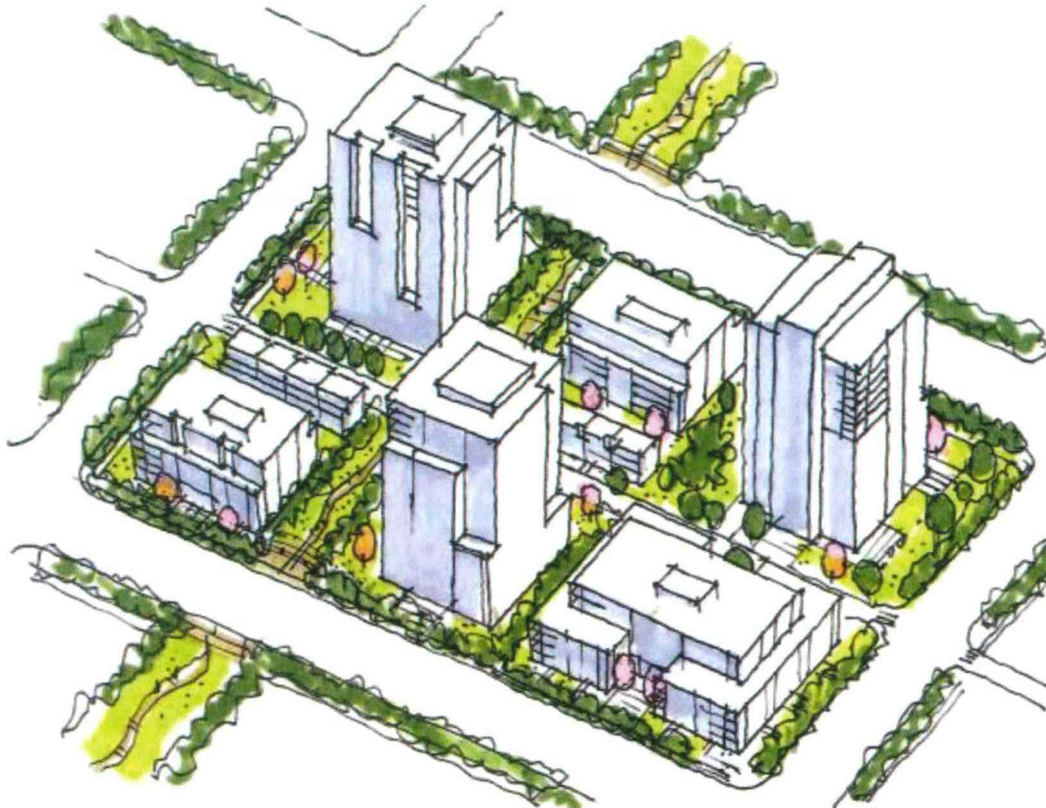


**Tower design:**

Towers will be up to 18 storeys in height for 'towers in open space'. Towers will be up to 15 storeys in height for 'towers on podiums'.

- For podium forms, an increase in height up to 3 storeys will be considered for inclusion of turnkey childcare and associated outdoor childcare space or
- Allow exclusion of childcare floor space with the opportunity for City contribution to facility, provided that it is delivered as a public benefit and owned by the City of Vancouver
- In general, building widths should not exceed 140 ft.
- Podium depths should not exceed 21.3 m (70 ft)
- Courtyard forms with townhouses at the lane are not supported for tower forms
- Tower floor plates should not exceed an average of 603.9 sq. m (6,500 sq. ft)

- Separation of housing tenures (including social, rental and below market rental, and strata) for tower in open space forms will be considered
- Separation of tenures should not reduce the open space associated with the "tower in open space" form
- Housing (social housing or below-market rental) proportions will be evaluated for complete property consolidations
- Height and density will be based on the guidance of the proposed forms (e.g., an 18-storey strata tower in open space and a 6-storey social housing building)
- An approximate 1.5 m (4.9 ft) dedication from the property line on 37th Avenue will be required to accommodate Complete Street improvements
- Development proposals will include required public realm features (i.e., street trees, landscaped setbacks, etc.) See *Cambie Corridor Public Realm Plan*



Illustrative perspective of potential block consolidations at 100% build-out



The subject's designation can be further summarized as follows:

- Sites with a frontage of at least 50 feet are permitted for 4-storey redevelopment;
- Sites with a frontage of at least 100 feet, which are precluded from towers due to minimum tower separation requirements, are permitted for 6-storey redevelopment for 100% secured rental;
- Sites with a frontage of at least 150 feet are permitted for 18-storey redevelopment (either 18-storeys in open space, or up to 15-storeys on podium which is subject to an increase of up to 18-storeys if turnkey childcare is provided or a contribution) for 100% secured rental including 20% of the floor area as below market rental, or if a minimum of 30% of floor area is provided as social housing;
- A minimum tower separation of 90 feet is required;
- A maximum number of two towers per block is required, the remainder of the block should follow guidance for 4 to 6-storey buildings;
- Two types of towers are permitted; tower in open space and tower on podium;
- Public realm features are required (i.e. landscaped setbacks and wide sidewalks etc.);

#### **REZONING APPLICATION**

Our client has proposed to construct an 18-storey residential rental project comprising of two towers and a total of 349 residential rental units, including 280 secured market rental apartments plus 69 Moderate Income rental apartments. The subject proposal would require rezoning and is at a very preliminary stage. A detailed unit mix and architectural plans of the proposal are not yet available.

Inquiry at the City of Vancouver's Planning Department indicated that the City have not received a rezoning application in relation to the subject site or subject redevelopment proposal as at the effective date.

We would note that four of the subject lots, at 5638 to 5685 Alberta Street, have previously been included within a building grades application (BG-2019-00091) which was submitted in May 2019 and completed in June 2019, relating to a single 18-storey building.

**DEVELOPMENT COST LEVY (DCL)**

The City of Vancouver anticipates extensive upgrades to the water, sewer and drainage utilities, which were constructed in the 1950s to 1960s. The subject properties lie within the utility upgrade plan, which proposes to take place from 2019 to 2022. Developers holding properties within this area will:

- Be required to meet the new rainwater and groundwater management requirements for all developments in the corridor.
- Be required, along with all developments in the City, to pay a new City Wide Utilities Development Cost Levy in addition to the City Wide Development Cost Levy (DCL).
- Be responsible for local, on site utility upgrades along the frontage of the development and the connections to the buildings

The City will be responsible for upgrades to off-site utility upgrades, funded through the Utilities Development Cost Levy ("DCL") program. An excerpt taken from the most recent Development Cost Levies Bulletin (amended September 30, 2021) is provided below.

**Table 2: Proposed DCL Rates by Area (effective Sept. 30, 2022)**

		Base <sup>a</sup>			Layered <sup>b</sup>	
		City-wide DCL (A)	City-wide Utilities DCL (B)	TOTAL City-wide DCLs (A+B)	False Creek Flats	South East False Creek
Residential	Residential at or below 1.2 FSR and Laneway House	\$54.47/m <sup>2</sup> (\$5.06/ft <sup>2</sup> )	\$34.12/m <sup>2</sup> (\$3.17/ft <sup>2</sup> )	\$88.59/m <sup>2</sup> (\$8.23/ft <sup>2</sup> )	\$70.16/m <sup>2</sup> (\$6.52/ft <sup>2</sup> )	\$216.91/m <sup>2</sup> (\$20.15/ft <sup>2</sup> )
	Medium Density Residential above 1.2 FSR to 1.5 FSR	\$117.21/m <sup>2</sup> (\$10.89/ft <sup>2</sup> )	\$73.52/m <sup>2</sup> (\$6.83/ft <sup>2</sup> )	\$190.73/m <sup>2</sup> (\$17.72/ft <sup>2</sup> )		
	Higher Density Residential above 1.5 FSR	\$234.65/m <sup>2</sup> (\$21.80/ft <sup>2</sup> )	\$147.04/m <sup>2</sup> (\$13.66/ft <sup>2</sup> )	\$381.69/m <sup>2</sup> (\$35.46/ft <sup>2</sup> )		
Non-Residential	Commercial and Most Other Uses <sup>10</sup>	\$234.65/m <sup>2</sup> (\$21.80/ft <sup>2</sup> )	\$73.52/m <sup>2</sup> (\$6.83/ft <sup>2</sup> )	\$308.17/m <sup>2</sup> (\$28.63/ft <sup>2</sup> )	\$70.16/m <sup>2</sup> (\$6.52/ft <sup>2</sup> )	\$34.64/m <sup>2</sup> (\$3.22/ft <sup>2</sup> )
	Industrial <sup>11</sup>	\$93.86/m <sup>2</sup> (\$8.72/ft <sup>2</sup> )	\$29.39/m <sup>2</sup> (\$2.73/ft <sup>2</sup> )	\$123.25/m <sup>2</sup> (\$11.45/ft <sup>2</sup> )		
	Mixed Employment (Light Industrial) <sup>12</sup>	\$175.88/m <sup>2</sup> (\$16.34/ft <sup>2</sup> )	\$55.11/m <sup>2</sup> (\$5.12/ft <sup>2</sup> )	\$230.99/m <sup>2</sup> (\$21.46/ft <sup>2</sup> )		

According to the City of Vancouver, the approved DCL rates by area (effective September 30, 2022) for **residential development above 1.5 FSR** will be required with a base City-Wide Utilities Development Cost Levy of \$13.66 per sq.ft., and City Wide DCL rate of \$21.80 per sq.ft., for a total of \$35.46 per sq.ft.

DCLs collected from development help pay for facilities made necessary by growth, including parks, childcare facilities, replacement housing (social/non-profit housing) and engineering infrastructure. However, Projects creating new rental supply, where 100% of the residential development is rental in tenure are eligible for a DCL waiver for the City-Wide DCL (A) portion only. Following the City Council decision on November 26, 2019, the Utilities DCL (B) has been removed from the waiver, meaning that secured rental projects will still be subject to the Utilities DCL (B) as of September 30, 2020. The Utilities DCL waiver continued to apply until September 29, 2021, for eligible in-stream projects if a building permit was issued by that date. As at the effective date of valuation, no building permit has been issued at the subject site in relation to the subject development proposal. As such, the Utilities DCL is expected to be applied to the subject proposal.

Under the City-Wide Utilities DCL by-law and Rental Incentive Programs Bulletin, projects where 100% of the residential floor area is proposed for rental units can be eligible for a DCL waiver for the entire rental portion for the creation of new rental supply. Also, under Vancouver and Area Specific Development Cost Levy By-Laws, DCLs for a proposed rental housing portion for “for-profit affordable rental housing” where the tenure is secured through a Housing Agreement (for 60 years, or for the “life of the building”), can be waived for the rental portion only. Projects that include existing rental units (e.g. alterations or extensions) are not eligible for the waiver.

In addition, eligible rental projects for the City-Wide DCL waiver must not exceed the following maximum average apartment unit sizes:

**Table 3: Maximum Average Unit Sizes for DCL Waiver by Unit Type**

Unit type	Apartment Units	Townhouse Units
Studio	42 sq. m (450 sq. ft)	-----
1-bedroom	56 sq. m (600 sq. ft)	56 sq. m (600 sq. ft)
2-bedroom	77 sq. m (830 sq. ft)	90 sq. m (969 sq. ft)
3-bedroom	97 sq. m (1,044 sq. ft)	112 sq. m (1,205 sq. ft)
4-bedroom	----- <sup>1</sup>	125 sq. m (1,345 sq. ft)

<sup>1</sup> The DCL By-law does not regulate maximum average unit sizes for apartment units with 4 or more bedrooms, however maximum average starting rent requirements for units with 3 or more bedrooms will apply and applicants should refer to the City of Vancouver’s [Housing Design and Technical Guidelines](#) for general guidance on unit size.



Further, eligible rental projects for the DCL waiver must not exceed maximum 2022 rental rates as set out within the DCL Bylaw and Rental Incentive Programs Bulletin:

**Table 1: Average Maximum Monthly Rents for 2022**

Unit Type	East Area DCL Maximum Rents <sup>1</sup>	West Area DCL Maximum Rents <sup>2</sup>
Studio	\$1,690	\$1,859
1-bedroom	\$2,039	\$2,243
2-bedroom	\$2,724	\$2,996
3-bedroom or larger	\$3,759	\$4,135

<sup>1</sup>For studio, 1-, 2-, and 3-bedroom units, the maximum DCL rents are the average rents for all residential units built since the year 2005 in the City of Vancouver as published by CMHC in the 2021 Rental Market Survey Data Tables released on February 18, 2022

<sup>2</sup>For studio, 1-, 2-, and 3-bedroom units, the maximum DCL rents are the average rents for all residential units built since the year 2005 in the City of Vancouver as published by CMHC in the 2021 Rental Market Survey Data Tables released on February 18, 2022, plus 10%.

Note: Refer to Figure 1 for Vancouver east and west area boundaries.

Alternatively to the above, at least 20% of all residential floor area for “for-profit affordable rental housing” where the tenure is secured through a Housing Agreement (for 60 years, or for the “life of the building”), can be waived for the rental portion only, that do not exceed the following 2022 maximum average monthly rents:

**20% of Residential Floor Area at Below-Market Rents**

At least 20% of the residential floor area that is counted in the calculation of the floor space ratio consists of units with average rents per unit type for initial occupancy that do not exceed the following maximum average monthly rents:

**Table 2: Average Maximum Below-Market Rents for 20% of Residential Floor Area**

Unit Type	Maximum Average Rents
Studio	\$950
1-bedroom	\$1,200
2-bedroom	\$1,600
3-bedroom or larger	\$2,000

Note: A partial DCL waiver is not permitted for this option.

Figure 2: Project Eligibility for DCL Waiver System - Meeting the Rental Rates

Projects eligible for <u>full</u> DCL waiver	Projects eligible for <u>partial</u> DCL waiver	Projects <u>not</u> eligible for DCL waiver
<p>Average rents in all studio, 1-, 2-, and 3-bedroom units <b>are at or below</b> rents in Section 2.1(a). Average Maximum Rents Across All Residential Units.</p> <p>OR</p> <p>For at least 20% of the residential floor area, average rents in all studio, 1-, and 2-, and 3-bedroom units <b>are at or below</b> rents in Section 2.1(b). 20% of Residential Floor Area at Below-Market Rents**</p> <p>← ELIGIBLE FOR FULL WAIVER</p>	<p>Average rents in all studio, 1-, and 2-bedrooms units <b>are at or below</b> rents in Section 2.1(a). Average Maximum Rents Across All Residential Units.</p> <p>← ELIGIBLE FOR WAIVER OF THESE UNITS ONLY</p> <p>Average rents in 3-bedroom units exceeds rents in DCL By-laws.</p> <p>X NOT ELIGIBLE FOR WAIVER FOR 3-BEDROOM UNITS</p>	<p>Average rents in studio, 1- or 2-bedroom units <b>exceeds</b> rents in Section 2.1(a). Average Maximum Rents Across All Residential Units (even if 3-bedroom units comply)</p> <p>AND</p> <p>Average rents <b>do not meet</b> rents specified in Section 2.1(b). 20% of Residential Floor Area at Below-Market Rents for at least 20% of the residential floor area.</p> <p>X NOT ELIGIBLE FOR ANY WAIVER</p>

Our client informs us that they intend to adhere to Moderate Income rates for 20% of the residential floor area, as follows:

<b>Proposed Gross Building Area:</b>	280 Market Rental Units	±197,600 sq.ft. (80% of total)
(For FSR Calculation)	69 Moderate Income Units	±49,400 sq.ft. (20% of total)
	<b>Total</b>	<b>±247,000 sq.ft. (6.49 FSR)</b>

(Based a copy of preliminary building plans dated June 3, 2022, and information provided by our client)

<b>Proposed Rentable Area:</b>	280 Market Rental Units	±167,960 sq.ft.
	69 Moderate Income Rental Units	±41,990 sq.ft.
	<b>Total:</b>	<b>±209,950 sq.ft.</b>

**Proposed building efficiency at 85% of buildable area for FSR purposes**

(Based on information provided by our client)

For applications requiring rezoning, such as the subject proposal, the proposed starting rents are set either at public hearing or at the time the 'prior-to' letter of approval is issued.

#### **SUMMARY**

Based on the Cambie Corridor Plan and development pattern of the immediate neighborhood, a development of a mixed-use commercial/rental project on the subject site is considered well supported and consistent with the City's overall planning vision.

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## 8.0 HIGHEST AND BEST USE

The definition of "Highest and Best Use" is as follows:

"The reasonably probable use of Real Property, that is physically possible, legally permissible, financially feasible, and maximally productive, and that results in the highest value."

Source: (1) Canadian Standards of Professional Appraisal Practice, (January 1, 2020).  
(2) The Appraisal of Real Estate, Third Canadian Edition

Many factors and appraisal principles become a consideration in the determination of "Highest and Best Use". These include: government regulations, supply, demand, anticipation, balance, surplus productivity, contribution, competition, etc. The definition also includes the presumption that the use is in keeping with the zoning and legal requirements.

The concept of "Highest and Best Use" recognizes that land use patterns can change over a given period and that the optimum use of a site is determined by need or demand at any given point in time. Elements affecting value that are dependent upon events or a combination of occurrences which, while within the realm of possibility, are not shown to be reasonably probable and should be excluded from consideration. This is also the case if the intended use is dependent on the uncertain act of another person.

The subject site comprises six legal lots with a combined gross site area of ±38,033 sq.ft., which is consistent with BC Assessment records. It is situated on the east side of Alberta Street, between West 39th and West 41st Avenues within the City of Vancouver. Presently, each of the subject lots is improved with an older, single-family dwelling constructed between circa 1948 and 1992, with concurrent residential zoning under RS-1 (Single Detached Houses and Duplexes).

Land use at the subject site is also governed by Phase 3 of the Cambie Corridor Plan, where it is designated within the Oakridge Municipal Town Centre ("MTC") neighbourhood as a future high-density residential area (north of West 41st Avenue). Specifically, redevelopment suggested for apartment use up to 18-storeys, plus underground parking. Our client has proposed to construct an 18-storey residential rental project comprising of two towers and a total of 349 residential rental units, including 280 secured market rental apartments plus 69 Moderate Income rental apartments. The subject proposal would require rezoning and is at a very preliminary stage.

The subject site is located on the Westside of Vancouver, within the Cambie Corridor Plan boundaries. More specifically, the subject is located within the Oak neighbourhood in the MTC area. This area is designed to accommodate future high-density development within towers surrounding the Oakridge Shopping Centre and Canada Line Station.

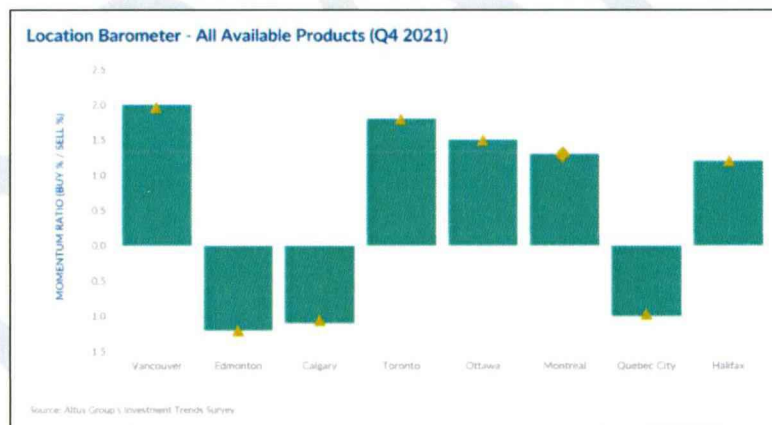
The major commuter routes within proximity to the subject are Cambie Street, Oak Street, West 41<sup>st</sup> Avenue, West 49<sup>th</sup> Avenue and West King Edward Avenue. It is within close distance to various commercial hubs such as Oakridge Shopping Centre and Marine Gateway, as well as public amenities and parks. The subject is also location within a short driving distance to the Vancouver International Airport, River Rock Casino, McArthurGlen Designer Outlets and various amenities offered in the City of Richmond. Overall, the subject location is close to all urban amenities including transport routes and community facilities and provides good residential appeal.

The most significant projects within proximity to the subject include the Oakridge Centre redevelopment by Westbank. Cambie Gardens by Onni Group, Langara Gardens by Peterson Group and Concert Properties, the Oak Transit Centre development site by Modern Green. The subject is also located within a short driving distance to the Vancouver International Airport, River Rock Casino and Hotels and McArthurGlen Designer Outlets. A number of parks and recreational facilities within proximity to the subject include Columbia Park (at W 42<sup>nd</sup> and Columbia Street), Van Dusen Botanical Gardens (on W 34<sup>th</sup> Avenue and Oak Street), Queen Elizabeth Park (on Cambie Street and W 29<sup>th</sup> Avenue), Oak Meadows Park (at Oak and W 37<sup>th</sup> Avenue), Braemar Park (at Willow Street and W 27<sup>th</sup> Avenue), Hillcrest Community Centre (on W 29<sup>th</sup> Avenue just east of Yukon Street) and Nat Bailey Stadium Parks (located at Ontario Street and 30<sup>th</sup> Avenue), Oak Park (northeast corner of Oak Street and Park Drive), Langara Golf Course (west of Cambie, between West 49<sup>th</sup> and 58<sup>th</sup> Avenues), Tisdall Park (northwest corner of West 49<sup>th</sup> Avenue and Ash Street), and YMCA-Langara (southeast corner of West 49<sup>th</sup> Avenue and Alberta Street). The subject properties are well situated for higher density mixed use development.

### MACRO ECONOMIC ENVIRONMENT

Employment rose by 40,000 (+0.2%) in May 2022 and the unemployment rate edged down to 5.1%. The employment increase was driven by gains in full-time work among young and core-aged women. The increase was spread across several industries and led by wholesale and retail trade. Total hours worked were little changed in May, but were up 5.1% compared with 12 months earlier. Average hourly wages increased 3.9% (+\$1.18 to \$31.12) on a year-over-year basis.

In Altus Group's Investment Trends Survey for Q4 2021, the top 3 markets preferred by investors were Vancouver, Toronto and Ottawa, respectively. Many other regions have also remained resilient and managed to push ahead in the first half of 2021, primarily due to low interest rates, pent up demand and lack of inventory. Despite the economy continuing to face ongoing challenges such as labour shortage, lockdown measures and supply chain setbacks. The Canadian real estate market remains resilient in the face of market vulnerabilities as investors continue to seek high-value assets and assets right for redevelopment. Compared to the previous three quarters, the location barometer for available products in the fourth quarter showed an increase in all markets except for Montreal, which has remained the same.



The latest market data has suggested remarkable turnaround in the overall Canadian economy as we emerge out of the global pandemic. This is evident through declining unemployment rates month over month, and record setting trades and investment transactions. Many employers and individuals alike are returning to urban cores, office settings, and business center environments, reducing overall vacancy rates across most of the asset classes.

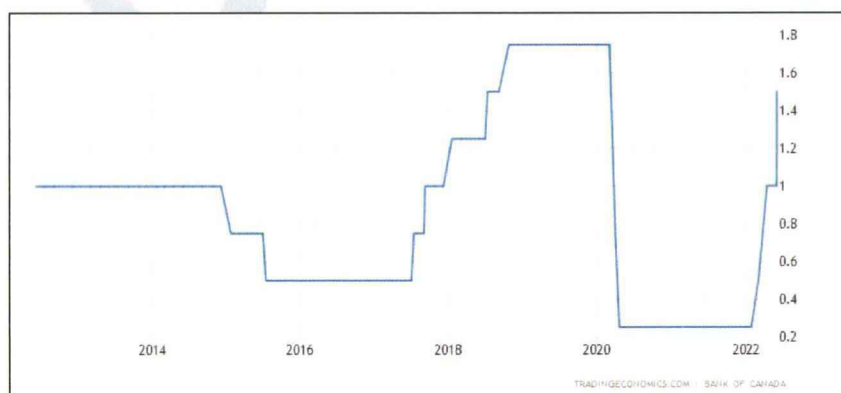


Economic growth increased rapidly during H2-2021 as restrictions eased and commerce began to rebound, despite certain occurrences of the Omicron wave, economic forecasts suggest momentum into 2022. As of April 2022, Bank of Canada suggested +4.25% GDP expansion for the year, and 3.25% GDP expansion into 2023.

With regards to overall investment activity, the Canadian commercial real estate volumes are expected to reach \$58.8 billion in 2022, surpassing the 2021 record volume of \$57.9 billion. Market data shows that transactions involving multi-family, industrial, and development land are the ones generally being sought after, as investors grow confident that liquidity and demand for quality assets will continue. When considering the capitalization rate market data, we have been cognizant of the recent changes in macro-economic policy that have been undertaken by the Bank of Canada. Although real estate values are influenced by the supply and demand for properties in a given locale, prices are also strongly influenced by investors' cost of capital, as most assets are levered with financing to some degree.

Furthermore, as interest rates rise and fall, risk free returns (i.e., government bond yields) change. Bank of Canada responded to the COVID-19 pandemic by dropping overnight rates to a historic low of 0.25% in March 2020. In March 2022, Bank of Canada raised overnight rate for the first time in two years, to 0.50%, followed to two more increases of 0.50% each, in April and June 2022. The current overnight rate in Canada is 1.50%.

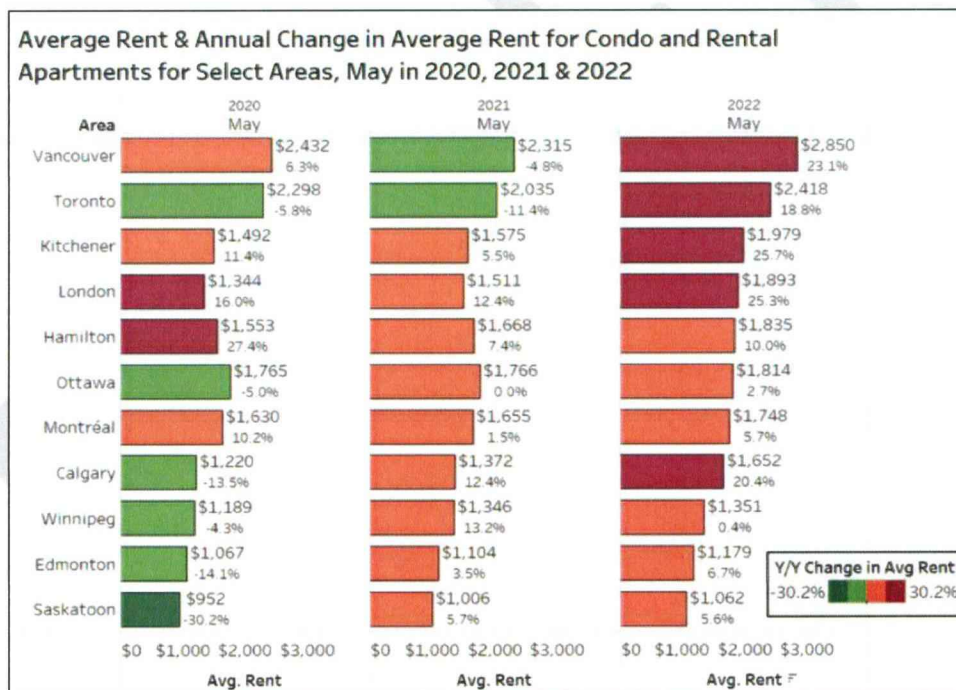
An excerpt is available below outlining the Bank of Canada's interest rate projections which would suggest another increase in overnight rate in later 2022. It is also evident that the bond yields have moved up following the positive changes to the overnight rate.



**PURPOSE BUILT RENTAL MARKET OVERVIEW**

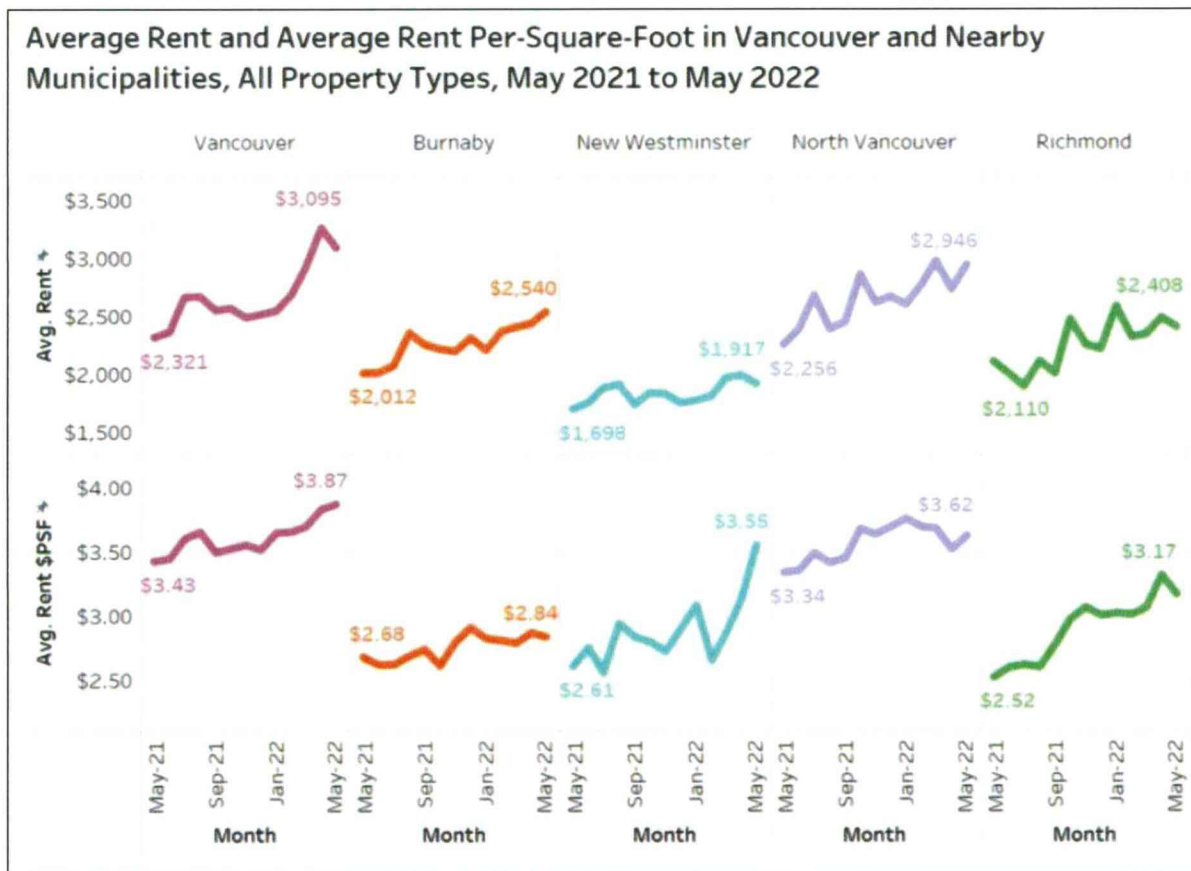
In the Rentals.ca’s June 2022 Rent Report, it was reported that the average rent for all Canadian properties listed on Rentals.ca saw a year over year increase of 10.5%, and an average month over month increase of 3.7%, the largest monthly increase since May of 2019. Amongst all the markets, Vancouver ranked number 1 as the most expensive city to rent in, followed by Toronto and Burnaby in the 2<sup>nd</sup> and 3<sup>rd</sup> places. This rising trend appears to be continuing as unemployment rates falls to a record low in years and the provinces and country commit to higher immigration levels in the coming years.

The average rent for condo and rental apartments in Vancouver in May of 2022 was \$2,850 per month according to Rentals.ca, demonstrating an increase of 23% annually. After a decline in 2021, the rental market has exceeded the pre-pandemic highs.



Source – Rentals.ca National Rent Report June 2022

The graph on the next page demonstrates the average rent and average rent per sq.ft. for all property types in Vancouver and surrounding municipalities between May 2021 and May 2022. Both Vancouver and North Vancouver experienced notable levels of price growth, as rents increased by as high as 30% annually in some areas in the region.



Source – Rentals.ca National Rent Report June 2022

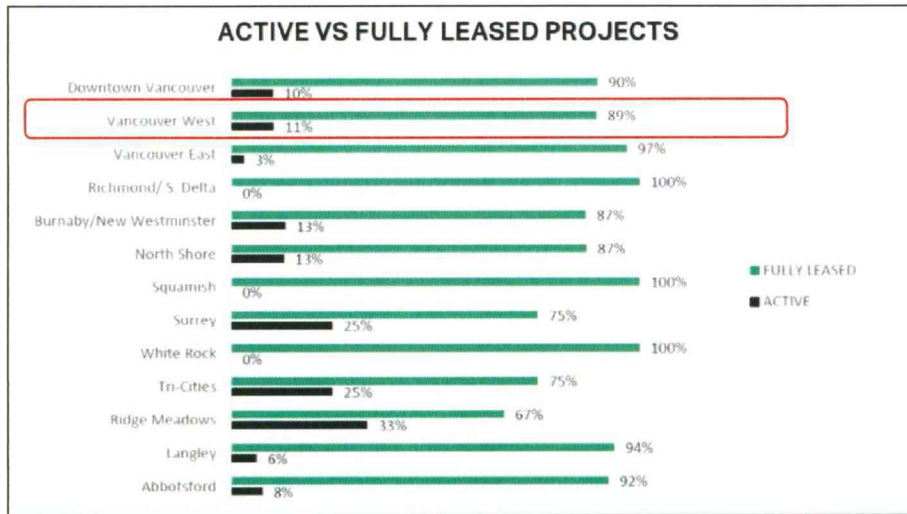
According to the latest reports by CMHC and Zonda Urban (formally Urban Analytics), Metro Vancouver continues to experience high demand for rental products due to continued positive net migration and lack of affordable purchasing opportunities in the region. In determining the market demand and absorption for the proposed rental units within the subject project, a number of factors must be considered, including the growth potential for the area, existing and competing projects and proposed competitive developments in the area.



Our discussions with industry professionals indicated that given the rent freezes and strict rental increase allowances, landlords of newly constructed rental buildings are seeking higher starting rents to offset the below inflation rate increases set by the government. The most notable observation over the first quarter of 2022 was the steep increase in average rental rates being achieved throughout the market. Furthermore, many purpose-built rental projects have started incorporating higher level interior finishings and amenities to compete with new condominium units on the rental market. Supply of newer rental housing in Metro Vancouver remains low.

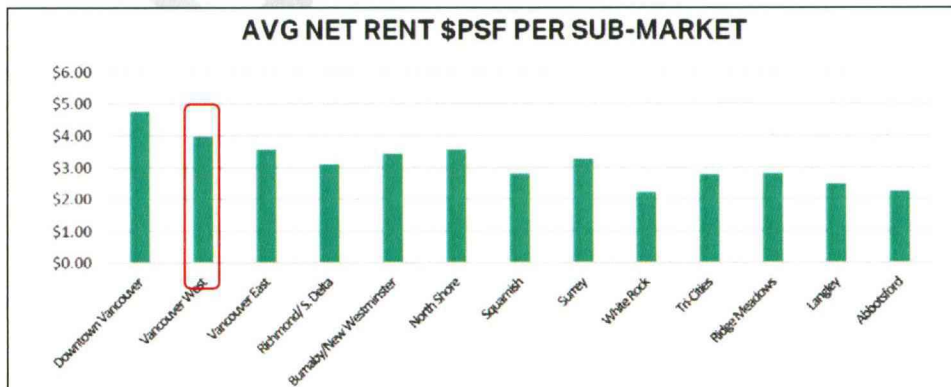
Additional inventory is expected to be added onto the market over the second half of 2022, as multiple projects are expected to complete construction within the next six months. It is anticipated these projects will aim to achieve market-leading rental rates.

- Based on information taken from Urban Analytics Q1, 2022, overall average rental rates increased dramatically since the 1<sup>st</sup> Quarter of 2022.
- It is also anticipated that overall average rental rates for Q1 2022, will continue to increase as availability is anticipated to continue to decrease.
- Zonda Urban reported 197 newer purpose-built rental apartment project comprising 21,141 units across 13 major Metro Vancouver sub-market.
- Overall purpose-built rental availability in the 1<sup>st</sup> Quarter to 2022 decreased by 3.4% when compared to the previous quarter. Availability within fully leased building decreased by 0.5%. while availability in active projects was at 3.0% at the end of the first of quarter. New rental product is anticipated to come to the market within the next 6 months to relief the current low inventory levels.
- The graph below illustrates the percentage of fully leased projects vs. active projects in the Lower Mainland and Vancouver West in Q1 2022. The city has a tight supply of purpose-built rental products. A majority of the rental needs is fulfilled by private condo and townhome units.



Further, according to the BC Housing New Homes Registry Report the total number of recorded purpose-built rental units which were registered in British Columbia totaled 5,149 over the first three months of 2022, which represents an 86.7% increase compared to Q1 2021. However, in March, it was Burnaby, Surrey and Vancouver that accounted for the largest number of multi-unit enrolled homes. The 5,149 newly built units registered over Q1 2022 account for 39.8% off all multi-unit registrations over the quarter. Specifically, according to the most-recent data for March 2022 there were 31 new rental buildings registered and 2,176 new rental units registered last month, which compared to one year ago is 66.9% above the BC Housing New Homes Registry records for March 2021. The largest building of 425 units is proposed to be built in Burnaby.

The graph below illustrates the average rent per sq.ft. by sub-market. Given the lack of recently released rental projects in the City, the rates are also reflective of earlier lease up dates. Monthly rents within the Vancouver West sub-market reflect an average of approximately \$4.00 per sq.ft. over Q1 2022.



To summarize, with the current low vacancy rates in the Lower Mainland, low interest rates for favorable borrowing opportunities and strong demand and low supply of rental housing, projects like the subject's rental development offers good market appeal and are expected to have high market demand.

#### **SUMMARY**

The existing single-family residential use of the subject site does not represent its optimal use. It is our opinion that the value of the subject site as a redevelopment property to a high density, multifamily project far surpasses the value of the existing single-family dwelling use. It also demonstrates higher utilization of the property which is consistent with the City's planning objectives for the area, and adds good quality rental accommodations to the tight rental stock in the City. The proposed development concept is supported by the City of Vancouver.

Based on the preceding factors, it is our opinion that the "Highest and Best Use" of the subject site as of the effective date of valuation, is concluded as holding properties pending rezoning and development of the proposed residential rental project consistent with the Cambie Corridor Plan.



## 9.0 SITE VALUATION

There are six methods in valuing development land properties. They include the Direct Comparison Approach, Abstraction Method, Extraction Method, Subdivision Development Method, Land Residual Technique, and Ground Rent Capitalization Method.

### **The Direct Comparison Approach**

In which recent sales of similar parcels of land are collected, analyzed, compared, and adjusted to reflect the similarity or dissimilarity of those parcels to the site of the subject properties.

### **The Allocation Method**

Is based on the principles of balance and contribution, where a ratio of site value to property value is extracted from comparable sales, in competitive locations, and is then applied to the sale price of the subject properties to determine the site value. This method is most commonly used in valuing residential subdivision lots; although is rarely the primary method of valuation.

### **The Extraction Method**

Is a technique in which the land value is extracted from the sale price of an improved property by deducting the contributory value of the improvements, often estimated at their depreciated cost, from the sale price. The remaining value represents the value of the land.

### **Land Residual Technique**

Is a method in which the net operating income attributable to the land is isolated and capitalized to produce an indication of the land's contribution to the total property.

### **Ground Rent Capitalization**

Is where market-derived capitalization rates are used to convert ground rent into an indication of land value.

**Discounted Cash Flow Analysis or Subdivision Development Analysis**

Is where direct and indirect costs, and entrepreneurial incentive, are deducted from an estimate of the anticipated gross sales price of the finished lots; and, the net sales proceeds are discounted to present value, at a market-derived rate, over the development and absorption period. If entrepreneurial incentive is not deducted as a line-item expense, then the discount rate should reflect the full effect of any profit.

In this report, we have utilized the Direct Comparison Approach and Land Residual Technique to estimate the Market Value of the subject property as though vacant and available for building.

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## 10.0 DIRECT COMPARISON APPROACH

This method involves the process of comparing the subject with other sites of similar character, which have recently sold. The two methods of comparison are:

- Price per buildable sq.ft.
- Price per sq.ft. of site area

Typically, smaller sites will sell for higher values on a per sq.ft. basis when all other factors are equal; therefore, we have made adjustments to account for differences in site size. Sites capable of higher density development will frequently achieve lower values on a per buildable sq.ft. and per unit basis; however, typically achieve a higher value per sq.ft. of site area. Therefore, adjustments have also been made for differences in development potential.

Since the driving factor behind a development property's value is its development potential, we have utilized the price per sq.ft. of buildable area as our primary value indicator. It is also a commonly accepted and widely used method when valuing multi-family residential development properties in the Lower Mainland.

The chart on the next page includes recent sales of development sites located within proximity subject area and have similar designation and development potential as the subject. We have considered appropriate adjustments for location, development potential, zoning status, size, orientation, transaction date, etc.





No.	Address	Sale Price	Sale Date	Site Size (Sq. Ft.)	Zoning FAR	Price/Sq. Ft. Site Area	Buildable Area (Sq. Ft.)	Price/Buildable (Sq. Ft.)	Comments
1	5638 - 5686 Alberta Street: 5576 Alberta Street: 5592 Alberta Street: Vancouver <b>The Subject Site - 6 Lots:</b>	\$13,500,000 \$4,800,000 \$11,500,000 <b>\$29,800,000</b> Total	Feb-17 to Aug-17 Dec-21 Oct-21 Contract	25,293 6,356 6,384 <b>38,033</b> Total	RS-1 High-Density Residential <b>6.49</b> (Proposed)	\$533.74 \$755.18 \$1,801.50 <b>\$783.54</b>	164,264 41,279 41,457 <b>247,000</b> (Proposed)	\$82.18 <del>\$116.28</del> <del>\$277.39</del> <b>\$120.65</b>	Zoned RS-1. Proposed with an 18-storey residential rental project comprising of two towers and a total of 333 apartment units, including 273 secured market plus 60 below market. Would require rezoning and is at a very preliminary stage. No formal rezoning or development permit applications in relation to the proposed 18-storey rental project are recorded by the City to-date.
2	495 West 41st Avenue Vancouver	\$40,000,000	Sep-20	15,823	C-2 High-Density Mix-Use 6.59 (Proposed)	\$2,527.97	104,274	\$383.61	Single legal lot, cleared and vacant, purchased by PCI Group. Zoned C-2 and designated in the NCP "Cambie St 39th - 45th Ave" for high-density mixed-use "Area D" up to 260 ft. building height. Rezoning Application (RZ-2020-00072) dated December 2020 is "In Review" for a new CD-1 zone to permit development of a 15-storey mixed-use tower consisting of 112 secured rental units and two floors of commercial space, 6.59 FSR.
3	427 - 449 West 39th Avenue Vancouver	\$23,100,000	Mar-22	19,125	RS-1 High-Density Residential 6.01 (Proposed)	\$1,207.84	114,941 (Proposed)	\$200.97	A 3-lot land assembly zoned RS-1. The site was reported to be improved with 3 single family homes at the time of sale. Designated within the Cambie Corridor Plan for high-density residential use up to 18 storeys (north of 41st Avenue). A building grades application (BG-2021-00190) was completed in Nov-2021, prior to the sale completion. A rezoning application (RZ-2022-00017) was received by the City in Mar-2022, just 2 days before sale completion. Rezoning to CD-1 is proposed, for an 18-storey project at 6.01 FSR, to contain 176 market rental units including 20% at below market rates. Purchased by Gracorp.
4	5608, 5656, 5588 Manson Street Vancouver	\$27,000,000	Apr-21	23,268	RS-1 High-Density Mix-Use 5.97 (Proposed)	\$1,160.39	138,910	\$194.37	3 lots located within the Oakridge MTC of the Cambie Corridor Plan. Designated "Apartment - 18 Storeys" allowing either a market condominium project at 70% of the total FSR, with the remaining 30% as social housing accommodation as a CAC contribution, or 100% rental scenario. Four months following, a rezoning application (RZ-2021-00046) was submitted by the purchaser (6-lots 5562-5688 Manson) for a new CD-1 zone and two 18-storey rental buildings with turnkey childcare provided as a public benefit, at 5.97 FSR.
5	277-241 West 42nd Avenue Vancouver	\$24,750,000	Jun-21	19,166	RS-1 High-Density Mix-Use 6.73 (Proposed)	\$1,291.32	128,990	\$191.88	3-lots purchased by Marcon Homes Ltd. (W42 Properties E Nominee Corp.). Zoned for single family use. Designated "Apartment (up to 18 storey tower with minimum consolidation requirement) within the OMT Area the Cambie Corridor Plan. Rezoning was submitted just prior to the sale (RZ-2021-00030), in late April 2021. A new CD-1 zone is proposed to permit construction of an 18-storey 100% secured market rental building of 211 units, including 20% below market rental units, at 6.73 FSR.
6	325 - 341 West 42nd Avenue Vancouver	\$26,350,000	Jun-20	19,210	RS-1 6.82 (Proposed)	\$1,371.68	131,012	\$201.13	Located along the Cambie Corridor in the community of Oakridge, at the northeast corner of West 42nd Avenue and Alberta Street. Currently zoned RS-1 and designated "High-Density Residential Areas (South of 41st Avenue)" within the Cambie Corridor Plan with building height up to 18 storeys. A rezoning application regarding the property has been submitted to the City in June 2020. The developer has proposed to construct multi-family residential rental project comprising 215 rental units (including 40 below market rental units) within an 18 storey building at 6.82 FSR.
7	411 - 475 West 42nd Avenue Vancouver	\$30,300,000	Feb-20	18,774	RS-1 6.67 (Proposed)	\$1,613.90	125,225	\$241.96	Located along the Cambie Corridor in the community of Oakridge, on the north side of west 42nd Avenue and east of Cambie Street. Currently zoned RS-1 and designated "High-Density Residential Areas (South of 41st Avenue)" within the Cambie Corridor Plan with building height up to 18 storeys. A rezoning application regarding the property has been submitted to the City in November 2019. The developer has proposed to construct multi-family residential rental project comprising 124 rental units (including 29 below market rental units) within an 18 storey building and a 4-storey podium at 6.67 FSR.

**Comparable One (The Subject Site)** as discussed in Section 4 of this report, our client acquired four of the subject lots in 2017 for a total consideration of \$13,500,000, with sale completion of 5576 Alberta Street in December 2021 at \$4,800,000 and 5592 Alberta Street under-contract and assignment for a total consideration of \$11,500,000. Our client has proposed to construct an 18-storey residential rental project at the subject site, comprising of two towers and a total of 349 residential rental units. The subject proposal would require rezoning and is at a very preliminary stage. Based on our client's proposal at 6.49 FSR, the total price paid/under-contract at \$29,800,000 translates to \$120.65 per buildable sq.ft.; however, the latest purchase of 5592 Alberta Street translates to \$277.39 per buildable sq.ft., based on our client's proposal at 6.49 FSR and the gross site areas, demonstrating notable increase in land value since the initial assembly date in 2017, prior to the MTC plan was adopted. The properties, at the time of their purchases in 2017, were eligible for much lower density development. Overall, an average price per

buildable towards the upper end of the comparable range is considered to be reasonable for the subject site.

**Comparable Two (495 West 41<sup>st</sup> Avenue)** transacted in September 2020 and is located within a block radius to the subject site, providing highly similar development appeal. The comparable occupies the high profile, northeast corner of West 41<sup>st</sup> Avenue and Cambie Street and was vacant at the time of the sale. The property consists of a smaller site area of 15,823 sq.ft. and was zoned C-2 at the time of the sale. It is designated High-Density Mixed-Use, sub-area "Cambie 39th-45th Ave Area D" which allows building heights up to 260 ft. within the Cambie Corridor Plan. At the time of sale, no formal rezoning application had been submitted to the City, but subsequently, a rezoning application (RZ-2020-00072) was submitted to the City in December 2020 to permit the development of a 15-storey mixed-use tower consisting of, ground floor CRU, and 112 secured rental units above, proposing a 6.59 FSR. On this basis, the sale reflects \$381.61 per sq.ft. of buildable area. The comparable is located within close proximity to the subject site, and has a highly similar proposed development density; however, it offers higher revenue potential given the ground oriented commercial space, suggesting a negative adjustment. A further negative adjustment is warranted to reflect the smaller size of the comparable site. Overall, a price per buildable below \$381.61 is warranted for the subject site.

**Comparable Three (427 - 449 West 39th Avenue)** is considered to offer highly relevant value support for the subject site, it is a recent March 2022 completed sale of a 3-lot land assembly within immediate proximity to the subject. Further, the comparable has identical zoning and Oakridge MTC designations and is also proposed with an 18-storey residential rental project. It is situated on the north side of West 39th Avenue, between Alberta Street and Cambie Street and is presently improved with three single-family, single-storey dwellings built in 1948 or 1949. A building grades application (BG-2021-00190) was completed in Nov-2021, prior to the sale completion, and a rezoning application (RZ-2022-00017) was received by the City in Mar-2022, just 2 days before sale completion. Rezoning to CD-1 is proposed, for an 18-storey project at 6.01 FSR, to contain 176 rental units including 20% at below market rates. The comparable land assembly was purchased by Gracorp on March 16, 2022, for \$23,100,000 which translates to \$200.96 per buildable sq.ft. based on 6.01 FSR. It is our understanding that the contract was negotiated in 2021 when the rental market was experiencing a decline. A long closing was allowed for the purchaser to carry out pre-development work. Against the subject site, an upward adjustment for the current strong rental market is warranted.



**Comparable Three (5608, 5656, 5588 Manson Street)** indicates the April 2021 transaction of a 3-lot assembly located in close proximity to the subject, on the east side of Manson Street between West 39th and West 41st Avenues. Zoning at the comparable is RS-1 and it is also designated within the Oakridge MTC area of the Cambie Corridor Plan as high-density residential area (north of West 41st Avenue) up to 18-storeys. The comparable lots form part of a 6-lot land assembly that are subject to a building grades application (BG-2020-00188) completed in December 2020, and a rezoning application (RZ-2021-00046) submitted in August 2021, four months after the completed transaction. The rezoning application (RZ-2021-00046) relates to a proposed CD-1 zone and the proposed construction of two 18-storey residential buildings at 5.97 FSR, plus underground parking. The proposed buildings are anticipated to contain a 37-space childcare facility and 392 secured rental units, with 20% of residential floor space provided as below market units. The comparable sale price of \$27,000,000 equates to \$194.37 per buildable sq.ft. Discussion with the purchaser revealed that the lots were negotiated at various times in 2020 and would require a general upward adjustment for the current strong rental market.

**Comparable Five (277-241 West 42nd Avenue)** reflects three contiguous lots which are located within the immediate subject area, just southeast of the subject site, between Alberta and Columbia Streets, on the north Side of West 42<sup>nd</sup> Avenue. The land assembly was purchased in June 2021 by Marcon Homes Ltd. The lots are designated within the Cambie Corridor Plan for "Apartment", allowing a tower up to 18-storeys. Prior to completion of the sale, rezoning was submitted (RZ-2021-00030), in late April 2021. A new CD-1 zone is proposed to permit construction of an 18-storey 100% secured market rental building of 211 units, including 20% below market rental units., at 6.73 FSR. The comparable offers a similar development scheme and density, but would require an upward adjustment for time.

**Comparable Six (325 – 341 West 42<sup>nd</sup> Avenue) and Comparable Seven (411 – 475 West 42<sup>nd</sup> Avenue)** highlight June and February 2020 sales of two rental re-development land assemblies located just southeast to the subject along West 42<sup>nd</sup> Avenue in the Cambie Corridor. Both comparables are zoned RS-1 and designated "High-Density Residential Areas (South of 41<sup>st</sup> Avenue)" within the Cambie Corridor Plan. **Comparable Six** consists of 19,210 sq.ft. of gross site area and a rezoning application regarding the property has been received by the City in June 2020. The proposal is to rezone the property to CD-1 to accommodate a multi-family residential rental development comprising 215 rental units (including 40 below-market rental) within an 18-storey building at 6.82 FSR. The June 2020 transaction yields \$201.13 per buildable sq.ft. **Comparable Seven** comprises 18,774 sq.ft. of gross site area and a rezoning application



regarding the comparable has been submitted to the City in November 2019, prior to the transaction date; however, we are unaware of when the contract was negotiated. The developer has proposed to construct a rental project with 124 rental units (including 29 below-market rental) within an 18-storey building and a 4-storey podium at 6.67 FSR. The February 2020 sale illustrates \$241.94 per buildable sq.ft. The two comparables are highly similar to the subject in terms of location, development form. Given the recent, significant improvement in the rental market, a higher land price is expected for the subject site.

**Comparable Eight (5455 Balsam Street, Vancouver)** is located west of the subject area, in the Kerrisdale neighbourhood. The property consists of a larger, 57,521 sq.ft. site with RM-3 zoning in place. It is improved with a 13-storey rental apartment building consisting of 87 units and the excess land is proposed with the addition of another 13-storey rental building containing 127 units, effectively increasing the existing development density by 1.78 FSR, to 3.55 FSR. The intended development would be under a zoning amendment to CD-1 from RM-3. The transaction is complex as it provides existing operating income while the remaining land is developed. According to BC Assessments, the rental building on site was assessed with a \$9,926,000 value in 2021. We have deducted the value of the existing improvements from the purchase price of \$70,000,000 and have calculated a price per buildable sq.ft. for the excess land based on the intended addition of 1.77 FSR. This provides for a land value of \$590.05 per buildable sq.ft.

The comparable building would continue to produce income during construction and thus reducing development risk and burden. A downward adjustment for this factor has been recognized. Further, the higher price per buildable of the comparable property is a result of a lower FSR (to be added) at 1.77 and the holding income the property is able to generate during the course of construction.

Overall, after adjusting for the aforementioned factors, a price per buildable below \$590.05 is warranted. The \$70,000,000 purchase price also translates into \$342.80 per buildable sq.ft. based on the overall density on site, at 3.55 FSR; however, this value needs to be adjusted downward to reflect that half of the density at 1.78 FSR is attributed by the existing apartment building which is already providing rental income.



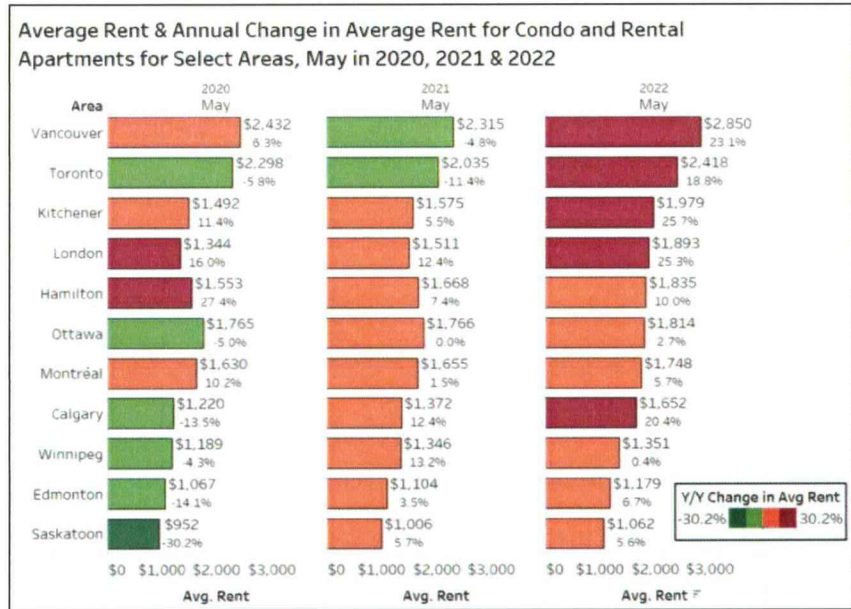
## SUMMARY

In estimating a land value for the subject site, we have analyzed the preceding comparables with consideration to the following items:

- The gross site area of the subject site totals approximately  $\pm 38,033$  sq.ft., based on BC Assessment records;
- The subject consists of 6 consecutive legal lots;
- The subject is considered a more desirable site given the assemblage in place and adjacent to the high profile West 41<sup>st</sup> Avenue/Cambie intersection;
- The subject is within a highly desirable residential neighbourhood in Vancouver West and is within the immediate vicinity as the Canada Line station, Oakridge Mall and many other commercial establishments;
- The subject is within proximity to major arterials connecting the subject site to Downtown Vancouver, UBC, Langara College, Richmond and Burnaby;
- Presently, each of the subject lots is zoned RS-1 (Single Detached Houses and Duplexes) and improved with an older, single-family dwelling;
- The Cambie Corridor Plan (Phase 3 Plan) was adopted in May 2018, it designates the subject site as a future high-density residential area (north of West 41st Avenue), suggesting apartment use up to 18-storeys, plus underground parking;
- Our client has proposed to construct an 18-storey residential rental project comprising of two towers in open space and a total of 349 residential rental units, including 280 secured market rental apartments plus 69 below market rental apartments;
- The current preliminary proposal illustrates a gross building area of  $\pm 247,000$  sq.ft. and a development density of 6.49 FSR;
- The subject proposal would require rezoning and is at a very preliminary stage, enquiry at the City of Vancouver Planning Department indicated that there are no redevelopment proposals formally submitted to the City to-date;

Another significant consideration in our analysis and conclusion is the current strong rental market. Based on statistics released by Rentals.ca, Vancouver currently leads as the market achieving the highest rents. The current average rent at \$2,850 per month, is significantly higher than the average rate reported in May 2021 at \$2,315 per month, and in May 2022 at \$2,432 per month.





After the preceding analysis, and applicable adjustments applied for location, size, potential FSR, development time frame, planning status, and proposed use, we have concluded that the comparable transactions analyzed previously provide good market value evidence for the subject site. The comparables illustrated similar development densities, building form and locations.

After all factors considered, the estimated market value of the property would lie towards the middle of the comparable range, at **\$260 per buildable sq.ft.** as of June 6, 2022, based on the proposed building density at 6.49 FAR and 154,252 sq.ft. of proposed gross building area (for FAR calculations):

<b>Proposed Gross Buildable Area For FAR Calculations)</b>	<b>x</b>	<b>Price/ Buildable</b>	<b>=</b>	<b>Estiamted Market Value</b>
247,000 sq.ft.	x	\$260.00	=	\$64,220,000

The concluded value reflects the current, “as is” status of the land, which is at an advanced planning stage. This would include various development associated costs spent to date to bring the subject land to the current status.

**SIXTY-FOUR MILLION TWO HUNDRED AND TWENTY THOUSAND DOLLARS**  
**(\$64,220,000)**

## 11.0 LAND RESIDUAL TECHNIQUE

### LAND RESIDUAL TECHNIQUE

The second method we will undertake in determining an appropriate estimate of land value for the subject is the Land Residual Technique. A prerequisite for use of the Land Residual Technique is a proposed development concept in accordance with the "Highest and Best Use" of the land. The Land Residual Technique involves the estimates of as complete project value. Expenses such as construction costs, servicing costs, sales commissions, overhead and a profit factor are then estimated and deducted from the as complete project value.

We have been relied on the information provided by our client in our valuation process; however, given the preliminary nature of the subject project, we reserve the right to amend our analysis and value conclusions upon receiving updated information.

### 11.1 Description of The Proposed Development

As noted, our client has proposed to construct a high-density residential rental project comprising 280 secured market rental units and 69 Moderate Income rental units, totalling 349 units within two 18-storey towers. The proposal illustrates a gross building area of  $\pm 247,000$  sq.ft. and a development density of 6.49 FSR, based on a gross site area of  $\pm 38,033$  sq.ft., according to a copy of the building plans, dated June 3, 2022, and information provided by our client.



A brief unit-mix is shown on the following page based on information provided by our client to identify the market rental and Moderate Income rental units. Given the preliminary nature of the subject project, we reserve the right to amend our valuation upon receiving more detailed information on the project.

Unit Type	No. of Units	G.B.A. (sq.ft.)	Rentable Area (sq.ft.)	Average Unit Size (sq.ft.)
<u>280 Secured Market Rental Units</u>				
Studio	70			
1 Bedroom	112	197,600	167,960	600
2 Bedroom	98			
	<b>280</b>			
<u>70 Below Market Rental Units</u>				
Studio	17			
1 Bedroom	28	49,400	41,990	609
2 Bedroom	17			
3 Bedroom	7			
	<b>69</b>			
<b>Totals:</b>	<b>349</b>	<b>247,000</b>	<b>209,950</b>	<b>602</b>

The subject proposed development comprises 280 market rental units comprising  $\pm 167,960$  sq.ft. of rentable area with an average unit size of approximately  $\pm 600$  sq.ft.. Unit layouts are demised into studio, 1-bedroom and 2-bedroom accommodations. The subject also proposes 69 Moderate Income rental units demised into studio, 1-bedroom, 2-bedroom and 3-bedroom accommodations, totalling approximately  $\pm 41,990$  sq.ft. of leasable area and with an average of approximately  $\pm 680$  sq.ft.

Upon completion, the units are expected to comprise good quality finishes within a new building, and comparable to other newly constructed, purpose built rental projects in the Vancouver West market.

#### **ESTIMATE OF NET OPERATING INCOME:**

As noted above, the first three steps in the Income Approach result in an estimate of annual net operating income for the property being appraised. First step in developing an operating statement is to estimate total potential income based upon its "Market Rent". Market Rent may be defined as:

*"the rental income that a property would most probably command on the open market as indicated by current rentals being paid for comparable space (as of the effective date of appraisal)."*

Market Rent may be the actual rent payable under a lease ("contract" rent) as determined by analysis of existing lease agreements covering the property, or it may be the appraiser's estimate of the rent obtainable in the market for similar properties ("economic" or "market" rent). In estimating "economic" or "market" rent, an attempt is made to determine the rent that a tenant is warranted in paying.



Most residential leases are stated on a “semi gross” basis to the landlord where the landlord is responsible for building insurance, common area maintenance, and property taxes whereas the tenants are responsible for their own utility usage within the units.

### **11.2 ANALYSIS AND ESTIMATE: 69 MODERATE INCOME RENTAL UNITS**

Our client informs us that they intend to adhere to Moderate Income rates for 20% of the residential floor area, as follows:

<b>Proposed Gross Building Area:</b>	280 Market Rental Units	±197,600 sq.ft. (80% of total)
(For FSR Calculation)	69 Moderate Income Units	±49,400 sq.ft. (20% of total)
	<b>Total</b>	<b>±247,000 sq.ft. (6.49 FSR)</b>

(Based on a copy of preliminary building plans dated June 3, 2022, and information provided by our client)

<b>Proposed Rentable Area:</b>	280 Market Rental Units	±167,960 sq.ft.
	69 Below Market Rental Units	±41,990 sq.ft.
	<b>Total:</b>	<b>±209,950 sq.ft.</b>

(Based on information provided by our client)

For at least 20% of all residential floor area for “for-profit affordable rental housing” where the tenure is secured through a Housing Agreement (for 60 years, or for the “life of the building”), City-Wide DCL’s (A) can be waived for the rental portion only, that do not exceed the following 2022 maximum average monthly rents: On July 21, 2021, Council approved an amendment to the Moderate Income Rental Housing Pilot Program (MIRHPP) to allow the starting rents that were set in 2017 to be increased each year until project completion (issuance of an occupancy permit) by the annual allowable increase set by the Province in the Residential Tenancy Act. The table below provides the recent allowable annual rent increase as permitted by the Province, and the corresponding maximum starting average rents.

Table 7: Maximum Annual Allowable Provincial Rent Increases &amp; Maximum Average Starting Rents

Year	Maximum Allowable Rent Increase <sup>1</sup>	Maximum Average Starting Rent			
		Studio	1-bedroom	2-bedroom	3-bedroom+
2022	1.5%	\$1,055	\$1,332	\$1,776	\$2,220
2021	0%	\$1,039	\$1,312	\$1,750	\$2,187
2020	2.6%	\$1,039	\$1,312	\$1,750	\$2,187
2019	2.5%	\$1,013	\$1,279	\$1,706	\$2,132
2018	4.0%	\$988	\$1,248	\$1,664	\$2,080
2017	N/A	\$950	\$1,200	\$1,600	\$2,000

<sup>1</sup> As per the Residential Tenancy Regulation.

Given the size of the subject project and the current status, we have estimated a 5 year timeline (until 2027) for the buildings to complete construction and the units to receiving occupancy permits. Based on the policy referenced above, and a conservative estimate of a 1.5% increase per annum, the estimated achieved rents for the subject's 69 Moderate Income rental units would be as follows.

Projected Residential Rental Income - Moderate Income Rental Units

Unit Type	No. of Units	Total Rentable Area (Sq.Ft.)	Average Per Unit Rentable Area (Sq.Ft.)	Maximum Average DCL/MIRHPP Monthly Rental Rates Per Unit	Estimated Annual Rental Income	Estimated Average Rent/Sq.Ft.
69 Moderate Income Rental						
Studio	17			\$1,137	\$231,948	
1 Bedroom	28	41,990	609	\$1,435	\$482,160	\$2.59
2 Bedroom	17			\$1,913	\$390,252	
3 Bedroom	7			\$2,370	\$199,080	
<b>Total No. of Moderate Income Rental Units</b>						<b>69</b>
<b>Total Moderate Income Rentable Area (Sq.ft.):</b>						<b>41,990</b>
<b>Average Moderate Income Rentable Area Per Unit:</b>						<b>609</b>
<b>Total Estimated Moderate Income Rent Per Annum:</b>						<b>\$1,303,440</b>
<b>Average Moderate Income Rent Per Unit Per Month</b>						<b>\$1,574</b>
<b>Average Moderate Income Rent Per Sq.Ft.</b>						<b>\$2.59</b>

### **11.3 ANALYSIS AND ESTIMATE: 280 MARKET RENTAL UNITS**

In analyzing market rents applicable to the subject proposal, we have adopted the Direct Comparison Approach for rental purpose and have researched into achieved and asking rents in comparable buildings.

Primary factors affecting rental rates are:

- (i) Location
- (ii) Availability of apartment units
- (iii) Project amenities and appearance
- (iv) Age and condition of improvements
- (v) Unit size

The following pages summarize rental comparables we gathered from newer wood/concrete buildings offering similar products to those proposed within the subject development. We note that there are very limited number of new, purpose built mid to high rise rental projects that have recently launched within the immediate subject area. Although some are located within wood-framed buildings, given the close proximity of the comparables, these rental units provide relevant support for potential rental rates for the subject units given the accommodation offered and the age of the development.



**COMPARABLE ONE: "VIRIDIAN" AT 1783 WEST 14TH AVENUE, VANCOUVER**

"Viridian" is a 12-storey multi-family rental project by Bentall Green Oak. The project comprises 116 rental units ranging in size from 443 to 905 sq.ft. Unit accommodations includes junior 1-bedroom, junior 2-bedroom, 2-bedroom and 3-bedroom layouts, illustrating an average unit size for the project at 593 sq.ft.

Interior finish includes but are not limited to vinyl flooring throughout, quartz countertops, laminate cabinetry, stainless steel kitchen appliances, forced heat, in-suite laundry and central A/C. Parking is available within the secured underground parkade at \$175 per stall per month, while storage lockers can be rented at \$25 per locker per month.

The development completed construction in November 2020; however, pre-leasing started in October 2020 and the project was reported as fully leased by the end of August 2021. Sales staff report no leasing incentives were offered.

Below is a brief unit mix and initial and current asking rates. The monthly rents range from \$2,000 to \$4,500 per month or \$3.81 to \$5.18 per sq.ft., for a range of unit sizes between 443 and 905 sq.ft.

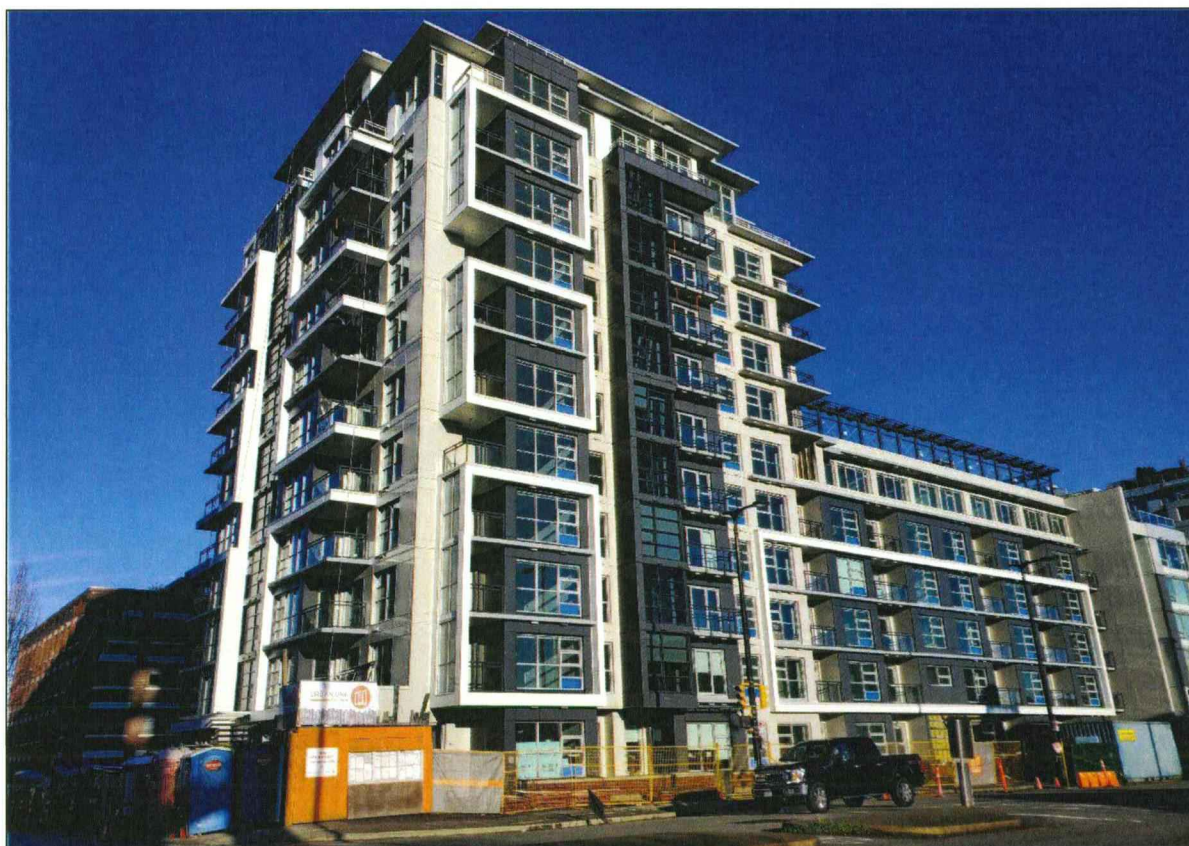
The project's most-recently available units for June 2022, for lease commencement in July 2022, are illustrated in the chart below. A compact junior 1-bedroom unit of 443 sq.ft. is listed at \$2,150 per month or \$4.85 per sq.ft. Whilst two 2-bedroom layouts of 696 and 824 sq.ft. are listed at \$3,350 and \$3,645 per sq.ft., respectively.

Lease-up period average per Zonda Urban							May 2022 asking rates per subject & rental websites			
Unit type	Count	Size range (SF)	Avg. rent range	Avg. rent	Avg. rent range PSF	Avg. rent PSF	Size	Asking rent	Asking rent PSF*	Recent listing history^
Jr 1 Bed	23	541 - 541	\$2,075 - \$2,495	\$2,285	\$3.84 - \$4.61	\$4.23	n/a	n/a	n/a	\$4.92
Jr 1 Bed	46	443 - 443	\$2,000 - \$2,295	\$2,148	\$4.51 - \$5.18	\$4.85	443	\$2,150	\$4.85	\$5.01
Jr 2 Bed	23	696 - 700	\$2,650 - \$2,920	\$2,785	\$3.81 - \$4.17	\$3.99	696	\$3,350	\$4.81	\$5.07
2 Bd	23	824 - 830	\$3,235 - \$3,540	\$3,388	\$3.93 - \$4.27	\$4.10	n/a	n/a	n/a	\$4.97
3 Bd	1	905	\$4,500 - \$4,500	\$4,500	\$4.97 - \$4.97	\$4.97	n/a	n/a	n/a	\$4.97
<b>Total/Avg.</b>	<b>116</b>			<b>\$2,502</b>		<b>\$4.22</b>		<b>\$2,550</b>	<b>\$4.84</b>	<b>\$5.00</b>

In addition to the above rental rates, sales staff report car parking stalls at \$175 per stall per month and additional storage at \$25 per unit per month.

The comparable is located in Vancouver West and provides premium rental finish, similar to that expected of the subject units. The comparable is felt to provide strong market support for the subject's market rental units.



**COMPARABLE TWO: "W2" AT 371 WEST 2ND AVENUE, VANCOUVER**

"W2" is a 6 to 12-storey purpose built rental project by Aurmon Development. The project consists of 128 rental units ranging in size from 316 to 1,913 sq.ft. Unit layouts include a range of 1-bedroom, junior 2-bedroom, 2-bedroom and 3-bedroom layouts with some layout types also including a den space. The W2 project illustrates an overall average unit size at 724 sq.ft.

Interior finish includes but are not limited to laminate and tile flooring throughout, quartz countertops, stainless steel kitchen appliances (Fisher & Paykey, Bosch, Samsung, Blomberg), insuite laundry, forced air heating and central A/C. Parking is available within the secured underground parkade at \$150 per stall per month.

The project commenced pre-leasing at the end of March 2021 and finished construction in circa May 2021. By the end of 2021 there were 212 units leased, by the end of Q1-2022 there were 125 units leased and 3 that remain available. Sales staff report no leasing incentives were offered.



Below is a brief unit mix with initial rental rates as of the end of March 2022:

Plan Type	Bths	# Stalls	Rlsd	%	Leased	Available	Min SF	Max SF	Min \$	Max \$	Min \$psf	Max \$psf
1Bd	1	n/a	50	39%			509	672	\$1,950	\$2,525	\$3.83	\$3.76
1+Den	1	n/a	30	23%			566	631	\$2,350	\$2,600	\$4.15	\$4.12
Jr 2 Bed	1	n/a	6	5%			651	651	\$2,550	\$2,600	\$3.92	\$3.99
2Bd	2	n/a	27	21%			780	837	\$3,100	\$3,400	\$3.97	\$4.06
2+Den	2	n/a	4	3%			896	896	\$3,500	\$3,625	\$3.91	\$4.05
3Bd	2	n/a	4	3%			1,145	1,145	\$4,400	\$4,550	\$3.84	\$3.97
PH-2 Bd	2	1	2	2%			1,016	1,054	\$4,500	\$0	\$4.43	\$0.00
PH-3 Bd	3	1	5	4%			1,686	1,913	\$7,100	\$7,750	\$4.21	\$4.05
<b>Totals/Averages:</b>			<b>128</b>	<b>0</b>			<b>724</b>		<b>\$2,867</b>		<b>\$3.96</b>	

The monthly rents reportedly range from \$1,950 to \$7,750 per month or \$3.76 to \$4.43 per sq.ft., illustrating a blended monthly average of \$3.96 per sq.ft.

Storage lockers are available to be leased separately at \$50 per locker per month. Vehicle parking is optional at \$150 per month per stall.

The comparable project is located further northeast of the subject in the False Creek Neighborhood. It is our observation that the units within the comparable building are generally larger in size. The subject units are expected to be more compact, and located within the Oakridge Canada Line transit centre hub, within close proximity to the Oakridge Centre redevelopment. The locational appeal is considered to be superior to the comparable, and we have concluded at a generally higher rental range for the subject units.

**COMPARABLE THREE: "ARBUTUS RESIDENCES - BLOCK A" AT 4375 ARBUTUS STREET, VANCOUVER**

"Arbutus Residences – Block A" is a mixed-use project by Larco Group. The project comprises ground floor commercial retail space and 109 rental units within an 8-storey concrete-framed building. The rental units range in size from 565 sq.ft. for the smallest 1-bedroom layout up to 2,700 sq.ft. for the largest 3-bedroom plus den penthouse layout, with a reported average of 885 sq.ft. The project completed construction in May 2021.

Interior finish includes but are not limited to laminate and tile flooring throughout, quartz countertops, laminate cabinetry, stainless steel kitchen appliances, in-suite laundry and forced heat.

The pre-leasing phase was reported on April 2, 2021, and the most recently released data from the end of Q1 2022 stated 77 units have been lease with 32 which remain available. Rental incentives were offered over 2021, including a half month rent free and a credit of between \$250-\$500 depending on unit type. Over Q1 2022 rental incentives were amended to include a half month rent free, or a full month on 2-year leases, and only a \$250 credit and bonuses for all unit types.



Below is a unit mix with initial rental rates within the development, as of the end of March 2022:

Plan Type	Bths	# Stalls	Rlsc	%	Leased	Available	Min SF	Max SF	Min \$	Max \$	Min \$psf	Max \$psf
1 Bd	1	n/a	40	37%			565	740	\$2,480	\$3,170	\$4.39	\$4.28
2 Bd	2	n/a	60	55%			900	1,120	\$3,375	\$5,010	\$3.75	\$4.47
2+Den	2	n/a	4	4%			1,340	1,340	\$5,995	\$6,595	\$4.47	\$4.92
PH-3 Bd	2	n/a	3	3%			1,375	1,615	\$7,630	\$8,590	\$5.55	\$5.32
PH-3+Den	3.5	n/a	1	1%			2,700	2,700	\$18,900	\$18,900	\$7.00	\$7.00
PH-4 Bd+	3	n/a	1	1%			1,525	1,525	\$10,895	\$10,895	\$7.14	\$7.14
<b>Totals/Averages:</b>			<b>109</b>		<b>0</b>		<b>885</b>		<b>\$3,593</b>		<b>\$4.06</b>	

The monthly rents range from \$2,480 to \$18,900 per month or \$3.75 to \$7.14 per sq.ft., illustrating a blended monthly average of \$4.06 per sq.ft. The higher end of the range at \$5.32 per sq.ft. and above are established by the 3 and 4-bedroom penthouse units, and have not been considered in our analysis.

Vehicle parking is stated separately at \$150 per stall per month as well as storage lockers at \$105 per locker per month.

### Analysis

The comparable highlights the most recently released project located in the Arbutus Ridge Neighborhood, northwest of the subject. The locational appeal of this project is considered to be superior when compared to the subject. The comparable is newly constructed but provides a lower building height and the units are generally larger in size than as typically seen for newly built projects.

The 1-bedroom units range from 565 to 740 sq.ft. and have monthly rental rates from \$2,480 to \$3,170, or \$4.28 to \$4.39 per sq.ft. The 2-bedroom and 2-bedroom plus den units within the comparable range from 900 to 1,340 sq.ft. and have reported rental rates between \$3,375 and \$6,595 per month, or \$3.75 to \$4.92 per sq.ft. Overall the comparable is felt to provide superior rental evidence for the subject project.



**COMPARABLE FOUR: "M28 CHARLIE" AT 212 EAST 28TH AVENUE. VANCOUVER**

"M28 Charlie" is a 4-storey, wood-framed rental project by M28 Holdings Ltd. The project comprises 21 market rental units and a restaurant at the ground floor. The rental units range in size from 462 to 809 sq.ft. with an average of 636 sq.ft. for the residential component. Accommodations include studio, 1-bedroom, and 2-bedroom layouts. The project construction is presently at interior finishing stage with first occupancy reportedly commencing on August 1, 2022.

Interior finishes include, but are not limited to: laminate flooring, Quartz countertops, sound-proof windows, electronic thermostat, dishwasher, bottom-freezer fridge, induction cooktop, double kitchen sink, bathtub and shower, and in-suite laundry. On-site amenities include a BBQ area, bike storage, elevator, and a 50% saving on TELUS PureFiber Internet 300 & Optik TV Essentials.



After recently launching a pre-leasing campaign in early May 2022, the project leasing team reports 17 of the 21 units have been leased, of which, all of the 2-bedroom and studio units have been pre-leased, with the remaining four units being 1-bedroom units. Sales staff also report that no leasing incentives are offered. The project is currently leasing at an overall average of \$4.10 per sq.ft.

Plan Type	Bths	# Stalls	Rlsd	%	Leased	Available	Min SF	Max SF	Min \$	Max \$	Min \$psf	Max \$psf
Studio	1	n/a	1	5%	1	0	462	462	\$1,850	\$1,850	\$4.00	\$4.00
1Bd	1	n/a	13	62%	9	4	531	613	\$2,250	\$2,550	\$4.24	\$4.16
2Bd	2	n/a	7	33%	7	0	771	809	\$2,850	\$3,200	\$3.70	\$3.96
<b>Totals/Averages:</b>			<b>21</b>		<b>17</b>	<b>4</b>	<b>636</b>		<b>\$2,608</b>		<b>\$4.10</b>	

Parking and storage lockers are not included in the monthly rent but can be leased separately at \$100 per car parking stall and \$50 per locker per month.

### Analysis

The comparable offers an inferior locational appeal in Vancouver East. Further, the comparable building is of wood frame construction, suggesting significantly inferior residential appeal. The recent lease data provides good support of the current rental market conditions, but after an upward adjustment for building height, construction type and location, a higher average rental rate is to be expected for the subject's market rental units.



**COMPARABLE FIVE: "2525 STEPHENS" AT 2525 STEPHENS STREET, VANCOUVER**

"2525 Stephens" is a 4-storey purpose built rental project proposed by Prospero International Realty. The project consists of 13 rental units ranging in size from 498 to 886 sq.ft. Unit accommodation includes studio, 1-bedroom, 2-bedroom and 3-bedroom layouts, illustrating a project average at 596 sq.ft. The development was ready for occupancy in February 2022.

Interior finish includes but are not limited to 8'6" ceiling height, laminate and tile flooring throughout, quartz countertops, laminate cabinets, integrated stainless steel kitchen appliances, in-suite laundry and central heating & AC. There is also one share car that tenants will have access to





"2525 Stephens" began lease in early December 2021 and became fully leased after renting out its last four units (two 2-bedroom units and two studios) over Q1 2022. The monthly rents reportedly range from \$1,925 to \$3,650 per month or \$3.47 to \$4.70 per sq.ft. The overall building leased at a blended average of \$4.16 per sq.ft.

Plan Type	Bths	# Stalls	Rlsd	%	Leased	Available	Min SF	Max SF	Min \$	Max \$	Min \$psf	Max \$psf
1 Bd	1	n/a	5	38%	5	0	498	556	\$2,145	\$2,250	\$4.31	\$4.05
2 Bd	2	n/a	3	23%	3	0	666	854	\$2,950	\$3,550	\$4.43	\$4.16
3 Bd	2	n/a	1	8%	1	0	886	886	\$3,650	\$3,650	\$4.12	\$4.12
Studio	1	n/a	4	31%	4	0	410	575	\$1,925	\$1,995	\$4.70	\$3.47
<b>Totals/Averages:</b>			<b>13</b>		<b>13</b>	<b>0</b>	<b>596</b>		<b>\$2,479</b>		<b>\$4.16</b>	

Parking is available within the secured underground parkade at \$130 per stall per month. Additional storage available at \$15 per locker per month.

### Analysis

The comparable project is located in the Kitsilano neighbourhood right along the 99-bus line that provides easy access to UBC. Target tenants are UBC students, young professionals, and local mature downsizers.

The project's studio layouts achieved monthly rental rates from \$1,925 to \$1,995 for units sized between 410 and 575 sq.ft., illustrating from \$3.47 to \$4.70 per sq.ft. The 1-bedroom units achieved monthly rental rates from \$2,145 to \$2,250 for units sized between 498 and 556 sq.ft., illustrating from \$4.05 to \$4.31 per sq.ft. Whilst 2-bedroom layouts achieved monthly rental rates from \$2,950 to \$3,550 for units sized between 666 and 854 sq.ft., illustrating from \$4.16 to \$4.43 per sq.ft.

The comparable rental rates provide inferior market rental evidence for the subject units given the inferior construction type and building height. As well, the subject location is considered to offer superior appeal given it is within a major transit hub area, connecting to different parts of the Lower Mainland, as well as the superior commercial and community establishment to be provided in the newer developments in the immediate area, including Oakridge Centre.

### 280 Market Rental Units

Upon completion, the units will comprise good quality finishing within a new purpose-built rental building. The subject's location is within proximity to public transportation routes. Additional parking is assumed to be provided by a multi-level underground parking structure. The subject project will be easily accessed and within proximity to various shopping, public amenities and commercial services. The 280 market rental units at the subject are anticipated to offer various studio, 1 bedroom and 2 bedroom accommodations.

When drawing comparison between the proposed subject development and the comparable projects, we have considered the size of the units, general location, interior finish and age of the buildings. The subject project is anticipated to offer typical rental accommodation for the Vancouver West market, with good quality interior finish consistent with other purpose-built rental products in the surrounding areas.

Based on such, the rental income from the 280 market rental units, assuming the proposed project is completed and the units are ready for occupancy as of the effective date of this appraisal, is calculated as below:

Projected Residential Rental Income - At Market Rental Units

Unit Type	No. of Units	Total Rentable Area (Sq.Ft.)	Average Per Unit Rentable Area (Sq.Ft.)	Estimated Average Monthly Rental Rates Per Unit	Estimated Annual Rental Income	Estimated Average Rent/Sq.Ft.
<u>273 Secured Market Rental Units</u>						
Studio	70			\$2,250	\$1,890,000	
1 Bedroom	112	167,960	600	\$2,600	\$3,494,400	\$4.77
2 Bedroom	98			\$3,600	\$4,233,600	
<b>Total No. of At Market Rental Units</b>						<b>280</b>
<b>Average At Market Rentable Area Per Unit:</b>						<b>600</b>
<b>Total At Market Rentable Area (Sq.Ft.):</b>						<b>167,960</b>
<b>Total Estimated At Market Rent Per Annum:</b>						<b>\$9,618,000</b>
<b>Average At Market Rent Per Unit Per Month</b>						<b>\$2,863</b>
<b>Average At Market Rent Per Sq.Ft.</b>						<b>\$4.77</b>

The estimated monthly rents are compared against the comparable rental information below. They appear to be generally supported by the market data collected.

Unit Type	Subject Monthly Rental Estimates 5576 - 5686 Alberta Street	Comparable 1 Viridian 12-Storey 1783 W 14th Avenue	Comparable 2 W2 6 to 12-Storey 371 W 2nd Avenue	Comparable 3 Arbutus Residences 8-Storey 4375 Arbutus Street	Comparable 4 M28 Charlie 4-Storey 212 E 28th Avenue	Comparable 5 2525 Stephans 4-Storey 2525 Stephans Street
Studio	\$2,250	n/a	n/a	n/a	\$1,850	\$1,925 - \$1,995
1 Bedroom	\$2,600	\$2,000 - \$2,495	\$1,950 - \$2,600	\$2,480 - \$3,170	\$2,250 - \$2,550	\$2,145 - \$2,250
2 Bedroom	\$3,600	\$2,650 - \$3,645	\$2,550 - \$3,625	\$3,375 - \$6,595	\$2,850 - \$3,200	\$2,950 - \$3,550
3 Bedroom+	n/a	\$4,500	\$4,400 - \$4,550	\$7,630 - \$18,900	n/a	\$3,650

**MISCELLANEOUS INCOME**

Parking stalls are typically offered at \$125 to \$175 per month from other purpose-built rental buildings in Vancouver West. According to our client, the subject development will provide 75 residential parking stalls for the residential rental units at the project, plus 17 visitor stalls. We have projected an average rate of **\$175 per stall per month** for the 75 residential parking stalls which is consistent with the current market range established by other similar, newer purpose-built rental projects in Vancouver West, excluding the 17 visitor stalls.

We have also estimated a total of 50 storage lockers. Other purpose-built rental buildings in Vancouver West generally offer on-site bicycle and storage lockers at monthly rents between \$25 and **\$105 per month**. We have projected **\$50 per month per storage locker**. It is assumed that bicycle stalls will be allocated. This appears to be consistent with the common practice in the local market.

**VACANCY ALLOWANCE**

Rental income reflects the property's fully occupied income; however, income properties may not be fully occupied over their economic lives and vacancy and collection losses must be considered. The "vacancy rate" is normally expressed as a percentage and reflects conditions in the market. There is a high demand for rental accommodation throughout the City of Vancouver West. 2019 and 2020 average vacancy rates for the subject area as reported by CMHC are shown on the following page, as well as the most recent data for 2021.

<b>CMHC Rental Market Report</b>			
<b>Apartments: Vacancy Rates by %</b>			
<b>South Granville/Oak</b>	Oct-19	Oct-20	<b>Oct-21</b>
Studio	0.3%	2.9%	<b>0.6%</b>
1 Bedroom	0.5%	2.4%	<b>0.8%</b>
2 Bedroom	0.7%	2.0%	-
3 Bedroom +	0.0%	-	<b>0.0%</b>
<b>Marpole</b>	Oct-19	Oct-20	<b>Oct-21</b>
Studio	0.0%	1.5%	<b>1.1%</b>
1 Bedroom	1.1%	1.1%	<b>0.3%</b>
2 Bedroom	1.3%	0.8%	<b>0.5%</b>
3 Bedroom +	0.0%	0.0%	<b>0.0%</b>
<b>Mount Pleasant/Renfrew Heights</b>	Oct-19	Oct-20	<b>Oct-21</b>
Studio	1.2%	1.3%	<b>0.8%</b>
1 Bedroom	1.2%	1.3%	<b>0.9%</b>
2 Bedroom	2.1%	2.1%	<b>0.8%</b>
3 Bedroom +	0.0%	0.0%	<b>0.0%</b>



Based on CMHC statistics, Vancouver West vacancy saw an increase over 2020 in line with the beginning of social distancing measures, with 2021 recording a notable decrease closer to pre-pandemic levels. The subject proposes new construction of purpose-built rental accommodation, in a desirable neighbourhood in the City of Vancouver, within proximity to Oakridge Mall, the SkyTrain network, parks, schools, Downtown Vancouver and other surrounding Cities.

It is also observed that newly built rental projects in the subject area and surrounding neighbourhoods area are experiencing high absorption rates on initial lease-ups. The most recently released rental project from May 2022 in proximity to the subject site is "M28 Charlie" a 21-unit project at 212 East 28th Avenue which was 80% leased (17 units) within less than 1 month of the pre-leasing phase. The 13-unit project at "2525 Stephens" launched in early December 2021 and was fully leased by the end of March 2022. "W2" is a larger 128-unit project that launched in early April 2021 and was 95% leased by the end of the year reflecting an average absorption rate of 17 units per month.

Considering these factors and 2019/2021 CMHC statistics, we have adopted a long-term stabilized vacancy rate and collection loss of 1.0% for the subject's proposed at-market rental units, based on the estimated market rents as of the effective date of valuation, and 0.5% based on BC Housing Rates given the waiting lists for this type of housing.

#### **OPERATING EXPENSES**

Residential leases are typically stated on a semi-gross basis with the landlord paying for property taxes, insurance, maintenance, management, advertising and repairs.

An Income and Expense Statement is not available, and the subject market rental components do not yet have an operating history. Operating expenses for newer purpose built rental buildings typically range from 16% to 22% of gross effective income as the newer buildings are generally energy efficient. The upper end of the range is often defined by affordable rental projects with below market rents.

We assume that the units within the proposed building will be placed under a housing covenant restricting the use to rental purposes only and prohibiting sales of individual units. We assume each unit will be individually metered and tenants will pay for their own electricity, heat, telephone, internet and cable.

In conclusion, we have projected the following operating expenses based on our experience with similar projects.

An estimated operating expense schedule for the market rental component is shown below:

Total Effective Gross Income (280 Market Rental Units) <u>Less:</u> Operating Expenses:			
	<u>Per Unit</u>	<u>% of EGI</u>	<u>Per Annum</u>
Property Management	\$1,020	3.0%	\$285,655
Caretaker	\$612	1.8%	\$171,393
Insurance	\$680	2.0%	\$190,436
Property Taxes	\$2,721	8.0%	\$761,746
Repairs and Maintenance	\$680	2.0%	\$190,436
<u>Other Costs:</u>			
Advertising, Office & Misc, Fire & Safety, Security etc.			
Total:	\$544	1.6%	\$152,349
<u>Utilities:</u>			
Hydro, Gas, Water/Sewer	\$544	1.6%	\$152,349
<b>Total:</b>	<b>\$6,801</b>		<b>\$1,904,364</b>
			<b>20.0% of EGI</b>

An estimated operating expense schedule for the Moderate Income rental component is shown below:

Total Effective Gross Income (69 Below Market Rental Units) <u>Less:</u> Operating Expenses:			
	<u>Per Unit</u>	<u>% of EGI</u>	<u>Per Annum</u>
Property Management	\$1,034	5.5%	\$71,331
Caretaker	\$564	3.0%	\$38,908
Insurance	\$564	3.0%	\$38,908
Property Taxes	\$1,128	6.0%	\$77,815
Repairs and Maintenance	\$564	3.0%	\$38,908
<u>Other Costs:</u>			
Advertising, Office & Misc, Fire & Safety, Security etc.			
Total:	\$507	2.7%	\$35,017
<u>Utilities:</u>			
Hydro, Gas, Water/Sewer	\$526	2.8%	\$36,314
<b>Total:</b>	<b>\$4,887</b>		<b>\$337,200</b>
			<b>26.0% of EGI</b>

Based on the previous analysis, the projected net operating income from the subject building has been estimated as:

<b>5576 - 5686 Alberta Street, Vancouver, BC</b>					
<b>280 Market Rental Units - Projected Net Income</b>					
<b>As At June 16, 2022</b>					
<b>GROSS ANNUAL INCOME</b>					
<u>280 Market Rental Units</u>					
Market Rental - Concrete, High Rise	280 Units	167,960 sq.ft.	x	Avg Monthly Per Sq.Ft. \$4.77 per month	Per Annum \$9,618,000
<b>Total:</b>					<b>\$9,618,000</b>
<u>Additional Income</u>					
Parking Stalls	75 Stalls			Per Stall/Per Locker \$175 per month	\$157,500
Storage Lockers	50 Lockers			\$50 per month	<u>\$30,000</u>
<b>Totals:</b>					<b>\$187,500</b>
<b>Total Projected Gross Income:</b>					
					<b>\$9,805,500</b>
<u>Estimated Vacancy - At Market Rates</u>					
			1.00%		Per Annum \$96,180
<u>Estimated Vacancy - Parking/Lockers</u>					
			1.00%		\$1,875
					<b>\$98,055</b>
<b>Total Effective Gross Income:</b>					
					<b>\$9,707,445</b>
<b>Less: Non-Recoverable Operating Expenses</b>					
Total Effective Gross Income (280 Market Rental Units) Less: Operating Expenses:					
			<u>Per Unit</u>	<u>% of EGI</u>	<u>Per Annum</u>
Property Management			\$1,020	3.0%	\$285,655
Caretaker			\$612	1.8%	\$171,393
Insurance			\$680	2.0%	\$190,436
Property Taxes			\$2,721	8.0%	\$761,746
Repairs and Maintenance			\$680	2.0%	\$190,436
<u>Other Costs:</u>					
Advertising, Office & Misc, Fire & Safety, Security etc.					
Total:			\$544	1.6%	\$152,349
<u>Utilities:</u>					
Hydro, Gas, Water/Sewer					
Total:			\$544	1.6%	\$152,349
<b>Total:</b>			<b>\$6,801</b>		<b>\$1,904,364</b>
				<b>20.0% of EGI</b>	
<b>Projected Net Operating Income</b>					
					<b>\$7,803,081</b>



5576 - 5686 Alberta Street, Vancouver, BC					
69 Below Market Rental Units - Average DCL/MIRHPP Rates					
As At June 16, 2022					
<b>GROSS ANNUAL INCOME</b>					
69 Below Market Rental Units					
Below Market Rental - Concrete, High Rise	69 Units	41,990 sq.ft.	x	\$2.59 per month	\$1,303,440
<b>Total Projected Gross Income:</b>					<b>\$1,303,440</b>
Estimated Vacancy - Below Market Rates					0.50%
					Per Annum \$6,517
					<b>\$6,517</b>
<b>Total Effective Gross Income:</b>					<b>\$1,296,923</b>
<b>Less: Non-Recoverable Operating Expenses</b>					
Total Effective Gross Income (69 Below Market Rental Units) Less: Operating Expenses:					
		<u>Per Unit</u>	<u>% of EGI</u>	<u>Per Annum</u>	
Property Management		\$1,034	5.5%	\$71,331	
Caretaker		\$564	3.0%	\$38,908	
Insurance		\$564	3.0%	\$38,908	
Property Taxes		\$1,128	6.0%	\$77,815	
Repairs and Maintenance		\$564	3.0%	\$38,908	
<u>Other Costs:</u>					
Advertising, Office & Misc, Fire & Safety, Security etc.					
Total:		\$507	2.7%	\$35,017	
<u>Utilities:</u>					
Hydro, Gas, Water/Sewer					
Total:		\$526	2.8%	\$36,314	
<b>Total:</b>		<b>\$4,887</b>		<b>\$337,200</b>	<b>\$337,200</b>
				<b>26.0% of EGI</b>	
<b>Projected Net Operating Income</b>					<b>\$959,723</b>

For the purpose of this appraisal, we have assumed the proposed project is complete and ready for occupancy as of the effective date of this appraisal.

### **ANALYSIS OF CAPITALIZATION RATES**

Capitalization is defined in "Introduction to Real Estate Appraising" published by the Appraisal Institute of Canada, as follows:

*"Capitalization, in the appraisal of real estate, may be defined as the process of converting into a present worth a series of anticipated future installments of income by the application of a factor, referred to either as a capitalization rate or a present worth factor, depending upon the process used".*

A capitalization rate is a conversion factor, appropriate to the property being appraised that is applied to the income stream to convert it into an indication of the market value of a property. In the capitalization process, the following steps are required:

- selection of a method of deriving the capitalization rate
- selection of an appropriate method of capitalization
- analysis of the market for the factors involved

### **SELECTION OF A CAPITALIZATION RATE**

Through the analysis of comparable sales, ratios between selling prices in the marketplace and the net operating income of the property being sold can be derived. With consideration given to the degree of comparability in each instance, these ratios can provide an indication of the overall rate that is applicable. Where comparable sales exist, this method is widely accepted and used in the appraisal of income-producing properties since it is considered reliable, objective, and easily supported.

These comparables are summarized on the following pages and are considered to provide a general range of indication of capitalization rates for rental investment properties within and near the subject area.

No.	Address	Sale Price Sale Date	Stablized Net Income	# of Units	Price Per Unit	Year Built	Capitalization Rate
1	<b>The Duke Apartments</b> 333 East 11th Avenue Vancouver	\$120,000,000 Mar-20	\$3,840,000	201	\$597,015	2018	3.20%
2	<b>MC2</b> 8101 Nunavut Lane & 488 West 64th Avenue Vancouver	\$48,500,000 Oct-20	\$1,731,450	110	\$440,909	2016	3.57%
3	<b>Park West</b> 1869 Comox Street Vancouver	\$40,800,000 Apr-21	\$985,691	86	\$474,419	1967	2.42%
4	<b>The Tallinn</b> 1155 Beach Avenue Vancouver	\$91,000,000 Jul-21	\$1,929,200	151	\$602,649	1968	2.12%
5	<b>Martello Tower</b> 1001 Beach Avenue Vancouver	\$135,000,000 Apr-21	\$3,375,000	220	\$613,636	1968	2.50%
6	<b>Riverport Flats</b> 14000 & 14088 Riverport Way Richmond	\$45,465,000 Feb-21	\$1,727,670	135	\$336,778	2011	3.80%
7	<b>Hawthorne at Timber Court</b> 2670 Library Lane North Vancouver	\$54,450,000 Oct-21	\$2,069,100	75	\$726,000	2020	3.80%
8	<b>Sundance Apartments</b> 143 East 21st Street North Vancouver	\$55,500,000 Mar-21	\$2,101,827	99	\$560,606	2017	3.79%
	<b>Minimum:</b>			<b>75</b>			<b>2.12%</b>
	<b>Maximum:</b>			<b>220</b>			<b>3.80%</b>
	<b>Average:</b>						<b>3.15%</b>

In estimating a capitalization rate for the subject, assuming construction is 100% complete as of the effective date of this appraisal, we have analyzed the preceding comparables with consideration to the following items:

- The overall subject development is well located within the Oakridge neighbourhood of Vancouver West;
- The subject property is well situated on the east side of Alberta Street, between West 39th and West 41st Avenues, close to urban and public amenities, schools and public transportation including the Canada Line Skytrain;
- The subject site is within proximity to major arterials connecting the subject site to Downtown Vancouver, UBC, Richmond and Vancouver East;



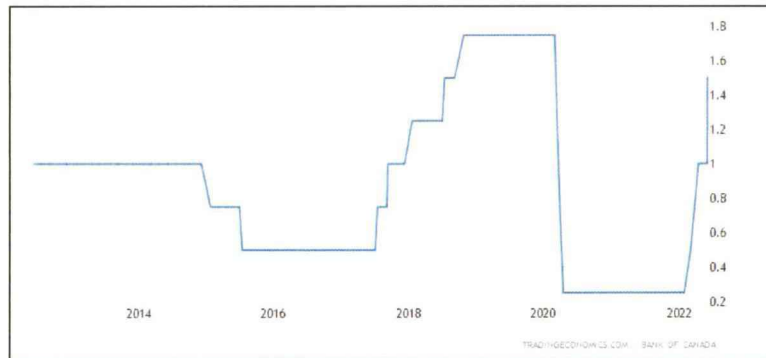
- Demand for residential rental accommodation within Vancouver and Metro Vancouver is high;
- The subject residential project will be demised into 280 secured market rental apartments plus 69 Moderate Income rental apartments;
- Upon completion, the subject residential project will offer good market appeal given its age upon completion and is expected to have good demand within the Vancouver West market;

One important consideration in our analysis is older purpose-built rental complexes would typically achieve below market rents, indicating rental upsides in the near future as tenant turnover occurs. The subject 280 secured market rental units will offer newer purpose-built rental accommodation with market rental rates, which would typically demand a higher capitalization rate, as well as 69 Moderate Income rental apartments in compliance with DCL/MIRHPP maximum rates, which would typically result in a lower capitalization rate given these type of housing would likely receiving favorable borrowing rates and lower risks.

When considering the capitalization rate market data, we have been cognizant of the recent changes in macro-economic policy that have been undertaken by the Bank of Canada. Although real estate values are influenced by the supply and demand for properties in a given locale, prices are also strongly influenced by investors' cost of capital, as most assets are levered with financing to some degree. Furthermore, as interest rates rise and fall, risk free returns (i.e., government bond yields) change.

As noted, Bank of Canada responded to the COVID-19 pandemic by dropping overnight rates to a historic low of 0.25% in March 2020. In March 2022, Bank of Canada raised overnight rate for the first time in two years, to 0.50%, followed to two more increases of 0.50% each, in April and June 2022. The current overnight rate in Canada is 1.50%.

An excerpt is available below outlining the Bank of Canada's interest rate projections which would suggest another increase in overnight rate in later 2022. It is also evident that the bond yields have moved up following the positive changes to the overnight rate.



Acquisitions of commercial properties are occurring throughout the Lower Mainland as there appears to be high demand from investors; however with the consecutive increases in overnight rates, it is expected that the cap rate compression will slow down, and begin to stabilize or even edge up.

**Comparables 1 and 2** are located within the general proximity to the subject. They both include newer purpose built rental buildings that are generally similar to the subject development. A range of cap rates from 3.20% to 3.57% has been reflected by these transactions. We have considered the current strong rental market, but also the higher borrowing costs with the recent interest rate hikes. A higher cap rate is concluded for the subject project.

**Comparables 3, 4 and 5** illustrate a lower range in capitalization rates from 2.12% to 2.50%. The transactions involve high rise, concrete rental towers that are older, but are located within the superior Downtown neighbourhood. A general upward adjustment would be required for their location, and the market change since their sale dates in 20212.

**Comparables 6, 7 and 8** provide secondary support for the subject project. These buildings are located within the suburban markets of Richmond and North Vancouver. They include newly constructed or newer rental buildings. Given their inferior location, these investment transactions resulted in a higher cap rate range from 3.79% to 3.80%. A downward adjustment is required to reflect the superior location and investment appeal of the subject project, within the MTC Oakridge Transit hub area in Vancouver; however, offset upward adjustment is also considered for the recent interest rate increases.

**SUMMARY**

In estimating a capitalization rate for the subject, assuming construction is 100% complete as of the effective date of this appraisal, we have analyzed the preceding comparables which established a range of capitalization rates from 2.12% to 3.80%. We have not yet observed any transaction of similar properties since the interest rate increase in March 2022.

Based on our observations and knowledge of the market generally, it is our opinion that a capitalization rate within the market range, such as 3.65% is appropriate for the subject project in order to derive our estimate of value using the Direct Capitalization method. In consideration of the preceding analysis, the value of the subject proposed development, as if completed and ready for occupancy as of the effective date of this appraisal, as indicated by the Direct Capitalization method as of June 16, 2022, would be calculated as follows:

**280 Market Rental Units**

<u>ESTIMATED NET OPERATING INCOME</u>	=	<u>=\$7,803,081</u>
OVERALL RATE		<u>3.65%</u>
=		<b>\$213,783,041</b>
or		\$763,510.86 per unit

**69 Moderate Income Rental Units**

<u>ESTIMATED NET OPERATING INCOME</u>	=	<u>=\$959,723</u>
OVERALL RATE		<u>3.65%</u>
=		<b>\$26,293,781</b>
or		\$381,069.29 per unit

**Total:**

DESCRIPTION	Rentable Areas (sq.ft.)	Per sq.ft.	Subtotals	Total/sq.ft.	Totals
<b><u>REVENUE</u></b>					
Estimated Revenue					
280 At Market Rental Units	167,960	\$1,272.82	\$213,783,041		
69 Below Market Rental Units	41,990	\$626.19	\$26,293,781		
<b>Total Estimated Project Revenue (excl. GST)</b>	<b>209,950</b>			<b>\$1,143.50</b>	<b>\$240,076,822</b>



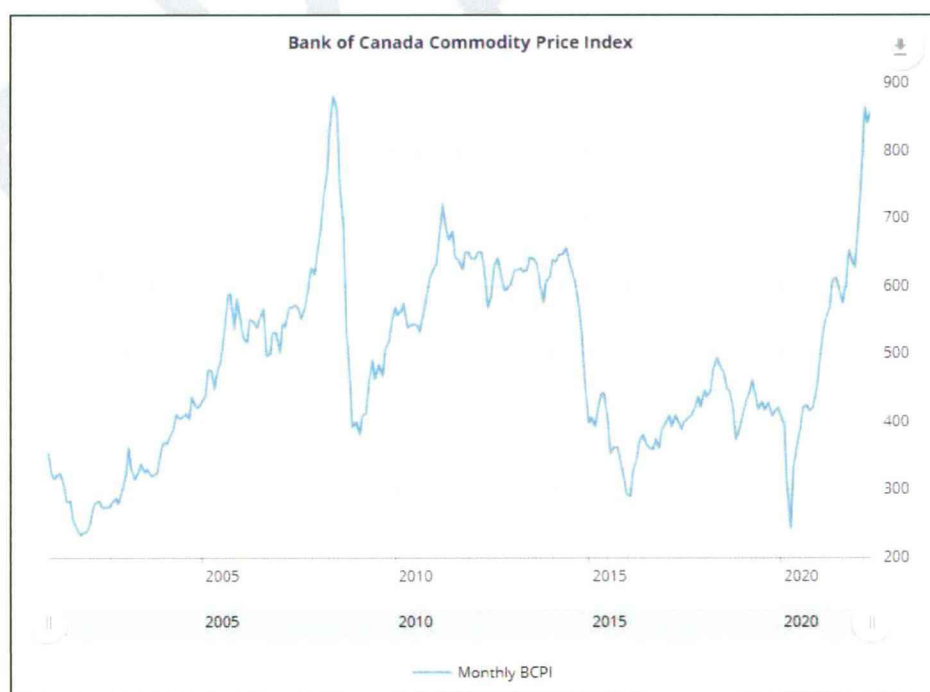
## DEVELOPMENT COSTS

### (i) HARD COSTS

The Hard Costs of construction generally include all aspects of physically constructing the development such as the labour and materials used in the construction of the building, on and off-site servicing, landscaping etc. We assume the subject will offer competitive finish and comparable features in the local market. This has been calculated based on the gross buildable area of the subject project, at 33,748 sq.ft. (for construction calculations).

It has been widely reported by developers that hard construction costs within the Vancouver area have increased tremendously since the beginning of the COVID-19 social distancing restrictions in March 2020. Cost pressures have stemmed from broken supply chains, labour shortages, higher commodity process and high demand.

The Bank of Canada commodity price index (BCPI) combines transaction prices from of 26 commodities produced in Canada, including energy, metal/minerals and forestry. Following a sharp decline in early 2020, prices have overall recorded a sharp increase since May 2020, far above pre-pandemic levels.



Last year, the Market Intelligence Report 2021 published by BTY projected hard costs for BC in 2021 at between \$264 and \$315 per buildable sq.ft. for high-rise residential rental projects. In comparison, the recently released 2022 Report by BTY reveals actual hard construction costs for 2021 at between \$268 and \$321 per buildable sq.ft. for high-rise residential rental projects. The forecasted costs for 2022 illustrates a further increase, from \$287 to \$343 per sq.ft. for this type of development.

BTY – 2021 Actual and 2022 Forecasts

PROJECT CATEGORY	BRITISH COLUMBIA			
	ACTUAL 2021		FORECAST 2022	
	\$/m <sup>2</sup>	\$/sq.ft.	\$/m <sup>2</sup>	\$/sq.ft.
<b>HIGH-RISE RESIDENTIAL</b>				
Rental Units	2,890 - 3,450	268 - 321	3,090 - 3,690	287 - 343
Market Units Mid End Specifications	3,420 - 3,940	318 - 366	3,660 - 4,220	340 - 392
Market Units High End Specifications	3,690 - 4,790	343 - 445	3,950 - 5,130	367 - 477
<b>LOW- &amp; MID-RISE RESIDENTIAL</b>				
Rental Units	2,180 - 2,540	203 - 236	2,400 - 2,790	223 - 259
Market Units Mid End Specifications	2,620 - 4,220	243 - 392	2,880 - 4,640	268 - 431
Market Units High End Specifications	3,780 - 4,720	351 - 439	4,160 - 5,190	386 - 482
<b>TOWNHOUSES (WOOD FRAME)</b>				
Rental Units	1,770 - 2,230	164 - 207	1,950 - 2,450	181 - 228
Market Units Mid End Specifications	1,940 - 2,540	180 - 236	2,130 - 2,790	198 - 259
Market Units High End Specifications	2,290 - 3,170	213 - 295	2,520 - 3,490	234 - 324

-2022 Market Intelligence Report – BTY

Given the current inflation and continued rising costs, we have estimated total hard costs at **\$400.00 per buildable sq.ft.** (247,000 sq.ft for FSR calculation), which would include basic construction, demolition, and off-site servicing costs. We have also included a 5% contingency to allow for unforeseeable costs and inflation during the course of construction.

The estimated hard cost are generally above the market range reported by BTY Group for BC over 2022, but is expected given the general location of the subject project within City of Vancouver’s West Side and anticipated premium finish.

In conclusion, the total hard costs to construct the subject project, including a contingency, are estimated at \$103,740,000, or \$420.00 per buildable sq.ft.

**(ii) SOFT COSTS**

"Soft costs" of development typically include such items as professional consultant fees, various municipal charges, DCC's, property taxes, insurance, legal costs, overhead and management costs, and financing interest costs. There are expected to be incentives and savings on municipal fees given the intended rental use. However, the subject project is at a preliminary stage of the planning process with various estimated municipal costs reflected in our valuations.

Upon completion, the subject project will also incur a GST payable. This amount is typically calculated at 5% of the estimated value of the project upon completion; however, there are rebates available for lower valued units and ITC rebates. Discussions with industry experts familiar with this type of development advised that a typical rebate would range from 30 to 40% of total GST amount; therefore, we have discounted GST payable by 35%.

The total remaining soft costs for the subject project, as at the effective date, have been estimated at \$40,488,003 or \$163.92 per sq.ft. of gross building area (247,000 sq.ft for FSR calculation), which includes a 5% contingency. We note the costs reflect applicable costs to complete the subject development from the effective date of the appraisal.

DESCRIPTION	Rentable Areas (sq.ft.)	Per sq.ft.	Subtotals	Total/sq.ft.	Totals
<b>COSTS</b>					
<b>Soft Costs</b>					
Development Management Fee	3.0%	of Hard Construction	\$12.00	\$2,964,000	
Consultants	5.5%	of Hard Construction	\$22.00	\$5,434,000	
Permit Fees, Licenses & Other Municipal Costs	5.5%	of Hard Construction	\$22.00	\$5,434,000	
Other Soft Costs (Inc. Property Taxes, Utility, Environmental)	2.5%	of Hard Construction	\$10.00	\$2,470,000	
Marketing (excluding leasing commissions)	1.0%	of Hard Construction	\$4.00	\$988,000	
Legal & Closing Fees			\$3.04	\$750,000	
Less Leasing Costs (1 month of gross rents - 280 At Market units)			\$4.77	\$801,500	
Less Leasing Costs (1 month of gross rents - 69 Below Market units)			\$2.59	\$108,620	
GST Payable Upon Completion (Net of estimated rebates - 349 units)			\$37.16	\$7,802,497	
Financing Costs			\$47.80	\$11,807,387	
Contingency	5.0%	of Total Soft Costs	\$7.81	\$1,928,000	
<b>Total Soft Costs</b>				<b>\$163.92</b>	<b>\$40,488,003</b>

**(iii) DEVELOPER'S PROFIT**

For this type of development, we observed that a developer would typically expect to achieve a profit in the region of 12% to 18% of net revenue, or more if it is calculated based on total costs. Based on the scale and preliminary nature of the project, we have estimated the developer's profit at approximately \$31,306,018 which also equates to approximately **15% on total costs** including the current land value.



This reflects a typical profit margin for this type of residential development and meets the minimum profit threshold of developers and lenders.

### RESIDUAL LAND VALUE SUMMARY

As outlined on the following page, using the residual land technique, the market value of the subject site would be as indicated in the chart on the following page. The value appears to be in line with comparable vacant development properties recently transacted in the marketplace, supported by comparables listed in Section 9 (Direct Comparison Approach). The residual value provides strong evidence to support the land value derived from the Direct Comparison Approach in the previous section.

#### Residual Land Value for 5576 - 5686 Alberta Street, Vancouver, BC

DESCRIPTION	Rentable Areas (sq.ft.)	Per sq.ft.	Subtotals	Total/sq.ft.	Totals
<b>REVENUE</b>					
Estimated Revenue					
280 At Market Rental Units	167,960	\$1,272.82	\$213,783,041		
69 Below Market Rental Units	41,990	\$626.19	\$26,293,781		
Parking stalls, Storage Lockers & EV Bicycle Stalls					
<b>Total Estimated Project Revenue (excl. GST)</b>	<b>209,950</b>			<b>\$1,143.50</b>	<b>\$240,076,822</b>
<b>GROSS BUILDING AREAS</b>					
Site Area (sq.ft.)	38,033				
Gross Building Areas for FSR Calculations (sq.ft.)	247,000	6.49 FSR			
<b>COSTS</b>					
<b>Hard Costs</b>					
Total Hard Construction Costs		\$400.00	\$98,800,000		
Contingency @ 5.0% of Hard Construction		\$20.00	\$4,940,000		
<b>Total Hard Costs</b>				\$420.00	\$103,740,000
<b>Soft Costs</b>					
Development Management Fee 3.0% of Hard Construction		\$12.00	\$2,964,000		
Consultants 5.5% of Hard Construction		\$22.00	\$5,434,000		
Permit Fees, Licenses & Other Municipal Costs 5.5% of Hard Construction		\$22.00	\$5,434,000		
Other Soft Costs (Inc. Property Taxes, Utility, Environmental) 2.5% of Hard Construction		\$10.00	\$2,470,000		
Marketing (excluding leasing commissions) 1.0% of Hard Construction		\$4.00	\$988,000		
Legal & Closing Fees		\$3.04	\$750,000		
Less Leasing Costs (1 month of gross rents - 280 At Market units)		\$4.77	\$801,500		
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GST Payable Upon Completion (Net of estimated rebates - 349 units)		\$37.16	\$7,802,497		
Financing Costs		\$47.80	\$11,807,387		
Contingency 5.0% of Total Soft Costs		\$7.81	\$1,928,000		
<b>Total Soft Costs</b>				<b>\$163.92</b>	<b>\$40,488,003</b>
<b>Estimate of Total Construction Costs Excluding Land Costs</b>				<b>\$583.92</b>	<b>\$144,228,003</b>
<b>PROFIT</b>					
Land Value Before Developer's Profit (Net Proceeds - Total Construction Costs)				\$388.05	\$95,848,819
Less Developers profit @ 13 % on Net Project Value, or 15.00% on total costs					<b>\$31,306,018</b>
<b>Net Value Attributed to Land</b>					<b>\$64,542,801</b>
<b>Estimated Residual Land Value/sq.ft. of development density of 247,000 sq.ft. or 6.49 FSR</b>					<b>\$261</b>

Based on the previous analysis, our final estimate of the fee simple interest in the subject land property, under the Land Residual Technique, as of June 16, 2022, is concluded at:

**ROUNDED TO**  
**SIXTY-FOUR MILLION FIVE HUNDRED AND FORTY THOUSAND DOLLARS**  
**(\$64,540,000)**

DRAFT

## 12.0 RECONCILIATION AND FINAL ESTIMATE OF LAND VALUE

Direct Comparison Approach: \$64,220,000

Land Residual Technique: \$64,540,000

### DIRECT COMPARISON APPROACH

Using the Direct Comparison Approach, we have analyzed current sales of similar zoned and similar potential high density redevelopment sites in comparable markets to derive a value based upon a price per buildable square foot. This analysis provides a general index of value for the subject site and the comparables analyzed on a price per buildable square foot basis provide a good indication of value for the subject site after adjustments.

### LAND RESIDUAL TECHNIQUE

The Land Residual Technique involves the estimate of market value "as if complete". Costs such as construction costs, servicing costs, commissions, overhead and a profit factor are then estimated and deducted from the estimate of market value. After deducting the costs associated with redevelopment of the subject site, we estimated a residual land value of the site.

### CONCLUSION

The two approaches have demonstrated a range of value from \$64,220,000 to \$64,540,000 and provide strong support and cross reference for each other. We note that the valuations are based on the current proposed development scheme which is consistent with the City's planning guidelines; however, we reserve the right to amend our valuation pending further changes to the proposed development.

After consideration of the previously discussed factors, we have concluded the final estimate of market value of the subject land component at \$64,400,000 as of the effective date of this appraisal on June 16, 2022.

**SIXTY-FOUR MILLION FOUR HUNDRED THOUSAND DOLLARS**  
**(\$64,400,000)**



Based on \$64,400,000 and the gross lot area for each of the subject lots, the final estimate of land value, as above, would equate to the following value for each of the subject lots:

Address	Site Area (Sq.Ft.)	%	Proposed Buildable (Sq.Ft.)	FSR	Value Estimate
5576 Alberta Street	6,356	17%	41,279	6.49	\$10,762,579
5592 Alberta Street	6,384	17%	41,457	6.49	\$10,809,144
5638 Alberta Street	6,337	17%	41,155	6.49	\$10,730,170
5666 Alberta Street	6,369	17%	41,364	6.49	\$10,784,693
5676 Alberta Street	6,375	17%	41,400	6.49	\$10,794,108
5686 Alberta Street	6,212	16%	40,346	6.49	\$10,519,306
<b>Total</b>	<b>38,033</b>	<b>100%</b>	<b>247,000</b>		<b>\$64,400,000</b>

DRAFT

### 13.0 CERTIFICATION

June 24, 2022

**5576 - 5686 Alberta Street, Vancouver, BC**

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

1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my impartial and unbiased professional analyses, opinions and conclusions;
3. I have no past, present or prospective interest in the property that is the subject of this report and no personal and/or professional interest or conflict with respect to the parties involved with this assignment.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. My engagement in and compensation is not contingent upon developing or reporting predetermined results, the amount of value estimate, a conclusion favoring the client, or the occurrence of a subsequent event.
6. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the CUSPAP.
7. I have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with CUSPAP;
8. Except as herein disclosed, no one has provided significant professional assistance to the person(s) signing this report;
9. As of the date of this report the undersigned has fulfilled the requirements of the AIC's Continuing Professional Development Program;
10. The undersigned is (are all) members in good standing of the Appraisal Institute of Canada.

**CIVIC ADDRESSES AND LEGAL DESCRIPTIONS**

Address	PID	Legal Description	Title Number
325 West 41st Avenue	010-685-367	LOT 11 BLOCK 849 DISTRICT LOT 526 PLAN 7240	CA3701619
343 West 41st Avenue	010-685-341	LOT 10 BLOCK 849 DISTRICT LOT 526 PLAN 7240	CA3974429

BASED UPON THE DATA, ANALYSES AND CONCLUSIONS CONTAINED HEREIN, THE MARKET VALUE OF THE INTEREST IN THE PROPERTY DESCRIBED, AS AT JUNE 16, 2022, IS ESTIMATED AT: \$64,400,000.

AS SET OUT ELSEWHERE IN THIS REPORT, THIS REPORT IS SUBJECT TO CERTAIN ASSUMPTIONS AND LIMITING CONDITIONS, THE VERIFICATION OF WHICH IS OUTSIDE THE SCOPE OF THIS REPORT.

Respectfully submitted,

**L.W. Property Advisors Ltd.**

DRAFT – JUNE 24, 2022

Per: Rose Wang  
 B.Comm, AACI, P. App  
 AIC Membership No. 902311  
 Signed:



## ASSUMPTIONS AND LIMITING CONDITIONS

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the authors, subject to the qualification below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. No registry office search has been performed and the appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this report. The property is appraised on the basis of it being under responsible ownership.
4. The subject property is presumed to comply with government regulations including zoning, building codes and health regulations and, if it doesn't comply, its non-compliance may affect market value.
5. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property.
6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.

**ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc.) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.
8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the 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 might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.
10. The term "inspection" refers to observation and reporting of the general material finishing and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.



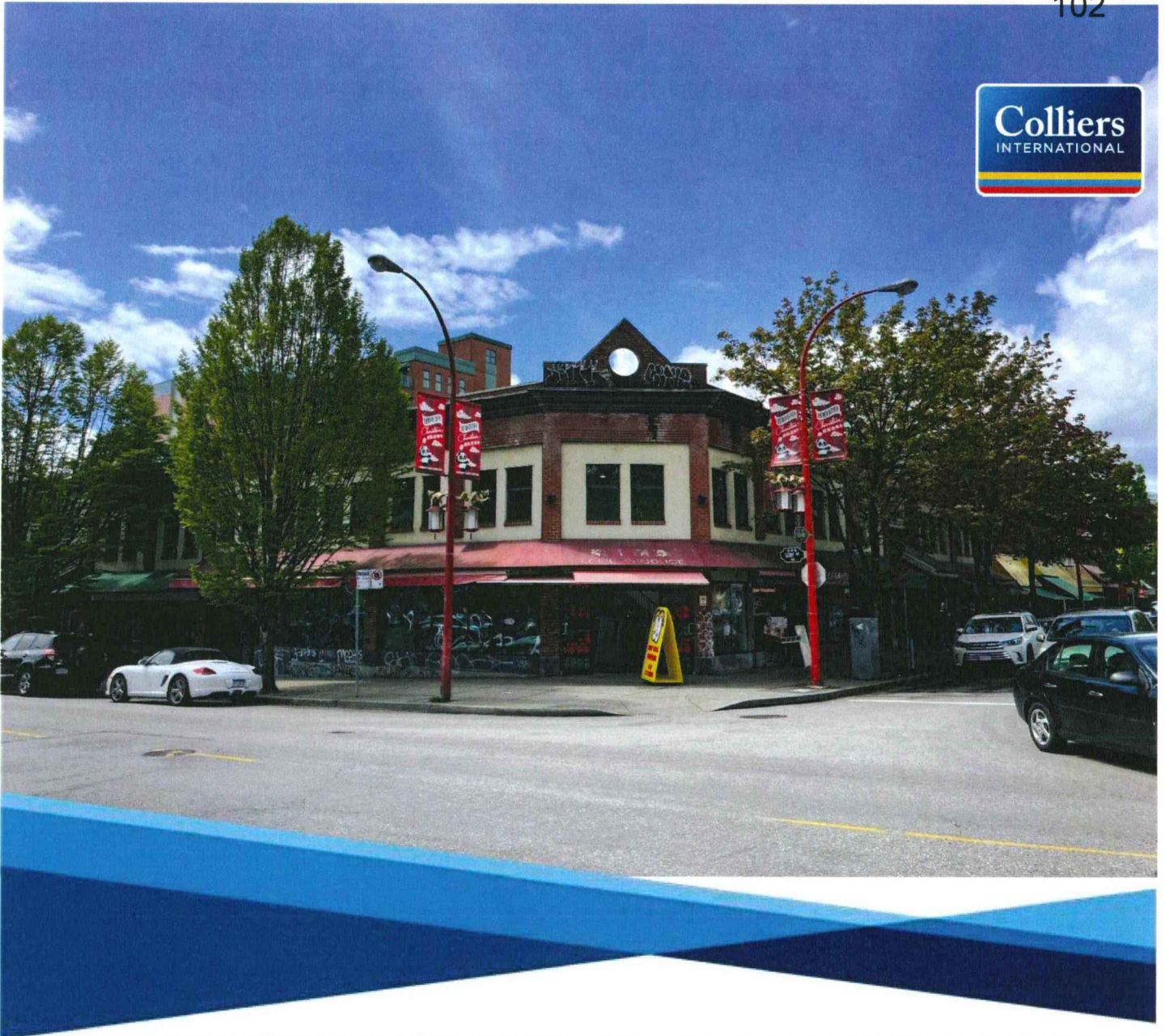
**ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.
12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
13. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
14. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Where the client is the mortgagee and the loan is insured, liability is extended to the mortgage insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
15. This report form is the property of the Appraisal Institute of Canada (AIC) and for use only by AIC members in good standing. Use by any other person is a violation of AIC copyright. This appraisal report, its content and all attachments/addendums and their content are the property of the author. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.



**ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

16. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.
17. Where the intended use of this report is for financing or mortgage lending, it is a condition of reliance on this report that the authorized user has or will conduct loan underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct such loan underwriting and due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Underwriting Practices and Procedures B-20, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.
18. Where the intended use of this report is for mortgage insurance, it is a condition of reliance on this report that the authorized user will conduct loan insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent mortgage insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, to conduct such loan insurance underwriting and/ due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Insurance Underwriting Practices and Procedures B-21, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.



## Narrative Appraisal

Proposed Mixed-Use Development

288 East Georgia Street

Vancouver, British Columbia

Effective Date: May 9, 2022

Report Date: May 16, 2022

This is Exhibit "C" referred to in the  
Affidavit of Zhen Yu Zhong  
affirmed before me at Vancouver, BC  
this 15 day of February 2023.

\_\_\_\_\_  
A Commissioner/Notary Public for the  
Province of British Columbia

### Prepared For

Cindy Zou  
Director, Finance  
Georgia Court Limited Partnership

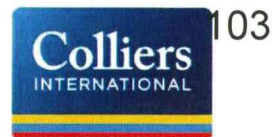
### Prepared By

Aian Miiabaev, AACI, MRICS  
Executive Valuation Services Director, Vancouver  
Valuation & Advisory Services



200 Granville Street  
19th Floor  
Vancouver, BC V6C 2R6  
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MAIN 604 681 4111  
FAX 604 661 0849



Our File: YVR220579

May 16, 2022

Georgia Court Limited Partnership  
1800 - 1188 West Georgia Street,  
Vancouver, BC V6E 4A2

**Attention: Cindy Zou**  
**Director, Finance**

Dear Ms. Zou;

**Re: Appraisal of Proposed Mixed-Use Development**  
**288 East Georgia Street, Vancouver, British Columbia**

In accordance with your request, we have inspected the above property and have carried out a full analysis in order to estimate its current market value. Based on our investigations, it is our opinion that the market value of the property as at May 9, 2022 is estimated to be:

Based upon the data, analyses and conclusions contained herein, the current 'as is' market value of a fee simple interest in the property described herein, as at May 9, 2022, is estimated to be as follows:

**\$28,896,000**

**Twenty Eight Million Eight Hundred Ninety Six Thousand Dollars**

*Above value based on Land Residual Valuation Technique only*

***The above value estimate is based on Assumptions and Limiting Conditions stated within this appraisal. Of particular note are the Hypothetical Conditions, Extraordinary Assumptions and Extraordinary Limiting Conditions outlined within the Terms of Reference section.***

This report describes the methods and approaches to value in support of the above conclusion, and contains the pertinent data gathered in our investigation of the market.

Should you have any questions, we would be pleased to discuss the valuation further.

Yours very truly,

**COLLIERS INTERNATIONAL REALTY ADVISORS INC.**

Aian Miiabaev, AACI, MRICS  
Executive Valuation Services Director, Vancouver





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# Executive Summary

**Proposed Mixed-Use Development  
288 East Georgia Street  
Vancouver, British Columbia**

PROPERTY INFORMATION		OCCUPANCY INFORMATION	
Property Type	Mixed-Use Development Lot	Size (SF)	77,013
Year Built	2022	Units	90
Quality / Condition	Good / Good		
District	Chinatown		
Access	Good		
Frontage	123 Feet		
Land Use/Zoning	HA-1A (Chinatown Historic Area)		

VALUE CONCLUSION	
Final Value Estimate	<b>\$28,896,000</b>
Effective Date	May 9, 2022

The above value estimate is in conjunction with the Assumptions and Limiting Conditions stated within this appraisal. Of particular note are the Extraordinary Limiting Conditions, Extraordinary Assumptions (Hypothetical Conditions), and Extraordinary Assumptions outlined within the Terms of Reference section.

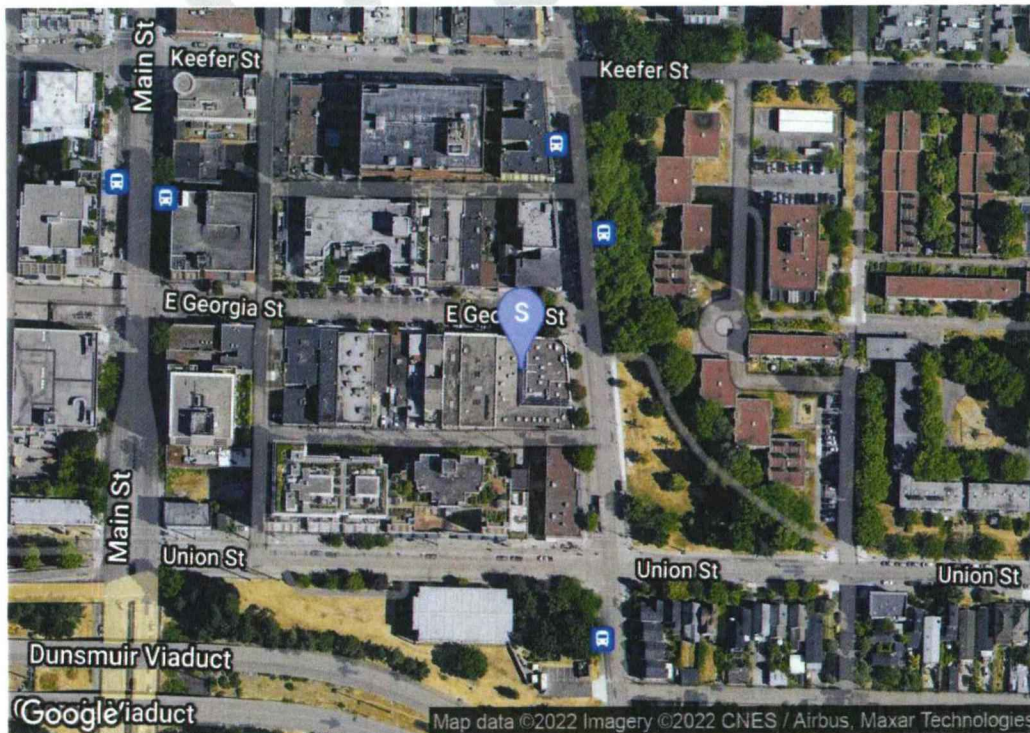


Proposed Mixed-Use Development, 288 East Georgia Street, Vancouver, British Columbia

## General Location Map



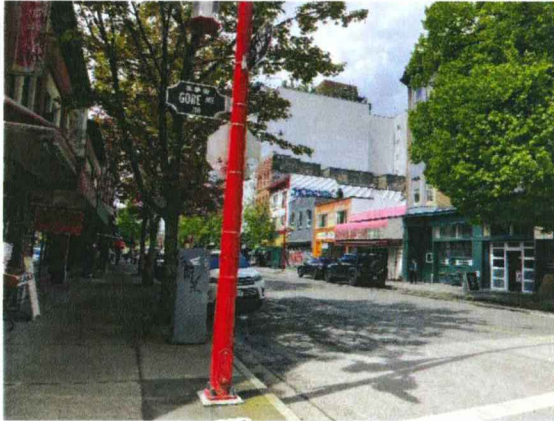
## Aerial Photograph





Proposed Mixed-Use Development, 288 East Georgia Street, Vancouver, British Columbia

## Photographs of Subject Property



Street View – E Georgia St



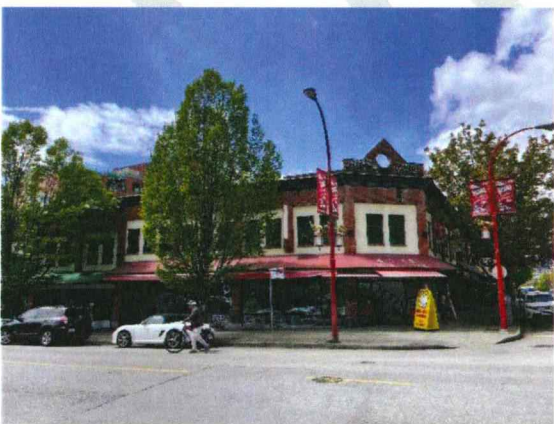
Street View – Gove Ave



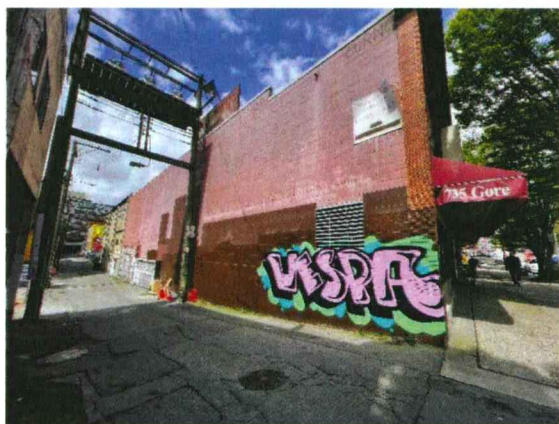
Current Property View



Current Property View



Current Property View



Current Property View



# Terms of Reference

## Client and Intended User

The Client of this appraisal is Georgia Court Limited Partnership, and the Intended User is Georgia Court Limited Partnership.

## Purpose and Intended Use of Report

The purpose of this valuation is to estimate the prospective market value of the Subject Property described.

This appraisal is provided on a confidential basis and for the sole and exclusive use by Georgia Court Limited Partnership and any other Intended User specifically identified for financing only and any third party use of or reliance on this Appraisal Report or any materials prepared by Colliers International Realty Advisors Inc. (Colliers), is strictly prohibited, except to the extent that Colliers has provided prior permission in writing, such permission to be provided or withheld in Colliers's sole and exclusive discretion. In the event that Colliers has not provided said permission Georgia Court Limited Partnership shall ensure and be responsible for notifying the third party in writing that it should not rely on the Appraisal Report and any use by such third party of the Appraisal Report or any materials prepared by Colliers shall be at its own risk and that Colliers makes no representations or warranties of any kind. Notwithstanding anything to the contrary, Colliers shall not owe any duty to any third party with respect to the Appraisal Report.

The appraisal report must be used in its entirety and any reliance on any portion of the appraisal report independent of others may lead to erroneous conclusions.

## Indemnification and Limitation of Liability

Georgia Court Limited Partnership shall indemnify, defend and hold Colliers fully harmless from and against any and all claims, liabilities, damages, costs and expenses (including court costs and reasonable legal fees) resulting from or arising out of the Client's breach of the professional service agreement relating to the Appraisal Report, wrongful acts or omissions (including any failure to perform any duty imposed by law), misrepresentation, distortion or failure to provide complete and accurate information, or any unauthorized use or reliance by third parties on the Appraisal Report or any materials prepared by Colliers. Except for Georgia Court Limited Partnership's indemnification obligations, neither party shall be liable to the other party for any special, consequential, punitive or incidental damages of any kind whatsoever. Moreover, to the maximum extent permitted by law, Colliers' total liability for any losses, claims or damages arising out of or connecting or relating to this agreement (under any applicable theory of law) shall be limited in the aggregate to the total sum of fees and costs received by Colliers from Georgia Court Limited Partnership for the applicable subject report(s).

## Property Rights

The property rights appraised are those of the Fee Simple Interest. The Fee Simple Interest refers to absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power and escheat.

**Effective Date**

The effective date of this valuation is May 9, 2022.

This Appraisal Report is prepared in the context of the market conditions and other factors (including assumptions and/or materials provided by parties and sources outside of the control of Colliers Realty Advisors Inc.) prevailing as of the effective date. Real estate markets and assets are subject to significant volatility and change; and can be affected by numerous economic and political conditions as well as other conditions. The value contained (if any) in this Appraisal Report is made as of the effective date only and should not be relied on as of any other date without receiving prior written authorization from Colliers.

**Property Inspection**

The following table illustrates the Colliers professionals involved with this appraisal report, and their status with respect to the property inspection.

SUBJECT PROPERTY INSPECTION			
APPRAISER	INSPECTED	EXTENT	DATE OF INSPECTION
Aian Miiabaev, AACI, MRICS	Yes	Exterior Only	May 9, 2022

**Market Value Definition**

For the purposes of this valuation, market value is defined as:

"The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and the seller each acting prudently, knowledgeably, and for self-interest, assuming that neither is under duress."

(The Appraisal Institute of Canada "Canadian Uniform Standards of Professional Appraisal Practice". 2020 ed., p. 10)

**Exposure Time**

An estimate of market value is related to the concept of reasonable exposure time. Exposure time is defined as:

"The estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at the estimated value on the Effective Date of the appraisal."

(The Appraisal Institute of Canada "Canadian Uniform Standards of Professional Appraisal Practice". 2020 ed., p. 6)

Exposure Time is a retrospective function of asking price, property type, and past market conditions and encompasses not only adequate, sufficient and reasonable time, but also adequate, sufficient and reasonable marketing effort. Exposure time is a necessary element of a market value definition but is not a prediction of a specific date of sale.

In practice, the exposure time assumes the following:

- The property was extensively marketed. Potential purchasers could inspect the property at will.
- The owner provided interested agents with any and all relevant property information.
- Negotiations of any offers to purchase were performed in a timely manner.





Proposed Mixed-Use Development, 288 East Georgia Street, Vancouver, British Columbia

- The property was maintained at a physical status equivalent to its present condition.
- Market level financing was readily available.
- The seller was not under duress.

Ongoing discussions with agents familiar with the market have indicated that properties like the Subject Property typically require a marketing period of six months or less depending on a variety of factors including its location, vacancy levels, tenant quality, size, market conditions, and motivation of the vendor/purchaser. In consideration of these factors, it is concluded that for the Subject property to sell at the market value estimated as of the effective date of this report, an exposure period of approximately six months or less would be required.

#### Scope of the Valuation

This report has been written in a Narrative format and complies with the reporting requirements set forth under the Canadian Uniform Standards of Professional Appraisal Practice. 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.

During the course of preparing this valuation, the following was completed:

- Property inspection details are indicated previously within the Terms of Reference section of this report.
- No lease review or audit was conducted. This valuation has been prepared on the basis of summary financial and operating data provided directly to us by our client or their designated agents, in either hard copy or electronic form or both. It is assumed that this information, and specifically that relating to the financial performance of the Subject Property described, is accurate. This assumption is critical to the value estimate contained and the authors of this report, and Colliers reserve the right to amend our estimate(s) in whole or in part should the foregoing not be the case.
- A review of a detailed tenant rent roll as provided by our client or their designated agents has been conducted.
- A review has been completed of available data regarding the local market.
- Verification of current land use and zoning regulations has been undertaken. Municipal and neighbourhood information, including tax information, were sourced as noted below and verified where appropriate and possible. Site area and dimensions are from information obtained from the City of Vancouver. Should further confirmation of site size and dimensions be required, a legal survey should be commissioned.
- A review of sales and listing data on comparable properties has been undertaken. Comparable market information was obtained from our information database and local real estate professionals knowledgeable in the Vancouver real estate market. It was confirmed, when appropriate, with public information at the BC LTSA or the parties involved when there was reason to doubt its accuracy.
- Discussions have been held with market participants where applicable.

SOURCES OF INFORMATION	
ITEM	SOURCE
Assessment / Tax Information	BC Assessment/City of Vancouver
Zoning Information	City of Vancouver
Official Plan Information	City of Vancouver
Site Size Information	City of Vancouver
Building Size Information	Plans
Demographics	City of Vancouver
Comparable Information	RealNet/MLS/Commercial Edge
Legal Description	City of Vancouver

Colliers cannot be held liable for any errors in the information that was provided by third parties or by Cindy Zou of Georgia Court Limited Partnership. The Appraisal Report must be used in its entirety and any reliance on any portion of the appraisal report independent of others may lead to erroneous conclusions.

#### Ordinary Assumptions and Limiting Conditions

This report is subject to the Ordinary Assumptions and Limiting Conditions set forth within the Appendix to this appraisal in addition to any specific assumptions that may be stated in the body of the report. These conditions are critical to the value stated and should be thoroughly read and understood before any reliance on this report should be considered.

#### Extraordinary Limiting Conditions

An Extraordinary Limiting Condition refers to a necessary modification to, or exclusion of, a Standard Rule which may diminish the reliability of the report.

The following Extraordinary Limiting Conditions have been invoked within this report:

As per client's Terms of Reference this valuation has only based on Land Residual Valuation approach.

Proposed improvements details and estimated development cost have been provided by our client, so if they will change during a course of development, we reserve the right to revise this appraisal report as per new details.

As the planned improvements to the property have not yet been constructed, only an external site inspection was possible.

As of the date of this report Canada and the Global Community is experiencing unprecedented measures undertaken by various levels of government to curtail health related impacts of the Covid-19 Pandemic. The duration of this event is not known. While there is potential for negative impact with respect to micro and macro-economic sectors, as well as upon various real estate markets, it is not possible to predict such impact at present, or the impact of current and future government countermeasures. There is some risk that the Covid-19 Pandemic increases the likelihood of a global recession, however without knowledge of further anticipated government countermeasures at the national and global levels it is not possible to predict any impact at this point in time. Accordingly, this point-in-time valuation assumes the continuation of current market conditions, and that current longer-term market conditions remain unchanged. Given the market uncertainties of the Covid-19 pandemic, a force majeure event, we reserve the right to revise the value estimation set out in this report for a fee, with an update appraisal report under a separate appraisal engagement, incorporating market information available at that time.



Proposed Mixed-Use Development, 288 East Georgia Street, Vancouver, British Columbia

### Extraordinary Assumptions (Hypothetical Conditions)

Hypothetical Conditions are a specific type of an Extraordinary Assumption that presumes, as fact, simulated but untrue information about physical, legal or economic characteristics of the subject property or external conditions, and are imposed for purposes of reasonable analysis.

The following Extraordinary Assumptions (Hypothetical Conditions) have been invoked within this report:

As of the effective date, the subject improvements have not yet been fully completed. For the purpose of this report, however, it is assumed that the improvements have been fully completed, as described herein.

### Extraordinary Assumptions

An Extraordinary Assumption is an assumption, directly related to a specific assignment, which, if found to be false, could materially alter the opinions or conclusions. Extraordinary Assumptions presume as fact otherwise uncertain information about or anticipated changes in the physical, legal or economic characteristics of the subject property, or about conditions external to the subject property such as market conditions or trends, or the integrity of data used in the analysis.

The following Extraordinary Assumptions have been invoked within this report:

We have relied on information provided to us by our client or their designated agents with respect to the status of the tenancy and their contractual rights and obligations, and financial data relating to the income and expenses associated with the Subject Property's operations, as well as the physical attributes of the Subject Property and environmental condition of the site, including any required capital expenditures. The assumptions stated are critical to the value estimate contained and the authors of this report and Colliers reserve the right to amend our estimates should any of these assumptions be altered in whole or in part.

We have not undertaken a detailed soil analysis, and as we are not qualified to comment on soil conditions, we have assumed that there are no contaminants affecting the site. However, a full environmental assessment would be required for certainty and any cost of remedy could potentially impact the reported value conclusion. The sub-soil is assumed to be similar to other lands in the area and suitable in drainage qualities and load bearing capacity to support the existing development.

With the exception of the foregoing, there have been no other Extraordinary Assumptions employed in the preparation of this appraisal or report.

It is assumed, for the purposes of this report that the subject lot has been fully serviced and improved as per provided architectural plans and specification.

### Assemblage

When relevant to the assignment, CUSPAP requires that assemblage must be considered and analyzed as to the effect on value. In the instance of the Subject Property, assemblage is considered to be a relevant factor, and the impact has been considered and analyzed within the valuation analyses contained herein.

### Anticipated Public or Private Improvements

When relevant to the assignment, CUSPAP requires that anticipated public or private improvements must be considered and analyzed as to the effect on value. In the instance of the Subject Property, public or private improvements are not considered to be a relevant factor, and therefore no analysis is deemed necessary.



### Personal Property

When relevant to the assignment, CUSPAP requires that personal property must be considered and analyzed as to the effect on value. In the instance of the Subject Property, personal property is not considered to be a relevant factor, and therefore no analysis is deemed necessary.

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Proposed Mixed-Use Development, 288 East Georgia Street, Vancouver, British Columbia

**Current Ownership**

We understand that 22 of the 25 units are under the ownership of Georgia Court Bt Ltd, Inc. No. BC1115954 with the remaining three subject to strata wind up, with a court date set for May 17, 2022.

Unit	Purchase Price	Acceptance date
1 296 E Georgia		Strata wind up
2 729 Gore Ave		Strata wind up
3 735 Gore Ave		Strata wind up
4 105-288 E Georgia	\$ 620,000	2018.06.28
5 115-288 E Georgia	\$ 806,000	2018.06.28
6 721 Gore Ave	\$ 1,225,000	2018.06.28
7 292 E Georgia	\$ 1,058,000	2018.06.28
8 190-288 E Gerogia	\$ 737,000	2017.06.28
9 180-288 E Gerogia	\$ 664,000	2017.06.28
10 130-288 E Georgia	\$ 828,000	2017.06.28
11 155-288 E Georgia	\$ 971,000	2017.06.28
12 175-288 E Georgia	\$ 1,125,000	2017.06.28
13 185-288 E Georgia	\$ 1,125,000	2017.06.28
14 170-288 E Georgia	\$ 1,125,000	2017.06.28
15 135-288 E Georgia	\$ 1,125,000	2017.06.28
16 110- 288 E Georgia	\$ 1,125,000	2017.06.28
17 120-288 E Georgia	\$ 1,125,000	2017.06.28
18 125-288 E Georgia	\$ 1,125,000	2017.06.28
19 150-288 E Georgia	\$ 1,125,000	2017.06.28
20 282 E Georgia	\$ 980,000	2021.04.14
21 286 E Georgia	\$ 980,000	2021.04.14
22 298 E Georgia		
23 298 E Georgia	\$ 2,795,000	2021.04.14
24 298 E Georgia		
25 165-288 E Georgia	\$ 1,925,000	2021.04.14

**Current Contracts**

The Subject is not currently listed for sale.





Proposed Mixed-Use Development, 288 East Georgia Street, Vancouver, British Columbia

**Title Encumbrances**

It is noted the subject property is stratified and title documents for all 25 stratified units were not obtained or research in the report. As such, we only obtained one title certificate for unit #105-288 E Georgia Street.

NO.	REGISTRATION TYPE	REGISTERED BY
CA8918304	MORTGAGE	GARDENFUL VENTURES LIMITED
CA8918305	ASSIGNMENT OF RENTS	GARDENFUL VENTURES LIMITED
CA9427337	MORTGAGE	1211192 B.C. LTD., LI XIN ZHOU
CA9427338	ASSIGNMENT OF RENTS	1211192 B.C. LTD., LI XIN ZHOU

For the purposes of this analysis, the instruments registered against the title(s) to the Subject Property are assumed not to have a significant effect on the Subject Property’s marketability or its market value. For greater certainty a legal opinion should be solicited for a full explanation of the effects of these encumbrances. The Subject Property has been valued as if free and clear of any financing. A copy of the Subject Property title has been included in the Appendix for further reference.

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Proposed Mixed-Use Development, 288 East Georgia Street, Vancouver, British Columbia

Realty Taxes / Assessment

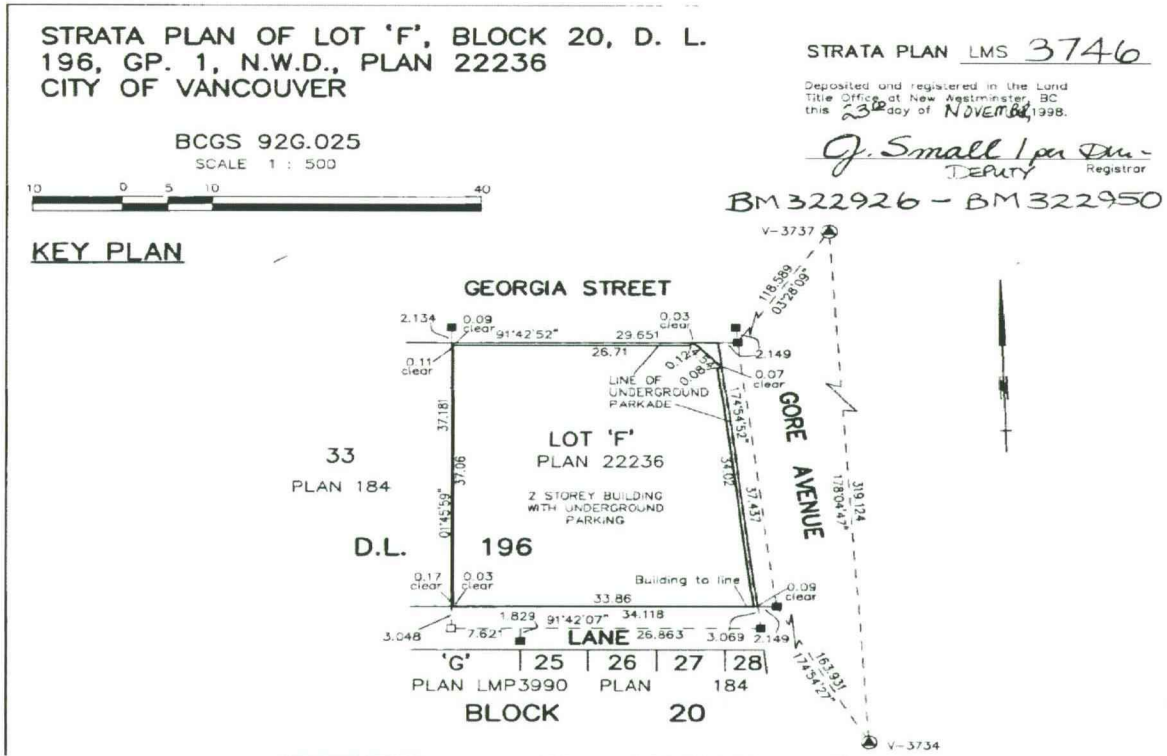
The current realty tax and assessment information for the Subject Property is summarized as follows:

Address	PID	Roll Number	2022 Assessment	2021 Taxes
282 East Georgia Street	024-327-123	26596190920001	\$702,400	\$6,441
286 East Georgia Street	024-327-131	26596190920002	\$693,300	\$6,149
292 East Georgia Street	024-327-140	26596190920003	\$688,400	\$5,745
Unit #105 - 288 East Georgia Street	024-327-158	26596190920004	\$228,363	\$1,794
296 East Georgia Street	024-327-166	26596190920005	\$476,100	\$4,443
298 East Georgia Street	024-327-174	26596190920006	\$643,200	\$6,054
298 East Georgia Street	024-327-182	26596190920007	\$431,605	\$3,466
298 East Georgia Street	024-327-191	26596190920008	\$564,900	\$5,300
721 Gore Avenue	024-327-204	26596190920009	\$548,700	\$4,984
729 Gore Avenue	024-327-212	26596190920010	\$576,600	\$5,069
735 Gore Avenue	024-327-221	26596190920011	\$680,700	\$6,047
Unit #190 - 288 East Georgia Street	024-327-239	26596190920012	\$278,264	\$2,209
Unit #185 - 288 East Georgia Street	024-327-247	26596190920013	\$273,172	\$2,165
Unit #180 - 288 East Georgia Street	024-327-255	26596190920014	\$259,278	\$2,050
Unit #175 - 288 East Georgia Street	024-327-263	26596190920015	\$259,181	\$2,049
Unit #170 - 288 East Georgia Street	024-327-271	26596190920016	\$259,278	\$2,050
Unit #165 - 288 East Georgia Street	024-327-280	26596190920017	\$540,597	\$4,404
Unit #150 - 288 East Georgia Street	024-327-298	26596190920018	\$390,380	\$3,084
Unit #130 - 288 East Georgia Street	024-327-301	26596190920019	\$292,934	\$2,332
Unit #120 - 288 East Georgia Street	024-327-310	26596190920020	\$291,915	\$2,323
Unit #110 - 288 East Georgia Street	024-327-328	26596190920021	\$285,900	\$2,272
Unit #115 - 288 East Georgia Street	024-327-336	26596190920022	\$275,220	\$2,156
Unit #125 - 288 East Georgia Street	024-327-344	26596190920023	\$283,467	\$2,335
Unit #135 - 288 East Georgia Street	024-327-352	26596190920024	\$267,183	\$2,116
Unit #155 - 288 East Georgia Street	024-327-361	26596190920025	\$347,054	\$2,781



Proposed Mixed-Use Development, 288 East Georgia Street, Vancouver, British Columbia

# Site Description





Proposed Mixed-Use Development, 288 East Georgia Street, Vancouver, British Columbia

**Area**

The site comprises a total area of approximately 0.29 acres (12,820 square feet).

**Configuration**

The site is generally rectangular in its configuration, as shown on the site plan above.

**Street Improvements / Frontage**

Street improvements for the Subject Property are as outlined below:

Street Improvements	Frontage	Direction	No. Lanes	Street Type	Curbs	Sidewalks	Streetlights	Center Lane	Gutters
E Georgia Street	99 Feet	Two-Way	Two-Lane	Minor Arterial	✓	✓	✓	✓	✓
Gore Ave	124 Feet	Two-Way	Two-Lane	Minor Arterial	✓	✓	✓	✓	✓

**Access / Exposure**

Overall access to the property is considered to be good. The site enjoys good exposure characteristics.

**Services**

The full services are available in the subject area

**Topography**

The site's topography is generally level and at street grade with adjacent roadways and properties.

**Soil Conditions**

We have not undertaken a detailed soil analysis, and as we are not qualified to comment on soil conditions, we have assumed that there are no contaminants affecting the site. However, a full environmental assessment would be required for certainty, and any cost of remedy could potentially impact the value conclusions contained herein. The sub-soil is assumed to be similar to other lands in the area and suitable in drainage qualities and load bearing capacity to support the existing development.

**Demographics**

DEMOGRAPHICS AND STATISTICS		
Population	1 km radius	12,437
	3 km radius	71,628
	5 km radius	165,930
Average Household Income	1 km radius	\$92,061
	3 km radius	\$94,194
	5 km radius	\$95,814

**Summary**

The site provides good access and good exposure characteristics and no adverse influences are visually apparent.



## Land Use Controls

### Zoning

Zoning bylaws typically establish ranges of permitted and discretionary uses, in addition to development restrictions including such factors as maximum building heights, allowable densities, setback requirements, parking and loading limitations, signage restrictions and other items.

According to the City of Vancouver Zoning By-law 3575, the Subject Property is currently classified HA-1A (Chinatown Historic Area). An excerpt from the zoning bylaw is included in the appendices to this report.

### Zoning Map

A zoning summary and a listing of pertinent zoning requirements are presented below:



### ZONING SUMMARY

<b>Municipality Governing Zoning</b>	City of Vancouver
<b>Zoning Bylaw Number</b>	3575
<b>Current Zoning</b>	Chinatown Historic Area (HA-1A)
<b>Permitted Uses</b>	The intent of this Schedule is to encourage the preservation and rehabilitation of the significant early buildings of Chinatown, while recognizing that the evolving activities that make this district an asset to the city need to be accommodated contextually. The Schedule may permit a range of uses provided that reasonable, but not rigorous, concerns for compatibility are met.
<b>Current Use</b>	Mixed-Use Development
<b>Is Current Use Legally Permitted?</b>	Yes
<b>Zoning Change</b>	Not Likely

### ZONING REQUIREMENTS

<b>Conforming Use</b>	The proposed mixed-use development represents a conforming use within the existing zoning
<b>Minimum Yard Setbacks</b>	
Front (Meters)	0.045
Rear (Meters)	1
Side (Meters)	0
<b>Maximum Building Height</b>	21.3 Meters
<b>Maximum Floor Area Ratio (FAR)</b>	5.35 FSR

Source: City of Vancouver

#### Land Use Conclusions

Detailed zoning studies are typically performed by a zoning or land use expert, including attorneys, land use planners, or architects. The depth of analysis presented correlates directly with the scope of this assignment, and it considers all pertinent issues that have been discovered through our due diligence. Please note that this appraisal is not intended to be a detailed determination of compliance, as that determination is beyond the scope of this real estate appraisal assignment.

The property use, as proposed, is assumed to reflect a legally permitted conforming use. However, the authors are not technically qualified to confirm zoning compliance, and for greater certainty in this regard, written confirmation from the municipality and/or a qualified legal opinion should be obtained.





## Official Community Plan

Most provincial municipalities have also adopted official community plans, area plans, and other planning devices that supplement their zoning bylaws. The process for developing an Official Community Plan ("OCP") typically involves considerable social, economic, and demographic research and an extensive public consultation process. OCPs serve to express a municipality's aspirations for future land uses within its borders, guide capital budgeting and direct the handling of rezoning applications. In British Columbia, municipalities generally cannot rezone properties for a use or development scale that is contrary to the OCP; rezonings of this nature first require an amendment to the OCP.

According to the Chinatown Neighbourhood Plan adopted in 2011. In March, 2018, city planning submitted amendments to the Chinatown HA-1 and HA-1A Districts and new design guidelines and policies

The key objectives of the amendments to the development policies and zoning for Chinatown HA-1 and HA-1A zoning are to:

- Reinforce policy of revitalizing Chinatown and recognizing its role as a special cultural and historic district.
- No longer consider tall and wider developments through rezoning.
- Enable new buildings that are built on narrow lots with smaller storefronts under the base zoning.
- Involve the community in review of new developments.
- 

The amendments specifically impacting HA-1A zoning include:

Introduction of a maximum net floor space ratio of 5.35:

- Maximum 3.50 FSR residential and no residential use on the ground floor.
- Minimum 1.50 FSR non-residential.
- Relaxation given for social housing projects.

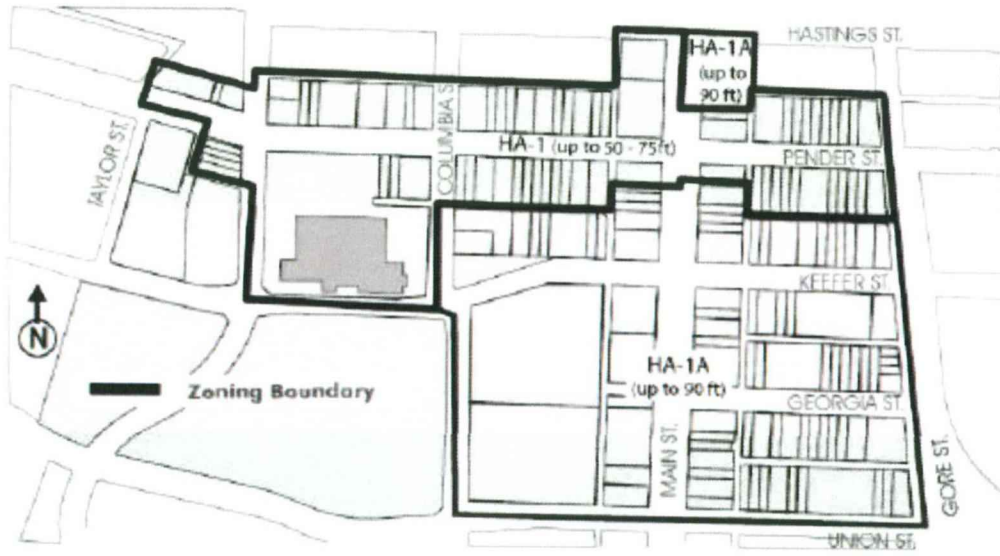
An outright building height of 70 feet and maximum conditional height of 90 feet.

A maximum number of floors (six-storeys at 70 feet and eight-storeys at 90 feet).

Revoking of the rezoning policy which allowed building heights above 90 feet in height in exchange for CACs; meaning building heights above 90 feet would no longer be considered, limiting the public benefits available to be achieved by the City through this process.

Chinatown South (HA-1A): the maximum height was increased from 70' to 90'. Similar to Pender Street (HA-1), there is no maximum density (Floor Space Ratio) limits in Chinatown South (HA-1A).

Proposed Mixed-Use Development, 288 East Georgia Street, Vancouver, British Columbia



Map: Building Heights for HA-1 and HA-1A

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## Description of the Proposed Improvements

Our client is anticipating a strata hotel density of 5.35 FSR or 77,013 gross SF, comprised of 89 guest rooms at an anticipated average size of 696 SF and ground floor commercial area. Given the anticipated strata hotel configuration, we have considered sales of strata hotel projects in other parts of Vancouver along with end unit residential values in the subject's neighborhood to gauge upper limit values for the subject property units.

<b>Property Type</b>	Strata Hotel and Commercial Complex
<b>No. of Stories</b>	Eight Stories
<b>No. of Buildings</b>	One Building
<b>Year Built</b>	The improvements to the property are planned to be constructed in 2023.
<b>Quality &amp; Condition</b>	The property will represent excellent quality construction
<b>Foundation</b>	The building foundation consists of concrete foundation walls on strip footings.
<b>Superstructure</b>	The superstructure of the building comprises a concrete structure.
<b>Floor Structure</b>	Reinforced concrete structural slabs.
<b>Clear Height</b>	The building exhibits clear ceiling heights of approximately 9 Feet.
<b>Exterior Walls</b>	Exterior walls are planned to be finished with glass and concrete.
<b>Roof</b>	Roofing comprises Sealed membrane.
<b>Pedestrian Access / Connections</b>	Pedestrian access/connections to the property comprise ground level entrances.
<b>Windows / Doors</b>	Exterior windows and doors consist of residential grade double paned glass units in modern aluminium frames.
<b>Interior Finishing</b>	The interiors have been demised to accommodate the specific needs of the future owners. Typical interior finishing includes painted gypsum board on assumed steel framing, with a combination of sheet vinyl, ceramic tile and other high end finishing materials.
<b>Vertical Access</b>	Vertical Access between levels is accommodated by various elevators and stairwells.
<b>Heating / Cooling</b>	Heating is provided to the proposed units by central AC system



Design and  
Functionality

The building will exhibit excellent design and functionality characteristics.

Age / Life Analysis

Subject to the above description and the comments below, the following is a summary age / life analysis.

Actual Age	years
Effective Age	years
Economic Life	60 years
Remaining Economic Life	60 years

The above Age/Life Analysis pertains to the economic viability of the Subject property in its current state, being the object of professional property management and proactive repairs and maintenance, with regularly scheduled capital expenditures occurring. The Remaining Economic Life does not necessarily represent the remaining physical viability of the existing improvements.

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# PROJECT STATISTICS

## I Schematic Design

### LEGAL STATISTICS

Street Address	288 East Georgia Street		
Legal Description	DISTRICT LOT 196, STRATA PLAN LMS3746		
Zoning	HA-1A		
Site Area	12,757 sf	(1195.13 sq. m)	(0.293ha)

### BUILDING HEIGHT

Permitted Lower	Permitted Upper	Proposed
89.9' (21.30m)	20.0' (6.10m)	0.0' (0.00m)

### PROPERTY SET BACKS

Permitted	Proposed	
Front (E. Georgia St.)	1.5' (1.118')	0.45m
Front (E. Georgia St.)	9'10 1/8"	(0.00m)
Rear (Lanes)	3'3 3/8"	(1.00m)
Rear (Lanes)	9'10 1/8"	(0.00m)
West (Ave. Road)	0"	0"
East (Store Area)	0"	0.00m
East (Store Area)	9'10 1/8"	(0.00m)

### FLOOR AREA SUMMARY

Allowable FSR Net Area	Allowable FSR
68,250 sf	5.35
Area Gross	FSR Net Area
77,013 sf	65,107 sf
	FSR <i>(Area Net) / (Gross Area)</i>
	5.10

### FLOOR AREA CALCULATIONS

	HOTEL DATA							FSR DATA		EFFICIENCY		
	Gross Area	Hotel Rooms	Hotel Rm Walls	Commercial	Fitness	BOH	Service	Circulation	FSR Exclusion	FSR Floor Area		
Level PG	12,330 sf	0 sf	0 sf	0 sf	0 sf	0 sf	2,510 sf	600 sf	10,942 sf	1757 sf		
Level 1	7,240 sf	0 sf	0 sf	5,567 sf	0 sf	0 sf	186 sf	1,362 sf	1,343 sf	3902 sf		
Level 2	8,642 sf	8,556 sf	709 sf	0 sf	0 sf	0 sf	126 sf	1,232 sf	0 sf	8642 sf	84.09%	
Level 3	8,642 sf	8,556 sf	709 sf	0 sf	0 sf	0 sf	126 sf	1,232 sf	0 sf	8642 sf	84.09%	
Level 4	8,642 sf	8,556 sf	709 sf	0 sf	0 sf	0 sf	126 sf	1,232 sf	0 sf	8642 sf	84.09%	
Level 5	8,642 sf	8,556 sf	709 sf	0 sf	0 sf	0 sf	126 sf	1,232 sf	0 sf	8642 sf	84.09%	
Level 6	8,642 sf	8,556 sf	709 sf	0 sf	0 sf	0 sf	126 sf	1,232 sf	0 sf	8642 sf	84.09%	
Level 7	8,967 sf	8,285 sf	682 sf	0 sf	0 sf	0 sf	0 sf	1,252 sf	0 sf	6967 sf	82.03%	
Level 8	8,967 sf	8,285 sf	682 sf	0 sf	0 sf	0 sf	0 sf	1,252 sf	0 sf	6967 sf	82.03%	
RoofTop	297 sf	0 sf	0 sf	0 sf	0 sf	0 sf	0 sf	0 sf	0 sf	297 sf		
<b>Total</b>	<b>77,013 sf</b>	<b>42,890 sf</b>	<b>4896 sf</b>	<b>5,567 sf</b>	<b>0 sf</b>	<b>0 sf</b>	<b>3,873 sf</b>	<b>10,816 sf</b>	<b>11,805 sf</b>	<b>65,107 sf</b>		

### UNDERGROUND PARKING

	Required/Unit	Required	Proposed	P0	P1
HOV8 Stall	1/115sqm, 0.6/1000sqm	53	17	0	17
Hotel Visitor Stall	0	0	0	0	0
Hotel Accessible Stall	1/500sqm, 0.4/1000sqm	4	1	0	1
Commercial Stall	1/115sqm, 0.6/1000sqm	0	2	2	0
Commercial Accessible Stall	1/500sqm, 0.4/1000sqm	1	1	1	0
<b>Total</b>		<b>57</b>	<b>21</b>	<b>3</b>	<b>18</b>

### HOTEL LENS

	Rooms
Level 1	0
Level 2	12
Level 3	14
Level 4	14
Level 5	14
Level 6	16
Level 7	18
Level 8	10
<b>Total</b>	<b>88</b>

### BIKE/PARKING

	Required	Provided
Bicycle Storage - Class A	0	0
Bicycle Storage - Class B	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

2022 02 18 CLIENT REVIEW

# NSDA

ARCHITECTS

PROJECT TITLE  
CHINATOWN HOTEL

PROJECT ADDRESS  
288 E GEORGIA STREET  
VANCOUVER BC

PROJECT NUMBER  
19006

PLAN NUMBER  
A-100

# Market Overview

## Economic Overview – Canada

Canada has the world's 39<sup>th</sup> largest population and the world's second largest land mass. The country's population is dispersed among 10 provinces and 3 territories with nearly 90% of its people living within 160 kilometers of the United States border. Canada consistently receives a top fifteen Human Development Index ranking and a top twenty ranking for GDP (nominal) per capita.

Canada's economy consistently receives a top twelve world ranking. International trade makes up a large part of Canada's economy, with the United States as its largest trading partner followed by the European Union and China. Key Canadian exports include petroleum, automobiles and auto parts, precious metals, machinery including computers, wood, electrical machinery, aircraft and spacecraft, pharmaceuticals and aluminum. More recently, Canada's high knowledge industries of manufacturing, business services, engineering and computer and management services have received a top ten global knowledge economy ranking from the World Bank Institute.

Following is a summary of featured insights prepared by the Conference Board of Canada regarding the Canadian economy.

### Imperiled by Inflation, COVID-19 and Conflict, the Economic Recovery Continues

- Canadian real GDP growth held steady in December, ending six consecutive months of growth.
- Overall, the economy expanded by 1.6 per cent in the final quarter of 2021 and 4.9 per cent in 2021. To put this in perspective, real GDP remains roughly 0.5 per cent below that recorded in 2019, a testament to the economic cost of the pandemic.
- In December, there was notable growth in agriculture, forestry, fishing and hunting (+4.6 per cent). However, this was more than offset by declines in retail trade (-2.7 per cent) and mining, quarrying, and oil and gas extraction (-2.2 per cent). In response to tightening public health measures, output declined in accommodation and food services (-1.5 per cent) as well as arts entertainment and recreation (-3.8 per cent).
- Falling government transfers to households pushed down fourth-quarter disposable income by 1.3 per cent. The household savings rate continued to decline, reaching 6.4 per cent as fewer restrictions offered Canadians greater freedom to spend. Spending on services increased, outweighing weaker spending on non-durable and semi-durable goods.

### Trade Balance Slowly Bouncing Back

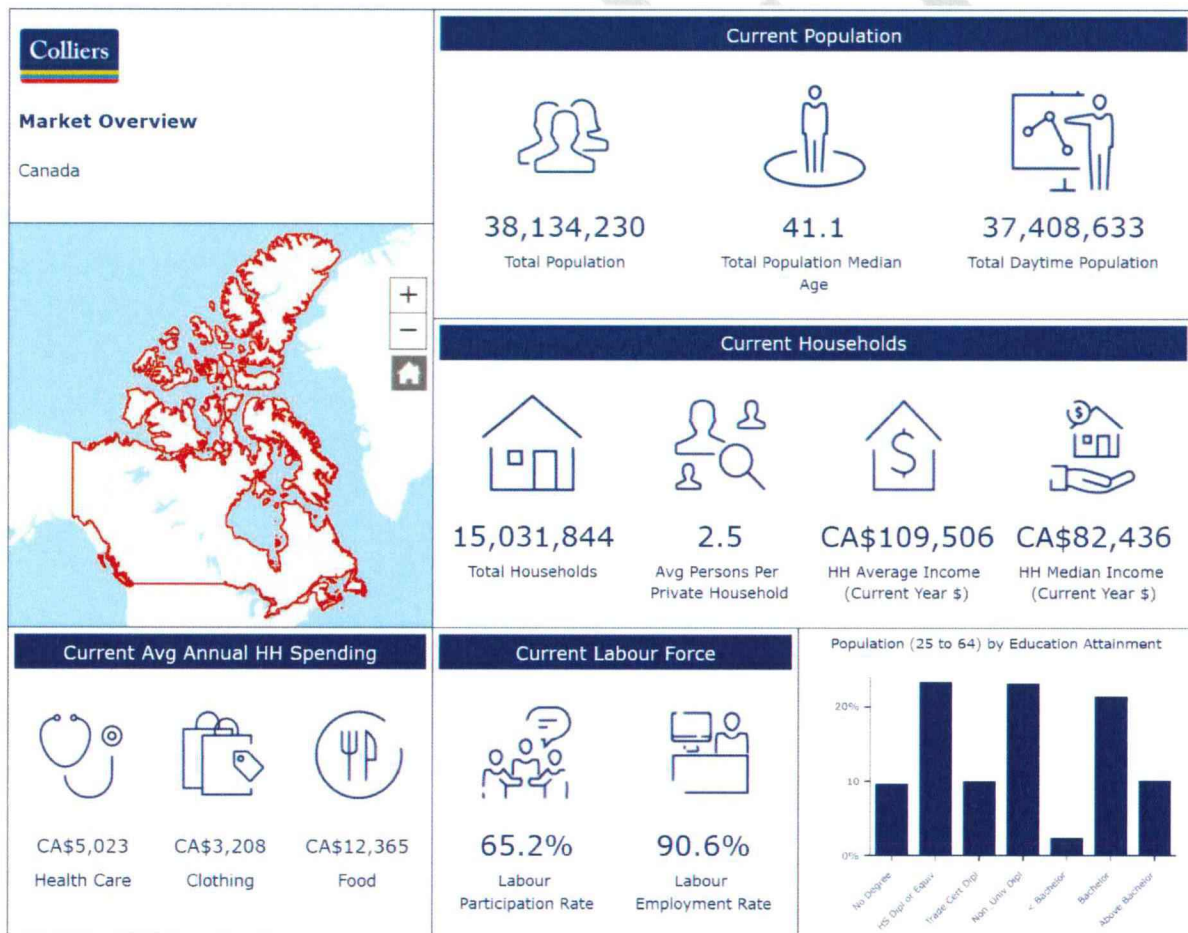
- Canada's total exports edged down 0.2 per cent while imports fell by 7.4 per cent in January. As a result, after posting its first deficit in seven months in December, Canada's merchandise trade balance returned to a surplus position. It went from a \$1.6 billion deficit in December to a \$2.6 billion surplus in January 2022.
- Imports of motor vehicles and parts declined 13.9 per cent in January, more than offsetting the 6.8 per cent increase observed in December 2021. Imports of passenger cars and light trucks also plunged 12.4 per cent, in part because of reduced movement from the United States.
- Following three months of gains, exports of motor vehicles and parts fell 9.6 per cent in January. While exports usually bounce back in January after downtime during the December holidays, this bounce back did not take place in 2022, resulting in a sharp seasonally adjusted decline in exports of passenger cars and light trucks (-15.0 per cent).



- Total imports from the United States were down 4.7 per cent while exports rose by 1.2 per cent. As a result, Canada's trade surplus with the United States widened from \$7.1 billion in December 2021 to \$9.3 billion in January 2022, the largest trade surplus since July 2008.

Bank of Canada Raises Rates Amidst Geopolitical Tensions

- The Bank of Canada increased its target for the overnight rate to 0.5 per cent, with the Bank rate at 0.75 per cent and the deposit rate at 0.5 per cent.
- CPI inflation which sits at 5.1 per cent, remains above the target range while core measures have continued to rise. Poor harvests and increase in transportation costs have pushed up food prices. Meanwhile, geopolitical tensions have also put upward pressure on prices for both energy and food-related commodities. Therefore, the Bank expects inflation to be higher in the near term than projected in January.
- At 6.7 per cent, economic growth in the final quarter of 2021 was stronger than the Bank's projection, which confirms their view that slack in the economy has been absorbed.
- As the Canadian economic recovery continues and inflationary pressures remain elevated, the Governing Council expects interest rates to rise further. It is to be determined when the Governing Council would consider exiting the reinvestment phase and reducing its holdings of Government of Canada bonds.



## Economic Overview – British Columbia

British Columbia is Canada's most western province, as well as the nation's third most populous province. The province is situated between the Pacific Ocean, Rocky Mountains, Yukon Territory and Washington State. British Columbia is the western terminus for many transcontinental highways and railways as well as ports to Asian markets. The province's capital is the City of Victoria, while Vancouver is home to half of the province's population and Canada's third largest metro population.

British Columbia is Canada's fourth largest economy. While resource-based industries continue to be the primary economic drivers in many regions, British Columbia is home to the largest number of small businesses and service-oriented economies in Canada.





## Economic Overview - Vancouver

Vancouver is Western Canada's most populous city, and the centre of the third most populous metropolitan area in Canada. Furthermore, Vancouver is consistently recognized as one of the top five cities worldwide for livability and quality of life, as well as one of the most ethnically and linguistically diverse cities in Canada. Metro Vancouver consists of 23 municipalities including Surrey, Burnaby and Richmond, interconnected by an extensive transportation network.



As a global city within the world's economic network, Vancouver's diverse economy includes trade, film production, natural resources, technology and tourism.

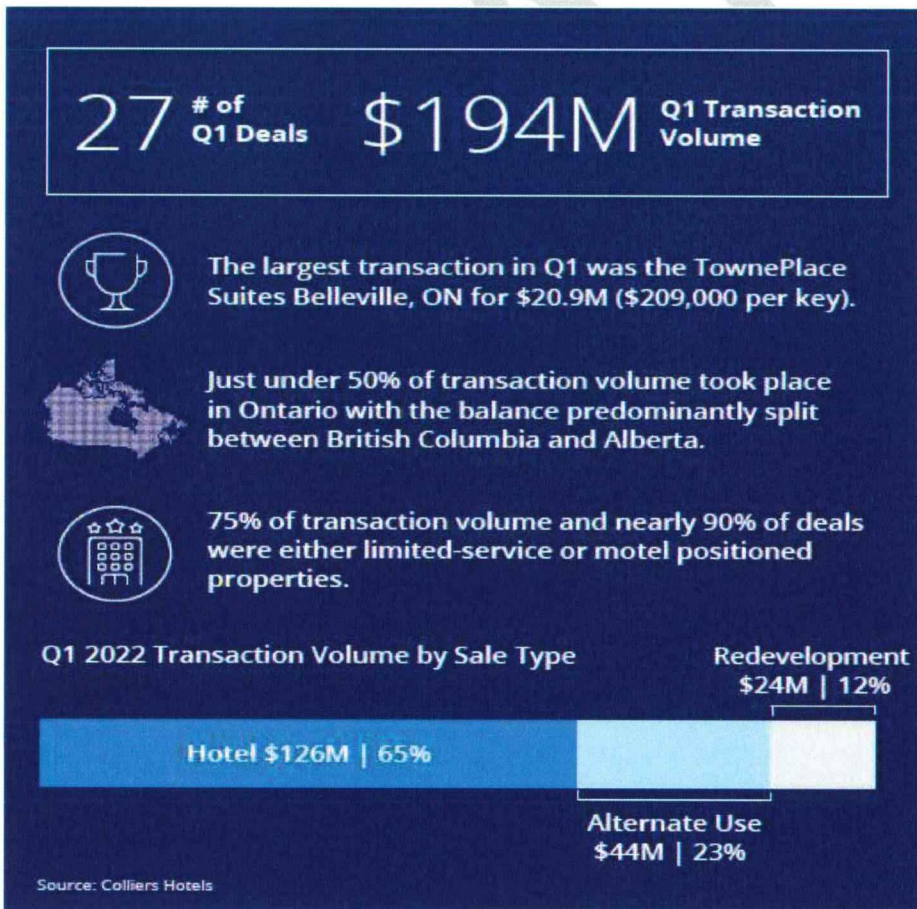
Vancouver CMA						
Economic Indicators	2019	2020	2021	2022	2023	2024
Real GDP (2007 \$ millions)	152,041	144,507	151,604	158,026	160,905	163,378
<i>percentage change</i>	0.03	-0.05	0.05	0.04	0.02	0.02
Total employment (000s)	1,474	1,347	1,476	1,507	1,516	1,534
<i>percentage change</i>	0.03	-0.09	0.10	0.02	0.01	0.01
Unemployment rate (%)	4.6	9.6	7.0	5.3	5.4	5.5
Personal Income per Capita (\$)	51,031	52,425	54,156	55,720	57,073	58,516
Population (000s)	2,691	2,710	2,720	2,747	2,784	2,823
<i>percentage change</i>	0.01	0.01	0.00	0.01	0.01	0.01
Total housing starts	28141	20700	23120	20908	20075	19208
Retail Sales (\$ millions)	40,032	39,732	41,639	42,658	43,926	45,212
<i>percentage change</i>	-0.01	-0.01	0.05	0.02	0.03	0.03

The above data is taken from various Major City Insights reports (March 19, 2021) and Provincial Two-Year Outlook issue briefings (March 19, 2021), published by The Conference Board of Canada, Ottawa.  
 Figures for 2021 and forward reflect forecasts.



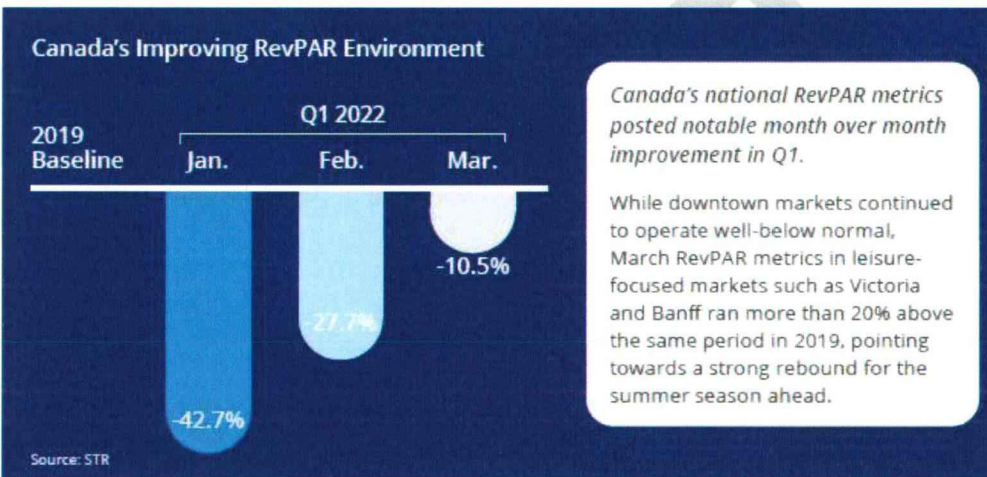
## Canada Hotel Market Overview Q1 2022

- Lodging investment was fairly muted in the first quarter which saw approximately 27 deals totaling \$194 million in volume. Pricing remained healthy overall with an average price per key of \$130,900. When excluding transactions acquired for alternate uses, price per key was \$119,400.
- Lower than anticipated volume was largely a reflection of the product that traded, primarily motels and limited-service properties outside of major markets with an average deal size of \$7.2 million and 55 rooms.
- Acquisitions for conversion to alternate use continue to comprise an above-average component of trading activity with renewed momentum from additional funding allocated to the Rapid Housing Initiative, among other programs.
- Despite a slow start, the deal pipeline for the second quarter and back half of 2022 is encouraging including a handful of more significant full-service city centre hotels expected to transact.
- Looking ahead, investment activity should be supported by the continued year-over-year improvement in hotel operating performance and increasingly available hotel financing, albeit at increasing costs as the interest rate environment shifts.



Busy summer travel season ahead

- The most recent Smith Travel Research data points to quickly rebounding operating metrics with many cities and segments approaching near normal or surpassing the comparable period in 2019.
- Real-time demand post-Easter weekend has been strong with many cities enjoying robust occupancies, particularly over weekend periods.
- Domestic travel demand should more than make up for the loss in foreign visitors over the peak travel season that is now kicking into gear.
- There is a good possibility that the overall market will fully recover on a RevPAR basis sooner than expected – largely attributed to strength in growing ADRs.



# Q1 Transaction List

Select transactions presented below

Name	City	Province	Keys	Date	Price	Price / Key
Union Bank Inn (1)	Edmonton	AB	34	Jan-22	\$5,900,000	\$173,500
Pomeroy Inn & Suites Grimshaw	Grimshaw	AB	62	Jan-22	\$1,250,000	\$20,200
Best Western Plus Barclay Hotel (2)	Port Alberni	BC	84	Jan-22	n/a	n/a
Country Squire Resort	Gananoque	ON	67	Jan-22	\$4,060,000	\$60,600
TownePlace Suites Belleville	Belleville	ON	100	Jan-22	\$20,900,000	\$209,000
● Comfort Inn Waterloo (3)	Waterloo	ON	85	Jan-22	\$14,688,000	\$172,800
Bradford Inn	Bradford	ON	14	Feb-22	\$2,700,000	\$192,900
Inn on the Lake	Georgina	ON	15	Feb-22	\$3,360,000	\$224,000
Super 8 Edmonton International Airport	Leduc	AB	64	Mar-22	\$4,000,000	\$62,500
● NUVO Hotel Suites (3)	Calgary	AB	32	Mar-22	\$8,000,000	\$250,000
● Akai Motel (5)	Canmore	AB	45	Mar-22	\$3,700,000	\$82,200
Days Inn Thunder Bay North (6)	Thunder Bay	ON	92	Mar-22	n/a	n/a
Days Inn & Suites Thunder Bay (6)	Thunder Bay	ON	92	Mar-22		
Carriage House Motor Lodge	Niagara Falls	ON	120	Mar-22	\$7,400,000	\$61,700
● Niagara's Best Inn Motel (7)	Niagara Falls	ON	40	Mar-22	\$20,050,000	\$161,700
● Quality Inn & Suites Niagara Falls (7)	Niagara Falls	ON	84	Mar-22		
Hôtel Charlemagne	Charlemagne	QC	36	Mar-22	\$5,500,000	\$152,800

Source: Colliers Hotels

● Alternate Use/Redev.



## Greater Vancouver Retail Market Overview

According to CoStar research, while the retail sector seemed headed toward unprecedented challenging times in the Spring of 2020, the overall market in Vancouver has been more resilient than expected and benefitted from fewer pandemic related lockdown restrictions relative to other major Canadian markets.

Geography has played a large part in drawing international tourists and ensuring Vancouver is a top performing retail market in Canada. Direct access to Asian markets, and its position on the coast has allowed Vancouver to build itself as a convenient and world class destination. Closed borders due to the pandemic have been a significant contributor to the difficulties felt by retailers since Spring 2020, particularly in the downtown core, however mass closures have so far been avoided.

Vancouverites have long shown an affinity for high quality and luxury brands, ensuring that four local shopping centres are consistently listed as top Canadian malls. According to the Retail Council of Canada, CF Pacific Centre (downtown Vancouver), Park Royal (West Vancouver), CF Richmond Centre (Richmond) and Metropolis at Metrotown (Burnaby) each record more than \$1,000 in sales per square foot, as high as \$1,865 at CF Pacific Centre.

As a result of the strong mall performance in the region, together with well-established shopping nodes catering to specific segments, Vancouver is often considered as the first location for expanding international retailers when entering Canada. Alberni Street in downtown Vancouver is a prime example of a Vancouver location that draws luxury retailers to Canada from across the globe while Pacific Centre and Metropolis at Metrotown feature several Canadian flagship locations.

Despite the challenging pandemic conditions, Vancouver's older retail stock continues to undergo transformation as previously acquired traditional retail properties are re-imagined with high-density, mixed-use developments serviced by retail uses at grade.

Properties that have undergone, or are in the planning stages for large-scale development, can be traced along Skytrain lines, and often to shopping centres, however the strong demand from the housing market has also added pressure to see non-core retail sites densified.

Tenanted properties that have not yet been sold for redevelopment are often leased with built-in demolition clauses, providing purchasers with the ability to move forward with redevelopment opportunities but also creating challenges for tenant's with long-term plans. Long standing local retailers in older stock buildings are often in the owner/user category. Each year they face increasing property assessments, and thereby property taxes, forcing a tough decision between staying open, or closing shop and marketing their properties to buyers that are working toward assemblies and redevelopment.

The greater Vancouver region currently has 850,000 square feet of retail space under construction, 33% of which is tied to a single project, Gilmore Place, by Onni Group. This development aligns with much of the new retail space that has come to market of late; sites acquired at or near rapid transit stations that present significant opportunity to add density in a mixed-use format, including retail, office, and residential components.

The retail market in Vancouver has recorded negative quarterly absorption on only three occasions in the past five years: q2 & q3 2017, and q4 2019. Annually, net absorption in 2020 was down by 27% from 2019, which itself was down 46% from 2018. While the market has slowed in taking more space, the fact that

2020 managed to track positively is evidence of retailer resiliency, landlord flexibility, and the overall effectiveness of government subsidies. As many of the retail sites adding large sums of density come online in the coming years, the Vancouver market will need to return to previous absorption levels to avoid rapidly climbing vacancy.

Throughout 2021, 280,000 SF of net new space is expected to arrive to market, the lowest level in the past six years. Based on the market's ability to absorb, in particular the 1.1 million square feet taken in 2020, vacancy rates are projected to decline leading to tighter conditions. Well established retail nodes, especially those offering older stock at slightly discounted rates will likely be the first spaces to be secured by new tenants, despite demolition clauses clouding the long-term certainty of the space.

Over the course of the pandemic, restaurant retailers have been the hardest hit in the Vancouver market, with several closures and nearly all having to adapt to far fewer diners while scaling-up to-go dining options. With foot traffic starting to return to major shopping areas, together with the warmer months ahead, and vaccine rollouts ramping up, the hope is that the worst is nearly over. In fact, a number of new restaurants have opened in the late Winter and early Spring of 2021 along major corridors such as Commercial Drive and Robson Street.

Other retailers affected by the pandemic include select major brands closing stores as part of nationwide initiatives. Hardest hit in this regard are the enclosed malls as they have seen brands such as Aldo, Godiva, David's Tea, and Starbucks provide notice of future store closures. Investment in the retail market has improved each quarter after Q2-20 and has now posted three successive quarters of growth, with performance now above levels recorded in 2019. Suburban markets are contributing significantly to the overall investment levels with three of the top five transactions in 2021 occurring in Abbotsford, Richmond, and Langley. Strata/condo sales and retail sites that represent viable infill redevelopment opportunities have also contributed greatly to the investment levels recorded throughout the start of 2021. Local private investors, including local developers, have been the dominant players in the retail sector.

throughout 2020 and 2021 year to date, on both the buy and sell sides. Activity has been present across the region, but there has been no indication of any major landlords looking to exit the retail market, rather it appears that they share the general sentiment that in the second half of 2021, and into 2022, a healthy rebound is anticipated.

**KEY INDICATORS**

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Malls	16,039,667	0.7%	\$30.77	3.8%	25,974	0	272,309
Power Center	1,139,772	1.2%	\$23.92	1.2%	0	0	0
Neighborhood Center	16,600,164	1.8%	\$29.07	3.3%	7,743	0	146,603
Strip Center	2,704,077	0.6%	\$27.60	1.6%	(1,382)	0	4,000
General Retail	85,510,714	1.2%	\$32.83	1.9%	28,229	20,990	423,887
Other	868,576	0%	\$29.42	3.9%	0	0	0
<b>Market</b>	<b>122,862,970</b>	<b>1.2%</b>	<b>\$31.83</b>	<b>2.3%</b>	<b>60,564</b>	<b>20,990</b>	<b>846,799</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-0.3%	2.3%	1.0%	4.5%	2015 Q3	1.2%	2021 Q3
Net Absorption SF	619K	2,133,500	743,108	4,568,400	2016 Q3	334,131	2017 Q4
Deliveries SF	288K	1,697,677	753,567	3,453,964	2016 Q4	320,964	2021 Q2
Rent Growth	1.0%	3.5%	2.9%	7.9%	2018 Q1	-2.1%	2016 Q4
Sales Volume	\$1B	\$960.6M	N/A	\$1.5B	2017 Q4	\$535.2M	2017 Q1

Source: CoStar Research





### Leasing

Prior to the pandemic, Metro Vancouver's retail sector was performing extremely well, the result of strong leasing activity in 2018, when 2.8 million SF of absorption activity occurred, followed by 1.5 million SF of net absorption in 2019. Over the past 12 months, absorption activity has declined to 620,000 SF, counting the pandemic and the resulting lack of tenant move ins/move-outs as contributing factors.

Much of the demand over the past few years has been related to an influx of domestic and international brands entering the market, including a strong expansion of the luxury retail sector, primarily fueled by high tourism volumes and strong domestic demand. However, along with new entrants to the market, the past year saw many established retailers exit the market. Many of the retailers that did exit did so only partially, shuttering underperforming locations that were further aggravated by the pandemic. Other retailers that were not able to innovate in terms of product and delivery also faced increasing headwinds, with some choosing to close.

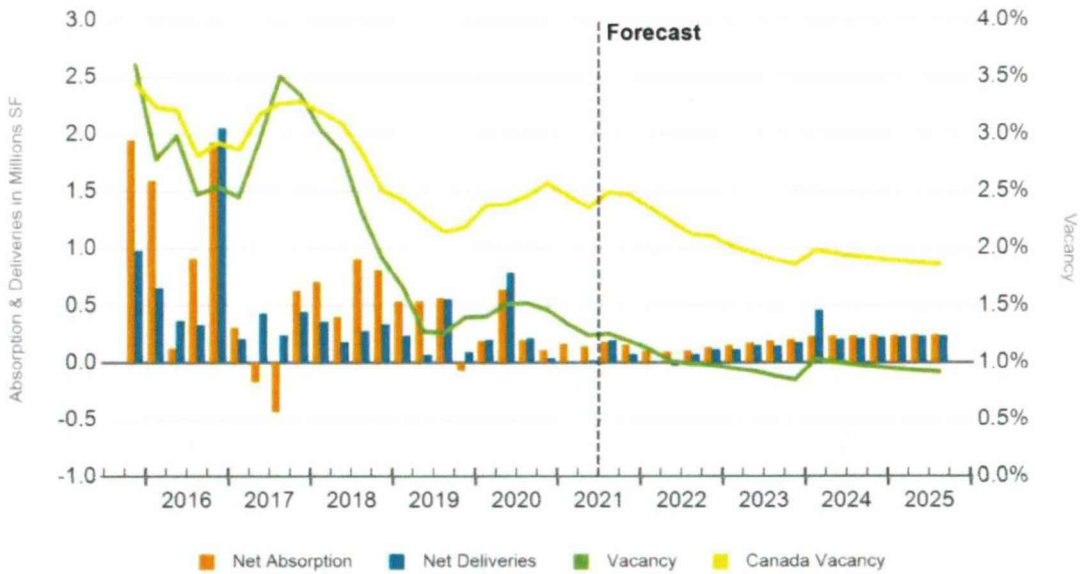
With an increasing availability rate, prospective tenants will likely be demanding lower rents, or greater incentives, to account for lower foot traffic and weaker instore demand. However, as retail sales have already recovered from the lows seen during the pandemic, landlords are holding firm on their asking lease rates but offering increasing tenant inducements in order to complete lease deals. Moreover, with federal funding for small to medium-sized retailers, those struggling to get by will be supported with "needs-based" funding until September 2021, with the programs beginning to phase out in June. Funding has included government-funded wage subsidies, forgivable bank loans, and subsidies for fixed operating expenses.

Although COVID-19 has resulted in major retailers such as Army & Navy, Aldo, and David's Tea to either exit or drastically downsize, there have been several major leases since the onset of the pandemic. In fact, Foot Locker has decided to lease three floors totaling 20,700 SF at 1067 Robson Street in July 2020. Despite apparel and footwear sales declining across Canada, the streetwear giant decided to move out of its smaller location at 919 Robson Street, to create this "power store" whereby shoppers will receive an "elevated retail experience" according to company. As the new location will occupy prime real estate on the coveted Robson strip, ground-level rates were secured at a whopping \$225/SF. The space Foot Locker vacated, at Robson Street and Hornby Street, was quickly picked up by Peloton, for their own flagship location. More recently, Value Village picked up 34,500 SF that Home Outfitters vacated in late 2019, at 985 Nicola Avenue in Port Coquitlam, and Clutch Canada leased 5400 Minoru Boulevard in Richmond, a 30,500 SF car dealership lease. With the increased unemployment through 2020, yet strong vehicle sales over the course of the same time frame, these two leases are indicative of consumer activity at either ends of the spectrum.

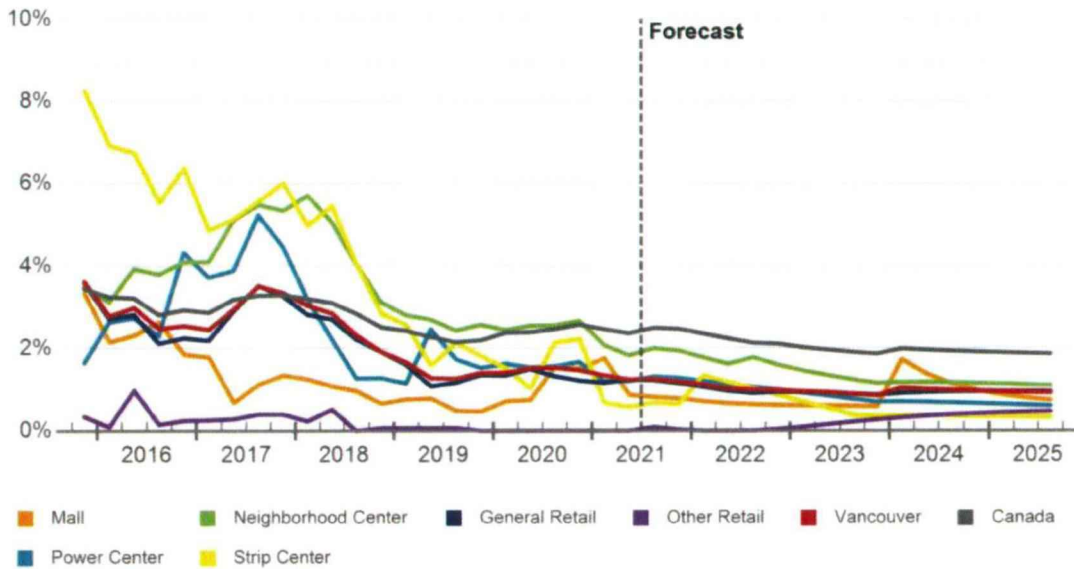
Going forward, there is no doubt that the retail sector will be the hardest hit among all commercial asset classes, not only in Metro Vancouver but across Canada. Adoption rates for e-commerce have seen the highest growth rates since inception, while many consumers have taken a step back on their spending habits especially for nonessential goods. While further closures and bankruptcies will likely be announced, those that entered the pandemic with strong balance sheets and either introduced or increased supplementary revenue channels, there is hope on the other side. For those larger retailers that are currently struggling, it is expected that many will apply for creditor protection, giving them some additional time to restructure or refinance for a second shot at survival.



**NET ABSORPTION, NET DELIVERIES & VACANCY**



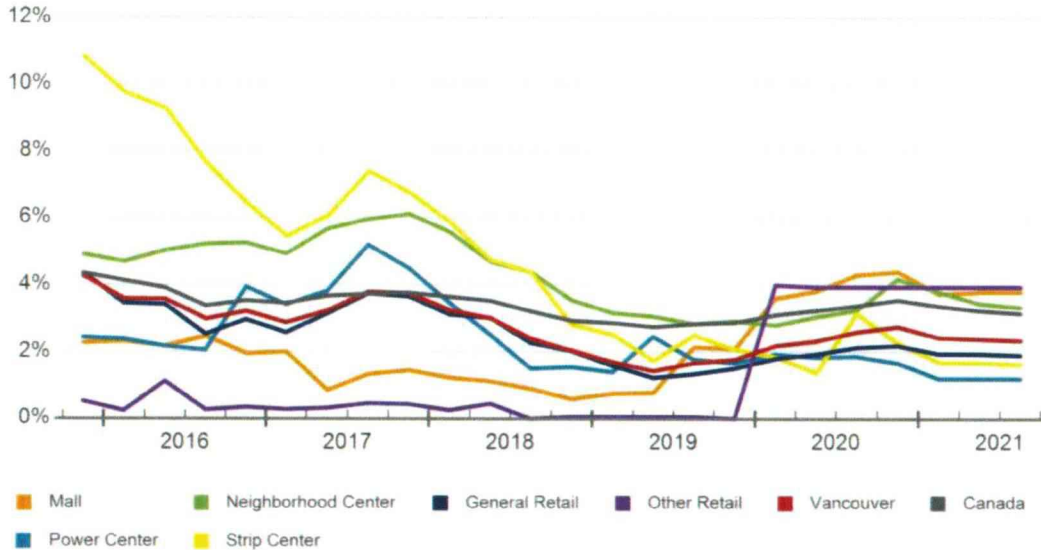
**VACANCY RATE**



Source: CoStar Research



**AVAILABILITY RATE**



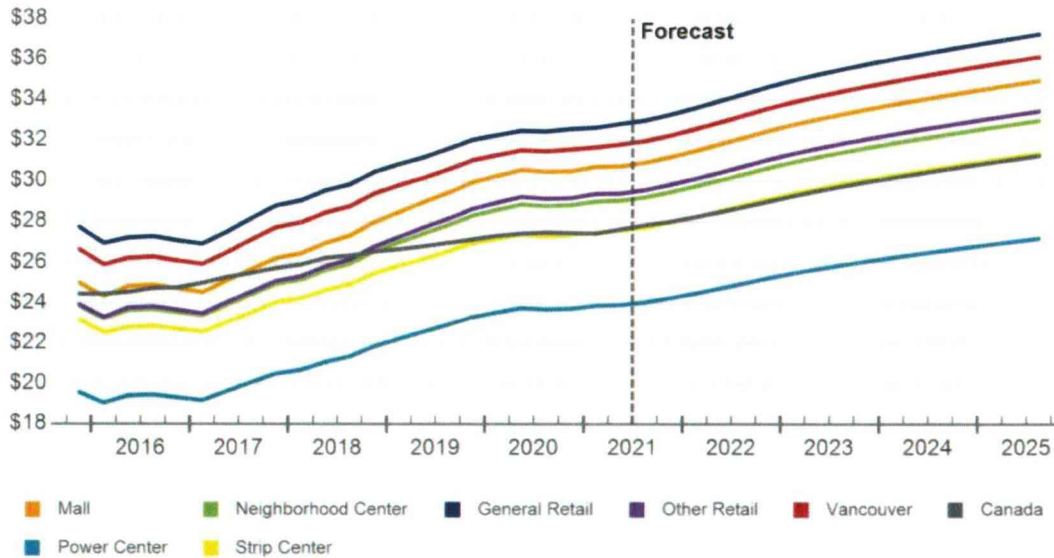
Source: CoStar Research

Retail rents across Metro Vancouver have benefited from strong rent growth. In fact, retail rents increased by 11.6%, or 4.1% on average per annum over the past three years. 2020's challenges rapidly cooled the rent growth rate, however with restrictions seemingly lifted for good by mid-June, rental rate growth has returned at a rate of 1.0%, growing to \$32.00/SF. While rental rates plateaued, inducements landlords have had to offer through the pandemic to complete lease transactions have climbed considerably, as high as +30%.

Consumer behaviours have changed since the start of the pandemic, and many consumers have held off on or delayed purchases in some areas while accelerating purchases in others. As a result, many food and service based retailers will be challenged to approach pre-COVID sales performance and will ultimately struggle to meet lease obligations once government funding runs out. With mass vaccine rollouts now taking place, and the summer months here, activity in retail areas of greater Vancouver has picked up as consumers 'make up for lost time'.

Despite the ongoing challenges related to the pandemic, retail tenants will continue to face pre-COVID challenges, primarily additional rent charges that include property taxes, utilities, maintenance, and insurance. Property taxes have forced some retailers to shut their doors due to assessment values being based on highest and best use. Due to the massive push towards multifamily development, many of these older retail buildings sit on land considered ideal for high density residential development. As most retail tenants in Metro Vancouver hold triple net leases, operating costs are adjusted annually to reflect growing property taxes and insurance rates. Today, additional TMI costs average \$13/SF across Metro Vancouver while downtown Vancouver can reach upwards of \$24/SF in additional TMI expenses.

**MARKET RENT PER SQUARE FEET**



Source: CoStar Research

**Sales**

Over the past three years, the Metro Vancouver retail market averaged approximately \$1.0 billion in annual sales volume, with 2017 producing \$1.5 billion in transaction activity. Although sales volume has remained strong, it has declined each subsequent year, with 2020 coming in at \$802 million, approximately 80% of the three-year sales volume average. 2021 sales volume currently sits at \$558 million.

Over the past 12 months, the largest transaction involved the sale of 800-804 Granville St., a premier retail corner in downtown Vancouver where Granville St. meets Robson St. Bonnis Properties acquired the 10,000 SF building, on a 6,000 SF lot, from a local private investor for \$40,000,000 in April. Bonnis has been an active buyer in the Granville-strip area over the years and held many properties over the long term before redevelopment.

A number of other transactions over the past year, above the \$20 million threshold, have closed and are in areas that are expected to see significant increases in foot traffic again; downtown, south Granville, south Cambie, lower Lonsdale to name a few. Suburban markets have also recorded higher profile deals; Abbotsford, Langley City, 120th Street in Surrey, and the Bridgeport area of Richmond.

Parallel Marketplace in Abbotsford traded in February 2021. The retail was acquired by Skyline REIT, its first acquisition in the greater Vancouver market, for \$31.4 million. The buildings are nearly fully occupied, testament to the resiliency of the retail market in Abbotsford. This acquisition also underscores the continued appetite for quality retail assets by institutional investors.

The ongoing theme of acquisition for redevelopment has not changed over the past year. Chard Development acquired a 1.5 acres site at 622-688 SW Marine Drive in December, for \$68,140,000. The site is expected to accommodate a high density, residential/retail development, and Atlas Capital Group acquired 475 West Hastings, at Richards Street, in September 2020. The 0.21 acre property was acquired for \$31.25 million, and will likely be redeveloped in the medium term to accommodate a new hotel. Considering retail properties traditionally carry more risk than office properties, the Metro Vancouver

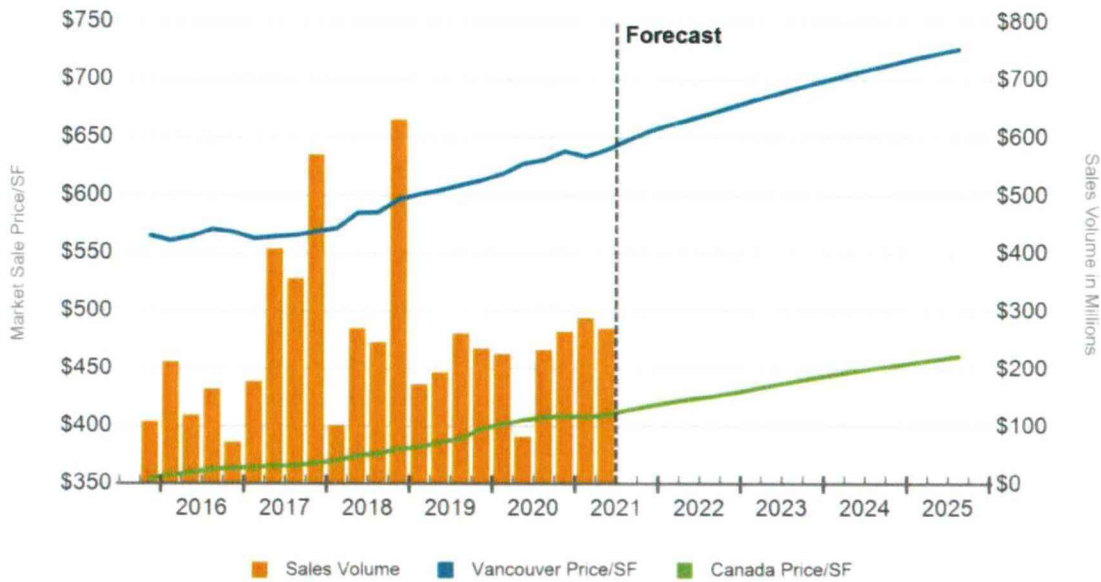




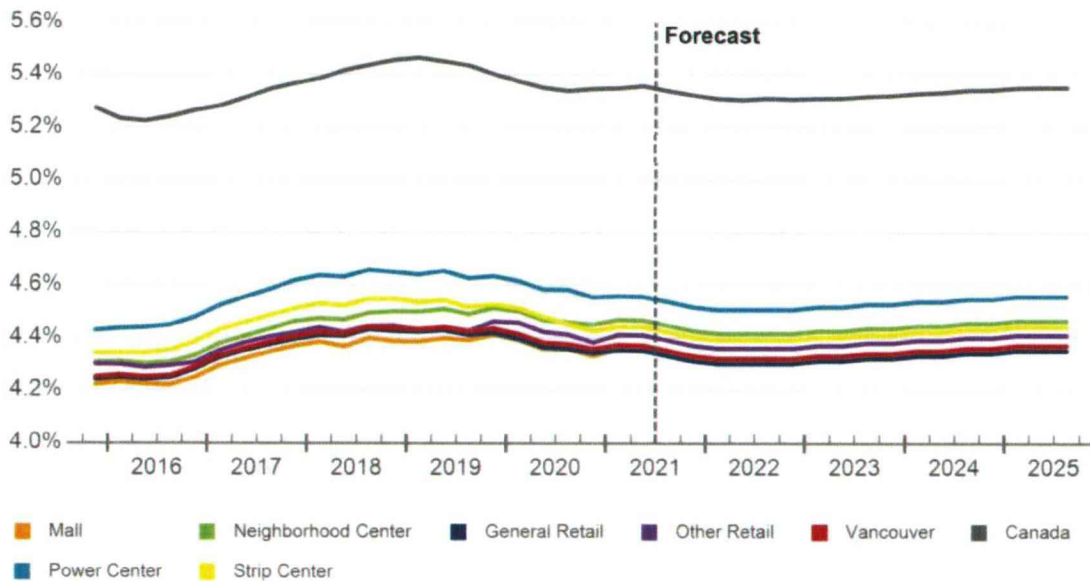
average retail capitalization rate is currently at a respectable 4.4% and has remained relatively stable over the past three years. However, with many retailers struggling due to the coronavirus pandemic, retail assets that aren't candidates for redevelopment will take the largest hit in terms of valuation.

Considering many retailers and restaurateurs will not be able to sustain the same level of pre-COVID sales activity, any new leasing activity will likely be discounted via inducements until sustained leasing activity returns to the market. In the meantime, average market prices are still holding their ground, trading at \$640/SF and are expected to remain steady throughout the balance of 2021.

**SALES VOLUME & MARKET SALE PRICE PER SF**



**MARKET CAP RATE**



Source: CoStar Research

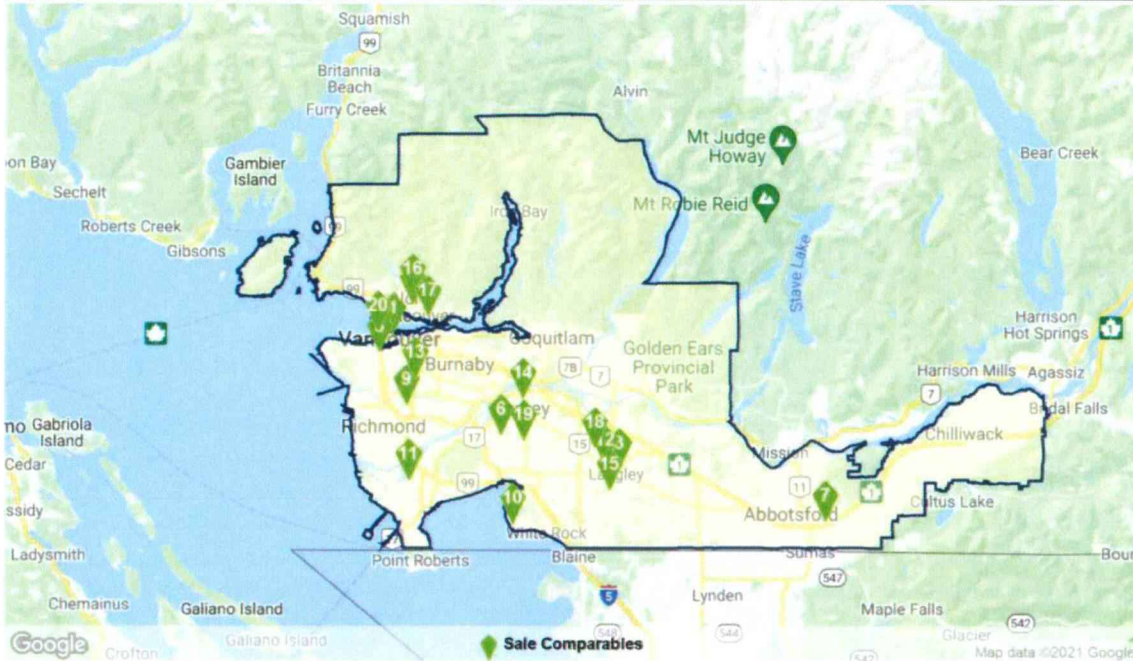


### Sales Past 12 Months

Vancouver Retail

Sale Comparables	Avg. Cap Rate	Avg. Price/SF	Avg. Vacancy At Sale
<b>410</b>	<b>3.7%</b>	<b>\$570</b>	<b>1.4%</b>

#### SALE COMPARABLE LOCATIONS



#### SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$100,000	\$4,175,641	\$2,750,000	\$31,250,000
Price/SF	\$32	\$570	\$682	\$3,720
Cap Rate	1.7%	3.7%	3.5%	5.1%
Time Since Sale in Months	0.7	5.8	5.4	12.0
Property Attributes	Low	Average	Median	High
Building SF	451	7,918	5,127	59,198
Stories	1	1	1	4
Typical Floor SF	451	6,390	3,513	59,198
Vacancy Rate At Sale	0%	1.4%	0%	100%
Year Built	1901	1968	1970	2020
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.5	★ ★ ★ ★ ★	★ ★ ★ ★ ★

Source: CoStar Research



# Valuation

## Highest and Best Use

The principle of highest and best use is fundamental to the concept of value in real estate. Highest and best use, in general, may be defined as follows:

“The reasonably probable use of real property, that is physically possible, legally permissible, financially feasible, and maximally productive, and that results in the highest value.”

(The Appraisal Institute of Canada "Canadian Uniform Standards of Professional Appraisal Practice". 2020 ed., p. 8)

The four criteria the highest and best use must meet are analyzed following in relation to both the property as vacant and as currently improved.

### As Vacant Analysis

#### Legal Permissibility

The legal factors that can influence the highest and best use of the Subject site include land use/zoning regulations, private restrictions, building codes, historic designations/district controls, environmental regulations and others, if applicable to the Subject site. In the Subject instance, general ranges of permitted uses under its Chinatown Historic Area zoning include a variety of mixed-use uses. Overall, legal factors appear supportive of a broad range of mixed-uses for the Subject site.

#### Physical Possibility

Regarding physical characteristics, the Subject site is generally rectangular in shape and has level topography with good access and good exposure. Physical and locational features appear supportive of a broad range of mixed-use for the site's highest and best use.

#### Financial Feasibility

Our observations of current market conditions for development at the Subject property's location suggest that development of the site with a mixed-use would be feasible.

#### Maximum Productivity

Of the various legally permissible, physically possible, and financially feasible uses available, the maximum productivity of the property would be achieved with a mixed-use development.

#### As Vacant Conclusion

Based on the previous discussion, the Subject's highest and best use as-vacant is concluded to be as a holding parcel for mixed-use development pending creation of sufficient demand.



## As Improved Analysis

### Legal Permissibility

The current use is a permitted use within the applicable zoning and/or land use bylaw requirements affecting the property. There are no known private or other restrictions negatively impacting use of the property. The subject property is zoned HA-1A (Chinatown Historic Area) which permits a range of uses including the properties current use. The City of Vancouver has indicated a maximum density of 5.35 FSR for the subject parcel, with a maximum of 8 storeys and a height of 21.3 m (70 feet). Therefore, the current use is considered legally permissible

### Physical Possibility

The site is of a sufficient size, configuration, and topography to accommodate the property's present use as improved in an efficient and functional manner. The subject property comprises of a single parcel of land offering high exposure as a corner lot between East Georgia and Gore Street within the Strathcona neighborhood of Vancouver. The subject topography slightly slopes downward from northeast to the southwest and is level and at grade with the adjoining streets. The following image is provided by the City of Vancouver Geographical Information System showing the connections to water, sewer and electrical services. The closets fire hydrant is located on the northwest corner of East Georgia Street and Gore Avenue. Therefore, the current use is considered physically possible

### Financial Feasibility

Our client is anticipating a strata hotel density of 5.35FSR or 77,013 gross SF, comprised of 89 guest rooms at an anticipated average size of 696 SF and ground floor commercial area. Given the anticipated strata hotel configuration, we have considered sales of strata hotel projects in other parts of Vancouver along with end unit residential values in the subject's neighborhood to gage upper limit values for the subject property units

### Maximum Productivity

The subject is located within an area with a community plan which permits redevelopment of the subject property up to a maximum density of 5.35 FSR under the current HA-1A zoning. The greatest economic use of the land is to redevelop the land to maximize the allowable density. As such, the economic use of redevelopment is greater than the subject current use. Thus, reflecting the subject parcel being a development site.

### As Improved Conclusion

Based on the foregoing, the highest and best use of the property is considered to be a redevelopment of the subject property lot with a mixed-use development predominantly residential use which maximizes the highest allowable density will deliver the greatest net return to the property.

## Valuation Methodology

Traditionally, there are three accepted methods of valuing real property:

- Cost Approach;
- Direct Comparison Approach; and
- Income Approach.

The selection of a relevant methodology depends upon the nature and characteristics of the real estate under consideration.

- 1) **The Cost Approach** is a method through which a value indication is derived for the fee simple estate by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive or profit; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated value of the fee simple estate in the Subject property to reflect the value of the property interest being appraised.
- 2) **The Direct Comparison Approach** examines the cost of acquiring equally desirable and valuable substitute properties, indicated by transactions of comparable properties, within the market area. The characteristics of the sale properties are compared to the Subject property on the basis of time and such features as location, size and quality of improvements, design features and income generating potential of the property.
- 3) **The Income Approach** is based on the premise that properties are purchased for their income producing potential. It considers both the annual return on the invested principal and the return of the invested principal. This valuation technique entails careful consideration of contract rents currently in place, projected market rents, other income sources, vacancy allowances, and projected expenses associated with the efficient operation and management of the property. The relationship of these income estimates to property value, either as a single stream or a series of projected streams, is the essence of the income approach. The two fundamental techniques utilized within the Income Approach include the Overall Income Capitalization and Discounted Cash Flow Techniques.

**The Overall Income Capitalization Technique** analyzes the relationship of current projected stabilized net operating income to total property value. The stabilized net operating income is capitalized at a rate that implicitly considers expected growth in cash flow and growth in property value over a buyer's investment horizon. The implied value may be adjusted to account for non-stabilized conditions or required capital expenditures to reflect an as is value.

**The Discounted Cash Flow Technique** models a property's performance over a buyer's investment horizon from the date of acquisition through the projected sale of the property at the end of the holding period. Net cash flows from property operations and the reversion are discounted at a rate reflective of the property's economic and physical risk profile.

## Selection of Relevant Methodology

Due to very limited comparable sales of similar development lot in Vancouver market specifically for proposed strata hotel development, Direct Comparison Approach cannot be utilized. A land residual technique can be utilized to estimate subject property lot value considering the development of the proposed hotel strata building.

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# Direct Comparison Approach – Sellout Value

**Land Residual Technique**, in this method the net income generated from the property is established. From this is deducted a reasonable return on and recapture of capital invested in the improvements. The residual income is considered to be ascribed from the land. This income is then capitalized at an appropriate rate to arrive at an estimate of land value. An important assumption required in the application of this method is that the site is developed to its highest and best use such that the income from land and improvements are of the same type and sources.

In the first step we will analyze the total sellout value of proposed strata hotel rooms and ground floor commercial area than all associated cost for this development will be deducted from that revenue.

## Commercial Retail Area

According to the developer's preliminary development statistics the proposed mixed-use development will include ground floor commercial retail area around 5,557 SF which can be also sold separately.

The Direct Comparison Approach is based on the Principle of Substitution which maintains that a prudent purchaser would not pay more for a property than what it would cost to purchase a suitable alternative property that exhibits similar physical characteristics, tenancy, location, etc. Within this approach, the property being valued is compared to properties that have sold recently or are currently listed and are considered to be relatively similar to the Subject property. Typically, a unit of comparison is used to facilitate the analysis. In the case, the sale price per suite is the most commonly used unit of comparison.

The sale indices presented in the previous section represent transactions involving similar investment (multi-family properties) in the Vancouver market area. In valuing the Subject property, it has been compared to each of the index sales. The basis for comparison included the consideration of the following:

- Property Rights Conveyed
- Financing Terms
- Conditions of Sale
- Market Conditions
- Location
- Physical Characteristics
- Economic Characteristics

## Analysis

### Property Rights Conveyed

Rights conveyed relates to the type of ownership transferred. In this case all the sale transactions related to the fee simple estate as owner-occupied dwellings. As such, no adjustments under this category are required.

#### Financing Terms

Refers to the financing arrangements made when the property sold. In this regard, financing is not believed to have been a significant motivating factor in any of the sales summarized and therefore no adjustments are required.

#### Conditions of Sale

It is not believed that any of the vendors were unduly motivated to divest the properties and therefore no adjustments are required for motivation.

#### Location

In our opinion, the location influences of the asset are generally reflected in the access and central area afforded the subject property. Other factors have also been taken into consideration in our comparable analysis.

#### Physical Characteristics

As was the case with location, in our opinion differences in overall physical condition relate to age and features.

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### Market Data

The following comparable commercial retail property sales have been researched within the market.

Recording Number	Sale Date	Sale Price	Sale Price per SF	SF	Address	Year Built
CA 9746759	2/28/2022	\$3,250,000	\$1,578	2,060	2315 Main Street	1940
CA 9720115 to CA 9720122	2/16/2022	\$7,199,997	\$1,503	4,790	2211 Burrard Street	1998
CA 9681735	1/31/2022	\$9,050,000	\$1,560	5,800	1010 West Broadway	1920
CA 9681686	1/31/2022	\$2,399,000	\$1,629	1,473	238 West Broadway	2017
CA 9658608 & CA 9658621	1/21/2022	\$3,139,499	\$1,527	2,056	170 East 2nd Avenue	2021
C8040909	12/7/2021	\$920,000	\$1,697	542	5759 West Boulevard	1998
C8040574	10/13/2021	\$2,399,000	\$1,623	1,478	228 West Broadway	2017
CA9389952	9/28/2021	\$6,300,000	\$2,100	3,000	2675 Granville Street	1957
C8038491	9/20/2021	\$3,465,000	\$1,507	2,300	1736 Commercial Drive	1920
CA 9302011 & CA 9302012	8/25/2021	\$11,600,000	\$2,522	4,600	143 East 3rd Avenue	1959
CA 9048858	5/31/2021	\$5,800,000	\$1,719	3,375	2242 West 4th Avenue	1910
<b>Average:</b>		<b>\$5,047,500</b>	<b>\$1,724</b>	<b>2,861</b>		
<b>Min:</b>		<b>\$920,000</b>	<b>\$1,503</b>	<b>542</b>		
<b>Max:</b>		<b>\$11,600,000</b>	<b>\$2,522</b>	<b>5,800</b>		



### General Market Analysis

The sales previously presented are summarized and analyzed below:

Because the subject property is yet to be constructed and based on its new condition, we think the proposed retail space will be competitive on the market.

Our research of retail properties in close proximity to the subject property indicates that average sale price is around \$1,724 per SF and maximum of \$2,522 per SF for higher end and free-standing buildings. Based on that and proposed subject property development location it is our opinion that the subject property's retail space can achieve sale price per SF of \$1,750.

Level	Floor Area	Price per SF	Market Value
1	5,557	\$1,750	\$9,725,000
<b>TOTAL</b>	<b>5,557</b>		<b>\$9,725,000</b>

## Hotel Room Sales

According to the developer's preliminary development statistics the proposed mixed-use development will include 89 strata hotel guest rooms at an anticipated average size of 617 - 720 SF.

The Direct Comparison Approach is based on the Principle of Substitution which maintains that a prudent purchaser would not pay more for a property than what it would cost to purchase a suitable alternative property that exhibits similar physical characteristics, tenancy, location, etc. Within this approach, the property being valued is compared to properties that have sold recently or are currently listed and are considered to be relatively similar to the Subject property. Typically, a unit of comparison is used to facilitate the analysis. In the case, the sale price per suite is the most commonly used unit of comparison.

The sale indices presented in the previous section represent transactions involving similar investment (multi-family properties) in the Vancouver market area. In valuing the Subject property, it has been compared to each of the index sales. The basis for comparison included the consideration of the following:

- Property Rights Conveyed
- Financing Terms
- Conditions of Sale
- Market Conditions
- Location
- Physical Characteristics
- Economic Characteristics

## Analysis

### Property Rights Conveyed

Rights conveyed relates to the type of ownership transferred. In this case all the sale transactions related to the fee simple estate as owner-occupied dwellings. As such, no adjustments under this category are required.

### Financing Terms

Refers to the financing arrangements made when the property sold. In this regard, financing is not believed to have been a significant motivating factor in any of the sales summarized and therefore no adjustments are required.

### Conditions of Sale

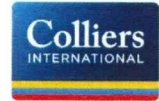
It is not believed that any of the vendors were unduly motivated to divest the properties and therefore no adjustments are required for motivation.

### Location

In our opinion, the location influences of the asset are generally reflected in the access and central area afforded the subject property. Other factors have also been taken into consideration in our comparable analysis.

### Physical Characteristics

As was the case with location, in our opinion differences in overall physical condition relate to age and features.



### Market Data

The following comparable residential apartment sales have been researched within the market.

MLS #	Sale Date	Sale Price	Sale Price per SF	DOM	SF	Bed	Bath	Address	Project Name	Year Built
R2648170	2/25/2022	\$589,900	\$1,350	25	437	1	1	604 239 KEEFER STREET	SPARROW	2022
R2597761	1/8/2022	\$584,900	\$1,338	194	437	1	1	504 239 KEEFER STREET	SPARROW	2022
R2655676	2/28/2022	\$638,000	\$1,154	7	553	1	1	909 983 E HASTINGS STREET	Strathcona Village	2018
R2676330	4/18/2022	\$842,500	\$1,094	6	770	2	1	755 955 E HASTINGS STREET	Strathcona Village	2018
R2601360	11/2/2021	\$958,000	\$1,516	113	632	1	1	3101 1111 RICHARD STREET	8X ON THE PARK	2020
R2650835	2/16/2022	\$850,000	\$1,393	8	610	1	1	305 5089 QUEBEC STREET	SHIFT	2019
<b>Average:</b>		<b>\$743,883</b>	<b>\$1,308</b>	<b>59</b>	<b>573</b>					
<b>Min:</b>		<b>\$584,900</b>	<b>\$1,094</b>	<b>6</b>	<b>437</b>					
<b>Max:</b>		<b>\$958,000</b>	<b>\$1,516</b>	<b>194</b>	<b>770</b>					

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In addition, the following current listing comparables have been researched within the market.

MLS #	Listed Price	Listed Price per SF	DOM	SF	Bed	Bath	Address	Project	Year Built
R2661175	\$699,800	\$1,298	71	539	1	1	703-239 KEEFER STREET	SPARROW	2022
R2661174	\$724,800	\$1,256	71	577	1	1	701 239 KEEFER STREET	SPARROW	2022
R2661157	\$674,800	\$1,252	71	539	1	1	503 239 KEEFER STREET	SPARROW	2022
R2661147	\$714,800	\$1,239	71	577	1	1	601 239 KEEFER STREET	SPARROW	2022
R2661133	\$1,108,800	\$1,260	71	880	2	1	505 239 KEEFER STREET	SPARROW	2022
R2648403	\$1,849,900	\$1,574	103	1175	3	2	803 239 KEEFER STREET	SPARROW	2022
R2648399	\$1,949,900	\$1,610	103	1211	3	2	801 239 KEEFER STREET	SPARROW	2022
R2648128	\$699,900	\$1,213	103	577	1	1	501 239 KEEFER STREET	SPARROW	2022
R2680199	\$609,900	\$1,273	22	479	1	1	506 239 KEEFER STREET	SPARROW	2022
R2661313	\$684,800	\$1,271	71	539	1	1	603 239 KEEFER STREET	SPARROW	2022
R2661290	\$1,125,800	\$1,279	71	880	2	1	605 239 KEEFER STREET	SPARROW	2022
R2661233	\$738,800	\$1,223	71	604	1	1	607 239 KEEFER STREET	SPARROW	2022
R2661215	\$623,800	\$1,427	71	437	1	1	704 239 KEEFER STREET	SPARROW	2022
R2666909	\$627,500	\$1,352	54	464	1	1	3 829 KEEFER STREET	CHRISTENSON HOUSE	2021
	<b>\$916,664</b>	<b>\$1,323</b>	<b>73</b>	<b>677</b>					
	<b>\$609,900</b>	<b>\$1,213</b>	<b>22</b>	<b>437</b>					
	<b>\$1,949,900</b>	<b>\$1,610</b>	<b>103</b>	<b>1,211</b>					



## General Market Analysis

The sales previously presented are summarized and analyzed below:

Because the subject property is yet to be constructed and based on its new condition, we think the proposed hotel units will be competitive on the market.

Our research of residential apartment units in close proximity to the subject property indicates that average sale price is around \$1,310 per SF and maximum of \$1,610 per SF. Since the subject property's hotel rooms will be considered as more hospitality property than regular residential apartment condominium units, we think that it will attract more investors for short-term rental accommodation and foreign buyers as foreign buyers' tax exemption. Moreover, currently only one project is under construction in close proximity of the subject property called Sparrow which will include 25 condominium units and active listings in this complex vary between \$1,213 and \$1,610 per square foot. However, this project is a regular condominium complex in comparison to the subject property's hotel condo rooms with higher end finishing and short-term rental and foreign buyers' tax exclusion. Based on that and proposed subject property development location it is our opinion that the subject property's condo hotel rooms can achieve sale price per SF of \$1,400 for lower levels and \$1,500 for 7-8 levels as being most attractive for potential buyers.

Level	Rooms	Floor Area	Average Unit Size	Price per SF	Market Value	Average MV per Unit
2	12	8,642	720	\$1,400	\$12,099,000	\$1,008,250
3	14	8,642	617	\$1,400	\$12,099,000	\$864,214
4	14	8,642	617	\$1,400	\$12,099,000	\$864,214
5	14	8,642	617	\$1,400	\$12,099,000	\$864,214
6	15	8,642	576	\$1,400	\$12,099,000	\$806,600
7	10	6,967	697	\$1,500	\$10,451,000	\$1,045,100
8	10	6,967	697	\$1,500	\$10,451,000	\$1,045,100
<b>TOTAL</b>	<b>89</b>	<b>57,144</b>			<b>\$81,397,000</b>	

## Land Residual Analysis

**Land Residual Technique**, in this method the net income generated from the property is established. From this is deducted a reasonable return on and recapture of capital invested in the improvements. The residual income is considered to be ascribed from the land. This income is then capitalized at an appropriate rate to arrive at an estimate of land value. An important assumption required in the application of this method is that the site is developed to its highest and best use such that the income from land and improvements are of the same type and sources.

In the first step we will analyze the total sellout value of proposed townhouse units than all associated cost for this development will be deducted from that revenue.

### Proposed Units Sellout Value

As estimated before total proposed hotel condo units and retail space sellout value is **\$91,122,000**.

### Land Residual Analysis

According to the provided construction cost to complete the project is around \$51,854,891.

In order to compare developer's construction budget to the market cost we have conducted the replacement cost analysis,

The following cost approach to value was developed based on replacement cost analysis. Replacement cost includes both direct and indirect costs. Direct costs are expenditures for labor and materials used in the construction of improvements (also known as hard costs). Indirect costs are expenditures for items other than labor and materials that are necessary for construction, but which are not typically part of the construction contract (also known as soft costs). Indirect costs often include real property taxes during construction, professional fees, permanent financing fees, leasing commissions, marketing costs and contingency.

### Replacement Cost New (Buildings)

This section calculates the replacement cost new of the Subject Property building improvements by estimating total direct and indirect costs to which an entrepreneurial profit incentive is applied. This selection is appropriate considering the scope and intended use of the appraisal and given that the Subject Property improvements are proposed construction.

#### Marshall Valuation Service

Marshall Valuation Service is a comprehensive appraisal guide widely used throughout Canada for developing replacement costs and depreciated values of buildings and other improvements and is largely considered an authority on building costs.

The table on the following page outlines the process I applied for developing replacement cost new of the Subject Property building improvements with Marshall Valuation Service. First, the Subject Property components were researched to identify the applicable base building costs per square foot. Next, the base building costs were adjusted for square foot refinements, height and size refinements, and current and local cost multipliers to determine an estimate of direct costs. After determining direct costs using Marshall





Valuation Service, I then analyzed market evidence to estimate indirect costs. Finally, an appropriate developer's profit was applied to provide an indication of the replacement cost new.

## REPLACEMENT COST NEW (BUILDINGS)

### MARSHALL VALUATION SERVICE DIRECT COST

Number of Buildings	1	
Gross Building Area	77,013 SF	<b>1</b>
MVS Building Type		Hotel
Number of Stories		8
Height per Story		9'
Component Description		Concrete
MVS Section/Page/Class		11/22/A
MVS Publication Date		Nov-20
Quality Rating		Excellent
Component SF (Gross)		77,013
<b>Base Cost (Per SF)</b>		<b>\$190.00</b>
<b>SQUARE FOOT REFINEMENTS</b>		
Heating and Cooling		\$8.70
Fire Sprinklers		\$4.14
<b>Subtotal</b>		<b>\$202.84</b>
<b>HEIGHT &amp; SIZE REFINEMENTS</b>		
Number of Stories Multiplier		1.000
Height Per Story Multiplier		1.000
Area/Perimeter Multiplier		0.959
<b>Subtotal</b>		<b>\$194.52</b>
<b>COST MULTIPLIERS</b>		
Current Cost Multiplier		1.10
Local Multiplier		1.20
<b>DIRECT COSTS PER SF</b>		<b>\$256.77</b>
Indirect Cost (% of Direct) <sup>1</sup>	15%	15%
<b>INDIRECT COST PER SF</b>		<b>\$38.52</b>
<b>DIRECT &amp; INDIRECT TOTAL PER SF</b>		<b>\$295.29</b>
<b>CALCULATION OF REPLACEMENT COST NEW WITH INCENTIVE</b>		
Component SF (Gross)		77,013
Direct & Indirect Total		\$22,740,920
ENTREPRENEURIAL INCENTIVE % <sup>1</sup> 15%		15%
Entrepreneurial Incentive \$		\$3,411,138
<b>FINAL TOTAL REPLACEMENT COST NE</b>		<b>\$26,152,057</b>

<sup>1</sup>Colliers International Estimate

Based on my research, indirect costs are typically 10% to 25% of direct cost for this type of development in the marketplace. Considering the size and project characteristics, I have estimated indirect costs at 15% of direct costs.

Entrepreneurial profit and overhead compensates the developer for project risk and management. It is unlikely that a developer would proceed with a development unless adequate profit is available to justify the effort. Based on anecdotal evidence provided by developers of similar strip centre projects, profit is typically based on a percentage of replacement cost, generally 5% to 20%, depending upon the size, location, marketability and risk. An entrepreneurial profit and overhead allocation of 15% was used in this analysis.

Based on above analysis we can conclude that developer's projected construction costs which around \$27,749,880 or around \$360/SF of gross building area are within the market range (Marshal and Swift estimate is around \$340/SF of gross building area as per above calculation) and can be utilized for the land residual.

## Land Residual Conclusion

In addition to all developer's cost the developer's profit of 20% will be included.

<b>Land Residual</b>	
Hotel Room Sales	\$ 81,397,000
Commercial Sales	\$ 9,725,000
<b>Total Sales Revenue</b>	<b>\$ 91,122,000</b>
<b>Project Cost</b>	
Municipal and Regional Permits and Fees (Incl. DCL/DCC)	\$ 2,155,007
Land Soft Cost (Property tax, utility, env remediation)	\$ 1,086,991
Legal	\$ 285,125
Consultants	\$ 2,219,990
Marketing & Comission Lease-up Commercial	\$ 340,459
Marketing & Sales Strata Hotel	\$ 4,465,093
Warranty/Services and Maintenance	\$ 226,060
Development Fee	\$ 1,399,502
Demolition & Hazamt Removal	\$ 250,000
Off-site Services Upgrades	\$ 317,240
FF&E + OS&E	\$ 1,780,000
Construction including site preparation	\$ 27,749,880
Project Contingency	\$ 699,751
Financing (including commitment fees)	\$ 8,879,793
<b>Total Project Cost</b>	<b>\$ 51,854,891</b>
Developer's Profit (20% of cost)	\$ 10,370,978
<b>Land Residual Value</b>	<b>\$ 28,896,000</b>

## Certification

**Proposed Mixed-Use Development  
288 East Georgia Street, Vancouver, British Columbia V6A 4H8  
(See Property Data Section for Legal Description)**

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

- The statements of fact contained in this report are true and correct;
- The reported analyses, opinions and conclusions are limited only by the reported Assumptions and Limiting conditions, and are my impartial and unbiased professional analyses, opinions and conclusions;
- I have no past, present or prospective interest in the property that is the subject of this report and no personal and/or professional interest or conflict with respect to the parties involved with this assignment;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermined results, the amount of the value estimate, a conclusion favouring the client, or the occurrence of a subsequent event;
- My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP);
- I have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with CUSPAP;
- Except as disclosed herein, no one has provided significant professional assistance to the person(s) signing this report;
- As of the date of this report the undersigned has fulfilled the requirements of The Appraisal Institute of Canada's Continuing Professional Development Program;
- I am a member in good standing of the Appraisal Institute of Canada;
- I am not required to be licensed to practice in the Province of **British Columbia**.

Information pertaining to inspection of the subject property is as follows:

SUBJECT PROPERTY INSPECTION			
APPRAISER	INSPECTED	EXTENT	DATE OF INSPECTION
Aian Miiabaev, AACI, MRICS	Yes	Exterior Only	May 9, 2022



## Final Estimate of Value

Based upon the data, analyses and conclusions contained herein, the current market value of the Fee Simple interest in the property described herein, as at May 9, 2022, is estimated to be as follows:

Based upon the data, analyses and conclusions contained herein, the current 'as is' market value of a fee simple interest in the property described herein, as at May 9, 2022, is estimated to be as follows:

**\$28,896,000**

**Twenty Eight Million Eight Hundred Ninety Six Thousand Dollars**

*Above value based on Land Residual Valuation Technique only*

***The above value estimate is based on Assumptions and Limiting Conditions stated within this appraisal. Of particular note are the Hypothetical Conditions, Extraordinary Assumptions and Extraordinary Limiting Conditions outlined within the Terms of Reference section.***

The above value estimate is based on an exposure period of six months or less, assuming the basis of a transaction involving cash to the vendor, and is subject to the Extraordinary Assumptions, Hypothetical Conditions and Extraordinary Limiting Conditions as detailed within the Terms of Reference section of this report, in addition to the Ordinary Assumptions and Limiting Conditions contained in the Addenda. Any alterations to either the information provided or the assumptions in this report may have a material impact on the value contained herein.

Appraiser

*Aian Miiabaev*

Aian Miiabaev, AACI, MRICS

Date: May 16, 2022

AIC Membership No. 910147

## Appendices

Appendix A	Ordinary Assumptions and Limiting Conditions
Appendix B	Definitions
Appendix C	Certificate of Title
Appendix D	Land Use / Zoning
Appendix E	Retail and Residential Comparable Sales

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Appendix A

Ordinary Assumptions and Limiting Conditions



## Ordinary Assumptions and Limiting Conditions

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronic Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP"), and the following conditions:

- 1) This report has been prepared at the request of **Cindy Zou** (the client) for the purpose of providing an estimate of the market value of **288 East Georgia Street, Vancouver, British Columbia** (the Subject property) and for the specific use referred to. It is not reasonable for any party other than the person or those to whom this report is addressed 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 party will rely on it for any other purpose. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
- 2) This report has been prepared at the request of **Cindy Zou** and for the exclusive (and confidential) use of the recipient as named and for the specific purpose and function as stated. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
- 3) All copyright is reserved to the author and this report is considered confidential by the author and **Cindy Zou**. 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.
- 4) The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
- 5) This appraisal report, its content and all attachments/addendums and their content are the property of the appraiser. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.



- 6) The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
- 7) This report is completed on the basis that testimony or appearance in court or at any administrative proceeding concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and for preparation and for any appearances that may be required, and the provision of appropriate additional compensation.
- 8) The estimated market value of the real estate that is the Subject of this appraisal pertains to the value of the **fee simple interest** in the real property. The property rights appraised exclude mineral rights, if any.
- 9) The concept of market value presumes reasonable exposure. The exposure period is the estimated length of time the asset being valued would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of valuation. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. The reasonable exposure period is a function not only of time and effort but will depend on the type of asset being valued, the state of the market at the date of valuation and the level at which the asset is priced. (The estimated length of the exposure period needed to achieve the estimated market value is set forth in the Letter of Transmittal, prefacing this report).
- 10) The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. However, these data are not guaranteed for accuracy. Unless otherwise stated, we did not verify client-supplied information, which we believed to be correct. 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.
- 11) The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. A title search has been performed as indicated previously, and the appraiser assumes that the title is good and marketable and free and clear of all value influencing encumbrances, encroachments, restrictions or covenants, including leases, unless otherwise 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. The property is appraised on the basis of it being under responsible ownership. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property's owner or identifying the property owned by the listed client and/or applicant provided by the appraiser is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.
- 12) The property has been valued on the basis that there are no outstanding liabilities except as expressly noted, 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.
- 13) The property has been valued on the basis that there is no action, suit, proceeding or investigation pending or threatened against the real estate or affecting the titular owners of the property, at law or in



- equity or before or by any federal, provincial or municipal department, commission, board, bureau, agency or instrumentality which may adversely influence the value of the real estate appraised.
- 14) The legal description of the property and the area of the site were obtained from the City of Vancouver. No survey of the property has been made. Any plans and sketches contained in this report show approximate dimensions only and 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. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.
  - 15) 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 Government regulations and requirements of law, including all zoning, land use classification, building codes, 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, and that if it doesn't comply, any such non-compliance may affect market value. (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).
  - 16) The term "inspection" refers to observation and reporting of the general material finishing and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.
  - 17) The opinions of value and other conclusions contained assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.
  - 18) The author of this report is not qualified to comment on environmental issues (including, without limitation any chemical or biological issues) that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the 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 might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.
  - 19) Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc.) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications



of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

- 20) 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 with respect to the Subject property's compliance with all applicable regulations, unless such investigations are expressly represented to have been made in this report. Assumptions have been made that the Subject property is in compliance with all such regulations. 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. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.
- 21) The interpretation of any leases and other contractual agreements, pertaining to the operation and ownership of the property, as expressed, is solely the opinion of the author and should not be construed as a legal interpretation. Further, any summaries of such contractual agreements are presented for the sole purpose of giving the reader an overview of the salient facts thereof.
- 22) The estimated market value of the property does not necessarily represent the value of the underlying shares of the entity owning the property, if the asset is so held, as the value of the shares 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 therefrom, have been described and measured in this report.
- 23) 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 the contractual agreement pertaining to the structure of such divisional ownership. For the purposes of our valuation, we have not made any adjustment for the value of a fractional interest.
- 24) 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, by reason of 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.
- 25) Unless otherwise noted, the estimated market value of the property referred to is predicated upon the condition that it would be sold on a cash basis to the vendor subject to any contractual agreements and encumbrances as noted in this report as-is and where-is, without any contingent agreements or caveats. Other financial arrangements, good or cumbersome, may affect the price at which this property might sell in the open market.
- 26) Because market conditions, including economic, social and political factors, change rapidly and, on occasion, without notice or warning, the estimate of market value expressed, as of the effective date of this appraisal, cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
- 27) The value expressed is in Canadian dollars.
- 28) This report is only valid if it bears the original or password secured digital signature(s) of the author(s). If transmitted electronically, this report will have been digitally signed and secured with personal

passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.

- 29) These Ordinary Assumptions and Limiting Conditions shall be read with all changes in number and gender as may be appropriate or required by the context or by the particulars of this mandate.
- 30) Where the intended use of this report is for financing or mortgage lending or mortgage insurance, it is a condition of reliance on this report that the authorized user has or will conduct lending underwriting and insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender or insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct loan underwriting or insuring due diligence similar to the standards set out by the Office of the Superintendent of Financial Institutions (OSFI), even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition. Any reliance on this report without satisfaction of this condition is unreasonable.

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Appendix B

Definitions





## Definitions

### Property Interests

- Fee Simple** • Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power and escheat.
- Leased Fee Interest** • The ownership interest held by the lessor, which includes the right to the contract rent specified in the lease plus the reversionary right when the lease expires.
- Leasehold Interest** • The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

### General Definitions

**Adjusted or Stabilized Overall Capitalization Rate** is usually derived from transactions with excessive vacancy levels or contract rents over/under market levels. In such cases, net operating income is "normalized" to market levels and the price adjusted to reflect expected costs required to achieve the projected net operating income.

**The Cost Approach** to value is based upon the economic principle of substitution, which holds that the value of a property should not be more than the amount by which one can obtain, by purchase of a site and construction of a building without undue delay, a property of equal desirability and utility.

**Direct or Overall Capitalization** refers to the process of converting a single year's income with a rate or factor into an indication of value.

**The Direct Comparison Approach** examines the cost of acquiring equally desirable and valuable substitute properties, indicated by transactions of comparable properties, within the market area. The characteristics of the sale properties are compared to the Subject property on the basis of time and such features as location, size and quality of improvements, design features and income generating potential of the property.

**Discount Rate** is a yield rate used to convert future payments or receipts into a present value.

**Discounted Cash Flow Technique** offers an opportunity to account for the anticipated growth or decline in income over the term of a prescribed holding period. More particularly, the value of the property is equivalent to the discounted value of future benefits. These benefits represent the annual cash flows (positive or negative) over a given period of time, plus the net proceeds from the hypothetical sale at the end of the investment horizon.

Two rates must be selected for an application of the DCF process:

- the internal rate of return or discount rate used to discount the projected receivables;
- an overall capitalization rate used in estimating reversionary value of the asset.

The selection of the discount rate or the internal rate of return is based on comparing the Subject Property to other real estate opportunities as well as other forms of investments. Some of the more common benchmarks in the selection of the discount rate are the current yields on long term bonds and mortgage interest rates.

**Exposure Time** - The Canadian Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Institute of Canada define "Exposure Time" (The Appraisal Institute of Canada, Canadian Uniform Standards of Professional Appraisal Practice, 2020 ed. Page 6) as:

***"The estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at the estimated value on the Effective Date of the appraisal."***

**Fair Value (International Financial Reporting Standards)** – IFRS 13 defines "Fair Value" as:

***"The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."***

**Highest and Best Use** - The Canadian Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Institute of Canada define "Highest and Best Use" (The Appraisal Institute of Canada, Canadian Uniform Standards of Professional Appraisal Practice, 2020 ed. Page 8) as:

***"The reasonably probable use of Real Property, that is physically possible, legally permissible, financially feasible, and maximally productive, and that results in the highest value."***

**The Income Approach** to value is utilized to estimate real estate value of income-producing or investment properties.

**Internal Rate of Return** is the yield rate that is earned or expected over the period of ownership. It applies to all expected benefits including the proceeds of sale at the end of the holding period. The IRR is the Rate of Discount that makes the net present value of an investment equal zero.

**Market Value** - The Canadian Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Institute of Canada define "Market Value" (The Appraisal Institute of Canada, Canadian Uniform Standards of Professional Appraisal Practice, 2020 ed. Page 10) as:

***"The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and the seller each acting prudently, knowledgeably, and for self-interest, assuming that neither is under duress."***

**Net Operating Income** is the actual or anticipated net income remaining after all operating expenses are deducted from effective gross income before debt service and depreciation. Net Operating Income is usually calculated for the current fiscal year or the forthcoming year.

**Overall Capitalization Rate** is an income rate that reflects the relationship between a single year's net operating income expectancy and the total property price. The Overall Capitalization Rate converts net operating income into an indication of a property's overall value.

**A Yield Rate** is applied to a series of individual incomes to obtain a present value of each.

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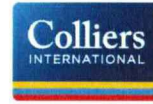


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Appendix C

Certificate of Title





**TITLE SEARCH PRINT**

File Reference: YVR220579  
Declared Value \$620000

2022-05-13, 19:41:16  
Requestor: Aian Miiabaev

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

**Title Issued Under** STRATA PROPERTY ACT (Section 249)

**Land Title District** VANCOUVER  
Land Title Office VANCOUVER

**Title Number** CA6895501  
From Title Number BN71951

**Application Received** 2018-06-28

**Application Entered** 2018-07-09

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: GEORGIA COURT BT LTD., INC.NO. BC1115954  
500 - 789 WEST PENDER STREET  
VANCOUVER, BC  
V6C 1H2

**Taxation Authority** Vancouver, City of

**Description of Land**  
Parcel Identifier: 024-327-158  
Legal Description:  
STRATA LOT 4 DISTRICT LOT 196 GROUP 1 NEW WESTMINSTER DISTRICT  
STRATA PLAN LMS3746  
TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT  
ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM 1

**Legal Notations**  
NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA6895504  
FILED 2018-06-28

**Charges, Liens and Interests**  
Nature: MORTGAGE  
Registration Number: CA8918304  
Registration Date and Time: 2021-04-14 16:16  
Registered Owner: GARDENFUL VENTURES LIMITED  
INCORPORATION NO. 1901951  
Remarks: INTER ALIA





**TITLE SEARCH PRINT**

File Reference: YVR220579  
Declared Value \$620000

2022-05-13, 19:41:16  
Requestor: Aian Miiabaev

Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA8918305
Registration Date and Time:	2021-04-14 16:16
Registered Owner:	GARDENFUL VENTURES LIMITED INCORPORATION NO. 1901951
Remarks:	INTER ALIA
Nature:	MORTGAGE
Registration Number:	CA9427337
Registration Date and Time:	2021-10-13 12:34
Registered Owner:	1211192 B.C. LTD. INCORPORATION NO. BC1211192 AS TO AN UNDIVIDED 1/2 INTEREST
Registered Owner:	LI XIN ZHOU AS TO AN UNDIVIDED 1/2 INTEREST
Remarks:	INTER ALIA
Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA9427338
Registration Date and Time:	2021-10-13 12:34
Registered Owner:	1211192 B.C. LTD. INCORPORATION NO. BC1211192 AS TO AN UNDIVIDED 1/2 INTEREST
Registered Owner:	LI XIN ZHOU AS TO AN UNDIVIDED 1/2 INTEREST
Remarks:	INTER ALIA

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE





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Appendix D

Land Use / Zoning



**HA-1 and HA-1A**

**HA-1 and HA-1A Districts Schedule  
(Chinatown Historic Area)**

**1 Intent**

Chinatown is one of the city's original communities. It is a distinct community, which was established in response to the cultural and social needs of its Chinese population, primarily from Guangdong Province. The resulting "Chinatown Architecture" combined 19th century building patterns from Guangdong Province - which themselves were influenced by early contact with European, primarily Portuguese and Italian, cultures - with the local adaptations of Victorian forms. The significant buildings of this period were built between the Great Fire of 1886 and the beginning of the Great Depression in 1929 and many are protected heritage properties. Chinatown has traditionally accommodated a variety of uses from retail to residential to light industrial with a degree of tolerance not found in all parts of the city.

The intent of this Schedule is to encourage the preservation and rehabilitation of the significant early buildings of Chinatown, while recognizing that the evolving activities that make this district an asset to the city need to be accommodated contextually. The Schedule may permit a range of uses provided that reasonable, but not rigorous, concerns for compatibility are met.

To achieve this intent, this Schedule provides the basic development controls that regulate land uses and building form. There are two Districts: HA-1 corresponds to the boundaries of the protected heritage properties and the National Historic Site on Pender Street; HA-1A is the remainder of Chinatown. There are also two sets of related design guidelines. The guidelines are important for achieving an appropriate level of design sensitivity.

**2 Outright Approval Uses**

2.1 Subject to all other provisions of this By-law and to compliance with section 2.3 and the regulations of this Schedule, the uses listed in section 2.2 shall be permitted as specified in sections 2.2.1 and 2.2.2 and shall be issued a permit.

**2.2 Uses**

2.2.1 The uses listed in section 2.2.1 shall be permitted in the HA-1 and HA-1A Districts.

2.2.1.A • Accessory Uses customarily ancillary to any of the uses listed in this Schedule, but not including the sale of liquor accessory to a hotel, provided that unless permitted as an outright approval use pursuant to section 2 of this Schedule, the total floor area of all accessory uses is not greater than 25 per cent of the gross floor area of the principal use, and all accessory uses are located within the principal building.

2.2.1.C [Cultural and Recreational]

- Artist Studio - Class A
- Arts and Culture Indoor Event
- Club
- Community Centre or Neighbourhood House
- Fitness Centre
- Library
- Museum or Archives



**HA-1 and HA-1A**

2.2.1.DW [Dwelling]

- Dwelling Uses, provided that a minimum of 25% of the total number of dwelling units contain 2 or more bedrooms, except that the Development Permit Board may vary such condition where the Dwelling Uses in the proposed development comprise 100% social housing.
- Residential Unit associated with and forming an integral part of an Artist Studio - Class A.

2.2.1.I [Institutional]

- Child Day Care Facility.
- Church.
- School - Elementary or Secondary.
- School - University or College.
- Community Care Facility – Class A.

2.2.1.M [Manufacturing]

- Bakery Products Manufacturing.
- Clothing Manufacturing.
- Jewellery Manufacturing.
- Printing and Publishing.
- Shoes or Boots Manufacturing.
- Textiles or Knit Goods Manufacturing.

2.2.1.O [Office]

- Financial Institution provided that it occupies a floor at least 3.0 m above grade or, in the case of a floor at or near grade, was in existence as of December 6, 1994.
- General Office.
- Health Care Office.
- Health Enhancement Centre.

2.2.1.R [Retail]

- Furniture or Appliance Store.
- Grocery or Drug Store.
- Retail Store.

2.2.1.S [Service]

- Auction Hall.
- Barber Shop or Beauty Salon.
- Beauty and Wellness Centre.
- Bed and Breakfast Accommodation.
- Catering Establishment.
- Laboratory.
- Laundromat or Dry Cleaning Establishment.
- Photofinishing or Photography Laboratory.
- Photofinishing or Photography Studio.
- Print Shop.
- Production or Rehearsal Studio.
- Repair Shop - Class B.
- Restaurant - Class 1.
- School - Arts or Self-Improvement.
- School - Business.
- School - Vocational or Trade.







- 2.2.1.U [Utility and Communication]
- Radiocommunication Station.
- 2.3 Conditions of Use
- 2.3.1 All uses listed in this section shall be carried out wholly within a completely enclosed building, except for the following:
- (a) parking and loading facilities;
  - (b) restaurant and refreshment facilities; and
  - (c) display of flowers, plants, fruits, and vegetables.
- 2.3.2 The Director of Planning may vary the use conditions of section 2.3.1 to permit the outdoor display of retail goods, and may include such other conditions as the Director of Planning deems necessary, having regard to the type of merchandise, the area and location of the display with respect to adjoining sites, and the hours of operation, provided that the Director of Planning first considers:
- (a) the intent of this Schedule and all applicable policies and guidelines adopted by Council; and
  - (b) the submission of any advisory group, property owner or tenant.
- 3 Conditional Approval Uses**
- 3.1 Subject to all other provisions of this By-law, compliance with section 3.3 and the provisions and regulations of this Schedule, the Director of Planning or the Development Permit Board may approve any of the uses listed in section 3.2 of this Schedule, with or without conditions, provided that the Director of Planning or the Development Permit Board first considers:
- (a) the intent of this Schedule and all applicable policies and guidelines adopted by Council;
  - (b) the submission of any advisory group, property owner or tenant; and
  - (c) the appropriateness of the use with respect to the items which are shown in italics following the use.
- 3.2 Uses
- 3.2.A • Accessory Uses comprising the sale of liquor accessory to a hotel.
- 3.2.AG [Agricultural]
- Greenhouse. *compatibility with surrounding uses, size.*
  - Urban Farm - Class B.
- 3.2.C [Cultural and Recreational]
- Arcade. *compatibility with surrounding uses, size, noise control, hours of operation*
  - Artist Studio - Class B.
  - Billiard Hall. *compatibility with surrounding uses, size*
  - Bowling Alley. *compatibility with surrounding uses, size, noise and vibration control*
  - Bingo Hall.
  - Casino - Class 1.
  - Hall. *compatibility with surrounding uses, number existing, hours of operation, social and policing impacts, noise control, size of liquor facilities, parking, taxi and bus ingress and egress*
  - Park or Playground. *continuity of pedestrian interest, social and policing impacts, durability of materials*
  - Rink. *compatibility with surrounding uses, size*
  - Swimming Pool. *compatibility with surrounding uses, noise control, parking, taxi and bus ingress and egress*

**HA-1 and HA-1A**

- Theatre. *compatibility with surrounding uses, number existing, hours of operation, social and policing impacts, noise control, size of liquor facilities, parking, taxi and bus ingress and egress*

3.2.DW [Dwelling]

- Micro dwelling.
- Residential Unit associated with and forming an integral part of an Artist Studio - Class B.
- Seniors Supportive or Assisted Housing.
- 

3.2.I [Institutional]

- Ambulance Station. *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress*
- Hospital. *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress*
- Public Authority Use. *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress*
- Social Service Centre. *compatibility with surrounding uses, pedestrian amenity, provides services primarily for the occupants of dwelling uses within or immediately adjacent to the HA-1 and HA-1A Districts*

3.2.LW [Live-Work Use]

- Live-Work Use.

3.2.M [Manufacturing]

Manufacturing Uses, as listed below. *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress, location, safety, noise, vibrations, size and odours*

- Dairy Products Manufacturing.
- Electrical Products or Appliances Manufacturing.
- Food or Beverage Products Manufacturing - Class B.
- Furniture or Fixtures Manufacturing.
- Leather Products Manufacturing.
- Miscellaneous Products Manufacturing - Class B.
- Non-metallic Mineral Products Manufacturing - Class B.
- Plastic Products Manufacturing.
- Tobacco Products Manufacturing.
- Wood Products Manufacturing - Class B.

3.2.P [Parking]

- Parking Uses. *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress, size*

3.2.R [Retail]

- Farmers' Market. *Compatibility with nearby sites, parking, traffic, noise, hours of operation, size of facility, pedestrian amenity.*
- Gasoline Station - Split Island, existing as of December 6, 1994. *pedestrian amenity, vehicular ingress and egress*
- Cannabis Store.
- Pawnshop. *compatibility with surrounding uses, pedestrian amenity, number existing, social and policing impacts, hours of operation, vehicular ingress and egress*
- Public Bike Share.



**HA-1 and HA-1A**

- **Secondhand Store.** *compatibility with surrounding uses, pedestrian amenity, number existing, social and policing impacts, hours of operation, vehicular ingress and egress*
  - **Small-scale Pharmacy.**
  - **Vehicle Dealer.** *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress, size, impact on character of area*
- 3.2.S [Service]
- **Cabaret.** *compatibility with surrounding uses, number existing, hours of operation, social and policing impacts, noise control*
  - **Hotel.** *size of liquor facilities, noise control, parking, loading, taxi and bus ingress and egress*
  - **Laundry or Cleaning Plant.** *compatibility with surrounding uses, noise control, vehicular impacts*
  - **Neighbourhood Public House.** *compatibility with surrounding uses, number existing, hours of operation, social and policing impacts, noise control*
  - **Restaurant - Class 2.** *compatibility with surrounding uses, number existing, hours of operation, social and policing impacts, noise control*
  - **Short Term Rental Accommodation.**
  - **Sign Painting Shop.** *compatibility with surrounding uses*
  - **Wedding Chapel.**
- 3.2.T [Transportation and Storage]
- **Cold Storage Plant.** *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress, size*
  - **Mini-storage Warehouse.** *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress, size*
  - **Packaging Plant.** *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress, size*
  - **Storage Warehouse.** *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress, size*
  - **Taxicab or Limousine Station.** *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress, size*
  - **Truck Terminal or Courier Depot.** *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress, size*
- 3.2.U [Utility and Communication]
- **Public Utility existing as of December 6, 1994.** *pedestrian amenity, vehicular ingress and egress*
  - **Recycling Depot.** *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress, size, hours of operations.*
- 3.2.W [Wholesale]
- **Lumber and Building Materials Establishment.** *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress, safety, size, impact on character of area*
  - **Wholesaling - Class A.** *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress*
  - **Wholesaling - Class B.** *compatibility with surrounding uses, pedestrian amenity, vehicular ingress and egress*
- 3.2.Z
- **Any other use which is not specifically listed and defined as a use in section 2 of this By-law but which the Director of Planning considers comparable in nature to the uses listed in this Schedule, having regard to the intent of this District Schedule.**



## HA-1 and HA-1A

### 3.3 Conditions of Use

- 3.3.1 All uses listed in this section shall be carried on wholly within a completely enclosed building, except for the following:
- (a) parking and loading facilities;
  - (b) restaurant;
  - (c) parks and playgrounds;
  - (d) neighbourhood public house;
  - (e) full serve and split island gasoline station, except that section 11.13.2 of this By-law continues to apply;
  - (f) farmers' market; and
  - (g) public bike share.
- 3.3.2 No use listed in section 3.2 of this Schedule shall involve the bulk storage of vegetable oil or fat, fish, fish oil or meal, scrap, junk, chemicals, paints, varnishes, rags, cotton waste, petroleum, bitumen or tar products or derivatives, or similar flammable products or materials.
- 3.3.3 Any development permit issued for live-work use must stipulate as permitted uses:
- (a) dwelling unit;
  - (b) general office, health care office, barber shop or beauty salon, photofinishing or photography studio, or artist studio – class A; and
  - (c) dwelling unit combined with any use set out in subsection (b).
- 3.3.4 Except for entrances, all floors of a live-work unit or dwelling use must be at least 2.0 m above street grade along a fronting or flanking street.
- 3.3.5 The Director of Planning may vary the use conditions of section 3.3.1 to permit the outdoor display of retail goods, and may include such other conditions as the Director of Planning deems necessary, having regard to the type of merchandise, the area and location of the display with respect to adjoining sites, and the hours of operation, provided that the Director of Planning first considers:
- (a) the intent of this Schedule and all applicable policies and guidelines adopted by Council; and
  - (b) the submission of any advisory group, property owner or tenant.

## 4 Regulations

All uses approved under sections 2 and 3 of this District Schedule shall be subject to the following regulations.

- 4.1 Site Area – Not Applicable.
- 4.2 Frontage
- 4.2.1 In the HA-1 District, the maximum frontage for any ground floor shopfront shall be 7.6 m.
- 4.2.2 In the HA-1A District, the maximum frontage for any ground floor shopfront shall be 15.3 m.
- 4.2.3 In the HA-1 District, the maximum site width, as measured along the front property line for any site shall be 15.3 m or the existing width of the lot as of October 15, 2018.
- 4.2.4 In the HA-1A District, the maximum site width, as measured along the front property line for any site shall be 22.9 m or the existing width of the lot as of October 15, 2018.

**HA-1 and HA-1A**

- 4.2.5 The Director of Planning may permit an increase in the frontage regulations of section 4.2, provided that the Director of Planning first considers:
- (a) the intent of this Schedule and all applicable policies and guidelines adopted by Council; and
  - (b) the submission of any advisory group, property owner or tenant.
- 4.3 Height
- 4.3.1 The maximum height of a building shall be:
- (a) 15.2 m and no more than 5 storeys in the HA-1 District; and
  - (b) 21.3 m and no more than 6 storeys in the HA-1A District.
- 4.3.2 Despite the provision of 4.3.1, the Development Permit Board or the Director of Planning, as the case may be, may permit an increase in the maximum height:
- (a) in the HA-1 District, up to 22.8 m and no more than 7 storeys, provided that no portion below the third storey of a building shall be used for Dwelling Uses except for entrances and amenity spaces that serve the residential portion; and
  - (b) in the HA-1A District, up to 27.4 m and no more than 8 storeys, provided that no portion below the third storey of a building shall be used for Dwelling Uses except for entrances and amenity spaces that serve the residential portion.
- providing that the Development Permit Board or the Director of Planning, as the case may be, first considers:
- (i) the intent of this Schedule and all applicable policies and guidelines adopted by Council;
  - (ii) the submission of any advisory group, property owner or tenant;
  - (iii) the bulk, location, and overall design of the building and its effect on the site, surrounding buildings and streets;
  - (iv) the relationship of the development to any designated heritage building;
  - (v) the design and liveability of any dwelling units; and
  - (vi) the effect of an addition on the heritage value of any designated building which is listed on the Vancouver Heritage Register.
- 4.3.3 The Development Permit Board or the Director of Planning, as the case may be, may exclude building cornices and parapets to a maximum height of 2.2 m and vertical decorative elements such as flagpoles and finials from the maximum height in sections 4.3.1 and 4.3.2 providing that consideration is first given to the intent of this Schedule and all applicable policies and guidelines adopted by Council.
- 4.3.4 In both the HA-1 and HA-1A Districts, a mezzanine floor located above ground, but below the second storey, shall not be counted as a storey provided:
- (a) the floor area of the mezzanine does not exceed 60% of the site area; and
  - (b) the habitable floor area does not contain a Dwelling Use, or any Accessory Uses that are ancillary to Dwelling Use.
- 4.3.5 The Development Permit Board may vary the conditions for Dwelling Uses under subsections 4.3.2(a) and (b) where the Dwelling Uses in the proposed development comprise 100% social housing.

**HA-1 and HA-1A**

**4.4 Front Yard and Setback**

4.4.1 All sites must have a Front Yard of 450 mm except where a building includes architectural articulation or decoration of its front façade, then these elements may project into the front yard.

4.4.2 The Director of Planning or the Development Permit Board may allow a portion of the building to be recessed above the second floor for the purpose of increasing residential units' exposure to natural light, provided that the Director of Planning or Development Permit Board first considers:

- (a) providing passageways to interior courtyards;
- (b) providing recessed balconies above the ground floor;
- (c) reducing the visual impact on the public realm of the uppermost storeys of the building, provided that the recess is at least 3.0 m behind the principal facade;
- (d) rooftop mechanical equipment;
- (e) increasing residential units' exposure to natural light; and
- (f) providing a covered area in front of a building entrance.

provided that consideration is first given to:

- (i) the intent of this Schedule and all applicable policies and guidelines adopted by Council;
- (ii) the massing, and overall design of the building and its effect on the site, surrounding buildings, block face and character of the area; and
- (iii) the submission of any advisory group, property owner or tenant.



**HA-1 and HA-1A**

**4.5 Side Yards and Setbacks**

4.5.1 No side yards shall be permitted, except that where a side property line abuts a street, lane or dedicated public park, then the Development Permit Board or the Director of Planning, as the case may be, may allow portions of the building to be recessed from the side property line, at grade or above, for the purposes of:

- (a) providing passageways to interior courtyards;
- (b) providing recessed balconies above the ground floor;
- (c) reducing the visual impact on the public realm of the uppermost storeys of the building, provided that the recess is at least 3.0 m behind the principal facade;
- (d) rooftop mechanical equipment;
- (e) increasing residential units' exposure to natural light; and
- (f) providing a covered area in front of a building entrance.

provided that consideration is first given to:

- (i) the intent of this Schedule and all applicable policies and guidelines adopted by Council;
- (ii) the massing, and overall design of the building and its effect on the site, surrounding buildings, block face and character of the area; and
- (iii) the submission of any advisory group, property owner or tenant.

4.5.2 The Director of Planning or the Development Permit Board may allow setbacks for the purpose of creating a light well or providing open space at grade, provided that no portion is closer than 4.0 m to a street façade, and further that any window looking directly into the light well is set back a minimum of 3.0 m from the nearest obstruction, and provided that the Director of Planning or Development Permit Board first considers:

- (a) the intent of this Schedule and all applicable policies and guidelines adopted by Council;
- (b) the massing, and overall design of the building and its effect on the site, surrounding buildings, block face and character of the area; and
- (c) the submission of any advisory group, property owner or tenant.

4.5.3 For the purposes of section 4.5.2, the following shall be considered obstructions:

- (a) an existing building; and
- (b) the maximum size building permitted on any adjacent site.

**4.6 Rear Yard and Setback**

4.6.1 There shall be a minimum rear yard or setback of 1.0m from the rear property line across the full width of the building, except that where any portion of a building contains residential uses, that portion shall be set back 7.0 m from the rear property line, across the full width of the building.

4.6.2 The Director of Planning may permit a reduction in the rear yard regulations of section 4.6, provided that the Director of Planning first considers:

- (a) the intent of this Schedule and all applicable policies and guidelines adopted by Council; and
- (b) the submission of any advisory group, property owner or tenant.



## HA-1 and HA-1A

### 4.7 Floor Space Ratio

4.7.1 The floor space ratio in the HA-1 and HA-1A Districts shall not exceed:

- (a) In the HA-1 District:
  - (i) for all combined uses, up to 4.8;
  - (ii) for Dwelling Uses, up to 2.95, provided the floor space ratio for uses other than Dwelling Uses is no less than 1.5;
- (b) In the HA-1A District:
  - (i) for all combined uses, up to 5.35;
  - (ii) for Dwelling Uses, up to 3.5, provided the floor space ratio for uses other than Dwelling Uses is no less than 1.5;

provided that the Development Permit Board or the Director of Planning first considers:

- (i) the intent of this Schedule and all applicable policies and guidelines adopted by Council;
- (ii) the submission of any advisory group, property owner or tenant
- (iii) the bulk, location, and overall design of the building and its effect on the site, surrounding buildings and streets;
- (iv) the relationship of the development to any designated heritage building;
- (v) the design and liveability of any dwelling units; and
- (vi) the effect of an addition on the heritage value of any designated heritage building or building listed on the Vancouver Heritage Register.

4.7.2 Computation of floor area shall include:

- (a) all floors of all buildings, at or above ground level, to be measured to the extreme outer limits of the buildings;
- (b) floor area, located at or above grade, that is used to access off-street parking and loading spaces in the form of an access ramp, elevator or uses which in the opinion of the Director of Planning or the Development Permit Board are similar to the foregoing; and
- (c) all interior residential where the distance from a floor to the floor above, or where there is no floor above, the top of the roof structure, exceeds 3.7 m, an amount equal to the area of the floor below the excess height, except that the Director of Planning may exclude an area designed with venting skylights, opening clerestory windows or other similar features if:
  - (i) in the opinion of the Director of Planning, the area is designed to reduce energy consumption or improve natural light and ventilation, and
  - (ii) the area excluded does not exceed 1 % of the permitted floor area.

4.7.3 Computation of floor area shall exclude:

- (a) balconies and any other appurtenances which, in the opinion of the Director of Planning or the Development Permit Board, are similar to the foregoing, provided that the total area of all exclusions does not exceed 12% of the floor area being provided;

**HA-1 and HA-1A**

- (b) patios and roof decks, provided that the Director of Planning or the Development Permit Board first approves the design of sunroofs and walls;
- (c) where floors are used for off-street parking and loading, the taking on or discharging of passengers, bicycle storage, heating and mechanical equipment, or uses which in the opinion of the Director of Planning are similar to the foregoing, those floors or portions thereof so used, which are below the base surface provided that the off-street parking spaces do not have a length of more than 7.3 m;
- (d) all residential storage above or below base surface, except that if the residential storage above base surface exceeds 3.7 m<sup>2</sup> per dwelling unit, there will be no exclusion for any of the residential storage above base surface for that unit; and
- (e) in buildings with commercial, retail or service use at grade, the area occupied by interior commercial kitchen exhaust shafts, to a maximum exclusion of 3.7 m<sup>2</sup> for each floor above the commercial, retail or service use.

4.7.4 Computation of floor area may exclude:

- (a) interior public space, including breezeways, courtyards and other similar spaces, provided that:
  - (i) the excluded area shall not exceed 10% of the permitted floor area;
  - (ii) the excluded area shall be secured by covenant and right-of-way in favour of the City which sets out public access and use; and
  - (iii) the Director of Planning first considers all applicable policies and guidelines adopted by Council;
- (b) indoor amenity areas, including day care facilities and non-profit recreation facilities, to a maximum floor area of the lesser of 10% of the permitted floor area or 1,000 m<sup>2</sup>, provided, in the case of day care facilities, the Director of Planning on the advice of the Director of Social Planning, is satisfied that there is a need for a day care facility in the immediate neighbourhood;
- (c) where floors are used for off-street loading spaces which are located at base surface up to a maximum of 26 m<sup>2</sup>, provided that the Director of Planning first considers all applicable policies and guidelines adopted by Council; and
- (d) where floors are used for off-street parking of shared vehicles located at base surface, up to a maximum of floor space ratio of 0.07, provided that the Director of Planning considers all applicable policies and guidelines adopted by Council.

4.7.5 Any area excluded shall not be used for any purposes other than those for which it is excluded.

4.7.6 The Development Permit Board may vary the conditions for Dwelling Uses under sections 4.7.1(a)(ii) and 4.7.1(b)(ii) where the Dwelling Uses in the proposed development comprise 100% social housing.

4.8 to

4.9 [Reserved]

4.10 Horizontal Angle of Daylight

4.10.1 Each habitable room must have at least one window on an exterior wall of a building.

4.10.2 Each exterior window must be located so that a plane or planes extending from the window and formed by an angle of 50 degrees, or two angles with a sum of 70 degrees, will encounter no obstruction over a distance of 20.0 m.





**HA-1 and HA-1A**

- 4.10.3 The plane or planes referred to in section 4.10.2 must be measured horizontally from the centre of the bottom of each window.
- 4.10.4 The Director of Planning may vary the horizontal angle of daylight requirement, if:
  - (a) the Director of Planning first considers all the applicable policies and guidelines adopted by Council;
  - (b) the minimum distance of unobstructed view is not less than 2.4 m; and
  - (c) the building is listed on the Heritage Register or, in the opinion of the Director of Planning, the building has sufficient heritage value or heritage character to justify its conservation.
- 4.10.5 An obstruction referred to in section 4.10.2 means:
  - (a) any part of the same building including permitted projections; or
  - (b) the largest building permitted under the zoning on any adjoining site.
- 4.10.6 A habitable room referred to in section 4.10.1 does not mean:
  - (a) a bathroom; or
  - (b) a kitchen whose floor area is the lesser of:
    - (i) 10% or less of the total floor area of the dwelling unit, or
    - (ii) 9.3 m<sup>2</sup>.
- 4.11 to
- 4.16 **[Reserved]**
- 4.17 **External Design**

All new buildings and alterations or additions to existing buildings require the approval of the Development Permit Board or the Director of Planning for the design of buildings or alterations to elevations facing streets, lanes, and adjacent buildings. The Development Permit Board or the Director of Planning may approve the design of such buildings, alterations or additions provided that consideration is first given to:

  - (a) the intent of this Schedule and all applicable policies and guidelines adopted by Council;
  - (b) the submission of any advisory group, property owner or tenant;
  - (c) the effect of new visible exterior surfaces on the architectural and historically significant characteristics of the existing building on site or adjacent buildings;
  - (d) the extent to which the alterations to existing buildings are consistent with documented evidence of the original design or an earlier exterior treatment of historical significance to the building;
  - (e) the alterations to historically significant characteristics of an existing building are necessary to accommodate a change of use permitted in the Schedule; and
  - (f) the alterations to historically significant characteristics of an existing building are necessary to advance public health and safety.



**HA-1 and HA-1A**

**5 Relaxation of Regulations**

5.1 The Development Permit Board may relax the conditions for Dwelling Uses under section 2.2.1.DW, in this Schedule for:

- (a) the conservation of a building listed on the Vancouver Heritage Register or in the opinion of the Director of Planning a building that has sufficient heritage value or heritage character to justify its conservation; or
- (b) the renovation of existing low cost housing units for persons receiving assistance with the intent to maintain these units with the same tenure.

5.2 The Development Permit Board or the Director of Planning, as the case may be, may relax the floor space regulations of section 4.7.1(b) for HA-1A where, due to conditions peculiar either to the site or the proposed development, literal enforcement would result in unnecessary hardship in the following cases:

- (a) the retention of a designated heritage building or a building listed on the Vancouver Heritage Register;
- (b) development on a site constrained by adjacent buildings listed on the Vancouver Heritage Register; or
- (c) development on an a site smaller than 374 m<sup>2</sup>, or on a site with a site depth that is less than 37.2 metres;

provided that:

- (i) The maximum height does not exceed 21.3m (70 ft.);
- (ii) The maximum floor space ratio for all combined uses does not exceed 4.4;
- (iii) The maximum floor space ratio for residential uses does not exceed 3.25; and
- (iv) The minimum floor space ratio for non-residential uses is no less than 0.8.

and provided that the Development Permit Board or the Director of Planning first considers:

- (v) the intent of this Schedule and all applicable policies and guidelines adopted by Council;
- (vi) the submission of any advisory group, property owner or tenant;
- (vii) the bulk, location, and overall design of the building and its effect on the site, surrounding buildings and streets;
- (viii) the relationship of the development to any designated heritage building;
- (ix) the design and liveability of any dwelling units; and
- (x) the effect of an addition on the heritage value of any designated heritage building or building listed on the Vancouver Heritage Register.



Appendix E

Retail and Residential Comparable Sales





**SALE PROFILE NO. 1**

**RETAIL PROPERTY**

**LOCATION INFORMATION**

Address 2315 Main Street  
 City, State, Zip Code Vancouver, BC,  
 APN 005-242-231

**SALE INFORMATION**

Buyer Siddoo Kashmir Holdings Ltd.  
 Seller RCSH Properties Ltd.  
 Transaction Date 02/28/2022  
 Transaction Price \$3,250,000  
 Analysis Price \$3,250,000  
 Recording Number CA 9746759  
 Rights Transferred Fee Simple  
 Conditions of Sale Arms-Length

**PHYSICAL INFORMATION**

Property Type Retail  
 Gross Building Area (GBA) 2,080  
 Year Built 1940  
 Site Size 0.05 Acres ( 2,134 SF )  
 Zoning C-3A  
 Land to Building Ratio 1.04 : 1  
 Site Coverage (SF)/Ratio 1.0%



OPERATING INFORMATION	TOTAL	PER SF
<b>ANALYSIS INFORMATION</b>		
Transaction Price/SF		\$1,578
Analysis Price/SF		\$1,578
<b>CONFIRMATION</b>		
Source	Knowledgeable Third Party	
Date	05/05/2022	
<b>COMMENTS</b>		

Comparable ID 1145228



**SALE PROFILE NO. 2**

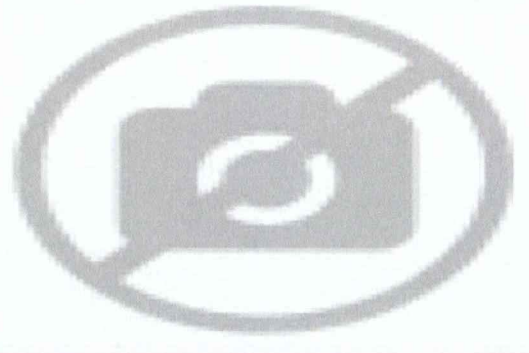
**RETAIL PROPERTY**

**LOCATION INFORMATION**

Address 2211 Burrard Street  
 City, State, Zip Code Vancouver, BC  
 APN 024-106-732, 024-106-741, 024-106-750, 024-106-096

**SALE INFORMATION**

Buyer 2211 Burrard Holdings Ltd.  
 Seller CCT Services Ltd.  
 Transaction Date 02/18/2022  
 Transaction Price \$7,190,007  
 Analysis Price \$7,190,007  
 Recording Number CA 9720115 to CA 9720122  
 Rights Transferred Fee Simple  
 Conditions of Sale Arms-Length



**PHYSICAL INFORMATION**

Property Type Retail  
 Gross Building Area (GBA) 4,790  
 Year Built 1998  
 Zoning C-3A

OPERATING INFORMATION	TOTAL	PER SF
<b>ANALYSIS INFORMATION</b>		
Transaction Price/SF		\$1,503
Analysis Price/SF		\$1,503
<b>CONFIRMATION</b>		
Source	Knowledgeable Third Party	
Date	05/05/2022	
<b>COMMENTS</b>		
Comparable ID 1145284		





**SALE PROFILE NO. 3**

**RETAIL PROPERTY**

**LOCATION INFORMATION**

Address	1010 West Broadway
City, State, Zip Code	Vancouver, BC
APN	015-184-731

**SALE INFORMATION**

Buyer	1342818 B.C. Ltd.
Seller	1114407 B.C. Ltd.
Transaction Date	01/31/2022
Transaction Price	\$9,050,000
Analysis Price	\$9,050,000
Recording Number	CA 0681735
Rights Transferred	Fee Simple
Conditions of Sale	Arms-Length

**PHYSICAL INFORMATION**

Property Type	Retail
Gross Building Area (GBA)	5,800
Number of Buildings	1
Year Built	1920
No. of Floors	2
Site Size	0.14 Acres ( 0.229 SF )
Zoning	C-3A
Land to Building Ratio	1.07 : 1
Site Coverage (SF)/Ratio	46.6%



OPERATING INFORMATION	TOTAL	PER SF
<b>ANALYSIS INFORMATION</b>		
Transaction Price/SF		\$1,560
Analysis Price/SF		\$1,560
<b>CONFIRMATION</b>		
Source	Knowledgeable Third Party	
Date	04/13/2022	
<b>COMMENTS</b>		
	Comparable ID 1138565	





**SALE PROFILE NO. 4**

**RETAIL PROPERTY**

**LOCATION INFORMATION**

Address 238 West Broadway  
 City, State, Zip Code Vancouver, BC  
 APN 030-067-201

**SALE INFORMATION**

Buyer Entezarian Dental Holdings Ltd.  
 Seller Moon River Enterprises Ltd.  
 Transaction Date 01/31/2022  
 Transaction Price \$2,399,000  
 Analysis Price \$2,399,000  
 Recording Number CA 9681686  
 Rights Transferred Fee Simple  
 Conditions of Sale Arms-Length



**PHYSICAL INFORMATION**

Property Type Retail  
 Gross Building Area (GBA) 1,473  
 Year Built 2017  
 Zoning C-3A

OPERATING INFORMATION	TOTAL	PER SF
<b>ANALYSIS INFORMATION</b>		
Transaction Price/SF		\$1,629
Analysis Price/SF		\$1,629
<b>CONFIRMATION</b>		
Source	Knowledgeable Third Party	
Date	04/28/2022	
<b>COMMENTS</b>		
	Comparable ID 1143376	



**SALE PROFILE NO. 5**

CRU 1 + 2

**LOCATION INFORMATION**

Address	170 East 2nd Avenue
City, State, Zip Code	Vancouver, BC, V5T 0K4
APN	031-504-159, 031-504-167



**SALE INFORMATION**

Buyer	CJ Park & Sons Holdings Inc.
Seller	0839879 B.C. LTD.
Transaction Date	01/21/2022
Transaction Price	\$3,139,499
Analysis Price	\$3,139,499
Recording Number	CA 9858808 & CA 9858821
Rights Transferred	Fee Simple
Financing	Undisclosed
Conditions of Sale	Arms-Length

**PHYSICAL INFORMATION**

Gross Building Area (GBA)	2,056
Number of Buildings	1
Year Built	2021
Quality	Excellent
Building Structure	Concrete/Block
Exterior	Glass Curtain
Zoning	CD-1
Shape	Generally Rectangular
Topography	Flat and Moderate Slope

OPERATING INFORMATION	TOTAL	PER SF
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Occupancy at Sale		
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**ANALYSIS INFORMATION**

Transaction Price/SF		\$1,527
Analysis Price/SF		\$1,527

**CONFIRMATION**

Date	04/28/2022
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**COMMENTS**

Corner retail including two stratified units CRU 1 + 2 with underground parking, bike amenities, and 10 minutes to skytrain

Comparable ID 1143378





**SALE PROFILE NO. 6**

**RETAIL STRATA UNIT**

**LOCATION INFORMATION**

Address	5750 West Boulevard
City, State, Zip Code	Vancouver, BC, V6M 3W8
APN	018-996-515

**SALE INFORMATION**

Transaction Date	12/07/2021
Transaction Price	\$920,000
Analysis Price	\$920,000
Recording Number	C8040809
Rights Transferred	Fee Simple
Conditions of Sale	Arms-Length

**PHYSICAL INFORMATION**

Gross Building Area (GBA)	542
Year Built	1998
Front Footage	good
Quality	Good
Condition	Good
Appeal	Good
Building Structure	Brick/Block/Frame
Exterior	Brick Veneer and Frame
Zoning	C-2
Shape	Generally Rectangular
Access	Good



<b>OPERATING INFORMATION</b>	<b>TOTAL</b>	<b>PER SF</b>
Net Operating Income	\$28,200	\$52.03

<b>ANALYSIS INFORMATION</b>		
Transaction Price/SF		\$1,697
Analysis Price/SF		\$1,697
Capitalization Rate (OAR)		3.07%

<b>CONFIRMATION</b>		
Source	Knowledgeable Third Party	
Date	01/21/2022	

**COMMENTS**  
 Street-level store front, close to bus stops, shopping area and community center.  
 Comparable ID 1114521





**SALE PROFILE NO. 7**

**COMMERCIAL RETAIL UNIT**

**LOCATION INFORMATION**

Address 228 West Broadway  
 City, State, Zip Code Vancouver, BC

**SALE INFORMATION**

Buyer Private  
 Seller Moon River Enterprises  
 Transaction Date 10/13/2021  
 Transaction Price \$2,399,000  
 Analysis Price \$2,399,000  
 Recording Number C8040574  
 Rights Transferred Fee Simple  
 Conditions of Sale Arms-Length

**PHYSICAL INFORMATION**

Gross Building Area (GBA) 1,478  
 Year Built 2017  
 Zoning C-3A



OPERATING INFORMATION	TOTAL	PER SF
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ANALYSIS INFORMATION		
Transaction Price/SF		\$1,623
Analysis Price/SF		\$1,623

CONFIRMATION	
Source	Appraiser
Date	12/17/2021

**COMMENTS**  
 Commercial Retail Unit ideally located on the south side of West Broadway. Great exposure to both pedestrian and vehicle traffic in the heart of the well established Broadway corridor. Steps from Canada Line, buses, and the future Broadway Subway Extension. Unit features excellent frontage along the popular West Broadway with full air conditioning and 13'+ ceiling heights. Private parking stall included with abundant street parking available.  
 Comparable ID 1106881



**SALE PROFILE NO. 8**

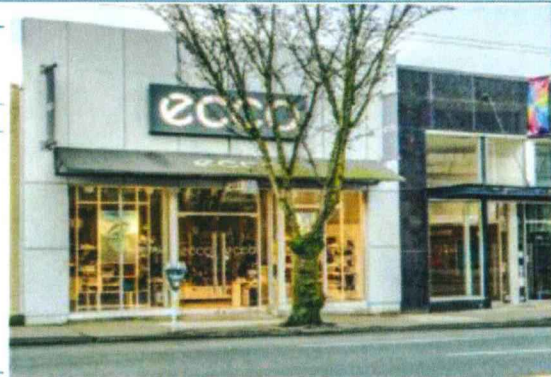
**SOUTH GRANVILLE STREETFRONT RETAIL**

**LOCATION INFORMATION**

Address	2675 Granville Street
City, State, Zip Code	Vancouver, BC, V6H 3H2
APN	002-491-737

**SALE INFORMATION**

Buyer	GEORGE LOH LTD
Seller	BONNIS PROPERTIES SG INC
Transaction Date	09/28/2021
Transaction Price	\$6,300,000
Analysis Price	\$6,300,000
Recording Number	CA9389952
Rights Transferred	Leased Fee
Financing	Undisclosed
Conditions of Sale	Arms-Length



**PHYSICAL INFORMATION**

Property Type	Street Front
Secondary Type	Retail
Gross Building Area (GBA)	3,000
Leaseable Area (NRA)	3,000
Typical Floor Plate (SF)	3,000
Number of Buildings	1
Year Built	1957
No. of Floors	1
Front Footage	Average
Quality	Average/Good
Condition	Average/Good
Appeal	Average/Good
Building Structure	Masonry/Wood
Exterior	Mixed
Site Size	0.07 Acres ( 3,240 SF )
Zoning	C-3A
Shape	Generally Rectangular
Topography	Level
Access	Average
Exposure	Average
Land to Building Ratio	1.08 : 1
Site Coverage (SF)/Ratio	92.6%

**OPERATING INFORMATION**

	TOTAL	PER SF
Gross Income	\$231,000	\$77.00
Effective Gross Income	\$231,000	\$77.00
Net Operating Income	\$231,000	\$77.00
Occupancy at Sale		100.00%

**ANALYSIS INFORMATION**

Transaction Price/SF	\$2,100
Analysis Price/SF	\$2,100
Capitalization Rate (OAR)	3.67%

**CONFIRMATION**

Source	Knowledgeable Third Party
Date	12/18/2021

**COMMENTS**

Streetfront retail property along the west of Granville Street between West 11th and West 10th Avenues in South Granville. Fully leased to Ecoo. 27 feet of frontage along Granville Street. Was listed with CBRE for \$7,888,000. Comparable ID 1106959



**SALE PROFILE NO. 9**

**RETAIL PROPERTY**

**LOCATION INFORMATION**

Address 1736 Commercial Drive  
 City, State, Zip Code Vancouver, BC, V5N 4A3  
 APN 014-895-609

**SALE INFORMATION**

Seller 523667 BC Ltd.  
 Transaction Date 09/20/2021  
 Transaction Price \$3,465,000  
 Analysis Price \$3,465,000  
 Recording Number C8038491  
 Rights Transferred Fee Simple  
 Conditions of Sale Arms-Length

**PHYSICAL INFORMATION**

Gross Building Area (GBA) 2,300  
 Year Built 1920  
 Front Footage good  
 Quality Average  
 Condition Average  
 Appeal Average  
 Building Structure Brick/Block/Frame  
 Exterior Stucco  
 Site Size 0.08 Acres ( 3,465 SF )  
 Zoning C2-C  
 Shape Generally Rectangular  
 Topography Generally Level  
 Access Good  
 Land to Building Ratio 1.51 : 1  
 Site Coverage (SF)/Ratio 0.7%



OPERATING INFORMATION	TOTAL	PER SF
Net Operating Income	\$83,000	\$36.09

**ANALYSIS INFORMATION**

Transaction Price/SF	\$1,507
Analysis Price/SF	\$1,507
Capitalization Rate (OAR)	2.40%

**CONFIRMATION**

Source	Knowledgeable Third Party
Date	12/08/2021

**COMMENTS**

A rarely available and highly sought after retail location in the heart of the Commercial Drive retail district. Modest in place income with great upside and development potential. Grandview/Woodland Plan provides for a 3.0FSR potential, 4-storey form with at-grade commercial.

Comparable ID 1089128





**BAKERY**

**SALE PROFILE NO. 10**

**LOCATION INFORMATION**

Address	143 East 3rd Avenue
City, State, Zip Code	Vancouver, BC, V5T 1C7
APN	013-485-709

**SALE INFORMATION**

Buyer	Atelier Capital Partners Inc. (Atelier Phoenix II Holdings I LLC)
Seller	Kelico Enterprises Inc.
Transaction Date	08/25/2021
Transaction Price	\$11,600,000
Analysis Price	\$11,600,000
Recording Number	CA 9302011 & CA 9302012
Rights Transferred	Fee Simple
Conditions of Sale	Arms-Length



**PHYSICAL INFORMATION**

Property Type	Fast Food
Gross Building Area (GBA)	4,800
Number of Buildings	1
Year Built	1959
No. of Floors	1
Quality	Average
Condition	Average
Appeal	Average
Building Structure	Concrete/Block
Site Size	0.13 Acres ( 5,663 SF )
Zoning	I-1A
Shape	Rectangular
Topography	Level
Access	Average
Exposure	Average
Land to Building Ratio	1.23 : 1
Site Coverage (SF)/Ratio	81.2%

OPERATING INFORMATION	TOTAL	PER SF
<b>ANALYSIS INFORMATION</b>		
Transaction Price/SF		\$2,522
Analysis Price/SF		\$2,522
<b>CONFIRMATION</b>		
Source	Knowledgeable Third Party	
Date	11/11/2021	
<b>COMMENTS</b>		
	Comparable ID 825188	



**SALE PROFILE NO. 11**

**RETAIL PROPERTY**

**LOCATION INFORMATION**

Address	2242 West 4th Avenue
City, State, Zip Code	Vancouver, BC, V6K 1N8
APN	015-229-815

**SALE INFORMATION**

Buyer	Bonnis Properties Ltd. (BP Real Estate Inc.)
Seller	An individual(s) acting in his/her own capacity
Transaction Date	05/31/2021
Transaction Price	\$5,800,000
Analysis Price	\$5,800,000
Recording Number	CA 9048858
Rights Transferred	Fee Simple
Conditions of Sale	Arms-Length



**PHYSICAL INFORMATION**

Property Type	Retail
Gross Building Area (GBA)	3,375
Number of Buildings	1
Year Built	1910
No. of Floors	2
Quality	Average
Condition	Average
Appeal	Average
Building Structure	Frame/Brick
Exterior	Brick
Site Size	0.06 Acres ( 2,614 SF )
Zoning	C-2B
Shape	Generally Rectangular
Topography	Slight slope
Land to Building Ratio	0.77 : 1
Site Coverage (SF)/Ratio	64.6%

OPERATING INFORMATION	TOTAL	PER SF
Net Operating Income	\$152,120	\$45.07
Occupancy at Sale		100.00%

ANALYSIS INFORMATION	
Transaction Price/SF	\$1,719
Analysis Price/SF	\$1,719
Capitalization Rate (OAR)	2.62%

CONFIRMATION	
Source	Knowledgeable Third Party
Date	11/26/2021

**COMMENTS**  
 The City of Vancouver designates the Zoning for the properties as C-2B, a Commercial District classification which permits a maximum gross floor area equal to 2.5 times the site area.  
 Comparable ID 1100878



This is Exhibit "  D  " referred to in the  
Affidavit of  Zhen Yu Zhong   
affirmed before me at  Vancouver , BC  
this  15  day of  February  20  23 .



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A Commissioner/Notary Public for the  
Province of British Columbia

**Appraisal of a Commercial**

**Office Building**

located at:

**1380 Burrard Street**

**Vancouver, BC**

effective date of valuation:

**January 4, 2022**

prepared for:

**1380 Burrard Street GP Inc.**



February 11, 2022

Our Reference Number: 2112-1755

1380 Burrard Street GP Inc.  
1800 – 1188 West Georgia Street  
Vancouver, BC V6E 4A2

Attention: Mr. Jerry Zhong

Re: **APPRAISAL OF A COMMERCIAL MIXED-USE BUILDING  
LOCATED AT 1380 BURRARD STREET, VANCOUVER, BC**

In response to your request, we prepared an appraisal of the above referenced property with the objective of estimating the current market value of the leased fee interest in the subject property based on its highest and best use.

The subject property is located at the northeast corner of Burrard Street and Pacific Street within the boundary of Yaletown/Westend neighborhood in Downtown Vancouver. The subject property is currently improved with a 7-storey commercial mixed-use building containing ground oriented retail space and office areas on the upper floors.

After consideration of all factors pertinent to value, it is our opinion that the current market value of the subject property, subject to the Assumptions and Limiting Conditions herein, as of January 4, 2022, is:

**ONE HUNDRED AND TWELVE MILLION, ONE HUNDRED THOUSAND DOLLARS**  
**(\$112,100,000)**

After consideration of all factors pertinent to value, it is our opinion that the hypothetical market value of the subject land component, based on an assumed 12.50 FSR, as of January 4, 2022, is:

**ONE HUNDRED AND TWENTY MILLION, THREE HUNDRED THOUSAND DOLLARS**  
**(\$120,300,000)**

**Our analysis and value conclusions above assume market exposure under typical market conditions.**

-

A report and addenda is attached and forms the basis of this opinion. Your attention is directed to the Terms of Reference and the Assumptions and Limiting Conditions herein, which may impact our opinion. This report has been prepared to meet the Canadian Uniform Standards of Professional Appraisal Practice.

If you have any questions or require clarification, please do not hesitate to contact the undersigned.

Yours truly,

**L.W. Property Advisors Ltd.**



Per: Rose Wang  
B. Com., AACI, P. App.  
AACI Membership No. 902311  
Signed: February 11, 2022

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## addenda

Appendix "A"	Copy of the Title Document
Appendix "B"	Excerpt from the DD Zoning Bylaw
Appendix "C"	Copy of Budget Report prepared by Bentall Green Oak
Appendix "D"	Qualifications of the Appraiser



## 1.0 SUMMARY OF SALIENT FACTS

**Effective Date of Valuation:** January 4, 2022

**Civic Address:** 1380 Burrard Street, Vancouver, BC

**Type of Property:** Improved 7-Storey commercial mixed-use building

**Site Area:** 29,621 sq.ft.  
(Based on BC Assessment Records)

**Gross Leasable Area:**

Office	107,128 sq.ft.
<u>Retail</u>	<u>7,707 sq.ft.</u>
<b>Total</b>	<b>114,835 sq.ft.</b>

(Based on Budget Report prepared by Bentall Green Oak)

**2022 Property Assessment:**

Land	\$60,648,000
Improvements	<u>\$34,897,000</u>
<b>Total</b>	<b>\$95,545,000</b>

**2021 Property Tax:** \$800,997.68

**Current Zoning:** DD (Downtown District)

**Remaining Economic Life:** ±40 Years

**Highest and Best Use:** Continuation of the existing retail and office use for the remaining economic life of the subject building

**SUMMARY OF SALIENT FACTS**

(continued)

**CONCLUSIONS**

<b>Stabilized Net Operating Income:</b>	\$3,757,015 per Annum (Based on contractual and projected rents)
<b>Income Approach:</b>	<b>\$112,100,000</b>
<b>Direct Comparison Approach:</b>	<b>\$112,000,000</b>
<b>Final Estimate of Value: (Income producing)</b>	<b><u>\$112,100,000</u></b>
<b>Estimate of Hypothetical Land Value: (Based on 12.5 FSR)</b>	<b><u>\$120,300,000</u></b>

## 2.0 DEFINITION OF THE APPRAISAL EXERCISE

### EFFECTIVE DATE OF VALUATION

This appraisal reflects value estimates as of January 4, 2022, the date of inspection.

### TERMS OF REFERENCE

We have been instructed by our client (1380 Burrard Street GP Inc.) to prepare an appraisal report of the subject property as of the effective date of valuation. The purpose of the appraisal is to estimate the market value of the lease fee interest in the subject property described herein as of the effective date of valuation based on its highest and best use.

Additionally, we have been requested by our client provide a hypothetical valuation exercise to estimate the market value of the subject land component assuming a 12.50 FSR is achievable. Detailed assumption terms and conditions are included in section 16 of this report.

The function of this report is to assist our client to obtain mortgage financing.

### SCOPE OF APPRAISAL

This report constitutes a complete appraisal, which has been prepared in accordance with the Canadian Standards of Professional Appraisal Practice as adopted by the Appraisal Institute of Canada as January 1, 2020. In the preparation of this appraisal, we have conducted a complete market analysis including the following:

- Rose Wang conducted a drive by inspection of the subject property on January 4, 2022; however, given the on going COVID-19 pandemic and advisory from the Appraisal Institute of Canada, we were not able to perform an inspection of the interiors of the subject building;
- We are not qualified to comment on the condition of the subject building. We recommend that a professional building inspector be retained if a more detailed and technical inspection of the building is required;
- Inspected the neighbourhood and researched market trends and competitive properties;
- Searched the title certificate and verified factual information relating to ownership, property taxes and assessments;



**DEFINITION OF THE APPRAISAL EXERCISE****(continued)**

- Other property data (i.e.: site dimensions and zoning) have been compiled from public records at the City of Vancouver;
- The building age has been obtained from information gathered during the inspection and information provided by the City of Vancouver;
- Determined Highest and Best Use of the property from an analysis of the site, existing improvements, zoning, and financial data;
- Building areas have been based on a copy of Budget Report prepared by Bentall Green Oak, provided by our client. We were not able to measure the subject improvements for the purpose of this appraisal and reserve the right to amend our valuation upon receiving updated information on the subject property;
- We were not provided actual lease agreements. Information related to the current leases has been obtained from the rent roll provided and we reserve the right to amend our valuation should the actual lease agreements reveal different terms and rates;
- We obtained leasing and sales data for comparable properties from our office files, Multiple Listing Service, RealNet and real estate agents.

**STATEMENT OF COMPETENCY**

The professional staff at L.W. Property Advisors Ltd. and the appraiser responsible for this valuation have considerable experience in the valuation of income producing properties. In this regard, we have the experience to complete this appraisal assignment and have appraised and analyzed similar properties before.

**Listed below are our terms of reference and the extraordinary limiting conditions that apply to this assignment.**

- We have relied on the gross leasable areas based on the information provided by our client in valuing the subject property. We reserve the right to amend our value should any remeasurements indicate different areas.
- A full search and interpretation of the title are beyond the scope of this appraisal and the report is contingent on the expectation that there are no material encumbrances that would affect value unless otherwise noted. However, as these can have a significant impact on the market value and / or marketability, legal advice is recommended.

- We were not able to conduct an inspection of the subject improvements given the on going COVID-19 pandemic and have followed guidelines provided by the Appraisal Institute of Canada. Our descriptions of the subject building and units are based on information provided by our client and the building condition report. These information are assumed to be accurate and correct. We reserve the right to amend our valuation should the information provided is deemed to be incorrect.

### 3.0 DEFINITION OF TERMS

#### PROPERTY RIGHTS APPRAISED

The property rights appraised in this report are fee simple title ownership, except for normal public limitations. The fee simple interest can be defined as:

*"The greatest interest an individual can own in land, or complete ownership in law, subject only to the governmental powers of taxation, expropriation, escheat and police powers."*

#### DEFINITION OF MARKET VALUE

The Appraisal of Real Estate, Third Canadian Edition. defines market value as:

*"The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self interest, and assuming that neither is under undue duress"*

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

1. *buyer and seller are typically motivated;*
2. *both parties are well informed or well advised, and acting in what they consider their best interests;*
3. *a reasonable time is allowed for exposure in the open market;*
4. *payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and*
5. *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.*



**DEFINITION OF TERMS (continued)****DEFINITION OF MARKET RENT**

The Appraisal of Real Estate: Third Canadian Edition defines Market Rent as the rental income that a property would probably command in the open market. It is indicated by the current rents that are either paid or asked for comparable space with the same division of expenses as of the date of the appraisal. Market rent is sometimes referred to as economic rent. In this rental valuation report, Market Rent is known as Fair Market Rent.

**GROSS LEASE**

A **gross lease** is a commercial **lease** where the landlord pays for the building's property taxes, insurance and maintenance. In a **gross lease** the tenant makes a single payment that generally includes the basic rent and operating costs.

**DEFINITION OF TRIPLE NET LEASE**

The Appraisal of Real Estate: Third Canadian Edition defines Triple Net Lease as rent whereby the tenant pays utilities, taxes, insurance, and maintenance, and property owner pays for structural repairs only.

**GROSS BUILDING AREA**

Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls; includes both the superstructure floor area and the substructure of the basement area.

**GROSS LEASABLE AREA**

Total floor area designed for the occupancy and exclusive use of tenants including basements and mezzanines; measured from the centre of joint partitioning to the outside wall surfaces.

**NON-USABLE AREA**

The difference between the Usable area and the Rentable area is called the Non-usable area. It will include all of the major building corridors, washrooms, janitor closets, electrical rooms, etc. This area may vary over the life of the building as a result of renovations.

**DEFINITIONS****(continued)****USABLE AREA**

This method will determine the actual demisable area of a floor used by the client's program. It includes circulation space within an office area, but excludes major building corridors, lobbies, etc. Usable area may vary over the life of a building when corridors or other non-usable areas change as a result of renovations.

**COMMON AREA MAINTENANCE (C.A.M.)**

Typically, the cost factor allocated to tenants for a proportional share of the operating costs pertaining to common areas such as malls, washrooms, parking lots, etc.

## 4.0 IDENTIFICATION OF THE SUBJECT PROPERTY

### CIVIC ADDRESS AND LEGAL DESCRIPTION

1380 Burrard Street, Vancouver, BC  
Lot A Block 110 District Lot 541 Plan 16368  
Title Number: CA7681096  
PID: 007-512-091

### REGISTERED OWNER

1380 Burrard Street GP Inc.  
1800 – 1188 West Georgia Street  
Vancouver, BC, V6E 4A2

### REGISTERED CHARGES

Review of title information for subject property indicated a legal notation and numerous charges including a covenant, easement and indemnity agreements, and priority agreements registered under the subject title. Additionally, the following financial charges are registered under the subject title certificate:

- A mortgage (CA7685624) is registered to Peterson Investment Group Inc. on August 15, 2019;
- An assignment of rents (CA7685625) is registered to Peterson Investment Group on August 15, 2019;
- A mortgage (CA8888078) is registered to Genesis Mortgage Investment Corp. on March 31, 2021;  
and
- An Assignment of rents (CA8888079) is registered to Genesis Mortgage Investment Corp. on March 31, 2021.

Under the scope of this appraisal, we have assumed that the legal notation and the charges registered on the subject title do not adversely impact the value and developability of the subject. We recommend the reader to obtain opinion from a legal professional if more in-depth information regarding the charges on title is required. A copy of the title document is attached in the Addenda as Appendix "A".



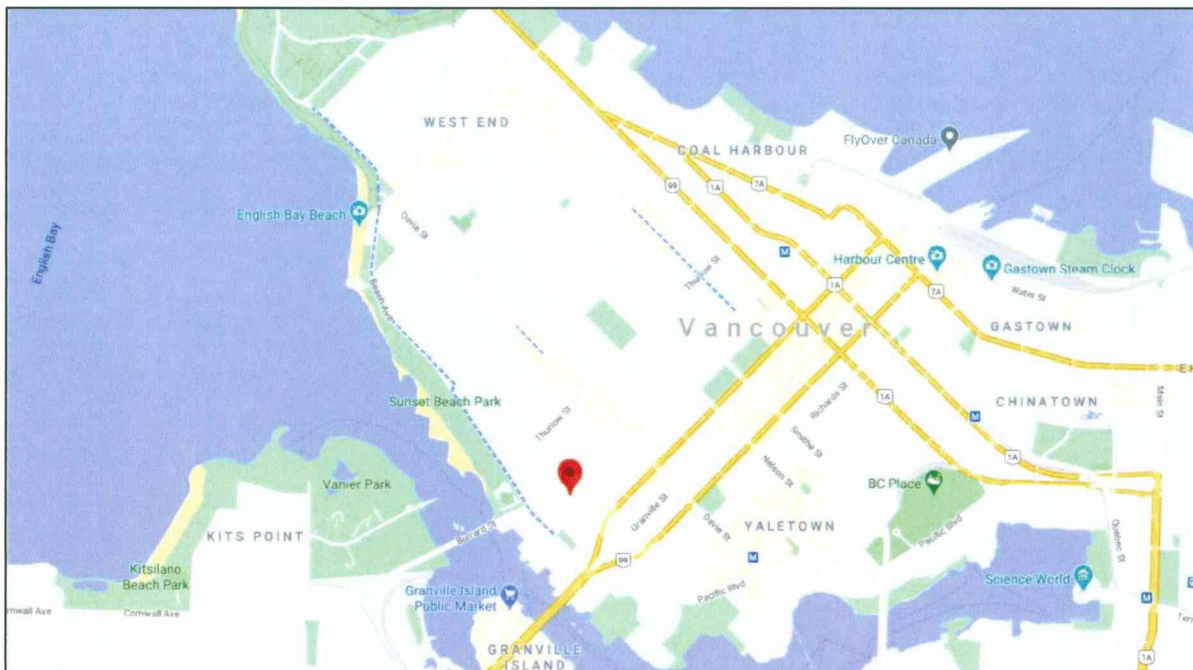
**PROPERTY HISTORY**

According to BC Assessment Records, our client purchased the subject property for a total consideration of \$80,880,000 on July 12, 2016. To the best of our knowledge, the property did not have any other open market transaction recorded within the past 7 years. The subject is not currently listed for sale on the market to the best of our knowledge.

5.0 MARKET AREA DESCRIPTION

GENERAL VICINITY

The subject property is located on the westerly boarder of the Yaletown neighbourhood within Downtown Vancouver, at the easterly border of the West End neighbourhood. More specifically, the subject is situated on the northeast and northwest corners of Burrard Street, Pacific Street and Hornby Street. The neighbourhood benefits from strong commercial corridors such as Burrard Street and Pacific Street themselves, Granville Street, Davie Street, Robson Street, and, with Denman Street and West Georgia located further northwest/northeast. The location of the subject site is identified on the neighborhood map illustrated below.



Downtown Vancouver comprises approximately 370 hectares, broadly between Vancouver Harbour to the north and False Creek to the south. The immediate area along Pacific Street comprises a mix of low and high density, mixed-use buildings and can be considered highly sought after due to the proximity to the waterfront. The majority of the commercial occupants in the immediate vicinity consists of restaurants and cafes including a mix of local businesses and national franchises. The buildings are of mixed ages.

### NEIGHBORHOOD AND OCCUPANT ANALYSIS

The subject neighbourhood of Yaletown is comprised of a mix of uses including residential, retail and office uses that are predominantly made up of mixed-use, mid-rise and high-rise buildings. As a former downtown industrial area, Yaletown is one of the most established downtown neighbourhoods that has been transformed into trendy restaurants, clubs, stores and condominiums. Yaletown is generally known for its active nightlife.

The general area is considered to be one of the most desirable residential locations in the region, offering residents a range of commercial and public amenities and a location close to the waterfront and False Creek North seawall. The area west of the subject property, west of Burrard Street is characterized by a high proportion of rental apartment buildings whereas areas to the south and east of the subject are predominantly newer, high density residential or mixed use developments. The general area is the most densely populated area within Greater Vancouver. Public and commercial amenities within the immediate area include access to beaches, trails and parks. Transit access, traffic calming, street furniture, treed promenades, pocket parks and public spaces.

Burrard Street is the main north/south road in Downtown Vancouver, which extends from Canada Place over the Burrard Bridge to Vancouver's Westside. In the vicinity of Robson Street, Burrard Street is also a main retail corridor, containing a variety of high-end fashion flagship stores like Louis Vuitton, Spence Diamonds, Hermes, and Tiffany & Co. St. Paul's Hospital is located at Davie and Burrard Streets, just north of the subject block. Occupants along Burrard Street and in the immediate area offer various day and evening dining, local retailing, and service commercial facilities.

Two blocks north of the subject is Davie Street, a major east-west arterial route. The street experiences heavy pedestrian traffic, as well as high vehicle traffic volumes. The area around Davie Street is fully built up with a mix of commercial retail/office buildings and mixed-use commercial/residential buildings. Two-three blocks to the east are the major north south commercial routes within Yaletown at Howe Street, Seymour Street and Granville, the Granville Entertainment District is known for its vibrant nightlife.

The subject site is well located in proximity to public transportation, commercial development and public amenities. The location of the subject, close to Burrard Street, Davie Street, Robson Street, Denman Street, West Georgia Street, various parks and beaches, and the proximity to the city core enhances the



overall appeal of the subject site.

### UPCOMING DEVELOPMENTS

Several properties within the Downtown Vancouver are currently under construction or have development applications submitted to the city. The following is not an exhaustive list of all proposed developments in the area but nonetheless supports the trend where investors are redeveloping or repositioning properties for better use:

- Burrard Place located at the northeast corner of Drake Street and Burrard Street, and the northwest corner of Hornby Street and Drake Street. Tower B is a free standing, AAA office building comprising 13 storeys. Tower A located at Hornby Street and Drake will offer two levels of strata titled office building within the high rise mixed use building. Construction is near completion and full occupancy is expected in March 2022.
- The Post: South Tower (399 West Georgia Street) is under construction for a 560,000 sq.ft. office building by QuadReal. The estimated completion is Q3 2022.
- B6 (1090 West Pender Street) is a 534,000 sq.ft. office development under construction by BentalGreenOak. The estimated completion date is Q3 2023.
- A development permit application at 733 Seymour Street comprises a proposed development of a 33-storey LEED Platinum planned office building comprising 371,000 sq.ft. of commercial space. The proposed development is also known as Vancouver Centre II.
- 807 Seymour Street – A development permit application by Bonnies Properties, including a 13-storey strata titled commercial office project offering 56,000 sq.ft. of office space.
- A rezoning application submitted by GBL Architects was approved July 10, 2018 to rezone 118 – 150 Robson Street from DD to CD-1 zoning to develop a 29-storey mixed-use development with a six-storey podium.
- A rezoning application submitted by Musson Cattell Mackey Partnership proposes to rezone 619 – 685 West Hastings Street from the existing DD zoning to a new CD-1 zoning to permit a 28-storey office development. It is currently in the Public Hearing stage.
- A rezoning application submitted by Reliance Properties was approved on July 9, 2019 to rezone 1166 West Pender Street from the existing DD zoning to a new CD-1 zoning to develop a 32-storey mixed-use development.
- The property at 601 West Hastings Street, is being redeveloped into a 25-storey office building

with a public plaza on the ground floor. Construction is under way and anticipated to complete in 2022. A total floor area of 227,714 sq.ft. is expected upon completion.

- 443 Seymour Street – A rezoning application to rezone the site from DD to CD-1 for the development of a 29-Storey commercial office building comprising ground oriented commercial retail units and office space on the upper floors was approved by the City in May 2020.
- A development application submitted by Perkins & Will Architects was submitted to develop 950 Granville Street with a four-storey commercial building with three storeys of underground parking.

The graph below illustrates the current high-rise commercial/mixed-use development in Downtown Vancouver.





	86 1090 WEST PENDER STREET	980 GRANVILLE STREET	837 BEATTY STREET	625 WEST HASTINGS STREET	1166 WEST PENDER STREET
					
	Q3 2023	Q3 2023	Q2 2024	Q3 2024	Q2 2025
DEVELOPER	BentallGreenOak	Bonnis Properties	Reliance Properties	Uptown Property Group	Reliance Properties / Hines
STOREYS	32	6	3-storey addition	28	32
OFFICE SF	534,000	74,217	29,386 (office)	120,000	357,880
TENANTS	170,000 sf - WeWork 51,000 sf - Colliers 47,000 sf - BentallGreenOak	18,174 sf - Crossmedia Group	No tenants at this time	No tenants at this time	No tenants at this time
OCCUPANCY	50%	25%	0%	0%	0%

(Source: Mid Year 2021 Office Market Report – Avison Young)

	BOSA WATERFRONT CENTRE, 320 GRANVILLE STREET	THE STACK, 1133 MELVILLE STREET	THE POST, 349 WEST GEORGIA STREET	THE OFFICES AT LANDMARK ON ROBSON, 1408 ROBSON STREET	THE POST, 308 DUNSMUIR STREET
					
	Q2 2022	Q3 2022	Q3 2022	Q1 2023	Q2 2023
DEVELOPER	Bosa Development	Oxford Properties	QuadReal Property Group	Asia Standard Americas	QuadReal Property Group
STOREYS	30	36	21 (south tower)	2 floors in podium	22 (north tower)
OFFICE SF	226,790 (strata) / 148,000	532,000	510,000	29,190 (strata)	560,000
TENANTS	23,000 sf - Bosa Development Approx. 60% of the building has been sold as strata office space	80,000 sf - Blake, Cassels & Graydon 67,000 sf - DLA Piper 66,000 sf - EY Canada 16,700 - BDC	510,000 sf - Amazon	Sales not provided	560,000 sf - Amazon
OCCUPANCY	100% sold / 15%	43%	100%	NA	100%

(Source: Mid Year 2021 Office Market Report – Avison Young)



**SUMMARY**

The subject neighbourhood is within the Downtown district of Vancouver and is surrounded by various commercial and residential space with proximity to the waterfront. It is also an area frequently visited by tourists. The subject area is easily accessed via public transportation.

The area is well situated in relation to the Vancouver's west side, the North Shore and a comprehensive network of transportation routes. The subject property is well located at the northeast and northwest corners of Burrard Street, Pacific Street and Hornby Street. In conclusion, the location is a viable and highly desirable location for commercial investment or mixed-use redevelopment.

## 6.0 VANCOUVER OFFICE MARKET OVERVIEW

### OFFICE MARKET OVERVIEW

In the most recent Colliers National Office Market Report in Q3 2021, the Metro Vancouver office market continues to stay resilient against the effects of the new Delta variant of COVID-19. As businesses plan for their return to the office protocols in the coming months, Downtown vacancy rates fell from 7.3% in Q2 2021 to 6.7% in Q3 2021. Additionally, the average net rents in the Downtown Core increased by 4.2% within the same period. The similar trend in lowered vacancy rates and rising rents has also been witnessed in the suburban markets.

According to Colliers International, the high quality office space in Metro Vancouver remains in strong demand as these office space continues to see the lowest vacancy rates across the region, sitting at 2.0% for AAA buildings, and 5.7% for Class A buildings. Class B space continues to see negative absorptions and remains to be the less desirable option for tenants. In total, 234,857 sq.ft. of Class A space was delivered to the market in Q2, 2021 across the Lower Mainland. There is currently 3,491,476 sq.ft. of AAA space under construction in the Downtown Vancouver market.

The space availability factor (SAF) increased by 1.1% from what was reported at the end of 2020, or 1.3% increment from mid-year 2020. The SAF indicates the head lease or sublease space that is being advertised but is not physically vacant, as well as it includes the number of new supplies that is almost complete and is available for lease. For the downtown core, the SAF was 8.7%, approximately 487,384 SF, which is 4.8% lower compared to the lowest SAF recorded (3.5%) at mid-year 2015 (Year-End 2020 Office Market Report Metro Vancouver, BC).

A closer look at the Downtown core revealed 12 AAA office buildings offering a total 3,995,806 sq.ft. of inventory, within which, 76,962 sq.ft. are reported as vacant, indicating a vacancy rate of 1.9% for this office class. With the inclusion of sub lease availabilities, the total available space has been reported at 124,918 sq.ft., or 3.1%. The weighted average asking net rental for AAA office space has been reported at \$52.00 per sq.ft. NNN.

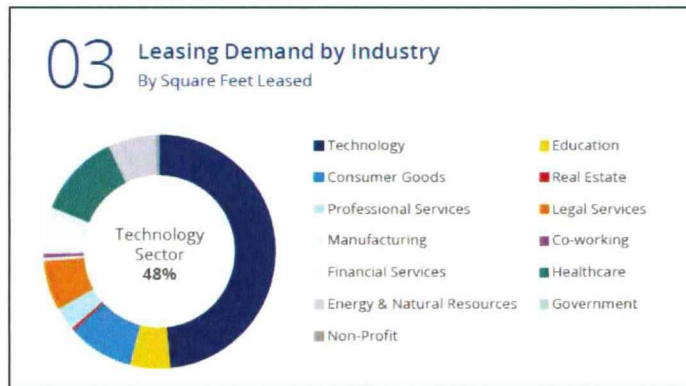
	Class	# of Bldgs	Total Inventory (SF)	Total Vacant Space (SF)	Vacancy Rate	Direct Available Space (SF)	Sublease Available Space (SF)	Total Available Space (SF)	Availability Rate	Net Absorption (SF)	New Supply (SF)	Under Construction (SF)	Wgt. Avg. Asking Net Rent (PSF)	Wgt. Avg. Asking Gross Rent (PSF)
Downtown Core	AAA	12	3,995,806	54,114	1.4%	9,600	92,470	102,070	2.6%	22,848	-	3,875,558	\$ 52.00	\$ 72.82
	A	30	8,260,620	421,783	5.1%	413,385	217,015	630,400	7.6%	55,916	-	74,217	\$ 45.53	\$ 69.17
	B	76	11,077,594	662,714	6.0%	582,215	277,606	859,821	7.8%	134,896	-	-	\$ 35.69	\$ 57.83
	C	73	4,029,522	477,429	11.8%	392,600	138,140	530,740	13.2%	6,500	-	-	\$ 25.92	\$ 43.47
	<b>All</b>	<b>191</b>	<b>27,363,542</b>	<b>1,616,040</b>	<b>5.9%</b>	<b>1,397,800</b>	<b>725,231</b>	<b>2,123,031</b>	<b>7.8%</b>	<b>220,160</b>	<b>-</b>	<b>3,949,775</b>	<b>\$ 36.25</b>	<b>\$ 57.63</b>

Source – Q3 2021 Vancouver Office Market Report – Colliers International

2020-2021 played a vital role in transforming Downtown Vancouver’s office space. Conditions such as severe supply limitations across Metro Vancouver will temporarily constrict deal velocity, hamper absorption and the expansion/relocation of both existing and new businesses. The Mid-Year 2021 Office Market Report by Avison Young reports Downtown Vancouver 6-month absorption fell to negative 86,649 sq.ft. in H1 2021. While negative absorption was recorded in all building classes except class AAA, the availabilities largely comprised smaller-format spaces in mid-market buildings. As the COVID-19 pandemic accelerated work from home feasibility, the general trend indicates that businesses are looking to lease higher quality office space to create better office work conditions.

**TENANT DEMAND**

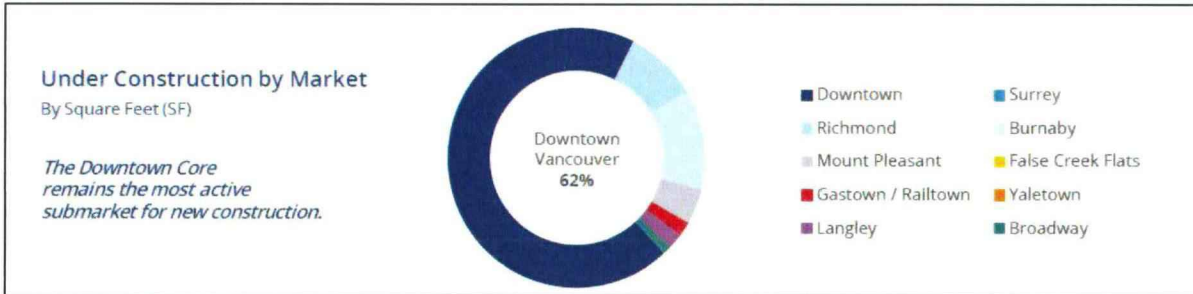
The technology sector appears to be the strongest tenant in the Metro Vancouver office market. Its demand rose from 47% in Q2, 2021 to 48% in Q3, 2021, followed by Health Care, who are crucial drivers of office space, Consumer Goods, and Legal Services. It is reported that demand of office space in areas with efficient public transportation networks will continue to grow.





**NEW CONSTRUCTION**

Downtown Vancouver remains the most active submarket for construction and is responsible for 68% of construction activity. New developments include the Jim Pattison Developments/Reliance Properties "Burrard Place" development, Oxford Properties "The Stack" development, and QuadReal's "The Post: South Tower" development (Q2 2021 Vancouver Office Market Report).



There are a total 5.75 million sq.ft. of space under construction throughout the Greater Vancouver area and 234,857 sq.ft. of new supply. An extract from the Colliers International report for Q3 2021 is provided below highlighting upcoming notable new office supply within the Greater Vancouver area.

Notable Developments							
Building Name / Address	Class	Market	Building Status	Size (SF)	Est. Completion	Owner / Developer	
Vancouver Centre II, 733 Seymour Street	AAA	Downtown	Under Construction	371,000	2021 Q4	GWL / HOOP	
Bosa Waterfront Centre, 320 Granville Street	AAA	Downtown	Under Construction	355,000	2021 Q4	Bosa Developments	
Deloitte Summit, 400 Georgia Street West	AAA	Downtown	Under Construction	345,000	2021 Q4	Westbank Corp	
The Stack, 1133 Melville Street	AAA	Downtown	Under Construction	540,000	2022 Q2	Oxford Properties Group	
The Post North Tower, 349 Georgia Street West	AAA	Downtown	Under Construction	759,762	2023 Q3	QuadReal Property Group	
B6, 1090 Pender Street West	AAA	Downtown	Under Construction	543,000	2023 Q3	BentallGreenOak	
Gilmore Place, 2108 Gilmore Avenue	A	Burnaby	Under Construction	356,178	2024 Q2	Orni Developments	
Oakridge Strata Office, 660 - 668 41 Avenue West	AAA	Vancouver Periphery	Under Construction	240,000	2024 Q3	QuadReal Property Group, Westbank Corp	

**SUMMARY**

New demand of office space is partially dependant on the on going Global Pandemic and local government policies targeted to ease the spread of the virus. The most recent spread of the Omicron Strain of the Coronavirus may bring a temporary set back to the original "return to office" work plans by many employers; however, in general, the office market in Vancouver has demonstrated resilience to the

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Pandemic and the recent months recorded a contraction of vacancy rates for various types of office space in the local market.

7.0 SITE DESCRIPTION

**SITE DIMENSIONS**

The subject property consists of a generally rectangular shaped legal lot with a gross site area of 29,621 sq.ft. according to BC Assessment Authority. The property has approximately 120 feet of frontage along the west side of Burrard Street, 239 feet of frontage along the north side of Pacific Street and 121 feet of frontage along the east side of Hornby Street. A site map obtained from the City of Vancouver GIS Map is illustrated below.



**TOPOGRAPHY**

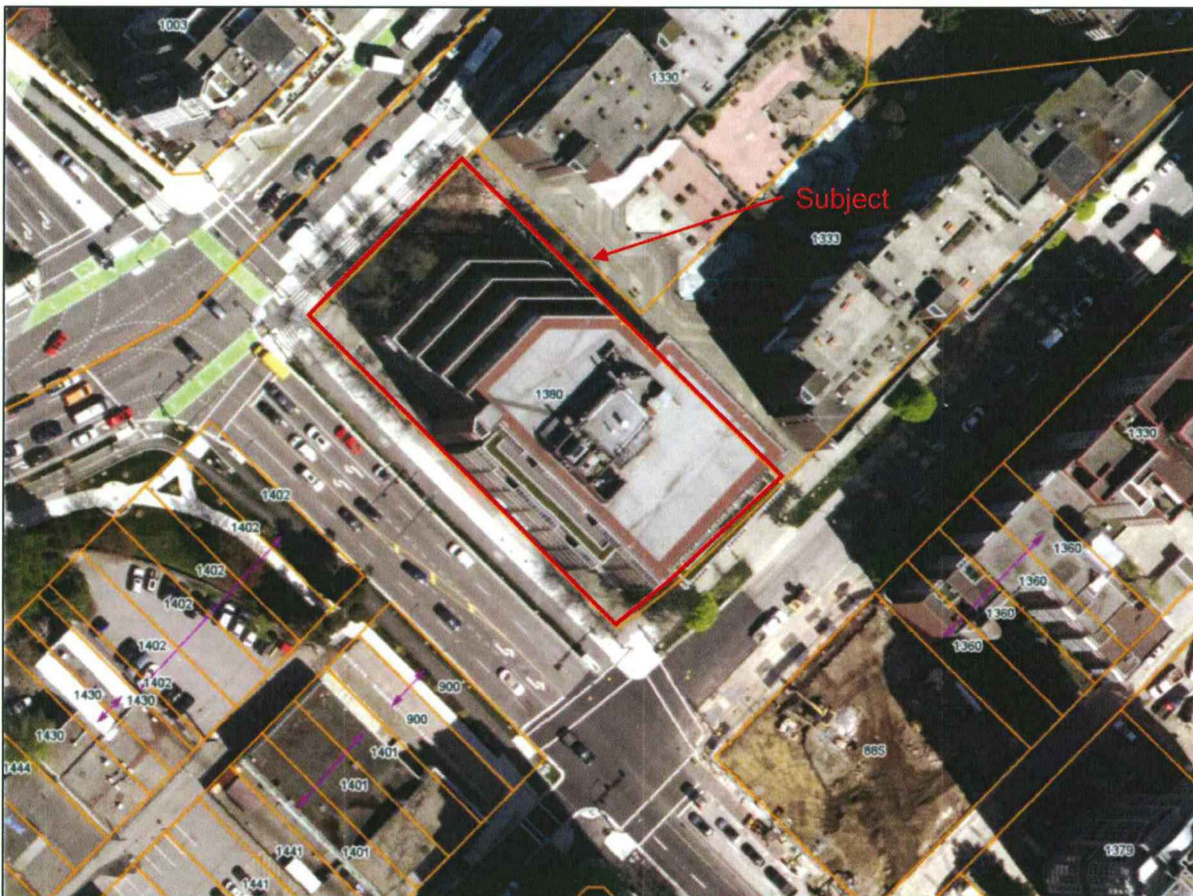
The Subject Site has gentle sloping down from the north to the south. We assume soil conditions and the underlying geology are adequate to support the existing improvements. No representations, however, are made concerning soil conditions. The site was not tested for any toxic substances and no opinion is



expressed by the appraiser as to their absence or presence on the subject site. We assume the site is not contaminated from the presence of toxic substances or environmentally sensitive waste products.

**SITE SERVICES**

All municipal services requisite for mixed-use development, including municipal water, sanitary sewer, electricity, gas and telephone, are available to the subject site. No representations are made concerning engineering and servicing requirements as this requires the services of a qualified engineer. We were not provided with any engineering reports regarding the servicing capacity in the area. For the purpose of this appraisal we assume that the current municipal services available to the subject site are adequate for the current improvements.



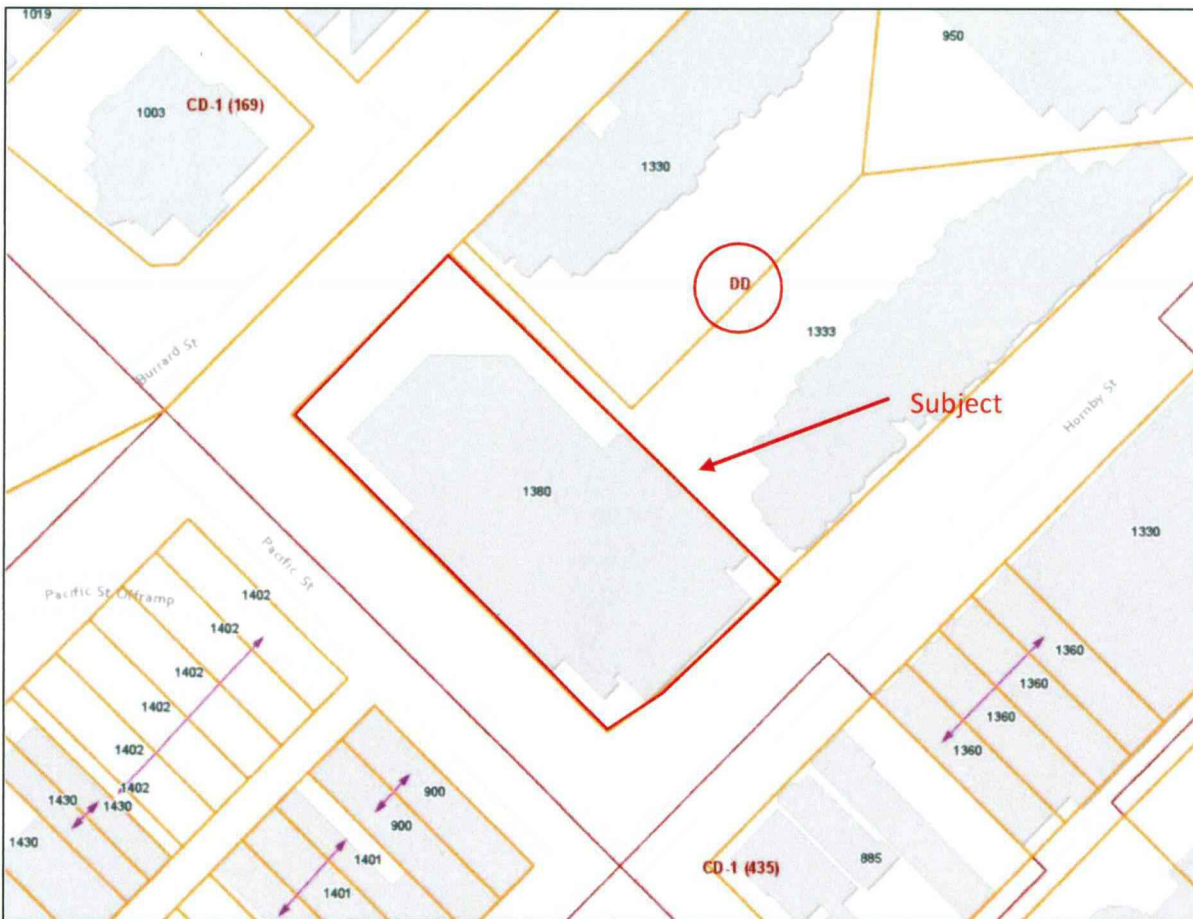
**STREET IMPROVEMENTS**

Burrard Street runs north/south pass the subject with 2 lanes in each direction and is an asphalt-paved arterial road with concrete sidewalks and curbs and street lighting. Pacific Street runs east/west pass the subject with 2 lanes in each direction and is an asphalt-paved arterial road with concrete sidewalks and curbs and street lighting. Hornby Street is improved with four lanes in the north/south direction and improved with curbs, sidewalks and street lighting.

8.0 ZONING AND PLANNING

**ZONING**

The existing zoning of the subject property is DD (Downtown District) and designated within area “N” of the Downtown Official Development Plan which supports the existing commercial mixed-use building on the subject property. The uses under the “N” sub-area within the DD zoning bylaw that are permitted include: cultural and recreational uses, dwelling uses, institutional uses, office uses, parking uses, retail and service uses. The “N” sub-area under the DD zoning bylaw allows a maximum floor area density of 5.0 FSR. A copy of the DD zoning bylaw is included in the Addenda as Appendix “B”.



The current commercial use of the subject property appears to be legal and conforming to the DD zoning bylaw. The existing improvement also appear to conform to the development density under the DD zoning bylaw.



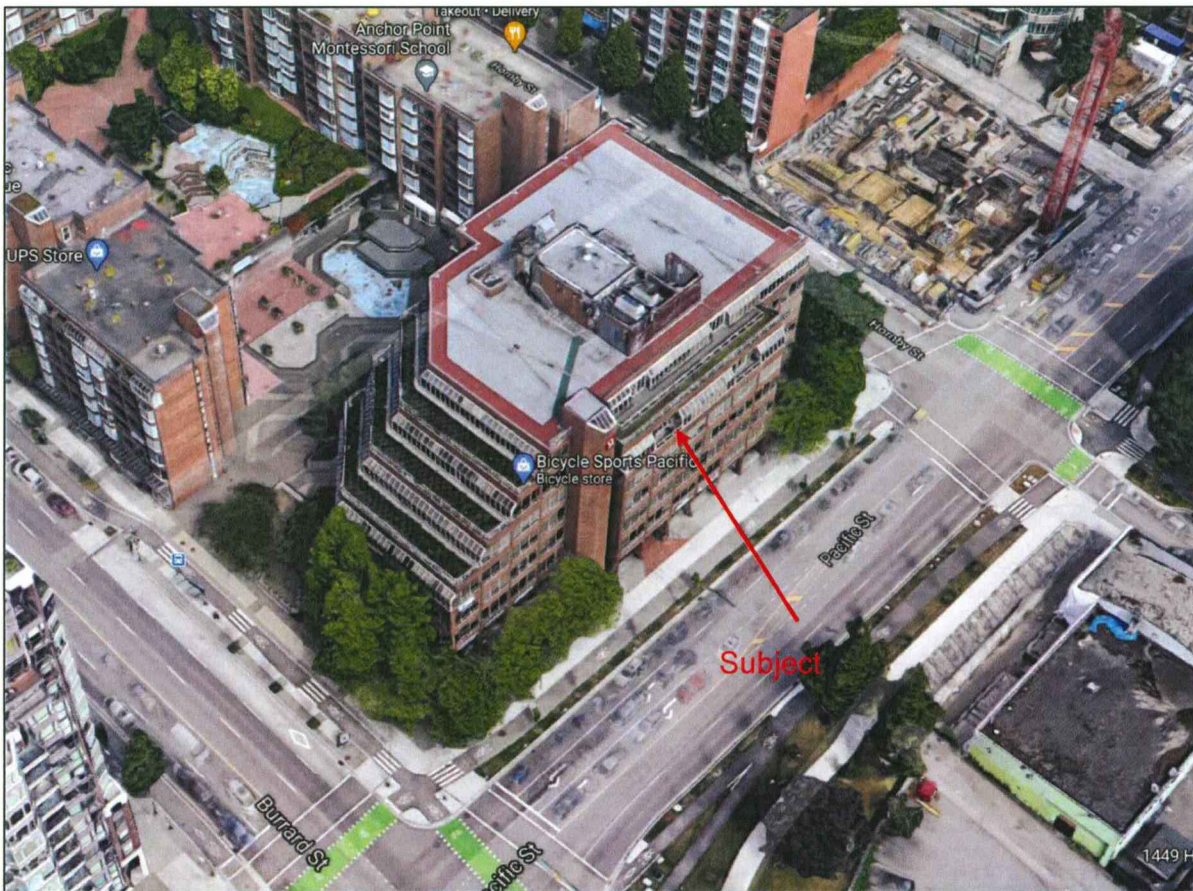
Our research indicated that a number of properties in the immediate vicinity of the subject have achieved density increase beyond 5.0 FSR. Burrard Place, a comprehensive mixed use development containing AAA office, retail, office, market rental and condominium use, is located one block north of the subject, also on the east side of Burrard Street. The project has achieved an overall 15.45 FSR. Another site located within close proximity to the subject is 1290 Hornby Street. The site contains 14,985 sq.ft. of gross site area, and is also located within Sub Area N of the Downtown District Plan. The property is currently undergoing rezoning to CD-1 to accommodate a mixed use tower at a proposed 10.28 FSR.

A mix of other factors including view cone will also impact the future development density of the subject site. Nonetheless, it is our opinion that the likelihood of the subject site ultimately achieving approval for higher density beyond the existing 5.0 FSR is high. We note the density increase will also imply a Community Amenity Contribution payable to the City of Vancouver after rezoning is achieved. As of the effective date of this appraisal, no formal rezoning application regarding the subject property has been received by the City of Vancouver.

9.0 DESCRIPTION OF THE SUBJECT IMPROVEMENTS

**GENERAL DESCRIPTION**

The subject property is presently improved with a 7-storey, freestanding, multi-tenant commercial mixed-use building. The building has been BOMA certified in 2006 and constructed using a structural reinforced concrete frame with concrete block, behind a clay brick facade with stucco finishes. According to the City of Vancouver, the building was constructed circa 1982 with a chronological age of 40 years. According to a copy of Budget Report prepared by Bentall Green Oak and information provided by our client, the current improvements illustrate a gross building area of 114,835 sq.ft. and 3.88 FSR based on the gross site area.





The floor area allocation is shown below:

Occupied Retail Space (Sq.ft.)	4,115
Occupied Office Space (Sq.ft.)	107,128
Occupied Area (sq.ft.)	111,243
Vacant Area (sq.ft.)	3,592
Total Leasable Area (sq.ft.)	114,835
Overall Vacancy	3.1%

Further, the occupied and vacant space can be broken down as follows:

Unit	Tenant	Leasable Area (sq.ft.)
200	Lululemon Athletica	17,306
300	Lululemon Athletica	20,132
400	Lululemon Athletica	20,132
600	Lululemon Athletica	17,256
700	Lululemon Athletica	13,536
500	CIBC	14,743
510	CIBC	3,206
520	CIBC	817
999	BSP Bicycle Sports	3,645
G4	Bentall Kennedy (Canada) LP	470
-	Vacant - Retail Space	3,592

We were not able to inspect the interior of the subject building due to the COVID-19 pandemic and advisory issued by the Appraisal Institute of Canada. Unit and building areas have been based on information obtained from a copy of the Budget Report prepared by Bentall Green Oak and building plans. The layout and design of the subject premises based on building plans appear to be functional and practical for the existing commercial office/retail uses based on the above mentioned information.

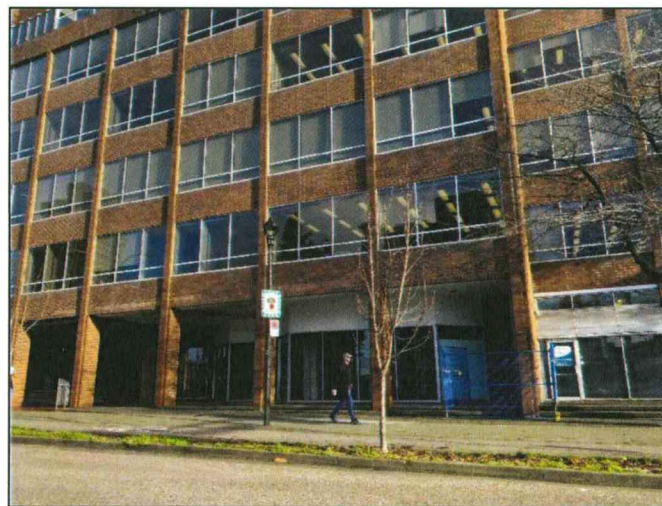


Northerly View from Burrard Street Bridge





Southerly View from Burrard Street



View of Exterior of the Building from Pacific Boulevard

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**DESCRIPTION OF THE IMPROVEMENTS (continued)**

Westerly View from Hornby Street

**BUILDING EXTERIOR AND INTERIOR**

The property is improved with a 7-storey, multi-tenant, Class B, office building constructed circa 1982 and renovated circa 2001. The subject building currently offers a total rentable area of 114,835 sq.ft. demised into 7,707 sq.ft. and 107,128 sq.ft. for retail and office space, respectively. The building is currently serviced by three elevators. A secured underground parkade with 118 parking stalls can be access via Hornby Street. The ground level comprises two retail units along the south side of the building (Pacific Street) as well as the main elevator lobby and entrance. The second floor is at grade with the north side of the building and has a separate entrance lobby accessed from the north plaza. There are terraced balconies, accessible to the tenants, on the upper floors.

During the COVID-19 pandemic, we were unable to inspect the interior of the improvements and we have assumed the retail/office accommodation are generally in good condition when compared to nearby commercial developments. Typical office units are generally comprised of painted drywall, acoustic ceiling tiles and LED track lights/fluorescent light fixtures.

According to the copy of Budget Report prepared by Bentall Oak, the 2021 Capital Plan for the subject property was as follows:

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**DESCRIPTION OF THE IMPROVEMENTS (continued)**Non-Recoverable Capital

- There were no Non-Recoverable Capital projects carried out for 2021.

Deferred Recoverable Capital

- There was a total of \$95,000 budgeted under the Recoverable Capital projects for 2021:
  - \$65,000 budgeted for “Leaks/Bricks High Priority Repairs Contingency”; and
  - \$30,000 budgeted for “HVAC Contingency Repairs”.
- All contingency projects for 2020 and 2021 were deferred to 2022 Deferred Recoverable Capital due to the impacts of COVID-19.

Additionally, it is our understanding that our client drafted the following Capital Plan for years 2022 – 2026:

Non-Recoverable Capital

- There are no Non-Recoverable Capital projects planned for 2022 – 2026.

Deferred Recoverable Capital

- 2022 - \$80,000 has been budgeted under the Recoverable Capital projects:
  - \$50,000 budget for “Leaks/Bricks High Priority Repairs Contingency”;
  - 30,000 budgeted for “HVAC Contingency Repairs”.
- 2023 - \$80,000 has been budgeted under the Recoverable Capital projects:
  - \$50,000 budget for “Leaks/Bricks High Priority Repairs Contingency”;
  - 30,000 budgeted for HVAC Contingency Repairs
- 2024 – 2026: No Recoverable Capital projects planned.

**BUILDING AGE AND CONDITION**

City Hall data indicates that the subject building was constructed circa 1982; therefore, the chronological age of the subject building is calculated  $\pm 40$  years old. The subject building has been extensively renovated in 2001, and it is our understanding that various tenant improvements have also been carried out over the recent years. The appraiser is not qualified to provide engineering advice pertaining to the structural nature of the building and would recommend a building condition report to be commissioned.



Typical commercial office buildings would be expected to have life expectancies of 55 to 60 years which can be extended further with regular maintenance and upgrades. The current effective age of the subject improvements has been estimated at less than the chronological age and the remaining economic life with ongoing regular maintainance is estimated at approximately 40 years.

## 10.0 HIGHEST AND BEST USE

The definition of "Highest and Best Use" is as follows:

*"The reasonably probable use of real property, that is physically possible, legally permissible, financially feasible, and maximally productive, and that results in the highest value."*

Source: (1) Canadian Standards of Professional Appraisal Practice, 2020.

Many factors and appraisal principles become a consideration in the determination of "Highest and Best Use". These include: government regulations, supply, demand, anticipation, balance, surplus productivity, contribution, competition, etc. The definition also includes the presumption that the use is in keeping with the zoning and legal requirements.

The concept of "Highest and Best Use" recognizes that land use patterns can change over a given period and that the optimum use of a site is determined by need or demand at any given point in time. Elements affecting value that are dependent upon events or a combination of occurrences which, while within the realm of possibility, are not shown to be reasonably probable and should be excluded from consideration. This is also the case if the intended use is dependent on the uncertain act of another person.

The subject comprises a generally rectangular shaped lot with a gross site area of ±29,621 sq.ft. The subject is situated on the north east and north west corners of Burrard Street, Pacific Street and Hornby Street, at the boundary of Yaletown/Westend neighborhood of Downtown Vancouver. The property has tri-frontages and corner orientation, offering excellent commercial exposure and appeal. The subject property is currently zoned DD (Downtown District) and improved with a 7-Storey commercial mixed-use building as of the effective date of valuation.

The subject property has a high profile location within Downtown Vancouver. The 7-storey commercial building offers a total rentable area of 114,835 sq.ft. demised into 7,707 sq.ft. and 107,128 sq.ft. for retail and office space, respectively. The subject building was constructed circa 1982 and was renovated and well maintained over its years of operation. The existing commercial use of the subject building and units appear to be legal and conforming to the DD zoning. The current improvements represent a development density of approximately 3.38 FSR which is within the permitted density under the DD, Sub Area N, zoning guidelines. Proximity to public transportation, commercial establishments, shopping and entertainment is good.

The subject building is presently leased to two national tenants including Lululemon Athletica and CIBC. The improvements are generating significant income to the property owner, and is only demonstrating a 3.1% vacancy which is from a ground floor retail unit. The building is expected to have a life expectancy of 40 years with continued regular maintenance and repairs. Demand for office premises within the subject area continues to be steady and it is our opinion that the subject building is able to capture its market share.

The Metro Vancouver office market continued to stay resilient against the effects of the COVID-19 pandemic. Many businesses had plans for their return to the office protocols in mid to late 2021, as Downtown vacancy rates fell from 7.3% in Q2 2021 to 6.7% in Q3 2021. Additionally, the average net rents in the Downtown Core increased by 4.2% within the same period. The similar trend in lowered vacancy rates and rising rents has also been witnessed in the suburban markets. With the latest Omicron strain of COVID-19 and significant increase in case numbers, we do expect to see a temporary set back on the “return to office” schedules, but would anticipate the long term demand for office space to continue on a positive trend.

The subject improvements are also situated on a development land that is capable of accommodating higher density buildings. Several properties in the immediate area have successfully gone through rezoning and are being developed with high rise residential or mixed use projects. It is our opinion that the likelihood of the subject property being redeveloped with a significantly higher density project is high in the future.

The subject neighbourhood is within the Downtown district of Vancouver and is surrounded by various commercial and residential space with proximity to the waterfront. It is also an area frequently visited by tourists. The subject area is easily accessed via public transportation. The current DD zoning within Sub Area “N” would allow a potential development density at 5.0 based on the subject gross site area; however, observing the development pattern of the immediate neighbourhood, redevelopment to a high rise commercial building at an FSR much higher than 5.0 is also likely. Therefore, as vacant, the highest and best use of the subject is development of a high density project consistent with the City’s long term planning objectives for the area and pending municipal approvals.



The subject site is currently improved with a 7 storey, freestanding, multi-tenant commercial mixed-use office building that has been well maintained and updated over the years. The building is presently 97% occupied and generating significant income. As Improved, the highest and best use of the subject is the continuation of the existing retail and office use for the remaining economic life of the subject improvements.

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## 11.0 APPROACHES TO VALUE

Our instructions require us to provide the market value estimates for the subject property as of the effective date of valuation. We have employed the following approaches to value:

1. THE INCOME APPROACH
2. THE DIRECT COMPARISON APPROACH

### INCOME APPROACH

The income approach is a method of estimating the value of a property based on the present, or discounted, worth of the anticipated income benefits that it may reasonably be expected to produce during the course of its remaining economic life. The process of converting an income stream into an estimate of present worth is known as "capitalization".

The income approach assumes that there is a relationship between the net income capability of a property and its market value. The income approach reflects the motivation for purchase in many cases. This approach has also been used in the report.

### DIRECT COMPARISON APPROACH

The Direct Comparison Approach implies the Principle of Substitution that states that a prudent purchaser will not pay more for a property than the price to acquire an equally desirable substitute property. The properties selected for comparison must be similar in most respects to the one being appraised. This approach has been used in this report since it provides good evidence of market value for properties like the subject.

## 12.0 INCOME APPROACH

The Income Approach is a method of estimating the value of a property based on the present or discounted worth of the anticipate income benefits that it may reasonably be expected to produce during the course of its remaining economic life. The process of converting an income stream into an estimate of present worth is known as "capitalization".

The basic steps involved in valuation by this approach are as follows:

1. Estimate the gross annual income of the property less any allowances for bad debts and vacancy.
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. Select an appropriate method of capitalization.
6. Using a suitable procedure, convert the anticipated annual net operating income stream into an indication of the capitalization value of the property.

### **ESTIMATE OF NET OPERATING INCOME:**

As noted above, the first three steps in the Income Approach result in an estimate of annual net operating income for the property being appraised. First step in developing an operating statement is to estimate total potential income based upon its "Market Rent". Market Rent may be defined as:

*"the rental income that a property would most probably command on the open market as indicated by current rentals being paid for comparable space (as of the effective date of appraisal)."*

Market Rent may be the actual rent payable under a lease ("contract" rent) as determined by analysis of existing lease agreements covering the property, or it may be the appraiser's estimate of the rent obtainable in the market for similar properties ("economic" or "market" rent). In estimating "economic" or "market" rent, an attempt is made to determine the rent that a tenant is warranted in paying.

Most CRU leases are stated on a "triple net" basis to the landlord. A "triple net" lease generally describes a lease where, in addition to the contract rent stipulated, the tenant assumes payment of all operating



expenses pertaining to a property such as taxes, insurance, utilities and maintenance, but excluding structural repairs.

**SUBJECT LEASE DATA**

The rentable area of the subject building has been based on a copy of Budget Report prepared by Bentall Green Oak, provided by our client. We assume the information provided is correct and used a total leasable area of 114,835 sq.ft. We were not able to measure the subject building and units and have assumed that the provided information is correct and accurate in the preparation of this appraisal report. We reserve the right to alter our value conclusion should any re-measurements indicate different areas. A summary of the subject rent roll is shown below:

Subject Rent Roll - 1380 Burrard Street									
Unit	Tenant	Lease Type	Nature of Lease	Leasable Area (sq.ft.)	Current Lease		Term		
					Current Annual Rent	Current Net Lease Rate per sq.ft.	From	To	
200	Lululemon Athletica	NNN	Office	17,306	\$553,792	\$32.00	-	Dec-23	
300	Lululemon Athletica	NNN	Office	20,132	\$644,224	\$32.00	-	Dec-23	
400	Lululemon Athletica	NNN	Office	20,132	\$644,224	\$32.00	-	Dec-23	
600	Lululemon Athletica	NNN	Office	17,256	\$552,192	\$32.00	-	Dec-23	
700	Lululemon Athletica	NNN	Office	13,536	\$433,152	\$32.00	-	Dec-23	
500	CIBC	NNN	Office	14,743	\$464,405	\$31.50	-	Mar-24	
510	CIBC	NNN	Office	3,206	\$100,989	\$31.50	-	Mar-24	
520	CIBC	NNN	Office	817	\$25,736	\$31.50	-	Mar-24	
999	BSP Bicycle Sports	NNN	Retail	3,645	\$63,788	\$17.50	-	Mar-24	
G4	Bentall Kennedy (Canada) LP	NNN	Retail	470	\$4,700	\$10.00	-	Dec-23	
-	Vacant - Retail Space	-	-	3,592	-	-	-	-	
Occupied Retail Space (Sq.ft.)								4,115	
Occupied Office Space (Sq.ft.)								107,128	
Occupied Area (sq.ft.)								111,243	
Vacant Area (sq.ft.)								3,592	
Total Leasable Area (sq.ft.)								114,835	
Overall Vacancy								3.1%	
Total Current Annual Income (NNN)								\$3,487,201	

The subject building offers a total leasable area of 114,835 sq.ft., demised into 7,707 sq.ft. and 107,128 sq.ft. for retail and office space, respectively. As of the valuation date, the office component is fully leased; the ground floor commercial retail space is currently rented to two local tenants, while 3,592 sq.ft. of ground floor commercial retail space is vacant. National and local tenants are currently occupying the subject premises. Lululemon Athletica has been a long term tenant of the building and occupies the 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup> floors of the building, while CIBC occupies the 5<sup>th</sup> floor.

According to the rent roll, all the commercial leases are triple net in nature, with the tenants paying additional rents for operating expenses and property taxes.

**MARKET RENTAL ANALYSIS**

To determine whether the existing leases within the subject building are at market level, we have collected lease information for other similar office and retail premises within the general area. The comparables include lease transactions of retail and office premises in the Downtown Area. The rental comparables analyzed provide a general index for the estimate of market rental value for the subject premises. The comparables indicate a rental rate range of \$11.90 to \$70.00 per sq.ft., net for commercial space ranging from 541 to 17,952 sq.ft.

*Commercial Retail (Comparables One to Five)*

The subject ground floor currently comprises 7,707 sq.ft. of commercial retail space with 3,645 sq.ft. leased to BSP Bicycle Sports, 470 sq.ft. leased to Bentall Kennedy (Canada) LP and the remaining 3,592 sq.ft. being vacant and unoccupied. The current lease rates for the ground floor retail units range from \$10.00 to \$17.50 per sq.ft., net and it is our opinion the existing leases are significantly below market. The comparables listed below provide a general range of comparable lease rates for ground oriented retail space within Downtown Vancouver, and they have established a range from \$42.00 to \$70.00 per sq.ft., net. Various adjustments related to interior improvements, location, orientation and exposure, have been considered to lead to a concluded market rent for the subject retail premises.

Retail Leases						
No.	Property Address	Leasable Area (Sq.Ft.)	Lease Date	Term	Net Rent (per Sq.Ft.)	Comments
1	575 West Georgia Street Vancouver	1,671	Mar-21	n/a	\$54.25	Ground floor space for sub - lease. Unit is a turn key Café Restaurant with a 70 seat liquor license and patio.
2	744 West Hastings Vancouver	2,822	Aug-21	10 Years	\$42.00	10 year lease to Breka Cafe. Class B, older office building at the corner of Howe Street and West Hastings.
3	819 Hornby Street Vancouver	1,500	Feb-21	1 Year	\$44.00	6-storey commercial building situated at the corner of Hornby Street and Robson Street. The building was constructed circa 1980 and extensively renovated in 1996. The unit is presently leased to a service-oriented tenant and fronts onto Hornby Street. Additional rent is reported at roughly \$15.24 per sq.ft.
4	874 Granville Street Vancouver	2,977	Current	10 Years	\$60.00	Tenant is Café Crepe Inc.
5	1167 Granville Street Vancouver	1,200	Sep-20	5 Years	\$70.00	Ground floor commercial retail unit with exposure to Granville Street, just north of Davie Street. Tenant is "Suzuran Ramen".

**Comparable Two (575 West Georgia Street)** illustrates the March 2021 lease deal for a ground-oriented retail space located in an area northeast of the subject. The comparable is the sub lease for a restaurant space. The premises offer a turn key Cafe Restaurant with a 70 seat liquor license and a total rentable area of 1,671 sq.ft. Given the comparable's superior orientation along West Georgia Street and superior commercial appeal, as well as the improved nature of the interior and inclusion of liquor license, a downward adjustment is warranted. An additional downward adjustment is also suggested for the larger size of the vacant unit within the subject building. Overall, it is our opinion that the comparable rate at \$54.25 per sq.ft., net, provides superior market rate support for the subject retail space on a blended average basis.

**Comparable Two (744 West Hastings Street)** is a 2,822 sq.ft., ground floor retail space located within a class B office building, constructed circa 1910 per BC Assessment Records and located northeast of the subject area at the corner of West Hastings Street and Howe Street, closer to the Waterfront area of Downtown Vancouver. The unit recently leased to Breka Café on a 10 year term, at \$42.00 per sq.ft., NNN. Given the older building age and classification, the comparable provides some relevant market rate support for the subject, but would require a negative adjustment for its superior location within the CBD area of Downtown Vancouver.

**Comparable Three (819 Hornby Street)** is located north of the subject area along Hornby Street. It highlights the February 2021 lease of a 1,500 sq.ft. ground floor commercial retail premise located within a 6-storey, Class B office building constructed circa 1980. The reported triple net lease is \$44.00 per sq.ft. over a 1-year term. The comparable building offers similar quality of finish and type of improvements, but would require a negative adjustment to reflect its location closer to Robson Street and the superior commercial exposure offered.

**Comparable Four and Five (800 – 1100 Blocks, Granville Street)** include two lease transactions for ground oriented commercial retail premises located northeast of the subject area along Granville Street. The comparable retail units are generally located within older, low-rise commercial buildings, and range in size from 1,200 to 2,977 sq.ft. with reported triple net lease rates between \$60.00 and \$70.00 per sq.ft. Discussion with the landlord for comparable Five revealed that the unit was extensively renovated and updated by the owner in 2020 prior to the lease date, thus achieving a rate at the upper end of the range. In general, both comparables also offer superior commercial exposure to foot traffic along Granville



Street, and are considered to provide a superior market evidence towards an appropriate lease rate for the subject retail space.

Commercial Office (Comparables Six to Eleven)

Office Leases						
No.	Property Address	Leasable Area (Sq.Ft.)	Lease Date	Term	Net Rent (per Sq.Ft.)	Comments
6	564 Beatty Street Vancouver					Located within a 7-storey commercial building along Beatty Street and north of Dunsmuir Street. The building was constructed circa 2013.
	(Ping Identity)	9,723	Apr-21 (Commenced) Aug-20 (Negotiated)	5 Years	Yr 1: \$37.00 Yr 2-3: \$38.00 Yr 4-5: \$39.00	
	(Lindsay)	11,000	Mar-21 (Commenced) Aug-20 (Negotiated)	3 Years	Yr 1: \$39.00 Yr 2: \$40.00 Yr 3: \$41.00	
7	8th Floor, 858 Beatty Street Vancouver	17,952	Jan-20	6 Years	\$38.67	Eighth floor office space in an eight storey mixed-use commercial building located on the northeast corner of Beatty Street and Smithe Street. Class A building. Constructed circa 1992.
8	1199 West Pender Street Vancouver	6,206	Jun-20	3 Years	\$32.50	9 storey Class B office building constructed circa 1956. Units included are located on the 2nd, 4th and 8th floors of the building. Additional rents for the building reported at \$15.00/sq.ft.
		3,244	Feb-21	3 Years	\$24.00	
		1,970	Mar-20	3 Years	\$33.50	
		1,966	Jan-21	3 Years	\$27.00	
9	Unit 200 - 675 W Hastings Street Vancouver	5,000	Current	5 Years	\$29.00	Located within the Royal Bank building, a class B Office building. Leased to Mobidia Technology Inc. Lease included a \$65.00 psf tenant improvement allowance.
10	1066 W Hastings Street Vancouver Unit 1880	1,822	Current	5 Years	\$30.00	Office lease deal located on the south side of West Hastings Street between Thurlow and Burrard Streets. Oceanic Plaza, a 26-storey class A office building. TI allowance has been reported from \$20.00 to \$25.00 per sq.ft.
11	Unit 200 - 1260 Hamilton Street Vancouver	2,990	Listing	-	\$34.00	Located Hamilton Street, between Davie and Drake Street. Low-rise commercial development. Unit equipped with HVAC system, 2 private washrooms and in-suite kitchenette. Additional rent reported at \$15.30 per sq.ft.

**Comparable Six (564 Beatty Street) and Comparable Seven (8<sup>th</sup> Floor – 858 Beatty Street)** demonstrate large office premises located within the Crosstown neighbourhood within Downtown Vancouver. The area provides for secondary appeal for office development, but given its proximity to the Expo Skytrain and Canada Line systems, it is expected that similar office space in this area would generally achieve higher rents than the subject area. Comparable Five (564 Beatty Street) is situated within a 7-storey mixed use building at Beatty Street, north of Dunsmuir Street. The building comprises a heritage façade and a 2013 new addition. The comparable premises analyzed here offer 9,723 to 11,000 sq.ft. of rentable area. To the best of our knowledge, the lease renewal to “Ping Identity” commenced recently and was negotiated in August 2020. The lease is in triple net nature with a 5 year term starting at \$37.00 per sq.ft. for the 1<sup>st</sup>

year, escalating to \$38.00 and \$39.00 per sq.ft. on the 2<sup>nd</sup> and 4<sup>th</sup> years. The August 2020 negotiated lease for “Lindsay” commenced in March 2021 with a 3-year term at \$39.00 per sq.ft., net, escalating to \$40.00 and \$41.00 per sq.ft. for the remaining 2 years. Comparable Seven (8<sup>th</sup> Floor Unit – 858 Beatty Street) illustrates the January 2020 lease of a 17,952 sq.ft. office unit situated on the northeast corner of Beatty Street and Smithe Street. The comparable development was built circa 1992, and the comparable unit is leased for \$38.67 per sq.ft., NNN, over a six-year term. Overall, the two comparables involve recent lease transactions for larger office units, and provide relevant market support for the subject office premises after the aforementioned locational factor.

Comparable Eight (1199 West Pender Street) highlights the current leases within a 9-storey, Class B office building situated at the corner of West Pender Street and Bute Street, northeast to the subject area. Per BC Assessment Records, the overall comparable development was constructed circa 1956. The comparable leases commenced from March 2020 to February 2021 at triple net rental rates from \$24.00 to \$33.50 per sq.ft., net, for units ranging in size from 1,966 to 6,206 sq.ft. The additional rent is reported by the property manager at approximately \$15.00 per sq.ft. The range established by this comparable is felt to provide relevant market rental support for the subject after adjusting for the location, age of the building, and size of the units.

Comparable Nine (Unit 200 – 675 West Hastings Street) is located along the north side of West Hastings Street, between Seymour Street and Howe Street, northeast of the subject. The comparable illustrates a current lease for 5,000 sq.ft. of rentable area at \$29.00 per sq.ft., NNN, within the Royal Bank building, a Class B office building. The comparable provides relevant market support for the larger office units within Class B office buildings in the Downtown District.

Comparable Ten (Unit 1822 - 1066 West Hastings Street) is located northeast of the subject along the 1000 block of West Hastings Street, near Coal Harbour. The comparable premise is situated within a 26-storey office building known as the “Oceanic Plaza”, a class A office building. The comparable office unit comprises 1,822 sq.ft. of floor area and is currently leased at \$30.00 per sq.ft. The building has a much higher additional rent at approximately \$20.00 to \$25.00 per sq.ft., which partially attributed to the lower lease rate.

**Comparable Fourteen (Unit 200 – 1260 Hamilton Street)** illustrates the current listing of a 2,990 sq.ft. office premise located southeast of the subject, along Hamilton Street, between Davie and Drake Streets. The comparable unit belongs to an older, 2-storey commercial development. Discussions with the listing agent indicated that the unit offers HVAC system, 2 private washrooms and in-suite kitchenette. Reported listing rate and additional cost are \$34.00 per sq.ft., net, and \$15.30 per sq.ft., respectively. Downward adjustment for listing status and smaller size are warranted.

### **SUMMARY**

We have included two sets of comparables illustrating achieved and asking lease rates for similar ground floor retail space and office space within the general vicinity of the subject property. It is our opinion that the comparable data provides strong reference towards appropriate market lease rates for the subject premises.

The subject ground floor retail space is presently achieving lease rates from \$10.00 to \$17.50 per sq.ft., net, while the office space indicates a range of lease rates from \$31.50 to \$32.00 per sq.ft., net. Based on the market data, and consideration to the subject location, condition, age and size of the units, it is evident that office leases are generally at market; however, the subject ground floor commercial retail units are well below market and would suggest future rental upside during lease renewals, or tenant turn over.

For the purpose of the appraisal, we have utilized the existing contractual rents for the occupied space (Office/Retail), and projected **\$37.50 per sq.ft., net** for the vacant ground floor commercial retail space (3,592 sq.ft.)

### **MISCELLANEOUS INCOME**

According to the current rent roll, the subject property is also generating approximately \$282,300 per annum from the parking facilities, and \$35,472 per annum from storage areas. We have included these items in the total annual income calculations.



**MISCELLANEOUS INCOME**

According to the operating expense statement within the Budget Report, the subject building is also generating a parking income of \$282,300 per annum as well as \$35,472 per annum of miscellaneous income.

**VACANCY ALLOWANCE**

Potential income reflects the property's income at full occupancy. However, income properties may not be fully occupied over their economic lives and vacancy and collection losses must be considered. This factor, the "vacancy rate" is normally expressed as a percentage and reflects conditions in the current market. Our review of the "Colliers Greater Vancouver Area Office Market Report Q3, 2021" indicates a vacancy rate of 5.9% for office properties within Downtown Vancouver.

	Class	# of Bldgs	Total Inventory (SF)	Total Vacant Space (SF)	Vacancy Rate	Direct Available Space (SF)	Sublease Available Space (SF)	Total Available Space (SF)	Availability Rate	Net Absorption (SF)	New Supply (SF)	Under Construction (SF)	Wgt. Avg. Asking Net Rent (PSF)	Wgt. Avg. Asking Gross Rent (PSF)
Downtown Core	AAA	12	3,995,806	54,114	1.4%	9,600	92,470	102,070	2.6%	22,848	-	3,875,558	\$ 52.00	\$ 72.82
	A	30	8,260,620	421,783	5.1%	413,385	217,015	630,400	7.6%	55,916	-	74,217	\$ 45.53	\$ 69.17
	B	76	11,077,594	662,714	6.0%	582,215	277,606	859,821	7.8%	134,896	-	-	\$ 35.69	\$ 57.83
	C	73	4,029,522	477,429	11.8%	392,600	138,140	530,740	13.2%	6,500	-	-	\$ 25.92	\$ 43.47
	<b>All</b>	<b>191</b>	<b>27,363,542</b>	<b>1,616,040</b>	<b>5.9%</b>	<b>1,397,800</b>	<b>725,231</b>	<b>2,123,031</b>	<b>7.8%</b>	<b>220,160</b>	<b>-</b>	<b>3,949,775</b>	<b>\$ 36.25</b>	<b>\$ 57.63</b>

The subject building is situated at a gateway location at the southern end of the Downtown District. As of the effective date of valuation, the subject building's office premises are fully leased to strong national and local tenants, whilst 3,592 sq.ft. of ground floor commercial retail space is presently vacant. Overall, the subject building indicates a vacancy rate at 3.1% as of the effective date of valuation. Based on the preceding and in consideration of the subject's strong location, we have adopted a long term normalized vacancy rate of 3.0%.

**OPERATING EXPENSES**

Most commercial leases are triple net in nature with the tenant responsible for their proportionate share of all landlord's operating expenses except those of a structural nature. Our stabilized net income is based on a normalized or typical property. Property taxes, the cost of building insurance, ground maintenance and management are incurred by the property owner during periods of vacancy.

Operating costs budget for year 2021 for the subject has been provided by our client. The 2021 property taxes for the subject property has been reported at \$800,997.68 which equates to \$6.97 per sq.ft. Our client reported operating costs, including management fees at an average of \$19.58 per sq.ft. We have applied a 30% discount to this rate to allow for reduced operating costs during vacancy when calculating stabilized net income.

Additionally, we have allocated \$0.15 per sq.ft. for long term structural repairs. The typical range for this item is \$0.10 to \$0.20 per sq.ft. and we have concluded at the middle end given the age of the subject building.

The stabilized net income of the subject property based on normalized vacancy is calculated below:

1380 Burrard Street, Vancouver				
Stabilized Net Operating Income - Based on Contractual/Projected Rents				
As At January 4, 2022				
<b>ANNUAL INCOME</b>				
<b>Retail and Office Income</b>				
Retail - Contractual	4,115 sq.ft. x	\$16.64	per sq.ft. NET	\$68,488
Retail - Projected	3,592 sq.ft. x	\$37.50	per sq.ft. NET	\$134,700
Office - Contractual	107,128 sq.ft. x	\$31.91	per sq.ft. NET	\$3,418,713
<b>Total Retail and Office Lease Income (Contractual and Projected)</b>				<b>\$3,621,901</b>
<b>Miscellaneous Income</b>				
Parking				\$282,300
Misc Revenue				\$35,472
<b>Total Miscellaneous Income</b>				<b>\$317,772</b>
<b>Total Net Annual Income</b>				<b>\$3,939,673</b>
<u>Less: Vacancy &amp; Collection Loss Allowance Retail/Office @</u>		3.00%		<u>\$118,190</u>
<b>Effective Annual Income</b>				<b>\$3,821,482</b>
<b>Less: Non-Recoverable Operating Expenses</b>				
Long Term Structural Repairs (114,835 sq.ft. x \$0.15 per sq.ft.)				\$17,225
Operating Costs on Stabilized Vacancies (114,835 sq.ft. x 3.0% x \$19.58 per sq.ft. x 70%)				\$47,242
<b>Total Non-Recoverable Operating Expenses</b>				<b>\$64,467</b>
<b>STABILIZED NET OPERATING INCOME - CONTRACTUAL</b>				<b>\$3,757,015</b>



### 13.0 CAPITALIZATION APPROACH

Capitalization is defined in "Introduction to Real Estate Appraising" published by the Appraisal Institute of Canada, as follows:

*"Capitalization, in the appraisal of real estate, may be defined as the process of converting into a present worth a series of anticipated future instalments of income by the application of a factor, referred to either as a capitalization rate or a present worth factor, depending upon the process used".*

A capitalization rate is a conversion factor, appropriate to the property being appraised that is applied to the income stream to convert it into an indication of the market value of a property.

In the capitalization process, the following steps are required:

- selection of a method of deriving the capitalization rate
- selection of an appropriate method of capitalization
- analysis of the market for the factors involved

#### **SELECTION OF A CAPITALIZATION RATE**

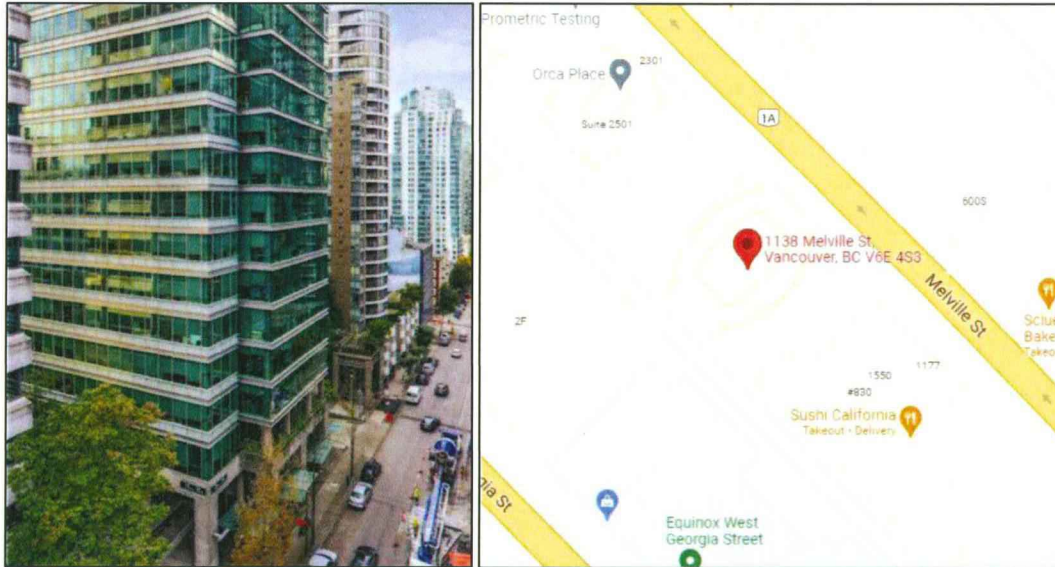
In this appraisal, we have used the Comparative Method in selecting an appropriate capitalization rate for the subject property.

Through the analysis of comparable sales, ratios between selling prices in the marketplace and the net operating income of the property being sold can be derived. With consideration given to the degree of comparability in each instance, these ratios can provide an indication of the overall rate that is applicable. Where comparable sales exist, this method is widely accepted and used in the appraisal of income-producing properties since it is considered reliable, objective, and easily supported.

#### **METHOD OF CAPITALIZATION**

Direct capitalization is calculated by division of the net operating income of the property by the above described "overall rate" derived by the Comparative Method. This is a commonly used and highly regarded method of capitalization where sufficient comparables are available to derive a reliable overall rate.

**Comparable One (1138 Melville Street)**

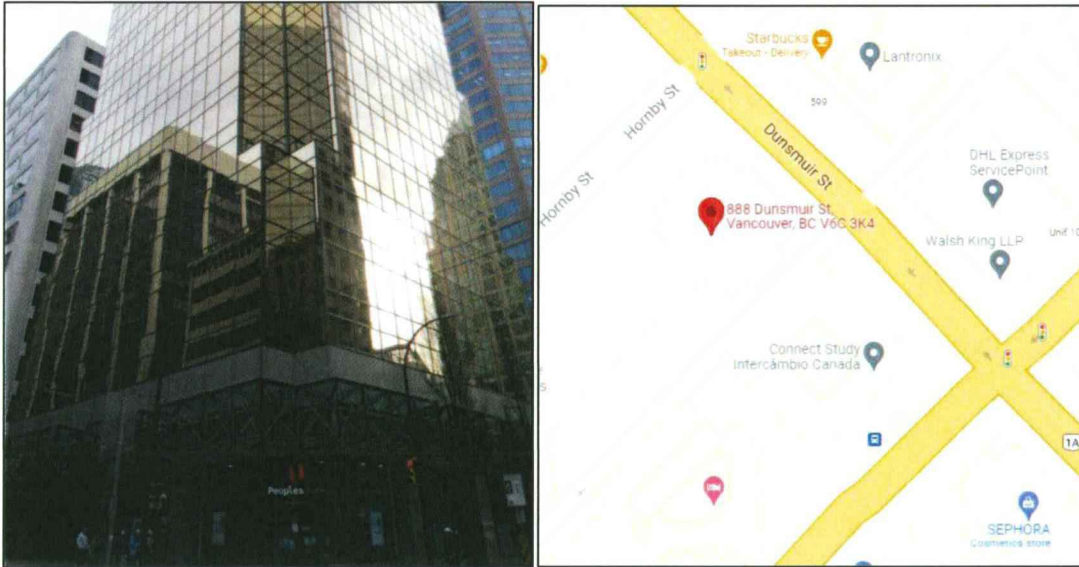


<b>Civic Address</b>	<b>1138 Melville Street</b>
<b>Type of Property</b>	Commercial Building - Office
<b>Legal Description</b>	LOT 2 BLOCK 17 PLAN LMP31407 DISTRICT LOT 185 NEW WESTMINSTER OFFICE BUILDING.
<b>Site Area (sq. ft.)</b>	19,697
<b>Gross Leasable Area (sq. ft.)</b>	155,945
<b>Sale Price</b>	\$160,000,000
<b>Sale Date</b>	Oct-21
<b>Price Per Sq.ft. of Building Area</b>	\$1,026
<b>Stabilized Net Income</b>	\$5,360,000
<b>Capitalization Rate</b>	3.35%
<b>Current Zoning</b>	DD
<b>OCP Designation</b>	Downtown District Official Development Plan - Sub Area F
<b>Potential FSR</b>	9.0
<b>Building Age</b>	21

**Analysis**

Comparable One highlights the most recent October 2021 transaction of an 18-storey Class A office tower located along Melville Street, between Bute and Thurlow Streets, northeast of the subject within the Coal Harbour area. The comparable development was constructed circa 2000 and offers 155,945 sq.ft. of rentable area, occupied by local and national tenants at the time of sale. The underlying land comprises 19,697 sq.ft. of gross site area and indicates a building density of 7.9 FSR, just below the maximum permitted density of 9.0 FSR under “Sub-Area F, Downtown District Official Development Plan”. It has been reported that the transaction indicates a capitalization rate of approximately 3.35%; although we have not been able to obtain and verify the operating income information at the time of this report. The comparable provides highly relevant market support for the subject given its recent transaction date, but would require a downward adjustment for its larger size; however, an offsetting upward adjustment is also expected for the comparable’s superior location.

**Comparable Two (888 Dunsmuir Street, 625 Howe Street, Vancouver)**



<b>Civic Address</b>	<b>888 Dunsmuir Street, 625 Howe Street</b>
<b>Type of Property</b>	Commercial Building - Office
<b>Legal Description</b>	Lot E, Block 41, District Lot 541, Plan 22119 Lot D, Block 41, District Lot 541, Plan 15917
<b>Site Area (sq. ft.)</b>	28,488
<b>Gross Leasable Area (sq. ft.)</b>	255,000
<b>Sale Price</b>	\$240,000,000
<b>Sale Date</b>	Apr-21
<b>Price Per Sq.ft. of Building Area</b>	\$941
<b>Stabilized Net Income</b>	\$7,680,000
<b>Capitalization Rate</b>	3.20%
<b>Current Zoning</b>	DD
<b>OCP Designation</b>	Downtown District Official Development Plan - Sub Area A
<b>Potential FSR</b>	9.0
<b>Building Age</b>	43

**Analysis**

The comparable building is located along Dunsmuir Street, and bounded by Howe and Hornby Streets, northeast of the subject. With a combined rentable area of 255,000 sq.ft., the buildings sold in April 2021 for \$240,000,000. At the time of sale, 888 Dunsmuir Street was improved with a 15-storey office tower, while 625 Howe was improved with a 14-storey office tower constructed circa 1978 per BC Assessment Records. Both were occupied by various national and local tenants. The properties offer a combined gross site area of 28,488 sq.ft. indicating a development density just below the maximum 9.0 FSR permitted under the DD, sub area "A" zoning guidelines. A capitalization rate of 3.2% is derived based on the reported net operating income to \$7,680,000 per annum. The comparable illustrates superior locational appeal and offers tri-frontages which warrant for upward adjustment. Overall, a capitalization rate above 3.20% is considered appropriate for the subject.



**Comparable Three (815 Hornby Street, Vancouver)**



<b>Civic Address</b>	<b>815 Hornby Street, Vancouver</b>
<b>Type of Property</b>	Commercial Building - Office
<b>Legal Description</b>	Strata Lot 1 - 7 District Lot 541 Strata Plan VR. 693
<b>Site Area (sq. ft.)</b>	18,731
<b>Gross Leasable Area (sq. ft.)</b>	74,494
<b>Contract Price</b>	\$93,000,000
<b>Contract Date</b>	Feb-21
<b>Completion Date</b>	May-21
<b>Price Per Sq.ft. of Building Area</b>	\$1,248
<b>Stabilized Net Income</b>	\$2,792,978
<b>Capitalization Rate</b>	3.00%
<b>Current Zoning</b>	DD
<b>OCP Designation</b>	Downtown District Official Development Plan - Sub Area H
<b>Potential FSR</b>	6.0
<b>Building Age</b>	41

**Analysis**

The comparable illustrates the May 2021 sale of a 6-storey commercial office building located at the corner of Hornby Street and Robson Street, northeast of the subject property. To the best of our knowledge, the contract was negotiated in February 2021. The comparable development is a 6-storey, strata-titled, commercial building comprising ground floor commercial retail units and upper floor office space, constructed circa 1980 and extensively renovated in 1996. The property offers 18,731 sq.ft. of gross site area and 74,494 of rentable area, indicating a development density below the maximum 6.0 FSR permitted under the DD, sub area "H" zoning guidelines. The current stabilized net income of \$2,792,978 per annum illustrates a capitalization rate of 3.00% based on the purchase price of \$93,000,000. The comparable sale introduces recent market and strong market evidence for improved office buildings with future redevelopment potential. Given the more central location of the comparable property at the

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corner of Robson Street and Hornby Street, we have applied an upward adjustment to the indicated capitalization rate.

**Comparable Four (555 Richards Street, Vancouver)**



<b>Civic Address</b>	<b>555 Richards Street, Vancouver</b>
<b>Type of Property</b>	Commercial Building - Office
<b>Legal Description</b>	PARCEL C BLOCK 34 DISTRICT LOT 541 GROUP 1 NEW WESTMINSTER DISTRICT PLAN LMP54569
<b>Site Area (sq. ft.)</b>	9,000
<b>Gross Leasable Area (sq. ft.)</b>	28,600
<b>Contract Price</b>	\$30,500,000
<b>Contract Date</b>	Nov-20
<b>Completion Date</b>	Mar-21
<b>Price Per Sq.ft. of Building Area</b>	\$1,066
<b>Stabilized Net Income</b>	\$664,378
<b>Capitalization Rate</b>	2.18%
<b>Current Zoning</b>	DD
<b>OCP Designation</b>	Downtown District Official Development Plan - Sub Area C-1
<b>Potential FSR</b>	7.0
<b>Building Age</b>	109

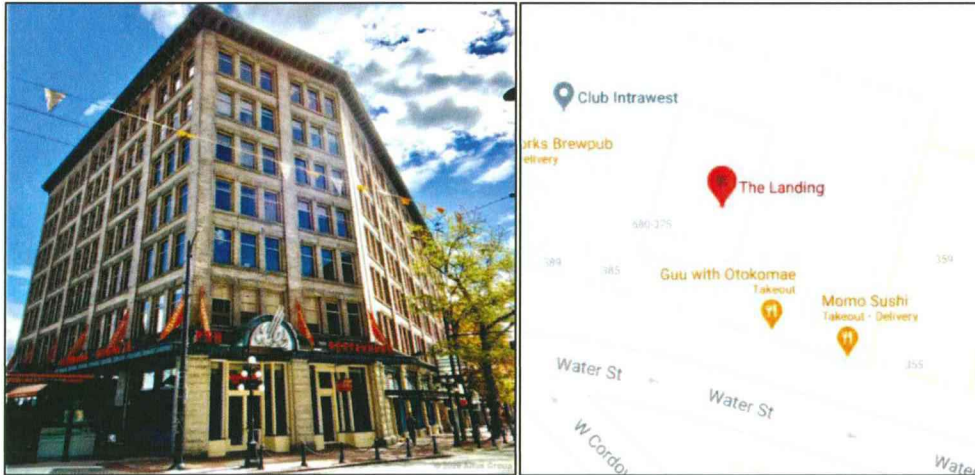
**Analysis**

Comparable Four highlights the March 2021 sale of a 4-storey, single-tenant, commercial office building located along the west side of Richard Street and north of Dunsmuir Street, in the Central Business District within Downtown Vancouver. The property was placed under contract in November 2020 for a total consideration of \$30,500,000. According to BC Assessment Records, the current improvements were constructed circa 1912 with a chronological age of 109 years and offer 28,600 sq.ft. of office space. At the time of the contract, the comparable was fully leased to an institutional tenant at \$24.00 per sq.ft., net, and it is our opinion that the current lease is below market. The comparable underlying land comprises a single legal parcel with 9,000 sq.ft. of gross site area and is zoned DD. Perusal of the Downtown District Official Development Plan indicates that the comparable land is designated within "Sub Area C-1" with a suggested development density up to 7.0 FSR. The current stabilized net income of \$664,378 per annum illustrates a capitalization rate of 2.18% based on the contract price. Consideration has been given to the significantly smaller size of the comparable investment, as well as its location within the CBD area of the



Downtown District. When equating to the subject, we would conclude at a capitalization rate well above 2.18% for the subject investment.

**Comparable Five (375 – 389 Water Street, Vancouver)**

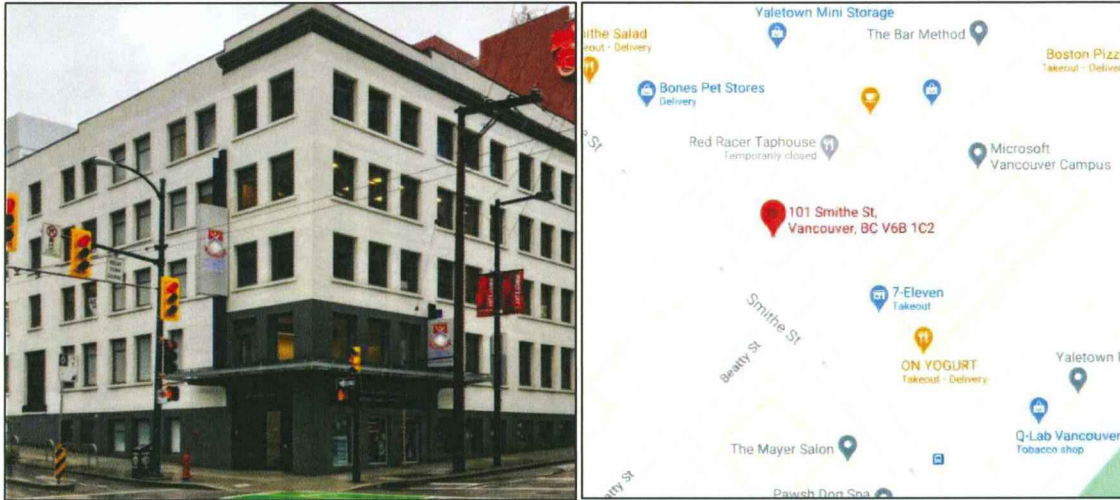


<b>Civic Address</b>	<b>375 - 389 Water Street, Vancouver</b>
<b>Type of Property</b>	Commercial Building - Office
<b>Legal Description</b>	Lot 4, Block 8, District Lot 541 Plan 852 Lot 5, Block 8, District Lot 541 Plan 1055 Lot A (Reference Plan 9) of Lot 6, Block 8, District Lot 541 Plan 1055
<b>Site Area (sq. ft.)</b>	23,784
<b>Gross Leasable Area (sq. ft.)</b>	175,470
<b>Sale Price</b>	\$225,000,000
<b>Sale Date</b>	Apr-20
<b>Price Per Sq.ft. of Building Area</b>	\$1,282
<b>Stabilized Net Income</b>	\$5,700,000
<b>Capitalization Rate</b>	2.53%
<b>Current Zoning</b>	HA-2
<b>OCP Designation</b>	Downtown East Side Plan - Gastown District
<b>Potential FSR</b>	-
<b>Building Age</b>	116

**Analysis**

The comparable illustrates the April 2020 sale of an 8-storey commercial mixed use building known as “The Landing”, located in the Gastown District, on the north side of Water Street and east of Seymour Street. The building was originally constructed circa 1905 with extensive renovations completed in 1974 and 1987. At the time of sale, the property was 99% leased to both national and local businesses according to the listing brokers. The building contains a total net rentable area of 175,470 sq.ft., including approximately 27,115 sq.ft. of ground floor retail space. A capitalization rate of 2.53% is yielded based on the reported net operating income to \$5,700,000 per annum and transaction price of \$225,000,000. The comparable property is zoned HA-2 and falls under “Gastown District” within Downtown East Side Plan; however, no specific development density was suggested under this designation nor under the HA-2 zoning bylaw. The April 2020 transaction provides some market support for the subject investment at 2.53%. We note that given the size of the comparable investment, it has superior appeal to larger institutional buyers, which attributed to the lower capitalization rate.

**Comparable Six (101 Smithe Street, 873 Beatty Street, Vancouver)**



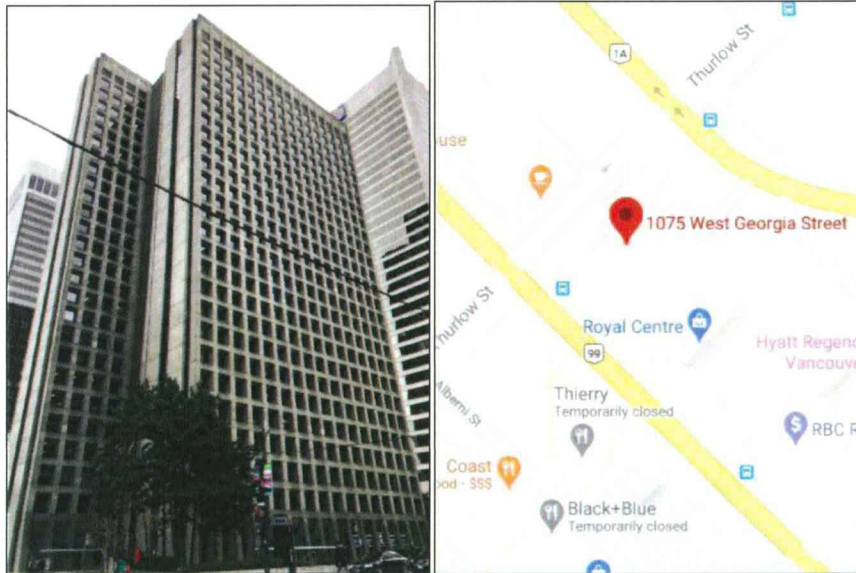
<b>Civic Address</b>	<b>101 Smithe Street, 873 Beatty Street, Vancouver</b>
<b>Type of Property</b>	Commercial Building - Office
<b>Legal Description</b>	Lots 22, 23 & 24, Block 68, District Lot 541, Plan 2565
<b>Site Area (sq. ft.)</b>	6,098
<b>Gross Leasable Area (sq. ft.)</b>	30,000
<b>Sale Price</b>	\$27,375,000
<b>Sale Date</b>	Jul-19
<b>Price Per Sq.ft. of Building Area</b>	\$913
<b>Stabilized Net Income</b>	\$940,500
<b>Capitalization Rate</b>	3.44%
<b>Current Zoning</b>	DD
<b>OCP Designation</b>	Downtown District Official Development Plan - Sub Area C-3
<b>Potential FSR</b>	5.0
<b>Building Age</b>	111

**Analysis**

Comparable Six is located in the Yaletown District, at the northwest corner of Beatty Street and Smithe Street. The current improvement is a 4-storey, single-tenant, commercial building constructed circa 1910 and renovated circa 1950 and 2012. Reportedly, the comparable comprises 30,000 sq.ft. of rentable area and at the time of July 2019 sale, the building was fully leased to an institutional tenant, “The Westside School’s Middle Years Centre”. A capitalization rate of 3.44% is illustrated based on the reported net operating income of \$940,500 per annum. The comparable is situated on a 6,098 sq.ft. site. The existing improvements represent utilization to almost the full extent under the zoning and would suggest limited redevelopment upside. The comparable property is currently zoned DD and designated within “Sub-Area C-3” within the Downtown District Official Development Plan with a suggested development density up to 5.0 FSR. Although an upward adjustment is warranted for the subject’s larger investment size, a downward adjustment is required to reflect the inferior location of the comparable building and its limited redevelopment potential given the size of the land. Borrowing rates and the overall investment market have also shown improvements since the comparable sale date in July 2019. Overall, we would suggest a capitalization rate just below 3.44% for the subject.



**Comparable Seven (1075 West Georgia Street, Vancouver)**



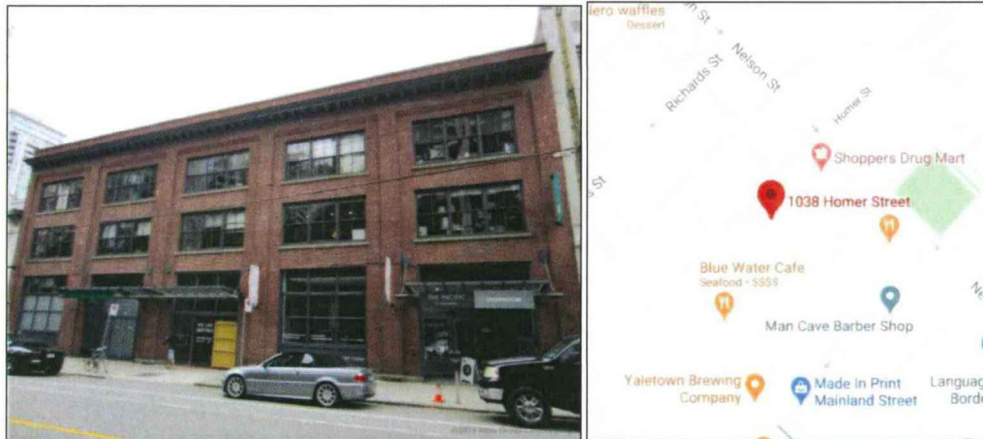
<b>Civic Address</b>	<b>1075 West Georgia Street, Vancouver</b>
<b>Type of Property</b>	Office Building
<b>Legal Description</b>	Lot A, Block 3, District Lot 185, NWD Plan 12455
<b>Site Area (sq. ft.)</b>	52,272
<b>Gross Leasable Area (sq. ft.)</b>	348,799
<b>Sale Price</b>	\$274,000,000
<b>Sale Date</b>	Mar-19
<b>Price Per Sq.ft. of Building Area</b>	\$786
<b>Net Operating Income</b>	\$9,522,213
<b>Capitalization Rate</b>	3.48%
<b>Building Age</b>	52

**Analysis**

Comparable Seven is the March 2019 transaction involving a much larger investment. The 348,799 sq.ft. building is situated on 52,272 sq.ft. of land and is located within the CBD area of Downtown Vancouver. More specifically, the comparable has a high profile location at West Georgia Street and Burrard Street. The comparable has a gross leasable area of 348,799 sq.ft. and located in Downtown Vancouver. The comparable is improved with a 26-storey, multi-tenant, Class A, LEED-Gold certified office building originally constructed circa 1968. Extensive renovations were carried out in 2002, 2015 and 2018. At the time of sale, the property was reportedly fully occupied. Based on the purchase price of \$274,000,000 and the reported net operating income of \$9,522,213 per annum, a capitalization rate of 3.48% is indicated. The comparable’s transaction date in 2019 and its superior location to the subject provide some market support for the subject investment; however a negative adjustment is warranted to reflect the

significantly larger size of the comparable property. Overall, a capitalization rate below 3.48% is suggested or the subject building.

**Comparable Eight (1038-1050 Homer Street; 1039 Hamilton Street, Vancouver)**



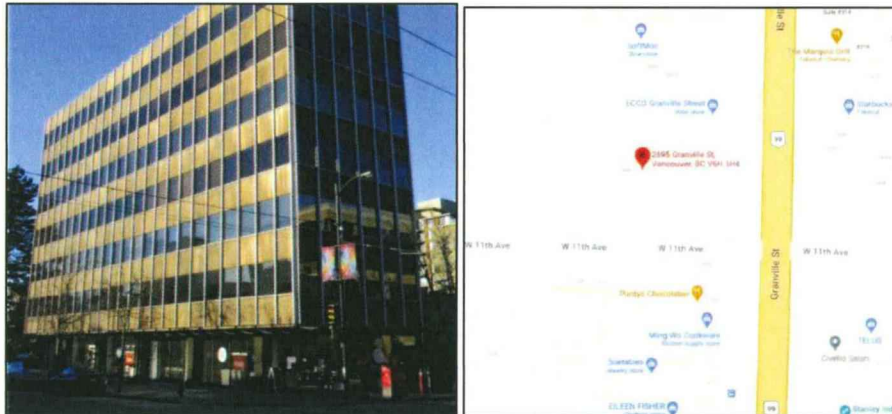
<b>Civic Address</b>	<b>1038-1050 Homer Street; 1039 Hamilton Street, Vancouver</b>
<b>Type of Property</b>	Commercial Building - Office
<b>Legal Description</b>	Lot 2, Block 76, District Lot 541, Plan 3469
<b>Site Area (sq. ft.)</b>	11,892
<b>Gross Leasable Area (sq. ft.)</b>	41,868
<b>Sale Price</b>	\$40,800,000
<b>Sale Date</b>	May-19
<b>Price Per Sq.ft. of Building Area</b>	\$974
<b>Net Operating Income</b>	\$1,235,000
<b>Capitalization Rate</b>	3.03%
<b>Current Zoning</b>	HA-3
<b>OCP Designation</b>	-
<b>Potential FSR</b>	5.0
<b>Building Age</b>	110

**Analysis**

The comparable is a four-storey, multi-tenant, commercial building with a total reported rentable area of 41,868 sq.ft. and a gross site area of 11,892 sq.ft. The property is located on the south side of Nelson Street, between Homer Street and Hamilton Street in the Yaletown neighbourhood of Downtown Vancouver. The comparable sold in May 2019 for a total consideration of \$40,800,000, indicating a capitalization rate of 3.19% based on the reported net operating income of \$1,300,000 per annum. The heritage building has a chronologically age of 110 years. A number of local tenants occupied the building including Conconi Growth Partners, Alt Mortgages, Neighbourhood Holdings, Lendesk Technologies Ltd., Emtelligent, Segment Yyoga, Game Studio and The Pacific by Grosvenor Presentation Centre. Given the 2019 transaction date, the comparable provides secondary market support only.



**Comparable Nine (2695 Granville Street, Vancouver)**



<b>Civic Address</b>	<b>2695 Granville Street, Vancouver</b>
<b>Type of Property</b>	Commercial Building - Office
<b>Legal Description</b>	Lots 17 & 18, Block 370, District Lot 526, Plan 991
<b>Site Area (sq. ft.)</b>	6,490
<b>Gross Leasable Area (sq. ft.)</b>	27,812
<b>Sale Price</b>	\$28,600,000
<b>Sale Date</b>	Nov-20
<b>Price Per Sq.ft. of Building Area</b>	\$1,028
<b>Stabilized Net Income</b>	\$840,000
<b>Capitalization Rate</b>	2.94%
<b>Current Zoning</b>	C-3A
<b>OCP Designation</b>	-
<b>Potential FSR</b>	3.0
<b>Building Age</b>	56

**Analysis**

The comparable is located along the Granville Corridor in the community of Fairview in the City of Vancouver’s West Side. More specifically, the comparable building is situated at the northwest corner of Granville Street and West 11<sup>th</sup> Avenue. The comparable development is a 7-storey, multi-tenant, freestanding office building comprising ground floor commercial retail space and upper floor office space. The building was constructed circa 1965 with approximately 27,812 sq.ft. of leasable area and sits on a 6,490 sq.ft. parcel. The underlying land is currently zoned C-3A with a redevelopment potential up to 3.0 FSR. At the time of the November 2020 sale, the comparable building was fully occupied by local business including architects and law firms. Based on the reported net operating income of \$840,000 per annum, a capitalization rate of 2.94% is yielded. Given the late 2020 transaction date, the comparable provides some market evidence for the subject, but would require an upward adjustment to reflect the larger size of the subject investment.

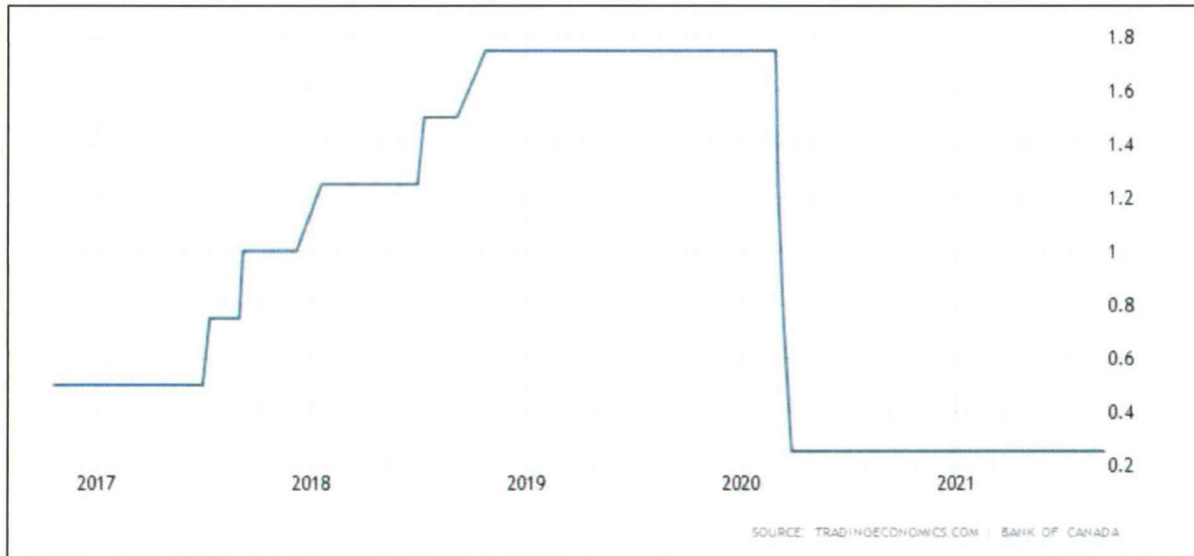
No.	Address	Sale Price	Sale Date	Site Area (Sq.ft.)	Building Size (Sq.ft.)	Price per Leasable Sq. Ft	Building Age	Stabilized Net Income per Annum	Current Zoning	OCP Designation	Potential FSR	Capitalization Rate
1	1138 Melville Street Vancouver	\$160,000,000	Oct-21	19,697	155,945	\$1,026	21	\$5,360,000	DD	Downtown OCP Area F	9.0	3.35%
2	888 Dunsmuir Street & 625 Howe Street Vancouver	\$240,000,000	Apr-21	28,488	255,000	\$941	43	\$7,680,000	DD	Downtown OCP Area A	9.0	3.20%
3	815 Hornby Street Vancouver	\$93,000,000	Feb-21 (Contract Date) May-21 (Closed)	18,731	74,494	\$1,248	41	\$2,792,978	DD	Downtown OCP Area H	6.0	3.00%
4	555 Richard Street Vancouver	\$30,500,000	Nov-20 (Contract Date) Mar-21 (Closed)	9,000	28,600	\$1,066	109	\$664,378	DD	Downtown OCP Area C-1	7.0	2.18%
5	375, 385, 387, 389 Water Street Vancouver	\$225,000,000	Apr-20	23,784	175,470	\$1,282	116	\$5,700,000	HA-2	Downtown Eastside Plan Gastown District	-	2.53%
6	101 Smith Street, 873 Beatty Street Vancouver	\$27,375,000	Jul-19	6,098	30,000	\$913	111	\$940,500	DD	Downtown OCP Area C-3	5.0	3.44%
7	1075 West Georgia Street Vancouver	\$274,000,000	Mar-19	52,272	348,799	\$786	52	\$9,522,213	DD	Downtown OCP area A	11.0	3.48%
8	1038-1050 Homer Street; 1039 Hamilton Street Vancouver	\$40,800,000	May-19	11,892	41,868	\$974	110	\$1,235,000	HA-3	-	5.0	3.03%
9	2695 Granville Street Vancouver	\$28,600,000	Nov-20	6,490	27,812	\$1,028	56	\$840,000	C-3A	-	3.0	2.94%
<b>Minimum</b>		\$27,375,000			27,812	\$786						2.18%
<b>Maximum</b>		\$274,000,000			348,799	\$1,282						3.48%
<b>Average</b>		\$124,363,889			126,443	\$1,029						3.02%

The comparables established a range of capitalization rates from 2.18% to 3.48% for commercial office buildings within Downtown Vancouver and Vancouver West Side. When conducting the analysis, we have considered qualitative adjustments for differences in size, location, exposure, age, quality, and tenant covenant, in order to equate the comparables with the subject property.

The comparable investments transacted in 2019 to 2021 and provide relevant market evidence of investors' expectations of return for similar products in the market. The comparable buildings range in size from 27,812 to 348,799 sq.ft., effectively bracketing the subject building which offers 114,835 sq.ft. of gross leasable area. Comparables 1, 2 and 3, in particular, are recent transactions of similar asset class within the Downtown Core and provide strong support towards an appropriate capitalization rate for the subject investment at 3.35%, 3.20%, and 3.00% respectively.

When considering the capitalization rate market data presented in this section, we have been cognizant of the recent changes in macro-economic policy that have been undertaken by the Bank of Canada. Although real estate values are influenced by the supply and demand for properties in a given locale, prices are also strongly influenced by investors' cost of capital, as most assets are levered with financing to some degree. Furthermore, as interest rates rise and fall, risk free returns (ie. government bond yields) change. Bank of Canada responded to the COVID-19 pandemic by dropping overnight rates to a historic

low of 0.25% in March 2020. This rate has remained unchanged since then. The current lower borrowing environment has generated an overall compression on capitalization rates in the market.



Based on our research and discussions with market participants including investors, brokers and lenders, it is our understanding that there has been a significant increase in market activity for commercial properties. The Metro Vancouver commercial property investment market remains stable. Acquisitions of commercial properties are occurring throughout the Lower Mainland as there appears to be significant demand from investors for commercial properties. The current bank rate has remained stable since March 2020 but there has been market speculation that the rate could be raised in 2022.

Altus Group's Investment Trend Survey for Q4, 2021 indicated that despite the waves of Covid-19 rippling through the nation, overall cap rates have continued to decrease, with the third quarter of 2021 remaining on pace with the previous quarter. Investment activity has stayed strong in 2021 as the Canadian CRE space shows signs of recovery with national investment volume clocking in at \$54.5B in the first three quarters of 2021, an 82% increase as compared to the same period last year.

The subject property is well positioned within the boundary of Yaletown/West End neighborhoods of downtown Vancouver, and has a significant gateway presence into Downtown Vancouver. Current occupancy rate is approximately 97% and the office tenants, Lululemon Athletica and CIBC have been long term tenants of the building. The reported contractual income within the building appears to be generally



at market for the office component, and below market for the smaller retail component, suggesting some rental upside from the retail units in the future.

Based on the previous discussed factors including location, investment size, vacancy, and macro economic conditions, we have concluded at a capitalization rate towards the upper end of the comparable range, at 3.35%.

**VALUE CONCLUSIONS**

Based on the preceding analysis, the estimated market value for the Subject Building as described herein, under the Direct Capitalization Method, as of January 4, 2022, would be calculated as illustrated below:

<u>NET OPERATING INCOME</u>	=	\$3,757,015
OVERALL RATE		<u>3.35</u> %
Capitalized Value	=	\$112,149,701

**ROUNDED TO**

**ONE HUNDRED AND TWELVE MILLION, ONE HUNDRED THOUSAND DOLLARS**  
**(\$112,100,000)**

## 14.0 DIRECT COMPARISON APPROACH

The Direct Comparison Approach implies the Principle of Substitution that states that a prudent purchaser will not pay more for a property than the price to acquire an equally desirable substitute property. The properties selected for comparison must be similar in most respects to the one being appraised.

### ANALYSIS OF THE COMPARABLE DATA

In estimating market value for the Subject, we have analyzed the sales of comparable office buildings in Downtown Vancouver based on a price per square foot of net unit area.

The comparables have been adjusted based on building size, location, development age and quality providing a good index of value on a per sq.ft. basis for the Subject. The comparables indicate a range in value between \$788 and \$1,282 per sq.ft. of building area for building sizes ranging from ±10,284 to ±255,000 sq.ft. in size as summarized in the chart below:

Direct Comparison Approach							
No.	Address	Sale Price	Sale Date	Site Area (Sq.ft.)	Building Size (Sq.ft.)	Price per Leasable Sq. Ft	Building Age
1	1138 Melville Street Vancouver	\$160,000,000	Oct-21	19,697	155,945	\$1,026	22
2	207 West Hastings Street Vancouver	\$65,000,000	Nov-21	9,148	72,305	\$899	112
3	888 Dunsmuir Street, 625 Howe Street Vancouver	\$240,000,000	Apr-21	28,488	255,000	\$941	43
4	815 Hornby Street Vancouver	\$93,000,000	Feb-21 (Contract Date) May-21 (Closed)	19,731	74,494	\$1,248	41
5	555 Richards Street Vancouver	\$30,500,000	Nov-20 (Contract Date) Mar-21 (Closed)	9,000	28,600	\$1,066	109
6	52 Powell Street Vancouver	\$8,100,000	Jan-20	2,047	10,284	\$788	112
7	375, 385, 387, 389 Water Street Vancouver	\$225,000,000	Apr-20	23,784	175,470	\$1,282	116
8	2695 Granville Street Vancouver	\$28,600,000	Nov-20	6,490	27,812	\$1,028	56
<b>Minimum</b>		<b>\$8,100,000</b>			<b>10,284</b>	<b>\$788</b>	<b>22</b>
<b>Maximum</b>		<b>\$240,000,000</b>			<b>255,000</b>	<b>\$1,282</b>	<b>116</b>
<b>Average</b>		<b>\$106,275,000</b>			<b>99,989</b>	<b>\$1,035</b>	<b>76</b>

**Comparable One (1138 Melville Street)** highlights the recent October 2021 transaction of an 18-storey Class A office tower located along Melville Street, between Bute and Thurlow Streets, northeast of the subject within the Coal Harbour area. The comparable development was constructed circa 2000 and offers 155,945 sq.ft. of rentable area, occupied by local and national tenants at the time of sale. The comparable sale illustrates \$1,026 per sq.ft. of floor area and would be expected with a downward adjustment given its newer building age and superior conditions.

**Comparable Two (207 West Hastings Street)** indicates the most recent November 2021 sale of a 13-storey, freestanding, multi-tenant office building sited at the northwest corner of West Hastings Street and Cambie Street, northeast of the subject, within the community of Gastown. Per BC Assessment Records, the comparable development was constructed in 1910 and underwent renovation over the years. The building comprises 72,305 sq.ft. of floor area and sold in November 2021 for a total consideration of \$65,000,000, which further translates into \$899 per sq.ft. Upward adjustment for age and location are warranted for the subject, leading to a price per sq.ft. above \$899 for the subject building.

**Comparable Three (888 Dunsmuir Street, 625 Howe Street)** is located along Dunsmuir Street, and bounded by Howe and Hornby Streets, northeast of the subject. With a combined floor area of 255,000 sq.ft., the buildings sold in April 2021 for \$240,000,000. At the time of sale, 888 Dunsmuir Street was improved with a 15-storey office tower, while 625 Howe was improved with a 14-storey office tower constructed circa 1978 per BC Assessment Records. The April 2021 transaction illustrates \$941 per sq.ft. of floor area. We would expect an upward adjustment given the significant larger size of the comparable buildings combined; whilst also applying a negative adjustment for the comparable's superior location. On balance, a price close to \$941 per sq.ft. is suggested for the subject after previously mentioned adjustments.

**Comparable Four (815 Hornby Street)** indicates the May 2021 sale of a 6-storey commercial office building located at the corner of Hornby Street and Robson Street, northeast of the subject property. It is our understanding that the contract was negotiated during February 2021. The comparable development is a 6-storey, strata-titled, commercial building comprising ground floor commercial retail units and upper floor office space, constructed circa 1980 and extensively renovated in 1996, per BC Assessment Records. The comparable building comprises 18,731 sq.ft. of gross site area and 74,494 of rentable area demised into commercial retail and office space. The sale price of \$93,000,000 derives \$1,248 per sq.ft. of floor



area and provides superior market value indication for the subject property due to its superior location at the corner of Robson and Hornby Streets.

**Comparable Five (555 Richards Street, Vancouver)** illustrates the November 2020 contract of a 4-storey commercial office building located along the west side of Richard Street and north of Dunsmuir Street, in the Central Business District within Downtown Vancouver. The property was placed under contract in November 2020 for a total consideration of \$30,500,000 and closed in March 2021. The current improvement was constructed circa 1912 per BC Assessment Records and offers 28,600 sq.ft. of floor area. The contract price illustrates \$1,066 per sq.ft. based on the gross floor area. An upward adjustment for the older and inferior condition of the comparable building is warranted, whilst a downward adjustment is in order to reflect the comparable's smaller size and superior location. On balance, a price below \$1,066 per sq.ft. can be expected for the subject building.

**Comparables Six (52 Powell Street, Vancouver), and Comparable Seven (375 – 389 Water Street, Vancouver)** illustrate the January to April 2020 transactions of older, commercial retail/office buildings located in the Gastown District in Downtown Vancouver. **Comparable Six** is a 5-storey plus basement commercial retail/office building with 10,284 sq.ft. of leasable area. The property sold in January 2020 for \$788 per sq.ft. of floor area. **Comparable Seven** represents a significantly larger investment of an 8-storey commercial building, offering 175,470 sq.ft. of commercial retail/office rentable area and sold in April 2020 for \$1,282 per sq.ft. Given the general location, accommodation and size of the comparables and the subject, we would expect the subject to fall within the middle of the range illustrated by the comparables. Various adjustments have also been considered for their location in the Gastown Neighbourhood, providing inferior commercial appeal.

**Comparable Eight (2695 Granville Street, Vancouver)** is located along the Granville Corridor in the community of Fairview in the City of Vancouver West Side. More specifically, the comparable building is situated at the northwest corner of Granville Street and West 11<sup>th</sup> Avenue. The comparable development is a 7-storey, multi-tenant, freestanding office building comprising ground floor commercial retail space and upper floor office space. The building was constructed circa 1965 with approximately 27,812 sq.ft. of leasable area and sits on a 6,490 sq.ft. parcel. The property sold in November 2020 for \$28,600,000 and provides recent market value support for the subject. A price of \$1,028 per sq.ft. is derived based on its

gross building area, which is significantly smaller than the subject. As a result of the size adjustment, a price below \$1,028 per sq.ft. has been concluded for the subject building.

**SUMMARY**

- The subject is located within the boundary of Yaletown/Westend neighborhood in Downtown Vancouver.
- The subject building has tri-exposure onto the Burrard Street, Pacific Street and Hornby Street.
- The subject is currently improved with a 7-storey, freestanding commercial mixed-use building with a total leasable area of 114,835 sq.ft.
- The subject is zoned DD (Downtown District) which allows various types of commercial uses.
- The building is presently 97% leased to strong provincial and national tenants. A majority of the leases are at market, averaging at \$30.37 per sq.ft. of gross leasable area.
- Recent transactions of similar commercial buildings within the Downtown core indicated a price range from \$788 to \$1,285 per sq.ft. of leasable area.
- The subject land has redevelopment potential to accommodate significantly higher projects. This is a value add compared to the comparable properties analyzed.

Based on the preceding analysis of comparable data, with consideration given to the general prime location of the subject property, and the below market rents, it is our opinion that a value on a per sq.ft. basis at the lower end of the comparable range is reflective of the market value of the subject property as of the effective date of this valuation. We have concluded at a value of **\$1,000 per sq.ft.** of gross leasable area for the subject building. The estimated market value for the Subject Property as described herein, under the Direct Comparison Approach, as of January 4, 2022, is therefore calculated as:

<b>Gross Rentable Area</b>	<b>X</b>	<b>Price per sq.ft.</b>	<b>=</b>	<b>Estimated Value</b>
±114,835 sq.ft.	X	\$975	=	\$111,964,125

**ROUNDED TO**

**ONE HUNDRED AND TWELVE MILLION DOLLARS**  
**(\$112,000,000)**

**15.0 RECONCILIATION AND FINAL ESTIMATES OF VALUE**

Income Approach:	\$112,100,000
Direct Comparison Approach:	\$112,000,000

**COST APPROACH**

The Cost Approach is based on the premise that an informed purchaser will not pay more for a property than the cost of producing a substitute property. For the purpose of this report the Cost Approach has been omitted from this report. The Income and Comparison Approaches have been used since they are market driven approaches to value.

**INCOME APPROACH**

The Income Approach considers return on investment to be a primary motivation for the purchase of an income producing property. The capitalization rate has been derived from analysis of various transactions involving income-producing properties in the area and is representative of returns required in the marketplace. The Income Approach represents the actions of typical investors when purchasing an income producing property such as the subject since it relates the financial components of the property to a capitalized value.

**DIRECT COMPARISON APPROACH**

In this approach we analyzed similar investment properties to derive a value based upon a price per square foot of Gross Leasable Area. The comparables analyzed consist of commercial office buildings or retail/office mixed use buildings in the immediate neighbourhood and surrounding areas. The comparables analyzed on a price per square foot basis provide a good indication of value for the Property after adjustments.

The values derived under the two approaches illustrate a range from \$112,000,000 to \$112,100,000. They both are felt to provide valid value support for the subject property. After consideration of all factors pertinent to value, we have concluded the final estimate of market value of the Subject Property as described herein, subject to the Assumptions and Limiting Conditions herein, as of January 4, 2022, at:

**ONE HUNDRED AND TWELVE MILLION, ONE HUNDRED THOUSAND DOLLARS**  
**(\$112,100,000)**



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## 16.0 LAND VALUATION

### ASSUMPTIONS AND LIMITING CONDITIONS

We have been instructed by our client to also provide a hypothetical value estimate of the underlying land component of the subject property, assuming a 12.50 FSR is achievable to accommodate either a mixed use development project incorporating commercial and residential uses, or a high density, multifamily residential project. In this analysis, we have assumed that all the necessary pre-application investigation including but not limited to: environmental testing, view cone analysis, shadow analysis, have been completed, and that the results are satisfactory to facilitate a high density development project at such density.

This assumption also appears to be generally consistent with the development pattern in the immediate area, with examples including One and Two Burrard Place (Hornby and Drake Streets), which has been approved with 18.31 and 15.65 FSR, respectively. The site immediate east of the subject property, at 801 Pacific Street and 1380-1382 Hornby Street, was also successfully rezoned to accommodate a 16.25 FSR project, now known as "The Pacific".

It is assumed that the subject would still be required to complete the formal rezoning and development permit application process, and subject to a Community Amenity Contribution upon formal adoption of the new zoning bylaw. We emphasize that any deviation from the above assumptions may result in a different value conclusion, and we reserve the right to amend our appraisal upon receiving updated terms of reference from our client.

**METHODOLOGY**

There are six methods in valuing development land properties. They include the Direct Comparison Approach, Abstraction Method, Extraction Method, Subdivision Development Method, Land Residual Technique, and Ground Rent Capitalization Method.

**The Direct Comparison Approach**

In which recent sales of similar parcels of land are collected, analyzed, compared, and adjusted to reflect the similarity or dissimilarity of those parcels to the site of the subject site.

**The Allocation Method**

Is based on the principles of balance and contribution, where a ratio of site value to property value is extracted from comparable sales, in competitive locations, and is then applied to the sale price of the subject site to determine the site value. This method is most commonly used in valuing residential subdivision lots; although is rarely the primary method of valuation.

**The Extraction Method**

Is a technique in which the land value is extracted from the sale price of an improved property by deducting the contributory value of the improvements, often estimated at their depreciated cost, from the sale price. The remaining value represents the value of the land.

**Land Residual Technique**

Is a method in which the net operating income attributable to the land is isolated and capitalized to produce an indication of the land's contribution to the total property.

**Ground Rent Capitalization**

Is where market-derived capitalization rates are used to convert ground rent into an indication of land value.

**Discounted Cash Flow Analysis or Subdivision Development Analysis**

Is where direct and indirect costs, and entrepreneurial incentive, are deducted from an estimate of the anticipated gross sales price of the finished lots; and, the net sales proceeds are discounted to present

value, at a market-derived rate, over the development and absorption period. If entrepreneurial incentive is not deducted as a line-item expense, then the discount rate should reflect the full effect of any profit.

In this report, we have utilized the Direct Comparison Approach to estimate the Market Value of the subject property as though vacant and available for building.

#### **DIRECT COMPARISON APPROACH**

This method involves the process of comparing the subject with other sites of similar character, which have recently sold. The two methods of comparison are:

- Price per buildable sq.ft.
- Price per sq.ft. of site area

Typically, smaller sites will sell for higher values on a per sq.ft. basis when all other factors are equal; therefore, we have made adjustments to account for differences in site size. Sites capable of higher density development will frequently achieve lower values on a per buildable sq.ft. and per unit basis; however, typically achieve a higher value per sq.ft. of site area. Therefore, adjustments have also been made for differences in development potential.

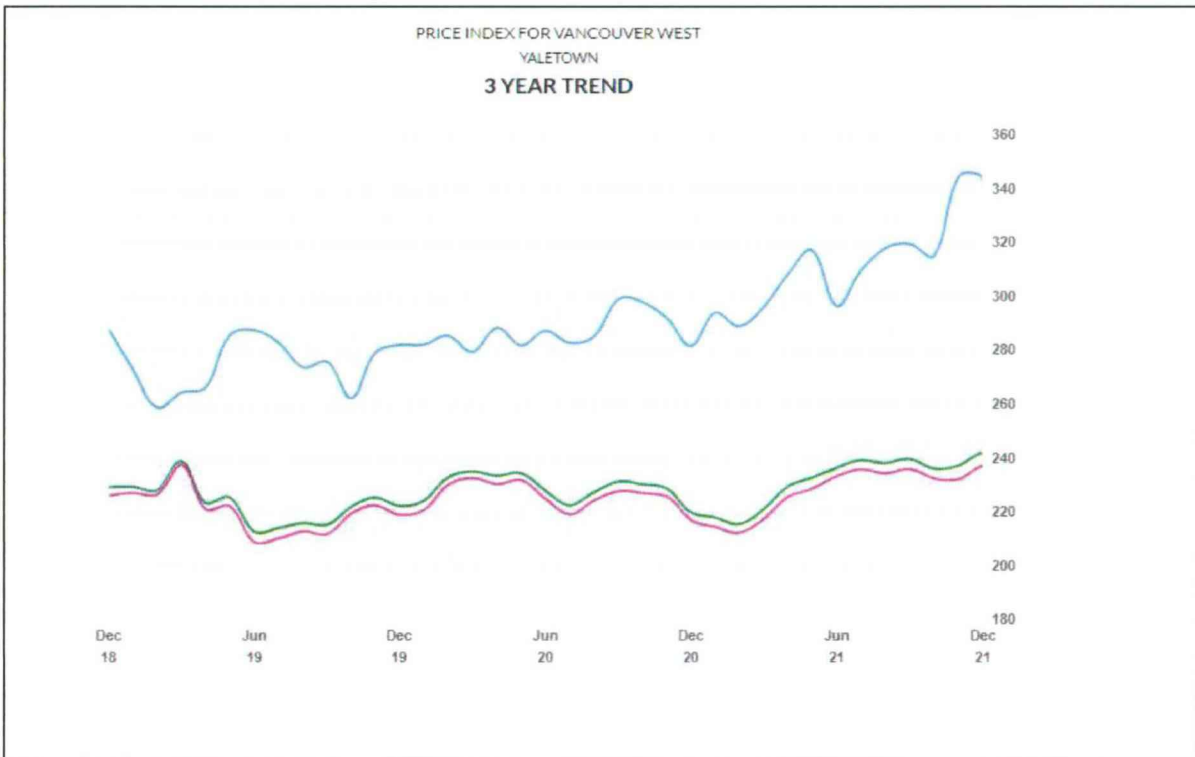
Since the driving factor behind a development property's value is its development potential, we have utilized the price per sq.ft. of buildable area as our primary value indicator. It is also a commonly accepted and widely used method when valuing multi-family residential development properties in the Lower Mainland.

The tables below and on the following page illustrate the Home Price Index for apartment properties in the Downtown Yaletown area since December 2019 as reported by the MLS® Home Price Index.



HOME PRICE INDEX FOR VANCOUVER WEST  
YALETOWN  
**DECEMBER 2021**

Benchmark	Price Index	1 Month +/-	6 Month +/-	1 Year +/-	3 Year +/-	5 Year +/-
<b>Residential - All Types</b>						
\$893,900	239.7	-1.0	0.0	9.8	4.4	18.8
<b>Townhouse</b>						
\$1,885,500	334.0	-3.2	7.9	13.5	22.2	32.0
<b>Apartment</b>						
\$859,000	235.1	-1.0	-0.5	9.5	3.4	18.3



The statistics illustrate a general increase in benchmark price since early 2021.

The chart on the right traces the monthly change in home price index for apartment properties in the Yaletown neighbourhood since December 2019. We have loosely based our time adjustments on this general price trend.

The chart on the next page includes recent sales of development sites located within/with proximity to the subject neighborhood and have similar development potential as the subject. We have considered appropriate adjustments for location, development potential, zoning status, size, orientation, transaction date, etc.

**REBGV Published Yaletown Apartment Benchmark Price**

Month	Benchmark Price	% Change as of Dec-21
Dec-21	\$859,000	
Nov-21	\$867,400	-0.97%
Oct-21	\$849,500	1.12%
Sep-21	\$850,600	0.99%
Aug-21	\$863,400	-0.51%
Jul-21	\$857,500	0.17%
Jun-21	\$863,000	-0.46%
May-21	\$853,900	0.60%
Apr-21	\$836,700	2.67%
Mar-21	\$825,700	4.03%
Feb-21	\$795,000	8.05%
Jan-21	\$776,800	10.58%
Dec-20	\$784,800	9.45%
Nov-20	\$794,000	8.19%
Oct-20	\$825,400	4.07%
Sep-20	\$830,500	3.43%
Aug-20	\$833,400	3.07%
Jul-20	\$821,000	4.63%
Jun-20	\$801,600	7.16%
May-20	\$822,500	4.44%
Apr-20	\$848,400	1.25%
Mar-20	\$842,500	1.96%
Feb-20	\$850,900	0.95%
Jan-20	\$841,800	2.04%
Dec-19	\$807,500	6.38%

COMPARABLE HIGH-DENSITY LAND SALES								
No	Location	Sale Price	Site Size (Sq.Ft.)	Zoning F.S.R.	Price/Sq.Ft. Site Area (sq.ft.)	Buildable Area (Sq.Ft.)	Price / Sq.Ft. Buildable (Sq.Ft.)	Comments
1	1290 Hornby Street Vancouver	\$45,000,000 Sep-21 (Closed)	14,985	DD 10.28	\$3,003.08	154,042	\$292.13	Located at the northeast corner of Hornby Street and Drake Street. The comparable is currently zoned DD and designated "Sub-Area N" within Downtown District Official Development Plan, permitting a maximum development density up to 5.0 FSR. A rezoning application regarding the comparable has been submitted in December 2018 to rezone from DD to CD-1. The applicant has proposed to construct a 35-storey mixed-use tower comprising 159 strata titled market residential units, at 10.28 FSR. The application is currently under review at the City. Residential is permitted.
2	800 - 804 Granville Street Vancouver	\$40,000,000 Apr-21 (Closed)	6,011	DD 11.47 (Pre-Application)	\$6,654.16	68,949	\$580.14	Located along Granville Corridor in the Granville Entertainment District, at the southeast corner of Granville Street and Robson Street. The properties are currently zoned DD and belong to "Sub-Area K1" within the Downtown District Official Development Plan, permitting a suggested development density at 3.5 FSR. Residential uses prohibited. As of April 2021, there has been a pre-application for the comparable properties as well as 810 - 816 and 822 - 876 Granville Street, however, no formal development application has been submitted to date. The overall proposal includes a 17-storey office tower with ground floor commercial retail units and upper floor office space, at 585,016 sq.ft. or 11.47 FSR. Residential is prohibited.
3	516 West Pender Street Vancouver	\$55,743,000 Nov-21 (Closed)	14,820	DD 7.00	\$3,761.34	103,740	\$537.33	Located at the corner of West Pender Street and Richards Street. Currently zoned DD and designated "Sub-Area C1" within Downtown District Official Development Plan, with a suggested maximum development density up to 7.0 FSR. No formal application regarding the property has been received as of the valuation date. Residential use is prohibited.
4	815 Hornby Street Vancouver	\$93,000,000 Feb-21 (Under Contract) May-21 (Closed)	18,731	DD 6.00	\$4,965.03	112,386	\$827.51	Located in the Downtown Vancouver area, at the corner of Hornby Street and Robson Street. Currently zoned DD (Downtown District) and designated area "H" within the Downtown Official Development Plan with a suggested development density at 6.0 FSR. No rezoning or development permit application regarding the property has been submitted to the City as of the valuation date. The property was improved with a 6-storey, strata-titled, multi-tenant commercial mixed-use building. Under the "H" sub-area plan, residential is permitted.
5	852-872 Seymour Street Vancouver	\$15,000,000 Mar-20 (Under Contract) Sep-20 (Closed)	7,500	DD 5.00	\$2,000.00	37,500	\$400.00	Located in the Downtown Vancouver area, on the east side of Seymour Street, between Smith and Robson Streets. The Property is currently zoned DD (Downtown District) and designated within sub area C3 of the Downtown Official Development Plan with a suggested building density at 5.0 FSR. No rezoning or development permit application regarding the property has been submitted to the City as of the valuation date. At the time of sale, 852 Seymour Street was improved with a two-storey commercial office/retail building and 872 Seymour Street was improved with a single-storey commercial retail building. Both buildings were constructed circa 1924. Under the "C3" sub-area plan, residential is permitted.
6	473 West Hastings Street Vancouver	\$31,250,000 Sep-20 (Closed)	9,360	DD 5.00	\$3,338.68	46,800	\$667.74	Located at the corner of West Hastings Street and Richard Street. The property is currently zoned DD and designated within sub area C-2 in the Downtown Official Development Plan with a suggested building density of 5.0 FSR. No rezoning or development permit application regarding the property has been submitted to the City as of the valuation date. The property was improved with a 2-storey commercial building leased to Arbutus College at the time of sale. The building was constructed circa 1938. Under the "C2" sub-area plan, residential is permitted.
7	430 Homer Street Vancouver	\$11,825,000 May-20 (Closed)	5,650	DD 5.00	\$2,092.92	28,250	\$418.58	Located at the corner of Homer Street and West Pender Street. The property is currently zoned DD and designated within sub area C-2 in the Downtown Official Development Plan with a suggested building density of 5.0 FSR. No rezoning or development permit application regarding the property has been submitted to the City as of the valuation date. At the time of sale, the comparable was improved with a 3-storey mixed-use building constructed circa 1908. Under the "C2" sub-area plan, residential is permitted.
8	767 Nicola Street Vancouver	\$35,000,000 (Listing)	8,184	C-6 8.75 (Base) 9.625 (With 10% Heritage Bonus)	\$4,276.64  \$4,276.64	71,610  78,771	\$488.76  \$444.33	Located at the corner of Nicola Street and Robson Street. The comparable belongs to "Lower Robson - Area B" within the West End Community Plan. The property is currently zoned C-6, permitting a development density of 8.75 FSR (Minimum 1.2 FSR Commercial) provided that 20% of the density is designated as social housing or 100% secured market rental. Additionally, the density can be further increased to 9.625 FSR when heritage density transfer is considered. The property is currently improved with a 6-storey strata titled development comprising 21 residential units and 3 commercial retail units. Residential permitted.
9	555 Richards Street Vancouver	\$30,500,000 Nov-20 (Under Contract) Mar-21 (Closed)	9,000	DD 7.00	\$3,388.89	63,000	\$484.13	Located in the Downtown Vancouver area, on the north side of Richards Street, between West Pender Street and Dunsmuir Street. The Property is currently zoned DD (Downtown District) and designated within sub area C1 of the Downtown Official Development Plan with a suggested building density at 7.0 FSR. No rezoning or development permit application regarding the property has been submitted to the City as of the valuation date. At the time of sale, was improved with a 3-4 storey single-tenant commercial building constructed circa 1912. Under the "C1" sub-area plan, residential is prohibited.

**ANALYSIS OF COMPARABLES**

The chart above includes relatively recent sales of mixed-use development sites located in Downtown Vancouver and surrounding areas in the City of Vancouver. The properties have various potential development densities ranging from 5.0 to 11.47 FSR, just the assumed density on the subject site. To provide an indication of land value for the subject site based on our terms of reference, we have applied various adjustments for location, development density, zoning status, size, orientation and transaction date. We note that given the higher FSR assumed on the subject parcel, a general downward adjustment is required to equate the comparables to the subject site.



**Comparable One (1290 Hornby Street)** highlights the most the September 2021 sale of a 14,985 sq.ft. land assembly comprising 5 parcels, located within close proximity to the subject site. The comparable property is located at the northeast corner of Hornby Street and Drake Street, and share the same zoning classification within Sub Area N of the Downtown District Official Development Plan, permitting a maximum development density up to 5.0 FSR on an as is basis. Inquiry at the City of Vancouver Zoning and Planning department indicates that prior to the transaction date, a rezoning application regarding the comparable had been submitted in December 2018. The applicant proposed to rezone the comparable site from DD to CD-1 to accommodate a high-density multi-family residential development comprising 153 strata-titled market residential units and approximately 10,531 sq.ft. of cultural amenity space within a 35-storey tower. To the best of our knowledge, the ground floor amenity space is to be owned by the City of Vancouver upon completion of the proposed project. The comparable proposal indicates a gross building area of 154,042 sq.ft. and illustrates 10.28 FSR. The comparable sale reflects \$292.13 per buildable sq.ft. and provides strong value indication for the subject site given its location, recent transaction date, and proposed density at 10.28 FSR. The sale price of \$45,000,000 yields a price per buildable at \$292.13 on the proposed FSR. A slight upward adjustment is suggested for the subject site for its gateway location and significance, as well as the moderate increase in the marketplace since the comparable sale date. Overall, a price above \$292.13 per buildable can be expected for the subject site.

**Comparable Two (800 – 804 Granville Street)** illustrates the April 2021 transaction of a 6,011 sq.ft. parcel located at the corner of Granville Street and Robson Street, southeast of the subject. The comparable site is presently zoned DD and designated “Sub Area K1” within the Downtown District Official Development Plan with a suggested density up to 3.5 FSR with residential uses prohibited. It is our understanding that as of April 2021, there has been pre-application development plans for the comparable properties as well as 810 - 816 and 822 - 876 Granville Street; however, no formal development application has been submitted to the City to date. The overall proposal includes a 17-storey office tower with ground floor commercial retail units and upper floor office space, at 585,016 sq.ft. or 11.47 FSR; however the final density is yet to be confirmed as the comparable project is still in a preliminary stage. The transaction price of \$40,000,000 for this portion of the land yields \$580.14 per buildable sq.ft. based on the proposed density at 11.47 FSR. The comparable also provides relevant value support for the subject given its 2021 sale date, and the similar FSR proposed; however, its location at Granville Street, closer to Robson Street, provides superior development appeal for its intended commercial office development. Overall, we would expect a lower price per buildable sq.ft. for the subject site.

**Comparable Three (516 West Pender Street)** is the latest reported sale within the Downtown area. The 14,820 sq.ft. corner lot has dual frontages along West Pender Street and Richards Street. Presently improved with a multi-storey parkade building, the property is within sub area C1 of the Downtown District, and is suggested with a development density up to 7.0 FSR on an as is basis. It is our observation that many properties in the immediate vicinity have been, or are in the process of being rezoned to accommodate high density office towers. The purchaser's long term plan may also involve development of such high density project on the site; however, based on the current 7.0 FSR, the sale price of \$55,743,000 translates into \$537.33 per buildable sq.ft. It would require a downward adjustment to reflect the higher FSR assumed for the subject site, and the rezoning requirement to achieve such density.

**Comparable Four (815 Hornby Street)** highlights the May 2021 sale of a 18,731 sq.ft. property located at the corner of Hornby Street and Robson Street, northeast of the subject. The comparable property is currently zoned DD and designated sub area "H" within the Downtown District Official Development Plan with a suggested building density at 6.0 FSR, permitting commercial and residential uses. To the best of our knowledge, the sale was negotiated in February 2021. The comparable property is currently improved with a 6-storey, strata-titled, multi-tenant commercial mixed-use building constructed circa 1980 and renovated in 1996, and is able to generate significant holding income. Significant downward adjustments are warranted for location and development density. It is our opinion that a value well below \$827.51 per buildable sq.ft. is appropriate for the subject site.

**Comparable Five (852 – 872 Seymour Street)** illustrates the September 2020 transaction of a 7,500 sq.ft., 3-lot land assembly located along Seymour Street and north of Smithe Street. It is our understanding the contract of purchase and sale was negotiated earlier last year in March 2020 when the COVID-19 pandemic lockdown just commenced. The comparable property comprises 3 legal parcels and is currently zoned DD. Further, the Downtown Official Development Plan designated the comparable as area C-3 with a suggested building density up to 5.0 FSR, allowing a mix of commercial and residential uses. Inquiry at the City of Vancouver indicates no formal rezoning or development application regarding the comparable has been received by the City as of the effective date of valuation. The comparable is presently improved with an older commercial building constructed circa 1924 and achieving minimal rents. The general market conditions have improved since March 2020; however, a general negative adjustment for the subject's much higher assumed FSR is warranted. Overall, it is our opinion that a value below \$400.00 per buildable sq.ft. is appropriate for the subject site.



**Comparable Six (473 West Hastings Street)** is situated at the corner of West Hastings Street and Richards Street, northeast of the subject. The site consists of a single legal parcel with 9,360 sq.ft. of gross site area and is currently guided under the DD zoning bylaw. The Downtown Official Development Plan designates the comparable site as area C-3 with a suggested building density up to 5.0 FSR. No formal proposal regarding the comparable has been submitted to the City as of the valuation date. The property was improved with a 2-storey commercial building constructed circa 1938 and was fully leased to Arbutus College at the time of sale. The property transacted in September 2020 for \$31,250,000 and yields \$667.74 per buildable sq.ft. based on the as is density guidelines. When compared to the subject, it would require a downward adjustment for FSR and an upward adjustment for the current superior market conditions.

**Comparable Seven (430 Homer Street)** illustrates the May 2020 sale of a 5,650 sq.ft. lot located at the corner of West Pender Street and Homer Street. The comparable is zoned DD and identified as area C-3 within the Downtown Official Development Plan with a suggested building density up to 5.0 FSR. Inquiry at the City of Vancouver's Planning Department indicated no formal rezoning or development permit application regarding the comparable has been received by the City. At the time of sale, the comparable was improved with a 3-storey mixed-use building built circa 1908. The sale price of \$11,825,000 further illustrates \$418.58 per buildable sq.ft. based on the OCP designation. The comparable site is a much smaller site and would likely require future assembly with adjacent properties to accommodate redevelopment, suggesting an upward adjustment when compared to the subject; however, a negative adjustment is also warranted given the much higher FSR assumed for the subject site.

**Comparable Eight (767 Nicola Street)** is the current listing of a residential redevelopment site located at the corner of Nicola Street and Robson Street, northwest of the subject in the West End neighbourhood. The comparable site is presently listed through "Colliers International" for \$35,000,000 and comprises 8,184 sq.ft. of gross site area. The property is currently zoned C-6 and designated "Lower Robson – Area B" within the West End Community Plan, allowing a maximum development density at 8.75 FSR with minimum 1.2 FSR provided as commercial space, provided that 20% of the development density is social housing or 100% secured market rental. Additionally, a 10% density bonus can be achieved if heritage density transfer is practiced. To date, no formal rezoning or development permit application regarding the comparable has been submitted to the City of Vancouver. The listing reflects \$444.33 to \$488.76 per buildable sq.ft., based on the development densities of 8.75 and 9.625 FSR, respectively. Downward



adjustments are warranted for the listing status and higher FSR assumed for the subject site and we would expect a price per buildable below the comparable range for the subject property.

**Comparable Nine (555 Richards Street)** also provides secondary value support given its location within Sub Area C1 of the Downtown Development Plan which prohibits residential development. The property comprises a 9,000 sq.ft. land parcel located along Richards Street between West Pender Street and Dunsmuir Street, northeast of the subject in the Central Business District (CBD). It sold in March 2021 at a price equating to \$484.13 per buildable sq.ft. based on a 7.0 FSR under the current zoning. The property was improved with a 3-4 storey single-tenant commercial building at the time of the sale. Various considerations have been given to the potential use, location, development density and size of the comparable and the subject. We are of the opinion that the comparable provides a superior value indication for the subject property based on the intended mixed use high density development.

**Land Comparable Map**



## SUMMARY

The subject property currently consists of a legal parcel with 29,621 sq.ft. of gross site area (according to BC Assessment Records). Based on an assumed 12.50 FSR, a hypothetical development with 370,263 sq.ft. of gross buildable area (for FSR calculation and not including FSR exclusions) is calculated.

In estimating a land value for the subject site on the above assumptions, we have analyzed the preceding comparables with consideration to the following items:

- The subject site consists of a rectangular shaped legal lot, at the northeast corner of Burrard Street and Pacific Boulevard;
- The subject site is the first lot to the right when arriving Downtown via the Burrard Street Bridge. The site is considered to be of Gateway significance;
- The subject is also within a short walking distance to the False Creek North Seawall, the trendy Yaletown neighbourhood, and the West End community. A number of high rise towers are being developed in the immediate area, and the commercial and residential appeal of the subject site is considered to be strong;
- The subject site is easily accessible by public transportation with a number of bus stops;
- The subject is assumed to be able to accommodate a development project at 12.50 FSR. This density is above the comparable range established previously, and would require a general negative adjustment on the per buildable price basis.

The nine comparables analyzed range in unadjusted values from \$292.13 to \$827.51 per buildable sq.ft. Comparable 1 located at 1290 Hornby Street is considered to provide the best market value support for the subject given its similar location and recent transaction date in September 2021, but would still require an upward adjustment for the subject's superior corner orientation and improved market since September 2021. The sale illustrated a price per buildable \$292.13 based on the proposed 10.28 FSR, and would lead us to a higher price per buildable concluded for the subject site after the previously discussed factors.

After the preceding analysis, and applicable adjustments applied for location, transaction date, potential FSR, development time frame, planning status, assembly requirement, etc, we have concluded that the estimated market value of the subject site, based on the hypothetical development density at 12.50 FSR, would lie towards the lower end of the comparable range, at \$325.00 per buildable sq.ft.

<b>Assumed Gross Buildable Area For FSR Calculations (Sq.Ft.)</b>	<b>X</b>	<b>Price Per Buildable sq.ft.</b>	<b>=</b>	<b>Estimated Market Value</b>
370,263 sq.ft.	X	\$325.00	=	\$120,335,475

**ROUNDED TO**

**ONE HUNDRED AND TWENTY MILLION, THREE HUNDRED THOUSAND DOLLARS**  
**(\$120,300,000)**

The estimate of market value is based on a marketing exposure time of 6 to 9 months. This marketing timing is typical of investment real estate in Metro Vancouver. The concluded value above reflects the “hypothetical” condition of the subject site with a 12.50 FSR. We reserve the right to amend and update our analysis and value conclusion should our terms of reference change.



---

**17.0 CERTIFICATION**

February 11, 2022

**RE: 1380 Burrard Street, Vancouver, BC**

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

1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my impartial and unbiased professional analyses, opinions and conclusions;
3. I have no past, present or prospective interest in the property that is the subject of this report and no personal and/or professional interest or conflict with respect to the parties involved with this assignment.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. My engagement in and compensation is not contingent upon developing or reporting predetermined results, the amount of value estimate, a conclusion favoring the client, or the occurrence of a subsequent event.
6. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the CUSPAP.
7. I have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with CUSPAP;
8. Except as herein disclosed, no one has provided significant professional assistance to the person(s) signing this report;
9. As of the date of this report the undersigned has fulfilled the requirements of the AIC's Continuing Professional Development Program;
10. The undersigned is (are all) members in good standing of the Appraisal Institute of Canada.

## CERTIFICATION

(continued)

**CIVIC ADDRESS AND LEGAL DESCRIPTION**

1380 Burrard Street, Vancouver, BC

Lot A Block 110 District Lot 541 Plan 16368

Title Number: CA7681096

PID: 007-512-091

BASED UPON THE DATA, ANALYSES AND CONCLUSIONS CONTAINED HEREIN, THE MARKET VALUE OF THE LEASE FEE INTEREST IN THE PROPERTY DESCRIBED, BASED ON ITS HIGHEST AND BEST USE AS AT JANUARY 4, 2022 IS ESTIMATED AT **\$112,100,000.**

BASED UPON THE DATA, ANALYSES AND CONCLUSIONS CONTAINED HEREIN, THE HYPOTHETICAL MARKET VALUE OF THE FEE SIMPLE INTEREST IN THE SUBJECT LAND COMPONENT, ASSUMING IT COULD ACCOMMODATE A 12.5 FSR, MIXED USE OR MULTIFAMILY RESIDENTIAL DEVELOPMENT, AS AT JANUARY 4, 2022 IS ESTIMATED AT **\$120,300,000.**

AS SET OUT ELSEWHERE IN THIS REPORT, THIS REPORT IS SUBJECT TO CERTAIN ASSUMPTIONS AND LIMITING CONDITIONS, THE VERIFICATION OF WHICH IS OUTSIDE THE SCOPE OF THIS REPORT.

Respectfully submitted,

**L.W. Property Advisors Ltd.**

Per: Rose Wang  
B.Comm, AACI, P. App  
AACI Membership No. 902311  
Signed: February 11, 2022

## 18.0 ASSUMPTIONS AND LIMITING CONDITIONS

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the authors, subject to the qualification below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. No registry office search has been performed and the appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this report. The property is appraised on the basis of it being under responsible ownership.
4. The subject property is presumed to comply with government regulations including zoning, building codes and health regulations and, if it does not comply, its non-compliance may affect market value.
5. No survey of the properties has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property.
6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.



**ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc.) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.
8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the 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 might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.
10. The term "inspection" refers to observation and reporting of the general material finishing and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.

**ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.
12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
13. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
14. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Where the client is the mortgagee and the loan is insured, liability is extended to the mortgage insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
15. This report form is the property of the Appraisal Institute of Canada (AIC) and for use only by AIC members in good standing. Use by any other person is a violation of AIC copyright. This appraisal report, its content and all attachments/addendums and their content are the property of the author. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.

**ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

16. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.
  
17. Where the intended use of this report is for financing or mortgage lending, it is a condition of reliance on this report that the authorized user has or will conduct loan underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct such loan underwriting and due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Underwriting Practices and Procedures B-20, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.
  
18. Where the intended use of this report is for mortgage insurance, it is a condition of reliance on this report that the authorized user will conduct loan insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent mortgage insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, to conduct such loan insurance underwriting and/ due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Insurance Underwriting Practices and Procedures B-21, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.



**Appendix "A"**

**Copy of the Title Information**

**TITLE SEARCH PRINT**

288

2022-01-04, 13:15:21

File Reference:

Requestor: Joseph Gao

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

**Land Title District**  
Land Title Office

VANCOUVER  
VANCOUVER

**Title Number**  
From Title Number

CA7681096  
CA5334234

**Application Received**

2019-08-13

**Application Entered**

2019-08-19

**Registered Owner in Fee Simple**

Registered Owner/Mailing Address:

1380 BURRARD STREET GP INC., INC.NO. A0083451  
1800 - 1188 WEST GEORGIA STREET  
VANCOUVER, BC  
V6E 4A2

**Taxation Authority**

Vancouver, City of

**Description of Land**

Parcel Identifier:

007-512-091

Legal Description:

LOT A BLOCK 110 DISTRICT LOT 541 PLAN 16368

**Legal Notations**

NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA5334238  
FILED 2016-07-12

**Charges, Liens and Interests**

Nature:

COVENANT

Registration Number:

D21095

Registration Date and Time:

1976-04-12 14:19

Registered Owner:

CITY OF VANCOUVER

Remarks:

L.R.A. S. 24A

Nature:

EASEMENT AND INDEMNITY AGREEMENT

Registration Number:

F55229

Registration Date and Time:

1978-08-10 13:05

Registered Owner:

CITY OF VANCOUVER

**TITLE SEARCH PRINT**

File Reference:

Nature: EASEMENT AND INDEMNITY AGREEMENT  
 Registration Number: L19336  
 Registration Date and Time: 1983-02-24 13:38  
 Registered Owner: CITY OF VANCOUVER

Nature: MORTGAGE  
 Registration Number: CA7685624  
 Registration Date and Time: 2019-08-15 07:47  
 Registered Owner: PETERSON INVESTMENT GROUP INC.  
 INCORPORATION NO. BC1059668

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA7685625  
 Registration Date and Time: 2019-08-15 07:47  
 Registered Owner: PETERSON INVESTMENT GROUP INC.  
 INCORPORATION NO. BC1059668

Nature: MORTGAGE  
 Registration Number: CA8888078  
 Registration Date and Time: 2021-03-31 14:36  
 Registered Owner: GENESIS MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC0952821

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA8888079  
 Registration Date and Time: 2021-03-31 14:36  
 Registered Owner: GENESIS MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC0952821

Nature: PRIORITY AGREEMENT  
 Registration Number: CA8893091  
 Registration Date and Time: 2021-04-01 14:16  
 Remarks: GRANTING CA7685624 PRIORITY OVER CA8888078 AND  
 CA8888079

Nature: PRIORITY AGREEMENT  
 Registration Number: CA8893092  
 Registration Date and Time: 2021-04-01 14:16  
 Remarks: GRANTING CA7685625 PRIORITY OVER CA8888078 AND  
 CA8888079

**Duplicate Indefeasible Title**

NONE OUTSTANDING

**Transfers**

NONE



**TITLE SEARCH PRINT**

File Reference:

290  
2022-01-04, 13:15:21  
Requestor: Joseph Gao

**Pending Applications**

NONE

**Appendix "B"**

**Copy of DD Zoning Bylaw**

## **(DD) Downtown District**

### **By-law No. 4911**

A By-law to Amend By-law No. 3575, Being the Zoning and Development By-law.

THE COUNCIL OF THE CITY OF VANCOUVER in open meeting assembled enacts as follows:

1. The plan attached to and forming an integral part of By-law No. 3575 and designated as the “Zoning District Plan” and marked as Schedule “D” to said By-law is hereby amended according to the plan marginally numbered Z-178 annexed to this By-law and marked as Schedule “D” hereto, and in accordance with the explanatory legend, notations, references and boundaries designated, described, delimited and specified in particularity shown upon said plan annexed hereto; and the various boundaries and districts shown upon the plan hereto annexed respectively are an amendment of and in substitution for the respective districts, designated and marked on said Schedule “D” of said By-law No. 3575 insofar as the same are changed, modified or varied thereby, and the said Schedule “D” annexed to said By-law No. 3575 shall be deemed to be and is hereby declared to be amended accordingly, and the said Schedule “D” attached to this By-law is hereby declared to be and shall form an integral part of said plan marked as Schedule “D” to said By-law No. 3575, as if originally incorporated therein, and shall be interpreted accordingly.
2. The two areas shown outlined in black on the said plan are rezoned a Comprehensive Development District to be known and described as “Downtown District (DD)”.
3. The only uses permitted within the said areas and the only uses for which development permits may be issued, as prescribed in detail in the Official Development Plan By-law No. 4912, are:
  - (a) commercial uses, including a body-rub parlour;
  - (b) residential uses;
  - (c) institutional uses;
  - (d) industrial uses (light);
  - (e) parks and open spaces;
  - (f) public uses and facilities;
  - (g) Urban Farm - Class B;

and other similar use or uses customarily ancillary to such uses, subject to the form, location and any special characteristics being in conformity with any Official Development Plan, By-law or applicable policies and guidelines adopted by Council, and subject to such other conditions not inconsistent therewith which the Development Permit Board in its discretion may prescribe.
4. Any person wishing to carry out any development in the said district shall submit such plans and specifications as may be required by the Director of Planning.
5. No development permit shall be issued for any development unless such permit shall have received the approval of the Development Permit Board, unless otherwise approved by the Director of Planning pursuant to section 3.3 of the Zoning and Development By-law.



6. This By-law shall come into force and take effect on and after the date of the passing hereof.

DONE AND PASSED in open Council this 4th day of November, 1975.

(Sgd) Arthur Phillips, Mayor  
(Sgd) Douglas H. Little, City Clerk

**See also Downtown District Official Development Plan**

**Appendix "C"**

**Copy of Budget Report prepared by  
Bentall Green Oak**



**2022 BUDGET**  
**1380 Burrard St**



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1380 Burrard Street

**PROPERTY SUMMARY**

**PROPERTY PROFILE**

**Address:** 1380 Burrard Street, Vancouver, BC  
**Property Type:** Office/Retail  
**Building GLA:** 114,831 s.f.  
**Ownership:** Pacific Burrard Holdings (100%)

**CONTACT INFORMATION**

**VP Operations:** Dion Chrapko (604) 661-5056 dion.chrapko@bentallgreenoak.com  
**Property Manager:** Laura Lao (604) 661-5618 laura.lao@bentallgreenoak.com  
**Leasing Manager:** Jeff Lim (604) 661-5619 jeff.lim@bentallgreenoak.com

**FINANCIAL SUMMARY**

	2021 Budget	2021 Forecast	2022 Budget
<b>LEASING:</b>			
Opening Vacancy	0	0	3,588
Expiries	30,792	34,380	0
Exposure	<b>30,792</b>	<b>34,380</b>	<b>0</b>
Ending Vacancy	<b>0</b>	<b>3,588</b>	<b>3,588</b>
Ending Vacancy (%)	0.00	3.12	3.12
Average Vacancy (%)	4.48	6.72	3.12

	\$	\$	\$
<b>OPERATIONS:</b>			
Revenue	5,408,484	5,321,171	5,954,565
Net Operating Income	3,342,481	3,135,113	3,636,663
Net Income	3,234,192	3,026,215	3,509,129

CAPITAL:	2021 Budget	2021 Forecast	2022 Budget	2023 Budget	2024 Budget	2025 Budget
Capitalized Leasing Costs	19,887	20,495	0	0	0	n/a
Non-Recoverable Building Capital	0	0	0	0	0	0
Deferred Recoverable Capital	95,000	95,000	80,000	80,000	0	0

Approved by:

\_\_\_\_\_  
Property Manager

\_\_\_\_\_  
VP Operations

\_\_\_\_\_  
Leasing Manager

\_\_\_\_\_  
Pacific Burrard Holdings

## Pacific Burrard Holdings LP

1380 Burrard St

Co: 20452

## Statement of Net Income

As of December 31, 2021

	2021				2022	2023	2024
	Forecast	Budget	Variance	%	Budget	Budget	Budget
1380 Burrard St							
REVENUE							
Rental Revenue	3,064,942	3,107,401	(42,459)	(1.37)	3,480,163		
Recoveries	1,893,895	1,839,142	54,753	2.98	2,090,830		
Management Fee Recoveries	160,778	144,169	16,609	11.52	162,460		
Other	204,057	317,772	(113,715)	(35.79)	221,112		
TOTAL	5,323,671	5,408,484	(84,813)	(1.57)	5,954,565		
EXPENSES							
Operating and Other	1,203,154	1,269,277	66,123	5.21	1,272,236		
Recoverable Management Fees	153,686	153,424	(262)	(.17)	171,939		
Taxes	809,868	618,822	(191,045)	(30.87)	846,248		
Non-Recoverable	19,351	24,480	5,129	20.95	27,480		
TOTAL	2,186,059	2,066,003	(120,055)	(5.81)	2,317,903		
NET OPERATING INCOME	3,137,613	3,342,481	(204,868)	(6.13)	3,636,663		
Amortization - Leasing and General	108,897	108,288	(609)	(.56)	127,533		
NET INCOME	3,028,715	3,234,192	(205,477)	(6.35)	3,509,129		
Recovery %	94.83	97.15			98.38		



**BentallGreenOak (Canada) LP**  
**1380 Burrard St**

Co: 20452

299

Property Leasing Costs & Amortization:	2021				2022	2023	2024
	Forecast	Budget	Variance \$	Variance %	Budget	Budget	Budget
1380 Burrard St							
Gross Book Value, Jan 1	401,850	771,036	(369,186)	(47.88)	517,345	597,345	597,345
Additions:							
Deferred Recoverable Costs	95,000		95,000		80,000		
Deferred Leasing Costs	20,495	19,887	609	3.06			
<b>Gross Book Value, Dec 31</b>	<u>517,345</u>	<u>790,922</u>	<u>(273,577)</u>	<u>(34.59)</u>	<u>597,345</u>	<u>597,345</u>	<u>597,345</u>
Accum. Depreciation, Jan 1	(58,398)	(58,398)			(167,296)	(294,829)	(294,829)
Additions							
Leasing and General	(108,897)	(108,288)	(609)	(.56)	(127,533)		
Accum. Depreciation, Dec 31	<u>(167,296)</u>	<u>(166,687)</u>	<u>(609)</u>	<u>(.37)</u>	<u>(294,829)</u>	<u>(294,829)</u>	<u>(294,829)</u>
<b>Net Book Value, Dec 31</b>	<u>350,049</u>	<u>624,236</u>	<u>(274,186)</u>	<u>(43.92)</u>	<u>302,516</u>	<u>302,516</u>	<u>302,516</u>

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**Leasing Activity Summary  
1380 Burrard St**

	Reforecast 2021		Budget 2022	
	<u>Sq.Ft.</u>	<u>% of GLA</u>	<u>Sq.Ft.</u>	<u>% of GLA</u>
<b>Leasing Activity:</b>				
Vacancy, Beginning of Period (A)	-	0.00%	3,588	3.12%
Leases not Renewing (B)	31,659	27.57%	-	0.00%
Early Termination (C)	2,721	2.37%	-	0.00%
New Area & Remeasures (D)	-	0.00%	-	0.00%
New Leases (E)	(30,792)	-26.82%	-	0.00%
Early Termination Released (F)	-	0.00%	-	0.00%
Vacancy, End of Period (A+B+C+D+E+F)	<u>3,588</u>		<u>3,588</u>	
Average Vacancy for the Year	7,717	6.72%	3,588	3.12%
Renewals and Overholds (G)	-	0.00%	-	0.00%
Total Lease Rollovers (B+G)	31,659	27.57%	-	0.00%
Lease Retention	0.0%		0.0%	
Total Cost of Leasing	\$119,928		\$0	
Average Cost of Lease	\$3.89		\$0.00	
NRA	114,831		114,831	



1-Aug-21

**Monthly Totals**

Forecast Year	2021	January	February	March	April	May	June	July	August	September	October	November	December	Total	%GLA
<b>Beginning Vacancy</b>		0	0	0	2,721	33,513	33,513	2,721	2,721	2,721	3,588	3,588	3,588	0	0.00%
<b>New Leases</b>		0	0	0	0	0	(30,792)	0	0	0	0	0	0	(30,792)	(26.82%)
<b>Early Termination</b>		0	0	2,721	0	0	0	0	0	0	0	0	0	2,721	2.37%
<b>Early Termination Released</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
<b>New Area and Remeasures</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
<b>Leases Not Renewed</b>		0	0	0	30,792	0	0	0	0	867	0	0	0	31,659	27.57%
<b>Ending Vacancy</b>		0	0	2,721	33,513	33,513	2,721	2,721	2,721	3,588	3,588	3,588	3,588	3,588	3.12%
<b>Weighted Avg. Vacancy</b>		0	0	231	2,754	2,846	224	231	231	295	305	295	305	7,717	6.72%
<b>Renewals During Year</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
<b>Budget Year</b>	2022	January	February	March	April	May	June	July	August	September	October	November	December	Total	%GLA
<b>Beginning Vacancy</b>		3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3.12%
<b>New Leases</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
<b>Early Termination</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
<b>Early Termination Released</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
<b>New Area and Remeasures</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
<b>Leases Not Renewed</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
<b>Ending Vacancy</b>		3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3.12%
<b>Weighted Avg. Vacancy</b>		305	275	305	295	305	295	305	305	295	305	295	305	3,588	3.12%
<b>Renewals During Year</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%

1-Aug-21

**Year to Date Totals**

Forecast Year	2021	January	February	March	April	May	June	July	August	September	October	November	December
<b>Beginning Vacancy</b>		0	0	0	0	0	0	0	0	0	0	0	0
<b>New Leases</b>		0	0	0	0	0	(30,792)	(30,792)	(30,792)	(30,792)	(30,792)	(30,792)	(30,792)
<b>Early Termination</b>		0	0	2,721	2,721	2,721	2,721	2,721	2,721	2,721	2,721	2,721	2,721
<b>Early Termination Released</b>		0	0	0	0	0	0	0	0	0	0	0	0
<b>New Area and Remeasures</b>		0	0	0	0	0	0	0	0	0	0	0	0
<b>Leases Not Renewed</b>		0	0	0	30,792	30,792	30,792	30,792	30,792	31,659	31,659	31,659	31,659
<b>Ending Vacancy</b>		0	0	2,721	33,513	33,513	2,721	2,721	2,721	3,588	3,588	3,588	3,588
<b>Renewals During Year</b>		0	0	0	0	0	0	0	0	0	0	0	0
<b>Budget Year</b>	2022	January	February	March	April	May	June	July	August	September	October	November	December
<b>Beginning Vacancy</b>		3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588
<b>New Leases</b>		0	0	0	0	0	0	0	0	0	0	0	0
<b>Early Termination</b>		0	0	0	0	0	0	0	0	0	0	0	0
<b>Early Termination Released</b>		0	0	0	0	0	0	0	0	0	0	0	0
<b>New Area and Remeasures</b>		0	0	0	0	0	0	0	0	0	0	0	0
<b>Leases Not Renewed</b>		0	0	0	0	0	0	0	0	0	0	0	0
<b>Ending Vacancy</b>		3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588	3,588
<b>Renewals During Year</b>		0	0	0	0	0	0	0	0	0	0	0	0

1380 Burrard St  
 REVENUE & LEASE UP ASSUMPTION

3-Year Avg Downtime = 0 Months

BUSINESS PLAN EFFECTIVE: 1-Jul-21

Exposure							Budgeted													
Tenant	Unit	Area	Split Unit Area	Expired Date	Months Vac	Rate At \$psf	New Ren			Initial Rent	Average Rate \$psf	Free Rent \$psf	# Mo FR	Tenant Supv \$psf	TI		Internal Comm \$psf	External Comm \$psf	Override Comm \$psf	Net Eff Rate \$psf
							Start Date	Vac	Term						Imp/Allw \$psf	LL Work \$psf				
<b>Current Period Leasing Exposure</b>																				
<b>Vacant (Available for Lease)</b>																				
Vacant	911	893					1-Jul-23		3 Y	10.00	10.00									10.00
Vacant	933	755					1-Jul-23		3 Y	10.00	10.00									10.00
Vacant	G1	1,073					1-Jul-23		3 Y	10.00	10.00									10.00
	Subtotal	2,721																		
<b>Total Vacant (at Business Plan Effective Date)</b>		<b>2,721</b>																		
<b>Exposure from expiries to Dec 31, 2021 (Available for Lease)</b>																				
Ledcor Construction Limited	1387	867		30-Sep-21		34.60	1-Aug-23		3 Y	10.00	10.00									10.00
	Subtotal	867																		
<b>Exposure from expiries to Dec 31, 2021 (Subsequently Leased)</b>																				
<b>Total Exposure from expiries to Dec 31, 2021</b>		<b>867</b>																		
<b>Total Current Period Leasing Exposure</b>		<b>3,588</b>																		

**Future Exposure**  
 Exposures to Dec 31, 2022  
 Exposures to Dec 31, 2023



1380 Burrard St  
 REVENUE & LEASE UP ASSUMPTION  
 BUSINESS PLAN EFFECTIVE: 1-Jul-21

3-Year Avg Downtime = 0 Months

Exposure						
Tenant	Unit	Area	Split Unit Area	Expired Date	Months Vac	Rate At \$psf
<b>Exposure to Dec 31, 2024</b>						
Lululemon Athletica	200	17,306		31-Dec-23		32.00
Lululemon Athletica	300	20,132		31-Dec-23		32.00
Lululemon Athletica	400	20,132		31-Dec-23		32.00
Lululemon Athletica	600	17,256		31-Dec-23		32.00
Lululemon Athletica	700	13,536		31-Dec-23		32.00
Bentall Kennedy (Canada) LP	G4	470		31-Dec-23		10.00
CIBC	500	14,743		31-Mar-24		31.50
CIBC	510	3,206		31-Mar-24		31.50
CIBC	520	817		31-Mar-24		31.50
BSP Bicycle Sports	999	3,645		31-Mar-24		17.50
	<b>Subtotal</b>	<b>111,243</b>				

Exposures beyond Jan 01, 2025

<b>TOTAL BUDGETED GLA:</b>	<b>114,831</b>	
<b>NEW AREA AND REMEASURES:</b>	<b>0</b>	
<b>TOTAL ADJUSTED BUDGETED GLA:</b>	<b>114,831</b>	
<b>ADD: STORAGE</b>	<b>295</b>	
<b>TOTAL GLA:</b>	<b>115,126</b>	<b>Sq. ft.</b>
<b>RECOVERABLE GLA - JDE:</b>	<b>114,831</b>	
<b>VARIANCE:</b>	<b>295</b>	

Budgeted													
TI													
New Ren	Initial	Average	Free	Tenant	Imp/Allw	L.L. Work	Internal	External	Override	Net Eff			
Start Date	Vac	Term	Rent	Rate \$psf	Rent \$psf	# Mo FR	Supv \$psf	\$psf	\$psf	Comm \$psf	Comm \$psf	Comm \$psf	Rate \$psf

1380 Burrard St  
 LEASING COSTS  
 BUSINESS PLAN EFFECTIVE:

1-Aug-21

Unit	Start Date	New or Ren	Term	Area	Tenant Supervision Fee		Tenant Improve Allowance		Landlord's Work		Internal Commission		External Commission		Override Commission		Total DLC's \$psf Total - Avg		Non Rec Landlord \$Cost	
					\$psf	\$Cost	\$psf	\$Cost	\$psf	\$Cost	\$psf	\$Cost	\$psf	\$Cost	\$psf	\$Cost	\$psf	\$Cost		
<b>Actual To 1-Aug-21</b>																				
1387	19-Mar-21	N	7M	867									0.70	608.87	-	-	4.48	609		
600	1-Jun-21	N	31M	17,256									2.58	44,578.00	1.29	22,289.00	3.88	66,867		
700	1-Jun-21	N	31M	13,536									2.58	34,968.00	1.29	17,484.00	3.88	52,452		
<b>Forecast From 1-Aug-21</b>																				
<b>Total 2021</b>				31,659	-	-	-	-	-	-	-	-	-	80,155	-	39,773	3.79	119,928	-	
														-	-	-	-	-		
														-	-	-	-	-		
<b>Total 2022</b>				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

2022 BUDGET

BU: 20453

1380 Burrard St

Object Account By Month By Unit

Revision Number: 221

Account: 41110

Unit	2021 Forecasted Monthly Revenue												Obj Acct	Subs	
	Forecast	January	February	March	April	May	June	July	August	September	October	November			December
														41110	GROSS
														41110	IA
														41110	INDUST
														41110	INLINE
														41110	OFF
														41110	RESID
														41110	RETAIL
1387	(16,048.39)			(1,048.39)	(2,500.00)	(2,500.00)	(2,500.00)	(2,500.00)	(2,500.00)	(2,500.00)				41110	GROSS
200	(553,791.96)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	41110	OFF
300	(644,223.96)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	41110	OFF
400	(644,223.96)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	41110	OFF
500	(442,290.00)	(36,857.50)	(36,857.50)	(36,857.50)	(36,857.50)	(36,857.50)	(36,857.50)	(36,857.50)	(36,857.50)	(36,857.50)	(36,857.50)	(36,857.50)	(36,857.50)	41110	OFF
510	(96,180.00)	(8,015.00)	(8,015.00)	(8,015.00)	(8,015.00)	(8,015.00)	(8,015.00)	(8,015.00)	(8,015.00)	(8,015.00)	(8,015.00)	(8,015.00)	(8,015.00)	41110	OFF
520	(24,510.00)	(2,042.50)	(2,042.50)	(2,042.50)	(2,042.50)	(2,042.50)	(2,042.50)	(2,042.50)	(2,042.50)	(2,042.50)	(2,042.50)	(2,042.50)	(2,042.50)	41110	OFF
600	(429,962.00)	(35,950.00)	(35,950.00)	(35,950.00)			(46,016.00)	(46,016.00)	(46,016.00)	(46,016.00)	(46,016.00)	(46,016.00)	(46,016.00)	41110	OFF
700	(337,272.00)	(28,200.00)	(28,200.00)	(28,200.00)			(36,096.00)	(36,096.00)	(36,096.00)	(36,096.00)	(36,096.00)	(36,096.00)	(36,096.00)	41110	OFF
999	(63,787.56)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	41110	RETAIL
G4	(5,102.28)	(793.91)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	41110	OFF
<b>Total</b>	<b>(3,257,392.11)</b>	<b>(270,694.53)</b>	<b>(270,292.29)</b>	<b>(271,340.68)</b>	<b>(208,642.29)</b>	<b>(208,642.29)</b>	<b>(290,754.29)</b>	<b>(290,754.29)</b>	<b>(290,754.29)</b>	<b>(290,754.29)</b>	<b>(288,254.29)</b>	<b>(288,254.29)</b>	<b>(288,254.29)</b>		



2022 BUDGET

BU: 20453

1380 Burrard St

Object Account By Month By Unit

Revision Number: 221

Account: 41110

Unit	2022 Monthly Revenue													Obj Acct	Subs	
	Total 2022 Budget	January	February	March	April	May	June	July	August	September	October	November	December			
															41110	GROSS
															41110	OFF
															41110	RETAIL
200	(553,791.96)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	(46,149.33)	41110	OFF
300	(644,223.96)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	41110	OFF
400	(644,223.96)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	(53,685.33)	41110	OFF
500	(458,875.92)	(36,857.50)	(36,857.50)	(36,857.50)	(38,700.38)	(38,700.38)	(38,700.38)	(38,700.38)	(38,700.38)	(38,700.38)	(38,700.38)	(38,700.38)	(38,700.38)	(38,700.38)	41110	OFF
510	(99,786.75)	(8,015.00)	(8,015.00)	(8,015.00)	(8,415.75)	(8,415.75)	(8,415.75)	(8,415.75)	(8,415.75)	(8,415.75)	(8,415.75)	(8,415.75)	(8,415.75)	(8,415.75)	41110	OFF
520	(25,429.17)	(2,042.50)	(2,042.50)	(2,042.50)	(2,144.63)	(2,144.63)	(2,144.63)	(2,144.63)	(2,144.63)	(2,144.63)	(2,144.63)	(2,144.63)	(2,144.63)	(2,144.63)	41110	OFF
600	(552,192.00)	(46,016.00)	(46,016.00)	(46,016.00)	(46,016.00)	(46,016.00)	(46,016.00)	(46,016.00)	(46,016.00)	(46,016.00)	(46,016.00)	(46,016.00)	(46,016.00)	(46,016.00)	41110	OFF
700	(433,152.00)	(36,096.00)	(36,096.00)	(36,096.00)	(36,096.00)	(36,096.00)	(36,096.00)	(36,096.00)	(36,096.00)	(36,096.00)	(36,096.00)	(36,096.00)	(36,096.00)	(36,096.00)	41110	OFF
999	(63,787.56)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	(5,315.63)	41110	RETAIL
G4	(4,700.04)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	(391.67)	41110	OFF
<b>Total</b>	<b>(3,480,163.32)</b>	<b>(288,254.29)</b>	<b>(288,254.29)</b>	<b>(288,254.29)</b>	<b>(290,600.05)</b>	<b>(290,600.05)</b>	<b>(290,600.05)</b>	<b>(290,600.05)</b>	<b>(290,600.05)</b>	<b>(290,600.05)</b>	<b>(290,600.05)</b>	<b>(290,600.05)</b>	<b>(290,600.05)</b>	<b>(290,600.05)</b>		

## 1380 BURRARD STREET as of June 30, 2021

		<u>Area per</u>			
7th	Lululemon (F, O) 13,536 (Dec 31, 2023 - \$32.00)	13,536			
6th	Lululemon (F, O) 17,256 (Dec 31, 2023 - \$32.00)	17,256			
5th	CIBC (T) 18,766 (Mar 31, 2024 - \$31.50 psf)	18,766			
4th	Lululemon (F, O) 20,132 (Dec 31, 2023 - \$32.00)	20,132			
3rd	Lululemon (F, O) 20,132 (Dec 31, 2023 - \$32.00)	20,132			
2nd	Lululemon (F, O) 17,306 (Dec 31, 2023 - \$32.00)	17,306			
1st	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">Bicycle Sports Pacific 3,645 (Mar 31, 2024 - \$17.50 psf)</td> <td style="width: 25%; text-align: center;">Vacant 3,592</td> <td style="width: 25%; text-align: center;">Bldg Op 470</td> </tr> </table>	Bicycle Sports Pacific 3,645 (Mar 31, 2024 - \$17.50 psf)	Vacant 3,592	Bldg Op 470	7,707
Bicycle Sports Pacific 3,645 (Mar 31, 2024 - \$17.50 psf)	Vacant 3,592	Bldg Op 470			
		<u>114,835</u>			

EXPIRY DATE	2021	2022	2023	2024	2025	2026+	TOTAL
AREA BY YEAR	0	0	88,362	22,411	0	470	111,243
% GLA EXPIRY IN YEAR	0%	0%	77%	20%	0%	0%	97%
CURRENT VACANCY	3%						3,592
TOTAL GLA							114,835

Space leased but tenant to vacate upon expiry ( colour as per year of expiry)

Committed space but currently vacant

Brackets beside tenant name- denotes Subtenant

**R** = Right of First Refusal  
**F** = Right of First Offer  
**E** = Right to Expand  
**T** = Right to Early Termination  
**X** = Exclusivity  
**D** = Right to Downsize  
**O** = Option to Extend

- Lulu has 1 OTR for 3 mo extension, if exercised by June 30, 2023
- Lulu has Right of First Offer on Floor 5
- CIBC has the Right to Terminate - notice to be 12 mos in advance, w 6 mos gross rent penalty.

**1380 Burrard Street**  
**Capital Plan Executive Summary**  
**2022 Forecast and 2022-2026 Budget**

**2021 Current Status:****Non-Recoverable Capital**

- There were no Non-Recoverable Capital projects planned in 2021.

**Deferred Recoverable Capital**

- There was a total of \$95,000 budgeted under the Recoverable Capital projects for 2021:
  - \$65,000 budgeted for “Leaks/Bricks High Priority Repairs Contingency”; and,
  - \$30,000 budgeted for “HVAC Contingency Repairs”.
- All contingency projects for 2020 and 2021 were deferred to 2022 Deferred Recoverable Capital due to the impacts of COVID-19.

**2022 – 2026 Capital Plan:****Non-Recoverable Capital**

- There are no Non-Recoverable capital projects planned at this time for the years of 2022 to 2026.

**Deferred Recoverable Capital**

- 2022: \$80,000 has been budgeted under the Recoverable Capital projects:
  - \$50,000 budgeted for “Leaks/Bricks High Priority Repairs Contingency”; and,
  - \$30,000 budgeted for “HVAC Contingency Repairs”. Due to the potential building redevelopment, emergency HVAC equipment repairs would be applied against this contingency and to be completed by December 2022.
- 2023: \$80,000 has been budgeted under the Recoverable Capital projects:



- \$50,000 budgeted for “Leaks/Bricks High Priority Repairs Contingency”; and,
  - \$30,000 budgeted for “HVAC Contingency Repairs”.
- 2024 – 2026
  - There are no Recoverable capital projects planned at this time.

**1380 Burrard Street**  
**CAPITAL EXPENDITURES**  
 Asset Categorization: Stabilized Property

**HONEST BUILDINGS**

NON-RECOVERABLE CAPITAL																	
ITEM	Project SF	Capital Category	Project Manager	Project Type	Project Sub-Type	2021 Budget	2021 Forecast	2022 Budget	2023 Budget	2024 Budget	2025 Budget	2026 Budget	Start Date	Completion Date	Amort Start Date	Amort Period (Useful Life)	Amort End Date
TOTAL NON-RECOVERABLE CAPITAL						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					

RECOVERABLE CAPITAL																		
ITEM	Project SF	Capital Category	Project Manager	Project Type	Project Sub-Type	2021 Budget	2021 Forecast	2022 Budget	2023 Budget	2024 Budget	2025 Budget	2026 Budget	Start Date	Completion Date	Amort Start Date	Amort Period (Useful Life)	Amort End Date	Annual Amort
Leak/Ricks High Priority Repairs Contingency			Prevent City			65,000	65,000						1-Nov-21	1-Nov-21	1-Jan-21	10	31-Dec-30	6,500
HWAC Contingency						30,000	30,000						1-Nov-21	1-Nov-21	1-Jan-21	10	31-Dec-30	3,000
Leak/Ricks High Priority Repairs Contingency								50,000					1-Nov-22	1-Nov-22	1-Jan-22	10	31-Dec-31	5,000
HWAC Contingency								35,000					1-Nov-22	1-Nov-22	1-Jan-22	10	31-Dec-31	3,500
Leak/Ricks High Priority Repairs Contingency									50,000				1-Nov-23	1-Nov-23	1-Jan-23	10	31-Dec-32	5,000
HWAC Contingency									35,000				1-Nov-23	1-Nov-23	1-Jan-23	10	31-Dec-32	3,500
TOTAL RECOVERABLE CAPITAL						\$ 95,000	\$ 95,000	\$ 80,000	\$ 80,000	\$ -	\$ -	\$ -						

TOTAL CAPITAL EXPENDITURES						\$ 95,000	\$ 95,000	\$ 80,000	\$ 80,000	\$ -	\$ -	\$ -						
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Existing Assets						Completion Date	Amort Start Date	Amort Period (Useful Life)	Amort End Date	Annual Amort	Recovery GLA
Asset Description	Asset #	Original Cost	Opening NBV								
Balance Forward 0 NBV	10049925	121,875	-			1-Jul-11	01-Jul-11	0	31-Jul-11		115,126
2012 Elevator Modernization	10049926	508,943	275,864			1-Jan-12	01-Jan-12	20	31-Dec-31	25,440	115,126
Replace Generator	10049927	252,161	138,689			1-Jan-12	01-Jan-12	20	31-Dec-31	12,608	115,126
Roof/Balcony Membrane Replacem	10049928	1,089,471	653,083			1-Jan-13	01-Jan-13	20	31-Dec-32	54,424	115,126
Garbage Compactor	10049929	17,500	10,938			1-Jul-13	01-Jul-13	20	30-Jun-33	875	115,126
OTW Recirculation Riser Pipe	10049930	48,640	19,456			1-Jan-15	01-Jan-15	10	31-Dec-24	4,864	115,126
Building Exterior Repairs/Upgr	10049931	175,661	76,265			1-Jan-15	01-Jan-15	10	31-Dec-24	17,566	115,126
2016-2nd Flr Lobby Renovation	10049932	226,833	113,417			1-Jan-16	01-Jan-16	10	31-Dec-25	22,683	115,126
Condensate Line Replacement (5	10049933	22,251	-			1-Jan-12	01-Jan-12	7	31-Dec-18	115,126	
Condensate Line Replacement (6	10049934	18,237	-			1-Dec-13	01-Dec-13	7	30-Nov-20	115,126	
10 Heat Pump Replacement	10044239	-	-			0-Jan-00	00-Jan-00	0	00-Jan-00	115,126	
Water P/W station replacement	10044240	-	-			0-Jan-00	00-Jan-00	0	00-Jan-00	115,126	
Leak & Slapet Glazing Repair	10050646	-	-			0-Jan-00	00-Jan-00	0	00-Jan-00	115,126	
Domestic Water Source HeatPump	10057383	-	-			0-Jan-00	00-Jan-00	0	00-Jan-00	115,126	
											115,126
TOTAL Existing Recoverable Amortization & Interest Impact											138,462

**Existing Plus Budgeted Amortization & Interest Impact**

CONCESSION ALLOWANCE														
	2021 Budget	2021 Forecast	2022 Budget	2023 Budget	2024 Budget	2025 Budget	2026 Budget	Completion Date	Amort Start Date	Amort Period (Useful Life)	Amort End Date	Annual Amort	Recovery GLA	
Forecast Concession									1-Jan-21	1	31-Dec-31	-	115,126	
2022 Concessions Allowance									1-Jan-22	1	31-Dec-22	-	115,126	
2023 Concessions Allowance									1-Jan-23	1	31-Dec-23	-	115,126	
2024 Concessions Allowance									1-Jan-24	1	31-Dec-24	-	115,126	
2025 Concessions Allowance									1-Jan-25	1	31-Dec-25	-	115,126	
2026 Concessions Allowance									1-Jan-26	1	31-Dec-26	-	115,126	
TOTAL	95,000	95,000	80,000	80,000	-	-	-							

**Existing Plus Budgeted Amortization & Interest Impact Less Concessions**

PROJECT TYPES	Net Check	Recovery Check	2021	2022	2023	2024	2025	2026
Landlords Work	\$ -	-	\$ 9.48	\$ 10.58	\$ 10.79	\$ 11.00	\$ 11.22	\$ 11.45
Maintenance	\$ -	-	\$ 1.76	\$ 1.80	\$ 1.84	\$ 1.80	\$ 1.55	\$ 1.30
Elective/Optional	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Approved Capital	\$ -	-	\$ 11.24	\$ 12.38	\$ 12.63	\$ 12.81	\$ 12.77	\$ 12.75
<b>Total Operating cost less concession \$/sf (as billed to tenants)</b>			\$ 6.98	\$ 7.32	\$ 7.47	\$ 7.62	\$ 7.77	\$ 7.92
<b>Property Tax per Square Foot (\$/sf)</b>			\$ 18.22	\$ 19.70	\$ 20.10	\$ 20.42	\$ 20.54	\$ 20.67
<b>Total Operating &amp; Taxes less concession \$/sf (as billed to tenants)</b>			\$ 11.24	\$ 11.14	\$ 10.25	\$ 10.18	\$ 10.03	\$ 10.02
Net \$ change in Total Operation Cost			10.1%	2.9%	1.4%	-0.3%	-0.2%	
Net % change in Total Operation Cost								
Net \$ change in Total Operation Cost & Taxes less concession \$/sf (as billed to tenants)			\$ 1.48	\$ 0.90	\$ 0.33	\$ 0.12	\$ 0.12	\$ 0.13
Net % change in Total Operation Cost & Taxes less concession \$/sf (as billed to tenants)			6.3%	1.3%	0.9%	-0.2%	-0.1%	
Interest Rate			4.45%	4.45%	4.45%	4.45%	4.45%	4.45%

**1380 Burrard Street**

Year of Construction: 1981

**2021 STATUS OF MAJOR BUILDING COMPONENTS**

Description	Age (Yrs)	Estimated Remaining Useful Life (Yrs)	Date of Last Consultant Report	Comments
Roof (Main)	7	24		The roof and balcony membranes were replaced in late 2013 / early 2014.
Major Heating & Cooling Systems:				
Heat Pumps	Varies	Varies		Total of 164 Heat Pumps in the building age from 1 to 15 years old. The heat pumps are serviced by Air Executive. Heat Pumps were replacement program in place since 2016.
Cooling Tower	39			On-going maintenance is in place. The Cooling Tower has reached the end of its usable life. No replacement has been budgeted. \$15,000 were spent on repair and retrofit in 2016
Boilers	39			Boiler is rarely used and is in good condition.
DDC Controls	26			Depending on the availability of parts from suppliers the DDC system will be able to be maintained. Software and computer were upgraded in 2008 allowing the system to operate trouble free.
Elevators	8	12		Elevator modernization was completed in December 2012.
Parking / Exterior Paved Surfaces	39			Delamination work completed in 2001, currently several areas of concern.
Building Envelope	39	0	2015	The exterior of the building was cleaned and sealed in 2002. With regular scheduled preventative maintenance, the building should continue to perform well. A complete building exterior review, including some repairs were completed in 2015. Further repairs are Scheduled during the next five years.
Fire/Life Safety	39			The panel is an Edwards 6500 – there was up upgrade done on the panel in 2003. The EST3 provides full voice communication throughout the buildings common areas and tenant spaces as they are upgraded.
Emergency Generator	8	15		Old natural gas powered generator was replaced in 2013 as parts became obsolete. The new generator is a diesel generator as the natural gas did not meet current code.
AST (Fuel Tank)	8	15		Installed in 2013 and is in good condition.
Plumbing	Varies	Varies		The domestic hot water riser has been replaced in 2015. On going plumbing will be done as required.
Lighting	Varies	Varies		No current issues. Office and the parking are mostly T8's. Some of the common areas have been upgraded to LED



**1380 Burrard Street**  
**Revenue and Expense Executive Summary**  
**2021 Budget vs. 2021 Forecast**  
**2021 Forecast vs. 2022 Budget**

**Revenue**

Category	2021 Forecast	2021 Budget	Variance	Comments	2022 Budget	Variance 21F to 22B	Comments
Base Rent	\$3,064,942	\$3,107,401	(\$42,459)	Due to lower retail rent than budgeted.	\$3,480,163	\$415,221	Budgeting for increase in 2022 Rent Revenues.
Cost Recoveries	\$1,893,894	\$1,839,142	\$54,752	Due to higher actual Property Tax and recovery.	\$2,090,830	\$196,936	Anticipating higher property tax recovery in 2022.
Management Fees	\$160,778	\$144,169	\$16,609	Higher due to actual property tax.	\$162,460	\$1,682	Anticipating higher actual property tax in 2022.
Other Property Revenue	\$204,057	\$317,772	(\$113,715)	Lower parking revenue due to COVID.	\$221,112	\$17,055	Anticipating similar revenue to 2021.
<b>Total Revenues</b>	<b>\$5,323,671</b>	<b>\$5,408,484</b>	<b>(\$84,813)</b>		<b>\$5,954,565</b>	<b>\$630,894</b>	

Recoverable Expenses

Category	2021 Forecast	2021 Budget	Variance	Comments	2022 Budget	Variance 21F to 22B	Comments
Janitorial	\$230,436	\$257,459	\$27,023	Lower expenses due to COVID climate.	\$265,291	(\$34,855)	Budget for slight increase due to anticipation of the increase in return of tenants to the office.
Security	\$135,975	\$130,838	(\$5,137)	Lower expenses than anticipated due to COVID.	\$130,838	\$5,137	No change from 2021 Budget.
Utilities	\$233,540	\$258,557	\$25,017	Lower mainly due to water and electricity.	\$258,347	(\$24,807)	Anticipate slightly lower cost as per the consultant EPL.
Mechanical & Electrical	\$91,265	\$83,186	(\$8,079)	Higher than anticipated due to late in the year urgent repairs.	\$82,884	\$8,381	Budget with small decrease compared to 2021 budget.
Lighting	\$1,800	\$1,800	\$0		\$1,800	\$0	Budget with no increase compared to 2021 budget.
Parking Lot/Garage	\$8,600	\$8,600	\$0		\$8,600	\$0	Budget with no increase compared to 2021 budget.
Exterior Grounds	\$106,681	\$101,436	(\$5,245)	Higher Expenses mainly due to snow removal.	\$115,475	(\$8,794)	Budget with decrease compared to 2021 budget.
Repairs & Maintenance	\$169,392	\$185,373	\$15,981	Lower expenses than anticipated.	\$169,030	\$362	Budget with slight decrease to 2021 budget.
Furniture R&M	\$800	\$1,300	\$500		\$1,300	(\$500)	Budget with no increase compared to 2021 budget.
Misc Property Op Exp	\$6,200	\$6,200	\$0	Tracking on budget	\$6,200	\$0	No increase.
Property G&A Expense	\$166,700	\$184,473	\$17,773	Lower mainly due to Staff Salaries.	\$176,408	(\$9,708)	Budget with decrease in Regional Costs and Staff Salaries.
Insurance	\$51,765	\$50,056	(\$1,709)	Higher Premium than anticipated.	\$56,063	(\$4,298)	Budget with increase to premiums for 2022.
Management Fees	\$153,686	\$153,424	(\$262)	Tracking on budget.	\$171,939	(\$18,253)	Anticipate higher revenue, higher management fees.
Taxes	\$809,868	\$618,822	(\$191,046)	Higher actual property tax.	\$846,248	(\$36,380)	Anticipate higher Property Tax as per the consultant.
<b>Total Recoverable Exp</b>	<b>\$2,166,708</b>	<b>\$2,041,524</b>	<b>(\$125,184)</b>		<b>\$2,290,423</b>	<b>(\$123,715)</b>	

**Non-Recoverable Expenses**

<b>Category</b>	<b>2021 Forecast</b>	<b>2021 Budget</b>	<b>Variance</b>	<b>Comments</b>	<b>2022 Budget</b>	<b>Variance 21F to 22B</b>	<b>Comments</b>
Professional Fees	\$0	\$0	\$0		\$3,000	(\$3,000)	Leasing expenses are anticipated for 2022.
Parking Lot Expenses	\$18,826	\$24,000	\$5,174	Lower expenses than anticipated.	\$21,000		Budget with slight decrease compared to 2021 budget.
Other	\$526	\$480	(\$46)		\$3,480	(\$2,954)	Advertising and Marketing expenses are anticipated for 2022.
<b>Total Non-Recoverable Exp</b>	<b>\$19,352</b>	<b>\$24,480</b>	<b>\$5,128</b>		<b>\$27,480</b>	<b>(\$8,128)</b>	



**1380 Burrard St**  
**2022 Budget Comparison Operating Summary**

BU: 20453

S.F. 114,831

			2021 Budget BA		2021 Forecast UA		2022 Budget BA			Comparison Of 2021 B to 2021 F			Comparison Of 2022 B to 2021 F		
			\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	% Change	\$	\$ per S.F.	% Change	
1380 Burrard St															
REVENUES															
Revenue Properties															
Rent															
Rent															
41110	GROSS	Base Rent - Gross			16,048	.14			16,048	.14	100.00	(16,048)	(.14)	(100.00)	
41110	OFF	Base Rent - Office	3,177,154	27.67	3,177,556	27.67	3,416,376	29.75	402	.01		238,820	2.08	7.52	
41110	RETAIL	Base Rent - Retail	122,697	1.07	63,788	.56	63,788	.56	(58,910)	(.51)	(48.01)				
			3,299,851	28.74	3,257,392	28.37	3,480,163	30.31	(42,459)	(.37)	(1.29)	222,771	1.94	6.84	
Rent			3,299,851	28.74	3,257,392	28.37	3,480,163	30.31	(42,459)	(.37)	(1.29)	222,771	1.94	6.84	
Free Rent															
Free Rent			(192,450)	(1.68)	(192,450)	(1.68)						192,450	1.68	100.00	
Free Rent			(192,450)	(1.68)	(192,450)	(1.68)						192,450	1.68	100.00	
Free Rent			(192,450)	(1.68)	(192,450)	(1.68)						192,450	1.68	100.00	
Percentage Rent															
Other Rental															
Operating Cost Recovery															
Operating Cost Recovery															
41510	ACCR	Op Cost Rec - Accr			(104,213)	(.91)			(104,213)	(.91)	(100.00)	104,213	.91	100.00	
41510	INSTAL	Op Cost Rec - Install	1,146,099	9.98	1,106,443	9.64	1,169,141	10.18	(39,656)	(.35)	(3.46)	62,698	.55	5.67	
41510	PY	Op Cost Rec - PY			(8,494)	(.07)			(8,494)	(.07)	(100.00)	8,494	.07	100.00	
41510	PYEXP	Op Cost Rec - PY Expenses			(5,885)	(.05)			(5,885)	(.05)	(100.00)	5,885	.05	100.00	
Operating Cost Recovery			1,146,099	9.98	987,852	8.60	1,169,141	10.18	(158,247)	(1.38)	(13.81)	181,290	1.58	18.35	
Management Fee Recovery															
Management Fee Rec - Accr															
41520	ACCR	Management Fee Rec - Accr			5,414	.05			5,414	.05	100.00	(5,414)	(.05)	(100.00)	
41520	INSTAL	Management Fee Rec - Install	144,169	1.26	140,803	1.23	162,460	1.41	(3,365)	(.03)	(2.33)	21,657	.19	15.38	
41520	PY	Management Fee Rec - PY			14,561	.13			14,561	.13	100.00	(14,561)	(.13)	(100.00)	
Management Fee Recovery			144,169	1.26	160,778	1.40	162,460	1.41	16,609	.14	11.52	1,683	.01	1.05	
Food Court Recovery															

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		2021 Budget BA		2021 Forecast UA		2022 Budget BA		Comparison Of 2021 B to 2021 F			Comparison Of 2022 B to 2021 F			
		\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	% Change	\$	\$ per S.F.	% Change	
	Metered Utility Recovery													
41540	INSTAL													
	Utility Rec - Install	1,920	.02	1,920	.02	1,920	.02							
	Metered Utility Recovery	1,920	.02	1,920	.02	1,920	.02							
	Admin Fee Recovery													
	Janitorial Recovery													
	Misc Recovery													
41570	HVAC													
	Misc Rec - HVAC	105,000	.91	164,049	1.43	105,000	.91	59,049	.51	56.24	(59,049)	(.51)	(35.99)	
	Misc Recovery	105,000	.91	164,049	1.43	105,000	.91	59,049	.51	56.24	(59,049)	(.51)	(35.99)	
	Chargeback Rev - General													
41600	EXP	(4,800)	(.04)	(5,528)	(.05)	(4,800)	(.04)	(728)	(.01)	(15.17)	728	.01	13.17	
41600	REV	4,800	.04	5,528	.05	4,800	.04	728	.01	15.17	(728)	(.01)	(13.17)	
	Operating Cost Recovery	1,397,188	12.17	1,314,598	11.45	1,438,521	12.53	(82,589)	(.72)	(5.91)	123,923	1.08	9.43	
	Capital Tax Recovery													
	Capital Tax Recovery													
	Property Tax Recovery													
	Prop Tax Recovery													
41750	ACCR			173,441	1.51			173,441	1.51	100.00	(173,441)	(1.51)	(100.00)	
41750	INSTAL	586,123	5.10	566,633	4.93	814,769	7.10	(19,490)	(.17)	(3.33)	248,136	2.16	43.79	
	Prop Tax Recovery	586,123	5.10	740,074	6.44	814,769	7.10	153,951	1.34	26.27	74,695	.65	10.09	
	Property Tax Recovery	586,123	5.10	740,074	6.44	814,769	7.10	153,951	1.34	26.27	74,695	.65	10.09	
	Parking Revenues													
41810		87,900	.77					(87,900)	(.77)	(100.00)				
41820		158,400	1.38	171,121	1.49	183,840	1.60	12,721	.11	8.03	12,719	.11	7.43	
41830		36,000	.31	1,503	.01	1,800	.02	(34,497)	(.30)	(95.82)	297		19.73	
	Parking Revenues	282,300	2.46	172,625	1.50	185,640	1.62	(109,675)	(.96)	(38.85)	13,015	.11	7.54	
	Other Property Revenue													

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		2021 Budget BA		2021 Forecast UA		2022 Budget BA		Comparison Of 2021 B to 2021 F			Comparison Of 2022 B to 2021 F		
		\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	% Change	\$	\$ per S.F.	% Change
41930	Telecom Licensing Fee	23,472	.20	23,472	.20	23,472	.20						
	Other Rental Revenue	6,000	.05	3,659	.03	6,000	.05	(2,341)	(.02)	(39.02)	2,341	.02	63.98
	Other Rental Revenue	6,000	.05	3,659	.03	6,000	.05	(2,341)	(.02)	(39.02)	2,341	.02	63.98
	Other Property Revenue	29,472	.25	27,131	.23	29,472	.25	(2,341)	(.02)	(7.94)	2,341	.02	8.63
	Revenue Properties	5,402,484	47.04	5,319,370	46.32	5,948,565	51.80	(83,114)	(.72)	(1.54)	629,195	5.48	11.83
	Other Income												
	Interest Income												
47110	Interest Rev - Bank	6,000	.05	4,301	.04	6,000	.05	(1,699)	(.01)	(28.31)	1,699	.01	39.50
	Interest Income	6,000	.05	4,301	.04	6,000	.05	(1,699)	(.01)	(28.31)	1,699	.01	39.50
	Misc Fees & Revenues												
	Other Income	6,000	.05	4,301	.04	6,000	.05	(1,699)	(.01)	(28.31)	1,699	.01	39.50
	REVENUES	5,408,484	47.09	5,323,671	46.35	5,954,565	51.85	(84,813)	(.74)	(1.57)	630,894	5.50	11.85
	EXPENSES												
	Property Recoverable Exp												
	Janitorial												
	Cleaning/Washroom Supplies	32,000	.28	16,571	.14	32,000	.28	15,429	.13	48.22	(15,429)	(.13)	(93.11)
	Cleaning/Washroom Supplies	32,000	.28	16,571	.14	32,000	.28	15,429	.13	48.22	(15,429)	(.13)	(93.11)
	Janitorial Contract	173,396	1.51	180,895	1.58	180,895	1.58	(7,499)	(.07)	(4.33)			
61530	Janitorial Contract Vacancy Cr			(8,776)	(.08)			8,776	.08	100.00	(8,776)	(.08)	(100.00)
	Janitorial Contract	173,396	1.51	172,119	1.50	180,895	1.58	1,277	.01	.74	(8,776)	(.08)	(5.10)
	Janitorial Wages												
	Pest Control	2,500	.02	2,500	.02	2,500	.02						
	Pest Control	2,500	.02	2,500	.02	2,500	.02						
61570	Recycling	14,248	.12	7,124	.06	14,248	.12	7,124	.06	50.00	(7,124)	(.06)	(100.00)
	Uniforms	3,000	.03	3,000	.03	3,000	.03						
	Uniforms	3,000	.03	3,000	.03	3,000	.03						



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	2021 Budget BA		2021 Forecast UA		2022 Budget BA		Comparison Of 2021 B to 2021 F			Comparison Of 2022 B to 2021 F		
	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	% Change	\$	\$ per S.F.	% Change
Waste Removal	6,655	.06	12,182	.11	6,988	.06	(5,527)	(.05)	(83.05)	5,194	.05	42.64
Waste Removal	6,655	.06	12,182	.11	6,988	.06	(5,527)	(.05)	(83.05)	5,194	.05	42.64
Windows	23,740	.21	14,995	.13	23,740	.21	8,745	.08	36.84	(8,745)	(.08)	(58.32)
Windows	23,740	.21	14,995	.13	23,740	.21	8,745	.08	36.84	(8,745)	(.08)	(58.32)
61620 Carpet cleaning	1,920	.02	1,945	.02	1,920	.02	(25)		(1.28)	25		1.26
Janitorial Misc												
Janitorial	257,459	2.25	230,436	2.01	265,291	2.32	27,023	.23	10.50	(34,855)	(.30)	(15.13)
Security												
Fire Prevention	21,802	.19	25,353	.22	21,802	.19	(3,551)	(.03)	(16.29)	3,551	.03	14.00
Fire Prevention	21,802	.19	25,353	.22	21,802	.19	(3,551)	(.03)	(16.29)	3,551	.03	14.01
Key & Locks	600	.01	1,267	.01	600	.01	(667)	(.01)	(111.15)	667	.01	52.64
Key & Locks	600	.01	1,267	.01	600	.01	(667)	(.01)	(111.17)	667	.01	52.64
Security Expenses Other	3,000	.03	3,000	.03	3,000	.03						
Security Expenses Other	3,000	.03	3,000	.03	3,000	.03						
Security Contract	105,436	.92	106,355	.93	105,436	.92	(919)	(.01)	(.87)	919	.01	.86
Security Contract	105,436	.92	106,355	.93	105,436	.92	(919)	(.01)	(.87)	919	.01	.86
Security Wages												
Security	130,838	1.15	135,975	1.19	130,838	1.15	(5,137)	(.05)	(3.93)	5,137	.05	3.78
Utilities												
Electricity												
Gas	6,442	.06	12,440	.11	7,636	.07	(5,998)	(.05)	(93.11)	4,804	.04	38.62
Gas	6,442	.06	12,440	.11	7,636	.07	(5,998)	(.05)	(93.11)	4,804	.04	38.62
63560 Power	225,945	1.97	202,365	1.76	221,564	1.93	23,580	.21	10.44	(19,199)	(.17)	(9.49)
Water & Sewage	26,170	.23	18,735	.16	29,147	.25	7,435	.06	28.41	(10,412)	(.09)	(55.57)
Water & Sewage	26,170	.23	18,735	.16	29,147	.25	7,435	.06	28.41	(10,412)	(.09)	(55.58)
Utilities	258,557	2.26	233,540	2.03	258,347	2.25	25,017	.22	9.68	(24,807)	(.22)	(10.62)
Mechanical & Electrical												

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		2021	Budget	BA	2021	Forecast	UA	2022	Budget	BA	Comparison Of			Comparison Of		
		\$	\$ per S.F.		\$	\$ per S.F.		\$	\$ per S.F.		\$	\$ per S.F.	% Change	\$	\$ per S.F.	% Change
Building Engineer Wages																
64520	Elevator/Escalator Contract	17,560	.15		17,258	.15		17,258	.15		302		1.72			
	Electrical R&M	9,600	.08		9,600	.08		9,600	.08							
	Electrical R&M	9,600	.08		9,600	.08		9,600	.08							
	Elevator/Escalator Repairs															
	HVAC Contract	16,425	.14		16,425	.14		16,425	.14							
	HVAC Contract	16,425	.14		16,425	.14		16,425	.14							
	HVAC R&M	33,601	.29		34,524	.30		33,601	.29		(923)	(.01)	(2.75)	923	.01	2.67
	HVAC R&M	33,601	.29		34,524	.30		33,601	.29		(923)	(.01)	(2.75)	923	.01	2.67
	Plumbing Expenses	6,000	.05		13,458	.12		6,000	.05		(7,458)	(.06)	(124.29)	7,458	.06	55.42
	Plumbing Expenses	6,000	.05		13,458	.12		6,000	.05		(7,458)	(.06)	(124.30)	7,458	.06	55.42
	Mechanical & Electrical	83,186	.71		91,265	.79		82,884	.71		(8,079)	(.07)	(9.71)	8,381	.07	9.18
Lighting																
	Lighting - General	1,800	.02		1,800	.02		1,800	.02							
	Lighting - General	1,800	.02		1,800	.02		1,800	.02							
	Lighting	1,800	.02		1,800	.02		1,800	.02							
Food Area Expenses																
Food Area Wages																
CRU Expenses																
Parking Lot/Garage																
	Parking Lot R&M	8,600	.07		8,600	.07		8,600	.07							
	Parking Lot R&M	8,600	.07		8,600	.07		8,600	.07							
Parking Lot Signage																
	Parking Lot/Garage	8,600	.07		8,600	.07		8,600	.07							
Exterior Grounds																
	Exterior Building Staff Wages	80,011	.70		83,456	.73		100,250	.87		(3,445)	(.03)	(4.31)	(16,793)	(.15)	(20.12)
69030	ADJ Exterior Building Staff Wages	6,200	.05		3,100	.03					3,100	.03	50.00	3,100	.03	100.00
	Exterior Building Staff Wages	86,211	.75		86,556	.76		100,250	.87		(345)		(.40)	(13,693)	(.12)	(15.82)

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		2021 Budget BA		2021 Forecast UA		2022 Budget BA		Comparison Of 2021 B to 2021 F			Comparison Of 2022 B to 2021 F		
		\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	% Change	\$	\$ per S.F.	% Change
69050	Grounds Contract	8,725	.08	8,725	.08	8,725	.08						
69120	Exterior Snow Removal	6,500	.06	11,400	.10	6,500	.06	(4,900)	(.04)	(75.38)	4,900	.04	42.98
	Exterior Grounds	101,436	.89	106,681	.93	115,475	1.00	(5,245)	(.05)	(5.17)	(8,793)	(.08)	(8.24)
	Repairs & Maintenance												
	Interior Plant Maintenance												
	Amort Recover Exp - General	31,842	.28	21,460	.19	29,530	.26	10,382	.09	32.60	(8,070)	(.07)	(37.60)
	Amort Recover Exp - General	31,842	.28	21,460	.19	29,530	.26	10,382	.09	32.60	(8,070)	(.07)	(37.60)
	Amort Recover Exp - Complex												
	Amort Recover Exp - Industrial												
	General Building Wages												
70210	OT General Bldg Wages-Overtime	20,031	.17	15,132	.13	6,000	.05	4,898	.04	24.45	9,132	.08	60.35
	General Building Wages	20,031	.17	15,132	.13	6,000	.05	4,898	.04	24.45	9,132	.08	60.35
	General R&M	34,500	.30	34,500	.30	34,500	.30						
	General R&M	34,500	.30	34,500	.30	34,500	.30						
	Painting R&M	1,000	.01	1,000	.01	1,000	.01						
	Painting R&M	1,000	.01	1,000	.01	1,000	.01						
70370	Roofing Contract	3,000	.03	3,000	.03	3,000	.03						
	Roofing Repairs												
70500	Deferred Recoverable Exp.	95,000	.83	94,300	.82	95,000	.83	700	.01	.74	(700)	(.01)	(.74)
	Repairs & Maintenance	185,373	1.62	169,392	1.48	169,030	1.48	15,980	.14	8.62	362		.21
	Furniture R&M												
72010	Signage	1,300	.01	800	.01	1,300	.01	500		38.46	(500)		(62.50)
	Furniture R&M	1,300	.01	800	.01	1,300	.01	500		38.46	(500)		(62.50)
	Misc Property Op Exp												
	Chargeback Exp - General												
73160	Christmas Decorations	6,200	.05	6,200	.05	6,200	.05						
	Misc Property Op Exp	6,200	.05	6,200	.05	6,200	.05						
	Property G&A Expenses												
74010	Accounting & Audit Fees	2,350	.02	1,369	.01	2,350	.02	981	.01	41.76	(981)	(.01)	(71.69)



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		2021 Budget BA		2021 Forecast UA		2022 Budget BA		Comparison Of 2021 B to 2021 F			Comparison Of 2022 B to 2021 F		
		\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	% Change	\$	\$ per S.F.	% Change
74060	Auto Expenses					701	.01				(701)	(.01)	(100.00)
	Cell Phones/Pagers			676	.01	1,027	.01	(676)	(.01)	(100.00)	(351)		(51.99)
	Cell Phones/Pagers			676	.01	1,027	.01	(676)	(.01)	(100.00)	(351)		(51.92)
74140	Education & Training	1,600	.01	315		1,600	.01	1,285	.01	80.28	(1,285)	(.01)	(407.16)
74190	Events	14,000	.12	14,000	.12	14,000	.12						
	Mail/Messenger												
	Music & P.A. System												
	Office Expenses	500		500		500							
	Office Expenses	500		500		500							
	Regional Costs												
74271	CAP Regional Costs - Capital	2,366	.02	1,519	.01	1,137	.01	847	.01	35.79	382		25.15
74271	EN Regional Costs - Env & Occ Hth	517		964	.01	1,151	.01	(448)		(86.69)	(187)		(19.37)
74271	IT Regional Costs - IT	5,070	.04	4,923	.04	4,437	.04	147		2.90	486		9.87
74271	OE Operational Excellence	1,114	.01	1,374	.01	1,475	.01	(260)		(23.38)	(101)		(7.33)
74271	OH Regional Costs - OH	13,801	.12	11,971	.10	11,328	.10	1,830	.02	13.26	643	.01	5.37
74271	PA Regional Costs-Prop Accounting	17,348	.15	17,348	.15	17,348	.15						
74271	RA Regional Costs - Accounting	5,819	.05	5,819	.05	5,993	.05				(174)		(2.99)
74271	SEC Regional Costs - Security	9,631	.08	1,201	.01	720	.01	8,430	.07	87.53	481		40.05
	Regional Costs	55,665	.48	45,120	.39	43,589	.38	10,545	.09	18.94	1,530	.01	3.39
74272	Call Centre Costs	14,109	.12	10,581	.09	14,235	.12	3,527	.03	25.00	(3,653)	(.03)	(34.53)
	Boardroom Costs												
74280	Office Rent	12,949	.11	11,821	.10	12,949	.11	1,127	.01	8.71	(1,127)	(.01)	(9.54)
	Prop Mgmt Staff Salary	76,177	.66	76,177	.66	78,333	.68				(2,156)	(.02)	(2.83)
	Prop Mgmt Staff Salary	76,177	.66	76,177	.66	78,333	.68				(2,156)	(.02)	(2.83)
	Telephone	4,000	.03	2,124	.02	4,000	.03	1,876	.02	46.89	(1,876)	(.02)	(88.30)
	Telephone	4,000	.03	2,124	.02	4,000	.03	1,876	.02	46.90	(1,876)	(.02)	(88.32)
	Travel			620	.01			(620)	(.01)	(100.00)	620	.01	100.00
	Travel			620	.01			(620)	(.01)	(100.00)	620	.01	100.00
74399	Misc Recoverable G&A	3,124	.03	3,397	.03	3,124	.03	(273)		(8.74)	273		8.04
	Property G&A Expenses	184,473	1.59	166,700	1.45	176,408	1.53	17,773	.15	9.63	(9,708)	(.08)	(5.82)

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		2021 Budget BA		2021 Forecast UA		2022 Budget BA		Comparison Of 2021 B to 2021 F			Comparison Of 2022 B to 2021 F		
		\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	% Change	\$	\$ per S.F.	% Change
	Insurance												
	Insurance	50,056	.44	51,765	.45	56,063	.49	(1,709)	(.01)	(3.41)	(4,298)	(.04)	(8.30)
	Insurance	50,056	.44	51,765	.45	56,063	.49	(1,709)	(.01)	(3.41)	(4,298)	(.04)	(8.30)
	Insurance	50,056	.44	51,765	.45	56,063	.49	(1,709)	(.01)	(3.41)	(4,298)	(.04)	(8.30)
	Management Fees												
	Mgmt Fees Exp	153,424	1.34	153,424	1.34	171,939	1.50				(18,515)	(.16)	(12.07)
75260	ACCR Mgmt Fees Exp - ACCR			262				(262)		(100.00)	262		100.00
	Mgmt Fees Exp	153,424	1.34	153,686	1.34	171,939	1.50	(262)		(.17)	(18,253)	(.16)	(11.88)
	Management Fees	153,424	1.34	153,686	1.34	171,939	1.50	(262)		(.17)	(18,253)	(.16)	(11.88)
	Taxes												
75510	Property Taxes	613,622	5.34	800,998	6.98	841,048	7.32	(187,375)	(1.63)	(30.54)	(40,050)	(.35)	(5.00)
75550	Property Tax Appeal Fees	5,200	.05	8,870	.08	5,200	.05	(3,670)	(.03)	(70.58)	3,670	.03	41.38
	Property Tax Rebates												
	Taxes	618,822	5.39	809,868	7.05	846,248	7.37	(191,045)	(1.66)	(30.87)	(36,380)	(.32)	(4.49)
	Property Recoverable Exp	2,041,524	17.79	2,166,708	18.89	2,290,422	19.95	(125,184)	(1.10)	(6.13)	(123,713)	(1.07)	(5.71)
	Property Non-Recoverable Exp												
	Professional Fees												
77050	Leasing Expense Other					3,000	.03				(3,000)	(.03)	(100.00)
	Professional Fees					3,000	.03				(3,000)	(.03)	(100.00)
	Other Landlord Costs												
	Cleaning												
	Parking Lot Expense												
77650	MGFEE Prk Lot Exp - Mgmt Fee	9,000	.08	6,000	.05	6,000	.05	3,000	.03	33.33			
77650	MGMSC Prk Lot Exp - Misc.	15,000	.13	12,826	.11	15,000	.13	2,174	.02	14.50	(2,174)	(.02)	(16.95)
	Parking Lot Expense	24,000	.21	18,826	.16	21,000	.18	5,174	.05	21.56	(2,174)	(.02)	(11.55)
	Residential Operating Costs												
77900	Advertising & Marketing					3,000	.03				(3,000)	(.03)	(100.00)
77920	Bank Charges	480		526		480		(46)		(9.49)	46		8.67
	Non-Recoverable -Office Salary												

1380 Burrard St

2022 Budget Comparison Operating Summary

BU: 20453

S.F. 114,831

	2021 Budget BA		2021 Forecast UA		2022 Budget BA		Comparison Of 2021 B to 2021 F			Comparison Of 2022 B to 2021 F		
	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	% Change	\$	\$ per S.F.	% Change
Non-Recoverable Wages												
Other Landlord Costs	24,480	.21	19,351	.17	24,480	.21	5,129	.04	20.95	(5,129)	(.04)	(26.50)
Promo Fund Expenses												
Property Non-Recoverable Exp	24,480	.21	19,351	.17	27,480	.24	5,129	.04	20.95	(8,129)	(.07)	(42.01)
Corporate G&A Expense												
Insurance												
Office												
Professional & Consulting												
Amortization												
Misc G&A Exp												
Depreciation & Amortization												
Real Estate Depreciation												
Dprn Exp - Building												
Dprn Exp - Cap Imprv												
90130 Amort Exp - Leasing Comm	108,288	.94	108,897	.95	127,533	1.11	(609)	(.01)	(.56)	(18,636)	(.16)	(17.11)
Real Estate Depreciation	108,288	.94	108,897	.95	127,533	1.11	(609)	(.01)	(.56)	(18,636)	(.16)	(17.11)
Non-Real Estate Dprn												
Depreciation & Amortization	108,288	.94	108,897	.95	127,533	1.11	(609)	(.01)	(.56)	(18,636)	(.16)	(17.11)
Interest Expense												
Interest Expense												
Amort Exp - Mort Prem/Disc												
Bondholders Interest Expense												



1380 Burrard St  
 2022 Budget Comparison Operating Summary

BU: 20453  
 S.F. 114,831

	2021 Budget BA		2021 Forecast UA		2022 Budget BA		Comparison Of 2021 B to 2021 F			Comparison Of 2022 B to 2021 F		
	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	% Change	\$	\$ per S.F.	% Change
Real Estate Management Fee Exp												
Real Estate Management Fee Exp												
Gain/Loss On Investment Prop												
Gain/Loss On Investment Prop												
Write Down of Properties												
Write Down of Properties												
Retained Costs												
Retained Costs												
Other Real Estate Activity Exp												
Other Real Estate Activity Exp												
<b>EXPENSES</b>	<b>2,174,292</b>	<b>18.95</b>	<b>2,294,956</b>	<b>20.00</b>	<b>2,445,436</b>	<b>21.30</b>	<b>(120,664)</b>	<b>(1.06)</b>	<b>(5.55)</b>	<b>(150,478)</b>	<b>(1.31)</b>	<b>(6.56)</b>
<b>Net</b>	<b>3,234,192</b>	<b>28.16</b>	<b>3,028,715</b>	<b>26.38</b>	<b>3,509,129</b>	<b>30.56</b>	<b>(205,477)</b>	<b>(1.79)</b>	<b>(6.35)</b>	<b>480,414</b>	<b>(4.18)</b>	<b>15.86</b>

1380 Burrard St

2022 Business Plan - Operating Cost Summary

Co: 20452

S.F. 114,831

	2021 Budget		2021 Forecast		2022 Budget		Comparison Of 2021 B to 2021 F			Comparison Of 2021 F to 2022 B		
	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	% Change	\$	\$ per S.F.	% Change
<b>1380 Burrard St</b>												
<b>BGO FEES</b>												
BGO FEES (CAPITALIZED)												
Leasing Commissions			609	.01			609	.01	0.00	(609)	(.01)	-100%
Leasing Commissions - Overrides	19,887	.17	19,887	.17					0.00	(19,887)	(.17)	-100%
Sub-Total	19,887	.17	20,495	.18			609	.01	3%	(20,495)	(.18)	-100%
BGO FEES (RECOVERABLE)												
Property Management Fees	153,424	1.34	153,686	1.34	171,939	1.50	262		0	18,253	.16	12%
Sub-Total	153,424	1.34	153,686	1.34	171,939	1.50	262		0	18,253	.16	12%
BGO FEES (NON-RECOVERABLE)												
Sub-Total									0.00			0.00
<b>TOTAL BGO FEES</b>	<b>173,310</b>	<b>1.51</b>	<b>174,181</b>	<b>1.52</b>	<b>171,939</b>	<b>1.50</b>	<b>871</b>	<b>.01</b>	<b>1%</b>	<b>(2,242)</b>	<b>(.02)</b>	<b>-1%</b>
<b>CHARGEABLE COSTS</b>												
CHARGEABLE COSTS (RECOVERABLE)												
Recoverable Wages	182,419	1.59	177,866	1.55	184,583	1.61	(4,553)	(.04)	-2%	6,717	.06	4%
Education/Training	1,600	.01	315		1,600	.01	(1,285)	(.01)	-80%	1,285	.01	408%
Travel			620	.01			620	.01	0.00	(620)	(.01)	-100%
IT Allocation	5,070	.04	4,923	.04	4,437	.04	(147)		-3%	(486)		-10%
Regional Costs - Property Accounting	17,348	.15	17,348	.15	17,348	.15			0.00			0.00
Regional Accounting Allocation	5,819	.05	5,819	.05	5,993	.05			0.00	174		3%
Regional Overhead Allocation	13,801	.12	11,971	.10	11,328	.10	(1,830)	(.02)	-13%	(643)	(.01)	-5%
Environ & Occup Health & Safety Allocation	517		964	.01	1,151	.01	448		87%	187		19%
Regional Costs – Operational Excellence	1,114	.01	1,374	.01	1,475	.01	260		23%	101		7%
Office Expenses	500		500		500				0.00			0.00
Office Rent	12,949	.11	11,821	.10	12,949	.11	(1,127)	(.01)	-9%	1,127	.01	10%
Sub-Total	241,136	2.10	233,522	2.03	241,364	2.10	(7,614)	(.07)	-3%	7,842	.07	3%
CHARGEABLE COSTS (NON-RECOVERABLE)												
Leasing Expense Other					3,000	.03			0.00	3,000	.03	0.00
Non-Recoverable Wages									0.00			0.00
Sub-Total					3,000	.03			0.00	3,000	.03	0.00
<b>TOTAL CHARGEABLE COSTS</b>	<b>241,136</b>	<b>2.10</b>	<b>233,522</b>	<b>2.03</b>	<b>244,364</b>	<b>2.13</b>	<b>(7,614)</b>	<b>(.07)</b>	<b>-3%</b>	<b>10,842</b>	<b>.09</b>	<b>5%</b>
<b>TOTAL BGO FEES AND CHARGEABLE COSTS</b>	<b>414,446</b>	<b>3.61</b>	<b>407,703</b>	<b>3.55</b>	<b>416,303</b>	<b>3.63</b>	<b>(6,743)</b>	<b>(.06)</b>	<b>-2%</b>	<b>8,600</b>	<b>.07</b>	<b>2%</b>

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	2021 Budget		2021 Forecast		2022 Budget		Comparison Of 2021 B to 2021 F			Comparison Of 2021 F to 2022 B		
	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	\$	\$ per S.F.	% Change	\$	\$ per S.F.	% Change
<b>RECOVERABLE OPERATING EXP SUMMARY</b>												
Total Recoverable BGO Fees & Chargeable Costs	394,560	3.44	387,208	3.37	413,303	3.60	(7,352)	(.06)	-2%	26,095	.23	7%
Call Centre Costs	14,109	.12	10,581	.09	14,235	.12	(3,527)	(.03)	-25%	3,653	.03	35%
Janitorial	257,459	2.24	230,436	2.01	265,291	2.31	(27,023)	(.24)	-10%	34,856	.30	15%
Security	130,838	1.14	135,974	1.18	130,838	1.14	5,136	.04	4%	(5,136)	(.04)	-4%
Utilities	258,557	2.25	233,540	2.03	258,347	2.25	(25,017)	(.22)	-10%	24,807	.22	11%
Mechanical & Electrical	83,186	.72	91,264	.79	82,883	.72	8,079	.07	10%	(8,381)	(.07)	-9%
Lighting	1,800	.02	1,800	.02	1,800	.02			0.00			0.00
Parking Lot/Garage	8,600	.07	8,600	.07	8,600	.07			0.00			0.00
Exterior Grounds	15,225	.13	20,125	.18	15,225	.13	4,900	.04	32%	(4,900)	(.04)	-24%
Repairs & Maintenance	133,500	1.16	132,800	1.16	133,500	1.16	(700)	(.01)	-1%	700	.01	1%
Recoverable Amortization	31,842	.28	21,460	.19	29,530	.26	(10,382)	(.09)	-33%	8,070	.07	38%
Property G&A	35,470	.31	24,286	.21	27,059	.24	(11,184)	(.10)	-32%	2,773	.02	11%
Insurance	50,056	.44	51,765	.45	56,063	.49	1,709	.01	3%	4,298	.04	8%
Property Taxes	618,822	5.39	809,868	7.05	846,248	7.37	191,045	1.66	31%	36,380	.32	4%
Other	7,500	.07	7,000	.06	7,500	.07	(500)		-7%	500		7%
<b>TOTAL RECOVERABLE OPERATING COSTS</b>	<b>2,041,523</b>	<b>17.78</b>	<b>2,166,707</b>	<b>18.87</b>	<b>2,290,423</b>	<b>19.95</b>	<b>125,184</b>	<b>1.09</b>	<b>6%</b>	<b>123,715</b>	<b>1.08</b>	<b>6%</b>
<b>NON-RECOVERABLE OPERATING EXP SUMMARY</b>												
Total Non-Recov BGO Fees & Chargeable Costs					3,000	.03			0.00	3,000	.03	0.00
Total Other Non-Recoverable Expenses	132,768	1.16	128,249	1.12	152,013	1.32	(4,520)	(.04)	-3%	23,765	.21	19%
<b>TOTAL NON-RECOVERABLE OPERATING COSTS</b>	<b>132,768</b>	<b>1.16</b>	<b>128,249</b>	<b>1.12</b>	<b>155,013</b>	<b>1.35</b>	<b>(4,520)</b>	<b>(.04)</b>	<b>-3%</b>	<b>26,765</b>	<b>.23</b>	<b>21%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>2,174,292</b>	<b>18.93</b>	<b>2,294,956</b>	<b>19.99</b>	<b>2,445,436</b>	<b>21.30</b>	<b>120,664</b>	<b>1.05</b>	<b>6%</b>	<b>150,480</b>	<b>1.31</b>	<b>7%</b>



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**Summary of Tenant Recovery Rates by Lease Type (psf):**Building Name: 1380 Burrard Street**OPC Summary**

Lease Type	2020 Actual	2021 Budget	2021 Forecast	2022 Budget
Office - Standard	\$9.53	\$12.18	\$11.24	\$12.38
Retail - BSP Bicycle Sports	\$7.07	\$9.74	\$8.00	\$9.01
Office - CIBC	\$9.53	\$12.17	\$11.23	\$12.37
Office - Lululemon	\$9.19	\$11.70	\$10.81	\$12.00

**Property Tax Summary**

Lease Type	2020 Actual	2021 Budget	2021 Forecast	2022 Budget
Office - Standard	\$5.09	\$5.34	\$6.98	\$7.32
Retail - BSP Bicycle Sports	\$5.09	\$5.34	\$6.98	\$7.32
Office - CIBC	\$5.09	\$5.34	\$6.98	\$7.32
Office - Lululemon	\$5.09	\$5.34	\$6.98	\$7.32

**TOTAL Summary**

Lease Type	2020 Actual	2021 Budget	2021 Forecast	2022 Budget
Office - Standard	\$14.62	\$17.52	\$18.22	\$19.70
Retail - BSP Bicycle Sports	\$12.16	\$15.08	\$14.98	\$16.33
Office - CIBC	\$14.62	\$17.51	\$18.21	\$19.69
Office - Lululemon	\$14.28	\$17.04	\$17.79	\$19.32

**Standard Rate Calculation:**

Total Recoverable Op Costs		<b>2,166,708</b>	<b>2,290,422</b>
Less: Bentall Mgmt Fee		(153,686)	(171,939)
Less: Direct Tenant Recoveries		(165,969)	(106,920)
Less: Elevator		(17,258)	(17,258)
Add: Elevator Grossed Up for Vacancy & BSP		19,847	18,418
Less: Elevator Cab Upgrade (Capital Amortization - 70020)		(25,442)	(25,442)
Add: Elevator Cab gross up from exclusion		27,152	27,152
Add: Off-books Recoverable Capital Amortization		138,462	138,462
Add: Interest on Recoverable Capital		2,993	5,272
Less: Repairs		(94,300)	(95,000)
Add: Janitorial Gross Up		27,525	27,402
<b>Total Recoverable Costs</b>		<b>1,926,032</b>	<b>2,090,570</b>
Less: Property Taxes		(800,998)	(841,048)
Add: Recoverable Mgmt Fee		165,655	172,480
<b>Net Operating Costs</b>		<b>1,290,689</b>	<b>1,422,002</b>
Total Sq. Ft. (weighted-average)		114,831	114,831
<b>Rate psf</b>		<b>\$11.24</b>	<b>\$12.38</b>

**1380 Burrard Street (20452)**  
**Landlord Recoverable Expenses Reconciliation Report**  
**For the Period Ended December 31, 2021**

**Expense Recovery to Total Expense:**

2021 Expense Recovery Revenue	\$	2,054,490	94.8%
2020 Recovery Adjustment		182	
Total Expense Recovery Revenue	<u>\$</u>	<u>2,054,672</u>	<u>94.8%</u>

Less: Recoverable Operating Expenses \$ 2,166,708

**Working Paper Adjustments**

Amortization of Betterments

Amortization of Repairs

Less: Repairs

**Adjusted Operating Expenses** \$ 2,166,708

Non-recoverable Landlord Expenses 19,352

Total Property Expenses \$ 2,186,060

**Net Shortfall** \$ (131,388)

**Reconciliation****Shortfall Due To:**

Vacancies (1)	\$	(156,015)	-7.2%
Management Fees Differential (2)		4,220	0.2%
Janitorial and Elevator Gross Up		21,979	1.0%
Off Book Amortization (3)		127,931	5.9%
Lease Type Lululemon Exclusions (4)		(114,172)	-5.3%
Direct Tenant Recoveries		12,624	0.6%
Gross Leases		(8,785)	-0.4%
<b>Shortfall in Recovery for Operating Expenses</b>	<u>\$</u>	<u>(112,218)</u>	<u>-5.2%</u>

**2020 Recovery Adjustment** \$ 182

**Non-Recoverable Expenses:**

Leasing & Marketing Expense		
Legal		
Credit Checks		
Parking Lot Expenses		(18,826)
Advertising & Marketing		
Events		
Other Landlord Expenses		(526)
	<u>\$</u>	<u>(19,352)</u>

**Net Shortfall** \$ (131,388)  
0.00

**Notes:**

- (1) The average vacancy at the end of December 31, 2021 is 8,268 sq.ft. (7.2% of GLA).
- (2) Difference between Recoverable Management Fee from Tenants & Management Fee expense
- (3) Off book amortization from Westpen
- (4) Lululemon doesn't pay regional overhead costs



**1380 Burrard Street (20452)**  
**Landlord Recoverable Expenses Reconciliation Report**  
**For the Period Ended December 31, 2022**

**Expense Recovery to Total Expense:**

2022 Expense Recovery Revenue	\$	2,253,290	98.4%
2021 Recovery Adjustment		-	
Total Expense Recovery Revenue	<u>\$</u>	<u>2,253,290</u>	<u>98.4%</u>

Less: Recoverable Operating Expenses \$ 2,290,422

**Working Paper Adjustments**

Amortization of Betterments

Amortization of Repairs

Less: Repairs

**Adjusted Operating Expenses** \$ 2,290,422

Non-recoverable Landlord Expenses 27,480

Total Property Expenses \$ 2,317,902

**Net Shortfall** \$ (64,612)

**Reconciliation****Shortfall Due To:**

Vacancies (1)	\$	(71,566)	-3.1%
Management Fees Differential (2)		(4,106)	-0.2%
Janitorial and Elevator Gross Up		21,697	0.9%
Off Book Amortization (3)		134,136	5.9%
Lease Type Lululemon Exclusions (4)		(120,633)	-5.3%
Direct Tenant Recoveries		3,341	0.1%
Gross Leases		-	0.0%
<b>Shortfall in Recovery for Operating Expenses</b>	<u>\$</u>	<u>(37,132)</u>	<u>-1.6%</u>

**2021 Recovery Adjustment** \$ -

**Non-Recoverable Expenses:**

Leasing & Marketing Expense	(3,000)
Legal	
Credit Checks	
Parking Lot Expenses	(21,000)
Advertising & Marketing	(3,000)
Events	
Other Landlord Expenses	(480)
	<u>\$ (27,480)</u>

**Net Shortfall** \$ (64,612)  
0.00

**Notes:**

- (1) The average vacancy at the end of December 31, 2022 is 3,588 sq. ft. (3.1% of GLA).
- (2) Difference between Recoverable Management Fee from Tenants & Management Fee expense
- (3) Off book amortization from Westpen
- (4) Lululemon doesn't pay regional overhead costs

## 1380 Burrard St

Co.: 20452

## 2021 Business Plan and 2022 - 2024 Projections

## Summary Cash Flow

	2021	2021	2022	2023	2024
	BUDGET BA	FORECAST UA	PROJECTION BA	PROJECTION BA	PROJECTION BA
<b>1380 Burrard St</b>					
<b>REVENUES</b>					
Rent	3,299,851	3,257,392	3,480,163		
Free Rent	(192,450)	(192,450)			
Straight Line Rent Adjustment					
Tenant Inducement Amortization					
<b>Base Rent Revenue</b>	<b>3,107,401</b>	<b>3,064,942</b>	<b>3,480,163</b>		
Percent Rent					
Storage Revenue					
Parking Revenue	282,300	172,625	185,640		
Miscellaneous Revenue	35,472	31,432	35,472		
<b>Other Property Revenues</b>	<b>317,772</b>	<b>204,057</b>	<b>221,112</b>		
Operating Cost Recovery	1,397,188	1,314,598	1,438,521		
Property Tax Recovery	586,123	740,074	814,769		
Capital Tax Recovery					
<b>Cost Recoveries</b>	<b>1,983,311</b>	<b>2,054,672</b>	<b>2,253,290</b>		
<b>TOTAL REVENUES</b>	<b>5,408,484</b>	<b>5,323,671</b>	<b>5,954,565</b>		
<b>EXPENSES</b>					
Janitorial	257,459	230,436	265,291		
Security	130,838	135,974	130,838		
Utilities	258,557	233,540	258,347		
Mechanical and Electrical	83,186	91,264	82,883		
Lighting	1,800	1,800	1,800		
Food Area Expenses					
Parking Lot/Garage	8,600	8,600	8,600		
Exterior Grounds	101,436	106,681	115,475		
Repairs and Maintenance	185,372	169,392	169,030		
Furniture R and M	1,300	800	1,300		
Miscellaneous Property Op Exp	6,200	6,200	6,200		
Property G and A Expense	184,473	166,701	176,409		
Insurance	50,056	51,765	56,063		
Management Fees	153,424	153,686	171,939		
Taxes	618,822	809,868	846,248		
Capital Taxes					
<b>Property Recoverable Expenses</b>	<b>2,041,523</b>	<b>2,166,707</b>	<b>2,290,423</b>		
Lease Document Fees					
Lease Marketing			6,000		
Legal Fees					
Consulting Fees					
Appraisal Fees					
Accounting and Audit Fees					
Other Professional Services					

1380 Burrard St

Co.: 20452

## 2021 Business Plan and 2022 - 2024 Projections

## Summary Cash Flow

	2021	2021	2022	2023	2024
	BUDGET BA	FORECAST UA	PROJECTION BA	PROJECTION BA	PROJECTION BA
<b>Professional Fees</b>			6,000		
Bad Debts Expense					
Parking Expenses	24,000	18,826	21,000		
Management Fees					
Other Landlord Costs	480	526	480		
Amortization of Leasing Commissions/Other					
<b>Other Landlord Costs</b>	24,480	19,351	21,480		
RES - General R & M					
RES - Common Area R & M					
RES - In-Suite R & M					
RES - Turnover R & M					
RES - Wages					
RES - Utilities					
RES - Property Costs					
RES - Office Admin					
RES - Advertising & Marketing					
<b>Residential Expenses</b>					
<b>Total Operating Expenses</b>	2,066,003	2,186,059	2,317,903		
<b>NET OPERATING INCOME</b>	3,342,481	3,137,613	3,636,663		
Real Estate Depreciation	108,288	108,897	127,533		
Interest, Mortgage, and Financing					
Real Estate Management Fees					
Gain/Loss on Investment					
<b>NET PROPERTY INCOME</b>	3,234,192	3,028,715	3,509,129		
<b>CAPITAL ITEMS</b>					
Tenant Inducements					
Lease Commissions	(19,887)	(20,495)			
Free Rent					
Properties Under Development					
Non-recoverable Capital					
Recoverable Capital		(95,000)	(80,000)		
Betterment					
	(19,887)	(115,495)	(80,000)		
<b>ADJUST TO CASHFLOW</b>					
Capitalized Free Rent Charge - Add Back					
Free Rent Amortization - Add Back					
Amortization of R and M - Add Back	31,842	21,460	29,530		
Straight Line Rent Adjustment - Add Back					
Tenant Inducement Amortization - Add Back					
Leasing Commissions Amortization - Add Back					
Interest on Amort of R and M					
Amortization of Def Financing - Add Back					



2021 Business Plan and 2022 - 2024 Projections

Summary Cash Flow

	2021 BUDGET BA	2021 FORECAST UA	2022 PROJECTION BA	2023 PROJECTION BA	2024 PROJECTION BA
Real Estate Depreciation - Add Back	108,288	108,897	127,533		
Interest, Mortgage, and Financing					
Change in Other Prepays					
Change in Prepaid Insurance	(1,221)	(2,930)	(1,367)		
Change in Insurance Payable					
Change in Prepaid Property Taxes					
Change in Property Tax Payable					
Change in Accounts Receivable					
Change in Accounts Payable					
Change in Other Assets					
	138,909	127,427	155,696		
CASHFLOW FROM OPERATIONS	3,353,215	3,040,647	3,584,825		
Distributions to Owners					
Total	3,353,215	3,040,647	3,584,825		

	2021			BUDGET																
	Actual thru Period 6	Forecast Remaining Months	Total	January 2022	February 2022	March 2022	Q1 2022	April 2022	May 2022	June 2022	Q2 2022	July 2022	August 2022	September 2022	Q3 2022	October 2022	November 2022	December 2022	Q4 2022	Total
	<b>1380 Burrard St</b>																			
<b>REVENUES</b>																				
Rent	1,519,984	1,737,408	3,257,392	288,254	288,254	288,254	864,763	290,600	290,600	290,600	871,800	290,600	290,600	290,600	871,800	290,600	290,600	290,600	871,800	3,480,163
Deferred Rent - GAAP																				
Free Rent	(192,450)		(192,450)																	
Tenant Inducement Amortization																				
<b>Base Rent Revenue</b>	1,327,534	1,737,408	3,064,942	288,254	288,254	288,254	864,763	290,600	290,600	290,600	871,800	290,600	290,600	290,600	871,800	290,600	290,600	290,600	871,800	3,480,163
Percent Rent																				
Storage Revenue																				
Parking Revenue	79,805	92,820	172,625	15,470	15,470	15,470	46,410	15,470	15,470	15,470	46,410	15,470	15,470	15,470	46,410	15,470	15,470	15,470	46,410	185,640
Miscellaneous Revenue	1,960	29,472	31,432	1,000	1,000	1,000	3,000	1,000	1,000	1,000	3,000	1,000	2,900	1,000	4,900	21,000	2,572	1,000	24,372	35,472
<b>Other Property Revenues</b>	81,765	122,292	204,057	16,470	16,470	16,470	49,410	16,470	16,470	16,470	49,410	16,470	18,370	16,470	51,310	36,470	18,042	16,470	70,982	221,112
Operating Cost Recovery	562,184	752,415	1,314,598	102,487	104,993	116,987	324,466	124,814	115,617	108,844	349,274	108,333	111,091	109,449	328,872	114,639	210,584	110,686	435,908	1,438,521
Property Tax Recovery	351,791	388,283	740,074	67,897	67,897	67,897	203,692	67,897	67,897	67,897	203,692	67,897	67,897	67,897	203,692	67,897	67,897	67,897	203,692	814,769
Capital Tax Recovery																				
<b>Cost Recoveries</b>	913,975	1,140,697	2,054,672	170,384	172,890	184,884	528,159	192,711	183,514	176,741	552,967	176,230	178,988	177,346	532,565	182,536	278,481	178,583	639,601	2,253,290
<b>TOTAL REVENUES</b>	2,323,274	3,000,397	5,323,671	475,108	477,614	489,608	1,442,331	499,781	490,584	483,811	1,474,177	483,300	487,958	484,416	1,455,675	509,606	587,123	485,653	1,582,383	5,954,565
<b>EXPENSES</b>																				
Janitorial	93,209	137,226	230,436	20,204	20,204	27,349	67,758	20,204	21,604	20,404	62,213	25,154	20,204	20,404	65,763	27,549	21,604	20,404	69,558	265,291
Security	70,581	65,393	135,974	10,408	10,408	10,408	31,225	12,903	12,408	10,408	35,720	10,408	10,697	10,697	31,802	10,697	10,697	10,697	32,091	130,838
Utilities	104,261	129,279	233,540	21,529	21,529	21,529	64,586	21,529	21,529	21,529	64,586	21,529	21,529	21,529	64,587	21,529	21,529	21,529	64,587	258,347
Mechanical and Electrical	44,537	46,727	91,264	9,231	6,432	8,642	24,305	7,231	3,167	5,834	16,232	13,306	3,167	19,639	15,972	3,167	3,569	3,167	22,707	82,883
Lighting	420	1,380	1,800	150	150	150	450	150	150	150	450	150	150	150	450	150	150	150	450	1,800
Food Area Expenses																				
Parking Lot/Garage	752	7,848	8,600	300	300	300	900	300	300	300	900	300	300	300	900	300	5,300	300	5,900	8,600
Exterior Grounds	53,751	52,931	106,681	9,627	9,627	8,127	27,380	13,802	8,127	8,127	30,055	8,127	8,127	13,907	30,160	8,127	9,627	10,127	27,880	115,475
Repairs and Maintenance	19,766	149,626	169,392	3,044	4,044	4,094	11,182	6,544	5,144	3,694	15,382	3,044	3,444	6,694	13,182	3,544	115,378	10,361	129,283	169,030
Furniture R and M		800	800	33	33	33	100	333	33	33	400	33	33	333	400	33	33	333	400	1,300
Miscellaneous Property Op Exp		6,200	6,200																6,200	6,200
Property G and A Expense	66,798	99,902	166,701	10,456	11,231	12,355	34,042	15,142	11,231	11,955	38,328	10,456	23,231	15,640	49,328	10,456	11,231	33,023	54,710	176,409
Insurance	24,417	27,348	51,765	4,558	4,558	4,558	13,674	4,558	4,558	4,558	13,674	4,786	4,786	4,786	14,357	4,786	4,786	4,786	14,357	56,063
Management Fees	76,712	76,974	153,686	14,328	14,328	14,328	42,985	14,328	14,328	14,328	42,985	14,328	14,328	14,328	42,985	14,328	14,328	14,328	42,985	171,939
Taxes	409,369	400,499	809,868	70,087	70,087	71,887	212,062	70,087	70,087	73,487	213,662	70,087	70,087	70,087	210,262	70,087	70,087	70,087	210,262	846,248
Capital Taxes																				
<b>Property Recoverable Expenses</b>	964,574	1,202,133	2,166,707	173,956	172,933	183,760	530,649	187,113	172,667	174,808	534,587	181,709	180,084	182,024	543,816	187,559	294,117	199,694	681,370	2,290,423
Lease Document Fees																				
Lease Marketing						1,500	1,500				1,500	1,500			1,500	1,500			1,500	6,000
Legal Fees																				
Consulting Fees																				
Appraisal Fees																				
Accounting and Audit Fees																				
Other Professional Services																				

	2021			BUDGET																
	Actual thru Period 6	Forecast Remaining		January 2022	February 2022	March 2022	Q1	April 2022	May 2022	June 2022	Q2	July 2022	August 2022	September 2022	Q3	October 2022	November 2022	December 2022	Q4	Total
		Months	Total																	
<b>Professional Fees</b>						1,500	1,500			1,500	1,500			1,500	1,500			1,500	1,500	6,000
Bad Debts Expense																				
Parking Expenses	8,326	10,500	18,826	1,750	1,750	1,750	5,250	1,750	1,750	1,750	5,250	1,750	1,750	1,750	5,250	1,750	1,750	1,750	5,250	21,000
Management Fees																				
Other Landlord Costs	286	240	526	40	40	40	120	40	40	40	120	40	40	40	120	40	40	40	120	480
Amortization of Leasing Commissions/Other																				
<b>Other Landlord Costs</b>	8,611	10,740	19,351	1,790	1,790	1,790	5,370	1,790	1,790	1,790	5,370	1,790	1,790	1,790	5,370	1,790	1,790	1,790	5,370	21,480
RES - General R & M																				
RES - Common Area R & M																				
RES - In-Suite R & M																				
RES - Turnover R & M																				
RES - Wages																				
RES - Utilities																				
RES - Property Costs																				
RES - Office Admin																				
RES - Advertising & Marketing																				
<b>Residential Expenses</b>																				
<b>Total Operating Expenses</b>	973,185	1,212,873	2,186,059	175,746	174,723	187,050	537,519	188,903	174,457	178,098	541,457	183,499	181,874	185,314	550,686	189,349	295,907	202,984	688,240	2,317,903
<b>NET OPERATING INCOME</b>	1,350,089	1,787,524	3,137,613	299,362	302,892	302,558	904,812	310,878	316,127	305,714	932,719	299,801	306,085	299,103	904,988	320,257	291,216	282,669	894,143	3,636,663
Real Estate Depreciation	44,522	64,376	108,897	10,628	10,628	10,628	31,883	10,628	10,628	10,628	31,883	10,628	10,628	10,628	31,883	10,628	10,628	10,628	31,883	127,533
Interest, Mortgage, and Financing																				
Real Estate Management Fees																				
Gain/Loss on Investment																				
<b>NET PROPERTY INCOME</b>	1,305,567	1,723,148	3,028,715	288,734	292,264	291,930	872,929	300,251	305,500	295,086	900,836	289,173	295,457	288,475	873,105	309,629	280,588	272,042	862,259	3,509,129
<b>CAPITAL ITEMS</b>																				
Tenant Inducements																				
Lease Commissions	(20,495)		(20,495)																	
Free Rent																				
Properties Under Development																				
Non-recoverable Capital																				
Recoverable Capital		(95,000)	(95,000)														(80,000)		(80,000)	(80,000)
Betterment																				
	(20,495)	(95,000)	(115,495)														(80,000)		(80,000)	(80,000)
<b>ADJUST TO CASHFLOW</b>																				
Free Rent Amortization - Add Back																				
Capitalized Free Rent Charge - Add Back																				
Amortization of R and M - Add Back	5,945	15,515	21,460	1,794	1,794	1,794	5,382	1,794	1,794	1,794	5,382	1,794	1,794	1,794	5,382	1,794	9,127	2,461	13,382	29,530
Straight Line Rent Adjustment-Add Back																				
Tenant Inducement Amortization - Add Back																				
Leasing Commissions Amortization - Add Back																				
Interest on Amort of R and M																				



BentallGreenOak (Canada) LP

1380 Burrard St

FORECAST UA

Co: 20452

BUDGET BA

Fiscal Year 2021 Period: 6

	2021			BUDGET																	
	Actual thru	Forecast Remaining	Total	January	February	March	April	May	June	July	August	September	October	November	December	Total					
	Period 6	Months		2022	2022	2022	Q1	2022	2022	2022	Q2	2022	2022	2022	Q3	2022	2022	2022	Q4	Total	
Amortization of Def Financing - Add Back																					
Real Estate Depreciation - Add Back	44,522	64,376	108,897	10,628	10,628	10,628	31,883	10,628	10,628	10,628	31,883	10,628	10,628	10,628	31,883	10,628	10,628	10,628	31,883	127,533	
Interest, Mortgage, and Financing																					
Change in Other Prepays																					
Change in Prepaid Insurance	24,417	(27,348)	(2,930)	4,558	4,558	4,558	13,674	4,558	4,558	4,558	13,674	(52,644)	4,786	4,786	(43,072)	4,786	4,786	4,786	14,357	(1,367)	
Change in Insurance Payable																					
Change in Prepaid Property Taxes				70,087	(236,724)	70,087	(96,549)	70,087	70,087	70,087	210,262	(464,149)	70,087	70,087	(323,975)	70,087	70,087	70,087	210,262		
Change in Property Tax Payable	108,298	(108,298)																			
Change in Accounts Receivable	(182,148)	182,148																			
Change in Accounts Payable	(37,921)	37,921																			
Change in Other Assets																					
	(36,887)	164,315	127,427	87,067	(219,744)	87,067	(45,610)	87,067	87,067	87,067	261,202	(504,371)	87,295	87,295	(329,781)	87,295	94,628	87,962	269,885	155,696	
CASH FLOW FROM OPERATIONS	1,248,184	1,792,463	3,040,647	375,801	72,520	378,998	827,319	387,318	392,567	382,153	1,162,038	(215,198)	382,752	375,770	543,324	396,924	295,217	360,003	1,052,145	3,584,825	
Distributions to Owners																					
Total	1,248,184	1,792,463	3,040,647	375,801	72,520	378,998	827,319	387,318	392,567	382,153	1,162,038	(215,198)	382,752	375,770	543,324	396,924	295,217	360,003	1,052,145	3,584,825	

## **Appendix "D"**

### **Qualifications of the Appraiser**

## QUALIFICATIONS

### ROSE SHUYANG WANG, B.Com., AACI, P.App.

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Experience with a variety of assignments involving medium to large scale proposed mixed use and multifamily projects, commercial and residential development sites, commercial retail, and office properties in the Metro Vancouver area. Designated member of the Appraisal Institute of Canada. Membership #902311

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#### EXPERIENCE:

<b>Present</b>	<b>Principal</b> L.W. Property Advisors Ltd. Specializing in medium to large scale proposed development projects, holding properties and development sites, and various asset classes in Metro Vancouver.
<b>2012 – 2019</b>	<b>Appraisal Contractor</b> Garnett Wilson Realty Advisors Ltd. Specialized in proposed multifamily and mixed use developments throughout Metro Vancouver.
<b>2011 – 2012:</b>	<b>Director of Residential Development</b> Carmichael Wilson Property Consultants Ltd. (CWPC). Specialized in appraisals of proposed multifamily and mixed use development projects, development parcels and master planned communities in Greater Vancouver Area.
<b>2003 – 2011</b>	<b>Senior Property Consultant / Property Consultant</b> Carmichael Wilson Property Consultants Ltd. (CWPC). Involved in all aspects of commercial appraisals and consulting work in British Columbia.

#### PROFESSIONAL LIABILITY INSURANCE:

<b>Since 2003:</b>	Appraisal Institute of Canada Type of Practice: Fee Appraiser (Claim Free) Trisura Guarantee Insurance Company
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**PROFESSIONAL QUALIFICATIONS AND MEMBERSHIPS:**

- May 2005:** Awarded use of the professional designations AACI (Accredited Appraiser Canadian Institute) and P.App. (Professional Appraiser) by the Appraisal Institute of Canada (Vancouver Chapter).
- 2001 - Present:** Real Estate Institute of BC
- 2002 - Present:** Urban Development Institute
- 2015 - Present:** BC Expropriation Association

**EDUCATION:**

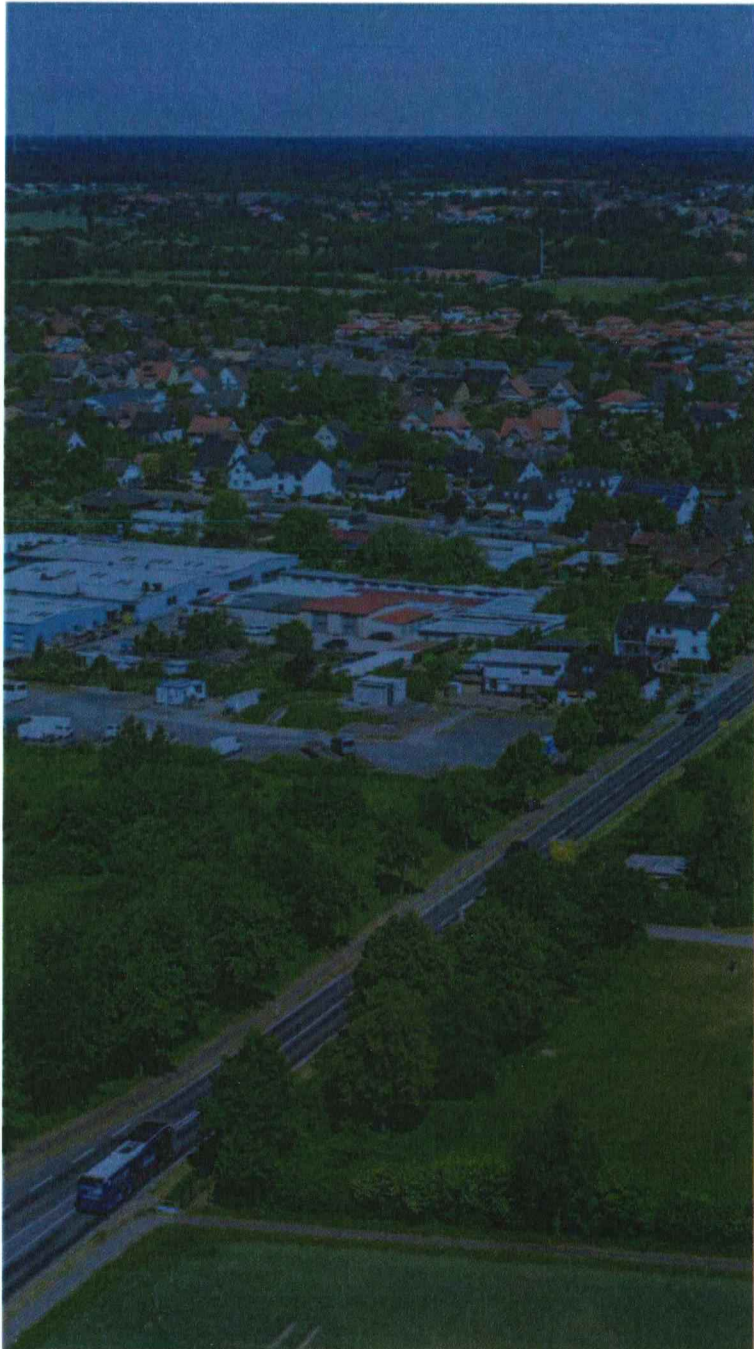
- April 2005:** University of British Columbia: Fulfilled academic requirements for the Appraisal Institute of Canada's AACI and P.App designations by completing the Business 499 (demo report) course through the Department of Real Estate.
- May, 2003:** University of British Columbia: Completed Bachelor of Commerce degree program. Major in Urban Land Economics/Real Estate.
-

This is Exhibit "  E  " referred to in the  
Affidavit of  Zhen Yu Zhong   
affirmed before me at  Vancouver , BC  
this  15  day of  February , ~~20~~<sup>23</sup>



Formerly BCS Real Estate – Burgess, Cawley, Sullivan

A Commissioner/Notary Public for the  
Province of British Columbia



## APPRAISAL REPORT

### Current Market Valuation of Residential Development Land

3805-3919 Nanaimo Street,  
Vancouver, BC

Valuation Date: January 17, 2022

Publication Date: January 25, 2022

## PREPARED FOR

Ms. Cindy Zou  
Coromandel Nanaimo 22 LP  
c/o Coromandel Properties Ltd.

1800 - 1188 West Georgia Street  
Vancouver, BC  
V6E 4A2

January 25, 2022

Our Reference: A2201-6049AA

Coromandel Nanaimo 22 LP  
c/o Coromandel Properties Ltd.  
1800 - 1188 West Georgia Street  
Vancouver, BC  
V6E 4A2

Attention: Ms. Cindy Zou

Re: To Determine the Current Market Valuation of Development Land  
3805-3919 Nanaimo Street, Vancouver, BC

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In response to your instructions, we have undertaken a valuation analysis on the above property in order to provide an estimate of current market value of the fee simple interest as at January 17, 2022.

On the basis as set out in the Narrative Report, it is our opinion that the current market value, subject to the assumptions and contingent and limiting conditions contained in the report, is:

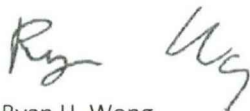
**FORTY TWO MILLION NINE HUNDRED THOUSAND DOLLARS**  
**\$42,900,000**

This appraisal report has been prepared exclusively for Coromandel Nanaimo 22 LP c/o Coromandel Properties Ltd. for first mortgage financing purposes. We are not aware of any third parties that are likely to see or rely on the report; liability in this respect or for any other use is expressly denied.

The data, conclusions, assumptions and limiting conditions upon which this value is based are contained within the accompanying report which should be read in conjunction with this letter. Our value estimate is free and clear of mortgage financing and other encumbrances unless otherwise indicated.

If you have any questions or comments, please do not hesitate to contact the under-signed.

Respectfully submitted,



Ryan H. Wong  
B.Comm, AACI, P.App  
Director, Valuation

RW/-

Direct Line: (604) 331-7316

Email: [ryan.wong@ryan.com](mailto:ryan.wong@ryan.com)



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## EXECUTIVE SUMMARY

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This summary forms part of a full appraisal report and should be read in conjunction with it.

CIVIC ADDRESS:	3805-3919 Nanaimo Street, Vancouver, BC.
TYPE OF PROPERTY:	The subject property represents an assembly of residential development land.
SITE AREA:	42,926 sq.ft. according to municipal records.
ZONING CLASSIFICATION:	Residential (RS-1).
REGISTERED OWNER:	<u>3805-3919 Nanaimo Street</u> Coromandel Nanaimo 22 BT Ltd., Inc. No. BC1086532.
FINAL VALUE CONCLUSION:	\$42,900,000.
EFFECTIVE DATE OF VALUE:	January 17, 2022.
DATE OF REPORT:	January 25, 2022.
DATE OF VIEWING:	January 17, 2022.



## CRITICAL ASSUMPTIONS & LIMITING CONDITIONS

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- The Provincial Government has implemented various taxes with a goal of creating housing affordability. These taxes include the Speculation Tax, the Empty Homes Tax (City of Vancouver) and the Foreign Entity Tax. As the qualifications for exemption from these taxes are often tied to the property owner's circumstances (i.e. citizenship, residency, use and occupancy of the property) it is not possible to accurately quantify said taxes for a fee simple or leased-fee valuation exercise.
- The report assumes that there is no change in the physical or leasable status of the subject property between the valuation date, viewing date and date of this report. The subject property comprises an 11-lot assembly on the northwest corner of Nanaimo Street and a side municipal lane, improved with 11 single family homes. The subject area is being assembled by various developers in anticipation of additional density within a future area plan. An internal inspection of the improvements was not undertaken.
- The subject property is improved with 11 single-family homes on the northwest corner of Nanaimo Street and a side municipal lane. Most comparables contain single-family homes and some level of demolition is expected; thus our value has not considered demolition costs.
- It is assumed that there are no existing leases or financial encumbrances affecting the subject property as of the effective date of appraisal unless expressly noted within this report.
- The subject photos were taken on the date of viewing, unless otherwise noted, and are assumed to reflect the condition of the subject property as of the effective date of appraisal.
- Copies of the title searches are attached as an addendum to this report. The individual documents outlined in the title search have neither been provided nor reviewed and it is assumed that, unless specifically indicated within this report, they would not have an impact upon value. If there are any concerns regarding these documents, we would advise the reader to obtain appropriate legal advice.
- Nothing in this report is intended as a legal opinion as to the state of the title. This report is prepared on the premise that the property is free and clear of all liens or encumbrances, except as shown on the title search and interpreted herein, and on the assumption that the improvements do not encroach onto adjacent lands.
- We are not environmental consultants or geotechnical engineers and as such, we do not know if the subject property is free of soil contamination and environmental problems. For the purpose of this report, it is assumed that the subject property does not suffer from any environmental problems. The reader is cautioned that if such a problem were to exist, it could have an impact on value.
- The author is not a qualified surveyor and no legal survey concerning the subject property has been provided. Site dimensions, areas, diagrams and photographs, etc., are presented in this report for the limited purpose of illustration and are not to be relied upon in themselves.
- No investigation has been undertaken with the local zoning office, the fire department, the building inspector, the health department or any other government regulatory agency unless such investigations are expressly represented to have been made in this report. The subject property must comply with such

government regulations and, if it does not comply, its non-compliance may affect market value. To be certain of compliance, further investigation may be necessary.

- The analysis set out in this report relied upon written and verbal information of market transactions, data and statistics obtained from a variety of sources we considered reliable. A concerted effort was made to verify the accuracy of the information herein contained. Since this appraisal is not intended to be used for court purposes or arbitration, some of the information set out in this report may not have been fully documented or confirmed by reference to primary sources.

**SUBJECT PHOTOS**



**NORTH VIEW ALONG NANAIMO STREET  
(SUBJECT PROPERTY TO THE LEFT)**



**SOUTH VIEW ALONG NANAIMO STREET  
(SUBJECT PROPERTY TO THE RIGHT)**



**SUBJECT PHOTOS**



**NORTHWEST VIEW ALONG SIDE MUNICIPAL LANE  
(SUBJECT PROPERTY TO THE RIGHT)**



**SOUTHEAST VIEW ALONG SIDE MUNICIPAL LANE  
(SUBJECT PROPERTY TO THE LEFT)**

**SUBJECT PHOTOS**



**NORTH VIEW ALONG REAR MUNICIPAL LANE  
(SUBJECT PROPERTY TO THE RIGHT)**



**SOUTHEAST VIEW ALONG REAR MUNICIPAL LANE  
(SUBJECT PROPERTY TO THE LEFT)**



**SUBJECT PHOTOS**



**3805 NANAIMO STREET  
(LOOKING WEST)**



**3815 NANAIMO STREET  
(LOOKING WEST)**



**SUBJECT PHOTOS**



**3825 NANAIMO STREET  
(LOOKING WEST)**



**3835 NANAIMO STREET  
(LOOKING WEST)**

**SUBJECT PHOTOS**



**3845 NANAIMO STREET  
(LOOKING WEST)**



**3855 NANAIMO STREET  
(LOOKING WEST)**



**SUBJECT PHOTOS**



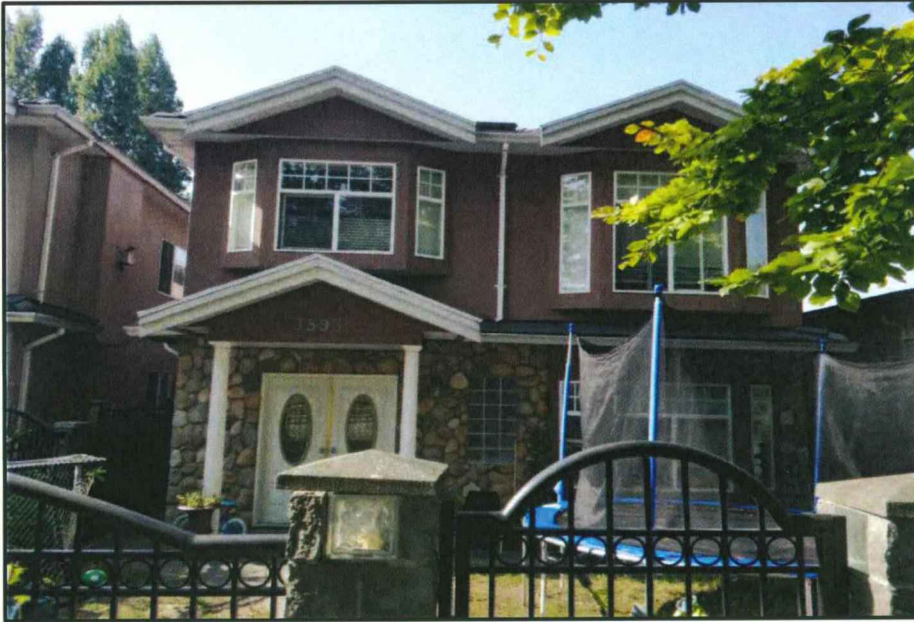
**3863 NANAIMO STREET  
(LOOKING WEST)**



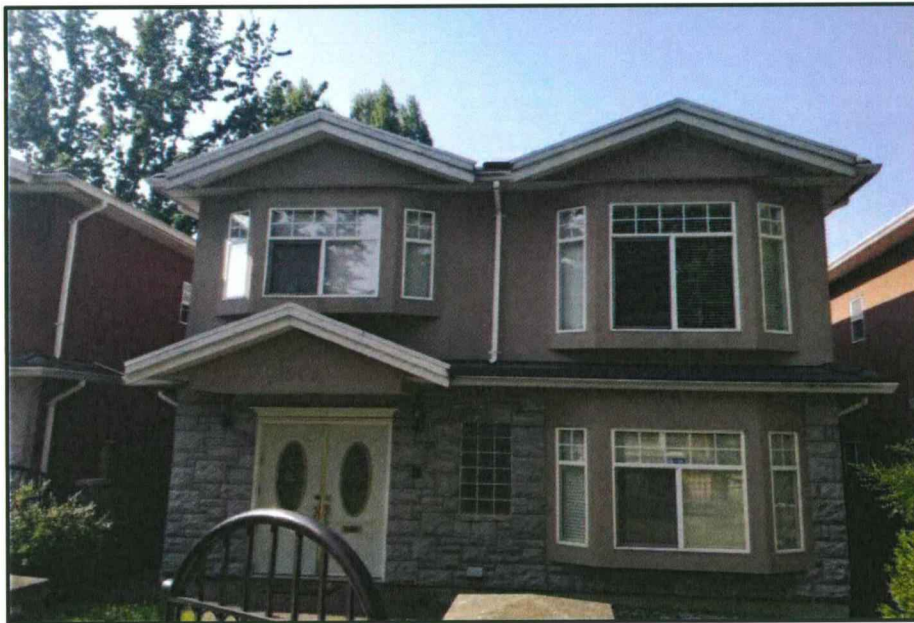
**3883 NANAIMO STREET  
(LOOKING WEST)**



**SUBJECT PHOTOS**

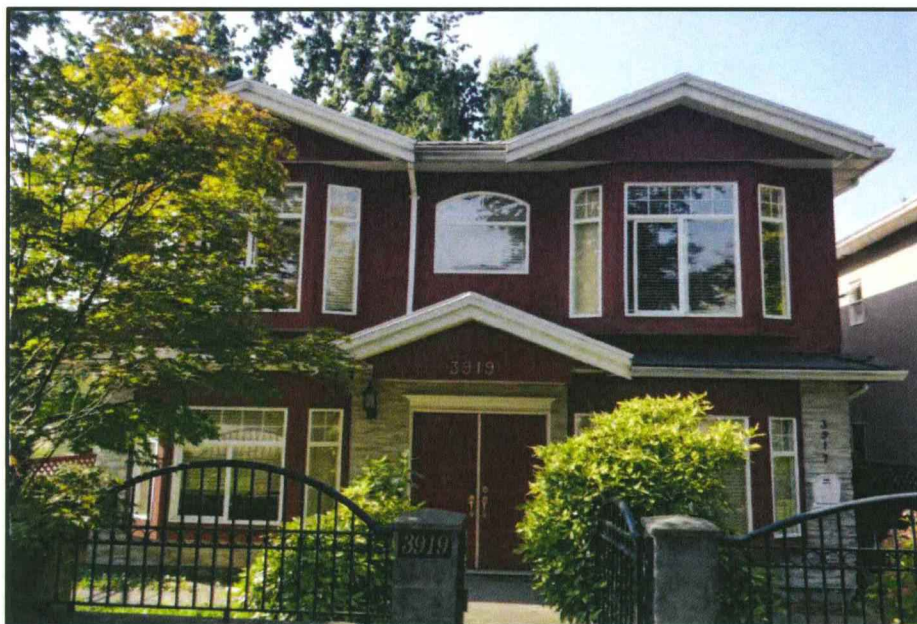


**3893 NANAIMO STREET  
(LOOKING WEST)**



**3909 NANAIMO STREET  
(LOOKING WEST)**

**SUBJECT PHOTOS**

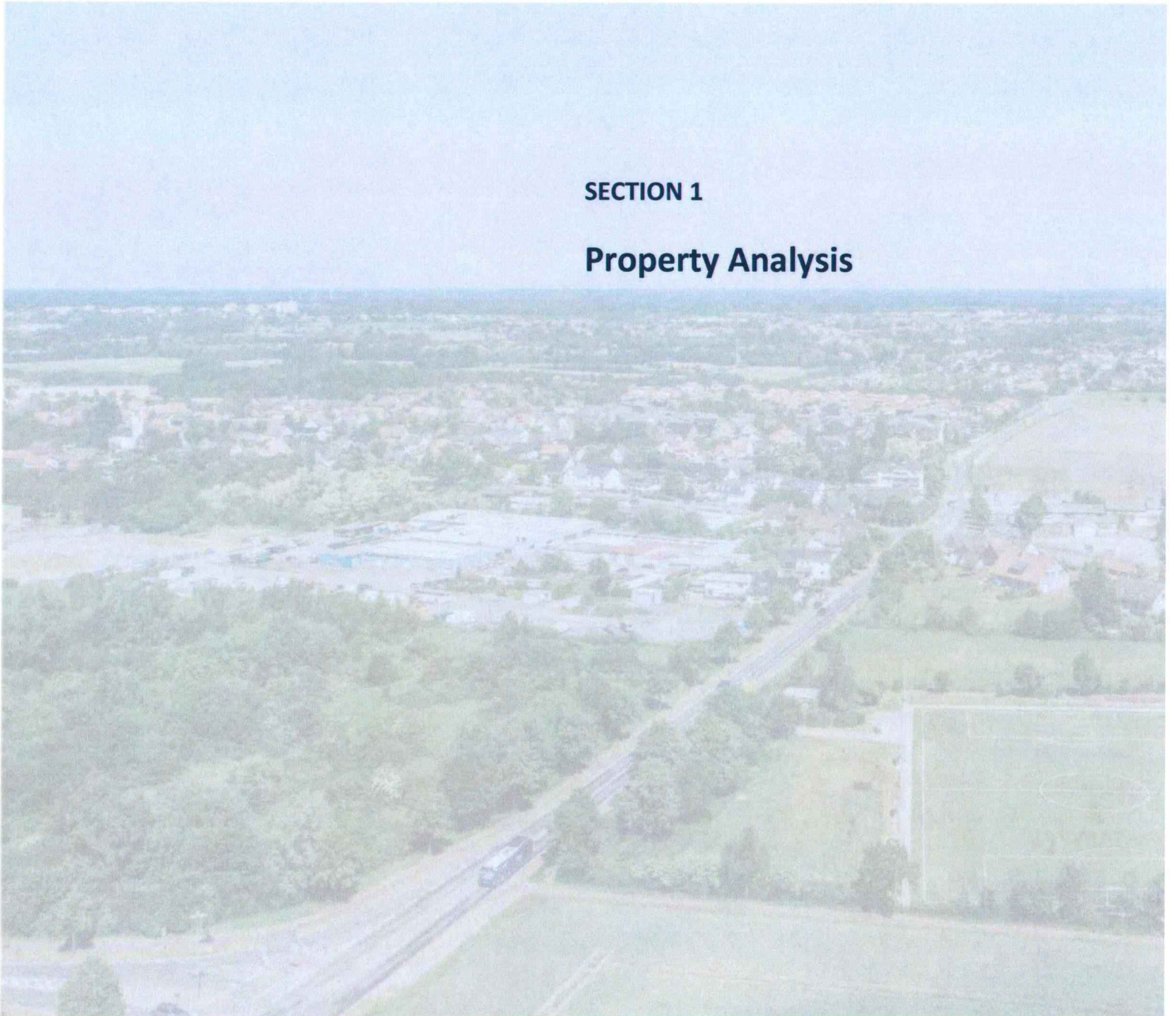


**3919 NANAIMO STREET  
(LOOKING WEST)**



**SECTION 1**

**Property Analysis**





## APPRAISAL ASSIGNMENT

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### PROPERTY APPRAISED

<b>DESCRIPTION OF SUBJECT PROPERTY</b>	The subject property represents an assembly of 11 residential lots on the northwest corner of Nanaimo Street and a side municipal lane in the Renfrew Collingwood neighbourhood of the City of Vancouver. The subject property is currently improved with 11 single family homes.
<b>CIVIC ADDRESS</b>	3805-3919 Nanaimo Street, Vancouver, BC.
<b>LEGAL DESCRIPTION</b>	Lot 39 Except the East 10.5 Feet, Now Road, Block A District Lot 741 Plan 1567; Lots 40 through 48 Block A District Lot 741 Plan 1567; Lot "E" Block A District Lot 741 Plan LMP12344.  PID #: 014-559-889; 014-559-901; 014-559-994; 008-500-070; 014-560-011; 014-560-020; 014-560-038; 014-560-046; 014-560-054; 011-360-895; 018-440-771.

### RELEVANT DATES

DATE OF VALUATION: January 17, 2022.

DATE OF REPORT: January 25, 2022.

DATE OF VIEWING: January 17, 2022.

The value estimate within this report assumes an exposure period of three to six months.

### PURPOSE & INTENDED USE OF REPORT

The purpose of the report is to determine the current market land value of the fee simple interest in the subject property as of the valuation date.

The property rights being appraised in this report are those which accrue to the owner of the property described herein. This encompasses the rights normally attached to the fee simple interest in the property. The property has been appraised on a debt-free basis.

The report is intended to be used for the purposes of establishing the fair market value of the subject lands for first mortgage financing purposes.

### Intended User of Report

The report has been prepared on the condition that the only intended user of the appraisal is Coromandel Nanaimo 22 LP

c/o Coromandel Properties Ltd. Reliance on this report is limited to Coromandel Nanaimo 22 LP

c/o Coromandel Properties Ltd. using the report for a single time, only for first mortgage financing, and any other use is strictly unauthorized.

**NATURE OF INTEREST****CURRENT OWNER  
OF RECORD**

The registered owner of the subject property is:  
Coromandel Nanaimo 22 BT Ltd., Inc. No. BC1086532.

**Title Information**

The current title document is registered as CA8342822, CA8342823, CA8342824, CA8342825, CA8342826, CA7645170, CA7645171, CA7645172, CA7645173, CA7645174, and CA7645175. A copy of the title documents is included in Addendum B.

Nothing in this report is intended as a legal opinion as to the state of the title. This report is prepared on the premise that the property is free and clear of all liens or encumbrances, except as shown on the title search and interpreted herein, and on the assumption that the improvements do not encroach onto adjacent lands.

All other charges, including any pertaining to mortgages, have not been reviewed. For the purposes of this appraisal report, we have assumed that the subject property is free and clear of any encumbrances that would have a material effect upon value, and the excluded areas noted above. If the reader has questions regarding the impact of these charges against the subject's title, legal advice should be obtained.

**Legal Notations**

Notice Of Interest, Builders Lien Act (S.3(2)), See CA5680699.

Filed 2016-11-29.

Notice Of Interest, Builders Lien Act (S.3(2)), See CA5645901.

Filed 2016-11-14.

Notice Of Interest, Builders Lien Act (S.3(2)), See CA8342827.

Filed 2020-08-04.

**Sales History**

Based upon our review of available sources and our discussions with the property owner's representative, it is our understanding that 3805-3845 Nanaimo Street sold in May, 2019 for an aggregate price of \$15,388,000 and 3855-3919 Nanaimo Street sold between August, 2016 and June, 2017 for an aggregate price of \$11,214,000. We are not aware of any other agreements for sale, options, leases or listings of the subject property within the past year. We are also not aware of any agreements for sale, options, leases or listings of the subject property within the past year.

## SCOPE OF THE ASSIGNMENT

The scope of the appraisal encompasses the necessary research and analysis to prepare an appraisal report in accordance with the intended use, the Ethics and Standard of Professional Practice, and the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) of the Appraisal Institute of Canada (AIC). CUSPAP was adopted on January 1, 2001 (amended effective January 1, 2022) by the AIC and is required to be followed by all members of the AIC for all appraisals.

In regard to the subject property, this involved the following steps:

1. The property was viewed by the appraiser on January 17, 2022. All photographs of the subject property were taken on October 2, 2020 for a previous report completed by Ryan ULC (formerly BCS Real Estate). Together with any pertinent information supplied by the client, the site and property description forms the basis for the property description contained herein.
2. The subject property legal description and ownership profile was confirmed by way of an on-line title search at BC Land Titles Registry.
3. Regional, City, District and Neighbourhood site data, zoning details, property tax, building and development data were based on information supplied by the subject Municipality, Statistics Canada and other relevant sources. Additionally, the Neighbourhood and Location Description section of this report is based upon a physical viewing of the area by the appraiser.
4. Statistical data has also been reviewed from the Land Registry, Canada Mortgage and Housing, the Multiple Listing Service (Paragon) and information available from the British Columbia Assessment Authority.
5. In estimating the highest and best use of the subject property, an analysis was made of the data contained in all the steps noted in the Scope Section of this report.
6. The six procedures used to value land are:
  - a.) Direct comparison;
  - b.) Abstraction;
  - c.) Extraction;
  - d.) Subdivision development;
  - e.) Land residual;
  - f.) Ground rent capitalization.

The Direct Comparison Approach was used to estimate the value of the subject property. This Approach included the collection of data obtained from discussions with owners, managers and agents, municipal officials and others knowledgeable with properties similar to the subject or this sector of the market.

7. Subsequent to the assembly and analysis of the data collected and defined in the Scope of the Appraisal, a final estimate of market value was made, subject to the Assumptions and Limiting Conditions of the Appraisal.



8. This appraisal did NOT include the completion of technical surveys or investigations, such as:
  - a survey of the site;
  - investigations into the load-bearing qualities of the soils;
  - an environmental review of the property;
  - environmental assessment of the land.
9. This appraisal excludes all sub-surface (mineral, oil, etc.) rights, as well as timber rights, if any exist.

## LOCATIONAL DATA

### BRITISH COLUMBIA ECONOMIC OVERVIEW

The data provided below describes the general condition of the BC economy at this time. The statistics used are the latest data available on each segment of the economy as of January 7, 2022.

The third quarter of 2021 indicated a 5.5% decrease in non-residential construction investment from one year earlier, driven by an 11.1% reduction in commercial investment and a 2.1% reduction in industrial investment. Residential construction investment increased by 4.7% from the previous year. The third quarter of 2021 saw year-over-year manufacturing shipments increase by 14.0%, wholesale sales increase by 10.6% and retail sales increase by 8.2%. Overall, the BC economy contracted by 3.4% in 2020 due to the COVID-19 pandemic. The economy is expected to increase by 4.0% to 5.6% in 2021. Current events that may impact the province's economic performance include the recent flooding in the Interior and Fraser Valley, concerns about continuing high inflation, the spread of the new Omicron variant of COVID-19, ongoing vaccination efforts, the upcoming end of economic support programs for workers left unemployed or with reduced work and to industries damaged by the pandemic, the BC Government's revised projected \$1.7 billion deficit in 2021/2022, the projected \$155 billion Federal deficit in 2021/2022, and the ongoing softwood lumber dispute with the US.

CONSUMER PRICE INDEX	Nov-20 to Nov-21	5-year Avg.
BC	3.6%	2.4%
Canada	4.7%	2.3%
LABOUR FORCE	Dec-21	10-year Avg.
Unemployment Rate (BC)	5.3%	6.2%
Unemployment Rate (Canada)	5.9%	7.0%
OTHER	Jan-07-22	10-year Avg.
Bank of Canada	0.25%	0.87%
Prime Rate (Royal Bank)	2.45%	3.01%
5-Year Closed (Top 5 Banks)	2.84%	2.92%*
5-Yr Gov't Benchmark Bond Yield (Prev. Day Close)	1.50%	1.28%
US \$ per Cdn. \$	\$0.774	\$0.805

\*Five-Year Average

### PROVINCIAL ECONOMIC TRENDS

#### Population

British Columbia is the westernmost province in Canada, strategically situated on the Pacific Rim, comprising 14% of Canada's total population and 10% of Canada's total land area. After Ontario and Quebec, it is the third most populous province, with 5,249,635 residents as of October 1, 2021, up 1.8% from October, 2020.

#### Employment

As of January 1, 2022, 2,697,300 persons were employed in British Columbia, 61.4% of the working-age population. 81.9% of employed British Columbians work in the service-producing sector, including trade (15.6%), health care and social assistance (14.2%), professional and technical services (9.0%) and education (7.3%). 18.1% are employed in the goods-producing sector, including construction (7.9%), manufacturing (7.1%), natural resources (1.6%) and agriculture (1.0%). Approximately 21% of jobs in BC were part-time.

## Migration

In the third quarter of 2021, BC saw net immigration of 34,102 persons, up significantly from one year earlier due to a significant increase in international immigration. The largest net interprovincial inflow was from Ontario (1,679 persons), while the largest net interprovincial outflow was to New Brunswick (67 persons).

BC Components of Population Change					
	Inter-Provincial Immigrants		International Immigrants	Total Net Migration	
2020 Total	22,125	(86%)	3,629	(14%)	25,754
5-yr Avg.	17,598	(28%)	46,286	(72%)	63,884
YTD 2021	30,323	(36%)	54,535	(64%)	84,858
5-yr Avg.	16,690	(27%)	45,117	(73%)	61,807

## Tourism

In October, 2021, the RevPAR (revenue per available room) of BC hotels was \$90.20, up 77.3% from the same period one year earlier, while the RevPAR of Metro Vancouver hotels was \$95.97, up 137.4% from the same period one year earlier. BC hotel occupancy was 58.7% in October, 2021, up 18.2 percentage points from the same period one year earlier, while Metro Vancouver hotel occupancy was 58.7%, up 26.9 percentage points from the same period one year earlier. Overall in 2020, BC hotels averaged a RevPAR of \$58.72 (down 56.9% from 2019) and an occupancy of 40.2% (down 30.6 percentage points from 2019), while Metro Vancouver hotels achieved a RevPAR of \$53.57 (down 69.4% from 2019) and an occupancy of 36.1% (down 43.8 percentage points from 2019). Per recent forecasts, BC hotels are expected to achieve a RevPAR of \$68.00 and an occupancy of 44% in 2021, while Vancouver hotels are expected to average a RevPAR of \$56.00 and an occupancy of 36%.

## Trade

The total value of BC exports to all countries during November, 2021 was approximately \$4.7 billion, up 35.4% from one year earlier. 2020 exports totalled \$40.0 billion, 10.0% lower than in 2019; the annual average over the past five years has been \$43.3 billion. British Columbia is more diversified than the nation as an exporter, given its West Coast proximity to major importing countries. While Canada sent some 72.5% of its exports to the US in 2020, only 55.5% of BC's exports went to the US. 14.3% of BC's exports in 2020 went to China, which is now BC's second largest export market. As of June, 2021, Port Metro Vancouver saw total cargos increase by 6.5% from one year earlier, with the greatest increases seen in grains and specialty crops, forest products and consumer goods. Container cargos increased by 24.3% in between June, 2020 and June, 2021. Through 2017 and early 2018, the US government imposed tariffs on Canadian softwood lumber and pulp and paper manufacturers, although these were reduced in 2020. The US government announced its intention to double the tariffs in May, 2021.

## Retail

Retail sales in BC for October, 2021 totalled approximately \$8.3 billion, up 3.8% from one year earlier. Retail sales totalled \$88.3 billion in 2020, up 2.1% from 2019. Total retail sales have averaged \$84.0 billion for the last five years.

## Interest Rates

The Bank of Canada reduced its overnight interest rate by 50 basis points to 1.25% in March, 2020, due to fears of the economic impact of the COVID-19 pandemic. A further rate cut, to 0.75%, followed a week later, with a third rate cut to 0.25% occurring at the end of the month. The current prime interest rate is 2.45%. The most competitive posted rate for a five-year fixed mortgage from the top five banks is currently 2.84%. The Office of the Superintendent of Financial Institutions revised the mortgage stress test effective June 1, such that borrowers with a down payment less than 20% must now demonstrate the ability to meet payments at the



higher of the contract rate plus 2% or 5.25% (up from 4.79%). The BC Government has proposed a “cooling off” period, where prospective purchasers may back out of home sales prior to closing with reduced legal consequences, to take effect in the spring of 2022.

### Housing Starts

In the third quarter of 2021, Vancouver CMA housing starts were below both the same quarter one year earlier and the five-year average, while provincial housing starts were above both the same quarter one year earlier and the five-year average. Approximately 80% of the provincial housing starts and 85% of the Vancouver housing starts this quarter were multi-family units. Current forecasts anticipate 23,800 to 27,800 housing starts in the Vancouver CMA and approximately 47,300 starts province-wide in 2021.

	Housing Starts		
	2020 Total	2021 Q3	2021 YTD Total
Vancouver CMA	22,371	5,192	20,486
5-yr Avg.	25,627	5,872	18,995
BC	34,885	10,203	33,487
5-yr Avg.	39,446	9,989	29,905

### Major Projects

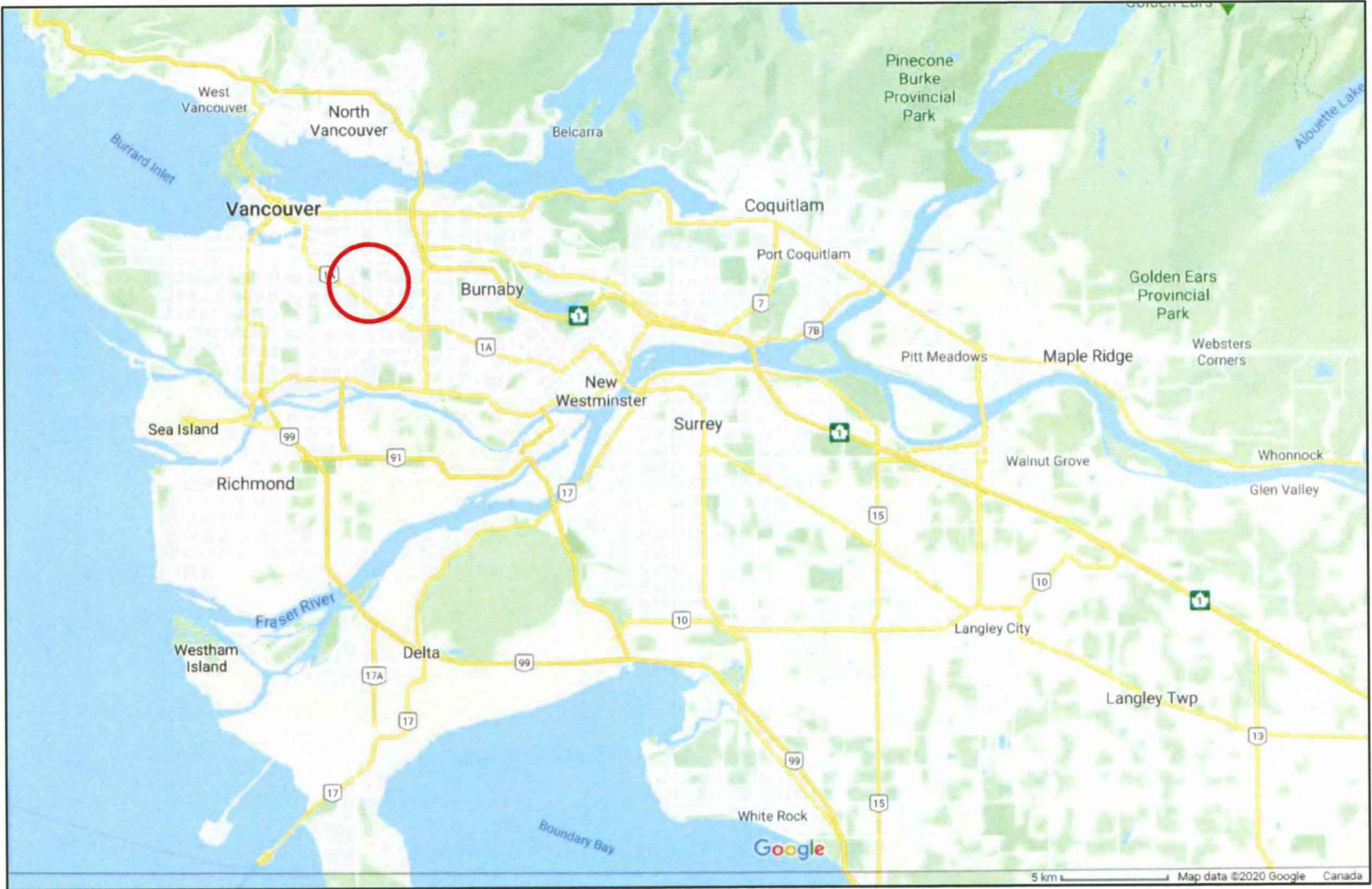
As of the second quarter of 2021, the estimated capital cost of all major projects valued at over \$15 million currently under construction in BC is \$125.2 billion; the larger projects (those with an estimated capital cost over \$1 billion) are listed below.

Municipality	Projects Currently Under Construction (>\$1 billion)	Est. Cost (\$ mill)
Kitimat	LNG Canada Facility	\$36,000
Fort St. John	Site C Project	\$16,000
Dawson Creek	Coastal GasLink Pipeline Project	\$6,200
Burnaby	Trans Mountain Pipeline Expansion	\$4,500
Vancouver	River District (formerly East Fraserlands) Development	\$4,000
Vancouver	Broadway Subway Project	\$2,827
Vancouver	St. Paul's Hospital Replacement	\$2,174
Kelowna	Wilden Development	\$2,100
Langford	Westhills Green Neighbourhood	\$2,000
Surrey	King George Station Mixed-Use Development	\$1,600
Metro Vancouver	Expo and Millennium Upgrade Program	\$1,500
Vancouver	Oakridge Centre Redevelopment	\$1,500
Surrey	Pattullo Bridge Replacement	\$1,377
Esquimalt	CFB Esquimalt Projects	\$1,316
Burnaby	Brentwood Town Centre Redevelopment - The Amazing Brentwood	\$1,300
New Westminster	Royal Columbian Hospital Redevelopment - Phase 2/3	\$1,236
Langford	Bear Mountain Development	\$1,200
All Other	348 projects	\$38,343
<b>Total</b>	<b>All 365 projects currently under construction</b>	<b>\$125,173</b>

Included in this figure are the 19 major projects that commenced construction during the second quarter at an estimated value of \$3.8 billion. The total capital cost of proposed projects that have not yet been approved for construction is estimated at \$220.4 billion. There are approximately \$31.4 billion worth of projects judged to be “on hold” for the time being. The capital cost of 28 new projects proposed in the second quarter of 2021 was approximately \$656 million. The larger projects are listed below.

Municipality	New Proposed Projects Apr-Jun 2021 (>=\$40 million)	Est. Cost (\$ mill)
Victoria	Cedar Hill Middle School	\$47
Vancouver	Mixed-Use Towers	\$45
Burnaby	North Fraser Way Light Industrial and Office Building	\$40
All Other	25 projects	\$524
<b>Total</b>	<b>All 28 new proposed projects in BC Apr-Jun 2021</b>	<b>\$656</b>

Sources: Statistics Canada, BC Stats, Bank of Canada, Royal Bank of Canada, CMHC, Industry Canada, CBRE Hotels Trends in the Hotel Industry National Market Report.





## REGIONAL/CITY PROFILE

### Metro Vancouver

The City of Vancouver is part of Metro Vancouver, the third-largest metropolitan area in Canada. Comprising 21 municipalities, one electoral area and one treaty First Nation, Metro Vancouver has a population of 2,737,681 persons as of July 1, 2020 (BC Stats, 2020). Metro Vancouver's total land area is approximately 2,883 square kilometres, bordered by the Strait of Georgia to the west, the US border to the south, the Valley of the Fraser River to the east and the Coastal Mountains to the north.



The region is serviced by significant transportation infrastructure, including the Vancouver International (YVR) and Abbotsford Airports, Horseshoe Bay and Tsawwassen Ferry Terminals, highways (Trans-Canada/Highway 1, Lougheed/Highway 7, Highway 91 and Highway 99), SkyTrain Rapid Transit (the Expo Line, the Millennium Line and Evergreen Extension, and the Canada Line), over 2,200 kilometres of major roadways, 20 major bridges and two major tunnels. Port Metro Vancouver, the fourth largest (by tonnage) port in North America, offers 27 deep sea and domestic marine terminals that service five business sectors: automobiles, break bulk, bulk, containers and cruise. Three Class 1 railways service the port terminals: CN Rail and Canadian Pacific Railway, both transcontinental railways, and the Burlington Northern Santa Fe Railway.

### City of Vancouver

Vancouver is the eighth largest city in Canada, covering approximately 112 square kilometres with a population of 697,266 (BC Stats, 2020). It is bordered by Burrard Inlet to the north, the Fraser River to the south, the Strait of Georgia to the west and the City of Burnaby to the east. With water restricting development on three sides, there is pressure on land use to create a higher density city.

Vancouver and Burnaby are linked by Hastings Street and Kingsway, which connect to downtown Vancouver, and Marine Drive, which follows the Fraser River to UBC. Vancouver is linked to the North Shore by the Lions Gate Bridge at the tip of Stanley Park and by Highway 1 via the Second Narrows Bridge in East Vancouver. The Knight Street, Oak Street and Arthur Laing Bridges link Vancouver to Richmond and YVR to the south. Waterfront Station, in downtown Vancouver, is Metro Vancouver's main transit hub, allowing connections between the Expo and Millennium lines to Burnaby and points east, the Canada Line to Richmond and YVR, the SeaBus commuter ferry to North Vancouver and the West Coast Express commuter train to the Fraser Valley.

Vancouver is divided into three distinct areas: the East Side, the West Side and the downtown peninsula. The East Side, between Ontario Street and Boundary Road, offers generally less expensive housing, while the West Side, between Ontario Street and UBC, comprises middle- and upper-income neighbourhoods. Throughout the city, multi-family housing and commercial uses line the major transportation corridors. The downtown peninsula largely comprises apartment & commercial buildings. Redevelopment for increased density is particularly evident along the Canada Line. The city has, in recent years, approved new plans for the West End, Downtown East Side, Marpole and Grandview-Woodland neighbourhoods, calling for increased density around rapid transit stations and increased access to affordable and social housing. A new area plan for Northeast False Creek was approved in early 2018, calling for mixed use development on the vacant lands around the Plaza of Nations and BC Place Stadium and on the Main Street lands occupied by the Georgia and Dunsmuir Viaducts. Work has started on a land use plan for the Broadway corridor, where an extension of the Millennium Line



SkyTrain to UBC is proposed. Additionally, initial consultations have begun regarding development of the Jericho Lands on West 4<sup>th</sup> Avenue.

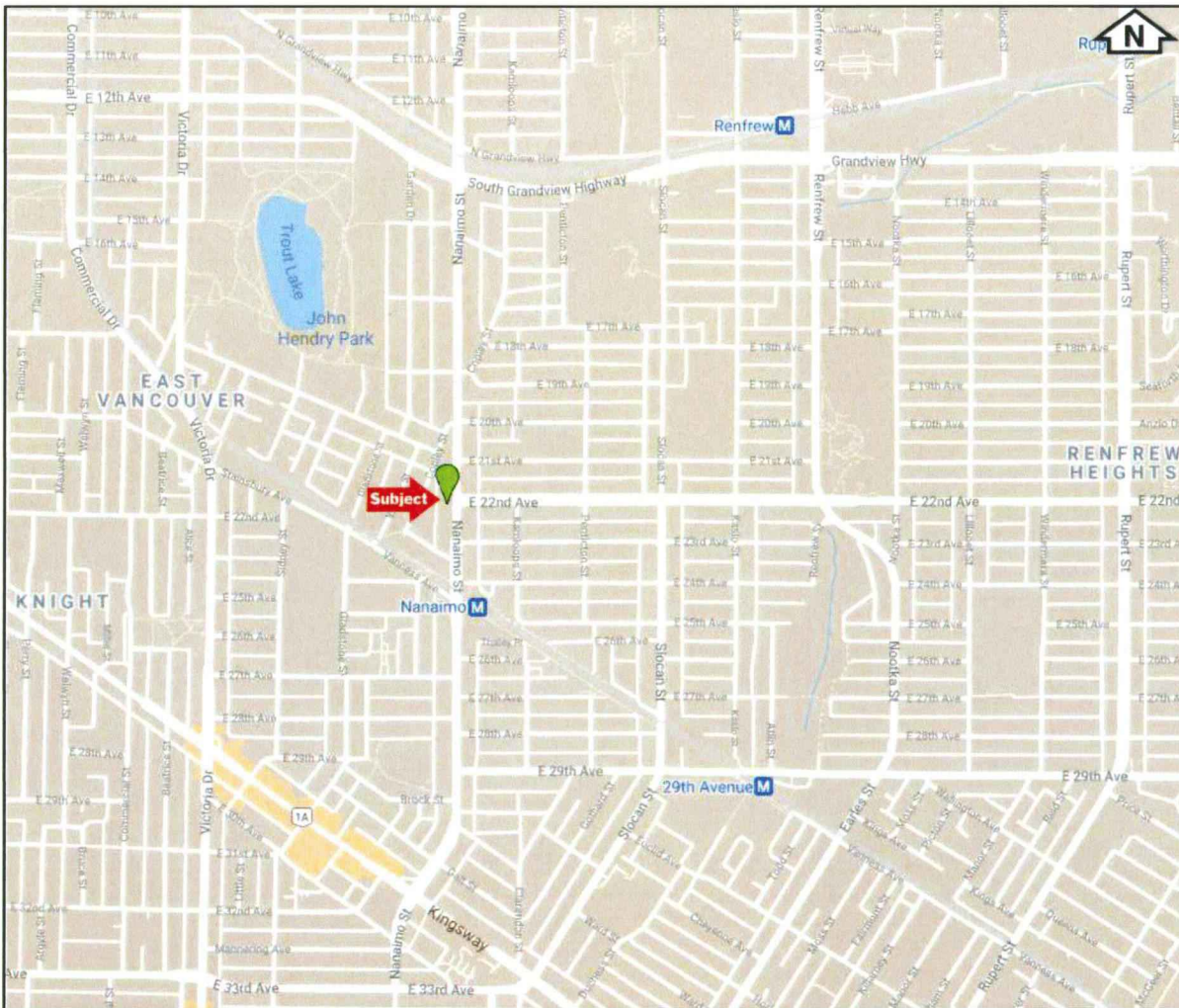
Vancouver’s Central Business District is located on the downtown peninsula and comprises high density commercial and hotel buildings, with lower density retail uses throughout and extending into the West End and Yaletown neighbourhoods. Commercial uses line the major transportation arteries through the city, especially the West Broadway corridor, the third-largest concentration of office space in Metro Vancouver. Vancouver’s two largest shopping centres are Pacific Centre, located downtown, and Oakridge Centre, located on the Canada Line and being redeveloped as an urban mixed use community comprising 2,000 residential units, more than 1,000,000 sq.ft. of retail and office space, a ten-acre park and a variety of civic amenities. Most of the city’s industrial land is located on the East Side, primarily in the False Creek Flats (where a land use plan was approved in May, 2017, calling for intensified employment uses around the new St. Paul’s Hospital and the Emily Carr campus) and around Burrard Inlet, with some industrial uses located along the Fraser River. Light industrial, technology and office uses, including Vancouver Film Studios, are also located at Boundary Road and Grandview Highway and in Mount Pleasant.

Vancouver is a thriving business centre, supported by an economy traditionally driven by the head office operations of resource companies in addition to broad-based diversification in areas of digital media, information technology, green technology, biotechnology and film production. Vancouver’s proximity to Asia makes the city an important trade centre. Tourism is another major contributor to the Vancouver economy, particularly the cruise industry, with stunning scenery, parks, beaches and nearby mountains that generate an avid draw among tourists. UBC, located just west of Vancouver, hosts a daily population of nearly 71,000 students and faculty and is a major influence on the city’s economy.

Population Stats					Industry & Income Stats			
<u>Population by Neighbourhood</u>								
Neighbourhood	Population	Ann. Growth (10 Years)	Area (ha)	Pop./ha	Vancouver	% of City	Metro Vancouver	% of Metro
Downtown Peninsula	109,230	2.4%	568	192.3	4,805	1.3%	24,335	1.8%
East Side	329,590	0.8%	5,833	56.5	17,700	4.8%	98,365	7.3%
West Side	194,315	0.4%	4,798	40.5	17,110	4.6%	84,355	6.2%
City of Vancouver (2016 Census)	633,135	0.9%	11,199	56.5	11,755	3.2%	55,415	4.1%
Metro Vancouver (2016 Census)	2,463,431	1.6%	288,268	8.5	36,955	10.0%	150,000	11.1%
% of Metro Van.	25.7%		3.9%		13,115	3.5%	74,775	5.5%
<u>Population by Age Group</u>					Information & Cultural Industries		50,230	3.7%
Age Group	Vancouver	% of City Pop	Metro Vancouver	% of Metro Pop	Finance & Real Estate		100,690	7.4%
0 to 9	47,520	7.5%	239,000	9.7%	Professional & Scientific Services		133,130	9.8%
10 to 19	51,280	8.1%	265,390	10.8%	Business Management		3,185	0.2%
20 to 29	107,630	17.0%	347,210	14.1%	Admin Services & Remediation		61,005	4.5%
30 to 39	110,630	17.5%	350,580	14.2%	Health Care & Education		237,500	17.5%
40 to 49	90,780	14.4%	352,655	14.3%	Tourism & Food		142,895	10.5%
50 to 59	88,945	14.1%	368,470	15.0%	Other Services		60,840	4.5%
60 and over	134,705	21.3%	540,130	21.9%	Public Administration		53,855	4.0%
(2016 Census)	631,490		2,463,435		Not Applicable		24,955	1.8%
<u>Real Estate &amp; Development Stats</u>					Total Labour (2016 Census)		1,355,530	
<u>Census, CMHC &amp; MLS Stats</u>					2015 Median Household Income (2016 Census)	\$65,327		\$72,662
	Vancouver	%	Metro Vancouver		<u>Major Project Inventory Q3 2020 (\$ millions)</u>			
Population Estimate (2020)	697,266	25.5%	2,737,681		Vancouver	%	BC	
Household Units (2016 Census)	283,915	29.5%	960,895		Proposed	\$15,234	6.9%	\$219,668
CMHC Housing Starts (2020)	3,625	16.2%	22,371		On Hold	\$148	0.5%	\$30,243
CMHC Rental Inventory (2020)	59,764	51.5%	115,949		Construction Started	\$9,702	8.2%	\$117,760
CMHC Rental Vacancy (2020)	2.8%		2.6%		Completed	\$717	33.1%	\$2,164
MLS Home Sales (2020)	8,455	27.2%	31,051		<u>Broker Stats</u>			
MLS HPI (2020)	\$1,231,775	119.5%	\$1,031,158		Vancouver	%	Metro Vancouver	
					Downtown	31,717,420		
					Broadway Corridor	7,514,098		
					Vancouver Periphery	2,207,134		
					Office Space (sq. ft.) – Q4 2020	41,438,652	57.4%	72,189,581
					Industrial Space (sq. ft.) – Q4 2020	20,953,116	9.8%	214,518,331
					<i>(Colliers International)</i>			

Sources: Stats Canada, BC Stats, City of Vancouver, Real Estate Board of Greater Vancouver, Colliers International, CMHC

AREA MAP



NEIGHBOURHOOD PROFILE

The subject property relates to an assembly of 11 single-family lots situated on the northwest corner of Nanaimo Street and a side municipal lane. The subject property is located within a multi-family residential and single-family residential neighbourhood, in close proximity to Nanaimo Expo Line SkyTrain station.

Property Uses in the Surrounding Area:

<b>NORTH</b>	Lord Beaconsfield Elementary School (northeast), Single-family Residential, Trout Lake (northwest);
<b>SOUTH</b>	Nanaimo Expo Line SkyTrain Station (southeast), General Brock Park (southwest), Multi-family Residential (southeast), Single-family Residential;
<b>EAST</b>	Single-family Residential;
<b>WEST</b>	Gladstone Secondary School (southwest), Single-family Residential.



**Recent Development Activity:**

- **Paradigm (River District)** by Wesgroup relates to a proposed 22-storey, concrete, high-rise project. The project features 268 units and launched in December, 2019.
- **Clarendon Heights** by Fully Homes relates to a proposed four-storey, wood frame, low-rise project. The project features 47 units and launched in January, 2020.
- **Rupert** by Kaval Properties relates to an upcoming four-storey, wood frame, low-rise project. The project features 22 units.
- **Popolo** by Epix Developments relates to an upcoming six-storey, wood frame, mid-rise project. The project features 81 units.
- **Format** by Cressey Development Corp. relates to an upcoming 13-storey, mixed use, concrete, high-rise project. The project features 154 units.
- **Habitat** by Porte Homes/Fabric and Hudson relates to an upcoming four-storey, mixed use, wood frame, low-rise project. The project features 70 units.

**Transportation and Access:**

<b>ROAD NETWORK</b>	Nanaimo Street to the east/west; East 22nd Avenue to the north; Kingsway to the south.
<b>PUBLIC TRANSIT</b>	Nanaimo Expo Line SkyTrain Station approximately 150 m to the southeast and 250 m to the northwest. Bus service running north/south along Nanaimo Street; Bus service running east/west along East 22nd Avenue.

**Summary:**

The subject property provides a contiguous assembly on the northwest corner of Nanaimo Street and a side municipal lane. The surrounding area features a wide array of amenities, from parks, schools and transit. The close proximity to Lord Beaconsfield Elementary School, Gladstone Secondary School, Trout Lake and a rapid transit station provide convenience.



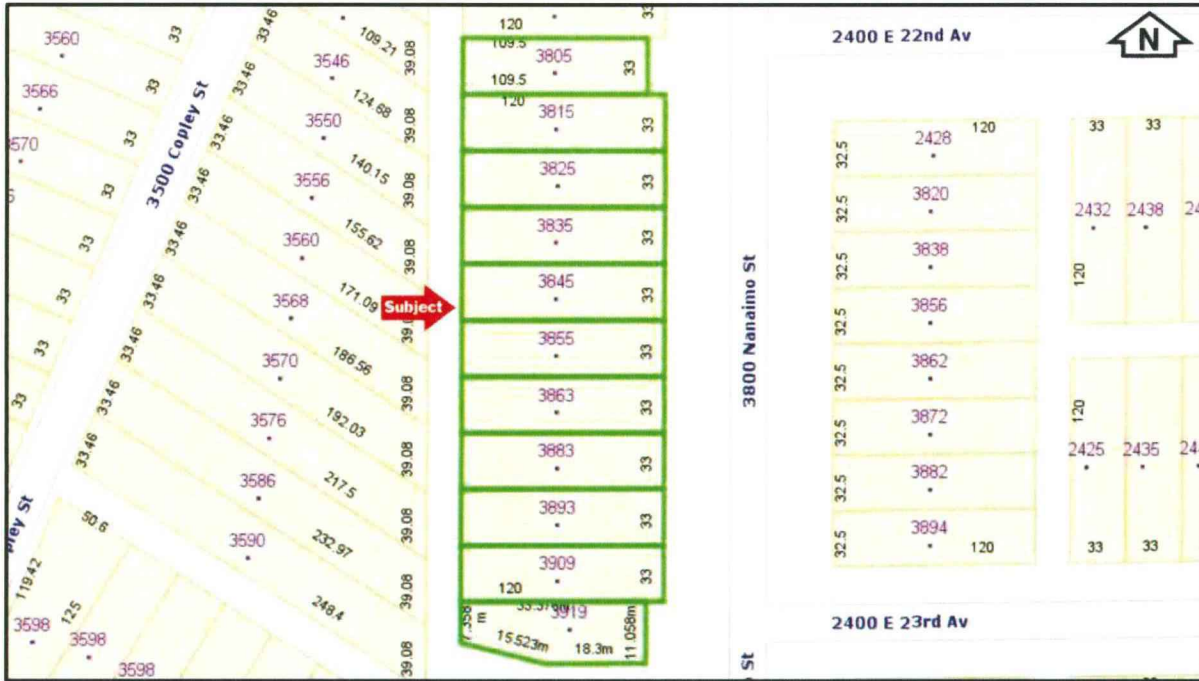
## PROPERTY DATA

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### SITE

<b>SITE AREA</b>	42,926 sq.ft. according to municipal records.
<b>CONFIGURATION</b>	See site plan.
<b>UTILITIES</b>	Access to the following municipal services: potable water, storm and sanitary sewer, hydro, natural gas, telephone, cablevision, ambulance, police and fire protection.
<b>TOPOGRAPHY</b>	Level and at grade with street the adjacent streets.
<b>SOIL CONDITIONS</b>	We are not environmental consultants or geotechnical engineers and have not been provided with any soils surveys or other environmental studies on the subject property. As such, we do not know if the subject property is free of soil contamination and environmental problems. For the purpose of this report, it is assumed that the property does not suffer from any environmental or geotechnical problems. The reader is cautioned that if such a problem were to exist, it could have an impact on value.

SITE PLAN



AERIAL PHOTO OF SUBJECT SITE AND IMPROVEMENTS





## IMPROVEMENTS

The subject property is currently improved with 11 single-family homes on the northwest corner of Nanaimo Street and a side municipal lane constructed between 1921 and 2012. Most comparables contain similar development and some level of demolition is expected, thus our value has not considered demolition costs as the requirement and cost of demolition is considered to be similar.

## ASSESSMENTS & TAXES

Address	P.I.D.	Registered Owner	Legal Description	Site Size (Sq. Ft.)	Roll Number	2022 Assessment			2021 Taxes
						Land	Improvement	Total	
3805 Nanaimo Street	014-559-889	Coromandel Nanaimo 22 BT Ltd., Inc. No. BC1086532	Lot 39 Except the East 10.5 Feet, Now Road Block A District Lot 741 Plan 1567	3,614	014270698870000	\$1,291,000	\$114,000	\$1,405,000	\$5,731.37
3815 Nanaimo Street	014-559-901	Coromandel Nanaimo 22 BT Ltd., Inc. No. BC1086532	Lot 40 Block A District Lot 741 Plan 1567	3,960	014270700230000	\$1,435,000	\$19,900	\$1,454,900	\$5,381.10
3825 Nanaimo Street	014-559-994	Coromandel Nanaimo 22 BT Ltd., Inc. No. BC1086532	Lot 41 Block A District Lot 741 Plan 1567	3,960	014270700330000	\$1,435,000	\$41,600	\$1,476,600	\$5,315.62
3835 Nanaimo Street	008-500-070	Coromandel Nanaimo 22 BT Ltd., Inc. No. BC1086532	Lot 42 Block A District Lot 741 Plan 1567	3,960	014270700430000	\$1,435,000	\$31,600	\$1,466,600	\$5,241.19
3845 Nanaimo Street	014-560-011	Coromandel Nanaimo 22 BT Ltd., Inc. No. BC1086532	Lot 43 Block A District Lot 741 Plan 1567	3,960	014270700470000	\$1,435,000	\$371,000	\$1,806,000	\$4,874.10
3855 Nanaimo Street	014-560-020	Coromandel Nanaimo 22 BT Ltd., Inc. No. BC1086532	Lot 44 Block A District Lot 741 Plan 1567	3,960	014270700530000	\$1,435,000	\$47,900	\$1,482,900	\$5,378.98
3863 Nanaimo Street	014-560-038	Coromandel Nanaimo 22 BT Ltd., Inc. No. BC1086532	Lot 45 Block A District Lot 741 Plan 1567	3,960	014270700590000	\$1,435,000	\$33,400	\$1,468,400	\$5,248.53
3883 Nanaimo Street	014-560-046	Coromandel Nanaimo 22 BT Ltd., Inc. No. BC1086532	Lot 46 Block A District Lot 741 Plan 1567	3,960	014270700650000	\$1,435,000	\$213,000	\$1,648,000	\$5,905.64
3893 Nanaimo Street	014-560-054	Coromandel Nanaimo 22 BT Ltd., Inc. No. BC1086532	Lot 47 Block A District Lot 741 Plan 1567	3,960	014270700710000	\$1,435,000	\$368,000	\$1,803,000	\$6,420.26
3909 Nanaimo Street	011-360-895	Coromandel Nanaimo 22 BT Ltd., Inc. No. BC1086532	Lot 48 Block A District Lot 741 Plan 1567	3,960	014270700770000	\$1,435,000	\$366,000	\$1,801,000	\$6,509.43
3919 Nanaimo Street	018-440-771	Coromandel Nanaimo 22 BT Ltd., Inc. No. BC1086532	Lot "E" Block A District Lot 741 Plan LMP12344	3,672	014270700850000	\$1,311,000	\$376,000	\$1,687,000	\$6,662.55
				42,926		\$15,517,000	\$1,982,400	\$17,131,400	\$62,668.77

The gross taxes for 2021 are \$62,668.77.

## ZONING AND LAND USE CONSIDERATIONS

<b>INTRODUCTION</b>	3805-3919 Nanaimo Street are zoned Residential (RS-1). The intent of this zoning is to generally to maintain the residential character of the RS-1 District in the form on one-family dwellings, secondary suites, laneway houses, two-family dwellings with secondary suites on larger lots and with lock-off units on smaller lots, an infill and multiple conversion dwellings in conjunction with retention of character houses. Emphasis is placed on encouraging neighbourly development by preserving outdoor space and views. Neighbourhood amenity is enhanced through the maintenance of healthy trees and planting which reflects the established streetscape. Further details of this zoning including the permitted uses are available in the City of Vancouver Official Bylaws and attached as Addendum C.
<b>ZONING CLASSIFICATION</b>	Residential (RS-1).
<b>MAXIMUM DENSITY:</b>	0.7 FSR (conditionally).
<b>MAXIMUM LOT COVERAGE</b>	40% of the site area for all uses except for two-family dwellings and two-family dwellings with secondary suite; and 45% of the site area for two-family dwellings and two-family dwellings with secondary suite.
<b>MAXIMUM HEIGHT:</b>	9.5 m (21 ft.); the Director of Planning may permit to a maximum of 10.7 m (35 ft.).
<b>PERMITTED USES:</b>	Single-family dwellings, community care facilities, and accessory uses ancillary to the aforementioned uses.
<b>OCP OR FUTURE REZONING:</b>	Discussions with market participants and local realtors have indicated that various developers are assembling sites in anticipation of additional



density within a future area plan; however, we note that the City of Vancouver has not officially announced said plan. Given the neighbouring Norquay Village Neighbourhood Centre Plan and the Joyce Collingwood Station Precinct Plan coupled with proximity to a rapid transit station, it is reasonable to anticipate future additional density may be prescribed.

### **EFFECT OF AN ASSEMBLAGE**

When relevant to the assignment, an appraiser must analyse the effect of an assemblage on value. Assemblage is the merging of adjacent properties into one common ownership or use. The value of the whole may be less than, equal to, or more than the sum of the components of the various estates or parcels. Assemblage establishes the effect on value, if any, of the “larger parcel”.

The subject property is an eleven-parcel development site. All eleven parcels would be required to make efficient use of the site. Therefore, the market appeal of the three subject parcels as an assembly is considered to exceed the market appeal of the individual parcels on a standalone basis. This will be discussed in the Highest and Best Use Section of this report.

## HIGHEST & BEST USE

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### DEFINITION

Real Estate is valued in terms of its optimum or “highest and best use”. Highest and best use is defined as:

“The reasonably probable use of a property that is physically possible, legally permissible, financially feasible and maximally productive, and that results in the highest value”.

### CRITERIA

The four criteria the Highest and Best Use must meet are:

#### Legal Permissibility

- This considers public restrictions, including zoning guidelines, utility right-of-way, etc., and private restrictions such as easements.
- 3805-3919 Nanaimo Street is currently zoned RS-1, which permits single-family development up to 0.7 FSR (conditionally). Discussions with market participants and local realtors have indicated that various developers are assembling sites in anticipation of additional density within a future area plan; however, we note that the City of Vancouver has not officially announced said plan. Given the neighbouring Norquay Village Neighbourhood Centre Plan and the Joyce-Collingwood Station Precinct Plan coupled with proximity to a rapid transit station, it is reasonable to anticipate future additional density may be prescribed.

#### Physically Possible

- This considers site area, configuration, topography, availability of utilities, street improvements and accessibility.
- The image below provided by the City of Vancouver Geographical Information System shows the connections to water, sewer and electrical services. The closest fire hydrants are located on the southeast corner of East 22<sup>nd</sup> Avenue and Nanaimo Street and the southeast corner of East 23<sup>rd</sup> Avenue and Nanaimo Street.



- The current improvements are evidence that single-family developments are physically possible. As for multi-family development, the subject is in a location that may potentially experience an increase in residential density, given its proximity to rapid transit. The subject property is fully serviced and is easily accessible to pedestrians, motorists and transit vehicles.

### **Financially Feasible**

- This considers marketability in terms of supply/demand characteristics, profitability as it relates to return on cost, market rent levels, etc., and the availability and cost of capital.
- Developer's expectations regarding end unit value will influence the price that they are willing to pay for land; however, an anticipated density, height and built form are not available. However, given the City's appetite to add density along major arterials and/or sites in proximity to mass transit, it seems reasonable to expect density to rise in the subject vicinity. One of the more recent projects to be brought to the market in June, 2021 is a mid-rise concrete project on Clive Avenue near Joyce Station. Prices are in the mid-\$1,100 per sq.ft. region. Cressey launched Format on Kingsway in November, 2020, a weaker market, and is achieving some \$1,050 per sq.ft.

### **Maximum Profitability**

- This considers use that produces the highest residual land value consistent with the rate of return warranted by the market for that use.
- The subject property is located within an area where additional density is anticipated within a future area plan; however, we note that the City of Vancouver has not officially announced said plan. Alternative uses for any of the subject parcels are limited given the current RS-1 and CD-1 zonings governing the subject parcels. As such, the greatest economic use of the land reflects the existing developments.

### **CONCLUSION**

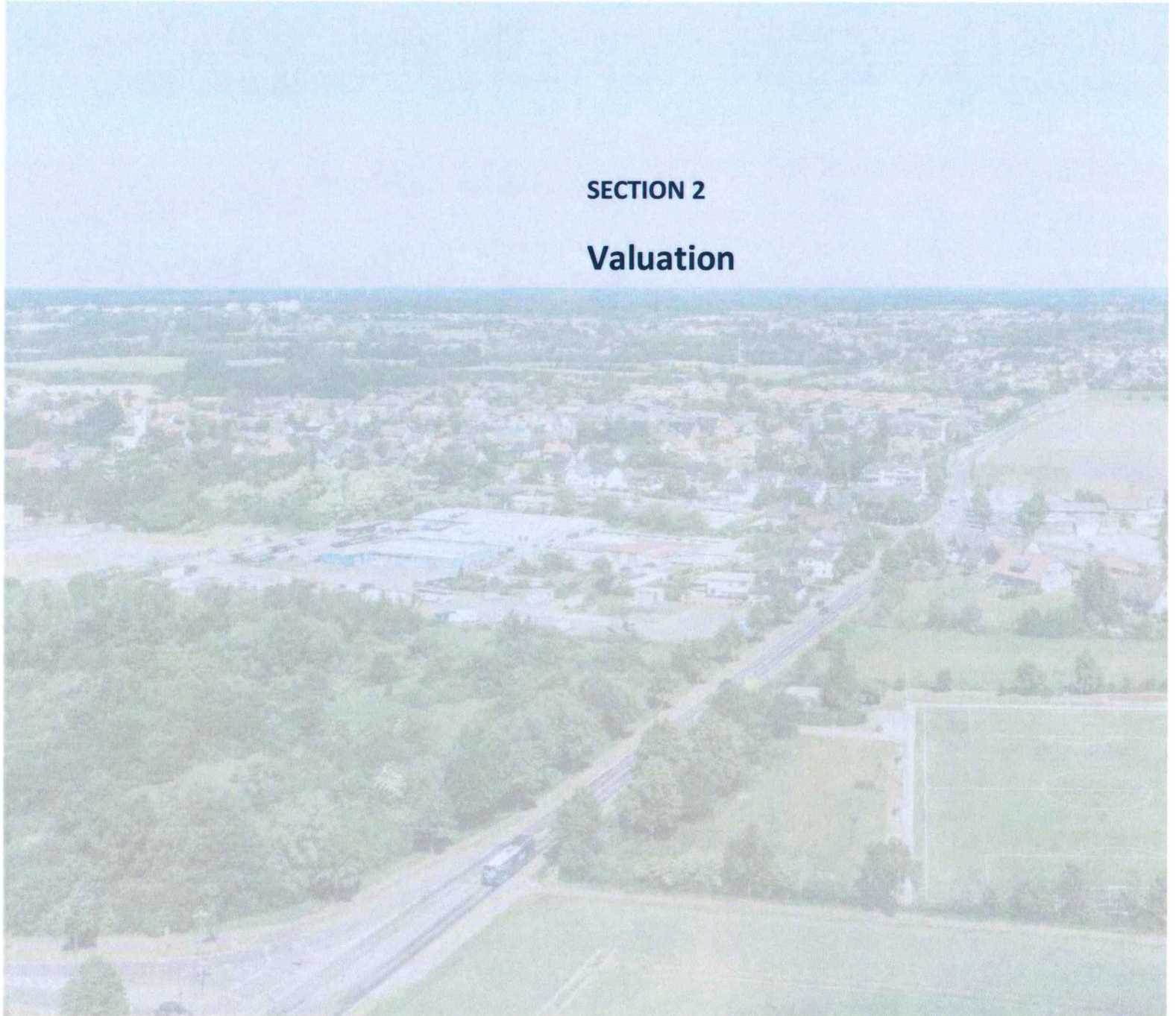
Having regard to the discussion above, the current use of the subject land as developed with the existing use is a legal and conforming use, according to the applicable Residential (RS-1) zoning guidelines. Given the subject's locations and surrounding developments, we are of the opinion that the current use as single-family homes will deliver the greatest net return to the property in the interim. No alternative, legal use could economically justify the removal of the existing improvements at this time.

### **HIGHEST AND BEST USE AS IF VACANT**

If the subject property was vacant and unimproved, and was able to be developed in today's market, it is our opinion that its highest and best use would be single-family homes in the interim.



**SECTION 2**  
**Valuation**



## VALUATION PROCESS

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### METHODS OF VALUATION

Generally, appraisers rely upon three basic approaches to estimate value: the Direct Comparison Approach, the Cost Approach, and the Income Approach. The decision to apply any one or all of these approaches is determined by the type of property being appraised.

- a.) Direct Comparison;
- b.) Extraction;
- c.) Allocation;
- d.) Land Residual;
- e.) Ground Rent Capitalization;
- f.) Subdivision Approach.

#### **Direct Comparison Approach:**

- Sales of similar, vacant parcels are analysed, compared, and adjusted to provide a value indication for the subject land being appraised. Direct comparison is the most common technique for valuing land, and it is the preferred method when comparable sales are available.

#### **Extraction:**

- An estimate of the depreciated cost of the improvements is deducted from the total sale price of the property to arrive at the land value. This technique is applicable when the buildings contributory value is small and relatively easy to identify (the technique is frequently used in rural areas).

#### **Allocation:**

- A ratio of land value to property value is extracted from comparable sales and applied to the sale price of the subject property to arrive at the land value. This technique is applicable when the number of vacant land sales is inadequate and is typically used as a check for reasonableness rather than a formal opinion of land value.

#### **Land Residual:**

- The gross revenue of hypothetical improvements is determined and all costs associated with construction are deducted (hard costs, soft costs and developers profit). The remainder in the calculation is attributable to the land. This technique is only applicable in testing the feasibility of alternative uses of a particular site in highest and best use analysis or when land sales are not available.

**Ground Rent Capitalization**

- A market-derived capitalization rate is applied to the ground rent of the subject. This method is useful when comparable rents, rates, and factors can be development from an analysis of sales of leased land.

**Subdivision Approach**

- Direct and indirect costs and entrepreneurial profit are deducted from an estimate of the anticipated gross sales price of the finished lots, and the net sales proceeds are discounted to present value at a market-derived rate over the development and absorption period. This technique is applicable when vacant land that has the potential for development as a subdivision represents the likely highest and best use of the land.

The final step in the appraisal process is to reconcile the one or more value indications. In this reconciliation to provide one final estimate of market value, the purpose of the appraisal, the type of property, and the adequacy and reliability of the data studies, all influence the weight attributed to each of the approaches.

**APPROACH TO ESTIMATING VALUE**

Land value is typically determined using the Direct Comparison Approach with the price per sq.ft. buildable being the main unit of value. This is calculated by taking the sale price divided by the total Floor Space Ratio (FSR) area or buildable area that is approved or contemplated to be developed on the site (site area x FSR = buildable area). As an area plan is not yet available, we have applied the price per sq.ft. of land as the main unit of value. The Income and Cost Approaches are not used for development sites.

Cost associated with demolition of the subject improvements have not been deducted from our value conclusion, as many of our comparable land sales will also incur demolition costs due to the buildings onsite.

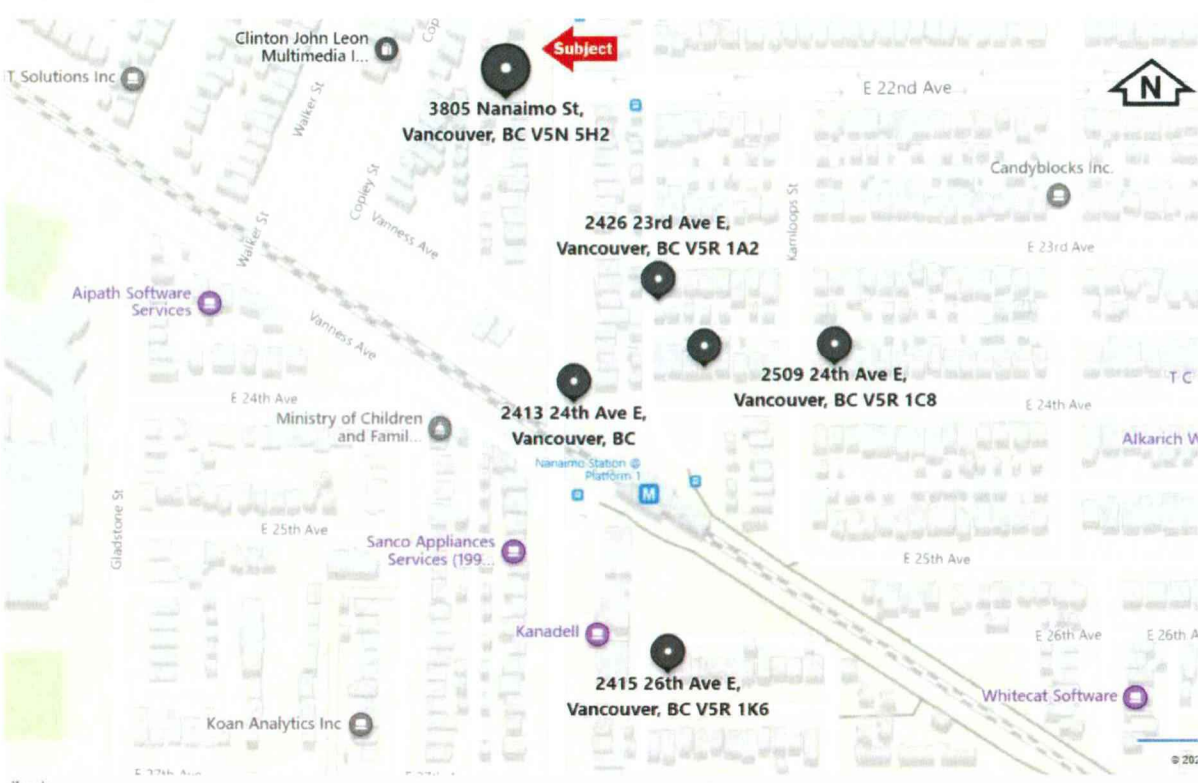


## COMPARABLE SALES

### INTRODUCTION

We have examined a number of sales of development properties over the past several years and have undertaken discussions with agents with respect to end unit expectations for properties such as the subject in the current market. We have considered sales comparables within the subject vicinity, as the expectation for additional density is considered to be similar. The following sales have been selected as they represent the most relevant transactions.

### Map of Comparable Sales



## Comparable No. 1

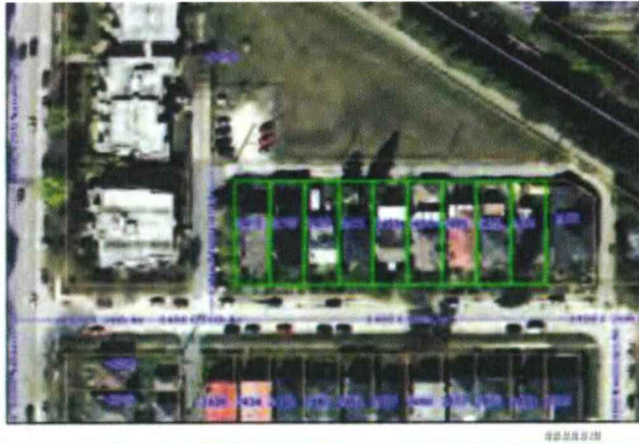


Jan-17

<b>Address</b>	2481-2459 & 2473-2485 East 24th Avenue, Vancouver
<b>Zoning</b>	RS1
<b>Vendor</b>	Multiple individuals
<b>Purchaser</b>	Confidential
<b>Closing Date</b>	Sep-20 to Jul-21
<b>Negotiation Date</b>	Jan-19 to Aug-20
<b>Sale Price</b>	\$22,753,776
<b>Site Size</b>	28,440 sq. ft.
<b>Price/Sq.Ft.</b>	\$800

- Non-contiguous seven-lot assembly on the north side of East 24th Avenue, between Kamloops Street and a side municipal lane in the Renfrew Heights neighbourhood.
- At the time of sale, the properties were improved with seven single-family homes.

## Comparable No. 2




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<b>Address</b>	2415-2483 East 26th Avenue, Vancouver
<b>Zoning</b>	CD1 (210)
<b>Vendor</b>	Ansen 26 Development Bare Trustee Ltd.
<b>Purchaser</b>	Vivagrand Development Ltd.
<b>Closing Date</b>	Mar-21
<b>Negotiation Date</b>	Oct-20
<b>Sale Price</b>	\$29,600,000
<b>Site Size</b>	29 403 sq.ft.
<b>Price/Sq.Ft.</b>	\$1,007

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- Nine-lot assembly on the north side of East 26th Avenue and bounded to the west and north by Trolley Place which is an access lane.
- At the time of sale, the properties were improved with nine single-family homes.



## Comparable No. 3



<b>Address</b>	2426-2468 East 23rd Avenue, Vancouver
<b>Zoning</b>	RS1
<b>Vendor</b>	Multiple individuals
<b>Purchaser</b>	1200007 BC Ltd.
<b>Closing Date</b>	Oct-20 to Jan-21
<b>Negotiation Date</b>	May-19
<b>Sale Price</b>	<b>\$21,016,758</b>
<b>Site Size</b>	23,760 sq.ft.
<b>Price/Sq.Ft.</b>	<b>\$885</b>

- Six-lot assembly on the southeast corner of East 23rd Avenue and a side municipal lane in the Renfrew Heights neighbourhood.
- At the time of sale, the properties were improved with six single-family homes.

## Comparable No. 4



Jan-17-22

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<b>Address</b>	2451 and 2473 East 24th Avenue, Vancouver
<b>Closing Date</b>	Jul-21
<b>Sale Price</b>	\$6,255,000
<b>Site Size</b>	7,840 sq.ft.
<b>Price/Sq.Ft.</b>	\$798

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- Two mid-block, non-contiguous lots on the north side of East 24th Avenue
- At the time of sale, each lot was improved with a single-family home

## TIME ADJUSTMENT

The Greater Vancouver Real Estate Board Home Price Index indicates an overall upward trend from December, 2021 in the Renfrew Heights area of the City of Vancouver over the past six and 12 months, respectively. As of December 2021, the benchmark price of an apartment unit in the Renfrew Heights area is noted to be \$457,300, indicating an increase of 1.9% and an increase of 9.8% over the past 6 to 12 months, respectively.

HOME PRICE INDEX FOR VANCOUVER EAST RENFREW HEIGHTS DECEMBER 2021						
Benchmark	Price Index	1 Month +/-	6 Month +/-	1 Year +/-	3 Year +/-	5 Year +/-
<b>Apartment</b>						
\$457,300	280.7	1.8	1.9	9.8	11.0	26.3

The most dated land sales comparables in our chart were negotiated in early, 2019. The benchmark price of an apartment in January, 2019 was \$419,900, well below current pricing. While end unit pricing has clearly risen, so too have construction costs, albeit to a lesser degree, noting that benchmark pricing largely reflects resale product. New product pricing grows at a higher rate than resale product, given the substantial marketing campaigns that new projects enjoy. In addition, pre-sale projects have the advantage of the perception of capital appreciation during the construction timeframe, which resales do not. Overall, an upward qualitative adjustment for time is considered for the more dated sales.

We note that the Home Price Index (HPI) is conceptually similar to the Consumer Price Index (CPI), as both track price changes. The CPI tracks price changes for a typical basket of consumer goods and services and the HPI tracks home price changes based on a typical basket of housing features. For example, perhaps the basket of features for atypical home in a given community includes a ten-year old, three-bedroom house without a panoramic or ocean view on a 7,200 sq.ft. lot, with eight rooms, two bathrooms, a fireplace and a single-car garage and is close to schools. A benchmark price for this home can be created from the individual dollar values given to each of the above features. The HPI values track relative price levels by comparing price levels at a point in time to price levels in a base (reference) period. As the base reference period (January 2005) has a value of 100, it is possible to quickly infer the extent to which prices have changed relative to the base period. For example, if the base (reference) period for the HPI is the month of January, 2005 at 100, the HPI value for apartment units in September, 2020 is 270.6, this indicates that apartment units within Vancouver East in September, 2020 were up 170.6% compared to January, 2005.



PRICE INDEX FOR VANCOUVER EAST  
 RENFREW HEIGHTS  
**3 YEAR TREND**



#### ANALYSIS OF COMPARABLE SALES

The Direct Comparison Approach considers each of the comparables on a price per sq.ft. basis. We have researched land sales in Vancouver East, particularly around the Nanaimo Expo Line SkyTrain Station. We will be comparing the subject property to other multi-family development sites that are anticipated for high density development similar to the subject. The following chart provides a summary of the particulars of each comparable sale.

No.	Address	Sale Date	Sale Price	Lot Size (Sq.Ft.)	Zoning	Sale Price Per Sq.Ft. of Land
1	2431-2459 & 2473-2485 East 24th Avenue Vancouver, BC	Sep-20 to Jul-21 <i>Neg. Jan-19 to Aug-20</i>	\$22,753,776	28,440	RS-1	\$800
2	2415-2483 East 26th Avenue Vancouver, BC	Mar-21 <i>Neg. Oct-20</i>	\$29,600,000	29,403	RS-1	\$1,007
3	2426-2468 East 23rd Avenue Vancouver, BC	Q4-20 to Q1-21 <i>Neg. Q2-19</i>	\$21,016,758	23,760	RS-1	\$885
4	2451 and 2473 East 24th Avenue Vancouver, BC	Jul-21	\$6,255,000	7,840	RS-1	\$798
5	2509 East 24th Avenue & 3930 Nanaimo Street Vancouver, B.C.	Under Contract	\$3,500,000 \$3,800,000 \$7,300,000	3,960 3,900 7,860		\$884 \$974 \$929
<b>Subject Property</b>						
	<b>3805-3919 Nanaimo Street</b> Vancouver, BC			<b>42,926</b>	<b>RS-1</b>	

The comparable sales indicate a range of values between \$798 and \$1,007 per sq.ft. for similar sites ranging in size from 7,840 sq.ft. to 29,403 sq.ft.

Comparable No. 1 relates to a six-lot assembly on the north side of East 24<sup>th</sup> Avenue, between Kamloops Street and a side municipal lane. Upward adjustments are considered for the comparable's non-contiguous nature and assembly risk, although somewhat tempered by a downward adjustment for the comparable's closer proximity to rapid transit, thus indicating a value above \$800 per sq.ft. of land. In addition, the market has improved since these sites were negotiated for sale.

Comparable No. 2 relates to nearly an entire city block, also with a corner configuration. While the market has improved since the sale took place, the comparable is closer to SkyTrain. Overall, a similar value is expected.

Comparable No. 3 relates to a contiguous six-lot assembly on the south side of East 23<sup>rd</sup> Avenue, between Kamloops Street and a side municipal lane. A downward adjustment is considered for the comparable's closer proximity to rapid transit, which is more than offset by the upward adjustment for time and the for the more efficient site size of the subject. We would expect a value above \$888 per sq.ft. of land, noting the subject relates to an 11-lot contiguous assembly that can be sold as a single development site or as two separate development sites.

Comparable No. 4 represents one of the more recent sales comparables, relating to two small mid-block, non-contiguous parcels. A value above \$798 per sq.ft. is indicated.

Comparable No. 5 relates to two non-contiguous lots purchased by the same developer from separate vendors. Given the assembly risk and less efficient site size, a value above \$929 per sq.ft. is indicated, while noting that limited information regarding this sale has been provided by the commissioner of this report.

A range of values from \$888 to \$1,007 per sq.ft. has been narrowed from the discussion above, with Comparable No. 5 refining the lower limit to \$929 per sq.ft. The subject relates to 11 contiguous lots with frontage along Nanaimo Street. In this upwardly trending market, a value towards the upper end of the range appears reasonable at **\$1,000 per sq.ft. of land.**

Based on a review of these sales and consideration of the local investment market for properties similar to the subject, we would expect that the subject would need to be exposed to the market for a period of three to six months prior to a sale being completed.

FINAL RECONCILIATION

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Value Summary	
3805-3919 Nanaimo Street	
Site Size:	42,926 sq.ft.
Value Per Sq.Ft. of Land:	\$1,000 per sq.ft. of land
Concluded Value:	\$42,925,944
<b>Rounded to:</b>	<b>\$42,900,000</b>

Based on a viewing of the property and the investigation and analyses undertaken herein, we have formed the opinion that, as of January 17, 2022, the market value of the subject property, in Fee Simple Estate, assuming an exposure period of three to six months is estimated to be:

**FORTY TWO MILLION NINE HUNDRED THOUSAND DOLLARS**  
**\$42,900,000**



## CERTIFICATION

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

1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my impartial and unbiased professional analyses, opinions and conclusions;
3. I have no past, present or prospective interest in the property that is the subject of this report and no personal and/or professional interest or conflict with respect to the parties involved with this assignment.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. My engagement in and compensation is not contingent upon developing or reporting predetermined results, the amount of value estimate, a conclusion favouring the client, or the occurrence of a subsequent event.
6. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the CUSPAP.
7. I have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with CUSPAP;
8. Except as herein disclosed, no one has provided significant professional assistance to the person(s) signing this report;
9. As of the date of this report the undersigned has fulfilled the requirements of the AIC's Continuing Professional Development Program;
10. The undersigned is (are all) members in good standing of the Appraisal Institute of Canada.

**CO-SIGNING AIC APPRAISER'S CERTIFICATION:** If an AIC appraiser has co-signed this appraisal report, he or she certifies and agrees that "I directly supervised the appraiser who prepared this appraisal report and, having reviewed the report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certification and am taking full responsibility for the appraisal and the appraisal report."

### PROPERTY IDENTIFICATION


<b>CIVIC ADDRESS</b>	3805-3919 Nanaimo Street, Vancouver, BC.
<b>LEGAL DESCRIPTION</b>	<p>Lot 39 Except the East 10.5 Feet, Now Road, Block A District Lot 741 Plan 1567; Lots 40 through 48 Block A District Lot 741 Plan 1567; Lot "E" Block A District Lot 741 Plan LMP12344.</p> <p>PID #: 014-559-889; 014-559-901; 014-559-994; 008-500-070; 014-560-011; 014-560-020; 014-560-038; 014-560-046; 014-560-054; 011-360-895; 018-440-771.</p>

Based upon the data, analyses and conclusions contained herein, the market value of the interest in the property described.

**As at January 17, 2022, is estimated at \$42,900,000**

As set out elsewhere in this report, this report is subject to certain assumptions and limiting conditions, the verification of which is outside the scope of this report.

**APPRAISER:**



Ryan H. Wong  
B.Comm, AACI, P.App  
Director, Valuation  
AIC Membership # 901127

Viewed Property: Yes  
Date of Viewing: January 17, 2022.  
Date Signed: January 25, 2022.

NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.

## EXTRAORDINARY & LIMITING CONDITIONS

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1. Any third party intending to rely upon the conclusions of this report should not do so without prior reference to **Ryan ULC**. This report must be presented in its full context. No responsibility is accepted for any partial presentation of a portion of the report.
2. Information contained within this report is from sources considered reliable and believed to be correct. No responsibility is accepted for the accuracy of information supplied by others.
3. It is assumed that the title to the subject property is good and marketable and capable of providing security for typical market financing. Unless otherwise stipulated in this report, the title documents for the subject property have not been inspected and are assumed to be free and clear of any financial encumbrances which would have a material effect on value.
4. No legal survey has been made on the subject property as a part of this report and it is assumed that all legally described boundaries and registered plans are correct. The sketches (if any) contained within this report are intended to assist the reader to visualize the subject property and are not necessarily based on legal survey.
5. We have not conducted a site survey of the subject property and have assumed that the measurements indicated on the plan attached are correct. For proper verification of the site area, it is recommended that the property be surveyed by a qualified professional.
6. No responsibility is assumed for the legal locations of any improvements as described within this report but it would appear that all improvements, if any, are located within the legal boundaries of the subject site except as may otherwise be specified herein.
7. The buildings (if any) were viewed to provide a building description and to ascertain their general condition and a detailed structural survey was not undertaken. We have not inspected woodwork or other parts of the structure which are covered, unexposed or inaccessible and we are unable, therefore, to report that such parts of the property are free of rot, beetle or other defects. Unless otherwise stipulated herein, the buildings are assumed to be in sound structural condition.
8. This appraisal does not carry with it the rights to Court testimony. If this service is required, specific arrangements must be agreed upon in advance.
9. As per our letter of instructions, it is assumed that there are no structural or soil problems which materially affect value.



**LIMITING CONDITION**

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organization as a “Global Pandemic” on March 11, 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries.

Market activity is being impacted in many industry sectors. As of the effective date, the undersigned considers that less weight can be attached to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances on which to base an opinion of value.

Consequently, less certainty – and a higher degree of caution – should be attached to this point-in-time valuation assignment than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, the undersigned recommends that clients and intended users keep the valuation of this property under frequent review.

Values and opinions contained in this report are based on market conditions as of the effective date of this report. This point-in-time valuation assignment does not provide a prediction of future values. In the event of market instability and/or disruption, values and opinions may change rapidly and, as a result, potential future events have NOT been considered in this report. As this report does not and cannot consider any changes to the property or market conditions after the effective date, clients and intended users are cautioned in relying on the report after the effective date noted herein.

## ASSUMPTIONS, LIMITING CONDITIONS, DISCLAIMERS AND LIMITATIONS OF LIABILITY

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The certification that appears in this report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice (“CUSPAP”) and the following conditions:

1. This report is prepared only for the client and authorized users specifically identified in this report and only for the specific use identified herein. No other person may rely on this report or any part of this report without first obtaining consent from the client and written authorization from the authors. Liability is expressly denied to any other person and, accordingly, no responsibility is accepted for any damage suffered by any other person as a result of decisions made or actions taken based on this report. Liability is expressly denied for any unauthorized user or for anyone who uses this report for any use not specifically identified in this report. Payment of the appraisal fee has no effect on liability. Reliance on this report without authorization or for an unauthorized use is unreasonable.
2. Because market conditions, including economic, social and political factors, may change rapidly and, on occasion, without warning, this report cannot be relied upon as of any date other than the effective date specified in this report unless specifically authorized by the author(s).
3. The author will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The property is appraised on the basis of it being under responsible ownership. No registry office search has been performed and the author assumes that the title is good and marketable and free and clear of all encumbrances. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property’s owner or identifying the property owned by the listed client and/or applicant provided by the appraiser is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.
4. Verification of compliance with governmental regulations, bylaws or statutes is outside the scope of work and expertise of the appraiser. Any information provided by the appraiser is for informational purposes only and any reliance is unreasonable. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.
5. No survey of the property has been made. Any sketch in this report shows approximate dimensions and is included only to assist the reader of this report in visualizing the property. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.
6. This report is completed on the basis that testimony or appearance in court concerning this report is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to: adequate time to review the report and related data, and the provision of appropriate compensation.

7. Unless otherwise stated in this report, the author has no knowledge of any hidden or unapparent conditions (including, but not limited to: its soils, physical structure, mechanical or other operating systems, foundation, etc.) of/on the subject property or of/on a neighbouring property that could affect the value of the subject property. It has been assumed that there are no such conditions. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the author. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

8. The author is not qualified to comment on detrimental environmental, chemical or biological conditions that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air which may include but are not limited to moulds and mildews or the conditions that may give rise to either. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. It is an assumption of this report that the property complies with all regulatory requirements concerning environmental, chemical and biological matters, and it is assumed that the property is free of any detrimental environmental, chemical, legal and biological conditions that may affect the market value of the property appraised. If a party relying on this report requires information about or an assessment of detrimental environmental, chemical or biological conditions that may impact the value conclusion herein, that party is advised to retain an expert qualified in such matters. The author expressly denies any legal liability related to the effect of detrimental environmental, chemical or biological matters on the market value of the property.

9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources the author considered reliable. Unless otherwise stated herein, the author did not verify client-supplied information, which the author believed to be correct.

10. The term "inspection" refers to observation only as defined by CUSPAP and reporting of the general material finishing and conditions observed for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only.

11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The author has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The author has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this visual inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the author.

12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The author acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in



the provisions of the CUSPAP and in accordance with the author's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the author's privacy policy and in accordance with the PIPEDA.

13. The author has agreed to enter into the assignment as requested by the client named in this report for the use specified by the client, which is stated in this report. The client has agreed that the performance of this report and the format are appropriate for the intended use.

14. This report, its content and all attachments/addendums and their content are the property of the author. The client, authorized users and any appraisal facilitator are prohibited, strictly forbidden, and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.

15. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the author can be reasonably relied upon.

16. This report form is the property of the Appraisal Institute of Canada (AIC) and for use only by AIC members in good standing. Use by any other person is a violation of AIC copyright.

17. Where the intended use of this report is for financing or mortgage lending or mortgage insurance, it is a condition of reliance on this report that the authorized user has or will conduct lending, underwriting and insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender or insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct loan underwriting or insuring due diligence similar to the standards set out by the Office of the Superintendent of Financial Institutions (OSFI), even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition. Any reliance on this report without satisfaction of this condition is unreasonable.

**ADDENDUM A**

**Appraisal Definitions**

Definitions form an integral part of The Canadian Uniform Standards of Professional Appraisal Practice.<sup>1</sup> These and other definitions can be found in the Standards and the Appraisal of Real Estate Second Canadian Edition.<sup>2</sup> For the purpose of this report, only the relevant definitions are replicated here.

**AACI:** Accredited Appraiser Canadian Institute designation.

**AIC:** 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.

**APPRAISAL:** A formal opinion of value: prepared as a result of a retainer; intended for reliance by identified parties, and for which the appraiser assumes responsibility.

**APPRAISAL REPORT:**

Types include:

- Narrative - Comprehensive and detailed;
- Short Narrative - Concise and briefly descriptive;
- Form - A standardized format combining check-off boxes and narrative comments.

**ASSIGNMENT:** A professional service provided as a result of a retainer or 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, consulting, or reserve fund planning assignment that precludes an appraiser's impartiality.

**CLIENT:** The party or parties who engages an appraiser in a specific assignment.

**COMPETENCE:** Having the required or adequate knowledge and experience 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.

**CO-SIGNATURE:** Personalized evidence indicating authentication of the work performed by the members as joint authors, where each is responsible for content, analyses, and the conclusions in the report; a member cannot co-sign a report with a student or non-member.

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<sup>1</sup> Canadian Uniform Standards of Professional Appraisal Practice Effective April 1, 2014, Section 2, Pages 2 – 8.

<sup>2</sup> The Appraisal of Real Estate Second Canadian Edition, The Appraisal Institute of Canada (UBC Commerce Real Estate Division, Vancouver, 2002) - Glossary.14.



**EFFECTIVE DATE:** The date at which the analyses, opinions and advice in an assignment apply.

**EXPOSURE TIME:** Is the estimated length of time the subject property (property interest being appraised) would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal. This is a retrospective estimate based upon an analysis of past events, assuming a competitive and open market. The overall concept of reasonable exposure time encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable marketing effort.

**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.

**FEE SIMPLE INTEREST:** The absolute ownership unencumbered by any other interest or estate.

**HAZARDOUS SUBSTANCE:** Any material within, around or near the property in question that has sufficient form or quantity and exhibits any hazardous characteristics as defined by, or identified on, a list of hazardous substances issued by or pursuant to the Canadian Environmental Protection Act, 1999, c.33, the United States of America Environmental Protection Agency or any federal, provincial, territorial, state, county, municipal or local counterpart thereof, that can create a negative impact on value. Such substances shall include, but are not limited to, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste materials.

**HIGHEST AND BEST USE:** The reasonably probable use of a property that is physically possible, legally permissible, financially feasible and maximally productive, and that results in the highest value.

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

**INTENDED USE:** The use or uses of an appraiser's reported appraisal, review, consulting or reserve fund planning 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, review report, or reserve fund study by the appraiser based on communication with the client at the time of the assignment.

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

**LEASED FEE INTEREST:** Is an ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; the rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease. In the appraisal of income producing property, the leased fee is the most frequently valued property interest.

**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.

**MARKET VALUE:** The most probable price which 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 and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and
5. 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.

**P.APP:** Professional Appraiser designation. This designation can only be used by AACI designated members.

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

**PROFESSIONAL ASSISTANCE:** Professional assistance involves support to the member that has a direct and significant bearing on the outcome of his or her assignment. A member may rely on significant professional, appraisal, review, consulting or reserve fund planning assistance of an employee. Such assistance would generally be provided by insured members of the Institute or other professionals. Viewing of a property is professional assistance as it forms part of the analysis leading to an opinion.

**PROFESSIONAL PRACTICE PEER GROUP:** Committees authorized under the Bylaws 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:** Means an appraiser that provides appraisal, review, consulting and reserve fund planning services within an acceptable standard of skill and expertise, and based on rational assumptions.

**RECERTIFICATION OF VALUE:** A viewing 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, consulting or reserve fund planning service that is transmitted to the client as a result of an assignment.

**SCOPE OF WORK:** The type and extent of research and analysis in an assignment. Scope of work includes, but is not limited to, the following:

- the degree to which the property is viewed 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.

**TECHNICAL ASSISTANCE:** Technical assistance involves support to the member in the preparation of a report, such as collecting property data and other factual information but does not, in itself, include interpretation or analysis. A member may rely on technical assistance from student members of the Institute or others, keeping in mind that the responsibility for the finished product rests with the member signing the report.

**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, or other.



**ADDENDUM B**

**Title Search**

**TITLE SEARCH PRINT**

402  
2022-01-14, 16:37:11

File Reference: A2201-6049

Requestor: Cameron Kotula

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

**Land Title District** VANCOUVER  
Land Title Office VANCOUVER

**Title Number** CA7645170  
From Title Number CA5645737

**Application Received** 2019-07-25

**Application Entered** 2019-07-31

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: COROMANDEL NANAIMO 22 BT LTD., INC.NO. BC1086532  
1800-1188 WEST GEORGIA STREET  
VANCOUVER, BC  
V6E 4A2

**Taxation Authority** Vancouver, City of

**Description of Land**  
Parcel Identifier: 014-560-020  
Legal Description:  
LOT 44 BLOCK A DISTRICT LOT 741 PLAN 1567

**Legal Notations**  
NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA5680699  
FILED 2016-11-29

**Charges, Liens and Interests**  
Nature: MORTGAGE  
Registration Number: CA7672324  
Registration Date and Time: 2019-08-08 08:54  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA7672325  
Registration Date and Time: 2019-08-08 08:54  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

**TITLE SEARCH PRINT**

403  
2022-01-14, 16:37:11

File Reference: A2201-6049

Requestor: Cameron Kotula

Nature: MORTGAGE  
 Registration Number: CA8830892  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA8830893  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE



**TITLE SEARCH PRINT**

404  
2022-01-14, 16:38:17

File Reference: A2201-6049

Requestor: Cameron Kotula

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

**Land Title District** VANCOUVER  
Land Title Office VANCOUVER

**Title Number** CA7645171  
From Title Number CA6036785

**Application Received** 2019-07-25

**Application Entered** 2019-07-31

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: COROMANDEL NANAIMO 22 BT LTD., INC.NO. BC1086532  
1800-1188 WEST GEORGIA STREET  
VANCOUVER, BC  
V6E 4A2

**Taxation Authority** Vancouver, City of

**Description of Land**  
Parcel Identifier: 014-560-038  
Legal Description:  
LOT 45 BLOCK A DISTRICT LOT 741 PLAN 1567

**Legal Notations** NONE

**Charges, Liens and Interests**  
Nature: MORTGAGE  
Registration Number: CA7672324  
Registration Date and Time: 2019-08-08 08:54  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA7672325  
Registration Date and Time: 2019-08-08 08:54  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

**TITLE SEARCH PRINT**

File Reference: A2201-6049

405  
2022-01-14, 16:38:17  
Requestor: Cameron Kotula

Nature:	MORTGAGE
Registration Number:	CA8830892
Registration Date and Time:	2021-03-10 08:50
Registered Owner:	AMBER MORTGAGE INVESTMENT CORP. INCORPORATION NO. BC1087596 AS TO AN UNDIVIDED 4000/10500 INTEREST
Registered Owner:	1129057 B.C. LTD. INCORPORATION NO. BC1129057 AS TO AN UNDIVIDED 4260/10500 INTEREST
Registered Owner:	QIAOZHEN ZHANG AS TO AN UNDIVIDED 1730/10500 INTEREST
Registered Owner:	XINLAN NIU AS TO AN UNDIVIDED 510/10500 INTEREST
Remarks:	INTER ALIA

Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA8830893
Registration Date and Time:	2021-03-10 08:50
Registered Owner:	AMBER MORTGAGE INVESTMENT CORP. INCORPORATION NO. BC1087596 AS TO AN UNDIVIDED 4000/10500 INTEREST
Registered Owner:	1129057 B.C. LTD. INCORPORATION NO. BC1129057 AS TO AN UNDIVIDED 4260/10500 INTEREST
Registered Owner:	QIAOZHEN ZHANG AS TO AN UNDIVIDED 1730/10500 INTEREST
Registered Owner:	XINLAN NIU AS TO AN UNDIVIDED 510/10500 INTEREST
Remarks:	INTER ALIA

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE

**TITLE SEARCH PRINT**

File Reference: A2201-6049

406  
2022-01-14, 16:38:47

Requestor: Cameron Kotula

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

**Land Title District** VANCOUVER  
Land Title Office VANCOUVER

**Title Number** CA7645172  
From Title Number CA5664037

**Application Received** 2019-07-25

**Application Entered** 2019-07-31

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: COROMANDEL NANAIMO 22 BT LTD., INC.NO. BC1086532  
1800-1188 WEST GEORGIA STREET  
VANCOUVER, BC  
V6E 4A2

**Taxation Authority** Vancouver, City of

**Description of Land**  
Parcel Identifier: 014-560-046  
Legal Description:  
LOT 46 BLOCK A DISTRICT LOT 741 PLAN 1567

**Legal Notations**  
NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA5680699  
FILED 2016-11-29

**Charges, Liens and Interests**

Nature: MORTGAGE  
Registration Number: CA7672324  
Registration Date and Time: 2019-08-08 08:54  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA7672325  
Registration Date and Time: 2019-08-08 08:54  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA



**TITLE SEARCH PRINT**

File Reference: A2201-6049

407  
2022-01-14, 16:38:47

Requestor: Cameron Kotula

Nature: MORTGAGE  
 Registration Number: CA8830892  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA8830893  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE

**TITLE SEARCH PRINT**

408  
2022-01-14, 16:39:24

File Reference: A2201-6049

Requestor: Cameron Kotula

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

**Land Title District** VANCOUVER  
Land Title Office VANCOUVER

**Title Number** CA7645173  
From Title Number CA5442493

**Application Received** 2019-07-25

**Application Entered** 2019-07-31

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: COROMANDEL NANAIMO 22 BT LTD., INC.NO. BC1086532  
1800-1188 WEST GEORGIA STREET  
VANCOUVER, BC  
V6E 4A2

**Taxation Authority** Vancouver, City of

**Description of Land**  
Parcel Identifier: 014-560-054  
Legal Description:  
LOT 47 BLOCK A DISTRICT LOT 741 PLAN 1567

**Legal Notations**  
NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA5645901  
FILED 2016-11-14

**Charges, Liens and Interests**  
Nature: MORTGAGE  
Registration Number: CA7672324  
Registration Date and Time: 2019-08-08 08:54  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA7672325  
Registration Date and Time: 2019-08-08 08:54  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

**TITLE SEARCH PRINT**

File Reference: A2201-6049

Requestor: Cameron Kotula

Nature: MORTGAGE  
 Registration Number: CA8830892  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA8830893  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE



**TITLE SEARCH PRINT**

410  
2022-01-14, 16:40:13

File Reference: A2201-6049

Requestor: Cameron Kotula

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

**Land Title District** VANCOUVER  
Land Title Office VANCOUVER

**Title Number** CA7645174  
From Title Number CA5442494

**Application Received** 2019-07-25

**Application Entered** 2019-07-31

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: COROMANDEL NANAIMO 22 BT LTD., INC.NO. BC1086532  
1800-1188 WEST GEORGIA STREET  
VANCOUVER, BC  
V6E 4A2

**Taxation Authority** Vancouver, City of

**Description of Land**  
Parcel Identifier: 011-360-895  
Legal Description:  
LOT 48 BLOCK A DISTRICT LOT 741 PLAN 1567

**Legal Notations**  
NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA5645901  
FILED 2016-11-14

**Charges, Liens and Interests**  
Nature: MORTGAGE  
Registration Number: CA7672324  
Registration Date and Time: 2019-08-08 08:54  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA7672325  
Registration Date and Time: 2019-08-08 08:54  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

**TITLE SEARCH PRINT**

File Reference: A2201-6049

411  
2022-01-14, 16:40:13

Requestor: Cameron Kotula

Nature: MORTGAGE  
 Registration Number: CA8830892  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA8830893  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE

**TITLE SEARCH PRINT**

File Reference: A2201-6049

412  
2022-01-14, 16:40:37

Requestor: Cameron Kotula

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

**Land Title District** VANCOUVER  
Land Title Office VANCOUVER

**Title Number** CA7645175  
From Title Number CA5442495

**Application Received** 2019-07-25

**Application Entered** 2019-07-31

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: COROMANDEL NANAIMO 22 BT LTD., INC.NO. BC1086532  
1800-1188 WEST GEORGIA STREET  
VANCOUVER, BC  
V6E 4A2

**Taxation Authority** Vancouver, City of

**Description of Land**  
Parcel Identifier: 018-440-771  
Legal Description:  
LOT "E" BLOCK A DISTRICT LOT 741 PLAN LMP12344

**Legal Notations**  
NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA5645901  
FILED 2016-11-14

**Charges, Liens and Interests**  
Nature: MORTGAGE  
Registration Number: CA7672324  
Registration Date and Time: 2019-08-08 08:54  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA7672325  
Registration Date and Time: 2019-08-08 08:54  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA



**TITLE SEARCH PRINT**

413  
2022-01-14, 16:40:37

File Reference: A2201-6049

Requestor: Cameron Kotula

Nature: MORTGAGE  
 Registration Number: CA8830892  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA8830893  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE

**TITLE SEARCH PRINT**

414  
2022-01-14, 16:33:00

File Reference: A2201-6049

Requestor: Cameron Kotula

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

**Land Title District** VANCOUVER  
Land Title Office VANCOUVER

**Title Number** CA8342822  
From Title Number CA7518598

**Application Received** 2020-08-04

**Application Entered** 2020-08-17

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: NANAIMO 22 DEVELOPMENT (BT) LTD., INC.NO. BC1164767  
1800-1188 WEST GEORGIA STREET  
VANCOUVER, BC  
V6E 4A2

**Taxation Authority** Vancouver, City of

**Description of Land**  
Parcel Identifier: 014-559-889  
Legal Description:  
LOT 39 EXCEPT THE EAST 10.5 FEET,NOW ROAD BLOCK A DISTRICT LOT 741 PLAN 1567

**Legal Notations**  
NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA8342827  
FILED 2020-08-04

**Charges, Liens and Interests**  
Nature: MORTGAGE  
Registration Number: CA8319954  
Registration Date and Time: 2020-07-24 09:41  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA8319955  
Registration Date and Time: 2020-07-24 09:41  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

**TITLE SEARCH PRINT**

File Reference: A2201-6049

415  
2022-01-14, 16:33:00

Requestor: Cameron Kotula

Nature: MORTGAGE  
 Registration Number: CA8830892  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA8830893  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE



**TITLE SEARCH PRINT**

File Reference: A2201-6049

416  
2022-01-14, 16:33:55

Requestor: Cameron Kotula

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

**Land Title District** VANCOUVER  
Land Title Office VANCOUVER

**Title Number** CA8342823  
From Title Number CA7518599

**Application Received** 2020-08-04

**Application Entered** 2020-08-17

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: NANAIMO 22 DEVELOPMENT (BT) LTD., INC.NO. BC1164767  
1800-1188 WEST GEORGIA STREET  
VANCOUVER, BC  
V6E 4A2

**Taxation Authority** Vancouver, City of

**Description of Land**  
Parcel Identifier: 014-559-901  
Legal Description:  
LOT 40 BLOCK A DISTRICT LOT 741 PLAN 1567

**Legal Notations**  
NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA8342827  
FILED 2020-08-04

**Charges, Liens and Interests**

Nature: MORTGAGE  
Registration Number: CA8319954  
Registration Date and Time: 2020-07-24 09:41  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA8319955  
Registration Date and Time: 2020-07-24 09:41  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

**TITLE SEARCH PRINT**

File Reference: A2201-6049

417  
2022-01-14, 16:33:55  
Requestor: Cameron Kotula

Nature: MORTGAGE  
 Registration Number: CA8830892  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA8830893  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE

**TITLE SEARCH PRINT**

File Reference: A2201-6049

418  
2022-01-14, 16:34:36  
Requestor: Cameron Kotula

\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\*

**Land Title District** VANCOUVER  
Land Title Office VANCOUVER

**Title Number** CA8342824  
From Title Number CA7518600

**Application Received** 2020-08-04

**Application Entered** 2020-08-17

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: NANAIMO 22 DEVELOPMENT (BT) LTD., INC.NO. BC1164767  
1800-1188 WEST GEORGIA STREET  
VANCOUVER, BC  
V6E 4A2

**Taxation Authority** Vancouver, City of

**Description of Land**  
Parcel Identifier: 014-559-994  
Legal Description:  
LOT 41 BLOCK A DISTRICT LOT 741 PLAN 1567

**Legal Notations**  
NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA8342827  
FILED 2020-08-04

**Charges, Liens and Interests**

Nature: MORTGAGE  
Registration Number: CA8319954  
Registration Date and Time: 2020-07-24 09:41  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA8319955  
Registration Date and Time: 2020-07-24 09:41  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA



**TITLE SEARCH PRINT**

File Reference: A2201-6049

419  
2022-01-14, 16:34:36  
Requestor: Cameron Kotula

Nature: MORTGAGE  
 Registration Number: CA8830892  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA8830893  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE

**TITLE SEARCH PRINT**

File Reference: A2201-6049

420  
2022-01-14, 16:35:17

Requestor: Cameron Kotula

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

**Land Title District** VANCOUVER  
Land Title Office VANCOUVER

**Title Number** CA8342825  
From Title Number CA7518601

**Application Received** 2020-08-04

**Application Entered** 2020-08-17

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: NANAIMO 22 DEVELOPMENT (BT) LTD., INC.NO. BC1164767  
1800-1188 WEST GEORGIA STREET  
VANCOUVER, BC  
V6E 4A2

**Taxation Authority** Vancouver, City of

**Description of Land**  
Parcel Identifier: 008-500-070  
Legal Description:  
LOT 42 BLOCK A DISTRICT LOT 741 PLAN 1567

**Legal Notations**  
NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA8342827  
FILED 2020-08-04

**Charges, Liens and Interests**  
Nature: MORTGAGE  
Registration Number: CA8319954  
Registration Date and Time: 2020-07-24 09:41  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA8319955  
Registration Date and Time: 2020-07-24 09:41  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

**TITLE SEARCH PRINT**

File Reference: A2201-6049

421  
2022-01-14, 16:35:17  
Requestor: Cameron Kotula

Nature: MORTGAGE  
 Registration Number: CA8830892  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA8830893  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE



**TITLE SEARCH PRINT**

File Reference: A2201-6049

422  
2022-01-14, 16:36:16  
Requestor: Cameron Kotula

\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\*

**Land Title District** VANCOUVER  
Land Title Office VANCOUVER

**Title Number** CA8342826  
From Title Number CA7511144

**Application Received** 2020-08-04

**Application Entered** 2020-08-17

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: NANAIMO 22 DEVELOPMENT (BT) LTD., INC.NO. BC1164767  
1800-1188 WEST GEORGIA STREET  
VANCOUVER, BC  
V6E 4A2

**Taxation Authority** Vancouver, City of

**Description of Land**  
Parcel Identifier: 014-560-011  
Legal Description:  
LOT 43 BLOCK A DISTRICT LOT 741 PLAN 1567

**Legal Notations**  
NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA8342827  
FILED 2020-08-04

**Charges, Liens and Interests**

Nature: MORTGAGE  
Registration Number: CA8319954  
Registration Date and Time: 2020-07-24 09:41  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA8319955  
Registration Date and Time: 2020-07-24 09:41  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
Remarks: INTER ALIA

**TITLE SEARCH PRINT**

File Reference: A2201-6049

423  
2022-01-14, 16:36:16  
Requestor: Cameron Kotula

Nature: MORTGAGE  
 Registration Number: CA8830892  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA8830893  
 Registration Date and Time: 2021-03-10 08:50  
 Registered Owner: AMBER MORTGAGE INVESTMENT CORP.  
 INCORPORATION NO. BC1087596  
 AS TO AN UNDIVIDED 4000/10500 INTEREST  
 Registered Owner: 1129057 B.C. LTD.  
 INCORPORATION NO. BC1129057  
 AS TO AN UNDIVIDED 4260/10500 INTEREST  
 Registered Owner: QIAOZHEN ZHANG  
 AS TO AN UNDIVIDED 1730/10500 INTEREST  
 Registered Owner: XINLAN NIU  
 AS TO AN UNDIVIDED 510/10500 INTEREST  
 Remarks: INTER ALIA

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE



Formerly BCS Real Estate – Burgess, Cawley, Sullivan

January 26, 2022

Our Reference: A2201-6062UA

Coromandel Properties Ltd.  
1800 - 1188 West Georgia Street  
Vancouver, BC  
V6E 4A2

This is Exhibit " F " referred to in the  
Affidavit of Zhen Yu Zhong  
affirmed before me at Vancouver, BC  
this 15 day of February 2023.

A Commissioner/Notary Public for the  
Province of British Columbia

Attention: Ms. Cindy Zou

Re: **CONSULTING LETTER - UPDATED APPRAISAL OF RESIDENTIAL REDEVELOPMENT LAND**  
**2723-2765 EAST 29TH AVENUE, VANCOUVER, BC**

In response to your instructions, we have undertaken a current market valuation analysis on the above property in order to provide an estimate of current market value of the fee simple interest of the subject property as at January 17, 2022. This valuation analysis is not a full appraisal report but was carried out for the limited purposes of updating our previous appraisal report. File No. A2010-4679AA, with an effective date of October 30, 2020, date of report November 5, 2020, and a final estimated value of \$21,400,000.

This update report must be read in conjunction with the original report and must only be relied upon by a reader familiar with the original report. The original report is attached as an addendum to the end of this update report.

The original report provides detailed data and information on the subject property relating to the legal description, definition of market value, surrounding area, site and subject description, zoning and highest and best use. We would refer you to this information and the limiting conditions and assumptions contained therein; comments and conclusions contained therein may comprise important data, and familiarity with those prior findings is an integral part of this update report. Comments in this report will relate only to the revenue potential and residual land valuation and any other salient facts that would have a material effect upon value. We have not completed a re-inspection of the subject property.

On the basis as set out in the Narrative Report, it is our opinion that the updated current market value of the subject property, subject to the assumptions and contingent and limiting conditions contained in the report, is outlined as follows:

Address	Registered Owner	Lot size (sq.ft.)	Value Psf Land	Full Assembly	Coromandel Holdings
2723 East 29th Avenue	COROMANDEL	4,868	\$950	\$4,624,125	\$4,624,125
2735 East 29th Avenue	COROMANDEL	4,502	\$950	\$4,276,425	\$4,276,425
2741 East 29th Avenue	COROMANDEL	3,725	\$950	\$3,538,275	\$3,538,275
2745 East 29th Avenue	COROMANDEL	3,159	\$950	\$3,001,050	\$3,001,050
2757 East 29th Avenue	COROMANDEL	2,591	\$950	\$2,460,975	\$2,460,975
2761 East 29th Avenue	CITY OF VANCOUVER*	2,024	\$950	\$1,922,325	\$1,922,325
2765 East 29th Avenue	COROMANDEL	3,354	\$950	\$3,186,300	\$3,186,300
<b>Total:</b>		<b>24,221</b>		<b>\$23,009,475</b>	<b>\$23,009,475</b>
			<b>Rounded to:</b>	<b>\$23,000,000</b>	<b>\$23,000,000</b>

\* 2761 East 29th Avenue will be acquired from the City of Vancouver at a future date.



**UPDATED APARTMENT PRICING TRENDS**

The Greater Vancouver Real Estate Board Home Price Index indicates an overall upward trend from December, 2021 in the Renfrew Heights area of the City of Vancouver over the past six and 12 months, respectively. As of December 2021, the benchmark price of an apartment unit in the Renfrew Heights area is noted to be \$457,300, indicating an increase of 1.9% and an increase of 9.8% over the past 6 to 12 months, respectively.

HOME PRICE INDEX FOR VANCOUVER EAST  
 RENFREW HEIGHTS  
**DECEMBER 2021**

Benchmark	Price Index	1 Month +/-	6 Month +/-	1 Year +/-	3 Year +/-	5 Year +/-
<b>Apartment</b>						
\$457,300	280.7	1.8	1.9	9.8	11.0	26.3

The most dated land sales comparables in our chart were negotiated in early, 2019. The benchmark price of an apartment in January, 2019 was \$419,900, well below current pricing. While end unit pricing has clearly risen, so too have construction costs, albeit to a lesser degree, noting that benchmark pricing largely reflects resale product. New product pricing grows at a higher rate than resale product, given the substantial marketing campaigns that new projects enjoy. In addition, pre-sale projects have the advantage of the perception of capital appreciation during the construction timeframe, which resales do not. Overall, an upward qualitative adjustment for time is considered for the more dated sales.

We note that the Home Price Index (HPI) is conceptually similar to the Consumer Price Index (CPI), as both track price changes. The CPI tracks price changes for a typical basket of consumer goods and services and the HPI tracks home price changes based on a typical basket of housing features. For example, perhaps the basket of features for atypical home in a given community includes a ten-year old, three-bedroom house without a panoramic or ocean view on a 7,200 sq.ft. lot, with eight rooms, two bathrooms, a fireplace and a single-car garage and is close to schools. A benchmark price for this home can be created from the individual dollar values given to each of the above features. The HPI values track relative price levels by comparing price levels at a point in time to price levels in a base (reference) period. As the base reference period (January 2005) has a value of 100, it is possible to quickly infer the extent to which prices have changed relative to the base period. For example, if the base (reference) period for the HPI is the month of January, 2005 at 100, the HPI value for apartment units in September, 2020 is 270.6, this indicates that apartment units within Vancouver East in September, 2020 were up 170.6% compared to January, 2005.



### ANALYSIS OF COMPARABLE SALES

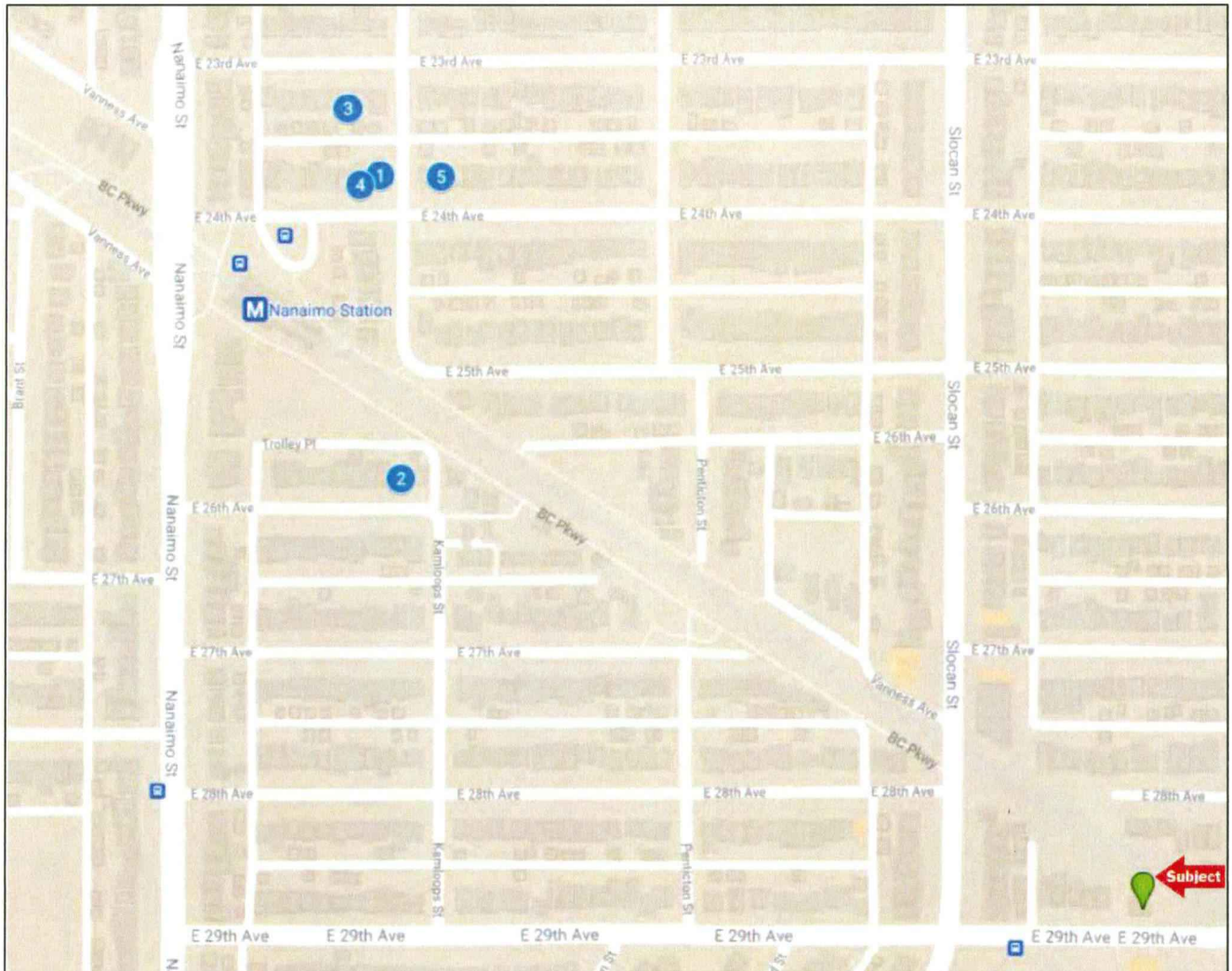
The Direct Comparison Approach considers each of the comparables on a price per sq.ft. basis. We have researched land sales in Vancouver East, particularly around the Nanaimo Expo Line SkyTrain Station. We will be comparing the subject property to other multi-family development sites that are anticipated for high density development similar to the subject. The following chart provides a summary of the particulars of each comparable sale.

### COMPARABLE SALES DATA – UPDATED TRANSACTIONS

We have updated our comparable sales data including low-to mid-rise comparables (2.5 maximum FAR and six storeys) as follows:

No.	Address	Sale Date	Sale Price	Lot Size (Sq.Ft.)	Zoning	Sale Price Per Sq.Ft. of Land
1	2431-2459 & 2473-2485 East 24th Avenue Vancouver, BC	Sep-20 to Jul-21 <i>Neg. Jan-19 to Aug-20</i>	\$22,753,776	28,440	RS-1	\$800
2	2415-2483 East 26th Avenue Vancouver, BC	Mar-21 <i>Neg. Oct-20</i>	\$29,600,000	29,403	RS-1	\$1,007
3	2426-2468 East 23rd Avenue Vancouver, BC	Q4-20 to Q1-21 <i>Neg. Q2-19</i>	\$21,106,758	23,760	RS-1	\$888
4	2451 and 2473 East 24th Avenue Vancouver, BC	Jul-21	\$6,255,000	7,840	RS-1	\$798
5	2509 East 24th Avenue & 3930 Nanaimo Street Vancouver, B.C.	Under Contract	\$3,500,000 \$3,800,000 \$7,300,000	3,960 3,900 7,860		\$884 \$974 \$929
<b>Subject Property</b>						
	2723-2765 East 29th Avenue Vancouver, BC			24,221	RS-1	

MAP OF COMPARABLE SALES





Comparable No. 1

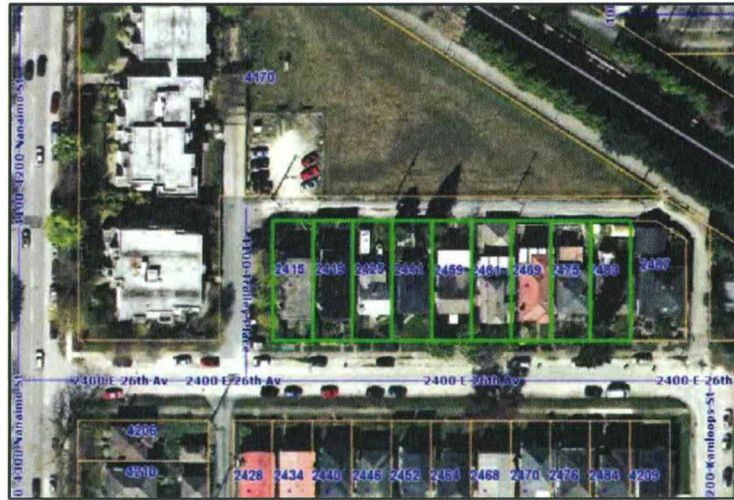


Jan-17-22

<b>Address</b>	2431-2459 & 2473-2485 East 24th Avenue, Vancouver
<b>Zoning</b>	RS1
<b>Vendor</b>	Multiple individuals
<b>Purchaser</b>	Confidential
<b>Closing Date</b>	Sep-20 to Jul-21
<b>Negotiation Date</b>	Jan-19 to Aug-20
<b>Sale Price</b>	<b>\$22,753,776</b>
<b>Site Size</b>	28,440 sq.ft.
<b>Price/Sq.Ft.</b>	<b>\$800</b>

- Non-contiguous seven-lot assembly on the north side of East 24th Avenue, between Kamloops Street and a side municipal lane in the Renfrew Heights neighbourhood.
- At the time of sale, the properties were improved with seven single-family homes.

Comparable No. 2



Jan-17-22

<b>Address</b>	2415-2483 East 26th Avenue, Vancouver
<b>Zoning</b>	CD1 (210)
<b>Vendor</b>	Ansen 26 Development Bare Trustee Ltd.
<b>Purchaser</b>	Vivagrand Development Ltd.
<b>Closing Date</b>	Mar-21
<b>Negotiation Date</b>	Oct-20
<b>Sale Price</b>	<b>\$29,600,000</b>
<b>Site Size</b>	29,403 sq.ft.
<b>Price/Sq.Ft.</b>	<b>\$1,007</b>

- Nine-lot assembly on the north side of East 26th Avenue and bounded to the west and north by Trolley Place which is an access lane.
- At the time of sale, the properties were improved with nine single-family homes.

Comparable No. 3



Jan-17-22

<b>Address</b>	2426-2468 East 23rd Avenue, Vancouver
<b>Zoning</b>	RS1
<b>Vendor</b>	Multiple individuals
<b>Purchaser</b>	1200007 BC Ltd.
<b>Closing Date</b>	Oct-20 to Jan-21
<b>Negotiation Date</b>	May-19
<b>Sale Price</b>	<b>\$21,016,758</b>
<b>Site Size</b>	23,760 sq.ft.
<b>Price/Sq.Ft.</b>	<b>\$885</b>

- Six-lot assembly on the southeast corner of East 23rd Avenue and a side municipal lane in the Renfrew Heights neighbourhood.
- At the time of sale, the properties were improved with six single-family homes.



Comparable No. 4



Jan-17-22

---

<b>Address</b>	2451 and 2473 East 24th Avenue, Vancouver
<b>Closing Date</b>	Jul-21
<b>Sale Price</b>	\$6,255,000
<b>Site Size</b>	7,840 sq.ft.
<b>Price/Sq.Ft.</b>	\$798

---

- Two mid-block, non-contiguous lots on the north side of East 24th Avenue
- At the time of sale, each lot was improved with a single-family home

Comparable No. 5



<b>Address</b>	2509 East 24th Avenue & 3930 Nanaimo Street
<b>Negotiation Date</b>	Jan-22
<b>Sale Price</b>	\$7,300,000
<b>Site Size</b>	7,860 sq.ft.
<b>Price/Sq.Ft.</b>	\$929

- two non-contiguous lots purchased by the same developer from separate vendors

The comparable sales indicate a range of values between \$798 and \$1,007 per sq.ft. for similar sites ranging in size from 7,840 sq.ft. to 29,403 sq.ft.

Comparable No. 1 relates to a six-lot assembly on the north side of East 24<sup>th</sup> Avenue, between Kamloops Street and a side municipal lane. Upward adjustments are considered for the comparable's non-contiguous nature and assembly risk, although somewhat tempered by a downward adjustment for the comparable's closer proximity to rapid transit, thus indicating a value above \$800 per sq.ft. of land. In addition, the market has improved since these sites were negotiated for sale.

Comparable No. 2 relates to nearly an entire city block, with a corner configuration closer to Nanaimo SkyTrain Station. While the market has improved since the sale took place, the comparable is closer to SkyTrain. Overall, a tempered value is expected.

Comparable No. 3 relates to a contiguous six-lot assembly on the south side of East 23<sup>rd</sup> Avenue, between Kamloops Street and a side municipal lane. A downward adjustment is considered for the comparable's closer proximity to rapid transit, which is more than offset by the upward adjustment for time and the for the more efficient site size of the subject. We would expect a value above \$888 per sq.ft. of land, noting the subject relates to an 11-lot contiguous assembly that can be sold as a single development site or as two separate development sites.

Comparable No. 4 represents one of the more recent sales comparables, relating to two small mid-block, non-contiguous parcels. A value above \$798 per sq.ft. is indicated.

Comparable No. 5 relates to two non-contiguous lots purchased by the same developer from separate vendors. Given the assembly risk and less efficient site size, a value above \$929 per sq.ft. is indicated, while noting that limited information regarding this sale has been provided by the commissioner of this report.

A range of values from \$888 to \$1,007 per sq.ft. has been narrowed from the discussion above, with Comparable No. 5 refining the lower limit to \$929 per sq.ft. The subject relates to seven (7) contiguous lots with frontage along East 29<sup>th</sup> Street. In this upwardly trending market, a value towards the upper end of the range appears reasonable at **\$950 per sq.ft. of land.**



**FINAL RECONCILIATION**

Based on a viewing of the property and the investigation and analyses undertaken herein, we have formed the opinion that, as of October 5, 2021, the market value "as is" of the subject property, in Fee Simple Estate, assuming an exposure period of three to six months is estimated to be:

Address	Registered Owner	Lot size (sq.ft.)	Value Psf Land	Full Assembly	Coromandel Holdings
2723 East 29th Avenue	COROMANDEL	4,868	\$950	\$4,624,125	\$4,624,125
2735 East 29th Avenue	COROMANDEL	4,502	\$950	\$4,276,425	\$4,276,425
2741 East 29th Avenue	COROMANDEL	3,725	\$950	\$3,538,275	\$3,538,275
2745 East 29th Avenue	COROMANDEL	3,159	\$950	\$3,001,050	\$3,001,050
2757 East 29th Avenue	COROMANDEL	2,591	\$950	\$2,460,975	\$2,460,975
2761 East 29th Avenue	CITY OF VANCOUVER*	2,024	\$950	\$1,922,325	\$1,922,325
2765 East 29th Avenue	COROMANDEL	3,354	\$950	\$3,186,300	\$3,186,300
<b>Total:</b>		<b>24,221</b>		<b>\$23,009,475</b>	<b>\$23,009,475</b>
			<b>Rounded to:</b>	<b>\$23,000,000</b>	<b>\$23,000,000</b>

\* 2761 East 29th Avenue will be acquired from the City of Vancouver at a future date.

Yours very truly

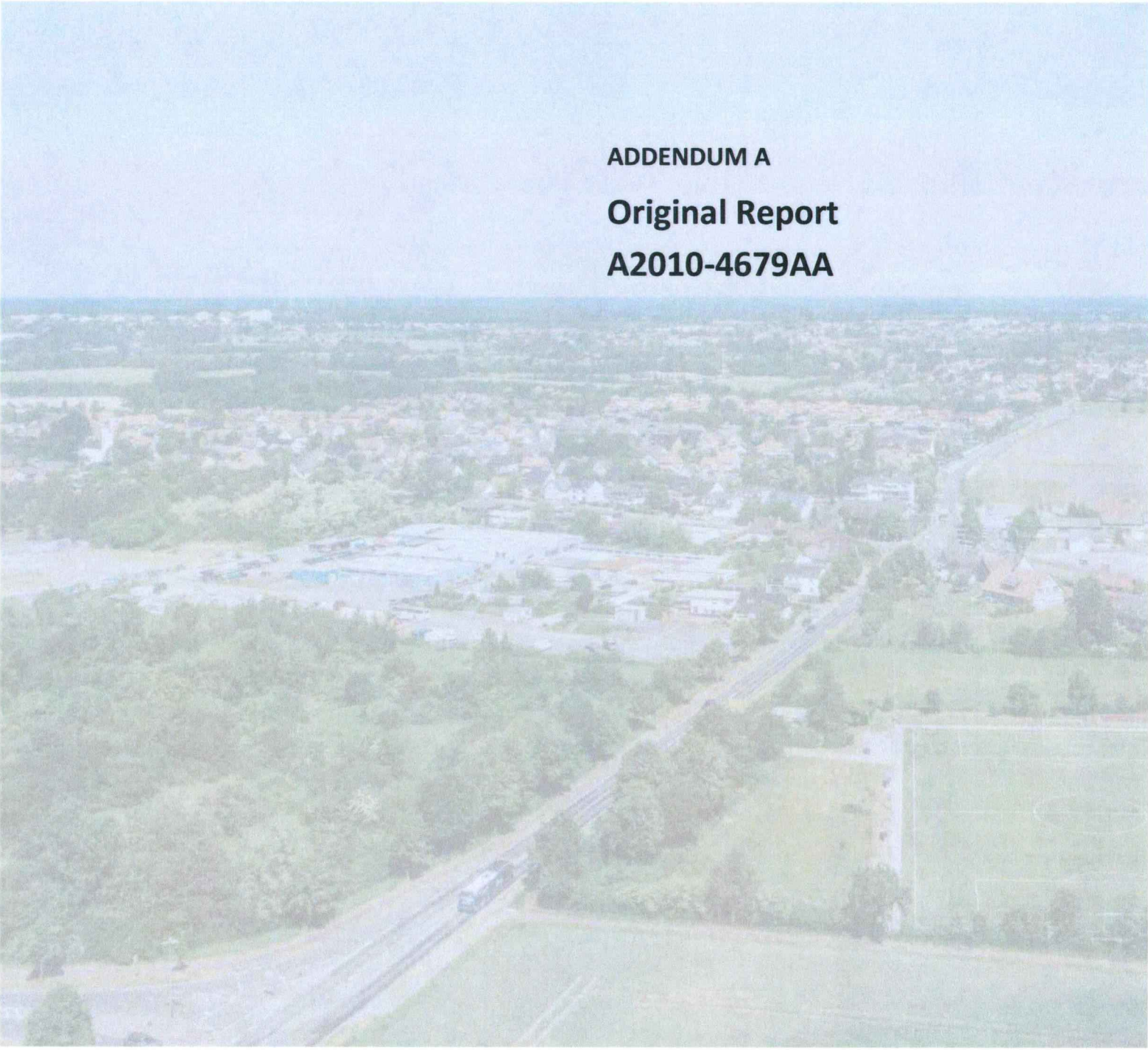
**RYAN ULC**



Brady Fleguel  
AACI, P.App  
Director, Valuation  
AIC Membership # 902389

**Direct Line: (604) 331-7319**

**Email: [brady.fleguel@ryan.com](mailto:brady.fleguel@ryan.com)**



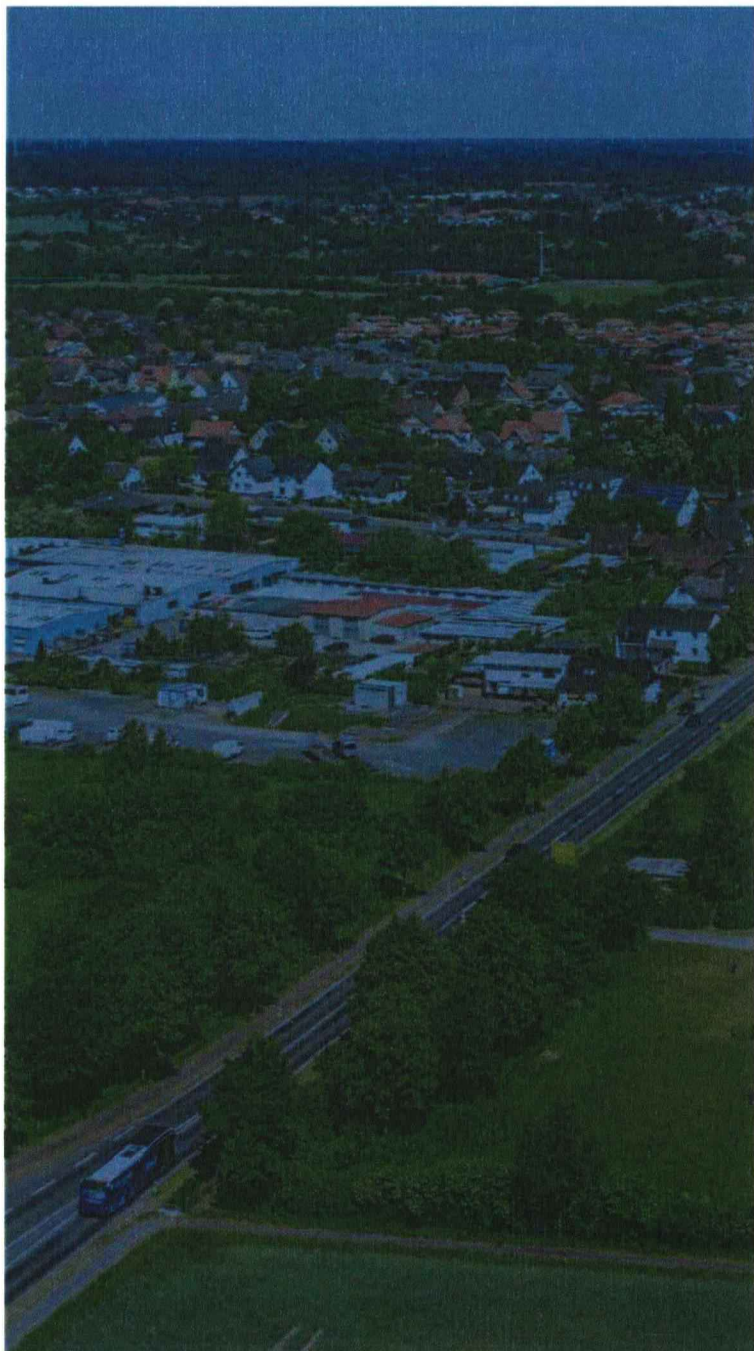
**ADDENDUM A**  
**Original Report**  
**A2010-4679AA**



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**BCS REAL ESTATE**BURGESS CAWLEY SULLIVAN

---

**APPRAISAL REPORT****Current Market Valuation of  
Residential Development Land  
Land****2723-2765 East 29th Avenue,  
Vancouver, BC****Valuation Date: October 30, 2020  
Publication Date: November 5, 2020****PREPARED FOR****Ms. Cindy Zou  
Coromandel Properties Ltd.****1800 - 1188 West Georgia Street  
Vancouver, BC  
V6E 4A2**



---

**BCS REAL ESTATE**  
BURGESS CAWLEY SULLIVAN

---

November 5, 2020

Our Reference: A2020-4679AA

Coromandel Properties Ltd.  
1800 - 1188 West Georgia Street  
Vancouver, BC  
V6E 4A2

Attention: Ms. Cindy Zou

Re: **Current Market Value**  
2723-2765 East 29th Avenue, Vancouver, BC

---

In response to your instructions, we have undertaken a valuation analysis on the above property in order to provide an estimate of current market value of the fee simple interest as at October 30, 2020.

On the basis as set out in the Narrative Report, it is our opinion that the current market value, subject to the assumptions and contingent and limiting conditions contained in the report, is:

**TWENTY ONE MILLION FOUR HUNDRED THOUSAND DOLLARS**  
**\$21,400,000**

This appraisal report has been prepared exclusively for Coromandel Properties Ltd. for mortgage financing purposes. We are not aware of any third parties that are likely to see or rely on the report; liability in this respect or for any other use is expressly denied. The data, conclusions, assumptions and limiting conditions upon which this value is based are contained within the accompanying report which should be read in conjunction with this letter. Our value estimate is free and clear of mortgage financing and other encumbrances unless otherwise indicated.

The subject property represents a seven-lot assembly, one of which (2761 East 29<sup>th</sup> Avenue) is currently owned by the City of Vancouver. Redevelopment of the subject property is contingent on successful negotiations with the City for the acquisition of 2761 East 29<sup>th</sup> Avenue. We understand the City of Vancouver's Real Estate department will consider unsolicited offers City-owned sites, from adjacent owners, at fair market value.

If you have any questions or comments, please do not hesitate to contact the under-signed.

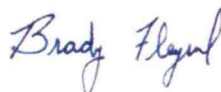
Respectfully submitted,



Angel Barnett  
B.Comm

AB/-

*Direct Line: (604) 331-7552*  
*email: angel@bcsre.ca*



Brady Fleguel  
AACI, P.App.

BF/-

*Direct Line: (604) 331-7319*  
*email: brady@bcsre.ca*

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## EXECUTIVE SUMMARY

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This summary forms part of a full appraisal report and should be read in conjunction with it.

CIVIC ADDRESS: 2723-2765 East 29th Avenue, Vancouver, BC.  
 TYPE OF PROPERTY: Residential Development Land.  
 SITE AREA: 24,221 sq.ft. (according to BC Assessment).  
 ZONING CLASSIFICATION: CD-1 (213) Slocan Street and 29<sup>th</sup> Avenue Bylaw No. 6313.  
 REGISTERED OWNER:

Address	Registered Owner
2723 East 29th Avenue	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484
2735 East 29th Avenue	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484
2741 East 29th Avenue	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484
2745 East 29th Avenue	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484
2757 East 29th Avenue	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484
2761 East 29th Avenue	CITY OF VANCOUVER
2765 East 29th Avenue	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484

### FINAL VALUE SUMMARY:

Address	Registered Owner	Lot size (sq.ft.)	Value Psf Land	Site Value
2723 East 29th Avenue	COROMANDEL	4,868	\$885	\$4,307,738
2735 East 29th Avenue	COROMANDEL	4,502	\$885	\$3,983,828
2741 East 29th Avenue	COROMANDEL	3,725	\$885	\$3,296,183
2745 East 29th Avenue	COROMANDEL	3,159	\$885	\$2,795,715
2757 East 29th Avenue	COROMANDEL	2,591	\$885	\$2,292,593
2761 East 29th Avenue	CITY OF VANCOUVER*	2,024	\$885	\$1,790,798
2765 East 29th Avenue	COROMANDEL	3,354	\$885	\$2,968,290
<b>Total:</b>		<b>24,221</b>		<b>\$21,435,143</b>
			<b>Rounded to:</b>	<b>\$21,400,000</b>

\* 2761 East 29th Avenue will be acquired from the City of Vancouver at a future date.

EFFECTIVE DATE OF VALUE: October 30, 2020.  
 DATE OF REPORT: November 5, 2020.  
 DATE OF VIEWING: November 5, 2020.

## CRITICAL ASSUMPTIONS & LIMITING CONDITIONS

---

- The report assumes that there is no change in the physical or leasable status of the subject property between the valuation date, inspection date and date of this report.
- The subject property comprises of an assembly of seven lots of which five are improved with single-family homes. The subject area is currently being assembled by various developers in anticipation of additional density within a future area plan. An internal inspection of the improvements was not undertaken. Most comparable sales contain single-family homes and some demolition costs are expected. Thus, our value has not considered demolition costs.
- The subject property represents a seven-lot assembly, one of which (2761 East 29<sup>th</sup> Avenue) is currently owned by the City of Vancouver. Redevelopment of the subject property is contingent on successful negotiations with the City for the acquisition of 2761 East 29<sup>th</sup> Avenue. We understand the City of Vancouver's Real Estate department will consider unsolicited offers City-owned sites, from adjacent owners, at fair market value.
- The Provincial Government has implemented various taxes with a goal of creating housing affordability. These taxes include the Speculation Tax, the Empty Homes Tax (City of Vancouver) and the Foreign Entity Tax. As the qualifications for exemption from these taxes are often tied to the property owner's circumstances (i.e. citizenship, residency, use and occupancy of the property) it is not possible to accurately quantify said taxes for a fee simple or leased-fee valuation exercise.
- The report assumes that there is no change in the physical or leasable status of the subject property between the valuation date, viewing date and date of this report.
- It is assumed that there are no existing leases or financial encumbrances affecting the subject property as of the effective date of appraisal unless expressly noted within this report.
- The subject photos were taken on the date of viewing, unless otherwise noted, and are assumed to reflect the condition of the subject property as of the effective date of appraisal.
- The author is not a qualified surveyor and no legal survey concerning the subject property has been provided. Site dimensions, areas, diagrams and photographs, etc., are presented in this report for the limited purpose of illustration and are not to be relied upon in themselves.
- No investigation has been undertaken with the local zoning office, the fire department, the building inspector, the health department or any other government regulatory agency unless such investigations are expressly represented to have been made in this report. The subject property must comply with such government regulations and, if it does not comply, its non-compliance may affect market value. To be certain of compliance, further investigation may be necessary.
- The analysis set out in this report relied upon written and verbal information of market transactions, data and statistics obtained from a variety of sources we considered reliable. A concerted effort was made to verify the accuracy of the information herein contained. Since this appraisal is not intended to be used for court purposes or arbitration, some of the information set out in this report may not have been fully documented or confirmed by reference to primary sources.



SUBJECT PHOTOS



SUBJECT PROPERTY



EAST VIEW ON EAST 29TH AVENUE (SUBJECT TO THE LEFT)



WEST VIEW ON EAST 29TH AVENUE (SUBJECT TO THE RIGHT)



NORTH VIEW ON ADJACENT LANEWAY (SUBJECT TO THE RIGHT)



SOUTH VIEW ON ADJACENT LANEWAY (SUBJECT TO THE LEFT)



**SECTION 1**

**Property Analysis**

## APPRAISAL ASSIGNMENT

### PROPERTY APPRAISED

<b>DESCRIPTION OF SUBJECT PROPERTY</b>	The subject property represents a triangular shaped seven-lot assembly located in the Renfrew-Collingwood neighbourhood. The subject is situated along the north side of East 29 <sup>th</sup> Avenue and is bounded by the Expo Line SkyTrain guideway which runs diagonally along the northern property line of the subject, Slocan Park to the south and single-family homes to the west. The subject property is comprised of seven lots, five of which are improved with single-family homes, two vacant lots, one of which is currently owned by the City of Vancouver.
<b>CIVIC ADDRESS</b>	2723-2765 East 29th Avenue, Vancouver, BC.

### Legal Description

Address	PID	Legal Description
2723 East 29th Avenue	011-643-668	LOT 9 BLOCK 5 PLAN VAP4272 DISTRICT LOT THSL NEW WESTMINSTER SECTION 47 SW QTR.
2735 East 29th Avenue	011-643-676	LOT 10 BLOCK 5 SECTION 47 PLAN V AP4272 DISTRICT LOT THSL NWD PART SW 1/4.
2741 East 29th Avenue	011-643-706	LOT 11 BLOCK 5 SECTION 47 PLAN V AP4272 DISTRICT LOT THSL NWD OF S W 1/4 EXC THE S 7 FT NOW ROAD.
2745 East 29th Avenue	029-494-371	LOT 12 BLOCK 5 PLAN VAP4272 DISTRICT LOT THSL NEW WESTMINSTER SECTION 47 S W QTR.
2757 East 29th Avenue	011-645-431	LOT 13 BLOCK 5 SECTION THSL PLAN VAP4272 NEW WESTMINSTER DISTRICT LOT SEC 47 SW QTR.
2761 East 29th Avenue	011-645-458	LOT 14 BLOCK 5 PLAN VAP4272 NEW WESTMINSTER DL SEC 47 S W QTR THSL.
2765 East 29th Avenue	007-336-420	LOT 15 BLOCK 5 SECTION 47 PLAN V AP4272 DISTRICT LOT THSL NWD PART SW 1/4.

### RELEVANT DATES

DATE OF VALUATION:	October 30, 2020.
DATE OF REPORT:	November 5, 2020.
DATE OF VIEWING:	November 5, 2020.

The value estimate within this report assumes an exposure period of four to eight months.

### PURPOSE & INTENDED USE OF REPORT

The purpose of the report is to determine the current market land value of the fee simple in the subject property as of the valuation date.

The property rights being appraised in this report are those which accrue to the owner of the property described herein. This encompasses the rights normally attached to the freehold (or fee simple) interest in the property, subject to the lease agreements outlined in this report (if applicable). The property has been appraised on a debt-free basis.

The report is intended to be used for the purposes of establishing the fair market value of the subject lands for first or second mortgage financing purposes.



## NATURE OF INTEREST

The registered owner of the subject property is:

Address	PID	Registered Owner
2723 East 29th Avenue	011-643-668	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484
2735 East 29th Avenue	011-643-676	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484
2741 East 29th Avenue	011-643-706	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484
2745 East 29th Avenue	029-494-371	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484
2757 East 29th Avenue	011-645-431	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484
2761 East 29th Avenue	011-645-458	CITY OF VANCOUVER
2765 East 29th Avenue	007-336-420	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484

## Title Information

The current title document is registered as:

Address	PID	Title
2723 East 29th Avenue	011-643-668	CA5632873
2735 East 29th Avenue	011-643-676	CA5669598
2741 East 29th Avenue	011-643-706	CA5633448
2745 East 29th Avenue	029-494-371	CA5686003
2757 East 29th Avenue	011-645-431	CA5711038
2761 East 29th Avenue	011-645-458	28032K
2765 East 29th Avenue	007-336-420	CA5820806

A copy of the title document is included in Addendum B.

Nothing in this report is intended as a legal opinion as to the state of the title. This report is prepared on the premise that the property is free and clear of all liens or encumbrances, except as shown on the title search and interpreted herein, and on the assumption that the improvements do not encroach onto adjacent lands.

All other charges, including any pertaining to mortgages, have not been reviewed. For the purposes of this appraisal report, we have assumed that the subject property is free and clear of any encumbrances that would have a material effect upon value, and the excluded areas noted above. If the reader has questions regarding the impact of these charges against the subject's title, legal advice should be obtained.

## Sales History

Based upon our review of available sources and our discussions with the property owner's representative, it is our understanding that the client purchased six of the seven lots between November, 2016 and February, 2017 for a total consideration of \$10,638,000. Per the client, negotiations for the acquisition of the sites below took place between April and July, 2016. With regards to the city owned lot at 2761 East 29<sup>th</sup> Avenue, negotiations with the city have not yet commenced.

Address	Sale Date	Lot Size	Sale Price
2723 & 2741 East 29th Avenue	Nov-16	8,592	\$2,740,000
2735 East 29th Avenue	Nov-16	4,502	\$2,298,000
2745 East 29th Avenue	Nov-16	3,159	\$1,950,000
2757 East 29th Avenue	Dec-16	2,591	\$1,900,000
2765 East 29th Avenue	Feb-17	3,354	\$1,750,000
<b>Total:</b>		<b>22,197</b>	<b>\$10,638,000</b>



We are also not aware of any agreements for sale, options, leases or listings of the subject property within the past year.

The subject property represents a seven-lot assembly, one of which (2761 East 29<sup>th</sup> Avenue) is currently owned by the City of Vancouver. Redevelopment of the subject property is contingent on successful negotiations with the City for the acquisition of 2761 East 29<sup>th</sup> Avenue. We understand the City of Vancouver's Real Estate department will consider unsolicited offers City-owned sites, from adjacent owners, at fair market value.

#### **SCOPE OF THE ASSIGNMENT**

The scope of the appraisal encompasses the necessary research and analysis to prepare an appraisal report in accordance with the intended use, the Ethics and Standard of Professional Practice, and the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) of the Appraisal Institute of Canada (AIC). CUSPAP was adopted on January 1, 2001 (amended effective January 1, 2020) by the AIC and is required to be followed by all members of the AIC for all appraisals.

In regard to the subject property, this involved the following steps:

1. The property was viewed by the appraiser on November 5, 2020 and all photographs of the subject property were taken on that date. Together with any pertinent information supplied by the client, the site and property description forms the basis for the property description contained herein.
2. The subject property legal description and ownership profile was confirmed by way of an on-line title search at BC Land Titles Registry.
3. Regional, City, District and Neighbourhood site data, zoning details, property tax, building and development data were based on information supplied by the subject Municipality, Statistics Canada and other relevant sources. Additionally, the Neighbourhood and Location Description section of this report is based upon a physical viewing of the area by the appraiser.
4. Statistical data has also been reviewed from the Land Registry, Canada Mortgage and Housing, the Multiple Listing Service (Paragon) and information available from the British Columbia Assessment Authority.
5. In estimating the highest and best use of the subject property, an analysis was made of the data contained in all the steps noted in the Scope Section of this report.
6. The six procedures used to value land are:
  - a.) Direct comparison;
  - b.) Abstraction;
  - c.) Extraction;
  - d.) Subdivision development;
  - e.) Land residual;
  - f.) Ground rent capitalization.

The Direct Comparison Approach was used to estimate the value of the subject property. This Approach included the collection of data obtained from discussions with owners, managers and agents, municipal officials and others knowledgeable with properties similar to the subject or this sector of the market.

7. Subsequent to the assembly and analysis of the data collected and defined in the Scope of the Appraisal, a final estimate of market value was made, subject to the Assumptions and Limiting Conditions of the Appraisal.
8. This appraisal did NOT include the completion of technical surveys or investigations, such as:
  - a survey of the site;
  - investigations into the load-bearing qualities of the soils;
  - an environmental review of the property;
  - environmental assessment of the land.
9. This appraisal excludes all sub-surface (mineral, oil, etc.) rights, as well as timber rights, if any exist.

## LOCATIONAL DATA

### BRITISH COLUMBIA ECONOMIC OVERVIEW

The data provided below describes the general condition of the BC economy at this time. The statistics used are the latest data available on each segment of the economy as of October 9, 2020.

The second quarter of 2020 indicated a 2.4% decrease in non-residential construction investment from one year earlier, driven by falling commercial and institutional investment. Residential construction investment fell by 27.2% from the previous year. The second quarter of 2020 also saw year-over-year manufacturing shipments decrease by 15.9%, wholesale sales decrease by 14.4% and retail sales decrease by 8.3%. Overall, the BC economy increased by approximately 2.8% in 2019, although final figures are pending. A decline of approximately 4.6% to 6.8% is anticipated in 2020 due to the COVID-19 pandemic. Current events that may impact the province's economic performance include the rising number of COVID-19 cases, the potential or actual reinstatement of restrictions to limit the spread of COVID-19, increased unemployment and job losses due to the pandemic and lockdown, the extended employment benefits supporting workers left unemployed or with reduced work by the pandemic, the BC Government's projected \$12.5 billion deficit, the upcoming Provincial and US presidential elections, the Phase 1 trade deal signed between the US and China, the ongoing political dispute between China and Canada, mill closures and weak conditions in the forestry sector, the ongoing softwood lumber dispute with the US, the current low value of the Canadian dollar, the UK's formal departure from the European Union, and the global uncertainty caused by the conflicts in Ukraine and the Middle East, particularly the dispute between the US and Iran.

CONSUMER PRICE INDEX	Aug-19 to Aug-20	5-year Avg.
BC	0.2%	1.8%
Canada	0.1%	1.5%
LABOUR FORCE	Sep-20	10-year Avg.
Unemployment Rate (BC)	8.4%	6.3%
Unemployment Rate (Canada)	9.0%	7.0%
OTHER	Oct-09-20	10-year Avg.
Bank of Canada	0.25%	0.97%
Prime Rate (Royal Bank)	2.45%	3.08%
5-Year Closed (Top 5 Banks)	2.14%	N/A
5-Yr Gov't Benchmark Bond Yield (Prev. Day Close)	0.37%	1.42%
US \$ per Cdn. \$	\$0.745	\$0.831

### BC ECONOMIC TRENDS

#### Population

British Columbia is the westernmost province in Canada, strategically situated on the Pacific Rim, comprising 14% of Canada's total population and 10% of Canada's total land area. After Ontario and Quebec, it is the third most populous province, with 5,147,712 residents as of July 1, 2020, up 1.1% from July, 2019.

#### Employment

As of October 1, 2020, 2,444,300 persons were employed in British Columbia, 58.4% of the working-age population. 81.2% of employed British Columbians work in the service-producing sector, including trade (15.1%), health care and social assistance (12.7%), professional and technical services (9.3%) and education



(7.4%). 18.8% are employed in the goods-producing sector, including construction (8.2%), manufacturing (6.9%), natural resources (1.6%) and agriculture (1.2%). Approximately 23% of jobs in BC were part-time.

### Migration

In the second quarter of 2020, BC saw net immigration of 4,387 persons, down 83.0% from one year earlier due to massively reduced international migration caused by the COVID-19 pandemic. The largest net interprovincial inflow was from Alberta (3,586 persons), while the largest net interprovincial outflow was to Nova Scotia (210 persons).

	BC Components of Population Change				Total Net Migration
	Inter-Provincial Immigrants		International Immigrants		
2019 Total	13,926	(17%)	65,961	(83%)	79,887
5-yr Avg.	17,671	(27%)	47,292	(73%)	64,963
YTD 2020	11,440	(75%)	3,758	(25%)	15,198
5-yr Avg.	11,125	(32%)	23,162	(68%)	34,287

### Tourism

In August, 2020, the RevPAR (revenue per available room) of BC hotels was \$83.14, down 57.5% from 2019, while the RevPAR of Metro Vancouver hotels was \$48.24, down 80.1% from 2019. BC hotel occupancy was 52.9% in August, down 33.1 percentage points from 2019, while Metro Vancouver hotel occupancy was 34.8%, down 55.8 percentage points from 2019. Overall in 2019, BC hotels averaged a RevPAR of \$136 (up 2.1% from 2018) and an occupancy of 70.8% (up 0.0 percentage points from 2018), while Metro Vancouver hotels achieved a RevPAR of \$175 (up 3.3% from 2018) and an occupancy of 79.9% (down 0.2 percentage points from 2018). During the 2019 cruise season, Vancouver received 288 calls carrying over 1,000,000 passengers, up approximately 20.4% from 2018. The 2020 cruise season has been cancelled due to the COVID-19 pandemic.

### Trade

The total value of BC exports to all countries during August, 2020 was approximately \$3.4 billion, down 5.8% from one year earlier. 2019 exports totalled \$44.4 billion, 6.4% lower than in 2018; the annual average over the past five years has been \$42.6 billion. British Columbia is more diversified than the nation as an exporter, given its West Coast proximity to major importing countries. While Canada sent some 75.4% of its exports to the US in 2019, only 49.7% of BC's exports went to the US. 15.3% of BC's exports in 2019 went to China, which is now BC's second largest export market. As of mid-2020, Port Metro Vancouver saw total cargos decline by 1.1% from one year earlier, with the greatest contractions seen in forest products, coal, and machinery and vehicles. Through 2017 and early 2018, the US government imposed tariffs on Canadian softwood lumber and pulp and paper manufacturers. In late September, 2018, an agreement was reached between the US, Canada and Mexico regarding the US-Mexico-Canada Agreement (USMCA/CUSMA), replacing NAFTA. The deal was ratified by Canada in March, 2020.

### Retail

Retail sales in BC for July, 2020 totalled approximately \$7.6 billion, up 5.9% from one year earlier. Retail sales totalled \$86.5 billion in 2019, up 0.6% from 2018. Total retail sales have averaged \$80.5 billion for the last five years.

### Interest Rates

The Bank of Canada reduced its overnight interest rate by 50 basis points to 1.25% in March, 2020, due to fears of the economic impact of the COVID-19 pandemic. A further rate cut, to 0.75%, followed a week later, with a third rate cut to 0.25% occurring at the end of the month. The current prime interest rate is 2.45%. The most competitive posted rate for a five-year fixed mortgage from the top five banks is currently 2.14%.

## Housing Starts

In the third quarter of 2020, both Vancouver CMA and provincial housing starts were down from the same quarter one year earlier; provincial starts were also below the five-year average, while Vancouver CMA starts were slightly ahead. Approximately 80% of the provincial housing starts and 86% of

	Housing Starts		
	2019 Total	2020 Q3 YTD Total	
Vancouver CMA	28,141	6,415	16,179
5-yr Avg.	25,326	6,305	19,337
BC	43,215	9,432	25,308
5-yr Avg.	38,452	9,990	29,314

the Vancouver housing starts this quarter were multi-family units. Current forecasts anticipate between 11,925 and 17,710 in Vancouver CMA in 2020, with BC achieving approximately 34,700 starts.

## Major Projects

As of the first quarter of 2020, the estimated capital cost of all major projects valued at over \$15 million currently under construction in BC is \$112.3 billion; the larger projects (those with an estimated capital cost over \$1 billion) are listed below.

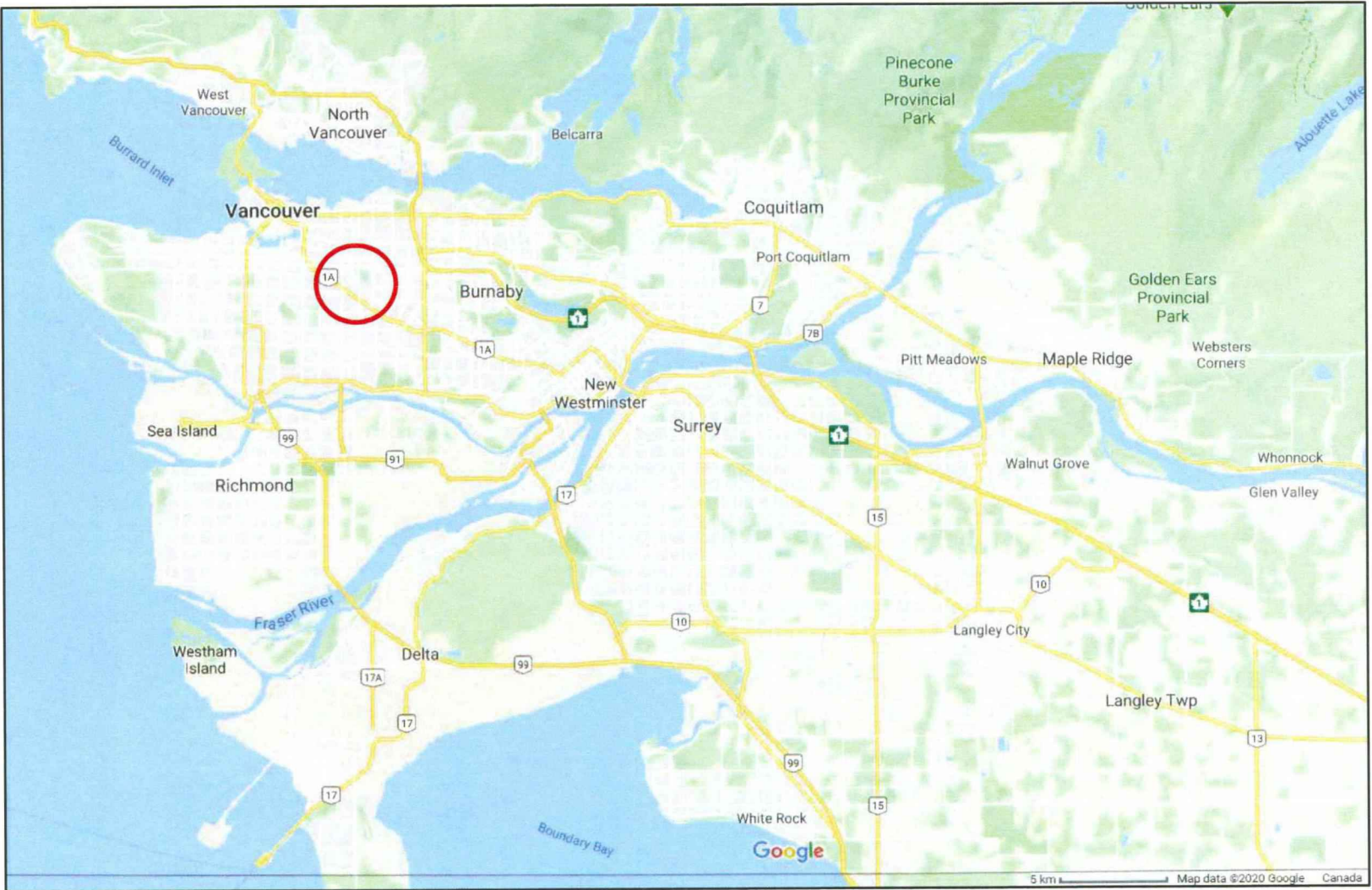
Municipality	Projects Currently Under Construction (>=\$1 billion)	Est. Cost (\$ mill)
Kitimat	LNG Canada Facility	\$36,000
Fort St. John	Site C Project	\$10,700
Dawson Creek	Coastal GasLink Pipeline Project	\$6,200
Vancouver	River District (formerly East Fraserlands) Development	\$4,000
Kelowna	Wilden Development	\$2,100
Langford	Westhills Green Neighbourhood	\$2,000
Richmond	Vancouver International Airport Upgrades	\$1,743
Surrey	King George Station Mixed-Use Development	\$1,600
Esquimalt	CFB Esquimalt Projects	\$1,316
Burnaby	Brentwood Town Centre Redevelopment - The Amazing Brentwood	\$1,300
Langford	Bear Mountain Development	\$1,200
Colwood	Capital City Centre (Colwood Corners) Residential Development	\$1,000
Victoria	Bayview Residential Development	\$1,000
Tsawwassen	Tsawwassen First Nation Mixed Use Development	\$1,000
Vancouver	False Creek Central Condominium Development	\$1,000
Kelowna	Tower Ranch Golf Resort	\$1,000
Lake Country	Lakestone Resort Development	\$1,000
Peachland	Ponderosa Residential Development	\$1,000
Revelstoke	Revelstoke Mountain Ski Resort	\$1,000
All Other	368 projects	\$36,106
<b>Total</b>	<b>All 387 projects currently under construction</b>	<b>\$112,265</b>

Included in this figure are the 25 major projects that commenced construction during the first quarter at an estimated value of \$1.5 billion. The total capital cost of proposed projects that have not yet been approved for construction is estimated at \$220.5 billion. There are approximately \$31.3 billion worth of projects judged to be "on hold" for the time being. The capital cost of 28 new projects proposed in the first quarter of 2020 was approximately \$4.3 billion. The larger projects are listed below.

Municipality	New Proposed Projects Jan-Mar 2020 (>=\$150 million)	Est. Cost (\$ mill)
Vancouver	Expo and Millennium Upgrade Program	\$1,500
Surrey	Thind Towers	\$500
Cranbrook, Sparwood	Inland Gas Upgrades	\$360
Burnaby	Burnaby Rail Corridor Improvements Project / Holdom Overpass	\$214
Vancouver	Gateway Building (Nursing, Kinesiology, UBC Health & Integrated Student Health Services)	\$190
Surrey	Apartment Complex - 8560 156 Street	\$160
Pitt Meadows	Pitt Meadows Road and Rail Improvements Project	\$141
All Other	21 projects	\$1,248
<b>Total</b>	<b>All 28 new proposed projects in BC Jan-Mar 2020</b>	<b>\$4,313</b>

Sources: Statistics Canada, BC Stats, Bank of Canada, Royal Bank of Canada, CMHC, Industry Canada, CBRE Hotels Trends in the Hotel Industry National Market Report.







## REGIONAL/CITY PROFILE

### Metro Vancouver

The City of Vancouver is part of Metro Vancouver, the third-largest metropolitan area in Canada. Comprising 21 municipalities, one electoral area and one treaty First Nation, Metro Vancouver has a population of 2,691,343 persons as of July 1, 2019 (BC Stats, 2019). Metro Vancouver's total land area is approximately 2,883 square kilometres, bordered by the Strait of Georgia to the west, the US border to the south, the Valley of the Fraser River to the east and the Coastal Mountains to the north.



The region is serviced by significant transportation infrastructure, including the Vancouver International (YVR) and Abbotsford Airports, Horseshoe Bay and Tsawwassen Ferry Terminals, highways (Trans-Canada/Highway 1, Lougheed/Highway 7, Highway 91 and Highway 99), SkyTrain Rapid Transit (the Expo Line, the Millennium Line and Evergreen Extension, and the Canada Line), over 2,200 kilometres of major road ways, 20 major bridges and two major tunnels. Port Metro Vancouver, the fourth largest (by tonnage) port in North America, offers 27 deep sea and domestic marine terminals that service five business sectors: automobiles, break bulk, bulk, containers and cruise. Three Class 1 railways service the port terminals: CN Rail and Canadian Pacific Railway, both transcontinental railways, and the Burlington Northern Santa Fe Railway.

### City of Vancouver

Vancouver is the eighth largest city in Canada, covering approximately 112 square kilometres with a population of 685,885 (BC Stats, 2019). It is bordered by Burrard Inlet to the north, the Fraser River to the south, the Strait of Georgia to the west and the City of Burnaby to the east. With water restricting development on three sides, there is pressure on land use to create a higher density city.

Vancouver and Burnaby are linked by Hastings Street and Kingsway, which connect to downtown Vancouver, and Marine Drive, which follows the Fraser River to UBC. Vancouver is linked to the North Shore by the Lions Gate Bridge at the tip of Stanley Park and by Highway 1 via the Second Narrows Bridge in East Vancouver. The Knight Street, Oak Street and Arthur Laing Bridges link Vancouver to Richmond and YVR to the south. Waterfront Station, in downtown Vancouver, is Metro Vancouver's main transit hub, allowing connections between the Expo and Millennium lines to Burnaby and points east, the Canada Line to Richmond and YVR, the SeaBus commuter ferry to North Vancouver and the West Coast Express commuter train to the Fraser Valley.

Vancouver is divided into three distinct areas: the East Side, the West Side and the downtown peninsula. The East Side, between Ontario Street and Boundary Road, offers generally less expensive housing, while the West Side, between Ontario Street and UBC, comprises middle- and upper-income neighbourhoods. Throughout the city, multi-family housing and commercial uses line the major transportation corridors. The downtown peninsula largely comprises apartment & commercial buildings. Redevelopment for increased density is particularly evident along the Canada Line. The city has, in recent years, approved new plans for the West End, Downtown East Side, Marpole and Grandview-Woodland neighbourhoods, calling for increased density around rapid transit stations and increased access to affordable and social housing. A new area plan for Northeast False Creek was approved in early 2018, calling for mixed use development on the vacant lands around the Plaza of Nations and BC Place Stadium and on the Main Street lands occupied by the Georgia and Dunsmuir Viaducts.

Work has started on a land use plan for the Broadway corridor, where an extension of the Millennium Line SkyTrain to UBC is proposed.

Vancouver's Central Business District is located on the downtown peninsula and comprises high density commercial and hotel buildings, with lower density retail uses throughout and extending into the West End and Yaletown neighbourhoods. Commercial uses line the major transportation arteries through the city, especially the West Broadway corridor, the third-largest concentration of office space in Metro Vancouver. Vancouver's two largest shopping centres are Pacific Centre, located downtown, and Oakridge Centre, located on the Canada Line and being redeveloped as an urban mixed use community comprising 2,000 residential units, more than 1,000,000 sq.ft. of retail and office space, a ten-acre park and a variety of civic amenities. Most of the city's industrial land is located on the East Side, primarily in the False Creek Flats (where a land use plan was approved in May, 2017, calling for intensified employment uses around the new St. Paul's Hospital and the Emily Carr campus) and around Burrard Inlet, with some industrial uses located along the Fraser River. Light industrial, technology and office uses, including Vancouver Film Studios, are also located at Boundary Road and Grandview Highway and in Mount Pleasant.

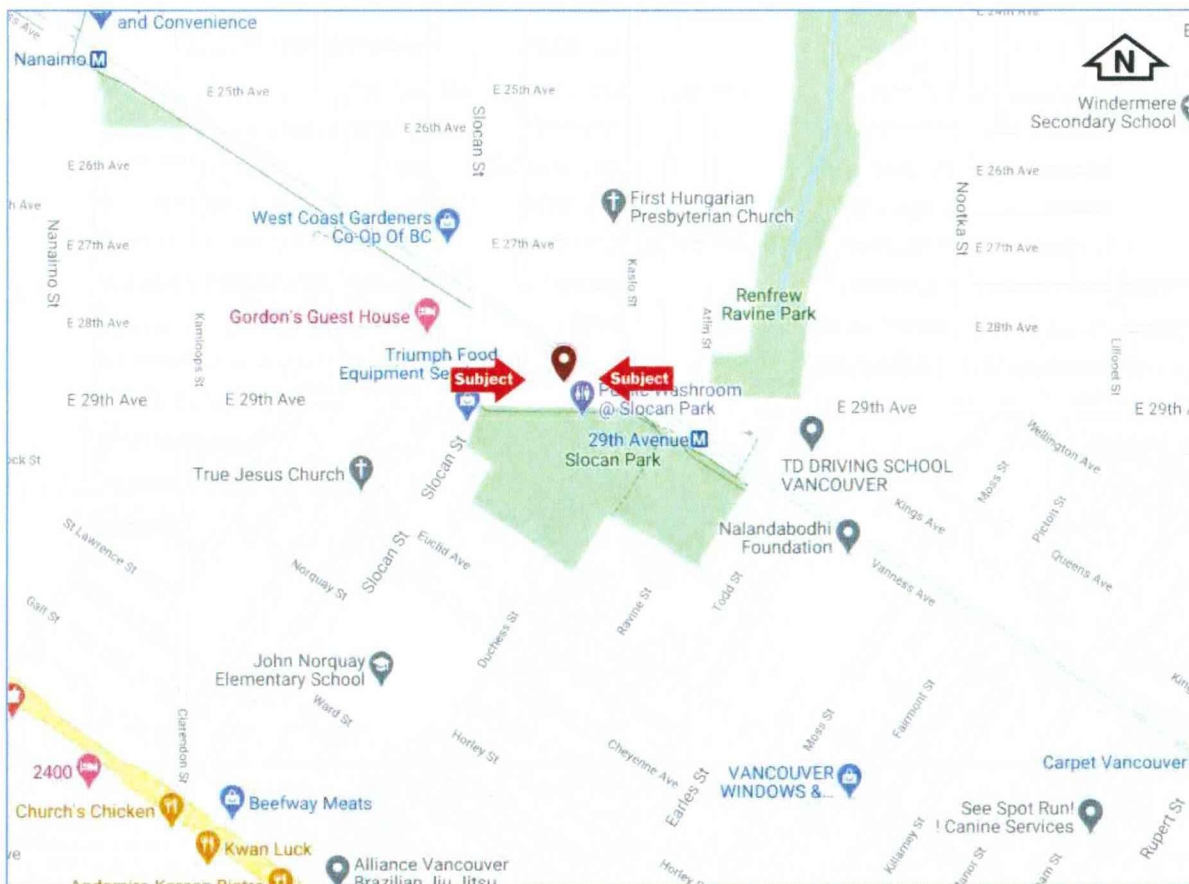
Vancouver is a thriving business centre, supported by an economy traditionally driven by the head office operations of resource companies in addition to broad-based diversification in areas of digital media, information technology, biotechnology and film production. Vancouver's proximity to Asia makes the city an important trade centre. Tourism is another major contributor to the Vancouver economy, particularly the cruise industry, with stunning scenery, parks, beaches and nearby mountains that generate an avid draw among tourists. UBC, located just west of Vancouver, hosts a daily population of nearly 71,000 students and faculty and is a major influence on the city's economy.

Population Stats					Industry & Income Stats			
<b>Population by Neighbourhood</b>								
		Ann. Growth			Vancouver	% of City	Metro Vancouver	% of Metro
<b>Neighbourhood</b>	<b>Population</b>	<b>(10 Years)</b>	<b>Area (ha)</b>	<b>Pop./ha</b>				
Downtown Peninsula	109,230	2.4%	568	192.3	Agriculture, Resource & Utilities	4,805	1.3%	24,335
East Side	329,590	0.8%	5,833	56.5	Construction	17,700	4.8%	98,365
West Side	194,315	0.4%	4,798	40.5	Manufacturing	17,110	4.6%	84,355
<b>City of Vancouver</b>	<b>633,135</b>	<b>0.9%</b>	<b>11,199</b>	<b>56.5</b>	Wholesale Trade	11,755	3.2%	55,415
<i>(2016 Census)</i>					Retail Trade	36,955	10.0%	150,000
<b>Metro Vancouver</b>	<b>2,463,431</b>	<b>1.6%</b>	<b>288,268</b>	<b>8.5</b>	Transportation & Warehousing	13,115	3.5%	74,775
<i>(2016 Census)</i>					Information & Cultural Industries	20,860	5.6%	50,230
<b>% of Metro Van.</b>	<b>25.7%</b>		<b>3.9%</b>		Finance & Real Estate	29,390	7.9%	100,690
					Professional & Scientific Services	48,020	12.9%	133,130
					Business Management	1,040	0.3%	3,185
					Admin Services & Remediation	15,345	4.1%	61,005
					Health Care & Education	70,660	19.0%	237,500
					Tourism & Food	47,975	12.9%	142,895
					Other Services	17,525	4.7%	60,840
					Public Administration	12,420	3.3%	53,855
					Not Applicable	6,285	1.7%	24,955
					<b>Total Labour</b>	<b>370,960</b>		<b>1,355,530</b>
					<i>(2016 Census)</i>			
					<b>2015 Median Household Income</b>	<b>\$65,327</b>		<b>\$72,662</b>
					<i>(2016 Census)</i>			
<b>Population by Age Group</b>								
<b>Age Group</b>	<b>Vancouver</b>	<b>% of City Pop.</b>	<b>Metro Vancouver</b>	<b>% of Metro Pop.</b>				
0 to 9	47,520	7.5%	239,000	9.7%				
10 to 19	51,280	8.1%	265,390	10.8%				
20 to 29	107,630	17.0%	347,210	14.1%				
30 to 39	110,630	17.5%	350,580	14.2%				
40 to 49	90,780	14.4%	352,655	14.3%				
50 to 59	88,945	14.1%	368,470	15.0%				
60 and over	134,705	21.3%	540,130	21.9%				
<i>(2016 Census)</i>	<b>631,490</b>		<b>2,463,435</b>					
<b>Real Estate &amp; Development Stats</b>								
<b>Census, CMHC &amp; MLS Stats</b>					<b>Major Project Inventory Q4 2019 (\$ millions)</b>			
	<b>Vancouver</b>	<b>%</b>	<b>Metro Vancouver</b>		<b>Vancouver</b>	<b>%</b>	<b>BC</b>	
Population Estimate (2019)	685,885	25.5%	2,691,343		Proposed	\$14,314	6.6%	\$215,984
Household Units (2016 Census)	283,915	29.5%	960,895		On Hold	\$40	0.1%	\$31,220
CMHC Housing Starts (2019)	6,823	24.2%	28,141		Construction Started	\$10,316	9.0%	\$115,067
CMHC Rental Inventory (2019)	58,869	51.8%	113,648		Completed	\$364	32.1%	\$1,133
CMHC Rental Vacancy (2019)	1.0%		1.1%					
	<b>Vancouver</b>	<b>%</b>	<b>REBGV</b>		<b>Broker Stats</b>			
MLS Home Sales (2019)	7,354	28.9%	25,429		<b>Vancouver</b>	<b>%</b>	<b>Metro Vancouver</b>	
MLS HPI (2019)	\$1,185,000	118.2%	\$1,002,783		Downtown	31,608,646		
					Broadway Corridor	7,514,098		
					Vancouver Periphery	2,207,134		
					Office Space (sq. ft.) – Q2 2020	41,329,878	57.4%	71,952,782
					Industrial Space (sq. ft.) – Q2 2020	20,953,116	9.9%	212,367,920
					<i>(Colliers International)</i>			

Sources: Stats Canada, BC Stats, City of Vancouver, Real Estate Board of Greater Vancouver, Colliers International, CMHC



**AREA MAP**



**NEIGHBOURHOOD PROFILE**

The subject property comprises of a seven-lot assembly in the established residential neighbourhood of Renfrew-Collingwood within the City of Vancouver. It is located between Slokan Street and Kaslo Street on the north side of East 29<sup>th</sup> Avenue.

Property Uses in the Surrounding Area:

<b>NORTH</b>	Expo Line SkyTrain guideway; Single-family homes;
<b>SOUTH</b>	Slocan Park; Single-family homes;
<b>EAST</b>	29 <sup>th</sup> Avenue SkyTrain Station; Sarah Ross House (supportive housing building) is located just beyond the SkyTrain guideway; Single-family homes; and
<b>WEST</b>	Single-family homes.



**Recent Development Activity:**

Project	Address	Developer	Launch	Completion	Units / Storeys	Other Uses
Format	1503 Kingsway	Cressey Development Corp	Oct-20	TBD	120 units/ 13-storeys	Office, Retail
Clarendon Heights	4933 Clarendon Street	Fully Homes	Jan-20	Apr-22	47 units / 4-storeys	n/a
Rupert	3050 Kingsway	Kaval Properties	Jul-19	Jun-22	22 units / 4-storeys	n/a
Aviida	2717 Horley Street	Azora Group	Jun-19	Jun-19	10 units/ 4-storeys	n/a
Eliot at Norquay	2688 Duke Street	R.A.R. Holdings	Jun-19	Dec-21	23 units / 4-storeys	n/a
Rae Garden	3601 Rae Avenue	Rosanni Properties	May-19	Jun-21	26 units / 3-storeys	n/a
Acorn	2666 Duke Street	Citrine Homes	May-18	Mar-21	30 units/ 4-storeys	n/a
Ariia Living	2755-2763, 2763 Horley Street	Azora Group	Oct-18	Jan-19	10 units / 3-storeys	n/a
The Windsor	2395-2443 Kingsway	Imani Development	Nov-17	Sep-21	112 units / 12-storeys	Retail
Joyce	5050-5080 Joyce Street	Westbank	Jun-17	Mar-21	256 units / 30-storeys	Retail
Slocan Park	4888 Slocan	Vanwell Homes	Jun-17	Apr-19	53 units/ 4-storeys	n/a

**Transportation and Access:**

<b>ROAD NETWORK</b>	The subject is located on East 29 <sup>th</sup> Avenue which connects to Nanaimo to the west and Boundary Road to the east, a major arterial road and border between the cities of Vancouver and Burnaby.
<b>PUBLIC TRANSIT</b>	29 <sup>th</sup> Avenue Expo Line SkyTrain Station located approximately 120 m to the east.

**Summary:**

The subject property is situated on East 29<sup>th</sup> Avenue in the Renfrew-Collingwood neighbourhood which provides a central and convenient location within east Vancouver, adjacent to the 29<sup>th</sup> Avenue SkyTrain Station. The subject area is an established residential neighbourhood with complementing uses including parks (Slocan Park directly south of the subject and Renfrew Ravine Park), schools (John Norquay Elementary School, Sir Wilfred Grenfell Elementary School) and public transit.

## PROPERTY DATA

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### SITE

<b>SITE AREA</b>	0.56 acres (24,221 sq. ft.).
<b>CONFIGURATION</b>	Triangular.
<b>UTILITIES</b>	All usual municipal services, including potable water, storm and sanitary sewer, hydro, natural gas, telephone, cablevision, and ambulance, police and fire protection are available on the subject site.
<b>TOPOGRAPHY</b>	Slight downward slope from the east to the west.
<b>SOIL CONDITIONS</b>	We are not environmental consultants or geotechnical engineers and have not been provided with any soils surveys or other environmental studies on the subject property. As such, we do not know if the subject property is free of soil contamination and environmental problems. For the purpose of this report, it is assumed that the property does not suffer from any environmental or geotechnical problems. The reader is cautioned that if such a problem were to exist, it could have an impact on value.

SITE PLAN



AERIAL PHOTO OF SUBJECT SITE AND IMPROVEMENTS





## IMPROVEMENTS

The subject property is comprised of seven lots, five of which are currently improved with single-family homes and two vacant lots. This report concerns the underlying land value as per the terms of the engagement and thus no descriptions of the improvements have been provided. Most comparables contain similar developments and some level of demolition is expected. Thus, our value has not considered demolition costs as the requirement and cost of demolition is considered to be similar.

## ASSESSMENTS & TAXES

The 2020 assessed value is the Assessor's opinion of value for assessment purposes and is not necessarily reflective of market value. The assessment is based upon the value as at July 1, 2019. The value is based upon the physical condition of the subject property as of October 31, 2019.

Address	Roll Number	Land	Improvements	Total	2020 Taxes
2723 East 29th Avenue	710275130000	\$1,142,000	\$35,600	\$1,177,600	\$5,125.33
2735 East 29th Avenue	710275230000	\$1,054,000	\$155,000	\$1,209,000	\$5,131.14
2741 East 29th Avenue	710275330000	\$968,000	\$91,100	\$1,059,100	\$4,983.62
2745 East 29th Avenue	710275430000	\$887,000	\$177,000	\$1,064,000	\$4,952.96
2757 East 29th Avenue	710275530000	\$801,000	\$17,700	\$818,700	\$4,084.42
2761 East 29th Avenue	710275630000	\$722,000	N/A	\$722,000	\$77.86
2765 East 29th Avenue	710275730000	\$848,000	\$295,000	\$1,143,000	\$5,168.27
<b>Total:</b>		<b>\$6,422,000</b>	<b>\$771,400</b>	<b>\$7,193,400</b>	<b>\$29,523.60</b>

The gross taxes for 2020 are \$29,524.60.

## ZONING AND LAND USE CONSIDERATIONS

<b>INTRODUCTION</b>	The subject property is zoned CD-1 (213) Slocan Street and 29 <sup>th</sup> Avenue Bylaw No. 6313. The intent of the zoning is specific for sites adjacent to SkyTrain stations. Further details of this zoning including the permitted uses are available in the City of Vancouver Official Bylaws and attached as Addendum C
<b>ZONING CLASSIFICATION</b>	CD-1 (213) Slocan Street and 29 <sup>th</sup> Avenue Bylaw No. 6313.
<b>MAXIMUM DENSITY:</b>	1.0 FSR (calculated as if located in the RM-4N District) for multiple dwellings; 0.6 FSR (calculated as of located in RS-1 District) for one-family dwelling.
<b>MAXIMUM HEIGHT:</b>	10.7 m (35 ft.).
<b>DWELLING UNIT DENSITY:</b>	The maximum dwelling unit density for multiple dwellings shall be 99 units per hectare (40 units per acre).
<b>PERMITTED USES:</b>	The following uses are permitted under this zoning: One-family dwelling or one-family dwelling with secondary suite, subject to the regulations that would apply if located in the RS-1 District; Multiple dwelling; Accessory uses customarily ancillary to the foregoing.

## SKYTRAIN STATION DENSITY REVIEW

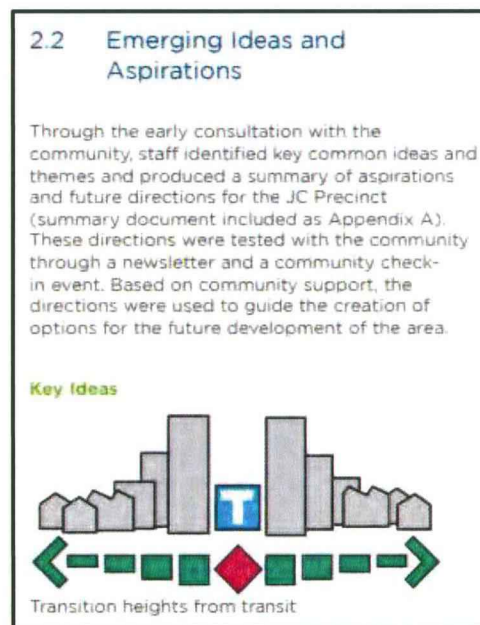
In consideration of the immediate area's assembling of sites in anticipation of additional density within a future area plan, it is viewed that the vicinity to a SkyTrain also lends value. As such, we have reviewed neighbourhood plans with proximity to a SkyTrain Station and also properties within the vicinity of a SkyTrain Station in Vancouver that we believe are relevant examples indicating an increase in density as one gets closer to a SkyTrain Station. Specifically, we have reviewed a neighbourhood plan located within the Renfrew-Collingwood neighbourhood, similar to the subject property. Rezoning applications (approved or currently in process) were reviewed.

It is noted that several rezoning applications contain ground-level commercial uses, reflecting their location along major arteries. Because of the subject's position along a residential, non-arterial street, retail/commercial uses are not anticipated.

### Joyce/Collingwood Precinct Plan

In accordance with City goals, the intention of the Joyce-Collingwood Station Precinct Plan was to consider how to intensify development on the balance of the sites around the SkyTrain Station, to transform the station into a vibrant entry point for the community and to unify the neighbourhood and create a more walkable and transit-friendly place. Prior to the enactment of this plan, the existing properties were primarily zoned one-family dwelling (RS-1), multiple dwelling (RM-4N), commercial (C-1 and C-2C) and CD-1, with most properties zoned RS-1.

Noted on page 10-14 of this plan, a common theme identified was to transition heights from transit, shown below.



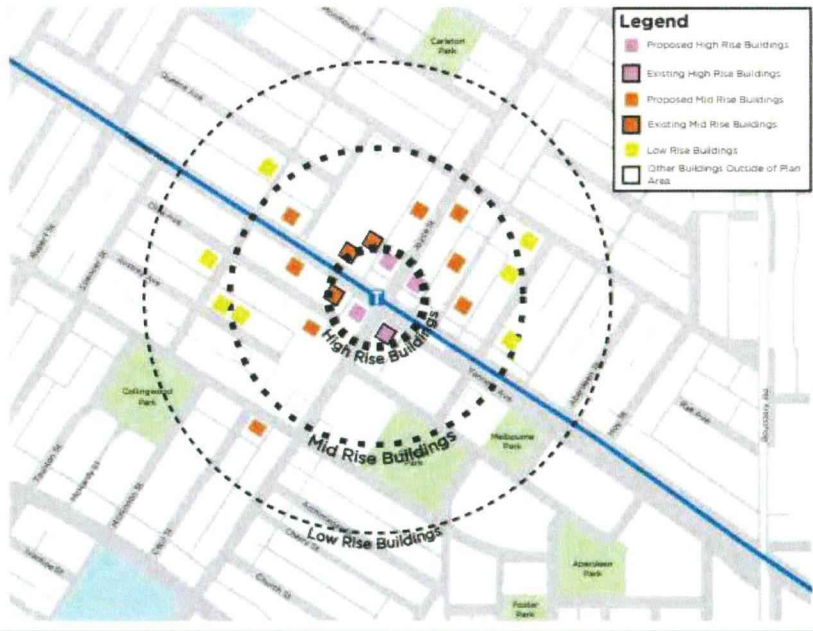
### 3.2 Transit as a Focus

A basic premise of transit-oriented development is that density is best located in close proximity to a transit station. As part of the Station Precinct Review, density was tested with the tallest buildings at the station and transitioning down in all directions away from the station. Joyce Street and Vanness Avenue were seen as axes on which potential sites could respond with taller, denser buildings. General scales of development were explored following this conceptual model.

A key factor in establishing building type and height is the relationship and integration with the surrounding neighbourhood. In terms of existing context, the area predominantly includes towers to the southeast, single-family houses to the northeast, mid-rise buildings and single-family houses to the northwest and a mix of building types to the southwest (see figure 3.1).

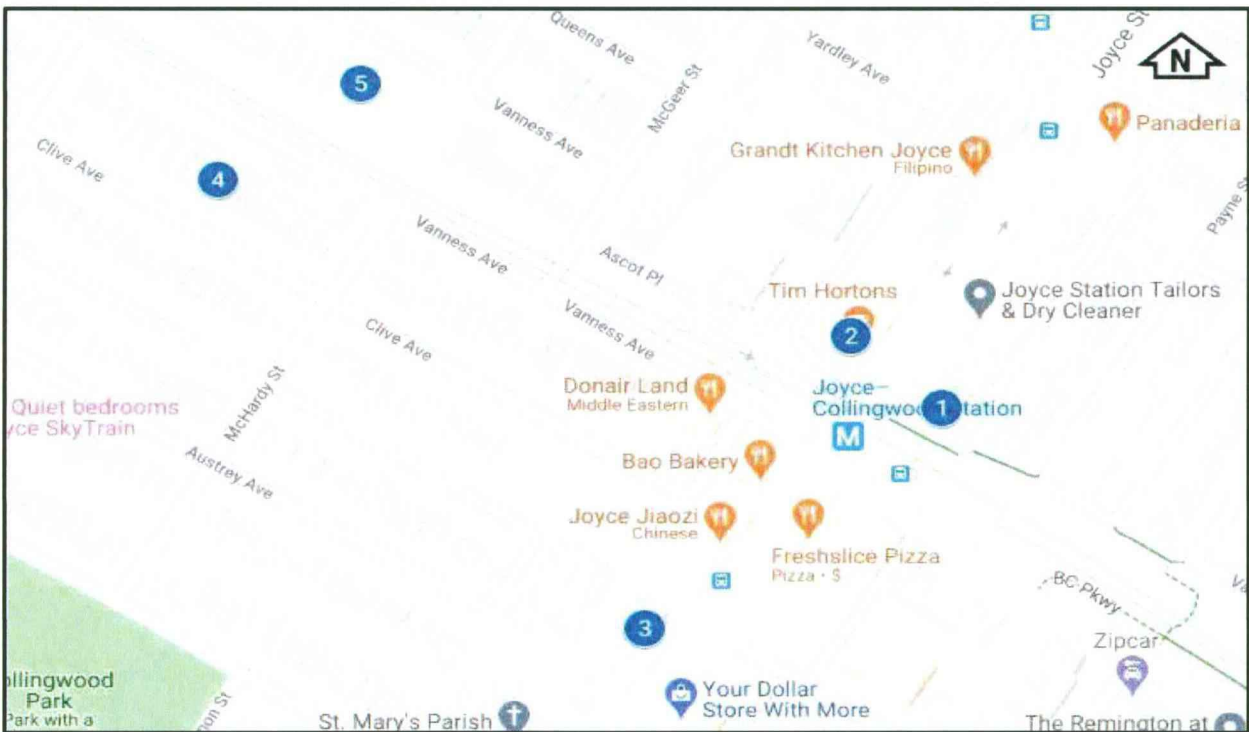
Transitioning building heights from the SkyTrain station in all directions was a key idea identified early in the planning process.

Figure 3.2: Building Height Transitions



Below are several examples of rezoning applications that have been approved or are currently in process within this neighbourhood. A map summarizing the location of these development sites has also been provided.

#### Joyce-Collingwood Developments (Approved or Currently in Process)





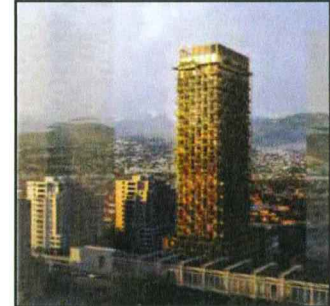
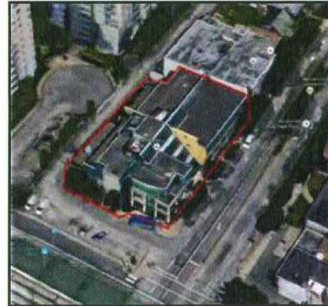
**Project 1** Westbank - Joyce  
**Address** 5050-5080 Joyce St

	Before	After
Zoning	C-2C	CD-1(662)
Max Height (m)	10.7 (4 storeys)	88.39 (30 storeys)
Max Height (ft.)	35.1	290
Max Density	3.00	15.37 (Proposed 14.48)
Site Size (sq.ft.)	N/A	13,832
# residential units	3	256
# parking	12	139



**Project 2** Westbank  
**Address** 5055 Joyce St

	Before	After
Zoning	C-2C	CD-1
Max Height (m)	10.7 (4 storeys)	93 (32 storeys)
Max Height (ft.)	35.1	305.1
Max Density	3.00	15.6 (Proposed 15.5)
Site Size (sq.ft.)	15,999	15,997
# residential units	None	298
# parking	57	197



**Project 3** St. Mary's Parish  
**Address** 5233 Joyce St

	Before	After
Zoning	CD-1 (54)	CD-1
Max Height (m)	20	58.5
Max Height (ft.)	65.6	191.9
Max Density	0.47	2.72
Site Size (sq.ft.)	119,867	119,867
# residential units	None	249
# parking	N/A	339

Market Units	N/A	0
Rental Units	N/A	249



**Project 4** Nexst Properties  
**Address** 3235-3261 Clive Avenue

	Before	After
Zoning	CD-1 (219)	CD-1
Max Height (m)	9.2	21
Max Height (ft.)	30	69
Max Density	0.6	2.25
Site Size (sq.ft.)	22,435	22,435
# residential units	5	68
# parking	5	68



**Cambie Corridor Marpole Community Plan**

Further, a review of the Cambie Corridor Marpole Community and developments in the vicinity of the Marine Gateway SkyTrain Station indicates that additional density is attributed to sites located closer to the station. Two developments have been provided that indicate a rezoning from RS-1 to a site specific CD-1 zoning.

<b>Project 5</b>	<b>Luce Developments</b>	
<b>Address</b>	<b>7969-7989 Cambie St</b>	
	<b>Before</b>	<b>After</b>
Zoning	RS-1	CD-1
Max Height (m)	9.5	6 storeys
Max Height (ft.)	31	N/A
Max Density	0.7	2.5
Site Size (sq.ft.)	10,649	10,649
# residential units	2	N/A
# parking	2	N/A



No renderings available yet

<b>Project 6</b>	<b>Onni - Northwest</b>	
<b>Address</b>	<b>8175 Cambie St</b>	
	<b>Before</b>	<b>After</b>
Zoning	C-1/RS-1	CD-1 (577)
Max Height (m)	9.2/10.7	100.28
Max Height (ft.)	30.18/35.1	329
Max Density	1.2/0.6	6.14 (Proposed 5.6)
Site Size (sq.ft.)	N/A	49,821
# residential units	5	368
# parking	N/A	387



Further, a phone call was placed with the City of Vancouver’s planning department during the review of the rezoning potential of the subject site. A rezoning planner was not reached, however, the review above is considered to provide evidence that redevelopment potential is considered possible in the future. A timeline for this to occur is not noted.

**Summary:**

Overall, the subject property reflects a land assembly within the Renfrew-Collingwood neighbourhood of the City of Vancouver. It is positioned approximately 120 metres from the 29<sup>th</sup> Avenue SkyTrain Station and given the review above, an increase in density attributed to development sites located closer to the SkyTrain Station appears reasonable. As such, with an increase in density, the price on a per sq.ft. basis is expected to rise.

## HIGHEST & BEST USE

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### DEFINITION

Real Estate is valued in terms of its optimum or “highest and best use”. Highest and best use is defined as:

“The reasonably probable use of a property that is physically possible, legally permissible, financially feasible and maximally productive, and that results in the highest value”.

### CRITERIA

The four criteria the Highest and Best Use must meet are:

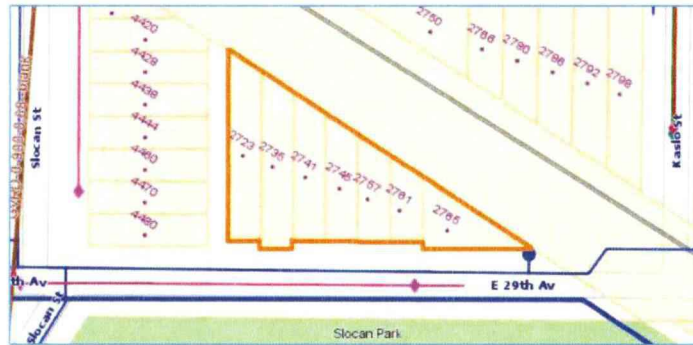
#### Legal Permissibility

- This considers public restrictions, including zoning guidelines, utility right-of-way, etc., and private restrictions such as easements.
- The subject property is currently zoned CD-1 (213), which permits multi-family dwelling development up to 1.0 FSR (conditionally). Discussions with the subject market participants and local realtors have indicated that various developers are assembling sites in anticipation of additional density within a future area plan; however, we note that the City of Vancouver has not officially announced said plan. Given the neighbouring Norquay Village Neighbourhood Centre Plan and the Joyce-Collingwood Station Precinct Plan coupled with proximity to a SkyTrain station, it is reasonable to anticipate future additional density may be prescribed.
- The subject property represents a seven-lot assembly, one of which (2761 East 29<sup>th</sup> Avenue) is currently owned by the City of Vancouver. Redevelopment of the subject property is contingent on successful negotiations with the City for the acquisition of 2761 East 29<sup>th</sup> Avenue. We understand the City of Vancouver’s Real Estate department will consider unsolicited offers City-owned sites, from adjacent owners, at fair market value.
- The current use is a legal conforming use.

#### Physically Possible

- This considers site area, configuration, topography, availability of utilities, street improvements and accessibility.
- The current improvements are evidence that single-family developments are physically possible. As for multi-family development, the subject is in a location that may potentially experience an increase in residential density, given the proximity to rapid transit. The subject property is fully serviced and is easily accessible to pedestrians, motorists and transit vehicles. The full range of emergency services, including police, fire and ambulance, are available.
- The image below provided by the City of Vancouver Geographical Information System shows the connections to water, sewer and electrical services. The closest water hydrant is at the south east corner of 2765 East 29<sup>th</sup> Avenue lot. The site has a modest downward slope from the east to the west.





### Financially Feasible

- This considers marketability in terms of supply/demand characteristics, profitability as it relates to return on cost, market rent levels, etc., and the availability and cost of capital.
- Developer's expectations regarding end unit value will influence the price that they are willing to pay for land; however, an anticipated density, height and built form are not available. Current market evidence of projects currently marketing indicate end unit pricing for various build forms as follows:
  - **Kensington Views** by Open Concept (900 Kingsway) Ltd. Partnership, located at 3420 St. Catherines Street, has reportedly sold 19 of 19 units, achieving approximately \$957 per sq.ft. with an average unit size of 829 sq.ft. The final unit of the building was sold in Q1, 2020.
  - **Clarendon Heights** by Fully Homes, located at 4933 Clarendon Street has reportedly sold 15 of 47 units, achieving approximately \$875 per sq.ft. with an average size of 802 sq.ft.
  - **Eliot at Norquay** by RAR Holdings, located at 2688 Duke Street, has reportedly sold 16 of 23 units, achieving approximately \$887 per sq.ft. with an average unit size of 771 sq.ft.
  - **Acorn** by Citrine Homes, located at 2666 Duke Street, has reportedly sold 15 of 30 units, achieving approximately \$940 per sq.ft. with an average unit size of 842 sq.ft.
  - **Joyce** by Westbank, located at 5050-5080 Joyce Street, has reportedly sold 247 of 256 units, achieving approximately \$1,293 per sq.ft. with an average unit size of 672 sq.ft. It is noted that the marketing campaign has been put on pause until further along in construction with no new sales noted since early 2018.
  - **The Windsor** by Imani Development, located at 2395-2443 Kingsway, has reportedly sold 100 of 112 units by the end of 2018, achieving approximately \$994 per sq.ft. with an average unit size of 795 sq.ft. The marketing campaign has since been put on pause until the building is closer to completion.
  - **Avida** by Azora Group, located at 2717 Horley Street (Townhomes), has reportedly sold out (10 of 10 units), achieving approximately \$828 per sq.ft. with an average unit size of 1,022 sq.ft.
  - **Ward** by Vicini Homes, located at 2739 Ward Street, has reportedly sold out as of December 2018, achieving approximately \$865 per sq.ft.

**Maximum Profitability**

- This considers use that produces the highest residual land value consistent with the rate of return warranted by the market for that use.
- The subject property is located within an area where additional density is anticipated within a future area plan; however, we note that the City of Vancouver has not officially announced said plan. Alternative uses for the subject parcel is limited given the current CD-1 (213) zoning governing the subject. As such, the greatest economic use of the land reflects the existing improvements.
- The economic value of such a proposed residential use is greater than the land value. As such, this is a development site.

**CONCLUSION**

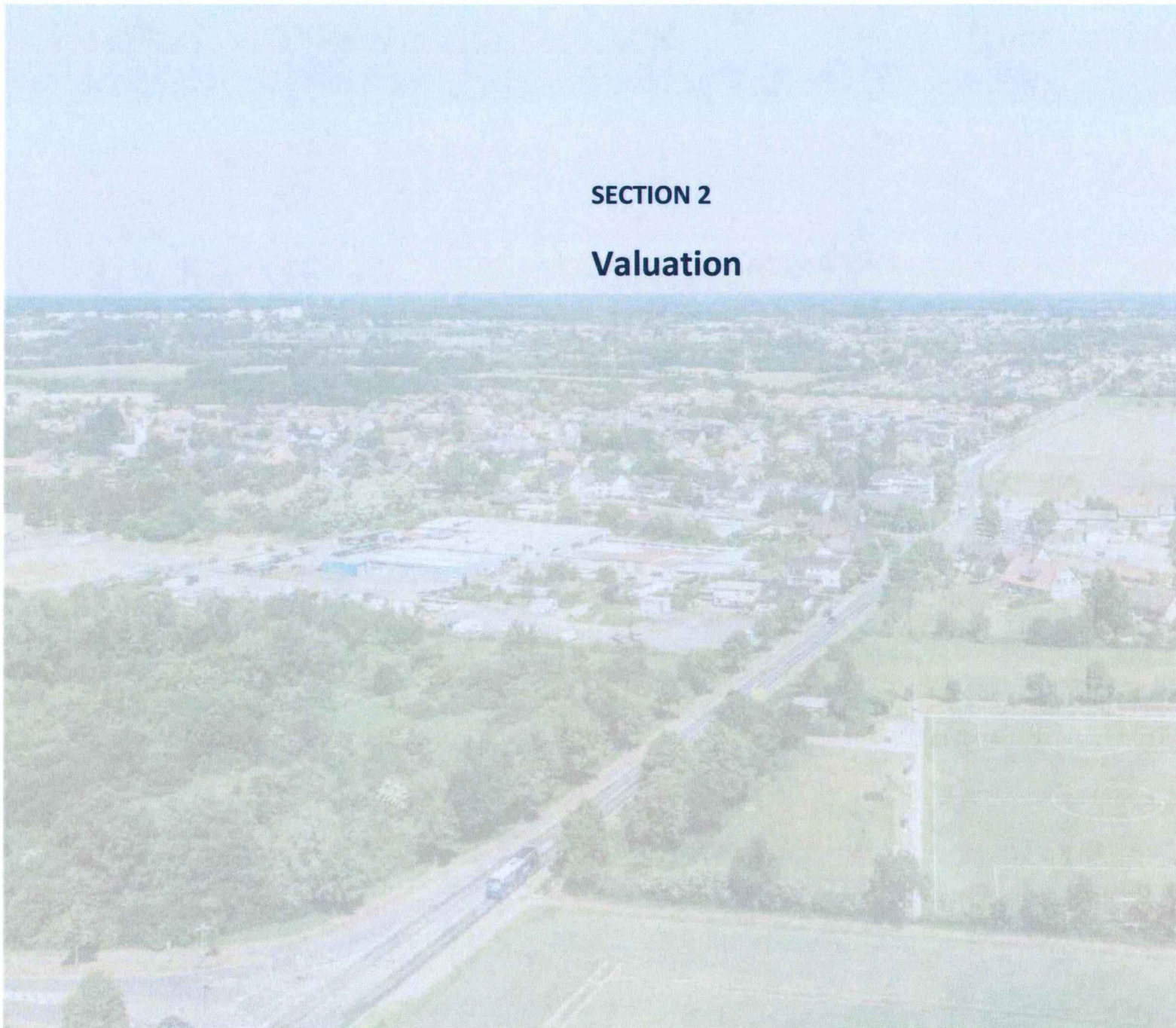
Having regard to the discussion above, the current use of the subject land as developed with the existing use is a legal and conforming use, according to the applicable CD-1 (213) zoning guidelines. Given the subject's location and surrounding developments, we are of the opinion that redevelopment to a mixed-use project (primarily residential and satisfying any social housing requirement if applicable) will deliver the greatest net return to the property. No alternative, legal use could economically justify the removal of the existing improvements at this time.

**HIGHEST AND BEST USE AS IF VACANT**

If the subject property was vacant and unimproved, and was able to be developed in today's market, it is our opinion that its highest and best use would be single-family homes in the interim. Pending successful negotiations with for acquisition of the city owned lot, the subject property represents a contiguous and efficient development site for future redevelopment.

**SECTION 2**

**Valuation**





## VALUATION PROCESS

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### **METHODS OF VALUATION**

Generally, appraisers rely upon three basic approaches to estimate value: the Direct Comparison Approach, the Cost Approach, and the Income Approach. The decision to apply any one or all of these approaches is determined by the type of property being appraised.

- a.) Direct Comparison;
- b.) Extraction;
- c.) Allocation;
- d.) Land Residual;
- e.) Ground Rent Capitalization;
- f.) Subdivision Approach.

#### **Direct Comparison Approach:**

- Sales of similar, vacant parcels are analysed, compared, and adjusted to provide a value indication for the subject land being appraised. Direct comparison is the most common technique for valuing land, and it is the preferred method when comparable sales are available.

#### **Extraction:**

- An estimate of the depreciated cost of the improvements is deducted from the total sale price of the property to arrive at the land value. This technique is applicable when the buildings contributory value is small and relatively easy to identify (the technique is frequently used in rural areas).

#### **Allocation:**

- A ratio of land value to property value is extracted from comparable sales and applied to the sale price of the subject property to arrive at the land value. This technique is applicable when the number of vacant land sales is inadequate and is typically used as a check for reasonableness rather than a formal opinion of land value.

#### **Land Residual:**

- The gross revenue of hypothetical improvements is determined and all costs associated with construction are deducted (hard costs, soft costs and developers profit). The remainder in the calculation is attributable to the land. This technique is only applicable in testing the feasibility of alternative uses of a particular site in highest and best use analysis or when land sales are not available.

**Ground Rent Capitalization**

- A market-derived capitalization rate is applied to the ground rent of the subject. This method is useful when comparable rents, rates, and factors can be development from an analysis of sales of leased land.

**Subdivision Approach**

- Direct and indirect costs and entrepreneurial profit are deducted from an estimate of the anticipated gross sales price of the finished lots, and the net sales proceeds are discounted to present value at a market-derived rate over the development and absorption period. This technique is applicable when vacant land that has the potential for development as a subdivision represents the likely highest and best use of the land.

The final step in the appraisal process is to reconcile the one or more value indications. In this reconciliation to provide one final estimate of market value, the purpose of the appraisal, the type of property, and the adequacy and reliability of the data studies, all influence the weight attributed to each of the approaches.

**APPROACH TO ESTIMATING VALUE**

Land value is typically determined using the Direct Comparison Approach with the price per sq.ft. buildable being the main unit of value. This is calculated by taking the sale priced divided by the total Floor Space Ratio (FSR) area or buildable area that is approved or contemplated to be developed on the site (site area x FSR = buildable area). As an area plan is not yet available, we have applied the price per sq.ft. of land as the main unit of value. The Income and Cost Approaches are not used for development sites.

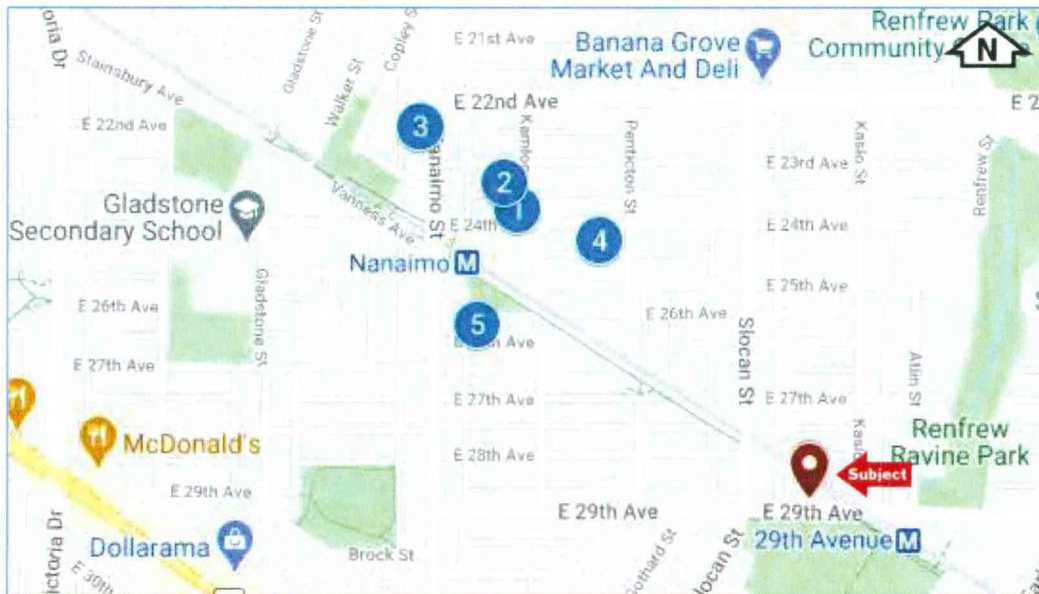
Cost associated with the demolition of the subject improvements have not been deducted from our value conclusion, as many of our comparable land sales will also incur demolition costs due to the buildings onsite.

## COMPARABLE SALES

### INTRODUCTION

We have examined a number of land sales over the past two years and have undertaken discussions with agents with respect to investor expectations for properties such as the subject in the current market. The following sales have been selected as they represent the most relevant transactions.

### Map of Comparable Sales





## Comparable No. 1



Oct-26-20

<b>Address</b>	2431-2459 & 2485 East 24th Avenue, Vancouver
<b>Zoning</b>	RS1
<b>Vendor</b>	Multiple individuals
<b>Closing Date</b>	Q1-21
<b>Negotiation Date</b>	Q1-19
<b>Sale Price</b>	<b>Confidential</b>
<b>Site Size</b>	24,480 sq.ft.
<b>Price/Sq.Ft.</b>	<b>\$800 to \$825</b>

- Non-contiguous six-lot assembly on the north side of East 24th Avenue, between Kamloops Street and a side municipal lane in the Renfrew Heights neighbourhood.
- At the time of sale, the properties were improved with six single-family homes.

## Comparable No. 2



<b>Address</b>	2426-2468 East 23rd Avenue, Vancouver
<b>Zoning</b>	RS1
<b>Vendor</b>	Multiple individuals
<b>Closing Date</b>	Q4-20 to Q1-21
<b>Negotiation Date</b>	Q2-19
<b>Sale Price</b>	<b>Confidential</b>
<b>Site Size</b>	23,760 sq.ft.
<b>Price/Sq.Ft.</b>	<b>\$800 to \$1,025</b>

- Six-lot assembly on the southeast corner of East 23rd Avenue and a side municipal lane in the Renfrew Heights neighbourhood.
- At the time of sale, the properties were improved with six single-family homes.

## Comparable No. 3



Oct-26-20

<b>Address</b>	3805-3845 Nanaimo Street, Vancouver
<b>Zoning</b>	RS1
<b>Vendor</b>	Multiple individuals
<b>Purchaser</b>	Nanaimo 22 Development (BT) Ltd.
<b>Closing Date</b>	May-19
<b>Negotiation Date</b>	Nov-17
<b>Sale Price</b>	\$15,388,000
<b>Site Size</b>	19,453 sq.ft.
<b>Price/Sq.Ft.</b>	\$758 to \$856

- Five-lot assembly on the west side of Nanaimo Street, between East 21st Avenue and East 23rd Avenue in the Renfrew Heights neighbourhood.
- At the time of sale, the properties were improved with five single-family homes.



Comparable No. 4



Oct-26-20

<b>Address</b>	2514-2540, 2548 & 2568 East 24th Avenue & 2507, 2537 & 2595 East 25th Avenue, Vancouver
<b>Zoning</b>	RS1
<b>Vendor</b>	Multiple individuals
<b>Closing Date</b>	Q1-19 to Q4-20
<b>Negotiation Date</b>	2018 to 2019
<b>Sale Price</b>	<b>Confidential</b>
<b>Site Size</b>	41,443 sq.ft.
<b>Price/Sq.Ft.</b>	<b>\$500 to \$600</b>

- Non-contiguous lots on the south side of East 24th Avenue and on the north side of East 25th Avenue, between Kamloops and Penticton Streets in the Renfrew Heights neighbourhood.
- Improved with ten single-family homes at the time of sale.

## Comparable No. 5



Oct-27-20

<b>Address</b>	2415-2483 East 26th Avenue, Vancouver
<b>Zoning</b>	CD1 (210)
<b>Vendor</b>	Multiple individuals
<b>Closing Date</b>	Q1-19 to Q4-19
<b>Negotiation Date</b>	Late 2018/2019
<b>Sale Price</b>	<b>Confidential</b>
<b>Site Size</b>	29,403 sq.ft.
<b>Price/Sq.Ft.</b>	<b>\$675 to \$700</b>

- Contiguous lots on the north side of East 26th Avenue between Nanaimo Street and Kamloops Street in the Renfrew-Collingwood neighbourhood.
- Improved with single-family homes at the time of sale.

## ANALYSIS OF COMPARABLE SALES

The Direct Comparison Approach considers each of the comparables on a price per sq.ft. buildable basis. We have researched land sales in both the District of North Vancouver and the City of North Vancouver. We will be comparing the subject property to other multi-family development sites that are designated for a similar overall density. The following chart provides a summary of the particulars of each comparable sale.

No.	Address	Sale Date	Sale Price	Lot Size (Sq.Ft.)	Zoning	Sale Price Per Sq.Ft. of Land
1	2431-2459 & 2485 East 24th Avenue	Q1-21 <i>Neg. Q2-19</i>	<i>Confidential</i>	24,480	RS-1	\$800 to \$825
2	2426-2468 East 23rd Avenue	Q4-20 to Q1-21 <i>Neg. Q2-19</i>	<i>Confidential</i>	23,760	RS-1	\$800 to \$1,025
3	3805-3845 Nanaimo Street	May-20 <i>Neg. Nov-17</i>	\$15,388,000	19,454	RS-1	\$758 to \$856
4	2514-2540, 2548, 2568 East 24th Avenue & 2507, 2537, 2595 East 25th Avenue	Q1-19 to Q4-20 <i>Neg. 2018 to 2019</i>	<i>Confidential</i>	41,443	RS-1	\$500 to \$600
5	2415-2483 East 26th Avenue	Q1-19 to Q4-19 <i>Neg. Late 2017 to 2018</i>	<i>Confidential</i>	29,403	CD-1 (210)	\$675 to \$700
<b>Subject Property</b>						
	2723-2765 East 29th Avenue			24,221	CD-1 (213)	

The comparable sales indicate a range of values between \$500 and \$1,025 per sq.ft. for similarly designated sites with sizes ranging from 19,454 to 41,443 sq.ft. The comparable sales that have closed occurred over the past 12 months with negotiation dates ranging prior to this. As some of the comparables have not yet closed, or have closed as share sales, pricing data has been held confidential in our files for competitive reasons. Although the comparable sales discussed below relate to land assemblies in the vicinity of Nanaimo SkyTrain system (within 200 metres), they are highly comparable to the subject which is in the vicinity of 29<sup>th</sup> Avenue Station. Nanaimo SkyTrain Station is next to 29<sup>th</sup> Avenue Station on the Expo Line and is located approximately 1.2 km northeast of 29<sup>th</sup> Avenue Station and a minute SkyTrain ride apart. Both areas have experienced a similar level of speculation for a future SkyTrain neighbourhood plan.

**Comparable No. 1** relates to a six-lot assembly on the north side of East 24<sup>th</sup> Avenue, between Kamloops Street and a side municipal lane. This comparable land assembly is non-contiguous with one parcel separated from the other legal parcels purchased. The subject is also a non-contiguous site; however, the remaining parcel is a city owned parcel, whereby the tender process may be bypassed for adjacent owners. As such an upward adjustment for the comparable is warranted for greater assembly risk dealing with private individuals. A further upward adjustment is considered for the comparable's inferior location on an interior street. The individual lots of the comparable are under contract at a value ranging from \$800 to \$825 per sq.ft. A value above \$800 per sq.ft. of land is considered for the subject property.

**Comparable No. 2** relates to a contiguous six-lot assembly on the south side of East 23<sup>rd</sup> Avenue, between Kamloops Street and a side municipal lane. Five of the six lots are under contract for a price ranging from \$800 to \$875 per sq.ft., with one parcel under contract for \$1,025 per sq.ft. A downward adjustment is considered



for the comparable site being contiguous which is tempered by the subject's superior location on a main throughfare (East 29<sup>th</sup> Avenue). A value below \$1,025 per sq.ft of land is considered for the subject property.

**Comparable No. 3** relates to a five-lot assembly on the west side of Nanaimo Street, between East 22<sup>nd</sup> and East 23<sup>rd</sup> Avenues. At the time of sale, the properties were improved with five single-family homes. The subject property's location on a main throughfare is similar to the comparable's location on Nanaimo Street and proximity to Nanaimo's SkyTrain Station. This comparable further supports Comparable No. 1's upper bound.

**Comparable No. 4** relates to a non-contiguous ten-lot assembly with lots fronting East 24<sup>th</sup> Avenue and East 25<sup>th</sup> Avenue, mid-block. At the time of sale, the properties were improved with ten single-family homes. The distance to Nanaimo SkyTrain Station is estimated at 140 metres and considered a more peripheral location to the east of Nanaimo Street. An upward adjustment is considered for the comparable's less preferred frontage along East 24<sup>th</sup> Avenue and East 25<sup>th</sup> Avenue, given that density has typically been centered along major arterials. A further upward adjustment is considered for the additional assembly risk, thus indicating a value above \$600 per sq.ft. of land.

**Comparable No. 5** relates to a contiguous nine-lot assembly on the north side of East 26<sup>th</sup> Avenue south of the SkyTrain guideway and BC Parkway. The comparable is designated CD-1 (210) specific zoning which permits single-family and multi-family dwellings up to 1.0 FSR similar to the subject. At the time of sale, it was improved with nine single family homes. The comparable sales were negotiated in late 2017 to 2018 as such an upward adjustment is considered for time which is tempered by a downward adjustment for the comparable being a contiguous site. A value above \$675 per sq.ft. of land is expected.

The subject property transactions are dated as they closed in late 2016 and early 2017 and negotiations occurred prior to that. As such the subject transactions have not been included in our analysis.

#### **TIME ADJUSTMENT**

The comparables included in this analysis date back to late 2017. For those comparable sales where negotiation dates were not confirmed, using our professional experience, a typical closing period appears to be approximately three to four months, with transactions of larger or more complex sites having longer closing periods. The comparable land assemblies are noted to have a closing date ranging from 12 to upwards of 18 months.

We have considered the Real Estate Board of Greater Vancouver (REBGV) Housing Price Index (the "HPI"). The HPI measures the change in price for a typical housing unit and accounts for such issues as size, number of rooms, age of the home, the neighbourhood, etc. Therefore, the HPI is a benchmark in which to track price trends of improved properties.

It is important to note that the HPI tracks price trends of improved properties and, as such, is limited in its applicability to vacant land. Even so, for the purposes of this report, the HPI is considered to provide relevant guidance related to value changes over time.

The Greater Vancouver Real Estate Board Home Price Index indicates an overall upward trend in early 2018; however, prices have generally trended downward through Q4, 2019 and have since appeared to rebound in a positive direction since. COVID-19 appears to have impacted the apartment sale real estate market in the Renfrew Heights and Collingwood neighbourhoods less than anticipated. As of September 2020, the benchmark price of an apartment unit within Renfrew Heights is noted to be \$440,900, indicating an increase of 6.0% and

3.9% over the past 6 and 12 months respectively. Looking back to January 2018 the benchmark price of an apartment unit was \$435,800 which is an increase of 1.2%.

A graph detailing the above benchmark prices is provided:



### TIME ADJUSTMENT CONCLUSION

With consideration placed on the HPI and commentary above, Comparables No. 3 and 5 have been adjusted upwards for time. As 2.5 years have lapsed since these transactions were negotiated, this is considered to lend value to the probability and timeline that a future neighbourhood plan will be enacted within the subject's immediate neighbourhood. Thus, an upwards adjustment from a blended price of \$679 per sq.ft. for Comparable No. 5 and \$792 per sq.ft. for Comparable No. 3 appears to be reasonable. For comparables with a negotiation date in 2019, no adjustment for time is noted. Although the data appears to suggest an upwards adjustment from mid-2019, given the recent COVID-19 Pandemic which began mid-March, we estimate that an adjustment upwards is not warranted. Please see the following page for additional information that we have reviewed in order to come to this conclusion.

### COVID-19 COMMENTARY

Canada lost nearly two million jobs in April and May, reflecting a reported unemployment rate in the range of 13.6%. Job losses in March and April in BC are reportedly near 400,000. The current drop in economic activity is unprecedented, and it is unknown what the short and long-term impacts on the economy and the real estate market will be.

Many provinces have announced they will slowly start reopening their economies. BC is currently in Phase 3 which suggest that people can take part in smart, safe and respectful travel within BC. The Phase 4 full reopening date is still unknown which includes international tourism and the restart of large gatherings including for



concerts and conferences. Phase 4 would only begin under specific conditions, which include at least one of the following factors being met: the development of a vaccine and widespread vaccination, the implementation of effective treatments, and evidence of community immunity. Previously, the Canada-US border is closed to non-essential travel until at least July 21, 2020, and Canada is closed to international travel. According to the Government of Canada's website, these restrictions remain in place for an indefinite period of time. Immigration is also on hold. Until a full reopening, entire sectors of the economy from tourism to professional sports and anywhere large gatherings are required are virtually closed down until either a cure or a vaccine is found in 12 to 24 months. The Deputy Chief Economist at CIBC Capital Markets reported in a recent webinar that the economy will likely zig zag in the meantime with sectors opening and closing during the second and third waves of the virus, with the second wave anticipated to be worse than the first (current wave). Thus, lenders are expected to move cautiously when underwriting mortgages which will impact the real estate market until the economy fully reopens.

The Chief Economist of CIBC Capital Markets also indicated that upon reopening, we would be in a recessionary economy which would move into recovery as things opened up, with government policy impacting the speed and strength of that recovery. The economist was bullish on the real estate market in the long term indicating that while the housing market is currently frozen, with volumes down by 70% in Canada, and transactions based on need, this will change as we move back to normal. He suggests that the market will be softer one year out, with more supply than demand, but does not foresee a collapse as the fundamentals were strong going into the pandemic, with price reductions in the range of 5.0% to 10%. He noted that Vancouver, Montreal and the GTA have strong fundamentals and will stabilize in the long run.

As at the date of this report, the BC government, as well as several other provincial governments, have begun to slowly reopen the economy. However, large sectors of the economy will remain shuttered until a vaccine or effective treatment is found, with those sectors reopening having to operate at below maximum efficiency.

It is noted that the new Bank of Canada's Governor, Tiff Macklem has recently (October 28, 2020) held the central bank's overnight rate at 0.25 per cent, which the Bank of Canada believes is the lowest possible rate without disrupting the financial system, and said the rate will likely stay at this level until 2023. The Bank of Canada also pledged to continue buying government bonds to suppress longer-term borrowing costs and retain current levels of stimulus, even as they made technical adjustments to the pace of asset purchases.

Based on the recent announcement by Tiff Macklem, the government is increasing the certainty around borrowing money which is considered to improve demand of residential/commercial purchases. Based on the commentary above, no adjustment from mid-2019 appears to be reasonable and has been adopted in this analysis.

#### **COMPARABLE SALES SUMMARY AND CONCLUSION**

The price range indicated by the comparables range from \$500 to \$1,025 per sq.ft. Upward adjustments for the subject's superior location on a main throughfare are considered for Comparable Nos. 1 and 2, tempered by a downward adjustment to Comparable No. 1 for assembly risk. An upward adjustment is considered for Comparable Nos. 4 and 5's inferior location in a peripheral area and distance to the SkyTrain Station. Further upward adjustments for time is considered for Comparable Nos. 3 and 5.

Additional weight is placed on Comparable No. 3 due to similarities in terms of greater density potential being situated on a main throughfare. Based on the discussion above, an adjusted range is indicated to be between



\$800 and \$1,025 per sq.ft. We have concluded a price at \$885 per sq.ft. of land, or \$21,400,000 (rounded) given the subject's situation on a main throughfare and close proximity to 29<sup>th</sup> Avenue SkyTrain Station.

The subject property represents a seven-lot assembly, one of which (2761 East 29<sup>th</sup> Avenue) is currently owned by the City of Vancouver. Redevelopment of the subject property is contingent on successful negotiations with the City for the acquisition of 2761 East 29<sup>th</sup> Avenue. We understand the City of Vancouver's Real Estate department will consider unsolicited offers on City-owned sites, from adjacent owners, at fair market value.

Based on a review of these sales and consideration of the local investment market for properties similar to the subject, we would expect that the subject would need to be exposed to the market for a period of four to eight months prior to a sale being completed.

## FINAL RECONCILIATION

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Address	Registered Owner	Lot size (sq.ft.)	Value Psf Land	Site Value
2723 East 29th Avenue	COROMANDEL	4,868	\$885	\$4,307,738
2735 East 29th Avenue	COROMANDEL	4,502	\$885	\$3,983,828
2741 East 29th Avenue	COROMANDEL	3,725	\$885	\$3,296,183
2745 East 29th Avenue	COROMANDEL	3,159	\$885	\$2,795,715
2757 East 29th Avenue	COROMANDEL	2,591	\$885	\$2,292,593
2761 East 29th Avenue	CITY OF VANCOUVER*	2,024	\$885	\$1,790,798
2765 East 29th Avenue	COROMANDEL	3,354	\$885	\$2,968,290
<b>Total:</b>		<b>24,221</b>		<b>\$21,435,143</b>
			<b>Rounded to:</b>	<b>\$21,400,000</b>

\* 2761 East 29th Avenue will be acquired from the City of Vancouver at a future date.

Redevelopment of the subject property is contingent on successful negotiations with the City for the acquisition of 2761 East 29<sup>th</sup> Avenue. We understand the City of Vancouver's Real Estate department will consider unsolicited offers City-owned sites, from adjacent owners, at fair market value.

Based on a viewing of the property and the investigation and analyses undertaken herein, we have formed the opinion that, as of October 30, 2020, the market value of the subject property, in Fee Simple Estate, assuming an exposure period of four to eight months is estimated to be:

**TWENTY ONE MILLION FOUR HUNDRED THOUSAND DOLLARS**  
**\$21,400,000**

## CERTIFICATION

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

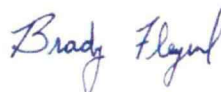
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved;
- compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event;
- the reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions;
- the statements of fact contained in this report are true and correct;
- my analyses, opinions and conclusions were developed, and this report has been prepared to the best of our knowledge and belief, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada;
- the appraisers signing the report are registered in the Professional Liability Insurance Program of the AIC;
- the appraisers signing this report have fulfilled the Continuing Professional Development Program for designated members of the Appraisal Institute of Canada;
- I have the knowledge and experience to complete the assignment competently;
- I have made a personal viewing of the subject property at 2723-2765 East 29th Avenue, Vancouver, BC on November 5, 2020 and conclude a value, subject to the assumptions contained in the attached report, as at October 30, 2020, of **\$21,400,000**;
- a detailed viewing to report building condition has not been carried out.

**APPRAISER:**



Angel Barnett  
B.Comm, AIC Candidate Member  
AIC Membership # 910609

**SUPERVISORY APPRAISER:**



Brady Fleguel  
AACI, P.App  
AIC Membership # 902389

Viewed Property: Yes  
Date of Viewing: November 5, 2020  
Date Signed: November 5, 2020

Viewed Property: Yes



## EXTRAORDINARY & LIMITING CONDITIONS

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1. Any third party intending to rely upon the conclusions of this report should not do so without prior reference to **BCS Real Estate**. This report must be presented in its full context. No responsibility is accepted for any partial presentation of a portion of the report.
2. Information contained within this report is from sources considered reliable and believed to be correct. No responsibility is accepted for the accuracy of information supplied by others.
3. It is assumed that the title to the subject property is good and marketable and capable of providing security for typical market financing. Unless otherwise stipulated in this report, the title documents for the subject property have not been inspected and are assumed to be free and clear of any financial encumbrances which would have a material effect on value.
4. No legal survey has been made on the subject property as a part of this report and it is assumed that all legally described boundaries and registered plans are correct. The sketches (if any) contained within this report are intended to assist the reader to visualize the subject property and are not necessarily based on legal survey.
5. We have not conducted a site survey of the subject property and have assumed that the measurements indicated on the plan attached are correct. For proper verification of the site area, it is recommended that the property be surveyed by a qualified professional.
6. No responsibility is assumed for the legal locations of any improvements as described within this report but it would appear that all improvements, if any, are located within the legal boundaries of the subject site except as may otherwise be specified herein.
7. The buildings (if any) were viewed to provide a building description and to ascertain their general condition and a detailed structural survey was not undertaken. We have not inspected woodwork or other parts of the structure which are covered, unexposed or inaccessible and we are unable, therefore, to report that such parts of the property are free of rot, beetle or other defects. Unless otherwise stipulated herein, the buildings are assumed to be in sound structural condition.
8. This appraisal does not carry with it the rights to Court testimony. If this service is required, specific arrangements must be agreed upon in advance.
9. As per our letter of instructions, it is assumed that there are no structural or soil problems which materially affect value.

**LIMITING CONDITION**

Values and opinions contained in this report are based on market conditions as of the effective date of this report. This point-in-time valuation assignment does not provide a prediction of future values. In the event of market instability and/or disruption, values and opinions may change rapidly and, as a result, potential future events have NOT been considered in this report. As this report does not and cannot consider any changes to the property or market conditions after the effective date, clients and intended users are cautioned in relying on the report after the effective date noted herein.

As of the date of this report, Canada and the Global Community is experiencing unprecedented measures undertaken by various levels of government to curtail health-related impacts of the COVID-19 pandemic. The duration of this event is not known. While there is potential for negative impact with respect to micro and macro-economic sectors, as well as upon various real estate markets, it is not possible to predict such impact at present, or the impact of current and future government counter-measures. There is some risk that the COVID-19 pandemic increases the likelihood of a global recession, however, without knowledge of further anticipated government counter-measures at the national and global levels, it is not possible to predict any impact at this point in time. Accordingly, this point in time valuation assumes the continuation of current market conditions, and that current longer-term market conditions remain unchanged. Given the market uncertainties of the COVID-19 pandemic, a force majeure event, we reserve the right to revise the value estimation set out in this report for a fee, with an update appraisal report under a separate appraisal engagement, incorporating market information available at that time.

**ADDENDUM A**

**Appraisal Definitions**



Definitions form an integral part of The Canadian Uniform Standards of Professional Appraisal Practice.<sup>1</sup> These and other definitions can be found in the Standards and the Appraisal of Real Estate Second Canadian Edition.<sup>2</sup> For the purpose of this report, only the relevant definitions are replicated here.

**AACI:** Accredited Appraiser Canadian Institute designation.

**AIC:** 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.

**APPRAISAL:** A formal opinion of value: prepared as a result of a retainer; intended for reliance by identified parties, and for which the appraiser assumes responsibility.

**APPRAISAL REPORT:**

Types include:

- Narrative - Comprehensive and detailed;
- Short Narrative - Concise and briefly descriptive;
- Form - A standardized format combining check-off boxes and narrative comments.

**ASSIGNMENT:** A professional service provided as a result of a retainer or 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, consulting, or reserve fund planning assignment that precludes an appraiser's impartiality.

**CLIENT:** The party or parties who engages an appraiser in a specific assignment.

**COMPETENCE:** Having the required or adequate knowledge and experience 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.

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<sup>1</sup> Canadian Uniform Standards of Professional Appraisal Practice Effective April 1, 2014, Section 2, Pages 2 – 8.

<sup>2</sup> The Appraisal of Real Estate Second Canadian Edition, The Appraisal Institute of Canada (UBC Commerce Real Estate Division, Vancouver, 2002) - Glossary.14.

**CO-SIGNATURE:** Personalized evidence indicating authentication of the work performed by the members as joint authors, where each is responsible for content, analyses, and the conclusions in the report; a member cannot co-sign a report with a student or non-member.

**EFFECTIVE DATE:** The date at which the analyses, opinions and advice in an assignment apply.

**EXPOSURE TIME:** Is the estimated length of time the subject property (property interest being appraised) would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal. This is a retrospective estimate based upon an analysis of past events, assuming a competitive and open market. The overall concept of reasonable exposure time encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable marketing effort.

**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.

**FEE SIMPLE INTEREST:** The absolute ownership unencumbered by any other interest or estate.

**HAZARDOUS SUBSTANCE:** Any material within, around or near the property in question that has sufficient form or quantity and exhibits any hazardous characteristics as defined by, or identified on, a list of hazardous substances issued by or pursuant to the Canadian Environmental Protection Act, 1999, c.33, the United States of America Environmental Protection Agency or any federal, provincial, territorial, state, county, municipal or local counterpart thereof, that can create a negative impact on value. Such substances shall include, but are not limited to, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste materials.

**HIGHEST AND BEST USE:** The reasonably probable use of a property that is physically possible, legally permissible, financially feasible and maximally productive, and that results in the highest value.

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

**INTENDED USE:** The use or uses of an appraiser's reported appraisal, review, consulting or reserve fund planning 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, review report, or reserve fund study by the appraiser based on communication with the client at the time of the assignment.

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

**LEASED FEE INTEREST:** Is an ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; the rights of the lessor (the leased fee owner) and the leased fee are specified by contract

terms contained within the lease. In the appraisal of income producing property, the leased fee is the most frequently valued property interest.

**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.

**MARKET VALUE:** The most probable price which 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 and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and
5. 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.

**P.APP:** Professional Appraiser designation. This designation can only be used by AACI designated members.

**PERSONAL PROPERTY:** Identifiable portable, tangible or intangible 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, tangible and intangible, that are not classified as real property.

**PROFESSIONAL ASSISTANCE:** Professional assistance involves support to the member that has a direct and significant bearing on the outcome of his or her assignment. A member may rely on significant professional, appraisal, review, consulting or reserve fund planning assistance of an employee. Such assistance would generally be provided by insured members of the Institute or other professionals. Viewing of a property is professional assistance as it forms part of the analysis leading to an opinion.

**PROFESSIONAL PRACTICE PEER GROUP:** Committees authorized under the Bylaws 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:** Means an appraiser that provides appraisal, review, consulting and reserve fund planning services within an acceptable standard of skill and expertise, and based on rational assumptions.



**RECERTIFICATION OF VALUE:** A viewing 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, consulting or reserve fund planning service that is transmitted to the client as a result of an assignment.

**SCOPE OF WORK:** The type and extent of research and analysis in an assignment. Scope of work includes, but is not limited to, the following:

- the degree to which the property is viewed 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.

**TECHNICAL ASSISTANCE:** Technical assistance involves support to the member in the preparation of a report, such as collecting property data and other factual information but does not, in itself, include interpretation or analysis. A member may rely on technical assistance from student members of the Institute or others, keeping in mind that the responsibility for the finished product rests with the member signing the report.

**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, or other.

**ADDENDUM B**

**Title Search**

**TITLE SEARCH PRINT**

File Reference: A2010-4679

Declared Value \$1370000

2020-10-22, 12:56:02

Requestor: Angelica Barnett

"CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN"

<b>Land Title District</b>	VANCOUVER
Land Title Office	VANCOUVER
<b>Title Number</b>	CA5632873
From Title Number	CA3529036
<b>Application Received</b>	2016-11-07
<b>Application Entered</b>	2016-11-09
<b>Registered Owner in Fee Simple</b>	
Registered Owner/Mailing Address:	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484 500-789 WEST PENDER STREET VANCOUVER, BC V5C 1H2
<b>Taxation Authority</b>	Vancouver, City of
<b>Description of Land</b>	
Parcel Identifier:	011-643-668
Legal Description:	LOT 9, EXCEPT THE SOUTH 7 FEET NOW ROAD, BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
<b>Legal Notations</b>	NONE
<b>Charges, Liens and Interests</b>	
Nature:	MORTGAGE
Registration Number:	CA5669658
Registration Date and Time:	2016-11-24 14:06
Registered Owner:	BLUESHORE FINANCIAL CREDIT UNION INCORPORATION NO. FI-18
Remarks:	INTER ALIA EXTENDED BY CA5686045 EXTENDED BY CA5711111 EXTENDED BY CA5821073

Title Number: CA5632873

TITLE SEARCH PRINT

Page 1 of 3



**TITLE SEARCH PRINT**

File Reference: A2010-4679

Declared Value \$1370000

2020-10-22, 12:56:02  
Requestor: Angelica Barnett

Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA5669659
Registration Date and Time:	2016-11-24 14:06
Registered Owner:	BLUESHORE FINANCIAL CREDIT UNION INCORPORATION NO. FI-18
Remarks:	INTER ALIA EXTENDED BY CA5686046 EXTENDED BY CA5711112 EXTENDED BY CA5821074
Nature:	MORTGAGE
Registration Number:	CA5670640
Registration Date and Time:	2016-11-24 16:57
Registered Owner:	CATHEDRAL CAPITAL LTD. INCORPORATION NO. BC1064859
Remarks:	INTER ALIA EXTENDED BY CA5686086 EXTENDED BY CA5711297 EXTENDED BY CA5821130
Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA5670641
Registration Date and Time:	2016-11-24 16:57
Registered Owner:	CATHEDRAL CAPITAL LTD. INCORPORATION NO. BC1064859
Remarks:	INTER ALIA EXTENDED BY CA5686087 EXTENDED BY CA5711298 EXTENDED BY CA5821131
Nature:	PRIORITY AGREEMENT
Registration Number:	CA5672685
Registration Date and Time:	2016-11-25 13:39
Remarks:	INTER ALIA GRANTING CA5669658 PRIORITY OVER CA5670640 AND CA5670641
Nature:	PRIORITY AGREEMENT
Registration Number:	CA5672686
Registration Date and Time:	2016-11-25 13:39
Remarks:	INTER ALIA GRANTING CA5669659 PRIORITY OVER CA5670640 AND CA5670641
<b>Duplicate Indefeasible Title</b>	NONE OUTSTANDING

**TITLE SEARCH PRINT**

File Reference: A2010-4679  
Declared Value \$1370000

2020-10-22, 12:56:02  
Requestor: Angelica Barnett

**Transfers** NONE

**Pending Applications** NONE

**TITLE SEARCH PRINT**

File Reference: A2010-4679  
 Declared Value \$1950000

2020-11-04, 10:01:50  
 Requestor: Angelica Barnett

\*\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\*\*

<b>Land Title District</b>	VANCOUVER
Land Title Office	VANCOUVER
<b>Title Number</b>	CA5669598
From Title Number	BB4079597
<b>Application Received</b>	2016-11-24
<b>Application Entered</b>	2016-11-28
<b>Registered Owner in Fee Simple</b>	
Registered Owner/Mailing Address:	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484 500-789 WEST PENDER STREET VANCOUVER, BC V6C 1H2
<b>Taxation Authority</b>	Vancouver, City of
<b>Description of Land</b>	
Parcel Identifier:	011-643-676
Legal Description:	LOT 10 BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
<b>Legal Notations</b>	NONE
<b>Charges, Liens and Interests</b>	
Nature:	MORTGAGE
Registration Number:	CA5669658
Registration Date and Time:	2016-11-24 14:06
Registered Owner:	BLUESHORE FINANCIAL CREDIT UNION INCORPORATION NO. FI-18
Remarks:	INTER ALIA EXTENDED BY CA5686045 EXTENDED BY CA5711111 EXTENDED BY CA5821073



**TITLE SEARCH PRINT**

File Reference: A2010-4679

Declared Value \$1950000

2020-11-04, 10:01:50

Requestor: Angelica Barnett

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA5669659  
 Registration Date and Time: 2016-11-24 14:06  
 Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
 INCORPORATION NO. FI-18  
 Remarks: INTER ALIA  
 EXTENDED BY CA5686046  
 EXTENDED BY CA5711112  
 EXTENDED BY CA5821074

Nature: MORTGAGE  
 Registration Number: CA5670640  
 Registration Date and Time: 2016-11-24 16:57  
 Registered Owner: CATHEDRAL CAPITAL LTD.  
 INCORPORATION NO. BC1064859  
 Remarks: INTER ALIA  
 EXTENDED BY CA5686086  
 EXTENDED BY CA5711297  
 EXTENDED BY CA5821130

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA5670641  
 Registration Date and Time: 2016-11-24 16:57  
 Registered Owner: CATHEDRAL CAPITAL LTD.  
 INCORPORATION NO. BC1064859  
 Remarks: INTER ALIA  
 EXTENDED BY CA5686087  
 EXTENDED BY CA5711298  
 EXTENDED BY CA5821131

Nature: PRIORITY AGREEMENT  
 Registration Number: CA5672685  
 Registration Date and Time: 2016-11-25 13:39  
 Remarks: INTER ALIA  
 GRANTING CA5669658 PRIORITY OVER CA5670640 AND  
 CA5670641

Nature: PRIORITY AGREEMENT  
 Registration Number: CA5672686  
 Registration Date and Time: 2016-11-25 13:39  
 Remarks: INTER ALIA  
 GRANTING CA5669659 PRIORITY OVER CA5670640 AND  
 CA5670641

**Duplicate Indefeasible Title**

NONE OUTSTANDING

**TITLE SEARCH PRINT**

File Reference: A2010-4679

Declared Value \$1950000

2020-11-04, 10:01:50

Requestor: Angelica Barnett

**Transfers** NONE

**Pending Applications** NONE

**TITLE SEARCH PRINT**

File Reference: A2010-4679

Declared Value \$1370000

2020-11-04, 10:02:54

Requestor: Angelica Barnett

Nature: MORTGAGE  
 Registration Number: CA5669658  
 Registration Date and Time: 2016-11-24 14:06  
 Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
 INCORPORATION NO. FI-18  
 Remarks: INTER ALIA  
 EXTENDED BY CA5686045  
 EXTENDED BY CA5711111  
 EXTENDED BY CA5821073

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA5669659  
 Registration Date and Time: 2016-11-24 14:06  
 Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
 INCORPORATION NO. FI-18  
 Remarks: INTER ALIA  
 EXTENDED BY CA5686046  
 EXTENDED BY CA5711112  
 EXTENDED BY CA5821074

Nature: MORTGAGE  
 Registration Number: CA5670640  
 Registration Date and Time: 2016-11-24 16:57  
 Registered Owner: CATHEDRAL CAPITAL LTD.  
 INCORPORATION NO. BC1084859  
 Remarks: INTER ALIA  
 EXTENDED BY CA5686086  
 EXTENDED BY CA5711297  
 EXTENDED BY CA5821130

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA5670641  
 Registration Date and Time: 2016-11-24 16:57  
 Registered Owner: CATHEDRAL CAPITAL LTD.  
 INCORPORATION NO. BC1084859  
 Remarks: INTER ALIA  
 EXTENDED BY CA5686087  
 EXTENDED BY CA5711298  
 EXTENDED BY CA5821131

Nature: PRIORITY AGREEMENT  
 Registration Number: CA5672685  
 Registration Date and Time: 2016-11-25 13:39  
 Remarks: INTER ALIA  
 GRANTING CA5669658 PRIORITY OVER CA5670640 AND  
 CA5670641

Title Number: CA5633448

TITLE SEARCH PRINT

Page 2 of 3



**TITLE SEARCH PRINT**

File Reference: A2010-4679  
 Declared Value \$1370000

2020-11-04, 10:02:54  
 Requestor: Angelica Barnett

"CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN"

<b>Land Title District</b>	VANCOUVER
Land Title Office	VANCOUVER
<b>Title Number</b>	CA5633448
From Title Number	BB756345
<b>Application Received</b>	2016-11-07
<b>Application Entered</b>	2016-11-09
<b>Registered Owner in Fee Simple</b>	
Registered Owner/Mailing Address:	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484 500-789 WEST PENDER STREET VANCOUVER, BC V6C 1H2
<b>Taxation Authority</b>	Vancouver, City of
<b>Description of Land</b>	
Parcel Identifier:	D11-643-706
Legal Description:	LOT 11, EXCEPT THE SOUTH 7 FEET NOW ROAD, BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
<b>Legal Notations</b>	NONE
<b>Charges, Liens and Interests</b>	
Nature:	EASEMENT AND INDEMNITY AGREEMENT
Registration Number:	176933M
Registration Date and Time:	1953-09-22 10:00
Registered Owner:	CITY OF VANCOUVER

**TITLE SEARCH PRINT**

File Reference: A2010-4679

Declared Value \$1370000

2020-11-04, 10:02:54

Requestor: Angelica Barnett

Nature:	PRIORITY AGREEMENT
Registration Number:	CA5672686
Registration Date and Time:	2016-11-25 13:39
Remarks:	INTER ALIA GRANTING CA5669659 PRIORITY OVER CA567D640 AND CA567D641

**Duplicate Infeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE

**TITLE SEARCH PRINT**

File Reference: A2010-4679

Declared Value \$2298000

2020-11-04, 10:02:54

Requestor: Angelica Barnett

"CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN"

<b>Land Title District</b>	VANCOUVER
Land Title Office	VANCOUVER
<b>Title Number</b>	CA5686003
From Title Number	CA4230570
<b>Application Received</b>	2016-11-30
<b>Application Entered</b>	2016-12-13
<b>Registered Owner in Fee Simple</b>	
Registered Owner/Mailing Address:	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC 1094484 500-789 WEST PENDER STREET VANCOUVER, BC V6C 1H2
<b>Taxation Authority</b>	Vancouver, City of
<b>Description of Land</b>	
Parcel Identifier:	029-494-371
Legal Description:	LOT A BLOCK 5 SECTION 47 HASTINGS SUBURBAN LANDS PLAN EPP47823
<b>Legal Notations</b>	NONE
<b>Charges, Liens and Interests</b>	
Nature:	MORTGAGE
Registration Number:	CA5686045
Registration Date and Time:	2016-11-30 15:37
Registered Owner:	BLUESHORE FINANCIAL CREDIT UNION INCORPORATION NO. FI-18
Remarks:	EXTENSION OF CA5669658
Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA5686046
Registration Date and Time:	2016-11-30 15:37
Registered Owner:	BLUESHORE FINANCIAL CREDIT UNION INCORPORATION NO. FI-18
Remarks:	EXTENSION OF CA5669659

Title Number: CA5686003

TITLE SEARCH PRINT

Page 1 of 2



**TITLE SEARCH PRINT**

File Reference: A2010-4679

Declared Value \$2296000

2020-11-04, 10:02:54

Requestor: Angelica Barnett

Nature: MORTGAGE  
 Registration Number: CA5686086  
 Registration Date and Time: 2016-11-30 15:43  
 Registered Owner: CATHEDRAL CAPITAL LTD.  
 INCORPORATION NO. BC1084859  
 Remarks: EXTENSION OF CA5670640

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA5686087  
 Registration Date and Time: 2016-11-30 15:43  
 Registered Owner: CATHEDRAL CAPITAL LTD.  
 INCORPORATION NO. BC1084859  
 Remarks: EXTENSION OF CA5670641

Nature: PRIORITY AGREEMENT  
 Registration Number: CA5686919  
 Registration Date and Time: 2016-12-01 08:33  
 Remarks: GRANTING CA5686045 PRIORITY OVER CA5686086 AND CA5686087

Nature: PRIORITY AGREEMENT  
 Registration Number: CA5686920  
 Registration Date and Time: 2016-12-01 08:33  
 Remarks: GRANTING CA5686046 PRIORITY OVER CA5686086 AND CA5686087

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE

**TITLE SEARCH PRINT**

File Reference: A2010-4679

Declared Value \$1900000

2020-11-04, 10:02:54

Requestor: Angelica Barnett

\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\*

<b>Land Title District</b>	VANCOUVER
Land Title Office	VANCOUVER
<b>Title Number</b>	CA5711038
From Title Number	BF74043
<b>Application Received</b>	2016-12-13
<b>Application Entered</b>	2016-12-29
<b>Registered Owner in Fee Simple</b>	
Registered Owner/Mailing Address:	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC.NO. BC1094484 500-789 WEST PENDER STREET VANCOUVER, BC V6C 1H2
<b>Taxation Authority</b>	Vancouver, City of
<b>Description of Land</b>	
Parcel Identifier:	D11-645-431
Legal Description:	LOT 13, EXCEPT THE SOUTH 7 FEET NOW ROAD, BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
<b>Legal Notations</b>	NONE
<b>Charges, Liens and Interests</b>	
Nature:	MORTGAGE
Registration Number:	CA5711111
Registration Date and Time:	2016-12-13 15:21
Registered Owner:	BLUESHORE FINANCIAL CREDIT UNION
Remarks:	EXTENSION OF CA5669658
Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA5711112
Registration Date and Time:	2016-12-13 15:21
Registered Owner:	BLUESHORE FINANCIAL CREDIT UNION
Remarks:	EXTENSION OF CA5669659

Title Number: CA5711038

TITLE SEARCH PRINT

Page 1 of 2

**TITLE SEARCH PRINT**

File Reference: A2010-4679

Declared Value \$1900000

2020-11-04, 10:02:54

Requestor: Angelica Barnett

Nature: MORTGAGE  
 Registration Number: CA5711297  
 Registration Date and Time: 2016-12-13 15:50  
 Registered Owner: CATHEDRAL CAPITAL LTD.  
 INCORPORATION NO. 1084859  
 Remarks: EXTENSION OF CA5670640

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA5711298  
 Registration Date and Time: 2016-12-13 15:50  
 Registered Owner: CATHEDRAL CAPITAL LTD.  
 INCORPORATION NO. 1084859  
 Remarks: EXTENSION OF CA5670641

Nature: PRIORITY AGREEMENT  
 Registration Number: CA5712756  
 Registration Date and Time: 2016-12-14 11:35  
 Remarks: GRANTING CA5711111 PRIORITY OVER CA5711297 AND  
 CA5711298

Nature: PRIORITY AGREEMENT  
 Registration Number: CA5712757  
 Registration Date and Time: 2016-12-14 11:35  
 Remarks: GRANTING CA5711112 PRIORITY OVER CA5711297 AND  
 CA5711298

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE



**TITLE SEARCH PRINT**

File Reference: A2010-4679

2020-10-22, 13:01:24

Requestor: Angelica Barnett

\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\*

<b>Title Issued Under</b>	SECTION 172 LAND TITLE ACT
<b>Land Title District</b> Land Title Office	VANCOUVER VANCOUVER
<b>Title Number</b> From Title Number	28032K 423I
<b>Application Received</b>	1927-01-11
<b>Application Entered</b>	1927-01-11
<b>Registered Owner in Fee Simple</b> Registered Owner/Mailing Address:	CITY OF VANCOUVER NO ADDRESS ON FILE FOR THIS OWNER
<b>Taxation Authority</b>	Vancouver, City of
<b>Description of Land</b> Parcel Identifier: Legal Description:	011-645-458 LOT 14, EXCEPT THE SOUTH 7 FEET NOW ROAD, BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
<b>Legal Notations</b>	NONE
<b>Charges, Liens and Interests</b>	NONE
<b>Duplicate Indefeasible Title</b>	NONE OUTSTANDING
<b>Transfers</b>	NONE
<b>Pending Applications</b>	NONE

Title Number: 28032K

TITLE SEARCH PRINT

Page 1 of 1

**TITLE SEARCH PRINT**

File Reference: A2010-4679

Declared Value \$1750000

2020-11-04, 10:02:54  
Requestor: Angelica Barnett

\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\*

<b>Land Title District</b>	VANCOUVER
Land Title Office	VANCOUVER
<b>Title Number</b>	CA5820806
From Title Number	BB368361
<b>Application Received</b>	2017-02-15
<b>Application Entered</b>	2017-02-17
<b>Registered Owner in Fee Simple</b>	
Registered Owner/Mailing Address:	COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., INC. NO. BC1094484 500-789 WEST PENDER STREET VANCOUVER, BC V5C 1H2
<b>Taxation Authority</b>	Vancouver, City of
<b>Description of Land</b>	
Parcel Identifier:	007-336-420
Legal Description:	LOT 15 BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
<b>Legal Notations</b>	NONE
<b>Charges, Liens and Interests</b>	
Nature:	MORTGAGE
Registration Number:	CA5821073
Registration Date and Time:	2017-02-15 13:09
Registered Owner:	BLUESHORE FINANCIAL CREDIT UNION INCORPORATION NO. FI-18
Remarks:	EXTENSION OF CA5669658
Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA5821074
Registration Date and Time:	2017-02-15 13:09
Registered Owner:	BLUESHORE FINANCIAL CREDIT UNION INCORPORATION NO. FI-18
Remarks:	EXTENSION OF CA5669659

Title Number: CA5820806

TITLE SEARCH PRINT

Page 1 of 2

**TITLE SEARCH PRINT**

File Reference: A2010-4679

Declared Value \$1750000

2020-11-04, 10:02:54  
Requestor: Angelica Barnett

Nature: MORTGAGE  
 Registration Number: CA5821130  
 Registration Date and Time: 2017-02-15 13:21  
 Registered Owner: CATHEDRAL CAPITAL LTD.  
 INCORPORATION NO. BC1084859  
 Remarks: EXTENSION OF CA5670640

Nature: MORTGAGE  
 Registration Number: CA5821131  
 Registration Date and Time: 2017-02-15 13:21  
 Registered Owner: CATHEDRAL CAPITAL LTD.  
 INCORPORATION NO. BC1084859  
 Remarks: EXTENSION OF CA5670641

Nature: PRIORITY AGREEMENT  
 Registration Number: CA5821485  
 Registration Date and Time: 2017-02-15 14:19  
 Remarks: GRANTING CA5821073 PRIORITY OVER CA5821130 AND  
 CA5821131

Nature: PRIORITY AGREEMENT  
 Registration Number: CA5821486  
 Registration Date and Time: 2017-02-15 14:19  
 Remarks: GRANTING CA5821074 PRIORITY OVER CA5821130 AND  
 CA5821131

**Duplicate Infeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE



**ADDENDUM C**

**Zoning Bylaws**



## City of Vancouver *Zoning and Development By-law*

Planning and Development Services, 453 West 12th Avenue, Vancouver, BC V5Y 1V8 tel 604.673.7000 fax 604.673.7100  
planning@vancouver.ca

### **CD-1 (213)**

*Slocan Street and 29th Avenue*

*By-law No. 6316*

*(Being a By-law to Amend By-law 3575, being the Zoning and Development By-law)*

**Effective March 22, 1988**

*(Amended up to and including By-law No. 11414, dated December 15, 2015)*

**Guidelines:**

*29th Avenue Station Area*

*Guidelines for CD-1 By-law No. 6316*

**Consolidated for Convenience Only**

- 1** *[Section 1 is not reprinted here. It contains a Standard clause amending Schedule D (Zoning District Plan) to reflect this rezoning to CD-1.]*
- 2** The area shown included within the heavy black outline on Schedule "A" is rezoned to CD-1, and the only uses permitted within the said area, subject to such conditions as Council may by resolution prescribe, including design guidelines, and the only uses for which development permits will be issued are:
- (a) One-family dwelling or one-family dwelling with secondary suite, subject to the regulations that would apply if located in the RS-1 District; [9414; 06 12 12]
  - (b) Multiple dwelling;
  - (c) Accessory uses customarily ancillary to the foregoing.
- 3 Floor Space Ratio**
- 3.1** The maximum floor space ratio for multiple dwellings, calculated as if located in the RM-4N District, shall be 1.0, except that the following shall also be excluded from the floor space ratio calculation:
- (a) enclosed balconies and other features designed to reduce transit noise, provided the Director of Planning first approves the design of any such feature, and provided further that the total area of all such enclosures and other features does not exceed eight percent of the permitted floor area; and
  - (b) the following ancillary amenity facilities for the social and recreational enjoyment of the residents provided that the area of such excluded facilities does not exceed 20 percent of the allowable floor space:
    - (i) saunas;
    - (ii) tennis courts;
    - (iii) swimming pools;
    - (iv) squash or racketsball courts;
    - (v) gymnasium and workout rooms;
    - (vi) games and hobby rooms;
    - (vii) other related indoor uses of a social or recreational nature which in the opinion of the Director of Planning are similar to the above.
- 3.2** The maximum floor space ratio for a one-family dwelling or one-family dwelling with secondary suite, calculated as if located in the RS-1 District, shall be 0.60. [9414; 06 12 12]
- 3.3** Where exterior walls greater than 152 mm in thickness have been recommended by a Building Envelope Professional as defined in the Building By-law, the area of the walls exceeding 152 mm, but to a maximum exclusion of 152 mm thickness, shall be excluded in the computation of floor space ratio, except that this section shall not apply to walls in existence prior to March 14, 2000. [8169; 00 03 14]
- 4 Site Area**
- The minimum site area for a multiple dwelling shall be 5 017 m<sup>2</sup> (54,000 sq. ft.).
- 5 Dwelling Unit Density**
- The maximum dwelling unit density for multiple dwellings shall be 99.0 units per hectare (40 units per acre). [6360; 88 06 21]
- 6 Height**
- The maximum building height measured above the base surface shall be 10.7 m (35 ft.).

*Note: Information included in square brackets [ ] identifies the by-law numbers and dates for the amendments to By-law No. 6316 or provides an explanatory note.*



## 7 Acoustics

- 7.1 All development permit applications require evidence in the form of a report and recommendations prepared by a person trained in acoustics and current techniques of noise measurement, demonstrating that the noise levels in those portions of the dwelling units listed below do not exceed the noise level set opposite such portions. For the purposes of this section, the noise level is the A-weighted 24-hour equivalent (Leq) sound level and is defined simply as noise level in decibels.

Portions of dwelling unit:	Noise level (Decibels)
bedrooms	35
living, dining, recreation rooms	40
kitchen, bathrooms, hallways	45

[7515: 96 01 11]

- 7.2 No development permit shall be issued for a multiple dwelling until arrangements, satisfactory to the Director of Legal Services, have been made for the construction of a noise fence, designed and located to mitigate noise emanating from the adjacent ALRT right-of-way, which:

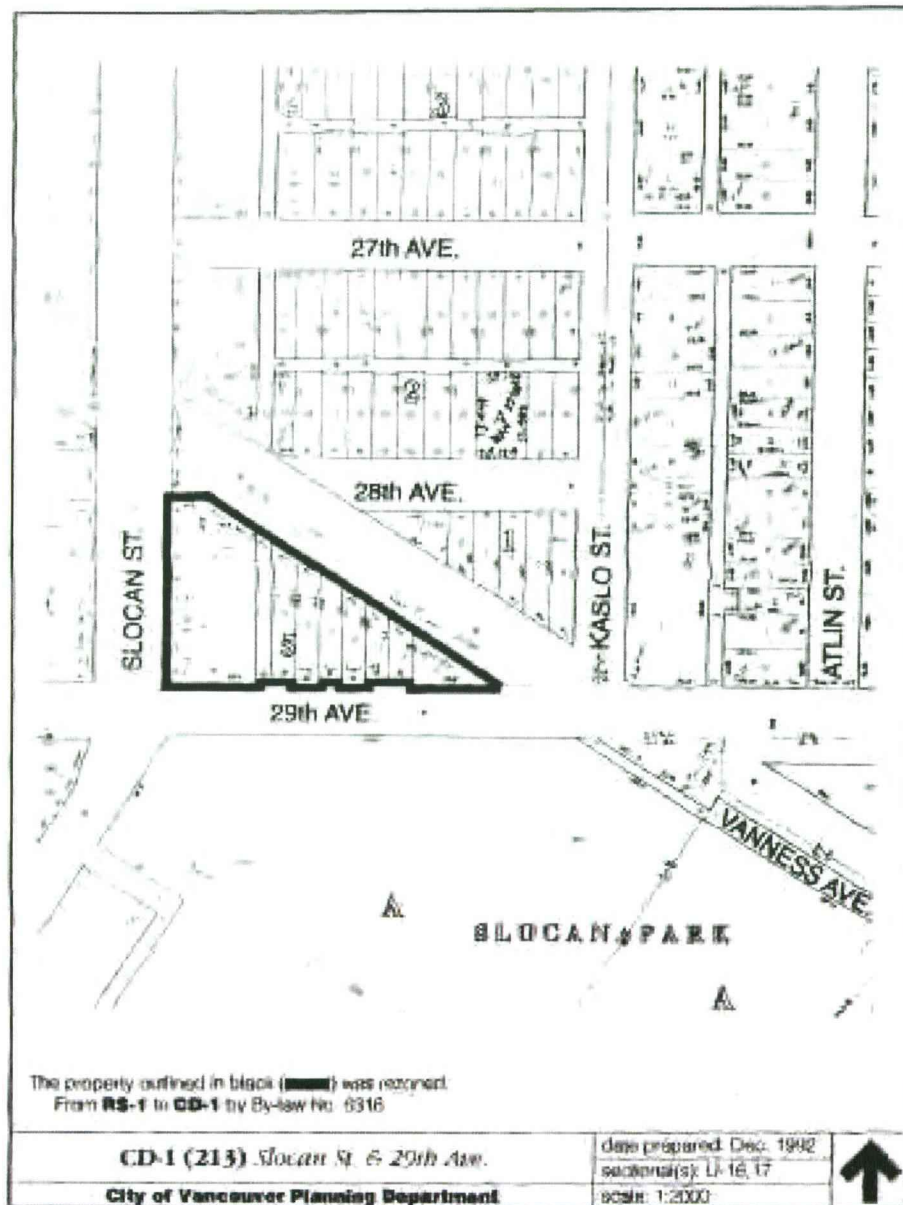
- (a) is between 1.8 m (6 ft.) and 2.5 m (8 ft.) in height and continuous in its length with no horizontal openings; and
- (b) is constructed of solid materials having an impervious surface and a minimum density of 9.7 kg per m<sup>2</sup> (2 lb. per sq. ft.).

- 7.3 The noise fence shall be designed and inspected by a Professional Engineer registered in the Province of B.C. who shall certify that the fence is designed and constructed in accordance with the minimum standards set out in Section 7.2(b) above.

- 8 *[Section 8 is not reprinted here. It contains a standard clause including the Mayor and City Clerk's signature to pass the by-law and certify the by-law number and date of enactment.]*

[11414; 15 12 15]

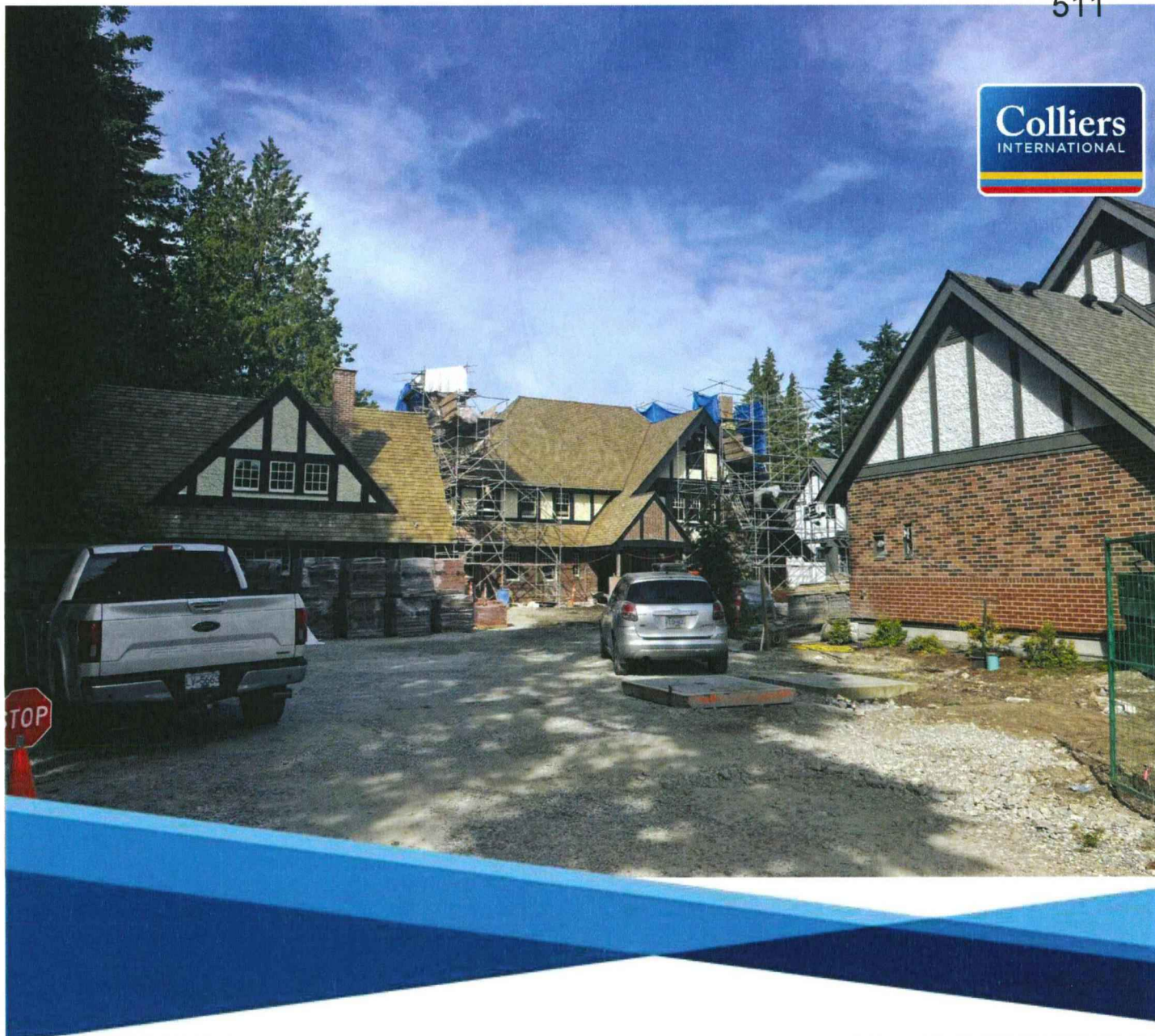
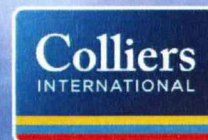
**Schedule A**



City of Vancouver  
 CD-1 (213)  
 Slocan Street and 29th Avenue

Amended to By-law No. 11414  
 December 15, 2015





## Narrative Appraisal

Heritage Conversion and Single Family Residential Development ("Wilmar Estates")

2050 - 2066 SW Marine Drive

Vancouver, British Columbia

Effective Date: June 22, 2022

Report Date: June 29, 2022

This is Exhibit "G" referred to in the  
Affidavit of Zhen Yu Zhong  
affirmed before me at Vancouver, BC  
this 15 day of February, 2023.

A Commissioner/Notary Public for the  
Province of British Columbia

### Prepared For

Cindy Zou  
Director, Finance  
Coromandel Wilmar Limited Partnership

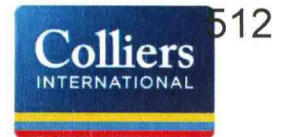
### Prepared By

Aian Miiabaev, AACI, MRICS  
Executive Valuation Services Director, Vancouver  
Valuation & Advisory Services



200 Granville Street  
19th Floor  
Vancouver, BC V6C 2R6  
[www.colliers.com](http://www.colliers.com)

MAIN 604 681 4111  
FAX 604 661 0849



Our File: YVR220776

June 29, 2022

Coromandel Wilmar Limited Partnership  
1800 - 1188 West Georgia Street,  
Vancouver, BC V6E 4A2

**Attention: Cindy Zou**  
**Director, Finance**

Dear Ms. Zou;

**Re: Appraisal of Heritage Conversion and Single Family Residential Development ("Wilmar Estates")**  
**2050 - 2066 SW Marine Drive, Vancouver, British Columbia**

In accordance with your request, we have inspected the above property and have carried out a full analysis in order to estimate its current market value. Based on our investigations, it is our opinion that the market value of the property as at June 22, 2022 is estimated to be:

Based upon the data, analyses and conclusions contained herein, the current 'as complete' market value of a fee simple interest in the property described herein, as at June 22, 2022, is estimated to be as follows:

**\$50,375,000**

**Fifty Million Three Hundred Seventy Five Thousand Dollars**

*The above value estimate is based on Assumptions and Limiting Conditions stated within this appraisal. Of particular note are the Hypothetical Conditions, Extraordinary Assumptions and Extraordinary Limiting Conditions outlined within the Terms of Reference section.*

This report describes the methods and approaches to value in support of the above conclusion, and contains the pertinent data gathered in our investigation of the market.

Should you have any questions, we would be pleased to discuss the valuation further.

Yours very truly,

**COLLIERS INTERNATIONAL REALTY ADVISORS INC.**

*Aian Miiabaev*

Aian Miiabaev, AACI, MRICS  
Executive Valuation Services Director, Vancouver



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# Executive Summary

**Heritage Conversion and Single Family  
Residential Development ("Wilmar Estates")  
2050 - 2066 SW Marine Drive**

PROPERTY INFORMATION		OCCUPANCY INFORMATION	
Property Type	Heritage Conversion and Single-Family	Size (SF)	27,907
Year Built	2022	Units	6
Quality / Condition	Good / Good		
District	SW Marine Drive		
Access	Good		
Frontage	250 Feet		
Land Use/Zoning	RS-1/RA-1 (Residential District/Agricultural District)		
VALUE CONCLUSION			
Final Value Estimate	<b>\$50,375,000</b>		
Effective Date	June 22, 2022		

The above value estimate is in conjunction with the Assumptions and Limiting Conditions stated within this appraisal. Of particular note are the Extraordinary Limiting Conditions, Extraordinary Assumptions (Hypothetical Conditions), and Extraordinary Assumptions outlined within the Terms of Reference section.

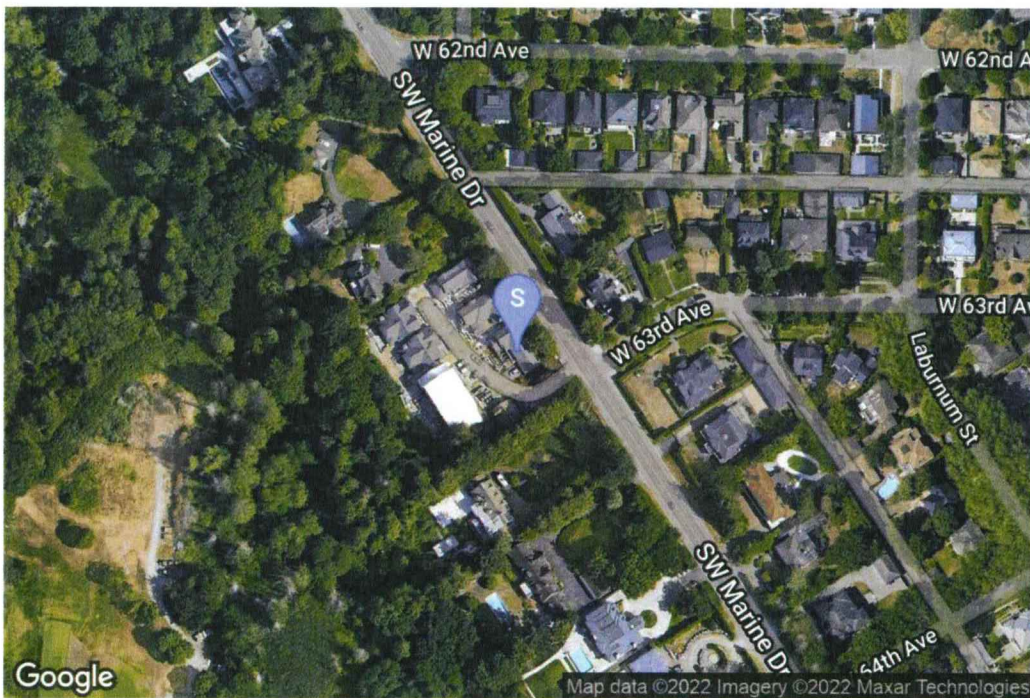


Heritage Conversion and Single Family Residential Development ("Wilmar Estates"), 2050 - 2066 SW Marine Drive, Vancouver, British Columbia

## General Location Map



## Aerial Photograph





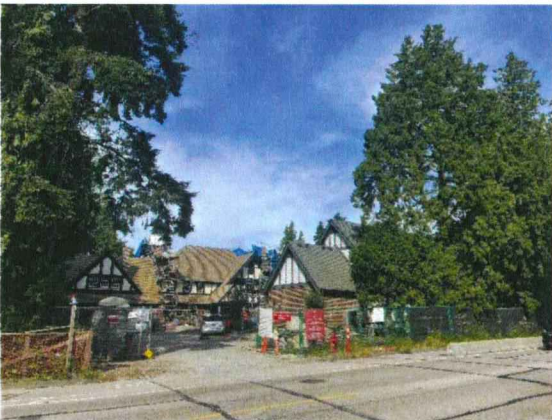
## Photographs of Subject Property



Street View



Street View



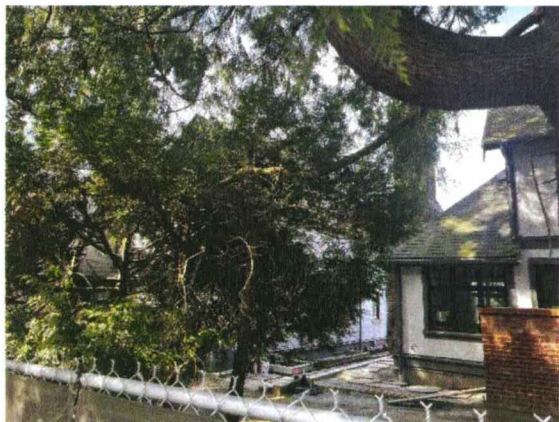
Current Property View



Current Property View



Current Property View



Current Property View



# Terms of Reference

## Client and Intended User

The Client of this appraisal is Coromandel Wilmar Limited Partnership, and the Intended User is Coromandel Wilmar Limited Partnership.

## Purpose and Intended Use of Report

The purpose of this valuation is to estimate the prospective market value of the Subject Property described.

This appraisal is provided on a confidential basis and for the sole and exclusive use by Coromandel Wilmar Limited Partnership and any other Intended User specifically identified for financing only and any third party use of or reliance on this Appraisal Report or any materials prepared by Colliers International Realty Advisors Inc. (Colliers), is strictly prohibited, except to the extent that Colliers has provided prior permission in writing, such permission to be provided or withheld in Colliers's sole and exclusive discretion. In the event that Colliers has not provided said permission Coromandel Wilmar Limited Partnership shall ensure and be responsible for notifying the third party in writing that it should not rely on the Appraisal Report and any use by such third party of the Appraisal Report or any materials prepared by Colliers shall be at its own risk and that Colliers makes no representations or warranties of any kind. Notwithstanding anything to the contrary, Colliers shall not owe any duty to any third party with respect to the Appraisal Report.

The appraisal report must be used in its entirety and any reliance on any portion of the appraisal report independent of others may lead to erroneous conclusions.

## Indemnification and Limitation of Liability

Coromandel Wilmar Limited Partnership shall indemnify, defend and hold Colliers fully harmless from and against any and all claims, liabilities, damages, costs and expenses (including court costs and reasonable legal fees) resulting from or arising out of the Client's breach of the professional service agreement relating to the Appraisal Report, wrongful acts or omissions (including any failure to perform any duty imposed by law), misrepresentation, distortion or failure to provide complete and accurate information, or any unauthorized use or reliance by third parties on the Appraisal Report or any materials prepared by Colliers. Except for Coromandel Wilmar Limited Partnership's indemnification obligations, neither party shall be liable to the other party for any special, consequential, punitive or incidental damages of any kind whatsoever. Moreover, to the maximum extent permitted by law, Colliers' total liability for any losses, claims or damages arising out of or connecting or relating to this agreement (under any applicable theory of law) shall be limited in the aggregate to the total sum of fees and costs received by Colliers from Coromandel Wilmar Limited Partnership for the applicable subject report(s).

## Property Rights

The property rights appraised are those of the Fee Simple Interest. The Fee Simple Interest refers to absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power and escheat.



### Effective Date

The effective date of this valuation is June 22, 2022.

This Appraisal Report is prepared in the context of the market conditions and other factors (including assumptions and/or materials provided by parties and sources outside of the control of Colliers Realty Advisors Inc.) prevailing as of the effective date. Real estate markets and assets are subject to significant volatility and change; and can be affected by numerous economic and political conditions as well as other conditions. The value contained (if any) in this Appraisal Report is made as of the effective date only and should not be relied on as of any other date without receiving prior written authorization from Colliers.

### Property Inspection

The following table illustrates the Colliers professionals involved with this appraisal report, and their status with respect to the property inspection.

SUBJECT PROPERTY INSPECTION			
APPRAISER	INSPECTED	EXTENT	DATE OF INSPECTION
Aian Miiabaev, AACI, MRICS	Yes	Exterior Only	June 22, 2022

### Market Value Definition

For the purposes of this valuation, market value is defined as:

"The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and the seller each acting prudently, knowledgeably, and for self-interest, assuming that neither is under duress."

(The Appraisal Institute of Canada "Canadian Uniform Standards of Professional Appraisal Practice". 2020 ed., p. 10)

### Exposure Time

An estimate of market value is related to the concept of reasonable exposure time. Exposure time is defined as:

"The estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at the estimated value on the Effective Date of the appraisal."

(The Appraisal Institute of Canada "Canadian Uniform Standards of Professional Appraisal Practice". 2020 ed., p. 6)

Exposure Time is a retrospective function of asking price, property type, and past market conditions and encompasses not only adequate, sufficient and reasonable time, but also adequate, sufficient and reasonable marketing effort. Exposure time is a necessary element of a market value definition but is not a prediction of a specific date of sale.

In practice, the exposure time assumes the following:

- The property was extensively marketed. Potential purchasers could inspect the property at will.
- The owner provided interested agents with any and all relevant property information.
- Negotiations of any offers to purchase were performed in a timely manner.

- The property was maintained at a physical status equivalent to its present condition.
- Market level financing was readily available.
- The seller was not under duress.

Ongoing discussions with agents familiar with the market have indicated that properties like the Subject Property typically require a marketing period of six months or less depending on a variety of factors including its location, vacancy levels, tenant quality, size, market conditions, and motivation of the vendor/purchaser. In consideration of these factors, it is concluded that for the Subject property to sell at the market value estimated as of the effective date of this report, an exposure period of approximately six months or less would be required.

#### Scope of the Valuation

This report has been written in a Narrative format and complies with the reporting requirements set forth under the Canadian Uniform Standards of Professional Appraisal Practice. 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.

During the course of preparing this valuation, the following was completed:

- Property inspection details are indicated previously within the Terms of Reference section of this report.
- No lease review or audit was conducted. This valuation has been prepared on the basis of summary financial and operating data provided directly to us by our client or their designated agents, in either hard copy or electronic form or both. It is assumed that this information, and specifically that relating to the financial performance of the Subject Property described, is accurate. This assumption is critical to the value estimate contained and the authors of this report, and Colliers reserve the right to amend our estimate(s) in whole or in part should the foregoing not be the case.
- A review of a detailed tenant rent roll as provided by our client or their designated agents has been conducted.
- A review has been completed of available data regarding the local market.
- Verification of current land use and zoning regulations has been undertaken. Municipal and neighbourhood information, including tax information, were sourced as noted below and verified where appropriate and possible. Site area and dimensions are from information obtained from the City of Vancouver. Should further confirmation of site size and dimensions be required, a legal survey should be commissioned.
- A review of sales and listing data on comparable properties has been undertaken. Comparable market information was obtained from our information database and local real estate professionals knowledgeable in the Vancouver real estate market. It was confirmed, when appropriate, with public information at the BC LTSA or the parties involved when there was reason to doubt its accuracy.
- Discussions have been held with market participants where applicable.



SOURCES OF INFORMATION	
ITEM	SOURCE
Assessment / Tax Information	BC Assessment/City of Vancouver
Zoning Information	City of Vancouver
Official Plan Information	City of Vancouver
Site Size Information	City of Vancouver
Building Size Information	Plans
Demographics	City of Vancouver
Comparable Information	RealNet/MLS/Commercial Edge
Legal Description	City of Vancouver

Colliers cannot be held liable for any errors in the information that was provided by third parties or by Cindy Zou of Coromandel Wilmar Limited Partnership. The Appraisal Report must be used in its entirety and any reliance on any portion of the appraisal report independent of others may lead to erroneous conclusions.

#### Ordinary Assumptions and Limiting Conditions

This report is subject to the Ordinary Assumptions and Limiting Conditions set forth within the Appendix to this appraisal in addition to any specific assumptions that may be stated in the body of the report. These conditions are critical to the value stated and should be thoroughly read and understood before any reliance on this report should be considered.

#### Extraordinary Limiting Conditions

An Extraordinary Limiting Condition refers to a necessary modification to, or exclusion of, a Standard Rule which may diminish the reliability of the report.

The following Extraordinary Limiting Conditions have been invoked within this report:

As the improvements to the property are currently under construction, a complete exterior and interior inspection of the final development was not possible.

As the planned improvements to the property have not yet been constructed, only an external site inspection was possible.

As of the date of this report Canada and the Global Community is experiencing unprecedented measures undertaken by various levels of government to curtail health related impacts of the Covid-19 Pandemic. The duration of this event is not known. While there is potential for negative impact with respect to micro and macro-economic sectors, as well as upon various real estate markets, it is not possible to predict such impact at present, or the impact of current and future government countermeasures. There is some risk that the Covid-19 Pandemic increases the likelihood of a global recession, however without knowledge of further anticipated government countermeasures at the national and global levels it is not possible to predict any impact at this point in time. Accordingly, this point-in-time valuation assumes the continuation of current market conditions, and that current longer-term market conditions remain unchanged. Given the market uncertainties of the Covid-19 pandemic, a force majeure event, we reserve the right to revise the value estimation set out in this report for a fee, with an update appraisal report under a separate appraisal engagement, incorporating market information available at that time.





### Extraordinary Assumptions (Hypothetical Conditions)

Hypothetical Conditions are a specific type of an Extraordinary Assumption that presumes, as fact, simulated but untrue information about physical, legal or economic characteristics of the subject property or external conditions, and are imposed for purposes of reasonable analysis.

The following Extraordinary Assumptions (Hypothetical Conditions) have been invoked within this report:

As of the effective date, the subject improvements have not yet been fully completed. For the purpose of this report, however, it is assumed that the improvements have been fully completed, as described herein.

### Extraordinary Assumptions

An Extraordinary Assumption is an assumption, directly related to a specific assignment, which, if found to be false, could materially alter the opinions or conclusions. Extraordinary Assumptions presume as fact otherwise uncertain information about or anticipated changes in the physical, legal or economic characteristics of the subject property, or about conditions external to the subject property such as market conditions or trends, or the integrity of data used in the analysis.

The following Extraordinary Assumptions have been invoked within this report:

We have relied on information provided to us by our client or their designated agents with respect to the status of the tenancy and their contractual rights and obligations, and financial data relating to the income and expenses associated with the Subject Property's operations, as well as the physical attributes of the Subject Property and environmental condition of the site, including any required capital expenditures. The assumptions stated are critical to the value estimate contained and the authors of this report and Colliers reserve the right to amend our estimates should any of these assumptions be altered in whole or in part.

We have not undertaken a detailed soil analysis, and as we are not qualified to comment on soil conditions, we have assumed that there are no contaminants affecting the site. However, a full environmental assessment would be required for certainty and any cost of remedy could potentially impact the reported value conclusion. The sub-soil is assumed to be similar to other lands in the area and suitable in drainage qualities and load bearing capacity to support the existing development.

With the exception of the foregoing, there have been no other Extraordinary Assumptions employed in the preparation of this appraisal or report.

For the purpose of this appraisal, we assume that the construction and renovation of the proposed subject dwellings are 100% complete and ready for occupancy as of the effective date of valuation.

### Assemblage

When relevant to the assignment, CUSPAP requires that assemblage must be considered and analyzed as to the effect on value. In the instance of the Subject Property, assemblage is considered to be a relevant factor, and the impact has been considered and analyzed within the valuation analyses contained herein.

### Anticipated Public or Private Improvements

When relevant to the assignment, CUSPAP requires that anticipated public or private improvements must be considered and analyzed as to the effect on value. In the instance of the Subject Property, public or

private improvements are not considered to be a relevant factor, and therefore no analysis is deemed necessary.

#### Personal Property

When relevant to the assignment, CUSPAP requires that personal property must be considered and analyzed as to the effect on value. In the instance of the Subject Property, personal property is not considered to be a relevant factor, and therefore no analysis is deemed necessary.

# Property Data

## Municipal Address

The Subject Property is municipally described as 2050 - 2066 SW Marine Drive, Vancouver, British Columbia.

## Legal Description

The Subject Property's legal description is as follows:

Strata Lot 6 Block 12 Plan EPS3735 District Lot 317 & 316 Land District 36 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V

PID: 030-439-442

Strata Lot 5 Block 12 Plan EPS3735 District Lot 317 & 316 Land District 36 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V

PID: 030-439-434

## Current Ownership

A title search completed for the Subject property indicated the following ownership information:

TITLE NO.	SEARCH DATE	REGISTERED OWNER	SOURCE OF TITLE INFORMATION
CA8513079	June 27, 2022	COROMANDEL WILMAR DEVELOPMENT BT LTD.	BC LTSA
CA8513078	June 27, 2022	COROMANDEL WILMAR DEVELOPMENT BT LTD.	BC LTSA

## Current Contracts

The Subject is not currently listed for sale.

## Recent Activity

As we understand it, the property has not been subject to any agreement for sale, option or listing during the past twelve months.



### Title Encumbrances

It is noted the subject property is stratified and title documents for all 25 stratified units were not obtained or research in the report. As such, we only obtained one title certificate for unit #105-288 E Georgia Street.

NO.	REGISTRATION TYPE	REGISTERED BY
CA5410541	COVENANT	CITY OF VANCOUVER
CA5410543	COVENANT	CITY OF VANCOUVER
CA5410545	STATUTORY RIGHT OF WAY	CITY OF VANCOUVER
CA5410547	EQUITABLE CHARGE	CITY OF VANCOUVER
CA6680922	STATUTORY RIGHT OF WAY	BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
CA6680923	STATUTORY RIGHT OF WAY	TELUS COMMUNICATIONS INC.
CA6737531	STATUTORY RIGHT OF WAY	FORTISBC ENERGY INC.
CA6740617	COVENANT	CITY OF VANCOUVER
CA6740619	COVENANT	CITY OF VANCOUVER
CA7540120	MORTGAGE	ACCOUNTABLE MORTGAGE INVESTMENT CORP.
CA7540121	ASSIGNMENT OF RENTS	ACCOUNTABLE MORTGAGE INVESTMENT CORP.
CA9390899	MORTGAGE	MIAO YANG
CA9390900	ASSIGNMENT OF RENTS	MIAO YANG

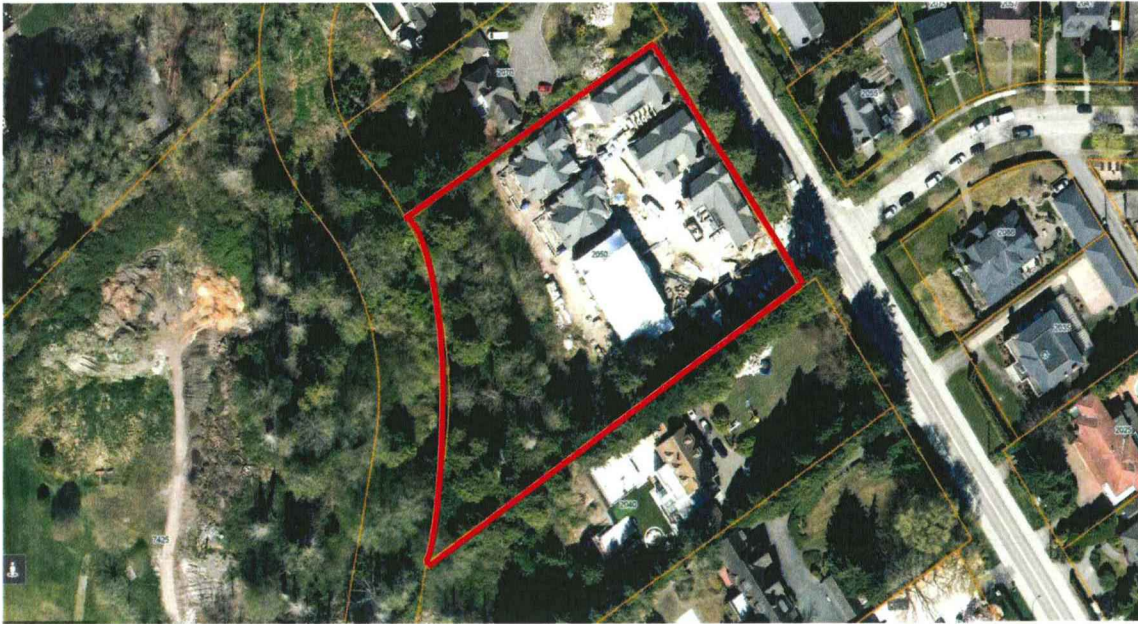
For the purposes of this analysis, the instruments registered against the title(s) to the Subject Property are assumed not to have a significant effect on the Subject Property's marketability or its market value. For greater certainty a legal opinion should be solicited for a full explanation of the effects of these encumbrances. The Subject Property has been valued as if free and clear of any financing. A copy of the Subject Property title has been included in the Appendix for further reference.

### Realty Taxes / Assessment

The current realty tax and assessment information for the Subject Property is summarized as follows:

ASSESSMENT & TAXES				
ROLL NO	TOTAL 2022 ASSESSMENT	TOTAL ASSESSMENT PER SF	TOTAL 2021 TAX LEVY	TOTAL TAX LEVY PER SF
200-006-830-085-74-0006	\$4,569,000	\$184.56	\$3,370	\$0.14
200-006-830-085-74-0005	\$3,373,000	\$136.25		\$0.00





**Area**

The site comprises a total area of approximately 0.57 acres (24,756 square feet). The subject site previously consisted of an irregular shaped legal parcel with a total gross site of ±84,739 SF based on building plans prepared by Stuart Howard Architects Inc. The previously lot has since been subdivided into the current bare land strata complex.

MULTIPLE PARCEL SITE DESCRIPTION GRID									
PARCEL	USABLE		TOTAL		FRONTING STREET	SHAPE	ACCESS EXPOSURE		
	SF	AC	SF	AC					
030-439-442	19,160	0.44	19,160	0.44	SW Marine Drive	Irregular	Good	Good	
030-439-434	5,596	0.13	5,596	0.13	SW Marine Drive	Irregular	Good	Good	
<b>TOTAL</b>	<b>24,756</b>	<b>0.57</b>	<b>24,756</b>	<b>0.57</b>					

**Configuration**

The site is irregular in its configuration, as shown on the site plan above.

**Street Improvements / Frontage**

Street improvements for the Subject Property are as outlined below:

Street Improvements	Frontage	Direction	No. Lanes	Street Type	Curbs	Sidewalks	Streetlights	Center Lane	Gutters
SW Marine Drive	250 Feet	Two-Way	Two-Lane	Major Arterial	✓	✓	✓	✓	

**Access / Exposure**

Overall access to the property is considered to be good. The site enjoys good exposure characteristics.



### Services

The full services are available in the subject area

### Topography

The site's topography is generally level and at street grade with adjacent roadways and properties.

### Soil Conditions

We have not undertaken a detailed soil analysis, and as we are not qualified to comment on soil conditions, we have assumed that there are no contaminants affecting the site. However, a full environmental assessment would be required for certainty, and any cost of remedy could potentially impact the value conclusions contained herein. The sub-soil is assumed to be similar to other lands in the area and suitable in drainage qualities and load bearing capacity to support the existing development.

### Demographics

DEMOGRAPHICS AND STATISTICS		
Population	1 km radius	12,437
	3 km radius	71,628
	5 km radius	165,930
Average Household Income	1 km radius	\$92,061
	3 km radius	\$94,194
	5 km radius	\$95,814

### Summary

The site provides good access and good exposure characteristics and no adverse influences are visually apparent.

# Land Use Controls

## Zoning

Zoning bylaws typically establish ranges of permitted and discretionary uses, in addition to development restrictions including such factors as maximum building heights, allowable densities, setback requirements, parking and loading limitations, signage restrictions and other items.

According to the City of Vancouver Zoning By-law 3575, the Subject Property is currently classified RS-1/RA-1 (Residential District/Agricultural District). An excerpt from the zoning bylaw is included in the appendices to this report.

## Zoning Map

A zoning summary and a listing of pertinent zoning requirements are presented below:



### ZONING SUMMARY

<b>Municipality Governing Zoning</b>	City of Vancouver
<b>Zoning Bylaw Number</b>	3575
<b>Current Zoning</b>	Residential District/Agricultural District (RS-1/RA-1)
<b>Permitted Uses</b>	<p>The RS-1 zone is intended to generally maintain the single-family residential character of the RS-1 District, but also to permit conditionally one-family dwellings with secondary suites and laneway houses and infill and multiple conversion dwellings in conjunction with retention of character houses. Emphasis is placed on encouraging neighbourly development by preserving outdoor space and views. Neighbourhood amenity is enhanced through the maintenance of healthy tree and planting which reflects the established streetscape.</p> <p>The RA-1 zone is intended to maintain and encourage the semi-rural, equestrian and limited agricultural nature of this District, to permit one-family dwellings and in specific circumstances to permit infill onefamily dwellings.</p>
<b>Current Use</b>	Single-Family Development
<b>Is Current Use Legally Permitted?</b>	Yes
<b>Zoning Change</b>	Not Likely

### ZONING REQUIREMENTS

<b>Conforming Use</b>	The existing single-family development represents a conforming use within the existing zoning
<b>Minimum Yard Setbacks</b>	
Front (Meters)	1.5
Rear (Meters)	3
Side (Meters)	1.3
<b>Maximum Building Height</b>	1.8 Meters
<b>Maximum Floor Area Ratio (FAR)</b>	0.6 FSR

Source: City of Vancouver

#### Land Use Conclusions

Detailed zoning studies are typically performed by a zoning or land use expert, including attorneys, land use planners, or architects. The depth of analysis presented correlates directly with the scope of this assignment, and it considers all pertinent issues that have been discovered through our due diligence. Please note that this appraisal is not intended to be a detailed determination of compliance, as that determination is beyond the scope of this real estate appraisal assignment.

Based on our interpretation of the applicable land use/zoning bylaw, the property use appears to reflect a legally permitted conforming use. However, the authors are not technically qualified to confirm zoning compliance, and for greater certainty in this regard, written confirmation from the municipality and/or a qualified legal opinion should be obtained.



## Description of the Proposed Improvements

We have been instructed to assume the site is improved with the proposed development as described herein. Description of the proposed development has been based on architectural drawings prepared by Stuart Howard Architects Inc. dated August 6, 2016 as well as visual inspection of the subject property. The information provided is assumed to be accurate and has been used in this report. We have been instructed to assume the proposed development is fully completed and ready for occupancy as of the effective date of valuation.



### Building Area

The total saleable building area for the project is approximately 27,905 SF. The subject project contains 6 single family dwellings including five new single family dwellings and retention and alterations to the existing heritage building. All of the new single family dwellings have an attached side-by-side garage while the Heritage House will have an attached side-by-side garage and a separate side-by-side garage within the Coach House.

**Unit A1, A2 (3 Bedroom Plus Den, 3,675 - 3,743 sq.ft.)**

The two dwellings are generally similar in terms of layouts and accommodation, while Unit A2 will have one extra full bathroom on the second level.

**Basement:** A workout room, a recreational/game/theater room, a mechanical room, a full bathroom with bathtub and stairs leading to the ground level.

**Ground Level:** A side-by-side garage, an open living/dining space with fireplace, an L shaped kitchen with wok/pantry room, a full bathroom with bathtub, a den, a mud/laundry room with side-by-side washer/dryer and stairs leading to the second level. A large patio can be accessed off the living/dining space.

**Second Level:** Two secondary bedrooms with walk-in-closets and ensuites with bathtubs, a master bedroom with two walk-in-closets, an ensuite with dual sinks, a bathtub and a walk-in shower, and two attics. A Juliette balcony can be accessed off the master bedroom.

**Unit B (3 Bedroom Plus Den, 3,515 sq.ft.)**

**Basement:** A workout room, a recreational room, a mechanical room, a full bathroom with bathtub, a laundry room with side-by-side washer/dryer and stairs leading to the ground level.

**Ground Level:** A side-by-side garage, an open living/dining space with a fireplace, a U shaped kitchen with wok/pantry room, a full bathroom with bathtub, a den, a mud room and stairs leading to the second level. A large patio can be accessed off the living/dining space.

**Second Level:** Two secondary bedrooms with walk-in-closets and ensuites with bathtubs, a master bedroom with a walk-in-closet, an attic and an ensuite with dual toilets/sink and a walk-in-shower. A deck can be accessed off the master bedroom

**Unit D (3 Bedroom Plus Study, 3,528 sq.ft.)**

**Basement:** A workout room, a recreational room, a mechanical room, a full bathroom with bathtub, a storage room and stairs leading to the ground level.

**Ground Level:** A side-by-side garage, an open living/dining space with fireplace, a L shaped kitchen with wok/pantry room, a full bathroom with bathtub, a study room, a mud/laundry room with side-by-side washer/dryer and stairs leading to the second level. A large patio can be accessed off the living/dining space.

**Second Level:** A reading space, a secondary bedroom with a closet and an ensuite with bathtub, a secondary bedroom with an attic, a closet and an ensuite with bathtub, a master bedroom with two walk-in-closets, a bench seat, an attic and an ensuite with dual sinks, a bathtub and a walk-in-shower.



**Unit C (3 Bedroom Plus Study Room, 3,592 sq.ft.)**

- Basement:** A workout room, a recreational room, a mechanical room, a full bathroom with bathtub, a storage/laundry room with side-by-side washer/dryer and stairs leading to the ground level.
- Ground Level:** A side-by-side garage, an open living/dining space with fireplace, a U shaped kitchen with wok/pantry room, a full bathroom with bathtub, a den, a mud room and stairs leading to the second level. A large patio can be accessed off the living/dining space.
- Second Level:** A secondary bedroom with an attic, a walk-in-closet and an ensuite with bathtub, a secondary bedroom with a walk-in-closet and an ensuite with bathtub, a master bedroom with an attic, a walk-in-closet and an ensuite with dual toilets/sinks and a walk-in-shower. A deck can be accessed off the master bedroom.

**Heritage House (10 Bedroom plus Den and Office Space, 9,854 sq.ft.)**

- Basement:** A recreational room, a theater, a storage room, two laundry rooms, two bedrooms, two full bathrooms, two mechanical rooms and two sets of stairs and elevators leading to ground level.
- Ground Level:** An attached side-by-side garage, a den, an office/library space, two powder rooms, open living/dining space, a main kitchen with pantry/wok room and an island, a secondary kitchen pantry/wok room and an island, a mud room and two sets of stairs and an elevator leading to second level. A large patio can be accessed off the living/dining space.
- Second Level:** Two secondary bedroom with walk-in-closets and ensuites with dual sinks, bathtubs and walk-in-showers, a secondary bedroom with a walk-in-closet, three additional bedrooms with closets, two full bathrooms with dual sinks and bathtub, and two sets of stairs and an elevator leading to third level.
- Third Level:** Two master bedrooms with walk-in-closets and ensuites with dual sinks, bathtubs and walk-in-showers. Two decks can be accessed off the master bedrooms.

**Coach House:** A separate Coach House will be altered/renovated to accommodate amenity space within its second level, the ground level will be utilized an additional parking garage for the Heritage House. There will be a powder room located on the second level within the Coach House.

#### **PROPOSED INTERIOR FINISH**

Based on a Specification Schedule document dated February 22, 2019 provided by our client, the proposed interior finishes include but are not limited to:

- Engineered wood flooring throughout,
- Marble walls in bathrooms;
- Sub-Zero integrated refrigerator and freezer;
- Sub-Zero full height wine fridge;
- Fisher & Paykel Dishwasher;
- Wolf microwave, coffee system, oven, cook top and ventilation,
- Millwork handle;
- Richelieu integrated recycling bin;
- Custom modular drawer organizer; and
- Wall mounted glass door



The subject offers high-end finishes and above market standard for the local market.

#### **Quality and Condition**

We assume that the proposed improvements will be constructed in a good workmanship-like manner.

We assume that the buildings have been designed to withstand disturbance from an earthquake and that the building envelope design is effective with regard to weatherproofing and the avoidance of damp problems. The quality of materials is anticipated to be good for this type of accommodation. The design and

style of the units are considered appealing and upon completion the subject units should offer good utility for residential accommodation and have superior market appeal, particularly to empty nesters, and families.

For the purpose of this appraisal, we assume that the construction and renovation of the proposed subject dwellings are 100% complete and ready for occupancy as of the effective date of valuation. As of the effective date of valuation, construction of the project is under way and completed around 85%.





PROJECT: 1715

HERITAGE HOME - VANCOUVER  
FINISHES SCHEDULE

ISSUE DATE: 31 JANUARY 2018 - FOR CLIENT REVIEW  
08 AUGUST 2018 - FOR VE PRICING  
30 NOVEMBER 2018 - DRAFT FOR CONSTRUCTION  
22 FEBRUARY 2019 - ISSUE FOR PROGRESS

LOCATION/ SURFACE	FINISH CODE	MATERIAL	PRODUCT/ DESCRIPTION	FINISH	SIZE	BUDGET ESTIMATE (IN CANS)	MANUFACTURER/ SUPPLIER	REMARKS
<b>GENERAL</b>								
Flooring Main - Plank	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	7"W x 72"L x 9/16" Thick	\$9.35 per sq. ft.	Terra Legno Flooring Jonathan Spiegelman 416.663.1600	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HGC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Stair Treads / Risers / Flooring Accent	S-WD-02	Wood	Solid White Oak Wood Stained to Match Designer's Sample - Alabaster Oak	Complete with Matte UV Finish	7" W Refer to drawings for dimensions and details	TBD	TBD	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HGC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval.
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule. Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval.
Windows/ Exterior Doors	By Architect							Refer to architect's drawings for additional information.
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Rat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval.
Crown Moulding	S-PT-01	Paint	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval.
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7"H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval.
<b>MAIN CORRIDOR/STAIRS (002 / 016)</b>								
Flooring Main - Plank	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	7"W x 72"L x 9/16" Thick	\$9.35 per sq. ft.	Terra Legno Flooring Jonathan Spiegelman 416.663.1600	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HGC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.



PROJECT: 1715

HERITAGE HOME - VANCOUVER  
FINISHES SCHEDULE

ISSUE DATE: 31 JANUARY 2018 - FOR CLIENT REVIEW  
08 AUGUST 2018 - FOR VE PRICING  
30 NOVEMBER 2018 - DRAFT FOR CONSTRUCTION  
22 FEBRUARY 2019 - ISSUE FOR PROGRESS

LOCATION/ SURFACE	FINISH CODE	MATERIAL	PRODUCT/ DESCRIPTION	FINISH	SIZE	BUDGET ESTIMATE (IN CAN\$)	MANUFACTURER/ SUPPLIER	REMARKS
Stair Treads / Risers / Flooring Accent	S-WD-02	Wood	Solid White Oak Wood Stained to Match Designer's Sample - Alabaster Oak	Complete with Matte UV Finish	7" W Refer to drawings for dimensions and details	TBD	TBD	Floating floor to be floating with Standard foam underlay as recommended by flooring supplier. Underlayment installed as per manufacturer's recommendation. Ensure Flooring extends under baseboard. Refer to drawings for grain direction info. Submit sample for designer's approval.
Main Stairs Wall Cladding	S-MDF-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	30% Sheen	Refer to drawings for dimensions and details	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval.
Main Stairs Wall Cladding Accent 2 & Elevator Surround (Basement Level to Level 2)	S-MT-01	Metal	Black Iron Metal to match CSI sample with a Matte Lacquer Clear Coat applied to Hot Rolled Steel Metal	Matte	N/A	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval.
Main Stairs Custom Handrails & Railing w/ Accent Leather Strapper and Brushed Bronze Pin Details	S-FA-01	Fabric	Leather	TBD	Refer to drawings for dimensions and details	TBD	TBD	Refer To Drawings. Submit sample for designer's approval.
	S-MT-02	Metal	Antique Medium Dark Brown Patina on Brushed Alloy #386 Bronze with Oil/ Waxed Finish (TBC)	Matte	6mm	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval.
Millwork (Custom Bench on 2nd Floor landing)	S-FA-02	Fabric	Threadcount - Eco laundered Linen (Colour: CR76 002 Natural)	100% Linen	55"W	\$132.00 per Yard	Threadcount Textile & Design Marisa Daniele 416-916-9012	Refer to drawings. Submit sample for designer approval.
	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Custom Handrails & Stair Railing (3rd Floor)	S-MT-03	Metal	Black Powder Coated Metal with clear coat to to Match Benjamin Moore Eco Spec: Black Beauty 2128-10	Matte	Refer to drawings for dimensions and details	N/A	Contractor's Choice	Refer To Drawings. Submit sample for designer's approval.
	S-MT-04	Metal	Wrought Iron	Matte	Refer to drawings for dimensions and details	TBD	Contractor's Choice	Refer To Drawings. Submit sample for designer's approval.
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval.
Moulding (on 2nd Floor landing)	S-PT-01	Paint	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval.
Baseboards (on 2nd Floor landing)	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7"H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval.
<b>FOYER (001)</b>								
Main Flooring	S-PCT-01	Porcelain Slab	Neolith Calacatta	Polished	Slab : 126" x 63" x 1/2" thick.	\$65.38/sqft (TBC based on QTY)	Helena Williams Marble Trend 647.403.0932	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval.

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LOCATION/ SURFACE	FINISH CODE	MATERIAL	PRODUCT/ DESCRIPTION	FINISH	SIZE	BUDGET ESTIMATE (IN CAN\$)	MANUFACTURER/ SUPPLIER	REMARKS
Millwork, Gables and Pivot Doors	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval
	S-MT-06	Metal	Black Polished Metal with clear coat to to Match CSI sample	Gloss	6mm	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval
Ceiling & Dropped Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval
Crown Moulding	S-PT-01	Paint	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7'H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval
<b>KITCHEN (008)</b>								
Flooring Main - Plank	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	7"W x 72"L x 9/16" Thick	\$8.35 per sq. ft.	Terra Legno Flooring Jonathan Spiegelman 416.663.1600	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HSC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Flooring Boarder	S-WD-03	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	Size TBD 7"W or 8"W x 72"L x 9/16" Thick	\$8.35 per sq. ft.	Terra Legno Flooring Jonathan Spiegelman 416.663.1600	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HSC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval
Cabinets Main	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
	S-MT-06	Metal	Black Polished Metal with clear coat to to Match CSI sample (Colour: Benjamin Moore Eco Spec: Black Beauty 2 128-10)	Gloss	6mm	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval
Custom Cabinet Edge pull and Metal Accents	S-MT-06	Metal	Black Polished Metal with clear coat to to Match CSI sample (Colour: Benjamin Moore Eco Spec: Black Beauty 2 128-10)	Gloss	6mm	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval
Countertop and Waterfall	S-PCT-01	Porcelain Slab	Neolith Calacatta	Polished	Slab : 126" x 63" x 1/2" thick.	\$65.38/sqft (TBC based on QTY)	Helena Williams Marble Trend 647.403.0932	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
Backsplash/Wall Cladding	S-PCT-01	Porcelain Slab	Neolith Calacatta	Polished	Slab : 127" x 60" x 1/4" thick.	\$37.05/sqft (TBC based on QTY)	Helena Williams Marble Trend 647.403.0932	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.

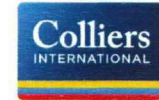


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Accent Shelving	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval
Island Countertop	S-ST-01	Stone	Nero Assoluto Granite	Leathered	1/2" Thick Slab Size 118"x72"	\$21.70 sq.ft. (Pricing to be determined based on quantity)	Ciot Annalisa Gafoor 416.220.3856	Refer to Drawings. Grout: TBC. Submit sample for designer's approval. Lithofin F31 Premium Silicone Impregnator recommended (minimum 1-2 coats). Make sure sealer is completely dry between coats (typical drying time 48 hours or as needed). It is recommended that the floor is re-sealed at least once every 1-2 years. Lithofin DCC Daily Cleaner Conditioner is recommended for ongoing maintenance.
Island Millwork	S-WL-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval
	S-MT-06	Metal	Black Powder Coated Metal with clear coat to match CSI sample (Colour: Benjamin Moore Eco Spec: Black Beauty 2128-10)	Matte	6mm	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval
Integrated Pivot Door	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer to drawings for grain direction info. Submit sample for designer's approval.
Windows/ Exterior Doors	By Architect							
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Crown Moulding	S-PT-01	Paint	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7'H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
<b>CATERING KITCHEN &amp; PANTRY (606)</b>								
Flooring Main - Plank	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	7"W x 72"L x 9/16" Thick	\$9.35 per sq. ft.	Terra Legno Flooring Jonathan Spiegelman 416.683.1600	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HGC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Cabinets Main (Catering Kitchen)	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Cabinets Main (Pantry)	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.



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Backsplash / Countertop (Catering Kitchen)	S-PCT-02	Porcelain Slab	Xlight Aged Dark Natural	Natural	Slab : 9'-10" L 5'W x 1/2" thick.	\$22.67/sf	Porcelanosa Sarah Benmagor 647.518.0029	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule
Windows/ Exterior Doors	By Architect							Refer to architect's drawings for additional information
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7"H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
<b>DINING ROOM AND PLAY (009 / 010)</b>								
Flooring Main - Plank	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	7"W x 72"L x 9/16" Thick	\$9.35 per sq. ft.	Terra Legno Flooring Jonathan Spiegelman 416.663.1600	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HGC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Flooring Boarder - Plank	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	Size TBC Refer to drawings	\$9.35 per sq. ft.	Terra Legno Flooring Jonathan Spiegelman 416.663.1600	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HGC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval
Glass Panels w/ Accent Metal Frame (TBC)	S-GL-01	Laminated Glass w/ Silk Inlay	Galaxy 15117 (TBC)	Polished edges	13.5mm Thick	TBD	Galaxy Glass and Stone Pamela Highley 905.831.6624	Refer to drawings for additional information. Submit sample for designer's approval
	S-MT-02	Metal	To match designers samples: Antique Medium Dark Brown Patina on Brushed Alloy #385 Bronze with Oil/ Waxed Finish (TBC)	Patina with Clear Coat	N/A	N/A	Contractor's Choice	Refer to Drawings Submit sample for designer's approval.
Windows/ Exterior Doors	By Architect							Refer to architect's drawings for additional information
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Crown Moulding	S-PT-01	Paint	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval.



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Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7"H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
<b>LOUNGE (011)</b>								
Flooring Main - Plank	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	7"W x 72"L x 9/16" Thick	\$9.35 per sq. ft.	Terra Legno Flooring Jonathan Spiegelman 416.663.1600	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HGC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Flooring Boarder - Plank	S-WD-03	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	Size TBD Refer to drawings	\$9.35 per sq. ft.	Terra Legno Flooring Jonathan Spiegelman 416.663.1600	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HGC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Fireplace Mantel & Surround	S-PCT-01	Porcelain Slab	Nedlith Calacatta	Polished	Slab : 127" x 60" x 1/4" thick	\$37.05/sqft (TBC based on QTY)	Helena Williams Marble Trend 647.403.0632	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
	S-MT-02	Metal	To match designers samples: Antique Medium Dark Brown Patina on Brushed Alloy #385 Bronze with Oil/ Waxed Finish (TBC)	Patina with Clear Coat	N/A	N/A	Contractor's Choice	Refer to Drawings Submit sample for designer's approval.
Glass Panels w/ Accent Metal Frame (TBC)	S-GL-01	Laminated Glass w/ Silk Inlay	Galaxy 15117 (TBC)	Polished edges	13.5mm Thick	TBD	Galaxy Glass and Stone Pamela Highley 905.831.6624	Refer to drawings for additional information. Submit sample for designer's approval.
	S-MT-02	Metal	To match designers samples: Antique Medium Dark Brown Patina on Brushed Alloy #385 Bronze with Oil/ Waxed Finish (TBC)	Patina with Clear Coat	N/A	N/A	Contractor's Choice	Refer to Drawings Submit sample for designer's approval.
Windows/ Exterior Doors	By Architect							Refer to architect's drawings for additional information.
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Crown Moulding	S-PT-01	Paint	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval





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Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7'H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
<b>DEN (012)</b>								
Flooring Main - Plank	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	7 1/4" x 72" L x 9/16" Thick	\$9.35 per sq. ft.	Terra Legno Flooring Jonathan Spiegelman 416.663.1600	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HGC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Flooring Accent	S-WD-03	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	Size TBD Refer to drawings	\$9.35 per sq. ft.	Terra Legno Flooring Jonathan Spiegelman 416.663.1600	Floating floor to be floating with Standard foam underlay as recommended by flooring supplier. Underlayment installed as per manufacturer's recommendation. Ensure Flooring extends under baseboard.
Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Fireplace Mantel & Surround	S-PCT-01	Porcelain Slab	Neolith Calacatta	Polished	Slab : 127" x 60" x 1/4" thick	\$37.05/sqft (TBC based on QTY)	Helena Williams Marble Trend 647.403.0932	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
	S-MT-02	Metal	To match designers samples: Antique Medium Dark Brown Patina on Brushed Alloy #385 Bronze with Oil Waxed Finish (TBC)	Patina with Clear Coat	N/A	N/A	Contractor's Choice	Refer to Drawings Submit sample for designer's approval
Kitchenette/ Bar Millwork	S-ST-01	Stone	Nero Assoluto Granite	Leathered	1/2" Thick Slab Size 118"x72"	\$21.79 sq. ft. (Pricing to be determined based on quantity)	Ciot Annalisa Gafoor 416.220.3856	Refer to Drawings. Grout: TBC. Submit sample for designer's approval. Lithofin PSI Premium Silicone Impregnator recommended (minimum 1-2 coats). Make sure sealer is completely dry between coats (typical drying time 48 hours or as needed). It is recommended that the floor is re-sealed at least once every 1-2 years. Lithofin DCC Daily Cleaner Conditioner is recommended for ongoing maintenance.
	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval
	S-PCT-01	Porcelain Slab	Neolith Calacatta	Polished	Slab : 127" x 60" x 1/4" thick	\$37.05/sqft (TBC based on QTY)	Helena Williams Marble Trend 647.403.0932	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval
Windows/ Exterior Doors	By Architect							
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Crown Moulding	S-PT-01	Paint	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval

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Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7'H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
<b>LIBRARY (005)</b>								
Main Flooring & Sunken Floor	S-CR-01	Concrete	Concrete to To match CSI sample. Colour: Java Custom Textured Finish refer to CSI sample	Sealed w/ Marine coat finish	Thickness TBD	Client's Supplier	Client's Supplier	Refer to drawings. Submit sample for designer's approval. Refer to supplier for recommended installation instructions.
Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Fireplace Surround, Wall Cladding & Accent Art Ledge	S-PCT-01	Porcelain Slab	Neolith Calacatta	Polished	Slab : 127" x 60" x 1/4" thick	\$37.05/sqft (TBC based on QTY)	Helena Williams Marble Trend 047.403.0932	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
Millwork (Library)	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval
	S-MT-06	Metal	Black Polished Metal with clear coat to to Match CSI sample (Colour: Benjamin Moore Eco Spec: Black Beauty 2128-10)	Gloss	6mm	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval
Millwork (Sunken Seating Frame)	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval
Millwork (Custom Task Desk)	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
	S-MT-02	Metal	To match designers samples: Antique Medium Dark Brown Patina on Brushed Alloy #385 Bronze with Oil/ Waxed Finish (TBC)	Patina with Clear Coat	N/A	N/A	Contractor's Choice	Refer to Drawings Submit sample for designer's approval
Windows/ Exterior Doors	By Architect							Refer to architect's drawings for additional information
Curtain Fabric	S-FA-02	Fabric	Threadcount - Eco laundered Linen (Colour: CR76 002 Natural)	100% Linen	55"W	\$132.00 per Yard	Threadcount Textile & Design Matisa Daniele 416-916-9012	Refer to drawings. Submit sample for designer approval
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7'H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval



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<b>POWDER ROOM (003)</b>								
Main Flooring	S-ST-01	Stone	Nero Assoluto Granite	Honed	1/2" Thick Slab Size 118"x72"	\$21.79 sq.ft (Pricing to be determined based on quantity)	Ciot Annalisa Gafoor 416.220.3856	Refer to Drawings. Grout: TBC. Submit sample for designer's approval. Lithofin PSI Premium Silicone Impregnator recommended (minimum 1-2 coats). Make sure sealer is completely dry between coats (typical drying time 48 hours or as needed). It is recommended that the floor is re-sealed at least once every 1-2 years. Lithofin DCC Daily Cleaner Conditioner is recommended for ongoing maintenance.
Walls Main	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Walls Accent	S-ST-01	Stone	Nero Assoluto Granite	Honed	1/2" Thick Slab Size 118"x72"	\$21.79 sq.ft (Pricing to be determined based on quantity)	Ciot Annalisa Gafoor 416.220.3856	Refer to Drawings. Grout: TBC. Submit sample for designer's approval. Lithofin PSI Premium Silicone Impregnator recommended (minimum 1-2 coats). Make sure sealer is completely dry between coats (typical drying time 48 hours or as needed). It is recommended that the floor is re-sealed at least once every 1-2 years. Lithofin DCC Daily Cleaner Conditioner is recommended for ongoing maintenance.
Vanity Millwork	S-ST-01	Stone	Nero Assoluto Granite	Honed	1/2" Thick Slab Size 118"x72"	\$21.79 sq.ft (Pricing to be determined based on quantity)	Ciot Annalisa Gafoor 416.220.3856	Refer to Drawings. Grout: TBC. Submit sample for designer's approval. Lithofin PSI Premium Silicone Impregnator recommended (minimum 1-2 coats). Make sure sealer is completely dry between coats (typical drying time 48 hours or as needed). It is recommended that the floor is re-sealed at least once every 1-2 years. Lithofin DCC Daily Cleaner Conditioner is recommended for ongoing maintenance.
Vanity Mirror Millwork	S-MT-03	Metal	Black Powder Coated Metal with clear coat to Match Benjamin Moore Eco Spec: Black Beauty 2128-10	Matte	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
	S-MI-01	Mirror	Clear Mirror, Low Iron	Polished edges	6mm thick	N/A	Contractor's Choice	Refer to Drawings
Glass Panel	S-GL-02	Glass	Low Iron Tempered NGS/ Warm Grey Glass	Polished edges (26 cents lin. inch)	12mm Thick	\$50 per sq.ft	NGI Designer Glass Michelle Lee 905.738.1101 ext. 130	Refer to drawings for additional information. Submit sample for designer's approval.
Ceiling and Dropped Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule
Baseboards	S-ST-01	Stone	Nero Assoluto Granite	Honed	7"H	\$21.79 sq.ft (Pricing to be determined based on quantity)	Ciot Annalisa Gafoor 416.220.3856	Refer to Drawings. Grout: TBC. Submit sample for designer's approval. Lithofin PSI Premium Silicone Impregnator recommended (minimum 1-2 coats). Make sure sealer is completely dry between coats (typical drying time 48 hours or as needed). It is recommended that the floor is re-sealed at least once every 1-2 years. Lithofin DCC Daily Cleaner Conditioner is recommended for ongoing maintenance.



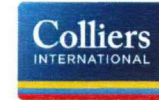


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LOCATION/ SURFACE	FINISH CODE	MATERIAL	PRODUCT/ DESCRIPTION	FINISH	SIZE	BUDGET ESTIMATE (IN CANS)	MANUFACTURER/ SUPPLIER	REMARKS
<b>MUD ROOM (004)</b>								
Main Flooring	S-PCT-01	Porcelain Slab	Neolith Calacatta	Polished	Slab : 127" x 80" x 1/4" thick	\$37.05/sqft (TBC based on QTY)	Helena Williams Marble Trend 847.403.0932	Refer to Drawings for pattern. Grout: Mape Colour: TBD. Submit sample for designer's approval.
Walls Main	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Shoe Storage Millwork	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Shoe Storage Doors	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer to drawings for grain direction info. Submit sample for designer's approval.
	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Bench Seating Millwork	S-FA-03	Fabnc	Not-A-Hide: Colour: TBD	100% PVC with polyester knit backing Wyzenbeek 100,000 Dbl. Rubs	54" Wide	\$28.00 per yard	Woelker Group Irene Lesniak 416.720.4002	Refer to drawings. Bench upholstery detail to have a tailored stich detail. Submit sample for designers approval.
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Crown Moulding	S-PT-01	Paint	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7"H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
<b>GUEST SUITE (013)</b>								
Flooring Main - Plank (TBC)	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	7"W x 72"L x 9/16" Thick	\$8.36 per sq. ft.	Terra Legno Flooring Jonathan Speigelman 416.663.1600	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HGC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
	S-FA-02	Fabnc	Threadcount - Eco laundered Linen (TBD)	TBD	55"W	\$132.00 per Yard	Threadcount Textile & Design Mansa Daniele 416-916-9012	Refer to drawings. Submit sample for designer approval
Window Wall Millwork	S-WD-05	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Flooring	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.



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Windows/ Exterior Doors	By Architect							Refer to architect's drawings for additional information
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Crown Moulding	S-PT-01	Paint	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7'H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
<b>GUEST W.I.C. (014)</b>								
Flooring - Plank	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	7"W x 72"L x 9/16" Thick	\$9.35 per sq. ft.	Terra Legno Flooring Jonathan Spiegelman 416.663.1600	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HGC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Millwork	S-WD-05	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Flooring	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Ceiling	S-PT-01	Paint	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7'H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
<b>GUEST SUITE WASH (015)</b>								
Flooring Main - Plank	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	7"W x 72"L x 9/16" Thick	\$9.35 per sq. ft.	Terra Legno Flooring Jonathan Spiegelman 416.663.1600	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HGC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Toilet / Shower Flooring	S-PCT-03	Porcelain Slab	Xlight Lush White	Polished	Slab - 9'-10" L 5'W x 1/4" thick.	\$15.50/sf	Porcelanosa Sarah Benmagor 647.518.0029	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.





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Walls Main	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Walls Accent	S-PCT-03	Porcelain Slab	Xlight Lush White	Polished	Slab : 9'-10" L 5'W x 1/4" thick	\$15.50/sf	Porcelanosa Sarah Benmagor 647.518.0029	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
Vanity Millwork	S-COR-01	Corian	Glacier White	Polished	1/2" thick	\$13.50 sq ft	RJ Westcott Bob Westcott 705.378.0077	Refer to Drawings. Submit sample for designer's approval
	S-WD-05	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Flooring	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Wall-Mounted Mirror Custom	S-MT-03	Metal	Black Powder Coated Metal with clear coat to Match Benjamin Moore Eco Spec: Black Beauty 212B-10	Matte	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
	S-MI-01	Mirror	Clear Mirror, Low Iron	Polished edges	6mm thick	N/A	Contractor's Choice	Refer to Drawings
Shower Doors and Panel	S-GL-03	Glass	Clear Low Iron Tempered glass	N/A	1/2" thick	N/A	Contractor's Choice	Refer to Drawings. Submit Sample for Designer's Approval.
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule
Baseboards	S-WD-06	Solid Wood	Solid White Oak Wood Stained to Match Designer's Sample - Flooring	30% Sheen; Sealed w/ Mannie coat finish	N/A	N/A	Contractor's Choice	Refer to drawings for grain direction info. Submit sample for designer's approval
<b>MECHANICAL ROOM (M16)</b>								
Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Flooring Main	S-PCT-04	Porcelain Tile	Mayfair HD Rectified Porcelain Tile, Calacatta 69-363	Polished	24" x 24"	\$1.78 sq.ft.	Anatolia Tile Andrew Campoli 905.771.3800 x 732	Refer to Drawings. Grout: Mapei 36 Avatanche. Submit sample for designer's approval. Grout joints to be laid tight. Refer to supplier for recommended installation instructions and systems.
Baseboards	S-PCT-04	Porcelain Tile	Mayfair HD Rectified Porcelain Tile, Calacatta 69-363	Polished	4"H	\$1.78 sq.ft.	Anatolia Tile Andrew Campoli 905.771.3800 x 732	Refer to Drawings. Grout: Mapei 36 Avatanche. Submit sample for designer's approval. Grout joints to be laid tight. Refer to supplier for recommended installation instructions and systems.
<b>BED 1 (020) / BED 2 (023) / BED 3 (017) / BED 4 (029) / BED 5 (027) / BED 6 (026)</b>								
Flooring Main - Plank	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	7"W x 72"L x 9/16" Thick	\$9.35 per sq. ft.	Terra Legno Flooring Jonathan Spiegelman 416.663.1600	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HGC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.



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Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule. Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Windows/ Exterior Doors	By Architect							
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7'H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
<b>WIC 1 (021) / WIC 2 (024) / WIC 3 (018) / TYPICAL CLOSETS</b>								
Flooring Main - Plank	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	7"W x 72"L x 9/16" Thick	\$9.35 per sq. ft.	Terra Legno Flooring Jonathan Spiegelman 418.663.1600	Flooring to be nailed and glued (provided subfloor is plywood), if concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HGC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Millwork	S-WD-05	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Flooring	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule. Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7'H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
<b>BATH 1 (022) / BATH 2 (025) / BATH 5 (028)</b>								
Flooring	S-ST-03	Marble	Marble Hexagon, 1.2" Hexagon	Oriental White	11.8" x 11.3" Sheet	\$14.48 sq.ft.	Olympia Tile Robin Zandi 418.785.9555	Refer to Drawings. Grout: Mapei: 35 Avalancha. Submit sample for designer's approval. Lithofin PSI Premium Silicone Impregnator recommended (minimum 1-2 coats). Make sure sealer is completely dry between coats (typical drying time 48 hours or as needed). It is recommended that the floor is re-
Walls Main	S-PCT-03	Porcelain Slab	Xlight Lush White	Polished	Slab : 9'-10" L 5'W x 1/4" thick.	\$15.50/sf	Porcelanosa Sarah Benimagor 647.518.0029	Refer to Drawings for pattern. Grout: Mapei: Colour: TBD. Submit sample for designer's approval.
Walls Accent	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval



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Shower Niche	S-COR-01	Conan	Glacier White	Polished	1/2" thick	\$13.50 sq.ft	RJ Westcott Bob Westcott 705.378.0077	Refer to Drawings. Submit sample for designer's approval.
Custom Shower Bench	S-COR-01	Conan	Glacier White	Polished	1/2" thick	\$13.50 sq.ft	RJ Westcott Bob Westcott 705.378.0077	Refer to Drawings. Submit sample for designer's approval.
Vanity Millwork	S-WD-05	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Flooring	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Vanity Mirror Millwork	S-MT-03	Metal	Black Powder Coated Metal with clear coat to to Match Benjamin Moore Eco Spec: Black Beauty 2128-10	Matte	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
	S-MI-01	Mirror	Clear Mirror, Low Iron	Polished edges	6mm thick	N/A	Contractor's Choice	Refer to Drawings
Custom Countertop	S-COR-01	Conan	Glacier White	Polished	1/2" thick	\$13.50 sq.ft	RJ Westcott Bob Westcott 705.378.0077	Refer to Drawings. Submit sample for designer's approval.
Tub Glass panel	S-GL-03	Glass	Clear Low Iron Tempered glass	N/A	1/2" thick	N/A	Contractor's Choice	Refer to Drawings. Submit Sample for Designer's Approval
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval
Baseboards	S-PCT-03	Porcelain Slab	Xlight Lush White	Polished	7" H 1/4" thick.	\$15.50/sf	Porcelanosa Sarah Benmagor 647.518.0029	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
<b>BATH 3 (019)</b>								
Flooring	S-ST-03	Marble	Marble Hexagon, 1.2" Hexagon	Oriental White	11.8" x 11.3" Sheet	\$14.48 sq.ft	Olympia Tile Robin Zandi 416.785.9555	Refer to drawings. Grout: Mapei 30. Advantech. Submit sample for designer's approval. Lithofin PSI Premium Silicone Impregnator recommended (minimum 1-2 coats). Make sure sealer is completely dry between coats (typical drying time 48 hours or as
Walls Main - Vanity Wall Cladding	S-PCT-03	Porcelain Slab	Xlight Lush White	Polished	Slab : 9'-10" L 5W x 1/4" thick.	\$15.50/sf	Porcelanosa Sarah Benmagor 647.518.0029	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
Shower Walls	S-PCT-03	Porcelain Slab	Xlight Lush White	Polished	Slab : 9'-10" L 5W x 1/4" thick.	\$15.50/sf	Porcelanosa Sarah Benmagor 647.518.0029	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
Walls Accent	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval
Shower Niche	S-COR-01	Conan	Glacier White	Polished	1/2" thick	\$13.50 sq.ft	RJ Westcott Bob Westcott 705.378.0077	Refer to Drawings. Submit sample for designer's approval.
Vanity Millwork	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
	S-MT-03	Metal	Black Powder Coated Metal with clear coat to to Match Benjamin Moore Eco Spec: Black Beauty 2128-10	Matte	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Vanity Mirror Millwork	S-MI-01	Mirror	Clear Mirror, Low Iron	Polished edges	6mm thick	N/A	Contractor's Choice	Refer to Drawings
Custom Countertop	S-COR-01	Conan	Glacier White	Polished	1/2" thick	\$13.50 sq.ft	RJ Westcott Bob Westcott 705.378.0077	Refer to Drawings. Submit sample for designer's approval.





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Glass Door and Panel	S-GL-03	Glass	Clear Low Iron Tempered glass	N/A	1/2" thick	N/A	Contractor's Choice	Refer to Drawings. Submit Sample for Designer's Approval
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Baseboards	S-PCT-03	Porcelain Slab	Xlight Lush White	Polished	4" H	\$15.50/sf	Porcelanosa Sarah Benmagor 647.518.0029	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
<b>BATH 4 (030)</b>								
Flooring	S-ST-03	Marble	Marble Hexagon, 1.2" Hexagon	Oriental White	11.8" x 11.3" Sheet	\$14.48 sq.ft.	Olympia Tile Robin Zandi 416.785.9555	Refer to Drawings. Grout: Mapei 38 Avalanche. Submit sample for designer's approval. Lithofin PSI Premium Silicone Impregnator recommended (minimum 1-2 coats). Make sure sealer is completely dry between coats (typical drying time 48 hours or as needed). It is recommended that the floor is re-sealed at least once every 1-2 years. Lithofin DCC Daily Cleaner Conditioner is recommended for ongoing maintenance.
Walls Main	S-PCT-03	Porcelain Slab	Xlight Lush White	Polished	4" H	\$28.53/sf	Porcelanosa Sarah Benmagor 647.518.0029	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
Walls Accent	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Tub/Shower Walls	S-PCT-03	Porcelain Slab	Xlight Lush White	Polished	Slab : 9'-10" L 5'W x 1/4" thick.	\$15.50/sf	Porcelanosa Sarah Benmagor 647.518.0029	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
Shower Niche	S-COR-01	Conan	Glacier White	Polished	1/2" thick	\$13.50 sq.ft	RJ Westcott Bob Westcott 705.378.0077	Refer to Drawings. Submit sample for designer's approval.
Tub Face and Ledge	S-PCT-03	Porcelain Slab	Xlight Lush White	Polished	Slab : 9'-10" L 5'W x 1/4" thick.	\$15.50/sf	Porcelanosa Sarah Benmagor 647.518.0029	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
Vanity Millwork	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Vanity Mirror Millwork	S-MT-03	Metal	Black Powder Coated Metal with clear coat to Match Benjamin Moore Eco Spec: Black Beauty 2128-10	Matte	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Vanity Mirror Millwork	S-MI-01	Mirror	Clear Mirror, Low Iron	Polished edges	6mm thick	N/A	Contractor's Choice	Refer to Drawings
Custom Countertop	S-COR-01	Conan	Glacier White	Polished	1/2" thick	\$13.50 sq.ft	RJ Westcott Bob Westcott 705.378.0077	Refer to Drawings. Submit sample for designer's approval.
Tub Glass panel	S-GL-03	Glass	Clear Low Iron Tempered glass	N/A	1/2" thick	N/A	Contractor's Choice	Refer to Drawings. Submit Sample for Designer's Approval.
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule





PROJECT: 1715

HERITAGE HOME - VANCOUVER  
FINISHES SCHEDULE

ISSUE DATE: 31 JANUARY 2018 - FOR CLIENT REVIEW  
08 AUGUST 2018 - FOR VE PRICING  
30 NOVEMBER 2018 - DRAFT FOR CONSTRUCTION  
22 FEBRUARY 2019 - ISSUE FOR PROGRESS

LOCATION/ SURFACE	FINISH CODE	MATERIAL	PRODUCT/ DESCRIPTION	FINISH	SIZE	BUDGET ESTIMATE (IN CAN\$)	MANUFACTURER/ SUPPLIER	REMARKS
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7'H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
<b>MASTER BEDROOM (031) / LOUNGE (032) / TV LOUNGE (033)</b>								
Flooring Main - Plank	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Overlaid, Brushed UV Finish	7"W x 72"L x 9/16" Thick	\$9.95 per sq. ft.	Terra Legno Flooring Jurisdiction: Spangher Inc. 416.683.1600	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. MFC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Walls Main	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Walls Accent	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Walls Accent (TV Lounge Wall Cladding and Elevator Surround)	S-MT-01	Metal	Black Patina Metal to match CSI sample with a Matte Lacquer Clear Coat applied to Hot Rolled Steel Metal	Matte	N/A	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval
	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Millwork (Desk and Accent Shelving)	S-MT-03	Metal	black Powder Coated Metal with clear coat to match Benjamin Moore Eco Spec: Black Beauty 2125-10	Gloss	6mm	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval
Entry Door	S-WD-07	Wood	Solid White Oak Wood Stained to Match Wall Cladding and Designer's Sample-Black	Complete with Gloss UV Finish	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
	S-MT-03	Metal	clear coat to match Benjamin Moore Eco Spec: Black Beauty 2125-10	Matte	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Full Height Mirror w/ Metal Frame	S-MI-01	Mirror	Clear Mirror, Low Iron	Polished edges	6mm thick	N/A	Contractor's Choice	Refer to Drawings
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule
Windows/ Exterior Doors	by Architect							
Ceiling Main	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7'H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval

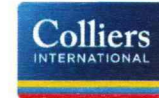


PROJECT: 1715

HERITAGE HOME - VANCOUVER  
FINISHES SCHEDULE

ISSUE DATE: 31 JANUARY 2018 - FOR CLIENT REVIEW  
08 AUGUST 2018 - FOR VE PRICING  
30 NOVEMBER 2018 - DRAFT FOR CONSTRUCTION  
22 FEBRUARY 2019 - ISSUE FOR PROGRESS

LOCATION/SURFACE	FINISH CODE	MATERIAL	PRODUCT/DESCRIPTION	FINISH	SIZE	BUDGET ESTIMATE (IN CAN\$)	MANUFACTURER/SUPPLIER	REMARKS
<b>MASTER BATHROOM (03)</b>								
Main Flooring	S-ST-01	Stone	Nero Assoluto Granite	Honed	1/2" Thick Slab Size 118"x72"	\$21.79 sq.ft (Pricing to be determined based on quantity)	Cot Annalisa Gafbar 416.220.3866	Refer to Drawings: Grout: TBC. Submit sample for designer's approval. Lithofin PSI Premium Silicone Impregnator recommended (minimum 1-2 coats). Make sure sealer is completely dry between coats (typical drying time 48 hours or as needed). It is recommended that the floor is re-sealed at least once every 1-2 years. Lithofin DCC Daily Cleaner Conditioner is recommended for ongoing maintenance.
Walls Main	S-PCT-01	Porcelain Slab	Neolith Calacatta	Polished	Slab : 127" x 60" x 1/4" thick	\$37.05/sqft (TBC based on QTY)	Helena Williams Marble Trend 647.403.0932	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
Walls Accent 1	S-SI-01	Stone	Nero Assoluto Granite	Polished	1/2" Thick Slab Size 118"x72"	\$21.79 sq.ft (Pricing to be determined based on quantity)	Cot Annalisa Gafbar 416.220.3866	Refer to Drawings: Grout: TBC. Submit sample for designer's approval. Lithofin PSI Premium Silicone Impregnator recommended (minimum 1-2 coats). Make sure sealer is completely dry between coats (typical drying time 48 hours or as needed). It is recommended that the floor is re-sealed at least once every 1-2 years. Lithofin DCC Daily Cleaner Conditioner is recommended for ongoing maintenance.
Wall Accent 2	S-MI-02	Mirror	NiOM® bi bronze Silk Laminated Mirror	Polished edges (1/2 cents in. inch)	6mm Thick, Max Sheet Size: 60" x 120"	\$61 per sq.ft	NOI Designer Glass Michelle Lee 605.738.1101 ext. 130	Refer to Drawings. Submit sample for designer's approval. Review profile edging for specific polished edging details.
Custom Sink	S-COR-01	Corian	Clacier White	Polished	1/2" thick	\$13.50 sq.ft	RJ Westcott Bob Westcott 705.370.0077	Refer to Drawings: Submit sample for designer's approval.
Various Millwork and Stairing	S-MI-01	Mirror	Clear Mirror, Low Iron	Polished edges	6mm thick	N/A	Contractor's Choice	Refer to Drawings
	S-MT-03	Metal	Black Powder Coated Metal with clear coat to match Benjamin Moore Eco Spec Black Beauty 2125-10	Matte	6mm	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval
	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit chop drawings and samples for designer's approval.
Shower Panel & Door (To match accent mirror)	S-GL-02	Glass	Low Iron / tempered NiOM Warm Grey Glass	Polished edges (1/2 cents in. inch)	12mm Thick	\$59 per sq. ft	NOI Designer Glass Michelle Lee 605.738.1101 ext. 130	Refer to drawings for additional information. Submit sample for designer's approval.
Shower Niche	S-COR-01	Corian	Clacier White	Polished	1/2" thick	\$13.50 sq.ft	RJ Westcott Bob Westcott 705.370.0077	Refer to Drawings: Submit sample for designer's approval.
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
Ceiling Accent	S-PCT-01	Porcelain Slab	Neolith Calacatta	Polished	Slab : 127" x 60" x 1/4" thick	\$37.05/sqft (TBC based on QTY)	Helena Williams Marble Trend 647.403.0932	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC 57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule



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HERITAGE HOME - VANCOUVER  
FINISHES SCHEDULE

ISSUE DATE: 31 JANUARY 2018 - FOR CLIENT REVIEW  
09 AUGUST 2018 - FOR VE PRICING  
30 NOVEMBER 2018 - DRAWING FOR CONSTRUCTION  
22 FEBRUARY 2019 - ISSUE FOR PROGRESS

LOCATION/ SURFACE	FINISH CODE	MATERIAL	PRODUCT/ DESCRIPTION	FINISH	SIZE	R/DGFT ESTIMATE (IN CANS)	MANUFACTURER/ SUPPLIER	REMARKS
<b>1ST FLOOR (036) / 1ST FLOOR (034)</b>								
Flooring Main - Plank	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wirebrushed, Character, Smoked UV Finish	7 1/2" W x 72" L x 9/16" Thick	\$9.35 per sq. ft.	Terra Ligno Flooring Jonathan Spiegelman 416.882.1800	Flooring to be nailed and glued (provided subfloor is plywood). If concrete subfloor, floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. MOC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
Milieuwk	S-WD-05	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples Flooring	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit chop drawings and samples for designer's approval.
Doors and Trims	S-FI-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Drawings. Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
Ceiling	S-FI-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
Baseboard	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7"H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
<b>FINISHED ATTIC</b>								
Main Flooring	S-LVT-01	Luxury Vinyl Plank Flooring with Cork Underlay	Essential Finishes Dynamic Cobalt	Standard w/ Texture	7.5"W x 56.8"L (1.8mm LVT + 6mm WPC + 1.5mm cork)	\$3.95 per sq. ft.	Essential Flooring Shawn Mirsky 416-434-0037	Refer to drawings for flooring pattern and installation methods, and seaming details. Refer to manufacturer's recommendations for additional underlayment pending sound absorption requirements along with recommended installation method.
Ceiling	S-FI-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
Baseboard	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7"H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
<b>BASEMENT CONDOUR (037)</b>								
Main Flooring	S-LVT-01	Luxury Vinyl Plank Flooring with Cork Underlay	Essential Finishes Dynamic Cobalt	Standard w/ Texture	7.5"W x 56.8"L (1.8mm LVT + 6mm WPC + 1.5mm cork)	\$3.95 per sq. ft.	Essential Flooring Shawn Mirsky 416-434-0037	Refer to drawings for flooring pattern and installation methods, and seaming details. Refer to manufacturer's recommendations for additional underlayment pending sound absorption requirements along with recommended installation method.





PROJECT: 1715

HERITAGE HOME - VANCOUVER  
FINISHES SCHEDULE

ISSUE DATE: 31 JANUARY 2018 - FOR CLIENT REVIEW  
08 AUGUST 2018 - FOR VE PRICING  
20 NOVEMBER 2018 - DRAFT FOR CONSTRUCTION  
22 FEBRUARY 2019 - ISSUE FOR PROGRESS

LOCATION/ SURFACE	FINISH CODE	MATERIAL	PRODUCT/ DESCRIPTION	FINISH	SIZE	RUNOFF ESTIMATE (IN CAN)	MANUFACTURER/ SUPPLIER	REMARKS
	S-MI-03	Metal	Black Powder Coated Metal with clear coat to match Benjamin Moore Eco Spec: Black Beauty Z125-10	Matte	6mm	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval
Flooring Accent (Sculpture Garden)	S-ST-02	Coloured Aggregate Pebbles	White Mexican Pebbles - Flat Matte Stones	Natural White-Matte	3/4" x 1-1/2" typ. Size	\$49.95 per 50lb bag	Onlined Aggregate Inc Jackie Stewart Office: 416-491-0230 Cell: 416-993-7922	Refer to drawings for installation instructions. Pebbles to fill 2" deep floor recess as noted in drawings. Submit Chop Drawings for Designer's Approval
Walls	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Crown Moulding	S-PT-01	Paint	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7"H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
<b>LEGO ROOM (044), BILLIARDS (041), PLAY (042)</b>								
Main Flooring	S-LVT-01	Luxury Vinyl Plank Flooring with Cork Underlay	Essential Finishes Dynamix Cobalt	Standard w/ texture	7.5"W x 50.0"L (1.0mm LVT + 0.1mm WPC + 1.5mm cork)	\$3.95 per sq ft	Essential Flooring Shawn Mirsky 416-434-0037	Refer to drawings for flooring pattern and installation methods, and learning details. Refer to manufacturer's recommendations for additional under pad pending sound absorption requirements along with recommended installation method
Walls Main	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Side Light	S-SL-03	Glass	Clear Low Iron Tempered glass	N/A	1/2" thick	N/A	Contractor's Choice	Refer to Drawings. Submit Sample for Designer's Approval.
Fireplace Surround	S-CR-02	Concrete Panel	Compare to To match CSI sample. Colour and Custom textured Finish refer to CSI sample	Sealed w/ Matte coat finish	Size to be coordinated Refer to drawings	Client's Supplier	Client's Supplier	Refer to drawings. Submit sample for designer's approval. Refer to supplier for recommended installation instructions.
Play Countertop and Rankin	S-ST-01	Stone	Nem Assoluto Granite	Honed	1/2" Thick Slab Size 118"x72"	\$21.79 sq ft (pricing to be determined based on quantity)	Carl Annalisa Galfor 416-220-2858	Refer to Drawings. Grout: TBC. Submit sample for designer's approval. Lithon PSI Premium Silicone Impregnant recommended (minimum 1-2 coats). Make sure sealer is completely dry between coats (typical drying time 48 hours or as needed). It is recommended that the floor is re-sealed at least once every 1-2 years. Lithon U-C Daily Cleaner Conditioner is recommended for ongoing maintenance.



PROJECT: 1715

HERITAGE HOME VANCOUVER  
FINISHES SCHEDULE

ISSUE DATE: 31 JANUARY 2018 - FOR CLIENT REVIEW  
08 AUGUST 2018 - FOR VE PRICING  
30 NOVEMBER 2018 - DRAFT FOR CONSTRUCTION  
22 FEBRUARY 2019 - ISSUE FOR PROGRESS

LOCATION/SURFACE	FINISH CODE	MATERIAL	PRODUCT/DESCRIPTION	FINISH	SIZE	BUDGET ESTIMATE (IN CAN\$)	MANUFACTURER/SUPPLIER	REMARKS
	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit chop drawings and samples for designer's approval.
	S-MT-03	Metal	Black Powder Coated Metal with clear coat to match Benjamin Moore Eco Spec: black beauty 2125-10	Matte	6mm	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval
Millwork (Billiards, Play & Lego)	S-GL-03	Glass	Low Iron Tempered NG9/ Clear Glass	Polished edges	6mm Thick	N/A	Contractor's Choice	Refer to drawings for additional information. Submit sample for designer's approval.
Windows/ Exterior Doors	By Architect							
Ceiling	S-PT-01	Paint	Benjamin Moore Fon Spec: OC-57 White Huron	Flat/ Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
Crown Moulding	S-PT-01	Paint	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Fon Spec: OC-57 White Huron	Semi Gloss	7" H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
<b>WINE (043)</b>								
Main Flooring	S-LVT-01	Luxury Vinyl Plank Flooring with Cork Underlay	Essential Finishes Dynamix Cobalt	Standard w/ Texture	7.5"W x 69.0" (1.8mm LVT + 8mm WPC + 1.5mm cork)	\$3.90 per sq ft	Essential Flooring Shawn Mirkly 410-434-0037	Refer to drawings for flooring pattern and installation methods, and seaming details. Refer to manufacturer recommendations for additional under pad padding sound absorption requirements along with recommended installation method.
Walls Main	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
	S-WD-05	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Flooring	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Millwork (Wine)	S-MT-03	Metal - Option A	Black Powder Coated Metal with clear coat to match Benjamin Moore Eco Spec: black beauty 2125-10	Matte	6mm	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval
Millwork (Wine Cellar)	S-WD-05	Wood Veneer - Opt A	Wood Veneer w/ UV coating Stained to match CSI samples - Flooring	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
	S-WD-04	Wood Veneer - Opt. B	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Ceiling Accent (Wine Cellar)	S-WD-05	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Flooring	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Floors & Trims w/ Integrated Pull Handle (Wine Storage Cabinets and Wine Cellar)	S-GL-03	Glass	Low Iron Tempered NG9/ Clear Glass	Polished edges	12mm Thick	N/A	Contractor's Choice	Refer to drawings for additional information. Submit sample for designer's approval.
	S-MT-03	Metal	Black Powder Coated Metal with clear coat to match Benjamin Moore Eco Spec: Black Beauty 2125-10	Matte	6mm	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval



PROJECT: 1715

HERITAGE HOME VANCOUVER  
FINISHES SCHEDULE

ISSUE DATE: 31 JANUARY 2019 - FOR CLIENT REVIEW  
08 AUGUST 2018 - FOR VE PRICING  
30 NOVEMBER 2018 - URA#1 FOR CLING PROVISION  
22 FEBRUARY 2019 - ISSUE FOR PROGRESS

LOCATION/SURFACE	FINISH CODE	MATERIAL	PRODUCT DESCRIPTION	FINISH	SIZE	BUDGET ESTIMATE (IN CANS)	MANUFACTURER/SUPPLIER	REMARKS
<b>FITNESS (046)</b>								
Flooring Main	S-WD-01	Engineered Wood Flooring	Alabaster Oak	Wash/brushed Character, Smoked UV Finish	7" W x 72" L x 9/16" Thick	\$8.35 per sq. ft.	Terra Ligna Flooring Jonathan Spiegelman 416.663.1800	Flooring to be nailed and glued (provided subfloor is plywood) if concrete subfloor floor to be installed with full glue down. Refer to drawings for substrate and grain direction info. Submit sample for designer's approval. HGC Engineering to advise recommended thickness of rubber product as well as provide information regarding recommended underlayment composition for application.
Walls Main	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-07 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
	S-WD-05	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Flooring	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Millwork	S-MT-03	Metal	Black Powder Coated Metal with clear coat to match Benjamin Moore Eco Spec: black beauty 2128-10	Matte	6mm	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval.
	S-MI-01	Mirror	Clear Mirror, Low Iron	Polished edges	6mm thick	N/A	Contractor's Choice	Refer to Drawings
Ceiling	S-FI-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
baseboards	S-FI-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	1/2"	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
<b>KARAOKE (043)</b>								
Main Flooring	S-LVT-01	Luxury Vinyl Plank Flooring with Cork Underlay	Essential Finishes Lytham/Lobait	Standard w/ texture	7.5"W x 60.0"L (1.0mm LVT + 5mm WPC + 1.0mm cork)	\$3.95 per sq. ft.	Essential Flooring Shawn Mirsky 416-434-4437	Refer to drawings for flooring pattern and installation methods, and seaming details. Refer to manufacturer's recommendations for additional under pad pending sound absorption requirements along with recommended installation method.
Walls Main (IBU)	S-FI-01	Paint	Benjamin Moore Eco Spec: OC-07 White Huron	eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
Millwork	S-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or solid texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Ceiling & Dropped Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
Acoust. Acoustical Ceiling	S-ACP-01	Acoustical Panel	Zibra Acoustical Panels - IVORY	Standard	1/2" Thick x 4' x 8'	\$102.00 per Panel	Orion Wallcovering Diane Neville 416-726-1827	Refer to drawings. Submit sample for designer approval.
Crown Moulding	S-PT-01	Paint	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
Floors and Trims	S-FI-01	Paint	Benjamin Moore Eco Spec: OC-07 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Draw Schedule. Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.





PROJECT: 1715

HERITAGE HOME - VANCOUVER  
FINISHES SCHEDULE

ISSUE DATE: 31 JANUARY 2018 - FOR CLIENT REVIEW  
00 AUGUST 2010 - FOR VETTING  
30 NOVEMBER 2018 - DRAFT FOR CONSTRUCTION  
22 FEBRUARY 2019 - ISSUE FOR PROGRESS

LOCATION/SURFACE	FINISH CODE	MATERIAL	PRODUCT DESCRIPTION	FINISH	SIZE	BUDGET ESTIMATE (IN CAN\$)	MANUFACTURER/SUPPLIER	REMARKS
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Wall Paints	Semi-Gloss	7'H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
<b>BED 7 (047) / BED 8 (048)</b>								
Main Flooring	S-LVT-01	Luxury Vinyl Plank Flooring with Cork Underlay	Essential Finishes Dynamic Cobalt	Standard w/ Texture	7.5"W x 09.8"L (1.8mm LVT + 5mm WPC + 1.5mm cork)	\$3.95 per sq ft	Essential Flooring Shawn Minsky 416-434-0037	Refer to drawings for flooring pattern and installation methods, and beaming details. Refer to manufacturer's recommendations for additional under pad padding sound absorption requirements along with recommended installation method
Walls Main	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Eggshell	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Milwork - Closets	S-FI-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7'H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule. Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Windows/ Exterior Doors	By Architect							Refer to architect's drawings for additional information
Ceiling	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Flat/Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
Baseboards	S-PT-01	MDF	Shop Painted MDF to match Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	7'H	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval
<b>POWDER ROOM (036)</b>								
Flooring	S-PCT-05	Porcelain Slab	Stone Sahara Noir	Matte	Slab: 83"W x 126"L 1/4" thick.	\$15.50/sf	Florim Brian Aillani 416.902.0783	Refer to Drawings for pattern. Grout: Maple Colour. TBD. Submit sample for designer's approval.
Walls Main - Vanity Wall Cladding	S-PCT-05	Porcelain Slab	Stone Sahara Noir	Matte	Slab: 83"W x 126"L 1/4" thick.	\$15.50/sf	Florim Brian Aillani 416.902.0783	Refer to Drawings for pattern. Grout: Maple Colour. TBD. Submit sample for designer's approval.
Walls Accent	S-PT-02	Paint	Benjamin Moore Eco Spec: 2120-20 Black Iron TBC	Flat/Smooth	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval
Vanity Mirror Millwork and Ledge	S-MT-03	Metal	Black Powder Coated Metal with clear coat to match Benjamin Moore Eco Spec: Black Beauty 2128-10	Matte	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval
	S-MI-01	Mirror	Clear Mirror, Low Iron	Polished edges	8mm thick	N/A	Contractor's Choice	Refer to Drawings
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule
Ceiling	S-FI-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	throughout unless otherwise specified. Submit sample for designers approval
Baseboards	S-PCT-05	Porcelain Slab	Stone Sahara Noir	Matte	7'H (1/4" thick)	\$15.50/sf	Florim Brian Aillani 416.902.0783	Refer to Drawings for pattern. Grout: Maple Colour. TBD. Submit sample for designer's approval.



PROJECT: 1745

HERITAGE HOME - VANCOUVER  
FINISHES SCHEDULE

ISSUE DATE: 31 JANUARY 2019 - FOR CLIENT REVIEW  
08 AUGUST 2018 - FOR VE PRICING  
30 NOVEMBER 2018 - URAH 1 FOR CONSULTATION  
22 FEBRUARY 2019 - ISSUE FOR PROGRESS

LOCATION/ SURFACE	FINISH CODE	MATERIAL	PRODUCT/ DESCRIPTION	FINISH	SIZE	BUDGET ESTIMATE (IN CAN\$)	MANUFACTURER/ SUPPLIER	REMARKS
<b>BASEMENT LAUNDRY (033)</b>								
Flooring	S-I VT-01	Luxury Vinyl Plank Flooring with Cork Underlay	Essential Finishes Dynamix Cobalt	Standard w/ Texture	7.5"W x 59.9"L (1.8mm LVT + 5mm WPC + 1.5mm cork)	\$3.95 per sq ft	Essential Flooring Shawn Mirsky 416-434-0037	Refer to drawings for flooring pattern and installation methods, and seaming details. Refer to manufacturers recommendations for additional under pad pending sound absorption requirements along with recommended installation method.
Rackplath	S-PCT-07	Porcelain Tile	Projectin Ceramiche Roman	Matte	2' x 6"	\$ 2.35 sq ft	Stone Tile Jordan Meison 647.444.4321	Refer to Drawings. Grout: Mapei 36 Avalanche. Submit sample for designer's approval. Grout joints to be laid tight. Refer to supplier for recommended installation instructions and systems.
Walls Main	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designers approval.
Cabinets Main	S-LM-01	Lacquered Material	Super Matte Lacquer Finish to Match Designer's Sample - Alpine White W1100 PM/S12 Super Matt	Matte o/w matching Edge	N/A	N/A	Contractor's Choice	Refer to Drawings. Submit shop drawings and samples for designer's approval.
Custom Hanging Rods and Accent Shelving	S-MT-03	Metal	Black Powder Coated Metal with clear coat to match Benjamin Moore Eco Spec: Black Beauty 2125-10	Matte	0mm	N/A	Contractor's Choice	Refer to drawings. Submit sample for designer approval.
Countertop	S-ST-01	Stone	Nero Assoluto Granite	Honed	1/2" Thick Slab Size 118" x 72"	\$21.79 sq ft (Pricing to be determined based on quantity)	Cot Annalisa Galfor 416.220.3856	Refer to Drawings. Grout: TDC. Submit sample for designer's approval. Lithofin PSI Penetrant Silicate Impregnator recommended (minimum 1-2 coats). Make sure sealer is completely dry between coats (typical drying time 48 hours or as needed). It is recommended that the floor is re-sealed at least once every 1-2 years. Lithofin DCC Daily Cleaner Conditioner is recommended for ongoing maintenance.
Doors and Trims	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule.
Ceiling	S-P1-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Submit sample for designer's approval.
Baseboards	C-PT-01	MDF	Shop Painted. MDF to match Benjamin Moore Eco Spec: OC-57 White Huron.	Semi-Gloss	7/11	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
<b>BATH 6 (049)</b>								
Flooring	S-PCT-06	Porcelain Tile	Milano - Nero Matte	Matte	2' x 7"	\$2.35 sq ft. (TDC)	Stone Tile Jordan Meison 647.444.4321	Refer to Drawings. Grout: Mapei 36 Avalanche. Submit sample for designer's approval. Grout joints to be laid tight. Refer to supplier for recommended installation instructions and systems.
Walls Main - Vanity Wall Cladding	S-PCT-03	Porcelain Slab	Xlight Lush White	Polished	Slab - 9'-10" L 5'W x 1/4" thick.	\$15.5/sqft	Porcelanosa Sarah Benmagor 647.518.0029	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
Tub / Shower Walls	S-PCT-03	Porcelain Slab	Xlight Lush White	Polished	Slab - 9'-10" L 5'W x 1/4" thick.	\$15.5/sqft	Porcelanosa Sarah Benmagor 647.518.0029	Refer to Drawings for pattern. Grout: Mapei Colour: TBD. Submit sample for designer's approval.
Walls Accent	S-PT-01	Paint	Benjamin Moore Eco Spec: OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats throughout unless otherwise specified. Submit sample for designer's approval.
Shower Niche	S-COR-01	Corian	Glacier White	Polished	1/2" thick	\$13.50 sq ft	RJ Westcott Bob Westcott 706.378.0077	Refer to Drawings. Submit sample for designer's approval.



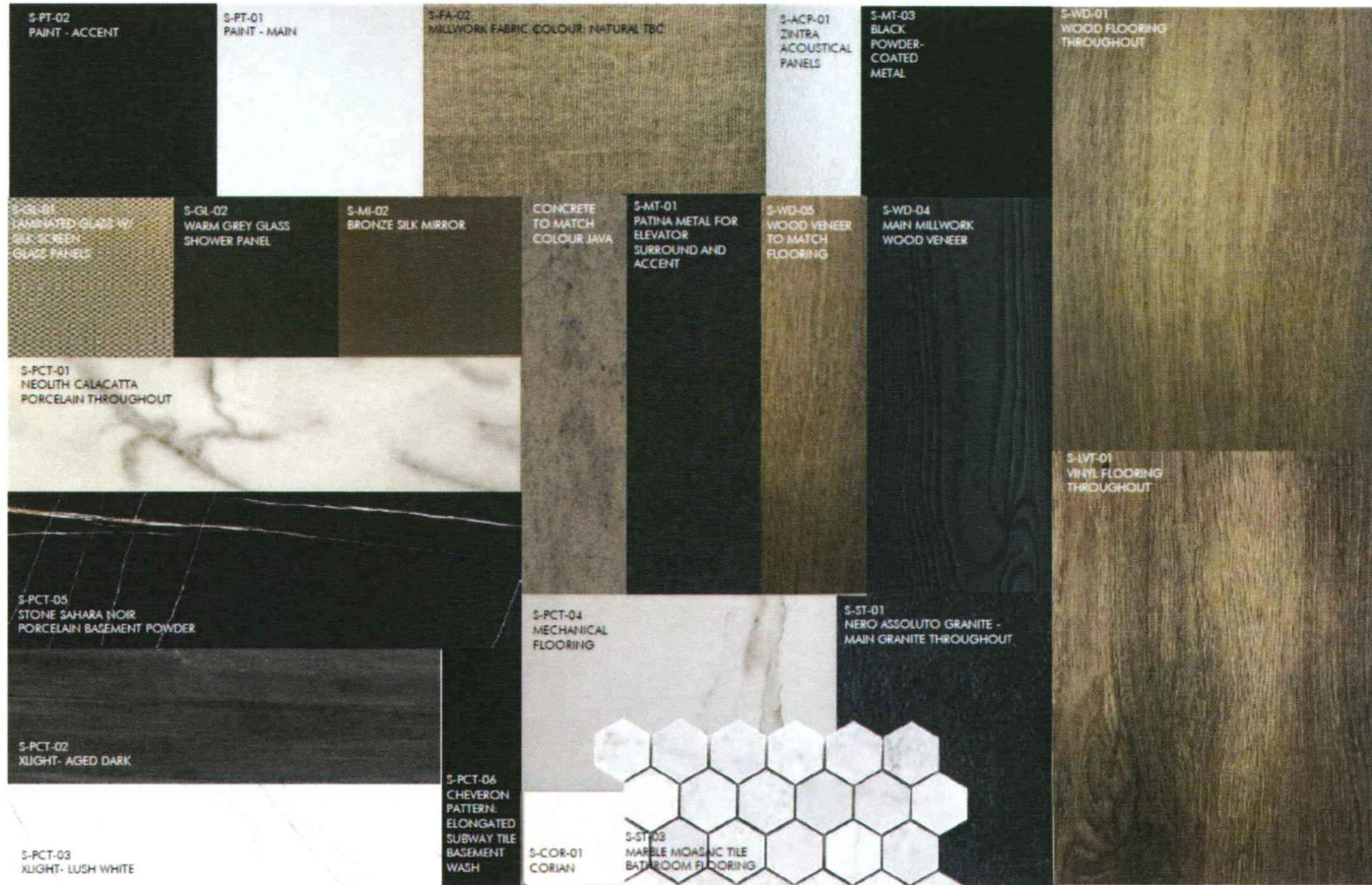
PROJECT: 1715

HERITAGE HOME - VANCOUVER  
FINISHES SCHEDULE

ISSUE DATE: 31 JANUARY 2018 - FOR CLIENT REVIEW  
08 AUGUST 2018 - FOR VE PRICING  
30 NOVEMBER 2018 - UKAF I FOR CONSTRUCTION  
22 FEBRUARY 2019 - ISSUE FOR PROGRESS

LOCATION/ SURFACE	FINISH CODE	MATERIAL	PRODUCT/ DESCRIPTION	FINISH	SIZE	BUDGET ESTIMATE (IN CAN\$)	MANUFACTURER/ SUPPLIER	REMARKS
Vanity Millwork	F-WD-04	Wood Veneer	Wood Veneer w/ UV coating Stained to match CSI samples - Black	Embossed or sand texture w/ matching edging	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
	S-MT-03	Metal	Black Powder Coated Metal with oil or coat to match Benjamin Moore Eco Spec. Black Beauty 2125-10	Matte	N/A	N/A	Contractor's Choice	Refer To Drawings. Submit shop drawings and samples for designer's approval.
Vanity Mirror Millwork	G-MI-01	Mirror	Clear Mirror, Low Iron	Polished edges	6mm thick	N/A	Contractor's Choice	Refer to Drawings
								Refer to Drawings. Grout: TBC. Submit sample for designer's approval. 1 liter of PRU Premium Silanes Impregnator recommended (minimum 1.2 coats). Make sure sealer is completely dry between coats (typical drying time 48 hours or as needed). It is recommended that the floor is re-sealed at least once every 1-2 years. Lithofin DCC Daily Cleaner Conditioner is recommended for ongoing maintenance.
Custom Countertop	S-SI-01	Stone	Nero Assoluto Granite	Honed	1/2" Thick Slab Size 118" x 1/2"	\$21.70 sq ft. (Pricing to be determined based on quantity)	Ciot Annalisa Catfor 416.220.3800	Refer to Drawings. Submit Sample for Designer's Approval.
Class Door and Panel	C-CL-03	Glass	Clear Low Iron Tempered glass	N/A	1/2" Thick	N/A	Contractor's Choice	Refer to Drawings. Submit Sample for Designer's Approval.
Doors and Trims	B-PT-01	Paint	Benjamin Moore Env Spec. OC-57 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Refer to Door Schedule
Ceiling	S-PT-01	Paint	Benjamin Moore Env Spec. OC-07 White Huron	Semi-Gloss	N/A	N/A	Contractor's Choice	Benjamin Moore Eco Spec primer + 2 finish coats if required unless otherwise specified. Submit sample for designer's approval.
Baseboards	S-PL-06	Porcelain Tile	Milano - Nero Matte	Matte	2"H	\$2.30 sq ft. (IBC)	Stone Tile Junkia (Mumbai) 091-444-4321	Refer to Drawings. Grout: Mapei 36 Avalanthe. Submit sample for designer's approval. Grout joints to be laid tight. Refer to supplier for recommended installation instructions and systems.





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IAR HERITAGE HOME- FINISH PALETTES

1715 - WILMAR HERITAGE RESIDENCE  
FEBRUARY 22 2019

# Market Overview

## Economic Overview – Canada

Canada has the world's 39<sup>th</sup> largest population and the world's second largest land mass. The country's population is dispersed among 10 provinces and 3 territories with nearly 90% of its people living within 160 kilometers of the United States border. Canada consistently receives a top fifteen Human Development Index ranking and a top twenty ranking for GDP (nominal) per capita.

Canada's economy consistently receives a top twelve world ranking. International trade makes up a large part of Canada's economy, with the United States as its largest trading partner followed by the European Union and China. Key Canadian exports include petroleum, automobiles and auto parts, precious metals, machinery including computers, wood, electrical machinery, aircraft and spacecraft, pharmaceuticals and aluminum. More recently, Canada's high knowledge industries of manufacturing, business services, engineering and computer and management services have received a top ten global knowledge economy ranking from the World Bank Institute.

Following is a summary of featured insights prepared by the Conference Board of Canada regarding the Canadian economy.

### Imperiled by Inflation, COVID-19 and Conflict, the Economic Recovery Continues

- Canadian real GDP growth held steady in December, ending six consecutive months of growth.
- Overall, the economy expanded by 1.6 per cent in the final quarter of 2021 and 4.9 per cent in 2021. To put this in perspective, real GDP remains roughly 0.5 per cent below that recorded in 2019, a testament to the economic cost of the pandemic.
- In December, there was notable growth in agriculture, forestry, fishing and hunting (+4.6 per cent). However, this was more than offset by declines in retail trade (-2.7 per cent) and mining, quarrying, and oil and gas extraction (-2.2 per cent). In response to tightening public health measures, output declined in accommodation and food services (-1.5 per cent) as well as arts entertainment and recreation (-3.8 per cent).
- Falling government transfers to households pushed down fourth-quarter disposable income by 1.3 per cent. The household savings rate continued to decline, reaching 6.4 per cent as fewer restrictions offered Canadians greater freedom to spend. Spending on services increased, outweighing weaker spending on non-durable and semi-durable goods.

### Trade Balance Slowly Bouncing Back

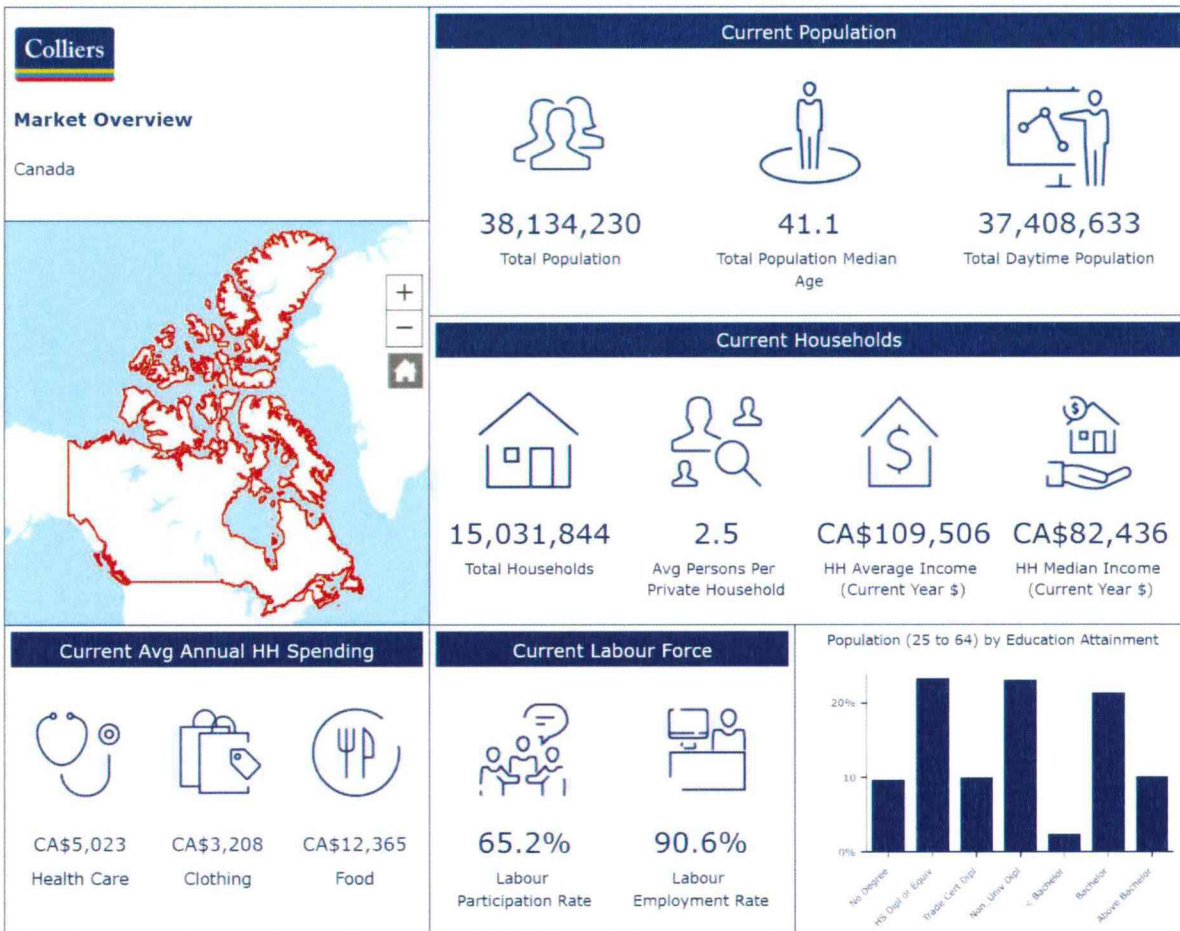
- Canada's total exports edged down 0.2 per cent while imports fell by 7.4 per cent in January. As a result, after posting its first deficit in seven months in December, Canada's merchandise trade balance returned to a surplus position. It went from a \$1.6 billion deficit in December to a \$2.6 billion surplus in January 2022.
- Imports of motor vehicles and parts declined 13.9 per cent in January, more than offsetting the 6.8 per cent increase observed in December 2021. Imports of passenger cars and light trucks also plunged 12.4 per cent, in part because of reduced movement from the United States.
- Following three months of gains, exports of motor vehicles and parts fell 9.6 per cent in January. While exports usually bounce back in January after downtime during the December holidays, this bounce back did not take place in 2022, resulting in a sharp seasonally adjusted decline in exports of passenger cars and light trucks (-15.0 per cent).



- Total imports from the United States were down 4.7 per cent while exports rose by 1.2 per cent. As a result, Canada's trade surplus with the United States widened from \$7.1 billion in December 2021 to \$9.3 billion in January 2022, the largest trade surplus since July 2008.

**Bank of Canada Raises Rates Amidst Geopolitical Tensions**

- The Bank of Canada increased its target for the overnight rate to 0.5 per cent, with the Bank rate at 0.75 per cent and the deposit rate at 0.5 per cent.
- CPI inflation which sits at 5.1 per cent, remains above the target range while core measures have continued to rise. Poor harvests and increase in transportation costs have pushed up food prices. Meanwhile, geopolitical tensions have also put upward pressure on prices for both energy and food-related commodities. Therefore, the Bank expects inflation to be higher in the near term than projected in January.
- At 6.7 per cent, economic growth in the final quarter of 2021 was stronger than the Bank's projection, which confirms their view that slack in the economy has been absorbed.
- As the Canadian economic recovery continues and inflationary pressures remain elevated, the Governing Council expects interest rates to rise further. It is to be determined when the Governing Council would consider exiting the reinvestment phase and reducing its holdings of Government of Canada bonds.





## Economic Overview – British Columbia

British Columbia is Canada's most western province, as well as the nation's third most populous province. The province is situated between the Pacific Ocean, Rocky Mountains, Yukon Territory and Washington State. British Columbia is the western terminus for many transcontinental highways and railways as well as ports to Asian markets. The province's capital is the City of Victoria, while Vancouver is home to half of the province's population and Canada's third largest metro population.

British Columbia is Canada's fourth largest economy. While resource-based industries continue to be the primary economic drivers in many regions, British Columbia is home to the largest number of small businesses and service-oriented economies in Canada.



## Economic Overview - Vancouver

Vancouver is Western Canada’s most populous city, and the centre of the third most populous metropolitan area in Canada. Furthermore, Vancouver is consistently recognized as one of the top five cities worldwide for livability and quality of life, as well as one of the most ethnically and linguistically diverse cities in Canada. Metro Vancouver consists of 23 municipalities including Surrey, Burnaby and Richmond, interconnected by an extensive transportation network.



As a global city within the world’s economic network, Vancouver’s diverse economy includes trade, film production, natural resources, technology and tourism.

Vancouver CMA						
Economic Indicators	2019	2020	2021	2022	2023	2024
Real GDP (2007 \$ millions)	152,041	144,507	151,604	158,026	160,905	163,378
<i>percentage change</i>	0.03	-0.05	0.05	0.04	0.02	0.02
Total employment (000s)	1,474	1,347	1,476	1,507	1,516	1,534
<i>percentage change</i>	0.03	-0.09	0.10	0.02	0.01	0.01
Unemployment rate (%)	4.6	9.6	7.0	5.3	5.4	5.5
Personal Income per Capita (\$)	51,031	52,425	54,156	55,720	57,073	58,516
Population (000s)	2,691	2,710	2,720	2,747	2,784	2,823
<i>percentage change</i>	0.01	0.01	0.00	0.01	0.01	0.01
Total housing starts	28141	20700	23120	20908	20075	19208
Retail Sales (\$ millions)	40,032	39,732	41,639	42,658	43,926	45,212
<i>percentage change</i>	-0.01	-0.01	0.05	0.02	0.03	0.03

The above data is taken from various Major City Insights reports (March 19, 2021) and Provincial Two-Year Outlook issue briefings (March 19, 2021), published by The Conference Board of Canada, Ottawa.  
 Figures for 2021 and forward reflect forecasts.

## Greater Vancouver House Market Outlook 2022



Residential property sales in Metro Vancouver

Source: <https://www.rebgv.org/market-watch/monthly-market-report/august-2020.html>

The Metro Vancouver\* housing market saw steady home sales activity, modest increases in home listings and continued upward trends in pricing in February.

The Real Estate Board of Greater Vancouver (REBGV) reports that residential home sales in the region totalled 3,424 in February 2022, an 8.1 per cent decrease from the 3,727 sales recorded in February 2021, and a 49.8 per cent increase from the 2,285 homes sold in January 2022.

Last month's sales were 26.9 per cent above the 10-year February sales average. There were 5,471 detached, attached and apartment properties newly listed for sale on the Multiple Listing Service® (MLS®) in Metro Vancouver in February 2022. This represents an 8.4 per cent increase compared to the 5,048 homes listed in February 2021 and a 31.2 per cent increase compared to January 2022 when 4,170 homes were listed.

The total number of homes currently listed for sale on the MLS® system in Metro Vancouver is 6,742, a 19.3 per cent decrease compared to February 2021 (8,358) and a 19.1 per cent increase compared to January 2022 (5,663).

For all property types, the sales-to-active listings ratio for February 2022 is 50.8 per cent. By property type, the ratio is 34.9 per cent for detached homes, 64.3 per cent for townhomes, and 62.2 per cent for apartments.

Generally, analysts say downward pressure on home prices occurs when the ratio dips below 12 per cent for a sustained period, while home prices often experience upward pressure when it surpasses 20 per cent over several months.



The MLS® Home Price Index composite benchmark price for all residential properties in Metro Vancouver is currently \$1,313,400. This represents a 20.7 per cent increase over February 2021 and a 4.6 per cent increase compared to January 2022.

Sales of detached homes in February 2022 reached 1,010, an 18 per cent decrease from the 1,231 detached sales recorded in February 2021. The benchmark price for detached properties is \$2,044,800. This represents a 25 per cent increase from February 2021 and a 4.7 per cent increase compared to January 2022.

Sales of apartment homes reached 1,854 in February 2022, a 5.4 per cent increase compared to the 1,759 sales in February 2021. The benchmark price of an apartment property is \$807,900. This represents a 15.9 per cent increase from February 2021 and a 4.1 per cent increase compared to January 2022.

Attached home sales in February 2022 totalled 560, a 24 per cent decrease compared to the 737 sales in February 2021. The benchmark price of an attached unit is \$1,090,000. This represents a 27.2 per cent increase from February 2021 and a 5.9 per cent increase compared to January 2022.



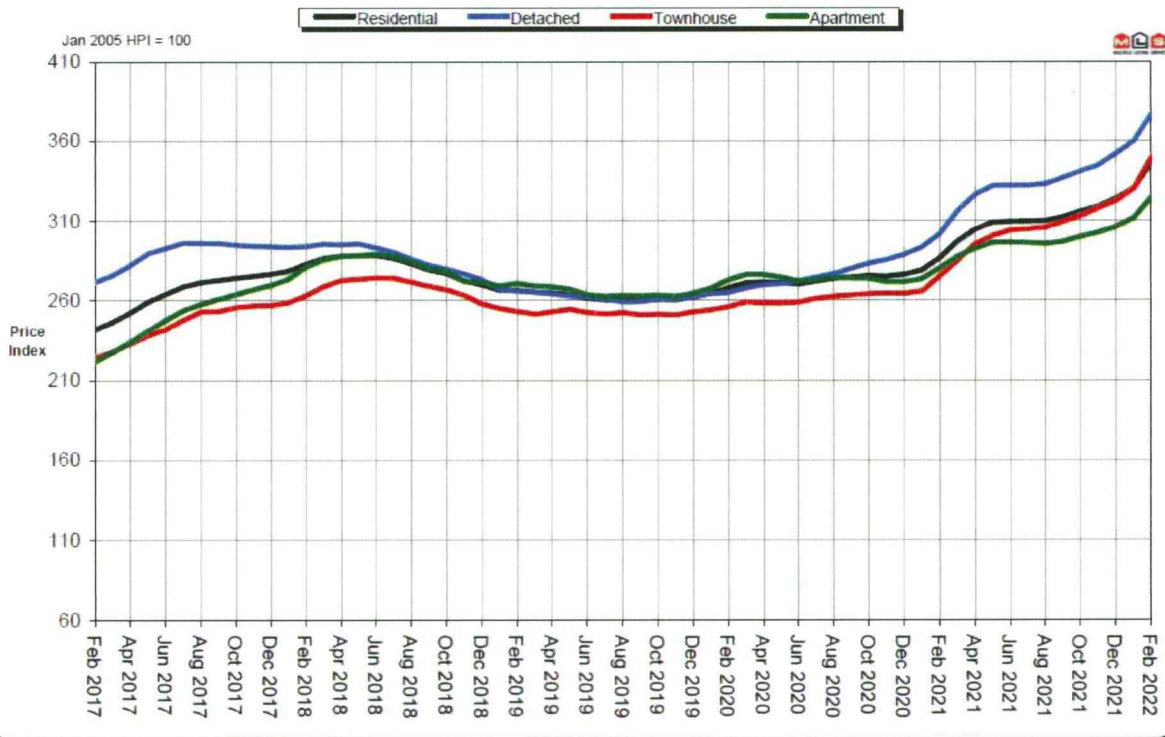
February 2022



Property Type	Area	Benchmark Price	Price Index	1 Month Change %	3 Month Change %	6 Month Change %	1 Year Change %	3 Year Change %	5 Year Change %	10 Year Change %
Residential / Composite	Lower Mainland	\$1,339,500	373.1	5.3%	11.0%	16.2%	28.2%	40.8%	59.7%	138.7%
	Greater Vancouver	\$1,313,400	345.7	4.6%	8.4%	11.6%	20.7%	29.8%	43.1%	113.3%
	Bowen Island	\$1,574,700	341.4	5.9%	10.3%	10.1%	29.3%	59.0%	91.8%	171.4%
	Burnaby East	\$1,232,900	351.5	6.5%	11.3%	14.0%	24.8%	30.4%	40.3%	113.9%
	Burnaby North	\$1,223,200	329.5	4.0%	8.0%	9.7%	18.0%	25.6%	35.9%	110.5%
	Burnaby South	\$1,157,200	328.5	5.0%	9.0%	9.9%	18.0%	17.7%	30.6%	99.1%
	Coquitlam	\$1,265,700	376.2	5.2%	11.1%	15.8%	26.7%	37.9%	62.5%	154.4%
	Ladner	\$1,213,200	343.8	5.2%	12.6%	17.5%	28.4%	44.2%	50.9%	116.6%
	Maple Ridge	\$1,210,300	385.4	6.6%	14.1%	20.8%	38.9%	61.3%	94.4%	187.4%
	New Westminster	\$816,900	362.4	5.6%	9.8%	12.2%	22.1%	27.1%	56.1%	128.4%
	North Vancouver	\$1,374,500	315.8	4.7%	8.8%	12.8%	19.5%	33.1%	40.9%	111.4%
	Pitt Meadows	\$1,087,600	397.4	5.0%	12.4%	18.8%	32.5%	46.2%	87.5%	181.0%
	Port Coquitlam	\$1,085,600	371.6	6.2%	12.4%	17.4%	29.9%	43.5%	73.7%	158.4%
	Port Moody	\$1,177,700	331.2	4.3%	8.4%	11.0%	21.9%	32.7%	53.8%	142.1%
	Richmond	\$1,212,600	362.1	5.0%	8.6%	12.1%	20.3%	28.2%	40.0%	105.9%
	Squamish	\$1,168,400	362.2	7.2%	7.8%	15.4%	29.4%	44.5%	77.6%	200.8%
	Sunshine Coast	\$931,800	343.6	7.6%	10.9%	14.8%	30.5%	54.6%	88.1%	183.0%
	Tsawwassen	\$1,315,500	333.2	4.3%	9.0%	13.5%	23.0%	39.0%	45.4%	118.2%
Vancouver East	\$1,304,400	387.6	3.9%	6.0%	8.7%	15.9%	23.8%	32.8%	111.3%	
Vancouver West	\$1,430,000	298.6	2.2%	4.0%	4.6%	10.3%	12.7%	17.1%	72.2%	
West Vancouver	\$2,647,500	291.5	1.6%	3.7%	6.0%	9.1%	22.7%	9.9%	71.1%	
Whistler	\$1,487,500	332.6	7.0%	7.3%	15.6%	28.7%	48.7%	95.3%	202.6%	



Greater Vancouver  
5 Year Trend



# MLS® SALES Facts



February 2022

		Burnaby	Coquitlam	Delta - South	Islands - Gulf	Maple Ridge/Pitt Meadows	New Westminster	North Vancouver	Port Coquitlam	Port Moody/Belcarra	Richmond	Squamish	Sunshine Coast	Vancouver East	Vancouver West	West Vancouver/Howe Sound	Whistler/Pemberton	TOTALS
February 2022	Number of Sales	102	80	82	4	126	32	80	42	28	101	20	49	117	102	58	9	1,010
	Median Selling Price	\$2,200,000	\$1,885,000	\$1,707,500	n/a	\$1,565,000	\$1,883,000	\$2,303,500	\$1,594,500	\$2,090,000	\$2,108,000	\$1,830,000	\$1,100,500	\$2,195,000	\$3,855,000	\$3,022,500	n/a	n/a
	Attached Apartment	54	41	13	0	70	18	48	19	23	72	30	10	56	73	4	31	560
January 2022	Number of Sales	45	49	36	3	61	18	37	29	15	108	13	38	65	65	32	10	622
	Median Selling Price	\$2,082,500	\$1,936,000	\$1,894,354	n/a	\$1,530,000	n/a	\$2,250,000	\$1,591,500	n/a	\$2,200,000	n/a	\$861,905	\$2,100,000	\$3,196,500	\$3,080,000	n/a	n/a
	Attached Apartment	226	106	18	0	53	73	85	26	24	175	7	2	143	330	12	25	1,315
February 2021	Number of Sales	97	105	84	11	166	30	88	51	27	139	32	71	137	87	78	25	1,231
	Median Selling Price	\$1,739,999	\$1,545,000	\$1,280,000	n/a	\$1,080,000	\$1,308,000	\$1,953,000	\$1,270,000	\$1,720,000	\$1,750,000	\$1,352,500	\$800,000	\$1,700,000	\$3,232,500	\$3,064,000	\$2,200,000	n/a
	Attached Apartment	271	138	28	0	73	111	141	44	39	197	25	11	183	440	14	44	1,759
Jan. - Feb. 2022 Year-to-date	Number of Sales	147	129	88	7	187	50	117	71	41	209	33	85	162	167	90	19	1,632
	Median Selling Price	\$2,150,000	\$1,890,444	\$1,686,500	n/a	\$1,556,389	\$1,883,000	\$2,300,000	\$1,593,500	\$2,019,000	\$2,169,000	\$1,575,000	\$1,005,000	\$2,145,000	\$3,536,000	\$3,045,000	n/a	n/a
	Attached Apartment	529	249	45	1	113	176	219	82	58	400	37	10	333	818	30	89	3,169
Jan. - Feb. 2021 Year-to-date	Number of Sales	153	181	129	17	264	51	133	84	36	210	51	113	246	156	107	40	1,971
	Median Selling Price	\$1,070,000	\$1,209,500	\$985,000	n/a	\$919,950	\$970,000	\$1,451,500	\$1,020,000	\$1,039,000	\$1,144,900	\$1,100,000	n/a	\$1,425,000	\$1,680,000	n/a	\$1,975,000	n/a
	Attached Apartment	467	244	46	0	122	177	233	81	67	336	41	21	282	725	25	84	2,954

Note: Median Selling Prices are not reported for areas with less than 20 sales or for the Gulf Islands

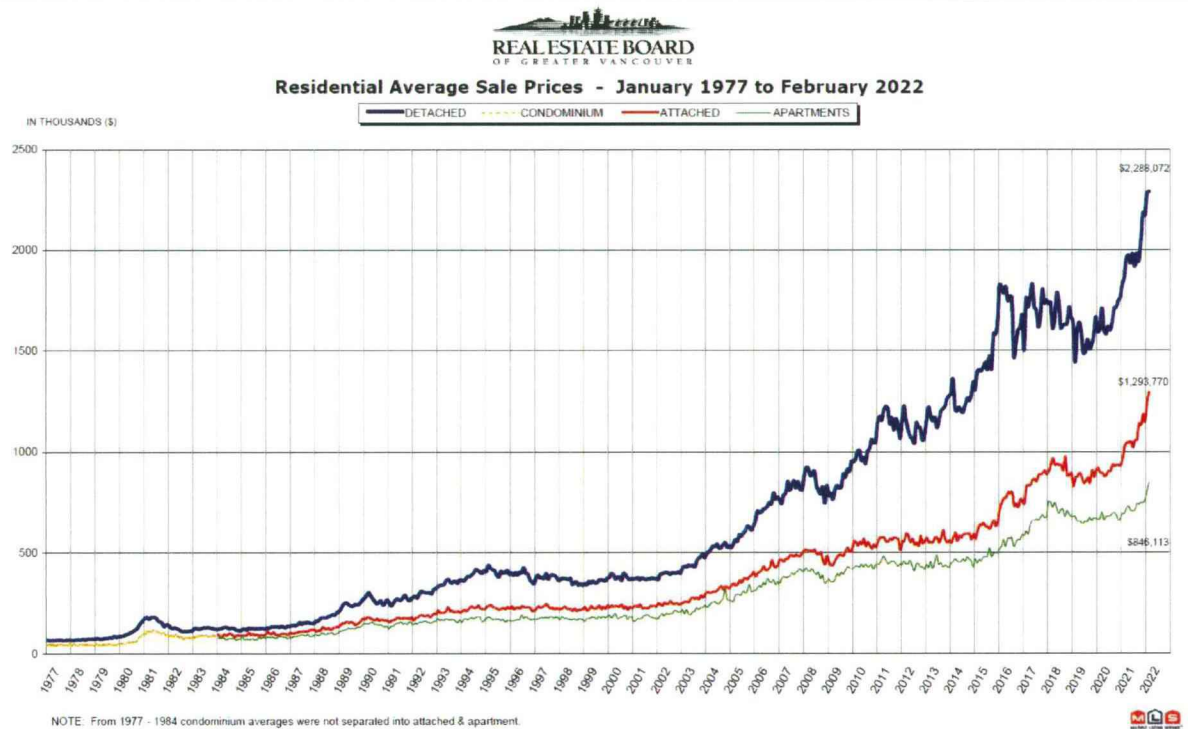




### MLS® LISTINGS Facts

		Burnaby	Coquitlam	Delta - South	Islands - Gulf	Maple Ridge/Plt Meadows	New Westminster	North Vancouver	Port Coquitlam	Port Moody/Belcarra	Richmond	Squamish	Sunshine Coast	Vancouver East	Vancouver West	West Vancouver/Howe Sound	Whistler/Pemberton	TOTALS
February 2022	Number of Listings	151	160	107	7	224	46	151	59	38	252	30	59	239	207	167	18	1,925
	Attached	98	85	18	0	103	34	81	24	23	137	31	22	104	13	37	37	901
	Apartment	263	219	30	0	74	144	160	68	59	311	28	5	206	759	32	38	2,645
February 2022	% Sales to Listings	88%	50%	58%	57%	56%	70%	53%	71%	88%	40%	67%	71%	49%	49%	35%	50%	n/a
	Attached	55%	83%	72%	n/a	88%	53%	75%	79%	100%	53%	97%	45%	54%	56%	31%	84%	n/a
	Apartment	77%	86%	90%	n/a	81%	72%	71%	69%	58%	72%	107%	180%	64%	64%	56%	113%	n/a
January 2022	Number of Listings	88	96	56	6	137	37	74	48	17	152	31	43	148	182	112	18	1,252
	Attached	58	28	16	1	54	15	42	18	27	90	24	7	79	123	5	30	637
	Apartment	359	138	25	0	72	109	145	40	38	308	23	11	250	700	23	44	2,281
January 2022	% Sales to Listings	51%	51%	55%	50%	45%	49%	50%	64%	88%	71%	42%	84%	44%	39%	29%	56%	n/a
	Attached	65%	61%	50%	0%	56%	47%	50%	72%	83%	82%	58%	100%	59%	40%	20%	37%	n/a
	Apartment	83%	77%	72%	n/a	74%	87%	59%	88%	67%	57%	30%	18%	57%	47%	52%	59%	n/a
February 2021	Number of Listings	141	160	108	4	223	48	127	78	39	184	51	91	227	146	113	20	1,760
	Attached	121	71	33	2	77	15	111	34	26	137	24	18	81	91	15	32	888
	Apartment	333	164	42	0	86	153	188	60	41	204	24	6	259	691	32	57	2,400
February 2021	% Sales to Listings	90%	86%	73%	275%	76%	83%	66%	65%	99%	78%	83%	78%	80%	60%	69%	125%	n/a
	Attached	55%	97%	70%	50%	116%	140%	77%	74%	96%	84%	88%	106%	105%	69%	67%	59%	n/a
	Apartment	81%	84%	67%	n/a	85%	73%	75%	73%	95%	75%	104%	183%	71%	64%	44%	77%	n/a
Jan. - Feb. 2022 Year-to-date*	Number of Listings	239	256	173	13	361	83	225	104	55	404	81	112	387	389	279	36	3,177
	Attached	166	93	34	1	167	46	103	42	50	227	55	29	183	254	18	97	1,538
	Apartment	762	366	56	0	148	263	336	106	66	617	51	16	546	1,450	66	80	4,926
Jan. - Feb. 2022 Year-to-date*	% Sales to Listings	82%	50%	57%	54%	52%	80%	52%	68%	75%	52%	54%	78%	47%	43%	32%	53%	n/a
	Attached	59%	62%	62%	0%	83%	51%	65%	78%	80%	56%	80%	59%	56%	48%	28%	63%	n/a
	Apartment	70%	70%	82%	n/a	77%	70%	66%	78%	81%	65%	73%	83%	61%	56%	66%	84%	n/a
Jan. - Feb. 2021 Year-to-date*	Number of Listings	244	274	176	9	348	73	214	128	59	336	89	157	402	290	250	39	3,088
	Attached	169	136	60	4	156	43	178	63	41	275	42	28	187	197	29	59	1,697
	Apartment	661	313	87	0	148	312	366	137	78	570	47	17	475	1,331	70	101	4,743
Jan. - Feb. 2021 Year-to-date*	% Sales to Listings	83%	66%	73%	186%	76%	70%	62%	66%	81%	83%	57%	72%	61%	54%	43%	103%	n/a
	Attached	62%	70%	65%	25%	101%	81%	71%	68%	83%	85%	79%	96%	71%	51%	52%	71%	n/a
	Apartment	88%	78%	53%	n/a	82%	57%	64%	56%	86%	59%	87%	124%	59%	54%	36%	83%	n/a

\* Year-to-date listings represent a cumulative total of listings rather than total active listings.



# Valuation

## Highest and Best Use

The principle of highest and best use is fundamental to the concept of value in real estate. Highest and best use, in general, may be defined as follows:

"The reasonably probable use of real property, that is physically possible, legally permissible, financially feasible, and maximally productive, and that results in the highest value."

(The Appraisal Institute of Canada "Canadian Uniform Standards of Professional Appraisal Practice". 2020 ed., p. 8)

The four criteria the highest and best use must meet are analyzed following in relation to both the property as vacant and as currently improved.

### As Vacant Analysis

#### Legal Permissibility

The legal factors that can influence the highest and best use of the Subject site include land use/zoning regulations, private restrictions, building codes, historic designations/district controls, environmental regulations and others, if applicable to the Subject site. In the Subject instance, general ranges of permitted uses under its Residential District zoning include a variety of single-family uses. Overall, legal factors appear supportive of a broad range of single-family uses for the Subject site.

#### Physical Possibility

Regarding physical characteristics, the Subject site is generally rectangular in shape and has level topography with good access and good exposure. Physical and locational features appear supportive of a broad range of single-family use for the site's highest and best use.

#### Financial Feasibility

Our observations of current market conditions for development at the Subject property's location suggest that development of the site with a single-family use would be feasible.

#### Maximum Productivity

Of the various legally permissible, physically possible, and financially feasible uses available, the maximum productivity of the property would be achieved with a single-family use development.

#### As Vacant Conclusion

Based on the previous discussion, the Subject's highest and best use as-vacant is concluded to be as a holding parcel for single-family use development pending creation of sufficient demand.

## As Improved Analysis

### Legal Permissibility

The current use is a permitted use within the applicable zoning and/or land use bylaw requirements affecting the property. There are no known private or other restrictions negatively impacting use of the property. The subject property is zoned HA-1A (Chinatown Historic Area) which permits a range of uses including the properties current use. The City of Vancouver has indicated a maximum density of 5.35 FSR for the subject parcel, with a maximum of 8 storeys and a height of 21.3 m (70 feet). Therefore, the current use is considered legally permissible

### Physical Possibility

The site is of a sufficient size, configuration, and topography to accommodate the property's present use as improved in an efficient and functional manner. The subject property comprises of a single parcel of land offering high exposure as a corner lot between East Georgia and Gore Street within the Strathcona neighborhood of Vancouver. The subject topography slightly slopes downward from northeast to the southwest and is level and at grade with the adjoining streets. The following image is provided by the City of Vancouver Geographical Information System showing the connections to water, sewer and electrical services. The closets fire hydrant is located on the northwest corner of East Georgia Street and Gore Avenue. Therefore, the current use is considered physically possible

### Financial Feasibility

Our client is anticipating a strata hotel density of 5.35FSR or 77,013 gross SF, comprised of 89 guest rooms at an anticipated average size of 696 SF and ground floor commercial area Given the anticipated strata hotel configuration, we have considered sales of strata hotel projects in other parts of Vancouver along with end unit residential values in the subject's neighborhood to gage upper limit values for the subject property units

### Maximum Productivity

The subject is located within an area with a community plan which permits redevelopment of the subject property up to a maximum density of 5.35 FSR under the current HA-1A zoning. The greatest economic use of the land is to redevelop the land to maximize the allowable density. As such, the economic use of redevelopment is greater than the subject current use. Thus, reflecting the subject parcel being a development site.

### As Improved Conclusion

Based on the foregoing, the highest and best use of the property is considered to be a redevelopment of the subject property lot wit a mixed-use development predominantly residential use which maximizes the highest allowable density will deliver the greatest net return to the property.



## Valuation Methodology

Traditionally, there are three accepted methods of valuing real property:

- Cost Approach;
- Direct Comparison Approach; and
- Income Approach.

The selection of a relevant methodology depends upon the nature and characteristics of the real estate under consideration.

- 1) **The Cost Approach** is a method through which a value indication is derived for the fee simple estate by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive or profit; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated value of the fee simple estate in the Subject property to reflect the value of the property interest being appraised.
- 2) **The Direct Comparison Approach** examines the cost of acquiring equally desirable and valuable substitute properties, indicated by transactions of comparable properties, within the market area. The characteristics of the sale properties are compared to the Subject property on the basis of time and such features as location, size and quality of improvements, design features and income generating potential of the property.
- 3) **The Income Approach** is based on the premise that properties are purchased for their income producing potential. It considers both the annual return on the invested principal and the return of the invested principal. This valuation technique entails careful consideration of contract rents currently in place, projected market rents, other income sources, vacancy allowances, and projected expenses associated with the efficient operation and management of the property. The relationship of these income estimates to property value, either as a single stream or a series of projected streams, is the essence of the income approach. The two fundamental techniques utilized within the Income Approach include the Overall Income Capitalization and Discounted Cash Flow Techniques.

**The Overall Income Capitalization Technique** analyzes the relationship of current projected stabilized net operating income to total property value. The stabilized net operating income is capitalized at a rate that implicitly considers expected growth in cash flow and growth in property value over a buyer's investment horizon. The implied value may be adjusted to account for non-stabilized conditions or required capital expenditures to reflect an as is value.

**The Discounted Cash Flow Technique** models a property's performance over a buyer's investment horizon from the date of acquisition through the projected sale of the property at the end of the holding period. Net cash flows from property operations and the reversion are discounted at a rate reflective of the property's economic and physical risk profile.

## Selection of Relevant Methodology

Due to very limited comparable sales of similar development lot in Vancouver market specifically for proposed strata single-family houses and heritage conversion developments, only Direct Comparison Approach can be utilized.

# Direct Comparison Approach – Sellout Value

The Direct Comparison Approach is based on the Principle of Substitution which maintains that a prudent purchaser would not pay more for a property than what it would cost to purchase a suitable alternative property that exhibits similar physical characteristics, tenancy, location, etc. Within this approach, the property being valued is compared to properties that have sold recently or are currently listed and are considered to be relatively similar to the Subject property. Typically, a unit of comparison is used to facilitate the analysis. In the case, the sale price per suite is the most commonly used unit of comparison.

The sale indices presented in the previous section represent transactions involving similar investment (multi-family properties) in the Vancouver market area. In valuing the Subject property, it has been compared to each of the index sales. The basis for comparison included the consideration of the following:

- Property Rights Conveyed
- Financing Terms
- Conditions of Sale
- Market Conditions
- Location
- Physical Characteristics
- Economic Characteristics

## Analysis

### Property Rights Conveyed

Rights conveyed relates to the type of ownership transferred. In this case all the sale transactions related to the fee simple estate as owner-occupied dwellings. As such, no adjustments under this category are required.

### Financing Terms

Refers to the financing arrangements made when the property sold. In this regard, financing is not believed to have been a significant motivating factor in any of the sales summarized and therefore no adjustments are required.

### Conditions of Sale

It is not believed that any of the vendors were unduly motivated to divest the properties and therefore no adjustments are required for motivation.

### Location

In our opinion, the location influences of the asset are generally reflected in the access and central area afforded the subject property. Other factors have also been taken into consideration in our comparable analysis.

### Physical Characteristics

As was the case with location, in our opinion differences in overall physical condition relate to age and features.

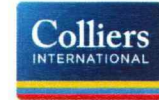




## Market Data

The following comparable sales of detached houses (smaller lots) in Vancouver West area have been researched within the market.

MLS #	Sale Date	Sale Price	Sale Price per SF	DOM	SF	Lot Size, SF	Bed	Bath	Address	Area	Year Built
R2669449	5/14/2022	\$3,233,000	\$1,177	47	2,746	3,949	5	4.5	8018 HAIG STREET	Marpole	2015
R2665975	3/28/2022	\$3,310,000	\$1,553	11	2,131	3,560	4	4	835 W 69TH AVENUE	Marpole	2018
R2650948	2/23/2022	\$3,380,000	\$1,130	14	2,992	4,016	5	5	3451 W 16TH AVENUE	Kitsilano	2018
R2637098	1/1/2022	\$3,470,000	\$1,244	30	2,790	3,967	5	5	4748 DUNBAR STREET	Dunbar	2017
R2674750	4/19/2022	\$3,850,000	\$1,493	12	2,579	3,795	6	6	4561 W 9TH AVENUE	Point Grey	2015
R2639806	1/28/2022	\$3,858,888	\$1,343	39	2,873	4,026	5	6.5	728 W 17TH AVENUE	Cambie	2021
R2641740	3/9/2022	\$3,866,666	\$1,352	58	2,859	4,026	4	4.5	4592 W 15TH AVENUE	Point Grey	2021
R2650819	3/1/2022	\$3,880,000	\$1,377	22	2,817	4,026	6	5	4646 W 14TH AVENUE	Point Grey	2015
R2625584	2/13/2022	\$3,880,000	\$1,374	123	2,824	4,026	4	5.5	2848 W 21ST AVENUE	Arbutus	2019
R2643396	1/29/2022	\$4,047,619	\$1,332	12	3,039	3,722	6	5	4425 W 5TH AVENUE	Point Grey	2021
R2580694	1/20/2022	\$4,050,000	\$1,349	251	3,003	4,290	5	5	3779 W 30TH AVENUE	Dunbar	2019
R2649038	2/3/2022	\$4,100,000	\$1,413	3	2,902	4,022	5	5.5	4222 W 15TH AVENUE	Point Grey	2015
R2673342	4/11/2022	\$4,100,000	\$1,254	7	3,270	4,024	5	4	569 573 W 19TH AVENUE	Cambie	2020
R2680238	5/10/2022	\$4,228,000	\$1,416	18	2,986	4,290	4	5.5	2919 W 29TH AVENUE	MacKenzie Heights	2019
R2695726	6/4/2022	\$4,250,000	\$1,456	2	2,918	4,026	6	5.5	3496 W 14TH AVENUE	Kitsilano	2019
R2644416	5/19/2022	\$4,300,000	\$1,545	120	2,783	4,037	5	5.5	3828 W 11TH AVENUE	Point Grey	2020
R2676593	4/20/2022	\$4,300,000	\$1,269	7	3,388	3,960	6	7	2956 WATERLOO STREET	Kitsilano	2022
R2625519	1/30/2022	\$4,320,000	\$1,450	112	2,980	4,025	4	5	4468 W 13TH AVENUE	Point Grey	2015
R2677366	5/13/2022	\$4,380,000	\$1,249	29	3,506	4,550	5	6	4838 BLENHEIM STREET	MacKenzie Heights	2019
R2636751	3/29/2022	\$4,398,000	\$1,608	118	2,735	4,026	4	5	4328 W 15TH AVENUE	Point Grey	2018
R2659187	4/3/2022	\$4,625,000	\$1,635	33	2,829	4,034	4	6	3270 W 23RD AVENUE	Dunbar	2021
<b>Average:</b>		<b>\$3,991,770</b>	<b>\$1,382</b>	<b>51</b>	<b>2,902</b>						
<b>Min:</b>		<b>\$3,233,000</b>	<b>\$1,130</b>	<b>2</b>	<b>2,131</b>						
<b>Max:</b>		<b>\$4,625,000</b>	<b>\$1,635</b>	<b>251</b>	<b>3,506</b>						



The following comparable sales of heritage houses on larger lots in Vancouver West area have been researched within the market.

MLS #	Sale Date	Sale Price	Sale Price per SF	DOM	SF	Lot Size, SF	Bed	Bath	Address	Area	Year Built
R2596103	4/1/2022	\$18,580,000	\$2,906	282	6,394	58,457	5	6	1611 DRUMMOND DRIVE	Point Grey	1925
R2647941	4/2/2022	\$17,000,000	\$1,995	60	8,520	23,069	6	8	2958 W 45TH AVENUE	Kerrisdale	2013
R2587575	9/26/2021	\$16,250,000	\$2,381	117	6,826	17,625	6	7	1707 W 38TH AVENUE	Shaughnessy	2014
R2639386	3/17/2022	\$13,500,000	\$1,845	91	7,319	30,939	8	7	3688 HUDSON STREET	Shaughnessy	1976
R2626125	10/21/2021	\$10,480,000	\$1,324	6	7,914	17,964	5	8	5583 MACKENZIE STREET	Kerrisdale	2006
R2606286	9/20/2021	\$9,700,000	\$1,621	48	5,984	15,847	5	7	6485 CEDARHURST STREET	Kerrisdale	2018
R2598795	8/21/2021	\$9,238,000	\$1,695	47	5,449	21,780	6	5	6476 BLENHEIM STREET	Southlands	1912
R2622550	11/6/2021	\$8,200,000	\$2,443	38	3,357	40,293	3	4	3435 W 55TH AVENUE	Southlands	1993
<b>Average:</b>		<b>\$12,868,500</b>	<b>\$2,026</b>	<b>86</b>	<b>6,470</b>						
<b>Min:</b>		<b>\$8,200,000</b>	<b>\$1,324</b>	<b>6</b>	<b>3,357</b>						
<b>Max:</b>		<b>\$18,580,000</b>	<b>\$2,906</b>	<b>282</b>	<b>8,520</b>						

## General Market Analysis

The sales previously presented are summarized and analyzed below:

Because the subject property is still under construction and based on its new condition and high end quality finishing materials, we think the proposed single-family development will be competitive on the market.

Our research of single-family houses with smaller lots in close proximity to the subject property around Vancouver West indicates that average sale price is around \$1,130 per SF and maximum of \$1,650 per SF. Based on that and proposed subject property strata single-family houses development location and estimated high-end finishing materials, it is our opinion that the subject property's strata single-family houses can achieve sale price per SF of \$1,400 to \$1,530 depending house location and size.

When deriving at an estimate of market value for the heritage conversion house assuming construction is complete as of the effective date of this appraisal, we have considered the comparable market data and applied necessary adjustments for various factors such as finished areas, lot areas, building age, accommodation offered, selling date, and location.

The subject development will offer an exclusive community that is extremely rare in the City of Vancouver. Each dwelling will offer high end interior finish. The subject subdivision will back onto a heavily treed green belt area and provide a private setting. Based on careful analysis of each comparable and appropriate adjustments for the previously stated factors, it is our opinion that the subject property's heritage house can achieve a price per SF of \$2,400.





Address	Strata Lot	Unit Type	Orientation	Bed	Bath	Strata Lot Size, SF	Garage	Floor Area, SF	Price per SF	Market Value
2056 SW Marine Drive	Strata Lot 1	A1	Interior	3-Bed+Den	5F	5,542	Side-by-Side	3,675	\$1,470	\$5,402,000
2058 SW Marine Drive	Strata Lot 2	A2	Interior	3-Bed+Den	6F	5,427	Side-by-Side	3,743	\$1,500	\$5,615,000
2060 SW Marine Drive	Strata Lot 3	B	Marine Drive	3-Bed+Den	5F	5,321	Side-by-Side	3,515	\$1,500	\$5,273,000
2062 SW Marine Drive	Strata Lot 4	D	Marine Drive	3-Bed+Study Room	5F	4,702	Side-by-Side	3,528	\$1,400	\$4,939,000
2066 SW Marine Drive	Strata Lot 5	C	Marine Drive	3-Bed+Den	5F	7,268	Side-by-Side	3,592	\$1,530	\$5,496,000
2050/2052 SW Marine Drive	Strata Lot 6	Heritage House	Interior	10-Bed+Den+Office Space	8F 3H	25,889	2 Side-by-Side	9,854	\$2,400	\$23,650,000
<b>TOTAL</b>								<b>27,907</b>		<b>\$50,375,000</b>

## Certification

**Heritage Conversion and Single Family Residential Development ("Wilmar Estates")  
2050 - 2066 SW Marine Drive, Vancouver, British Columbia V6P 6B5  
(See Property Data Section for Legal Description)**

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

- The statements of fact contained in this report are true and correct;
- The reported analyses, opinions and conclusions are limited only by the reported Assumptions and Limiting conditions, and are my impartial and unbiased professional analyses, opinions and conclusions;
- I have no past, present or prospective interest in the property that is the subject of this report and no personal and/or professional interest or conflict with respect to the parties involved with this assignment;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermined results, the amount of the value estimate, a conclusion favouring the client, or the occurrence of a subsequent event;
- My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP);
- I have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with CUSPAP;
- Except as disclosed herein, no one has provided significant professional assistance to the person(s) signing this report;
- As of the date of this report the undersigned has fulfilled the requirements of The Appraisal Institute of Canada's Continuing Professional Development Program;
- I am a member in good standing of the Appraisal Institute of Canada;
- I am not required to be licensed to practice in the Province of **British Columbia**.

Information pertaining to inspection of the subject property is as follows:

SUBJECT PROPERTY INSPECTION			
APPRAISER	INSPECTED	EXTENT	DATE OF INSPECTION
Aian Miiabaev, AACI, MRICS	Yes	Exterior Only	June 22, 2022

## Final Estimate of Value

Based upon the data, analyses and conclusions contained herein, the current market value of the Fee Simple interest in the property described herein, as at June 22, 2022, is estimated to be as follows:

Based upon the data, analyses and conclusions contained herein, the current 'as complete' market value of a fee simple interest in the property described herein, as at June 22, 2022, is estimated to be as follows:

**\$50,375,000**

**Fifty Million Three Hundred Seventy Five Thousand Dollars**

***The above value estimate is based on Assumptions and Limiting Conditions stated within this appraisal. Of particular note are the Hypothetical Conditions, Extraordinary Assumptions and Extraordinary Limiting Conditions outlined within the Terms of Reference section.***

The above value estimate is based on an exposure period of six months or less, assuming the basis of a transaction involving cash to the vendor, and is subject to the Extraordinary Assumptions, Hypothetical Conditions and Extraordinary Limiting Conditions as detailed within the Terms of Reference section of this report, in addition to the Ordinary Assumptions and Limiting Conditions contained in the Addenda. Any alterations to either the information provided or the assumptions in this report may have a material impact on the value contained herein.

Appraiser

*Aian Miiabaev*

Aian Miiabaev, AACI, MRICS  
Date: June 29, 2022  
AIC Membership No. 910147



## Appendices

Appendix A	Ordinary Assumptions and Limiting Conditions
Appendix B	Definitions
Appendix C	Certificate of Title
Appendix D	Land Use / Zoning



## Appendix A

### Ordinary Assumptions and Limiting Conditions

## Ordinary Assumptions and Limiting Conditions

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronic Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP"), and the following conditions:

- 1) This report has been prepared at the request of **Cindy Zou** (the client) for the purpose of providing an estimate of the market value of **2050 - 2066 SW Marine Drive, Vancouver, British Columbia** (the Subject property) and for the specific use referred to. It is not reasonable for any party other than the person or those to whom this report is addressed 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 party will rely on it for any other purpose. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
- 2) This report has been prepared at the request of **Cindy Zou** and for the exclusive (and confidential) use of the recipient as named and for the specific purpose and function as stated. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
- 3) All copyright is reserved to the author and this report is considered confidential by the author and **Cindy Zou**. 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.
- 4) The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
- 5) This appraisal report, its content and all attachments/addendums and their content are the property of the appraiser. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.



- 6) The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
- 7) This report is completed on the basis that testimony or appearance in court or at any administrative proceeding concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and for preparation and for any appearances that may be required, and the provision of appropriate additional compensation.
- 8) The estimated market value of the real estate that is the Subject of this appraisal pertains to the value of the **fee simple interest** in the real property. The property rights appraised exclude mineral rights, if any.
- 9) The concept of market value presumes reasonable exposure. The exposure period is the estimated length of time the asset being valued would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of valuation. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. The reasonable exposure period is a function not only of time and effort but will depend on the type of asset being valued, the state of the market at the date of valuation and the level at which the asset is priced. (The estimated length of the exposure period needed to achieve the estimated market value is set forth in the Letter of Transmittal, prefacing this report).
- 10) The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. However, these data are not guaranteed for accuracy. Unless otherwise stated, we did not verify client-supplied information, which we believed to be correct. 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.
- 11) The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. A title search has been performed as indicated previously, and the appraiser assumes that the title is good and marketable and free and clear of all value influencing encumbrances, encroachments, restrictions or covenants, including leases, unless otherwise 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. The property is appraised on the basis of it being under responsible ownership. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property's owner or identifying the property owned by the listed client and/or applicant provided by the appraiser is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.
- 12) The property has been valued on the basis that there are no outstanding liabilities except as expressly noted, 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.
- 13) The property has been valued on the basis that there is no action, suit, proceeding or investigation pending or threatened against the real estate or affecting the titular owners of the property, at law or in



- equity or before or by any federal, provincial or municipal department, commission, board, bureau, agency or instrumentality which may adversely influence the value of the real estate appraised.
- 14) The legal description of the property and the area of the site were obtained from the City of Vancouver. No survey of the property has been made. Any plans and sketches contained in this report show approximate dimensions only and 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. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.
  - 15) 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 Government regulations and requirements of law, including all zoning, land use classification, building codes, 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, and that if it doesn't comply, any such non-compliance may affect market value. (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).
  - 16) The term "inspection" refers to observation and reporting of the general material finishing and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.
  - 17) The opinions of value and other conclusions contained assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.
  - 18) The author of this report is not qualified to comment on environmental issues (including, without limitation any chemical or biological issues) that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the 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 might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.
  - 19) Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc.) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications



of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

- 20) 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 with respect to the Subject property's compliance with all applicable regulations, unless such investigations are expressly represented to have been made in this report. Assumptions have been made that the Subject property is in compliance with all such regulations. 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. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.
- 21) The interpretation of any leases and other contractual agreements, pertaining to the operation and ownership of the property, as expressed, is solely the opinion of the author and should not be construed as a legal interpretation. Further, any summaries of such contractual agreements are presented for the sole purpose of giving the reader an overview of the salient facts thereof.
- 22) The estimated market value of the property does not necessarily represent the value of the underlying shares of the entity owning the property, if the asset is so held, as the value of the shares 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 therefrom, have been described and measured in this report.
- 23) 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 the contractual agreement pertaining to the structure of such divisional ownership. For the purposes of our valuation, we have not made any adjustment for the value of a fractional interest.
- 24) 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, by reason of 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.
- 25) Unless otherwise noted, the estimated market value of the property referred to is predicated upon the condition that it would be sold on a cash basis to the vendor subject to any contractual agreements and encumbrances as noted in this report as-is and where-is, without any contingent agreements or caveats. Other financial arrangements, good or cumbersome, may affect the price at which this property might sell in the open market.
- 26) Because market conditions, including economic, social and political factors, change rapidly and, on occasion, without notice or warning, the estimate of market value expressed, as of the effective date of this appraisal, cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
- 27) The value expressed is in Canadian dollars.
- 28) This report is only valid if it bears the original or password secured digital signature(s) of the author(s). If transmitted electronically, this report will have been digitally signed and secured with personal



passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.

- 29) These Ordinary Assumptions and Limiting Conditions shall be read with all changes in number and gender as may be appropriate or required by the context or by the particulars of this mandate.
- 30) Where the intended use of this report is for financing or mortgage lending or mortgage insurance, it is a condition of reliance on this report that the authorized user has or will conduct lending underwriting and insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender or insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct loan underwriting or insuring due diligence similar to the standards set out by the Office of the Superintendent of Financial Institutions (OSFI), even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition. Any reliance on this report without satisfaction of this condition is unreasonable.

## Appendix B

### Definitions

## Definitions

### Property Interests

- Fee Simple**
- Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power and escheat.
- Leased Fee Interest**
- The ownership interest held by the lessor, which includes the right to the contract rent specified in the lease plus the reversionary right when the lease expires.
- Leasehold Interest**
- The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

### General Definitions

**Adjusted or Stabilized Overall Capitalization Rate** is usually derived from transactions with excessive vacancy levels or contract rents over/under market levels. In such cases, net operating income is "normalized" to market levels and the price adjusted to reflect expected costs required to achieve the projected net operating income.

**The Cost Approach** to value is based upon the economic principle of substitution, which holds that the value of a property should not be more than the amount by which one can obtain, by purchase of a site and construction of a building without undue delay, a property of equal desirability and utility.

**Direct or Overall Capitalization** refers to the process of converting a single year's income with a rate or factor into an indication of value.

**The Direct Comparison Approach** examines the cost of acquiring equally desirable and valuable substitute properties, indicated by transactions of comparable properties, within the market area. The characteristics of the sale properties are compared to the Subject property on the basis of time and such features as location, size and quality of improvements, design features and income generating potential of the property.

**Discount Rate** is a yield rate used to convert future payments or receipts into a present value.

**Discounted Cash Flow Technique** offers an opportunity to account for the anticipated growth or decline in income over the term of a prescribed holding period. More particularly, the value of the property is equivalent to the discounted value of future benefits. These benefits represent the annual cash flows (positive or negative) over a given period of time, plus the net proceeds from the hypothetical sale at the end of the investment horizon.

Two rates must be selected for an application of the DCF process:

- the internal rate of return or discount rate used to discount the projected receivables;
- an overall capitalization rate used in estimating reversionary value of the asset.



The selection of the discount rate or the internal rate of return is based on comparing the Subject Property to other real estate opportunities as well as other forms of investments. Some of the more common benchmarks in the selection of the discount rate are the current yields on long term bonds and mortgage interest rates.

**Exposure Time** - The Canadian Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Institute of Canada define "Exposure Time" (The Appraisal Institute of Canada, Canadian Uniform Standards of Professional Appraisal Practice, 2020 ed. Page 6) as:

***"The estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at the estimated value on the Effective Date of the appraisal."***

**Fair Value (International Financial Reporting Standards)** – IFRS 13 defines "Fair Value" as:

***"The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."***

**Highest and Best Use** - The Canadian Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Institute of Canada define "Highest and Best Use" (The Appraisal Institute of Canada, Canadian Uniform Standards of Professional Appraisal Practice, 2020 ed. Page 8) as:

***"The reasonably probable use of Real Property, that is physically possible, legally permissible, financially feasible, and maximally productive, and that results in the highest value."***

**The Income Approach** to value is utilized to estimate real estate value of income-producing or investment properties.

**Internal Rate of Return** is the yield rate that is earned or expected over the period of ownership. It applies to all expected benefits including the proceeds of sale at the end of the holding period. The IRR is the Rate of Discount that makes the net present value of an investment equal zero.

**Market Value** - The Canadian Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Institute of Canada define "Market Value" (The Appraisal Institute of Canada, Canadian Uniform Standards of Professional Appraisal Practice, 2020 ed. Page 10) as:

***"The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and the seller each acting prudently, knowledgeably, and for self-interest, assuming that neither is under duress."***

**Net Operating Income** is the actual or anticipated net income remaining after all operating expenses are deducted from effective gross income before debt service and depreciation. Net Operating Income is usually calculated for the current fiscal year or the forthcoming year.

**Overall Capitalization Rate** is an income rate that reflects the relationship between a single year's net operating income expectancy and the total property price. The Overall Capitalization Rate converts net operating income into an indication of a property's overall value.

**A Yield Rate** is applied to a series of individual incomes to obtain a present value of each.

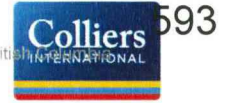


## Appendix C

### Certificate of Title







**TITLE SEARCH PRINT**

File Reference: YVR220776

2022-06-27, 22:26:35

Requestor: Aian Miiabaev

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

**Title Issued Under** STRATA PROPERTY ACT (Section 249)

**Land Title District** VANCOUVER  
**Land Title Office** VANCOUVER

**Title Number** CA8513079  
**From Title Number** CA6786483

**Application Received** 2020-10-22

**Application Entered** 2020-11-06

**Registered Owner in Fee Simple**  
**Registered Owner/Mailing Address:** COROMANDEL WILMAR DEVELOPMENT BT LTD., INC.NO. BC1089596  
 1800-1188 WEST GEORGIA STREET  
 VANCOUVER, BC  
 V6E 4A2

**Taxation Authority** Vancouver, City of

**Description of Land**  
**Parcel Identifier:** 030-439-442  
**Legal Description:**  
 STRATA LOT 6 DISTRICT LOTS 317 AND 316 BLOCK 12 NEW WESTMINSTER DISTRICT  
 STRATA PLAN EPS3735 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN  
 PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V

**Legal Notations**  
 NOTICE OF HERITAGE DESIGNATION BYLAW, VANCOUVER CHARTER, SECTION 593,  
 SEE CA5410549

NOTICE OF HERITAGE REVITALIZATION AGREEMENT, VANCOUVER CHARTER,  
 SECTION 592, SEE CA5410550

NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA5752330  
 FILED 2017-01-06

HERETO IS ANNEXED EASEMENT R20682 OVER PART OF LOT G, PLAN 21101  
 IN EXPLANATORY PLAN 18391





**TITLE SEARCH PRINT**

File Reference: YVR220776

2022-06-27, 22:26:35  
Requestor: Aian Miiabaev

**Charges, Liens and Interests**

Nature: COVENANT  
Registration Number: CA5410541  
Registration Date and Time: 2016-08-09 13:11  
Registered Owner: CITY OF VANCOUVER  
Remarks: INTER ALIA

Nature: COVENANT  
Registration Number: CA5410543  
Registration Date and Time: 2016-08-09 13:11  
Registered Owner: CITY OF VANCOUVER  
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CA5410545  
Registration Date and Time: 2016-08-09 13:11  
Registered Owner: CITY OF VANCOUVER  
Remarks: INTER ALIA

Nature: EQUITABLE CHARGE  
Registration Number: CA5410547  
Registration Date and Time: 2016-08-09 13:11  
Registered Owner: CITY OF VANCOUVER  
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CA6680922  
Registration Date and Time: 2018-03-15 12:32  
Registered Owner: BRITISH COLUMBIA HYDRO AND POWER AUTHORITY  
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CA6680923  
Registration Date and Time: 2018-03-15 12:32  
Registered Owner: TELUS COMMUNICATIONS INC.  
INCORPORATION NO. BC1101218  
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CA6737531  
Registration Date and Time: 2018-04-16 10:12  
Registered Owner: FORTISBC ENERGY INC.  
INCORPORATION NO. BC1023718  
Remarks: INTER ALIA





**TITLE SEARCH PRINT**

File Reference: YVR220776

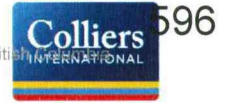
2022-06-27, 22:26:35

Requestor: Aian Miiabaev

Nature:	COVENANT
Registration Number:	CA6740617
Registration Date and Time:	2018-04-17 11:42
Registered Owner:	CITY OF VANCOUVER
Remarks:	INTER ALIA
Nature:	COVENANT
Registration Number:	CA6740619
Registration Date and Time:	2018-04-17 11:42
Registered Owner:	CITY OF VANCOUVER
Remarks:	INTER ALIA
Nature:	MORTGAGE
Registration Number:	CA7540120
Registration Date and Time:	2019-06-04 12:19
Registered Owner:	ACCOUNTABLE MORTGAGE INVESTMENT CORP. INCORPORATION NO. BC1010751
Remarks:	INTER ALIA
Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA7540121
Registration Date and Time:	2019-06-04 12:19
Registered Owner:	ACCOUNTABLE MORTGAGE INVESTMENT CORP. INCORPORATION NO. BC1010751
Remarks:	INTER ALIA
Nature:	MORTGAGE
Registration Number:	CA9390899
Registration Date and Time:	2021-09-28 11:00
Registered Owner:	MIAO YANG
Remarks:	INTER ALIA
Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA9390900
Registration Date and Time:	2021-09-28 11:00
Registered Owner:	MIAO YANG
Remarks:	INTER ALIA
Nature:	PRIORITY AGREEMENT
Registration Number:	CA9392830
Registration Date and Time:	2021-09-28 14:30
Remarks:	INTER ALIA GRANTING CA7540120 PRIORITY OVER CA9390899 AND CA9390900







**TITLE SEARCH PRINT**

2022-06-27, 22:26:35

File Reference: YVR220776

Requestor: Aian Miiabaev

Nature:	PRIORITY AGREEMENT
Registration Number:	CA9392831
Registration Date and Time:	2021-09-28 14:30
Remarks:	INTER ALIA GRANTING CA7540121 PRIORITY OVER CA9390899 AND CA9390900

**Duplicate Infeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE





**TITLE SEARCH PRINT**

File Reference: YVR220776

2022-06-27, 22:30:34

Requestor: Aian Mliabaev

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

**Title Issued Under** STRATA PROPERTY ACT (Section 249)

**Land Title District** VANCOUVER  
Land Title Office VANCOUVER

**Title Number** CA8513078  
From Title Number CA6786482

**Application Received** 2020-10-22

**Application Entered** 2020-11-06

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: COROMANDEL WILMAR DEVELOPMENT BT LTD., INC.NO. BC1089596  
1800-1188 WEST GEORGIA STREET  
VANCOUVER, BC  
V6E 4A2

**Taxation Authority** Vancouver, City of

**Description of Land**  
Parcel Identifier: 030-439-434  
Legal Description:  
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STRATA PLAN EPS3735 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN  
PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V

**Legal Notations**

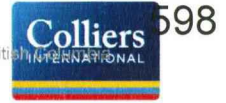
NOTICE OF HERITAGE DESIGNATION BYLAW, VANCOUVER CHARTER, SECTION 593,  
SEE CA5410549

NOTICE OF HERITAGE REVITALIZATION AGREEMENT, VANCOUVER CHARTER,  
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Registration Number: CA5410543  
Registration Date and Time: 2016-08-09 13:11  
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Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CA5410545  
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Registration Number: CA5410547  
Registration Date and Time: 2016-08-09 13:11  
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INCORPORATION NO. BC1023718  
Remarks: INTER ALIA







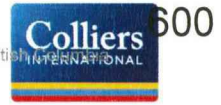
**TITLE SEARCH PRINT**

File Reference: YVR220776

2022-06-27, 22:30:34  
Requestor: Aian Miiabaev

Nature:	COVENANT
Registration Number:	CA6740617
Registration Date and Time:	2018-04-17 11:42
Registered Owner:	CITY OF VANCOUVER
Remarks:	INTER ALIA
Nature:	COVENANT
Registration Number:	CA6740619
Registration Date and Time:	2018-04-17 11:42
Registered Owner:	CITY OF VANCOUVER
Remarks:	INTER ALIA
Nature:	MORTGAGE
Registration Number:	CA7540120
Registration Date and Time:	2019-06-04 12:19
Registered Owner:	ACCOUNTABLE MORTGAGE INVESTMENT CORP. INCORPORATION NO. BC1010751
Remarks:	INTER ALIA
Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA7540121
Registration Date and Time:	2019-06-04 12:19
Registered Owner:	ACCOUNTABLE MORTGAGE INVESTMENT CORP. INCORPORATION NO. BC1010751
Remarks:	INTER ALIA
Nature:	MORTGAGE
Registration Number:	CA9390899
Registration Date and Time:	2021-09-28 11:00
Registered Owner:	MIAO YANG
Remarks:	INTER ALIA
Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA9390900
Registration Date and Time:	2021-09-28 11:00
Registered Owner:	MIAO YANG
Remarks:	INTER ALIA
Nature:	PRIORITY AGREEMENT
Registration Number:	CA9392830
Registration Date and Time:	2021-09-28 14:30
Remarks:	INTER ALIA GRANTING CA7540120 PRIORITY OVER CA9390899 AND CA9390900





**TITLE SEARCH PRINT**

File Reference: YVR220776

2022-06-27, 22:30:34  
Requestor: Aian Miiabaev

Nature:	PRIORITY AGREEMENT
Registration Number:	CA9392831
Registration Date and Time:	2021-09-28 14:30
Remarks:	INTER ALIA GRANTING CA7540121 PRIORITY OVER CA9390899 AND CA9390900

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE





## Appendix D

### Land Use / Zoning





## RS-1 District Schedule

### 1 Intent

The intent of this Schedule is generally to maintain the residential character of the RS-1 District in the form of one-family dwellings, secondary suites, laneway houses, two-family dwellings with secondary suites on larger lots and with lock-off units on smaller lots, and infill and multiple conversion dwellings in conjunction with retention of character houses. Emphasis is placed on encouraging neighbourly development by preserving outdoor space and views. Neighbourhood amenity is enhanced through the maintenance of healthy trees and planting which reflects the established streetscape.

### 2 Outright Approval Uses

2.1 Subject to all other provisions of this By-law and to compliance with the regulations of this Schedule, the uses listed in section 2.2 shall be permitted in the RS-1 District and shall be issued a permit.

#### 2.2 Uses

- 2.2.A
- Accessory Buildings customarily ancillary to any of the uses listed in this Schedule, provided that:
    - (a) no accessory building exceeds 3.7 m in height measured to the highest point of the roof if a flat roof, to the deck line of a mansard roof, or to the mean height level between the eaves and the ridge of a gable, hip or gambrel roof, provided that no portion of an accessory building may exceed 4.6 m in height;
    - (b) all accessory buildings are:
      - (i) located within 7.9 m of the ultimate rear property line or located within the permitted building depth as regulated by section 4.16.1 of this Schedule; and
      - (ii) in no case less than 3.1 m from the ultimate centre line of any rear or flanking lane and less than 1.5 m from a flanking street, subject also to the provisions of section 10.27 of this By-law;
    - (c) for all uses except for two-family dwellings and two-family dwellings with secondary suite, the total floor area, measured to the extreme outer limits of the building, of all accessory buildings is not greater than 30% of the minimum rear yard prescribed in this Schedule, or 48 m<sup>2</sup>, whichever is the greater, except that:
      - (i) floor area previously excluded from existing development pursuant to section 4.7.3(c), and
      - (ii) the floor area of a laneway house,
 shall be deducted from the total allowable accessory building floor area;
    - (d) for two-family dwellings and two-family dwellings with secondary suite, the total floor area, measured to the extreme outer limits of the building, of all accessory buildings is not greater than 48 m<sup>2</sup>;
    - (e) not more than 80 percent of the width of the rear yard of any lot is occupied by accessory buildings;
    - (f) roof decks and decks are not located on an accessory building located beyond the permitted building depth as regulated by section 4.16.1 of this Schedule.
  - Accessory Uses customarily ancillary to any of the uses listed in this section, provided that accessory parking spaces shall comply with the provisions of section 2.2.A(b) of this Schedule.

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## 2.2.DW [Dwelling]

- One-Family Dwelling.
- Two-Family Dwelling, on lots less than 511 m<sup>2</sup> in area.

## 2.2.I [Institutional]

- Community Care Facility – Class A, subject to the regulations, variations, and relaxations that apply to a one-family dwelling.

### 3 Conditional Approval Uses

3.1 Subject to all other provisions of this By-law, the Director of Planning may approve any of the uses listed in section 3.2 of this Schedule, with or without conditions, provided that the Director of Planning first considers:

- (a) the intent of this Schedule and all applicable Council policies and guidelines; and
- (b) the submission of any advisory group, property owner or tenant.

#### 3.2 Uses

3.2.1 The uses listed in section 3.2.1 may be permitted in the RS-1 District.

- 3.2.1.A
- Accessory Buildings customarily ancillary to any of the uses listed in this Schedule, other than as provided for in section 2.2.A of this Schedule.
  - Accessory Uses customarily ancillary to any of the uses listed in this section.

## 3.2.1.AG [Agricultural]

- Urban Farm - Class A.

## 3.2.1.C [Cultural and Recreational]

- Community Centre or Neighbourhood House.
- Golf Course or Driving Range.
- Library in conjunction with a Community Centre.
- Marina.
- Park or Playground.
- Stadium or Arena.
- Zoo or Botanical Garden.

- 3.2.1.D
- Deposition or extraction of material so as to alter the configuration of the land.

## 3.2.1.DW [Dwelling]

- Dwelling Units in conjunction with a Neighbourhood Grocery Store.
- Infill in conjunction with retention of a character house existing on the site as of January 16, 2018.
- Infill One-Family Dwelling, provided that:
  - (a) it shall be for a caretaker;
  - (b) it shall be subject to the provisions of section 2.2.A regulating Accessory Buildings except that:
    - (i) clause (a) thereof shall not apply to any portion not located within 7.9 m of the ultimate rear property line;
    - (ii) clause (c) thereof shall not apply; and
    - (iii) clause (b) of section 10.27 of this By-law shall not apply; and

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(c) its floor area shall not exceed 75 m<sup>2</sup> and shall be also counted in the accessory building area.

- One-Family Dwelling with Secondary Suite.
- Laneway House.
- Multiple Conversion Dwelling, in conjunction with retention of a character house existing on the site as of January 16, 2018, that contains no housekeeping or sleeping units.
- Lock-off Unit in conjunction with a Two-Family Dwelling, provided that there is no more than one Lock-off Unit for each dwelling unit.
- Two-Family Dwelling with Secondary Suite, provided that there is no more than one secondary suite for each dwelling unit.
- Seniors Supportive or Assisted Housing.

#### 3.2.1.I [Institutional]

- Ambulance Station.
- Child Day Care Facility.
- Church.
- Hospital.
- Public Authority Use essential in this District.
- School - Elementary or Secondary.
- Social Service Centre.
- Community Care Facility – Class B.
- Group Residence.

#### 3.2.1.O [Office]

- Temporary Sales Office.

#### 3.2.1.P [Parking]

- Parking Area ancillary to a principal use on an adjacent site.

#### 3.2.1.R [Retail]

- Farmers' Market. *Compatibility with nearby sites, parking, traffic, noise, hours of operation, size of facility, pedestrian amenity.*
- Neighbourhood Grocery Store.
- Public Bike Share.

#### 3.2.1.S [Service]

- Bed and Breakfast Accommodation.
- Short Term Rental Accommodation.

#### 3.2.1.U [Utility and Communication]

- Public Utility.

## 4 Regulations

All uses approved under sections 2 and 3 of this District Schedule shall be subject to the following regulations:

### 4.1 Site Area

- 4.1.1 The minimum site area for a one-family dwelling, one-family dwelling with secondary suite, two-family dwelling, or two-family dwelling with secondary suite, is 334 m<sup>2</sup>, and the minimum site width for a one-family dwelling, one-family dwelling with secondary suite, two-family dwelling, or two-family dwelling with secondary suite, is 7.3 m.



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- 4.1.2 Where the site is less than 9.8 m in width or less than 334 m<sup>2</sup> in area, the design of any new dwelling shall first require the approval of the Director of Planning.
- 4.1.3 The minimum site area for a dwelling unit for a caretaker shall be 3 000 m<sup>2</sup>.
- 4.1.4 The maximum site area for a two-family dwelling, including a lock-off unit in conjunction with a two-family dwelling, is less than 511 m<sup>2</sup>.
- 4.1.5 The Director of Planning may permit a reduction to the minimum site area requirements (but not the minimum site width) of section 4.1 with respect to any of the following developments on an existing lot of lesser site area on record in the Land Title Office for Vancouver:
- one-family dwelling;
  - one-family dwelling with secondary suite;
  - one-family dwelling with laneway house;
  - one-family dwelling with secondary suite and laneway house;
  - two-family dwelling;
  - two-family dwelling with secondary suite; and
  - infill or multiple conversion dwelling in conjunction with retention of a character house.
- 4.2 Frontage -- Not Applicable
- 4.3 Height
- 4.3.1 Height shall not exceed:
- for all uses other than two-family dwelling or two-family dwelling with secondary suite, 9.5 m in height and 2½ storeys, nor exceed the maximum dimensions created by the combination of:
    - a primary envelope located in compliance with the side yard regulation and formed by planes vertically extended 4.9 m in height and then extending inward and upward at an angle of 30 degrees from the horizontal to the point where the planes intersect; and
    - a secondary envelope located between the required side yards and equal to 60 percent of the site width (except as provided for by section 4.3.2) and formed by planes vertically extended 7.6 m in height and then extending inward and upward at an angle of 45 degrees from the horizontal to the point where the planes intersect.
  - for two-family dwelling or two-family dwelling with secondary suite, 10.7 m and 2 ½ storeys.
- 4.3.2 The secondary envelope need not be less than 9.8 m in width except as limited by the required side yard.
- 4.3.3 Height shall be measured from a hypothetical surface determined by joining the existing grades at the intersections of the hypothetical lines defining the front and rear yards and the side property lines, except that if the Director of Planning is of the opinion that the hypothetical surface determined by joining the existing grades is not compatible with the existing grades of adjoining sites or general topography of the area, the Director of Planning may instead require that height be measured from base surface.
- 4.3.4 Notwithstanding the height limitation in section 4.3.1, the Director of Planning may permit a building to exceed a height of 9.5 m but not to exceed a height of 10.7 m provided that:
- for all uses other than one-family dwelling with secondary suite, the Director of Planning considers:

- (i) the impact of the increased height on views from surrounding development.
- (ii) the extent to which the increased height improves the roof lines of the building, and
- (iii) the effect of the increased height on adjacent properties and the character of the area; and
- (b) for one-family dwelling with secondary suite:
  - (i) all roofs, except roofs covering only the first storey, have no flat portions, have a minimum slope of 7:12 ratio over the whole roof area and are limited to gable, hip or gambrel roofs, and
  - (ii) the Director of Planning considers the relationship between the height of the floors above the basement floor and the adjacent finished grade.

4.3.5 Where the Director of Planning is prepared to approve an increase in floor space ratio pursuant to section 4.7.1(c), the Director of Planning may permit a building to exceed any of the maximum dimensions of section 4.3.1 provided that in no case shall the height be increased to more than 10.7 m.

**4.4 Front Yard**

4.4.1 A front yard with a minimum depth of 20 percent of the depth of the site shall be provided, except that:

- (a) on a site where the average front yard depth of the two adjacent sites on each side of the site is more than the 20 percent depth by at least 1.5 m or is less than the 20 percent depth, the minimum depth of the front yard to be provided shall be that average, subject to the following:
  - (i) where an adjacent site is vacant, it shall be deemed to have a front yard depth of 20 percent of the depth of the site;
  - (ii) if one or more of the adjacent sites front on a street other than that of the development site or the adjacent sites are separated by a street or lane, then such adjacent sites shall not be used in computing the average;
  - (iii) where the site is adjacent to a flanking street or lane, the average depth shall be computed using the remainder of the adjacent sites;
- (b) the Director of Planning may vary the front yard requirement on a double fronting site or a site where a building line has been established pursuant to section 14.1 of this By-law;
- (c) if the provisions of section 4.4.1(a) and section 4.6.1 of this Schedule result in a distance between the front yard and the rear yard which is less than 35 percent of the depth of the site, and provided that the principal building is sited so that it abuts the required rear yard, the depth of the required front yard can be reduced so that the distance between the front yard and the rear yard is equal to 35 percent of the depth of the site; and
- (d) Entries, porches and verandahs complying with the conditions of section 4.7.3(g) shall be permitted to project into the required front yard a maximum of 1.8 m provided that such a projection is limited to 30% of the width of the building.

4.4.2 Where the Director of Planning is prepared to approve an increase in floor space ratio pursuant to section 4.7.1(c), the Director of Planning may permit a building having a lesser front yard than required in section 4.4.1.

**4.5 Side Yard**

4.5.1 A side yard shall be provided on each side of the building with a minimum width of not less than the site width multiplied by the percent of site width given by the following formula, except that this percent shall never be less than 10 percent and need never be more than 20 percent:

$$\% \text{ of site width} = \frac{\text{site width in metres}}{1.219} - 5$$



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- 4.5.2 In the case of a corner site which has located at its rear, with or without the intervention of a lane, a site which fronts on the street flanking the corner site, the exterior side yard shall be regulated by the provisions of section 10.27 of this By-law.
- 4.5.3 Where the Director of Planning is prepared to approve an increase in floor space ratio pursuant to section 4.7.1(c), the Director of Planning may permit a building having a lesser side yard than required in section 4.5.1.
- 4.6 **Rear Yard**
- 4.6.1 A rear yard with a minimum depth of 45 percent of the depth of the site shall be provided for all uses except for two-family dwelling or two-family dwelling with secondary suite except that the rear yard to be provided can be reduced to a depth of not less than the greater of the depths of the rear yards of the sites on either side, subject to the following:
- (a) where an abutting site is vacant, it shall be deemed to have a rear yard depth of 45 percent of its site depth;
  - (b) where an adjacent site abuts the site by way of its rear property line or is separated by a street or lane, it shall not be used in computing the reduction in the depth of the rear yard to be provided;
  - (c) where the site has an exterior side yard, the rear yard to be provided can be reduced to that of the abutting site; and
  - (d) any portion of the principal building to be located within that part of the rear yard decreased as provided for in this section 4.6.1 must comply with the provisions of section 2.2.A(a) of this Schedule.
- 4.6.1A A rear yard with a minimum depth of 40 percent of the depth of the site shall be provided for two-family dwellings or two-family dwellings with secondary suite.
- 4.6.2 For the purposes of calculating the rear yard to be provided, where the rear property line does not abut a lane or abuts a lane that is only partially dedicated, the rear yard to be provided shall be calculated and measured from the ultimate rear property line.
- 4.6.3 Where a building line has been established pursuant to the provisions of section 14.2, such building line shall be deemed to be the southerly boundary of any required rear yard on lands described in "Plan A" of Part III of Schedule E to this By-law, notwithstanding any dimension contained herein.
- 4.6.4 For buildings existing prior to April 12, 1988 the depth of the required rear yard can be reduced by up to 3.1 m, provided that the resulting depth of the principal building does not exceed 35 percent of the depth of the site. The floor of a roof deck or deck located within that part of the rear yard decreased as provided for in this section shall not be any higher than the floor of the first storey of the principal building.
- 4.6.5 Where the Director of Planning is prepared to approve an increase in floor space ratio pursuant to section 4.7.1(c), the Director of Planning may permit a building having a lesser rear yard than required in section 4.6.1.
- 4.7 **Floor Space Ratio**
- 4.7.1 The floor space ratio for all uses except for two-family dwelling or two-family dwelling with secondary suite shall not exceed 0.60, subject to the following:
- (a) for buildings existing prior to April 12, 1988 the area of all floors at or above finished grade and of the floors of any storey, basement or cellar located below a storey which has





- a floor surface located 2.0 m or more above finished grade, all of which floors are located within the building depth as defined by section 4.16.1 of this Schedule shall not exceed a floor space ratio of 0.20 plus 130 m<sup>2</sup>;
- (b) in all other cases, the area of all floors at or above finished grade and of the floors of any storey, basement, or cellar located below a storey which has a floor surface located 1.8 m or more above finished grade, all of which floors are located within the building depth as defined by section 4.16.1 of this Schedule, shall not exceed a floor space ratio of 0.20 plus 130 m<sup>2</sup>;
  - (c) notwithstanding clauses (a) and (b), where a site is 18.2 m or more in width and 500 m<sup>2</sup> or more in area the Director of Planning may permit an increase in the area of all floors as described in clause (a) or (b) as the case may be, to a floor space ratio not exceeding 0.3 plus 93 m<sup>2</sup> provided that:
    - (i) the Director of Planning considers the effect of the increase in floor area on adjacent properties and the character of the area, and
    - (ii) the Director of Planning first approves a plan showing existing and proposed trees and landscape;
  - (d) if:
    - (i) the area of all floors at or above finished grade does not exceed the lesser of a floor space ratio of 0.45, and the floor space ratio determined under subsection (a), (b), or (c) of section 4.7.1,
    - (ii) the area of any floor, including the basement or cellar, does not exceed a floor space ratio of 0.25, and
    - (iii) no portion of the basement or cellar projects horizontally beyond the perimeter of the first storey, including entries, porches and verandahs,
 an increase in the floor space ratio to 0.70 is permissible;
  - (e) for buildings existing prior to July 7, 2009, if:
    - (i) the area of all floors at or above finished grade does not exceed the lesser of a floor space ratio of 0.50 and the existing floor space ratio,
    - (ii) the area of all floors at, above or below finished grade, after the addition of a basement or cellar, does not exceed a floor space ratio of 0.75,
    - (iii) the area of any floor, including the basement or cellar, does not exceed a floor space ratio of 0.25, and
    - (iv) no portion of the basement or cellar projects horizontally beyond the perimeter of the first storey, including entries, porches and verandahs, a basement or cellar is permissible;
  - (f) the Director of Planning may increase the maximum permitted floor space ratio to 0.75 to facilitate an addition to a character house, if the Director of Planning first considers the intent of this Schedule and all applicable policies and guidelines adopted by Council; and
  - (g) the Director of Planning may increase the maximum permitted floor space ratio to 0.85 for infill in conjunction with retention of a character house, if the Director of Planning first considers the intent of this Schedule and all applicable policies and guidelines adopted by Council.

4.7.1A The floor space ratio for two-family dwellings and two-family dwellings with secondary suite must not exceed 0.70, except that the area of all floors at or above finished grade and of the floors of any storey, basement or cellar located below a storey which has a floor surface located 1.8 m or more above finished grade, all of which floors are located within the building depth as defined by section 4.16.1 of this Schedule, shall not exceed 371 m<sup>2</sup>.

4.7.2 The following shall be included in the computation of floor space ratio:

- (a) all floors, including earthen floor, to be measured to the extreme outer limits of the building;
- (b) stairways, fire escapes, elevator shafts and other features which the Director of Planning considers similar, to be measured by their gross cross-sectional areas and included in the measurements for each floor at which they are located;

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- (c) where the distance from a floor to the floor above, or where there is no floor above, to the top of the roof joists, exceeds 3.7 m, an amount equal to the area of the floor below the excess height; and
- (d) the floor area of bay windows, regardless of seat height, location on building or relationship to yard setbacks, in excess of the product of the total floor area permitted above the basement times 0.01.

**4.7.3 The following shall be excluded in the computation of floor space ratio:**

- (a) balconies and decks and any other appurtenances which, in the opinion of the Director of Planning, are similar to the foregoing, provided that the total area of these exclusions does not exceed 8% of the floor area being provided;
- (b) patios and roof decks, provided that the Director of Planning first considers the effect on privacy and overlook;
- (c) where floors are used for off-street parking and loading, the taking on or discharging of passengers, bicycle storage in multiple conversion dwellings containing 3 or more units or in multiple dwellings or uses which, in the opinion of the Director of Planning, are similar to the foregoing, those floors or portions thereof not exceeding 7.3 m in length so used which:
  - (i) are located in an accessory building located within 7.9 m of the ultimate rear property line, or
  - (ii) where a site has no developed secondary access, are located in a principal building, or in an accessory building located within the building depth regulated by the provisions of section 4.16, up to a maximum of 42 m<sup>2</sup>.
- (d) child day care facilities to a maximum floor area of 10 percent of the permitted floor area, provided the Director of Planning, on the advice of the Director of Social Planning, is satisfied that there is a need for a day care facility in the immediate neighbourhood;
- (e) areas of undeveloped floors which are located
  - (i) above the highest storey or half-storey and to which there is no permanent means of access other than a hatch; or
  - (ii) adjacent to a storey or half-storey with a ceiling height of less than 1.2 m.
- (f) floors located at or below finished grade with a ceiling height of less than 1.2 m;
- (g) entries, porches and verandahs and covered porches above the first storey, provided that:
  - (i) for all uses except for two-family dwellings and two-family dwellings with secondary suite, they face a street or a rear property line and entries, porches and verandahs are located at the basement or first storey,
  - (ii) for two-family dwellings and two-family dwellings with secondary suite, they face a street or rear property line,
  - (iii) the side facing the street or rear property line is open or protected by guards that do not exceed the required minimum height,
  - (iv) the total area being excluded, when combined with the balcony and deck exclusions under subsection 4.7.3(a), does not exceed 13% of the floor area being provided,
  - (v) for two-family dwellings and two-family dwellings with secondary suite, the depth of the total area being excluded for covered porches above the first storey does not exceed 1.83 m, and
  - (vi) the ceiling height, excluding roof structure, of the total area being excluded does not exceed 3.1 m measured from the entry, porch or verandah floor;
- (h) unconditioned floor areas with a ceiling height or height to the underside of joists of less than 2.0 m, located below the floors of entries, porches and verandahs complying with subsection 4.7.3(g), to which there is no access from the interior of the building:
  - (i) the floor area of a laneway house; and
  - (j) for two-family dwellings and two-family dwellings with secondary suite, areas of floors existing, proposed or as may be extended over open-to-below space located directly below sloping roof rafters or a sloping ceiling where the ceiling is directly attached to the underside of sloping roof rafters, and where the roof joists have a minimum 7:12 pitch and the related ceiling maintains the same pitch as the roof joists, provided that:





- (i) the distance from the floor to any part of the roof rafters or ceiling is no higher than 2.3 m and no lower than 1.2 m, both measured vertically, and
  - (ii) the excluded floor area does not exceed 10 percent of the permitted total floor area.
- 4.7.4 Notwithstanding the definition of "half-storey" in section 2 of this By-law, for the purposes of this Schedule the maximum permitted floor area contained in a half-storey shall not include floor area excluded in section 4.7.3(j) of this Schedule.
- 4.7.5 In the case of a corner site, where the rear property line of a site adjoins, without the intervention of a lane, the side yard of a site in an R District, the Director of Planning may vary the provisions of section 4.7 to permit the exclusion of floor space used for off-street parking in the principal building up to a maximum of 42 m<sup>2</sup>.
- 4.8 **Site Coverage**
- 4.8.1 The maximum site coverage for buildings shall be:
- (a) 40 percent of the site area for all uses except for two-family dwellings and two-family dwellings with secondary suite; and
  - (b) 45 percent of the site area for two-family dwellings and two-family dwellings with secondary suite.
- 4.8.2 For the purpose of this section, site coverage for buildings shall be based on the projected area of the outside of the outermost walls of all buildings and includes carports, but excludes steps, eaves, balconies and decks.
- 4.8.3 Except where the principal use of the site is a parking area, the maximum site coverage for any portion of the site used as parking area shall be 30%.
- 4.8.4 Where the Director of Planning is prepared to approve an increase in floor space ratio pursuant to section 4.7.1(c), the Director of Planning may permit a greater site coverage than specified in section 4.8.1.
- 4.8.5 The area of impermeable materials, including building coverage, shall not exceed 60 percent of the total site area except that where developed secondary vehicular access to a site is not available, the Director of Planning may exclude from the area of impermeable materials an amount not exceeding:
- (a) for the first parking space, the product of the distance, in metres as measured along the driveway centre line, from the point where the driveway crosses the property boundary to the point where it meets the nearest side of the approvable parking space times 3.1 m; and
  - (b) for each additional parking space, 67 m<sup>2</sup> to accommodate vehicular access and manoeuvring.
- 4.8.6 For the purposes of section 4.8.5, the following materials shall be considered impermeable: the projected area of the outside of the outermost walls of all buildings, including carports, entries, porches and verandahs, asphalt; concrete; brick; stone; and wood.
- 4.8.7 Notwithstanding section 4.8.6, gravel, river rock less than 5 cm in size, wood chips, bark mulch, and other materials which, in the opinion of the Director of Planning, have fully permeable characteristics when in place installed on grade with no associated layer of impermeable material (such as plastic sheeting) that would impede the movement of water directly into the soil below, are excluded from the area of impermeable materials.
- 4.8.8 The Director of Planning may vary section 4.8.5 for buildings existing prior to May 30, 2000 to a maximum of 70 percent impermeable materials site coverage provided that:



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- (a) the percentage of the site covered by existing impermeable materials is not increased by the proposed development;
- (b) the Director of Planning considers the advice of the City Engineer; and
- (c) the Director of Planning considers all applicable policies and guidelines adopted by Council.

4.9 [Deleted -- see Parking By-law.]

4.10 to (Reserved.)

4.15

4.16 Building Depth

4.16.1 The distance between the front yard and the rear yard of a site shall not exceed:

- (a) 35 percent of the depth of the site for all uses except for two-family dwelling or two-family dwelling with secondary suite, unless otherwise determined pursuant to the provisions of section 4.6.1; and
- (b) 40 percent of the depth of the site for two-family dwelling or two-family dwelling with secondary suite.

4.16.2 Projections into front yards permitted under section 4.4.1(d) shall not be included in the calculation of building depth.

4.16.3 Where the Director of Planning is prepared to approve an increase in floor space ratio pursuant to section 4.7.1(c), the Director of Planning may permit a greater distance between the front yard and the rear yard of a site than specified in section 4.16.1.

4.16.4 Where the permitted building depth is increased in accordance with section 10.23A.1, sections 4.6.1 (a), (b), (c) and (d) of this schedule do not apply.

4.17 External Design

4.17.1 For the purpose of section 4.17, a front entrance means a door facing the front yard and located at or within 1.8 m of grade or connected to grade by stairs, a ramp or other means and a side entrance means a door located on that part of a building facing a side yard and at or within 1.8 m of grade or connected to grade by stairs, a ramp or other means.

4.17.2 There shall be no more than:

- (a) one separate and distinct front entrance to a one-family dwelling; and
- (b) two separate and distinct front entrances to a one-family dwelling with secondary suite.

4.17.3 A side entrance to a one-family dwelling or one-family dwelling with secondary suite shall face a street or lane, or be located no less than 5.0 m from the side property line, except that there shall be no more than one side entrance facing each side property line.

4.17.4 The surface of the ground adjoining a building can be lowered only for the purpose of providing:

- (a) a window well for a basement or a cellar, provided that the lowered surface does not extend more than 1.0 m from the surface of a wall;
- (b) a sunken entrance for a basement, provided that:
  - (i) the portion of the building abutting the lowered surface faces either the front street or the rear property line.

- (ii) the lowered surface does not extend more than 3.1 m into the required front or rear yard, measured from the street-facing wall and including stair runs or vertical change in grade between the basement and the existing grade, and
    - (iii) the sum of the widths of all lowered surfaces abutting the building is not greater than half the width of the building or 4.6 m, whichever is the lesser; or
  - (c) a sunken entrance for a cellar in buildings existing prior to June 23, 2020, provided that:
    - (i) it complies with sections 4.17.4(b)(i) through (iii), and
    - (ii) the depth of the lowered surface does not exceed 1.83 m below the average finished grade.
- 4.17.5 Notwithstanding section 4.17.2 or section 4.17.3, the Director of Planning may, on the advice of the Chief Building Official, permit one additional entrance facing a front yard or a side yard if it provides access to a building existing prior to March 14, 1989.
- 4.17.6 In two-family dwellings and two-family dwellings with secondary suite, there must be two main entrances, one to each principal dwelling unit.
- 4.17.7 In two-family dwellings and two-family dwellings with secondary suite on a corner site, one main entrance must face the front street and one main entrance must face the flanking street.
- 4.17.8 In two-family dwellings and two-family dwellings with secondary suite, there must be an entry, porch or verandah at each main entrance, with a minimum width and depth of 1.8 m.
- 4.17.9 In two-family dwellings and two-family dwellings with secondary suite, roof design must comply with the following provisions:
- (a) all roofs except for dormer roofs shall have a minimum slope of 7:12 and a maximum slope of 12:12 and shall be either hip or gable or a combination of both, and shall intersect at its lower portion with the exterior wall face of the building or the vertical projection thereof at a line no higher than the lesser of 7.9 m above the base surface or the floor level of a half-storey or attic above the second storey;
  - (b) dormer roofs shall be gable, hip or shed in form and shall have a minimum slope of 4:12;
  - (c) the maximum total width of dormers provided on a half storey above the second storey must not exceed 50% of the width of the elevation of the storey below;
  - (d) all exterior dormer walls shall be set back a minimum of 0.6 m from the exterior face of the wall of the storey below; and
  - (e) notwithstanding section 4.17.9(d), one dormer, which faces an interior side yard and which provides headroom over a stair and any intermediate and top landings which provide access from the second storey to the half-storey above may have its face wall flush or continuous with the second storey exterior wall face below.
- 4.17.10 Exterior windows in a secondary suite or lock off unit must have:
- (a) a minimum total glazing area of 10% of the total floor area of the room, in each of the kitchen, living room and dining room; and
  - (b) a minimum total glazing area of 5% of the total floor area of the room, in all other rooms, except bathrooms and laundry rooms.
- 4.17.11 The Director of Planning may vary the requirements of section 4.17 for two-family dwellings and two-family dwellings with secondary suite if, in the opinion of the Director of Planning, the design meets the intent of the regulations for quality and durability of design and architectural expression.

**RS-1**

**5 Relaxation of Regulations**

- 5.1 The Director of Planning may relax the height and yard provisions of sections 4.3, 4.4, 4.5, 4.6 and 4.16, and the floor space ratio exclusions for parking in accessory buildings of section 4.7.3(c)(i) of this Schedule where, due to conditions peculiar either to the site or to the proposed development, literal enforcement would result in unnecessary hardship, provided that:
- (a) the Director of Planning first considers the submission of any advisory group, property owner or tenant; and
  - (b) in no case shall the height be increased to more than 10.7 m or the yard requirements be reduced to less than 60 percent of the amount specified in this Schedule.
- 5.2 The Director of Planning may relax the requirements of section 4.8.5 where, due to the peculiarities of the site or special circumstances related to the use of the site, literal enforcement would result in unnecessary hardship, provided that:
- (a) the Director of Planning considers all applicable guidelines and policies adopted by Council; and
  - (b) the Director of Planning considers the advice of the City Engineer.





### RA-1 District Schedule

#### 1 Intent

The intent of this Schedule is to maintain and encourage the semi-rural, equestrian and limited agricultural nature of this District, to permit one-family dwellings and in specific circumstances to permit infill one-family dwellings.

#### 2 Outright Approval Uses

2.1 Subject to all other provisions of this By-law and to compliance with the regulations of this Schedule, the uses listed in section 2.2 shall be permitted in this District and shall be issued a permit.

#### 2.2 Uses

2.2.A • Accessory Buildings customarily ancillary to any of the uses listed in this Schedule, provided that:

- (a) no accessory building exceeds 3.7 m in height measured to the highest point of the roof if a flat roof, to the deck line of a mansard roof, or to the mean height level between the eaves and the ridge of a gable, hip or gambrel roof, provided that no portion of an accessory building may exceed 4.6 m in height;
- (b) not applicable;
- (c) the total floor area, measured to the extreme outer limits of the building, of all accessory buildings is not greater than 48 m<sup>2</sup>.

• Accessory Uses customarily ancillary to any of the uses listed in this section.

#### 2.2.AG [Agricultural]

- Nursery, Field Crop or Fruit Farm.

#### 2.2.DW [Dwelling]

- One-Family Dwelling, provided the floor area does not exceed 280 m<sup>2</sup>.

#### 2.2.I [Institutional]

- Community Care Facility – Class A, subject to the regulations, variations, and relaxations that apply to a one-family dwelling.

#### 3 Conditional Approval Uses

3.1 Subject to all other provisions of this By-law, compliance with section 3.3 and the provisions and regulations of this Schedule, the Director of Planning may approve any of the uses listed in section 3.2 of this Schedule, with or without conditions, provided that the Director of Planning first considers:

- (a) the intent of this Schedule and all applicable Council policies and guidelines; and
- (b) the submission of any advisory group, property owner or tenant.



**RA-1**
**3.2 Uses**

- 3.2.A
- Accessory Buildings customarily ancillary to any of the uses listed in this Schedule, other than as provided for in section 2.2.A of this Schedule.
  - Accessory Uses customarily ancillary to any of the uses listed in this section.

3.2.AG [Agricultural]

- Greenhouse.
- Stable which, notwithstanding section 10.5, may involve an additional principal building on a site.

3.2.C [Cultural and Recreational]

- Golf Course or Driving Range.
- Marina.
- Park or Playground.
- Riding Ring or similar use.

- 3.2.D
- Deposition or extraction of material so as to alter the configuration of the land.

3.2.DW [Dwelling]

- Dwelling Unit for a Caretaker in conjunction with a One-Family Dwelling.
- Infill One-Family Dwelling.
- One-Family Dwelling, the floor area of which exceeds 280 m<sup>2</sup>.
- Seniors Supportive or Assisted Housing.

3.2.I [Institutional]

- Public Authority Use essential in this District.
- Community Care Facility – Class B.
- Group Residence.

3.2.P [Parking]

- Parking Area ancillary to a principal use on an adjacent site.

3.2.R [Retail]

- Farmers' Market. *Compatibility with nearby sites, parking, traffic, noise, hours of operation, size of facility, pedestrian amenity.*
- Public Bike Share.
- Retail Store, in conjunction with a Greenhouse, Nursery, Field Crop or Fruit Farm, or Stable.

3.2.S [Service]

- Bed and Breakfast Accommodation.
- Short Term Rental Accommodation.

3.2.U [Utility and Communication]

- Public Utility.

RA-1

### 3.3 Conditions of Use

- 3.3.1 The stabling of horses shall be limited to a maximum of one horse for every 232 m<sup>2</sup> of site area, excluding the site area of those items listed in section 4.8.2 of this Schedule.
- 3.3.2 A dwelling unit for a caretaker in conjunction with a one-family dwelling or an infill one-family dwelling for a caretaker may be permitted provided that:
- the site area is 2 020 m<sup>2</sup> or greater;
  - the size of the one-family dwelling or site, or the nature of the uses on the site warrants the need for a caretaker's unit;
  - there is only one caretaker's unit per site;
  - on sites between 2 020 m<sup>2</sup> and 4 045 m<sup>2</sup>, the floor area of the caretaker's unit shall not exceed 70 m<sup>2</sup> and on sites greater than 4 045 m<sup>2</sup>, the floor area of the caretaker's unit shall not exceed 140 m<sup>2</sup>;
  - a covenant is registered ensuring that the dwelling unit will be occupied and maintained as a caretaker's quarters for a person whose occupation is a full-time caretaker on the subject site;
  - on sites less than 9 100 m<sup>2</sup>, the caretaker's unit is attached to or within 6.1 m of the one-family dwelling.
- 3.3.3 An infill one-family dwelling may be permitted provided that:
- the site area is 9 100 m<sup>2</sup> or greater;
  - the maximum number of dwelling units per site including dwelling unit for a caretaker, shall not exceed two;
  - the floor area of the infill one-family dwelling unit shall not exceed 186 m<sup>2</sup>;
  - boarding facilities for at least ten horses are maintained on the site and these facilities shall include the provision of one stall for each horse and storage areas for feed, tack, bedding, and manure.
- 3.3.4 Retail store, in conjunction with a greenhouse, nursery, field crop or fruit farm may be permitted provided that:
- it is limited to the display and sale of plants, fertilizers, insecticides, herbicides, seeds, soils and small garden hand tools; and
  - the floor area, including covered outdoor storage areas and ancillary office areas, shall not exceed 186 m<sup>2</sup>.
- 3.3.5 Retail store, in conjunction with a stable may be permitted provided that:
- it is limited to a tack shop serving the day-to-day equestrian needs of the local community;
  - the retail floor area shall not exceed 93 m<sup>2</sup>;
  - there are no outdoor displays or display windows; and
  - it does not include the sale of feed or bedding products.

## 4 Regulations

For the purposes of sections 4.7, 4.8 and 4.16, dwelling use and a community care facility or group residence shall include accessory buildings customarily ancillary to these uses including but not limited to garages, covered swimming pools and covered tennis courts.

All uses approved under sections 2 and 3 of the District Schedule shall be subject to the following regulations:



**RA-1****4.1 Site Area**

4.1.1 The minimum site area shall be 9 100 m<sup>2</sup>.

4.1.2 The Director of Planning may permit a reduction in the minimum site area requirements of section 4.1.1 with respect to any developments if the lot was on record in the Land Title Office for Vancouver prior to October 4, 1955.

4.2 Frontage -- Not Applicable.

**4.3 Height**

4.3.1 A building shall not:

- (a) at any point protrude above an envelope located in compliance with the side yard regulation and formed by planes vertically extending 6.4 m in height and then extending inward and upward at an angle of 45 degrees from the horizontal to the line where the planes intersect;
- (b) exceed 9.2 m in height; and
- (c) have more than 2½ storeys.

4.3.2 The Director of Planning may permit an increase in the maximum height of a building with respect to any development provided that:

- (a) the Director of Planning first considers all applicable policies and guidelines adopted by Council, and the submission of any advisory group, property owner or tenant; and
- (b) in no case shall the height be increased to more than 10.7 m.

**4.4 Front Yard**

4.4.1 A front yard with a minimum depth of 7.3 m shall be provided.

4.4.2 Entries, porches and verandahs complying with the conditions of subsection 4.7.3(c) are permitted to project a maximum of 1.8 m into the required front yard, provided that such a projection is limited to 30% of the width of the building.

**4.5 Side Yards**

4.5.1 A side yard with a minimum width of 4.5 m shall be provided.

**4.6 Rear Yard**

4.6.1 A rear yard with a minimum depth of 4.5 m shall be provided.

**4.7 Floor Space Ratio**

4.7.1 The floor space ratio and floor area shall not exceed the maximums specified as follows:

- (a) the greater of 0.1 or 334 m<sup>2</sup>, but in no case to exceed 836 m<sup>2</sup>, for dwelling use and a community care facility or group residence;
- (b) 0.12 for riding rings;
- (c) 0.12 for all other uses.

4.7.2 The following shall be included in the computation of floor space ratio and floor area:

- (a) all floors, including earthen floor, to be measured to the extreme outer limits of the building;

RA-1

- (b) stairways, fire escapes, elevator shafts and other features which the Director of Planning considers similar, to be measured by their gross cross-sectional areas and included in the measurements for each floor at which they are located.

4.7.3 The following shall be excluded in the computation of floor space ratio and floor area:

- (a) balconies and decks and any other appurtenances which, in the opinion of the Director of Planning, are similar to the foregoing, provided that the total area of these exclusions does not exceed 8% of the floor area being provided;
- (b) patios and roof decks, provided that the Director of Planning first considers the effect on privacy and overlook;
- (c) entries, porches and verandahs, and covered porches above the first storey, provided that:
  - (i) they face a street or a rear property line and are located at the basement or first storey;
  - (ii) the side facing the street or rear property line is open or protected by guards that do not exceed the required minimum height;
  - (iii) the total area being excluded, when combined with the balcony and deck exclusions under subsection 4.7.3(a), does not exceed 13% of the floor area being provided, and
  - (iv) the ceiling height, excluding roof structure, of the total area being excluded does not exceed 3.1 m measured from the entry, porch or verandah floor;
- (d) unconditioned floor areas with a ceiling height or height to the underside of joists of less than 2.0 m, located below the floors of entries, porches and verandahs complying with subsection 4.7.3(c), to which there is no access from the interior of the building;
- (e) areas of undeveloped floors which are located
  - (i) above the highest storey or half-storey, and to which there is no permanent means of access other than a hatch; or
  - (ii) adjacent to a storey or half-storey with a ceiling height of less than 1.2 m; and
- (f) floor located at or below finished grade with a ceiling height of less than 1.2 m.

4.8 Site Coverage

4.8.1 The maximum site coverage for buildings shall not exceed the maximums specified as follows:

- (a) the greater of 8 percent of the site area or 242 m<sup>2</sup> for dwelling use and a community care facility or group residence;
- (b) 12 percent of the site area for riding rings;
- (c) 12 percent of the site area for all other uses.

4.8.2 The maximum aggregate site coverage for all dwelling uses and yard areas within 6.4 m of dwelling uses, community care facilities or group residences, open swimming pools and tennis courts, parking spaces, manoeuvring aisles and driveways accessory to dwelling uses shall be:

- (a) 30% of the site area for sites greater than 9 070 m<sup>2</sup>;
- (b) 40 percent of the site area for sites between 4 045 m<sup>2</sup> and 9 070 m<sup>2</sup>;
- (c) 50 percent of the site area for sites less than 4 045 m<sup>2</sup>.

4.9 to  
4.15 (Reserved)

4.16 Building Width and Depth

4.16.1 The total width of all buildings used for dwelling use or community care facility or group residence shall not exceed the lesser of 30.5 m or 75 percent of the width of the site, as viewed from and projected upon the front property line.

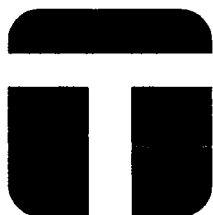
**RA-1**

- 4.16.2 The total depth of all buildings used for dwelling use or a community care facility or group residence shall not exceed the lesser of 36.6 m or 65 percent of the depth of the site, as viewed from and projected upon the side property lines.

**5 Relaxation of Regulations**

- 5.1 The Director of Planning may relax the yard provisions of sections 4.4, 4.5 and 4.6 of this Schedule where, due to conditions peculiar either to the site or to the proposed development, literal enforcement would result in unnecessary hardship, provided that the Director of Planning first considers all applicable policies and guidelines adopted by Council, and the submission of any advisory group, property owner or tenant.





**TURNER & CO.**

LEGAL COUNSEL

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**Contact: Scott A. Turner**

dir: 604.336.3065

e: [sturner@turnerco.ca](mailto:sturner@turnerco.ca)

File No. 22126

February 8, 2023

Zhen Yu Zhong  
3029 West 45<sup>th</sup> Avenue  
Vancouver, BC V6N 3L9

**BY COURIER AND EMAIL**

This is Exhibit "     H     " referred to in the  
Affidavit of     Zhen Yu Zhong      
affirmed before me at     Vancouver    , BC  
this     15     day of     February     20    23    .

Dear Sir:

  
\_\_\_\_\_  
A Commissioner/Notary Public for the  
Province of British Columbia

**Re: Enforcement of loan in the amount of CAD\$14,000,000 (the "Loan") made by Gardenful Ventures Limited (the "Lender") to Georgia Court BT Ltd. and Georgia Court Limited Partnership (collectively, the "Borrowers") and guaranteed by Zhen Yu Zhong ("Zhen") and Junchao Mo ("Junchao"), Georgia Court Properties Ltd. (the "GP"), Baystone Properties (2016) Ltd. ("Baystone"), Coromandel Properties (2016) Ltd. ("Coromandel 2016"), Coromandel Holdings Ltd. ("Coromandel Holdings"), Thurlow Holdings Ltd. ("Thurlow"), Carnarvon Capital Ltd. ("Carnarvon"), Birney Holdings Ltd. ("Birney"), Cedarhurst Holdings Ltd. ("Cedarhurst" and collectively with the GP, Baystone, Coromandel 2016, Coromandel Holdings, Thurlow, Carnarvon and Birney, the "Corporate Guarantors" and collectively with Zhen and Junchao, the "Guarantors")**

We are counsel for the above-named Lender. By the terms of a commitment letter in writing originally dated September 16, 2020, and subsequently amended by amending letters in writing dated April 8, 2021, April 22, 2022, and October 19, 2022 (collectively the "Commitment Letter"), the Lender advanced the above-described Loan to the Borrowers. Capitalized terms used but not otherwise defined in this letter have the meanings ascribed to them in the Commitment Letter.

Please take this letter as the Lender's notice to the Borrowers and you, personally, as one of the two individual Guarantors of the Loan, that as of today's date there has been, and is ongoing, an Event of Default, as that term is defined in the Commitment Letter, in that, among other defaults, the Borrowers and the Corporate Guarantors have applied for creditor protection pursuant to the *Companies' Creditors Arrangement Act*, [RSC 1985], c. C-36. We refer, in this regard, to sub-paragraph 5.1.4 of Schedule A to the Commitment Letter. As well the Lender in good faith believes, and has commercially reasonable grounds to believe, that the prospect of the repayment of the Loan is impaired, such that a further Event of default pursuant to s. 5.1.9 of Schedule A has occurred and is ongoing. In the

result, the entire principal balance of the Loan and all accrued interest thereon (the "Indebtedness") is now immediately due and payable to the Lender.

We are advised that, as at today's date, February 8, 2023, the amount of the Indebtedness is **CAD\$14,192,699.79**. Interest will accrue on that outstanding balance, until paid in full, at the rates set out in the Commitment Letter. As at February 7, 2023, **the daily rate of interest is CAD\$7,671.23** per day before compounding. As at February 18, 2023, the outstanding Indebtedness will be **CAD\$14,269,412.09**.

### **Demand for Payment**

Please take this letter as the Lender's demand that the Indebtedness be paid, in full, on or before February 18, 2023. Payment may be made in the manner set out in the Commitment Letter or by certified cheque or bank draft payable to Turner & Co., in Trust, and delivered to our offices at the address above. If the latter, payment will be effective as of the date payment is received by our office.

### **Notice of Intention to Enforce Mortgage**

As security for the payment of their obligations, the Borrowers granted a mortgage to the Lender dated April 13, 2021 (the "**Mortgage**"). The Mortgage was registered in the New Westminister Land Title Office on April 14, 2021, under registration numbers CA8918304 AND CA8918305, charging 22 separate strata lots within District Lot 196, Group 1, New Westminister District Strata Plan LMS3746, and having the following parcel identifier numbers: PID: 024-327-123, PID: 024-327-131, PID: 024-327-140, PID: 024-327-158, PID: 024-327-174, PID: 024-327-182, PID: 024-327-191, PID: 024-27-204, PID: 024-327-239, PID: 024-327-247, PID: 024-327-255, PID: 024-327-263, PID: 024-327-271, PID: 024-327-280, PID: 024-327-298, PID: 024-327-301, PID: 024-27-310, PID: 024-327-328, PID: 024-327-336, PID: 024-327-344, PID: 024-327-352, and PID: 024-327-361 (collectively, the "**Lands**").

Please take this letter as the Lender's further notice that, unless the Indebtedness as aforesaid is repaid in full by no later than February 18, 2023, the Lender reserves the right to commence foreclosure proceedings in respect of the Mortgage and the Lands, and otherwise enforce its Security, without further notice or demand to you.

### **Notice to Individual Guarantors**

In consideration of the Lender making the Loan available to the Borrowers, and other good and valuable consideration of the receipt and sufficiency of which you expressly acknowledged in writing, as one of the above-defined Guarantors you, jointly and severally with the other Guarantors, unconditionally guaranteed payment to the Lender of the Borrower's Indebtedness.

Please therefore take this letter as the Lender's demand that you personally forthwith pay to the Lender the Indebtedness, in full. Payment may be made in the same manner as set out above with respect to payments by the Borrowers. Failing payment as aforesaid, the Lender

reserves the right to commence legal proceedings against you, personally, to collect the Indebtedness, without any further notice or demand.

### Notice of Intention to Enforce Security

Finally, please be reminded that pursuant to the terms of a General Security Agreement in writing as of September 18, 2020 (the "GSA"), the Borrowers and, pursuant to the terms of a Location Specific Security Agreement dated as of September 18, 2020 (the "LLSA" and, with the GSA, the "Security Agreements"), you, personally, have granted the Lender security over certain of their assets (the "Security"), as security for repayment of all obligations owed by the Borrowers to the Lender, including the Indebtedness. Please be advised that default by the Borrowers under the Commitment Letter, including their failure to pay the Indebtedness as demanded, also constitutes a default under the Security Agreements. In this regard, we enclose the Lender's Notice of Intention to Enforce a Security pursuant to s.244(1) of the *Bankruptcy & Insolvency Act*. If repayment of the Indebtedness, in full, is not made by or before February 18, 2023, in the manner required, the Lender reserves the right to enforce its rights under the GSA and the Notice, as well as such additional remedies as may be available to the Lender at law or in equity, without further notice or demand to the Borrowers, the Guarantors or anyone else.

Very truly yours,



**TURNER & CO.**

**Per: Scott A. Turner\***

\*Denotes a professional law corporation

SAT/al

Cc: Client  
Clark Wilson



## FORM 86

**Notice of Intention to Enforce a Security**  
(Rule 124)

To: **Georgia Court BT Ltd. and Georgia Court Limited Partnership, Zhen Yu Zhong, Junchao Mo, Georgia Court Properties Ltd., Baystone Properties (2016) Ltd., Coromandel Properties (2016) Ltd., Coromandel Holdings Ltd., Thurlow Holdings Ltd., Carnarvon Capital Ltd., Birney Holdings Ltd., Cedarhurst Holdings Ltd.** (together, the "**Debtors**"), each an insolvent corporation or person, all of 1800 – 1188 West Georgia Street, Vancouver, British Columbia V6E 482.

**Take notice that:**

1. Gardenful Ventures Limited (the "**Creditor**"), intends to enforce its security on the Debtors' property described below:
  - a. All present and after acquired property of Georgia Court BT Ltd. and Georgia Court Limited Partnership (the "**Borrowers**");
  - b. Without limiting the generality of the foregoing, all of the Borrowers' accounts receivable, inventory, equipment, books and records, instruments and money, intangibles, real property, personal property, and proceeds; and
  - c. All "Collateral" of the Borrowers and of Zhen Yu Zhong, Junchao Mo, Georgia Court Properties Ltd., Baystone Properties (2016) Ltd., Coromandel Properties (2016) Ltd., Coromandel Holdings Ltd., Thurlow Holdings Ltd., Carnarvon Capital Ltd., Birney Holdings Ltd., Cedarhurst Holdings Ltd. (together, the "**Guarantors**"), as defined in the Security Agreements (as defined below).
2. The security that is to be enforced is the following:
  - a. General Security Agreement dated September 18, 2020, granted by the Borrowers to the Creditor and registered in the Personal Property Registry for the Province of British Columbia under Base Registration Nos. 473084M, 473112M, 478879M, 478885M, 478888M, 478895M, 478919M, 478898M, 478925M, 478928M, 478930M, and 478924M (the "**General Security Agreement**");
  - b. Location Specific Security Agreement September 18, 2020, granted by the Guarantors to the Creditor and registered in the Personal Property Registry for the province of British Columbia under base registration 473112M (the "**Location Specific Security Agreement**" and, with the General Security Agreement, the "**Security Agreements**").
  - c. Mortgage dated April 14, 2021, and registered in the New Westminster Land Title Office on April 14, 2021, under Registration No. CA8918304 and CA8918305, against title to those certain lands legal described as:

- i. PID: 024-327-123 District Lot 196, Group 1 NWD Plan LMS3746
- ii. PID: 024-327-131 District Lot 196, Group 1 NWD Plan LMS3746
- iii. PID: 024-327-140 District Lot 196, Group 1 NWD Plan LMS3746
- iv. PID: 024-327-158 District Lot 196, Group 1 NWD Plan LMS3746
- v. PID: 024-327-174 District Lot 196, Group 1 NWD Plan LMS3746
- vi. PID: 024-327-182 District Lot 196, Group 1 NWD Plan LMS3746
- vii. PID: 024-327-191 District Lot 196, Group 1 NWD Plan LMS3746
- viii. PID: 024-327-204 District Lot 196, Group 1 NWD Plan LMS3746
- ix. PID: 024-327-239 District Lot 196, Group 1 NWD Plan LMS3746
- x. PID: 024-327-247 District Lot 196, Group 1 NWD Plan LMS3746
- xi. PID: 024-327-255 District Lot 196, Group 1 NWD Plan LMS3746
- xii. PID: 024-327-263 District Lot 196, Group 1 NWD Plan LMS3746
- xiii. PID: 024-327-271 District Lot 196, Group 1 NWD Plan LMS3746
- xiv. PID: 024-327-280 District Lot 196, Group 1 NWD Plan LMS3746
- xv. PID: 024-327-298 District Lot 196, Group 1 NWD Plan LMS3746
- xvi. PID: 024-327-301 District Lot 196, Group 1 NWD Plan LMS3746
- xvii. PID: 024-327-310 District Lot 196, Group 1 NWD Plan LMS3746
- xviii. PID: 024-327-328 District Lot 196, Group 1 NWD Plan LMS3746
- xix. PID: 024-327-336 District Lot 196, Group 1 NWD Plan LMS3746
- xx. PID: 024-327-344 District Lot 196, Group 1 NWD Plan LMS3746
- xxi. PID: 024-327-352 District Lot 196, Group 1 NWD Plan LMS3746
- xxii. PID: 024-327-361 District Lot 196, Group 1 NWD Plan LMS3746

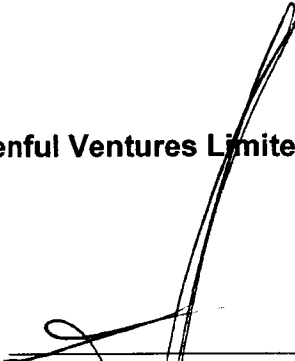
(the "**Mortgage**" and, collectively with the Security Agreements, the "**Security**").

3. The total amount of indebtedness secured by the Security is **CAD\$14,277,083.32** as of the date of this Notice, together with interest on that sum at the rate of **CAD\$7,671.23** per day (20% per annum).
4. The Creditor will not have the right to enforce the Security until after the expiry of the 10-day period after this Notice is sent unless the Debtor consents to an earlier enforcement.

Dated at Vancouver, this 8th day of February 2023.

**Gardenful Ventures Limited**

per:

  
\_\_\_\_\_  
Scott A. Turner  
Attorney

**Consent to Immediate Enforcement**

We, Zhenyu Zhong and Jungchao Mo, on behalf of the above-defined Debtors, do hereby: (i) acknowledge receipt of this Notice on behalf of the Debtors; (ii) acknowledge that the Debtors have had an opportunity to have the Notice reviewed by independent legal counsel; and (iii) consent to immediate enforcement of the Creditor's security, as defined herein, including the immediate appointment of a receiver

---

Zhenyu Zhong

---

Jungchao Mo





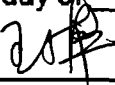
**KOFFMAN KALEF LLP**  
BUSINESS LAWYERS

Reply to: Shawn A. Poisson  
Direct line: 604-891-3610  
Email: sap@kkbl.com  
File No.: 54210-57

February 10, 2023

This is Exhibit " 1 " referred to in the  
Affidavit of Zhen Yu Zhong  
affirmed before me at Vancouver, BC  
this 15 day of February 2023.

BY EMAIL

  
\_\_\_\_\_  
A Commissioner/Notary Public for the  
Province of British Columbia

**Pacific Burrard Holdings Limited Partnership, Pacific Burrard Holdings Limited,  
1380 Burrard Street GP Inc., Baystone Properties Ltd.,  
CM Bay Holdings Ltd., Silverstone Investment Corp.,  
Sky Team Capital Limited, Mulberry Capital Ltd.,  
Coromandel Holdings Ltd., Coromandel Properties Ltd.,  
Cedarhurst Holdings Ltd., Bayberry Holdings Ltd.,  
Carnarvon Capital Ltd., Birney Holdings Ltd.  
Mahogany Holdings Limited, Thurlow Holdings Ltd.,  
Birch Family Trust (2020), Zhen Yu Zhong (also known as Jerry Zhong),  
Junchao Mo  
c/o Clark Wilson LLP  
Barristers and Solicitors  
800 – 885 West Georgia Street  
Vancouver, B.C., V6C 3H1**

**Attention: Chris Ramsay/Katie Mak**

Dear Sirs:

**Re:** Indebtedness of Pacific Burrard Holdings Limited Partnership, Pacific Burrard Holdings Limited, and 1380 Burrard Street GP Inc. (collectively, the "**Borrowers**") and Baystone Properties Ltd., CM Bay Holdings Ltd., Silverstone Investment Corp., Sky Team Capital Limited, Mulberry Capital Ltd., Coromandel Holdings Ltd., Coromandel Properties Ltd., Carnarvon Capital Ltd., Birney Holdings Ltd., Cedarhurst Holdings Ltd., Bayberry Holdings Ltd., Mahogany Holdings Limited, Thurlow Holdings Ltd., Birch Family Trust (2020), Zhen Yu Zhong (also known as Jerry Zhong) and Junchao Mo (collectively, the "**Guarantors**") to Peterson Investment Group Inc. (the "**Lender**") with respect to the real property now known and more specifically described as 1380 Burrard Street, Vancouver, B.C and legally described as Parcel identifier No. 007-512-091, Lot A Block 110 District Lot 541 Plan 16368 (the "**Lands**")

We are the solicitors for the Lender in respect of the above noted matter.

We are advised by the Lender that the loan (the "**Loan**") made by the Lender to the Borrowers and guaranteed by the Guarantors, as described and governed by a commitment letter dated July 26, 2022 (the "**Commitment Letter**") is now in default as a result of the Borrower's failure to pay the Loan in accordance with the Commitment Letter.

We are instructed that the indebtedness of the Borrower to the Lender as of February 20, 2023 will be as follows:

	Principal	\$90,000,000.00
Add	: Interest Payment (due Feb. 1, 2023)	\$775,726.03
Less	: Partial February Interest Payment made on Feb. 1, 2023	(\$359,496.14)
Add	: Interest charge on the outstanding February interest payment balance	\$2,242.51
Add	: Interest outstanding as at Feb. 20, 2023 (Feb. 1 to 19, 2023 accrual period)	\$484,890.41
<b>Add</b>	<b>: Minimum Interest</b>	<b>\$15,012,497.22</b>
Add	: Estimated Legal Fees	\$40,000.00
Less:	: Balance of funds held in trust as Interest Reserve	<u>(\$1,252,500.00)</u>
	<b>: TOTAL</b>	<b>\$104,703,360.03</b>
	Per Diem	\$25,520.55

(collectively, the "**Indebtedness**").

The Guarantors have agreed in writing to guarantee payment of the Indebtedness to the Lender by a joint and several unlimited guarantee and postponement of claim dated August 24, 2022.

Accordingly, on behalf of the Lender, we hereby formally demand payment in full of the Indebtedness from the Borrower and the Guarantors. Payment may be made to our offices to the attention of the undersigned by certified cheque, money order or bank draft made payable to **Koffman Kalef LLP, In Trust** within ten (10) days of the date of this letter. In the event that the funds are not received exactly as aforesaid, we may take such further proceedings to enforce our client's remedies without further notice to you.

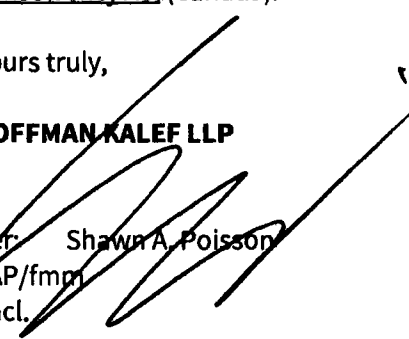
Interest and legal costs shall continue to accrue and form part of the Indebtedness until payment in full is received. You may contact the undersigned to arrange payment in full during the demand period.

We enclose a Form 86 - Notice of Intention to Enforce Security pursuant to section 244(1) of the Bankruptcy & Insolvency Act (Canada).

Yours truly,

**KOFFMAN KALEF LLP**

Per: Shawn A. Poisson  
SAP/fmp  
Encl.





## Form 86

**NOTICE OF INTENTION TO ENFORCE SECURITY  
(Rule 124)**

TO: Pacific Burrard Holdings Limited Partnership (the "**Limited Partnership**"), Pacific Burrard Holdings Limited (the "**General Partner**") and 1380 Burrard Street GP Inc. (the "**Nominee**") (collectively, the "**Borrowers**")

AND TO: Baystone Properties Ltd. ("**Baystone**"), CM Bay Holdings Ltd. ("**CM Bay**"), Silverstone Investment Corp. ("**Silverstone**"), Sky Team Capital Limited ("**Sky Team**"), Mulberry Capital Ltd. ("**Mulberry**"), Coromandel Holdings Ltd. ("**Holdings**"), Coromandel Properties Ltd. ("**Properties**"), Carnarvon Capital Ltd. ("**Carnarvon**"), Birney Holdings Ltd. ("**Birney**"), Cedarhurst Holdings Ltd. ("**Cedarhurst**"), Bayberry Holdings Ltd. ("**Bayberry**"), Mahogany Holdings Limited ("**Mahogany**"), Thurlow Holdings Ltd. ("**Thurlow**"), Birch Family Trust (2020) (the "**Family Trust**" and collectively with Baystone, CM Bay, Silverstone, Sky Team, Mulberry, Holdings, Properties, Carnarvon, Birney, Cedarhurst, Bayberry, Mahogany and Thurlow, the "**Corporate Guarantors**"), Zhen Yu Zhong (also known as Jerry Zhong) ("**Mr. Zhong**") and Junchao Mo ("**Mr. Mo**") and together with Mr. Zhong, the "**Individual Guarantors**") (collectively, the "**Guarantors**")

(the Borrower and the Guarantors are, collectively, the "**insolvent persons**")

**TAKE NOTICE** that:

- I. Peterson Investment Group Inc. (the "**Lender**"), a secured creditor, intends to enforce its security on the properties of the insolvent persons described below:
  - (a) all of the right, title and interest of the Borrower in and to the lands and premises more specifically described as 1380 Burrard Street, Vancouver, B.C. and legally described as PID No. 007-512-091, Lot A Block 110 District Lot 541 Plan 16368 (the "**Lands**"), and any rents derived therefrom;
  - (a) all of the Borrowers' presently owned and after acquired personal property (other than consumer goods) and a floating charge on land;
  - (b) all of the Borrowers' entire right, title, claim and interest in and to the funds which are now or which may from time to time in the future stand to the credit of the Borrowers in any account of the Lender pursuant to a debt service deposit agreement and pledge of interest reserve made between the Borrowers and the Lender, and all proceeds including, without limitation, all goods, securities, instruments, documents of title, chattel paper, intangibles and money;
  - (c) all indebtedness, present and future, direct and indirect, absolute and contingent of the Borrowers, or any of them, to the Guarantors and all proceeds including, without

limitation, all goods, investment property, instruments, documents of title, chattel paper, intangibles and money; and

- (d) all indebtedness, present and future, direct and indirect, absolute and contingent of the Borrowers, or any of them, to Baystone, Mulberry and Coromandel and all proceeds including, without limitation, all goods, investment property, instruments, documents of title, chattel paper, intangibles and money.

2. The security that is to be enforced is in the form of:

- (a) mortgage and assignment of rents charging the Lands granted by the Nominee in favour of the Lender registered in the New Westminster Land Title Office (the “**LTO**”) on September 20, 2022 under registration numbers CB230551 and CB230552 (together, the “**Mortgage**”);
- (b) general security agreement dated for reference August 12, 2022 executed by the General Partner on behalf of the Limited Partnership, the General Partner on its own behalf and the Nominee in favour of the Lender, in respect of which a financing statement was registered in the British Columbia Personal Property Registry (the “**PPR**”) on August 9, 2022 under base registration no. 909184N;
- (c) equitable mortgage dated August 24, 2022 with respect to the Lands granted by the Limited Partnership as the beneficial owner and acknowledged by the Nominee as nominee;
- (d) debt service deposit agreement and pledge of interest reserve executed by the General Partner on behalf of the Limited Partnership, the General Partner on its own behalf and the Nominee in favour of the Lender, in respect of which a financing statement was registered in the British Columbia Personal Property Registry (the “**PPR**”) on August 9, 2022 under base registration no. 909184N;
- (e) general assignment of rents and leases made as of August 24, 2022 executed by the General Partner on behalf of the Limited Partnership, the General Partner on its own behalf and the Nominee in favour of the Lender;
- (f) guarantee executed by the Guarantors dated August 24, 2022 in favour of the Lender, in respect of which a financing statement was registered in the PPR on August 9, 2022 under base registration no. 909333N;
- (g) assignment and postponement dated August 24, 2022 executed by Baystone and acknowledged by the Limited Partnership in favour of the Lender in respect of which a financing statement was registered in the PPR on August 9, 2022 under base registration no. 909333N;
- (h) assignment and postponement dated August 24, 2022 executed by Properties and acknowledged by the Limited Partnership in favour of the Lender in respect of which a financing statement was registered in the PPR on August 9, 2022 under base registration no. 909333N;

- (i) assignment and postponement dated August 24, 2022 executed by Mulberry and acknowledged by the Limited Partnership in favour of the Lender in respect of which a financing statement was registered in the PPR on August 9, 2022 under base registration no. 909333N;
  - (j) assignment and postponement dated August 24, 2022 executed by Baystone and acknowledged by the General Partner in favour of the Lender in respect of which a financing statement was registered in the PPR on August 9, 2022 under base registration no. 909333N;
  - (k) assignment and postponement dated August 24, 2022 executed by Properties and acknowledged by the General Partner in favour of the Lender in respect of which a financing statement was registered in the PPR on August 9, 2022 under base registration no. 909333N;
  - (l) assignment and postponement dated August 24, 2022 executed by Mulberry and acknowledged by the General Partner in favour of the Lender in respect of which a financing statement was registered in the PPR on August 9, 2022 under base registration no. 909333N;
  - (m) assignment and postponement dated August 24, 2022 executed by the Limited Partnership and acknowledged by the Nominee in favour of the Lender in respect of which a financing statement was registered in the PPR on August 9, 2022 under base registration no. 909202N;
  - (n) assignment and postponement dated August 24, 2022 executed by Properties and acknowledged by the Nominee in favour of the Lender in respect of which a financing statement was registered in the PPR on August 9, 2022 under base registration no. 909202N;
  - (o) assignment and postponement dated August 24, 2022 executed by Mulberry and acknowledged by the Nominee in favour of the Lender in respect of which a financing statement was registered in the PPR on August 9, 2022 under base registration no. 909202N;
3. The total amount of the indebtedness secured by the security is in the aggregate amount of **\$104,703,360.03** as of February 20, 2023, plus interest and costs which accrue after such date.



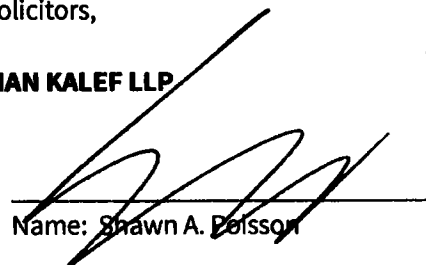
- 4. The Lender will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent persons consent to an earlier enforcement.

Dated at Vancouver, British Columbia this 10 day of February, 2023.

Peterson Investment Group Inc.,  
by its solicitors,

**KOFFMAN KALEF LLP**

Per:



\_\_\_\_\_

Name: Shawn A. Poisson

## OWEN • BIRD

LAW CORPORATION

Alan A Frydenlund, KC\*  
Harvey S Delaney\*  
Paul J Brown\*  
John J Kim\*  
Jonathan L Williams\*  
Paul A Brackstone\*  
David W P Moriarty\*\*  
Katharina R Spotzi\*  
Nikta Shirazian  
Laura A Buitendyk

Allison R Kuchta\*  
James L Carpick\*  
Patrick J Haberl\*  
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Kari F Richardson\*  
George J Roper\*  
Tony R Anderson\*  
Brian Y K Cheng\*\*\*  
Brittney S Dumanowski  
Lily Y Zhang

Josephine M Nadel, KC, Associate Counsel\*  
Duncan J Manson, Associate Counsel\*  
Jennifer R Loeb, Associate Counsel\*  
Jean Feng, Associate Counsel\*  
Hon Walter S Owen, OC, QC, LL.D (1981)  
John I Bird, QC (2005)

\* Law Corporation  
\* Also of the Yukon Bar  
\*\* Also of the Alberta Bar  
\*\*\* Also of the Ontario Bar  
\*\*\* Also of the Washington Bar

Vancouver Centre II  
2900-733 Seymour Street  
PO Box 1  
Vancouver, BC V6B 0S6  
Canada  
Telephone 604 688-0401  
Fax 604 688-2827  
Website www.owenbird.com

Direct Line: 604 691-7511

Direct Fax: 604 632-4486

E-mail: afrydenlund@owenbird.com

File No. 34273-0325

February 9, 2023

NANAIMO 22 DEVELOPMENT (BT) LTD.,  
COROMANDEL NANAIMO 22 BT LTD.,  
COROMANDEL NANAIMO 22 LIMITED PARTNERSHIP and  
COROMANDEL NANAIMO 22 DEVELOPMENT LTD.

all c/o Katie G. Mak / Christopher Ramsay  
Clark Wilson LLP  
900 – 885 West Georgia Street  
Vancouver, BC V6C 3H1

This is Exhibit “ J ” referred to in the  
Affidavit of Zhen Yu Zhong  
affirmed before me at Vancouver, BC  
this 15 day of February 2023.

A Commissioner/Notary Public for the  
Province of British Columbia

Dear Sirs/Mesdames:

**Re: Debt due to ACCOUNTABLE MORTGAGE INVESTMENT CORP. (the  
“Lender”)**

We are counsel to the Lender.

We are informed by the Lender that you are in default of your obligations under the security granted in favour of the Lender, including without limitation, CCAA proceedings have been commenced. Accordingly, the Lender hereby exercises its right to demand repayment of the secured indebtedness. The amount due is the sum of \$15,177,653.10 as of February 7, 2023 on which interest currently accrues at a daily rate of \$7,459.00 thereafter to and including the date funds are deemed to be received in our offices.

Demand is hereby made for the immediate payment to our offices by way of bank draft or certified cheque payable to “Owen Bird Law Corporation, In Trust”, in the sum of **\$15,179,653.10 plus per diem interest as aforesaid**, being the aforesaid balance plus our costs. Any payment less than the full amount outstanding may be accepted by the Lender, but any such payment shall not vitiate this demand for full payment and the Lender reserves its right to take whatever steps it deems appropriate to recover the full amount owed notwithstanding any partial payment.

Unless we are in receipt of the sum of **\$15,179,653.10 as of February 7, 2023 plus per diem interest currently at \$7,459.00 thereafter to and including the date funds are received in our offices on or before NOON, FEBRUARY 24, 2023**, the Lender may instruct us to commence proceedings against you forthwith thereafter without further notice to recover the full amount owing under its security plus costs. Please note that funds received after NOON shall be

February 9, 2023

Page 2

OWEN · BIRD

LAW CORPORATION

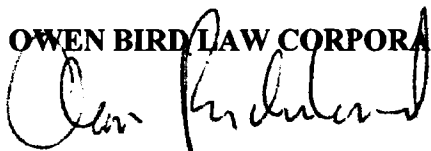
regarded as funds received on the next business day and therefore must include interest to and including the next business day.

Enclosed is a copy of our Lender's Notice of Intention to Enforce Security served upon you pursuant to s. 244 of the *Bankruptcy and Insolvency Act*.

Please govern yourselves accordingly.

Yours truly,

OWEN BIRD LAW CORPORATION



Alan A. Frydenlund, K.C.

AAF/arl

Encl.

cc: Lender

cc: covenantors

E&OE



FORM 86  
**Notice of Intention to Enforce Security**  
*[Subsection 244(1)]*

To: NANAIMO 22 DEVELOPMENT (BT) LTD., COROMANDEL NANAIMO 22 BT LTD., COROMANDEL NANAIMO 22 LIMITED PARTNERSHIP, COROMANDEL NANAIMO 22 DEVELOPMENT LTD., LAUAN CAPITAL LTD., COROMANDEL HOLDINGS LTD., COROMANDEL PROPERTIES LTD., SILVERSTONE INVESTMENT CORP., SKY TEAM CAPITAL LIMITED, ZHEN YU ZHONG and JUNCHAO MO (collectively, the insolvent persons)

Take notice that:

1. ACCOUNTABLE MORTGAGE INVESTMENT CORP., the secured creditor, intends to enforce its security on the property of the insolvent persons described below:

All real and personal property interests of the insolvent persons specifically charged in favour of ACCOUNTABLE MORTGAGE INVESTMENT CORP.

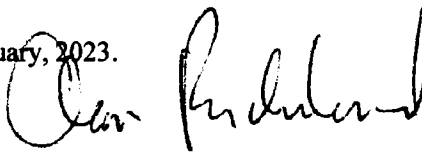
2. The security that is to be enforced is a mortgage, assignment of rents, general security agreements, estoppel certificates-mortgages of beneficial interest and all other security granted by the insolvent persons to ACCOUNTABLE MORTGAGE INVESTMENT CORP.

3. The total amount of the indebtedness secured by the security is:

\$15,179,653.10 as of February 7, 2023 plus current per diem interest of \$7,459.00 thereafter and all costs and charges of enforcement.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent persons consent to an earlier enforcement.

DATED at Vancouver, B.C., this 9th day of February, 2023.



Solicitor for ACCOUNTABLE MORTGAGE  
 INVESTMENT CORP., Alan A. Frydenlund, K.C.

Name and address of solicitor for ACCOUNTABLE MORTGAGE INVESTMENT CORP.:

ALAN A. FRYDENLUND, K.C., OWEN BIRD LAW CORPORATION, Vancouver Centre II, 2900-733 Seymour Street, PO Box 1, Vancouver, BC, V6B 0S6, Telephone: (604) 691-7511.

**ACKNOWLEDGEMENT, CONSENT AND WAIVER**

## THE UNDERSIGNED HEREBY:

1. Acknowledges receipt of the above Form 86 Notice of Intention to Enforce Security;
2. Waives the ten day period of notice required under Section 244 of the *Bankruptcy and Insolvency Act*;
3. Waives all notice and cure provisions contained in the security referred to in the above Form 86 Notice of Intention to Enforce Security; and
4. Consents to the immediate enforcement by ACCOUNTABLE MORTGAGE INVESTMENT CORP. of the security referred to in the above Form 86 Notice of Intention to Enforce Security.

Executed by NANAIMO 22 DEVELOPMENT (BT) LTD. on the \_\_\_\_ day of February, 2023 by its authorized signatory(ies):

\_\_\_\_\_  
 Print name:  
 Title:

Executed by COROMANDEL NANAIMO 22 LIMITED PARTNERSHIP, by its general partner, COROMANDEL NANAIMO 22 DEVELOPMENT LTD., on the \_\_\_\_ day of February, 2023 by its authorized signatory(ies):

\_\_\_\_\_  
 Print name:  
 Title:

Executed by LAUAN CAPITAL LTD. on the \_\_\_\_ day of February, 2023 by its authorized signatory(ies):

\_\_\_\_\_  
 Print name:  
 Title:

Executed by COROMANDEL PROPERTIES LTD. on the \_\_\_\_ day of February, 2023 by its authorized signatory(ies):

\_\_\_\_\_  
 Print name:  
 Title:

Executed by COROMANDEL NANAIMO 22 BT LTD. on the \_\_\_\_ day of February, 2023 by its authorized signatory(ies):

\_\_\_\_\_  
 Print name:  
 Title:

Executed by COROMANDEL NANAIMO 22 DEVELOPMENT LTD., on the \_\_\_\_ day of February, 2023 by its authorized signatory(ies):

\_\_\_\_\_  
 Print name:  
 Title:

Executed by COROMANDEL HOLDINGS LTD. on the \_\_\_\_ day of February, 2023 by its authorized signatory(ies):

\_\_\_\_\_  
 Print name:  
 Title:

Executed by SILVERSTONE INVESTMENT CORP. on the \_\_\_\_ day of February, 2023 by its authorized signatory(ies):

\_\_\_\_\_  
 Print name:  
 Title:

Executed by SKY TEAM CAPITAL LIMITED  
on the \_\_\_\_ day of February, 2023 by its  
authorized signatory(ies):

\_\_\_\_\_  
ZHEN YU ZHONG

\_\_\_\_\_  
Print name:  
Title:

\_\_\_\_\_  
JUNCHAO MO



## OWEN • BIRD

LAW CORPORATION

Alan A Frydenlund, KC\*  
Harvey S Delaney\*  
Paul J Brown\*  
John J Kim\*  
Jonathan L Williams\*  
Paul A Brackstone\* \*\*  
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Josephine M Nadel, KC, Associate Counsel\*  
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Hon Walter S Owen, OC, QC, LLD (1981)  
John I Bird, QC (2005)

\* Law Corporation  
\* Also of the Yukon Bar  
\*\* Also of the Alberta Bar  
\*\*\* Also of the Ontario Bar  
\*\* Also of the Washington Bar

Vancouver Centre II  
2900-733 Seymour Street  
PO Box 1  
Vancouver, BC V6B 0S6  
Canada

Telephone 604 688-0401

Fax 604 688-2827

Website [www.owenbird.com](http://www.owenbird.com)

Direct Line: 604 691-7511

Direct Fax: 604 632-4486

E-mail: [afrydenlund@owenbird.com](mailto:afrydenlund@owenbird.com)

File No. 35026-0049

This is Exhibit "     K    " referred to in the  
Affidavit of     Zhen Yu Zhong      
affirmed before me at     Vancouver    , BC  
this     15     day of     February     20    23    .

A Commissioner/Notary Public for the  
Province of British Columbia

February 10, 2023

COROMANDEL NANAIMO 22 BT LTD.,  
COROMANDEL NANAIMO 22 LIMITED PARTNERSHIP and  
COROMANDEL NANAIMO 22 DEVELOPMENT LTD.

all c/o Katie G. Mak / Christopher Ramsay

Clark Wilson LLP

900 – 885 West Georgia Street

Vancouver, BC V6C 3H1

Dear Sirs/Mesdames:

**Re: Debt due to BLUESHORE FINANCIAL CREDIT UNION (the Lender)**

We are counsel to the Lender.

We are informed by the Lender that you are in default of your obligations under the security granted in favour of the Lender, including without limitation, CCAA proceedings have been commenced. Accordingly, the Lender hereby exercises its right to demand repayment of the secured indebtedness. The amount due is the sum of \$5,480,089.94 as of February 8, 2023 on which interest currently accrues at a daily rate of \$896.32 thereafter to and including the date funds are deemed to be received in our offices.

Demand is hereby made for the immediate payment to our offices by way of bank draft or certified cheque payable to "Owen Bird Law Corporation, In Trust", in the sum of **\$5,482,089.94 plus per diem interest as aforesaid**, being the aforesaid balance plus our costs. Any payment less than the full amount outstanding may be accepted by the Lender, but any such payment shall not vitiate this demand for full payment and the Lender reserves its right to take whatever steps it deems appropriate to recover the full amount owed notwithstanding any partial payment.

Unless we are in receipt of the sum of **\$5,482,089.94 as of February 8, 2023 plus per diem interest currently at \$896.32 thereafter to and including the date funds are received in our offices on or before NOON, FEBRUARY 24, 2023**, the Lender may instruct us to commence proceedings against you forthwith thereafter without further notice to recover the full amount owing under its security plus costs. Please note that funds received after NOON shall be regarded as funds received on the next business day and therefore must include interest to and including the next business day.

February 10, 2023

Page 2

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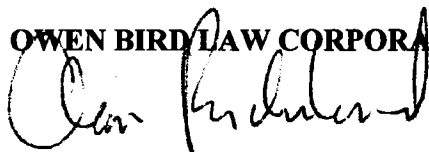
LAW CORPORATION

Enclosed is a copy of our Lender's Notice of Intention to Enforce Security served upon you pursuant to s. 244 of the *Bankruptcy and Insolvency Act*.

Please govern yourselves accordingly.

Yours truly,

OWEN BIRD LAW CORPORATION



Alan A. Frydenlund, K.C.

AAF/arl

Encl.

cc: Lender

cc: guarantor

E&OE

FORM 86  
Notice of Intention to Enforce Security  
[Subsection 244(1)]

To: COROMANDEL NANAIMO 22 BT LTD., COROMANDEL NANAIMO 22 LIMITED PARTNERSHIP and COROMANDEL NANAIMO 22 DEVELOPMENT LTD. (collectively, the insolvent persons)

Take notice that:

1. BLUESHORE FINANCIAL CREDIT UNION, the secured creditor, intends to enforce its security on the property of the insolvent persons described below:

All real and personal property interests of the insolvent persons specifically charged in favour of BLUESHORE FINANCIAL CREDIT UNION

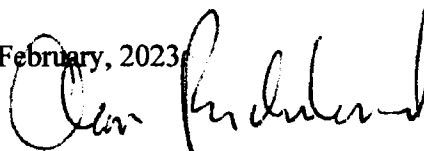
2. The security that is to be enforced is a mortgage, assignment of rents, general security agreement, beneficiary authorization and charge agreement and all other security granted by the insolvent persons to BLUESHORE FINANCIAL CREDIT UNION

3. The total amount of the indebtedness secured by the security is:

\$5,482,089.94 as of February 8, 2023 plus current per diem interest of \$896.32 thereafter and all costs and charges of enforcement.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent persons consent to an earlier enforcement.

DATED at Vancouver, B.C., this 10<sup>th</sup> day of February, 2023



Solicitor for BLUESHORE FINANCIAL CREDIT UNION, Alan A. Frydenlund, K.C.

Name and address of solicitor for BLUESHORE FINANCIAL CREDIT UNION:

ALAN A. FRYDENLUND, K.C., OWEN BIRD LAW CORPORATION, Vancouver Centre II, 2900-733 Seymour Street, PO Box 1, Vancouver, BC, V6B 0S6, Telephone: (604) 691-7511.



**ACKNOWLEDGEMENT, CONSENT AND WAIVER**

THE UNDERSIGNED HEREBY:

1. Acknowledges receipt of the above Form 86 Notice of Intention to Enforce Security;
2. Waives the ten day period of notice required under Section 244 of the *Bankruptcy and Insolvency Act*;
3. Waives all notice and cure provisions contained in the security referred to in the above Form 86 Notice of Intention to Enforce Security; and
4. Consents to the immediate enforcement by BLUESHORE FINANCIAL CREDIT UNION of the security referred to in the above Form 86 Notice of Intention to Enforce Security.

Executed by COROMANDEL NANAIMO  
22 BT LTD. on the \_\_\_\_ day of February,  
2023 by its authorized signatory(ies):

\_\_\_\_\_  
Print name:  
Title:

Executed by COROMANDEL NANAIMO  
22 LIMITED PARTNERSHIP, by its general  
partner, COROMANDEL NANAIMO 22  
DEVELOPMENT LTD., on the \_\_\_\_ day of  
February, 2023 by its authorized  
signatory(ies):

\_\_\_\_\_  
Print name:  
Title:

Executed by COROMANDEL NANAIMO  
22 DEVELOPMENT LTD., on the \_\_\_\_ day  
of February, 2023 by its authorized  
signatory(ies):

\_\_\_\_\_  
Print name:  
Title:

## OWEN · BIRD

LAW CORPORATION

Alan A Frydenlund, KC\*  
Harvey S Delaney\*  
Paul J Brown\*  
John J Kim\*  
Jonathan L Williams\*  
Paul A Brackstone\*  
David W P Moriarty\*\*  
Katharina R Spatzl\*  
Nikta Shirazian  
Laura A Buttendyk

Allison R Kuchta\*  
James L Carpick\*  
Patrick J Haberl\*  
Heather E Maconachie  
Michael F Robson\*  
Scott H Stephens\*  
Daniel H Coles\*  
Sameer Kamboj\*  
Patrick J Weafer  
Taahaa Patel

Jeffrey B Lightfoot\*  
Christopher P Weafer\*  
Gregory J Tucker, KC\*\* \*\*\*  
Terence W Yu\*  
James H McBeath\*  
Michelle Karby\*  
Jocelyn M Bellerud\*  
Heather A Frydenlund\*\*  
Georgia Barnard  
Harleen K Randhawa

Daniel W Burnett, KC\*  
Ronald G Paton\*  
Gary M Yaffe\*  
Harley J Harris\*  
Kari F Richardson\*  
George J Roper\*  
Tony R Anderson\*  
Brian Y K Cheng\*\*\*  
Brittney S Dumanowski  
Lily Y Zhang

Josephine M Nadel, KC, Associate Counsel\*  
Duncan J Manson, Associate Counsel\*  
Jennifer R Loeb, Associate Counsel  
Jean Feng, Associate Counsel\*  
Hon Walter S Owen, OC, QC, LLD (1981)  
John I Bird, QC (2005)

\* Law Corporation  
\* Also of the Yukon Bar  
\*\* Also of the Alberta Bar  
\*\*\* Also of the Ontario Bar  
\*\*\* Also of the Washington Bar

Vancouver Centre II  
2900-733 Seymour Street  
PO Box 1  
Vancouver, BC V6B 0S6  
Canada  
Telephone 604 688-0401  
Fax 604 688-2827  
Website www.owenbird.com

Direct Line: 604 691-7511

Direct Fax: 604 632-4486

E-mail: afrydenlund@owenbird.com

File No. 35026-0050

This is Exhibit "L" referred to in the  
Affidavit of Zhen Yu Zhong  
affirmed before me at Vancouver, BC  
this 15 day of February 20 23.

A Commissioner/Notary Public for the  
Province of British Columbia

February 10, 2023

COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD.,  
COROMANDEL SLOCAN 29 LIMITED PARTNERSHIP and  
COROMANDEL SLOCAN 29 DEVELOPMENT LTD.

all c/o Katie G. Mak / Christopher Ramsay

Clark Wilson LLP

900 – 885 West Georgia Street

Vancouver, BC V6C 3H1

Dear Sirs/Mesdames:

**Re: Debt due to BLUESHORE FINANCIAL CREDIT UNION (the Lender)**

We are counsel to the Lender.

We are informed by the Lender that you are in default of your obligations under the security granted in favour of the Lender, including without limitation, CCAA proceedings have been commenced. Accordingly, the Lender hereby exercises its right to demand repayment of the secured indebtedness. The amount due is the sum of \$3,632,399.87 as of February 8, 2023 on which interest currently accrues at a daily rate of \$595.66 thereafter to and including the date funds are deemed to be received in our offices.

Demand is hereby made for the immediate payment to our offices by way of bank draft or certified cheque payable to "Owen Bird Law Corporation, In Trust", in the sum of **\$3,634,399.87 plus per diem interest as aforesaid**, being the aforesaid balance plus our costs. Any payment less than the full amount outstanding may be accepted by the Lender, but any such payment shall not vitiate this demand for full payment and the Lender reserves its right to take whatever steps it deems appropriate to recover the full amount owed notwithstanding any partial payment.

Unless we are in receipt of the sum of **\$3,634,399.87 as of February 8, 2023 plus per diem interest currently at \$595.66 thereafter to and including the date funds are received in our offices on or before NOON, FEBRUARY 24, 2023**, the Lender may instruct us to commence proceedings against you forthwith thereafter without further notice to recover the full amount owing under its security plus costs. Please note that funds received after NOON shall be regarded as funds received on the next business day and therefore must include interest to and including the next business day.

February 10, 2023

Page 2

OWEN·BIRD

LAW CORPORATION

Enclosed is a copy of our Lender's Notice of Intention to Enforce Security served upon you pursuant to s. 244 of the *Bankruptcy and Insolvency Act*.

Please govern yourselves accordingly.

Yours truly,

**OWEN BIRD LAW CORPORATION**



Alan A. Frydenlund, K.C.

AAF/arl

Encl.

cc: Lender

cc: guarantors

E&OE



FORM 86  
**Notice of Intention to Enforce Security**  
*[Subsection 244(1)]*

To: COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD., COROMANDEL SLOCAN 29 LIMITED PARTNERSHIP and COROMANDEL SLOCAN 29 DEVELOPMENT LTD. (collectively, the insolvent persons)

Take notice that:

1. BLUESHORE FINANCIAL CREDIT UNION, the secured creditor, intends to enforce its security on the property of the insolvent persons described below:

All real and personal property interests of the insolvent persons specifically charged in favour of BLUESHORE FINANCIAL CREDIT UNION

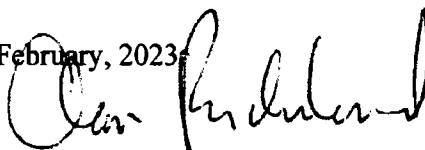
2. The security that is to be enforced is a mortgage, assignment of rents, extension agreements, general security agreement, beneficiary authorization and charge agreement and all other security granted by the insolvent persons to BLUESHORE FINANCIAL CREDIT UNION

3. The total amount of the indebtedness secured by the security is:

\$3,634,399.87 as of February 8, 2023 plus current per diem interest of \$595.66 thereafter and all costs and charges of enforcement.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent persons consent to an earlier enforcement.

DATED at Vancouver, B.C., this 10<sup>th</sup> day of February, 2023:




---

Solicitor for BLUESHORE FINANCIAL CREDIT UNION, Alan A. Frydenlund, K.C.

Name and address of solicitor for BLUESHORE FINANCIAL CREDIT UNION:

ALAN A. FRYDENLUND, K.C., OWEN BIRD LAW CORPORATION, Vancouver Centre II, 2900-733 Seymour Street, PO Box 1, Vancouver, BC, V6B 0S6, Telephone: (604) 691-7511.

**ACKNOWLEDGEMENT, CONSENT AND WAIVER**

THE UNDERSIGNED HEREBY:

1. Acknowledges receipt of the above Form 86 Notice of Intention to Enforce Security;
2. Waives the ten day period of notice required under Section 244 of the *Bankruptcy and Insolvency Act*;
3. Waives all notice and cure provisions contained in the security referred to in the above Form 86 Notice of Intention to Enforce Security; and
4. Consents to the immediate enforcement by BLUESHORE FINANCIAL CREDIT UNION of the security referred to in the above Form 86 Notice of Intention to Enforce Security.

Executed by COROMANDEL SLOCAN 29 DEVELOPMENT BT LTD. on the \_\_\_\_ day of February, 2023 by its authorized signatory(ies):

\_\_\_\_\_  
Print name:  
Title:

Executed by COROMANDEL SLOCAN 29 LIMITED PARTNERSHIP, by its general partner, COROMANDEL SLOCAN 29 DEVELOPMENT LTD. on the \_\_\_\_ day of February, 2023 by its authorized signatory(ies):

\_\_\_\_\_  
Print name:  
Title:

Executed by COROMANDEL SLOCAN 29 DEVELOPMENT LTD., on the \_\_\_\_ day of February, 2023 by its authorized signatory(ies):

\_\_\_\_\_  
Print name:  
Title:





February 14, 2023



007-336-420	LOT 15 BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
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2. A beneficiary authorization and charge agreement in respect of the Mortgage made by the Borrowers in favour of the Lenders;
3. A general security agreement made by (among others) the Borrowers in favour of the Lenders;
4. An unlimited joint and several guarantee (the "**Guarantee**") by Lauan Capital Ltd., Coromandel Properties (2016) Ltd., Coromandel Holdings Ltd., Cedarhurst Holdings Ltd., Thurlow Holdings Ltd., Carnarvon Capital Ltd., Birney Holdings Ltd., Bayberry Holdings Ltd., Mahogany Holdings Limited, Junchao Mo (also known as Jun Chao Mo) and Zhen Yu Zhong (also known as Jerry Zhong), in his personal capacity and his capacity as the trustee of Birch Family Trust (2020) (collectively, the "**Guarantors**") relating to the obligations of the Borrowers to the Lenders,

(collectively, the "**Security**").

We are instructed by the Lenders that you have defaulted under the Loan Agreement and the Security, including by failing to make payments as and when due thereunder. Such default constitutes an Event of Default under the Loan Agreement.

We are further instructed that, as of February 14, 2023, you are indebted to the Lenders in the total sum of \$9,115,065.00, and interest continues to accrue as per the Loan Agreement (the "**Indebtedness**").

On behalf of the Lenders, we hereby make demand for payment of the full amount of the Indebtedness, together with interest accruing in accordance with the Loan Agreement, calculated to the date of payment in full. In addition, all legal costs incurred by the Lenders in connection with the collection of the Indebtedness and the enforcement of the Security will be added to the amount required to satisfy the Indebtedness.

Payment of the Indebtedness, in full, made by wire transfer (see details enclosed) to Norton Rose Fulbright Canada LLP, in trust, on or before February 17, 2023.

In the event that full repayment of the Indebtedness is not received by the date and in the manner aforesaid, we are instructed to take such proceedings as may be available under the Loan Agreement and the Security, to enforce repayment of the Indebtedness.

We enclose for service upon you a Notice of Intention to Enforce Security, issued pursuant to s. 244 of the *Bankruptcy and Insolvency Act*.

Under separate cover, we are making demand on the Guarantors of the obligations of the Borrowers for the amounts owing pursuant to the Guarantee.

Yours very truly,



Scott Boucher  
Partner

Enclosures (2)

Copies to: Lauan Capital Ltd., Coromandel Properties (2016) Ltd., Coromandel Holdings Ltd., Cedarhurst Holdings Ltd., Thurlow Holdings Ltd., Carnarvon Capital Ltd., Birney Holdings Ltd., Bayberry Holdings Ltd., Mahogany Holdings Limited, Junchao Mo (also known as Jun Chao Mo) and Zhen Yu Zhong (also known as Jerry Zhong), in his personal capacity and his capacity as the trustee of Birch Family Trust (2020); and Clark Wilson LLP (attention: Christopher Ramsay and Katie Mak)

**Norton Rose Fulbright Canada LLP- Trust Accounts****CANADIAN DOLLARS**

Royal Bank of Canada – Main Branch 1025 West Georgia Street Vancouver, BC V6E 3N9	
Beneficiary/Account Holder Name:	Norton Rose Fulbright Canada LLP Trust Account
Beneficiary Address:	1 Place Ville Marie, Montreal, QC H3B 1R1
Transit Number:	00010
<b>Account Number:</b>	<b>131-134-9</b>
Swift Number :	ROYCCAT2
Institution Number:	003

**FORM 86**  
**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**[Subsection 244(1), Rule 124]**

To: **Coromandel Slocan 29 Development BT Ltd.**  
**Coromandel Slocan 29 Limited Partnership**  
**Coromandel Slocan 29 Development Ltd.**

each an insolvent entity.

Take notice that:

1. Dragon Heir Investments Ltd., Renlican Investment Group Inc., Ms. Yan Shen and 1046056 B.C. Ltd., the secured creditors, intend to enforce their security on the following properties:
  - (a) the real property of Coromandel Slocan 29 Development BT Ltd. legally described as follows (collectively, the "**Lands**"):
 

011-643-668	LOT 9, EXCEPT THE SOUTH 7 FEET NOW ROAD, BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
011-643-676	LOT 10 BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
011-643-706	LOT 11, EXCEPT THE SOUTH 7 FEET NOW ROAD, BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
029-494-371	LOT A BLOCK 5 SECTION 47 HASTINGS SUBURBAN LANDS PLAN EPP47823
011-645-431	LOT 13, EXCEPT THE SOUTH 7 FEET NOW ROAD, BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
007-336-420	LOT 15 BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272

- (b) all of the presently owned or held and after acquired or held personal property of Coromandel Slocan 29 Development BT Ltd., Coromandel Slocan 29 Limited Partnership and Coromandel Slocan 29 Development Ltd., of whatsoever nature or kind and wheresoever situate, and all proceeds and renewals thereof and therefrom, accretions thereto and substitutions therefor, as well as all proceeds including, without limitation, money, chattel paper, intangibles, goods, documents of title, instruments and investment property and financial assets.

2. The security that is to be enforced is the following:

- (a) a mortgage granted in favour of the Dragon Heir Investments Ltd., Renlican Investment Group Inc., Ms. Yan Shen and 1046056 B.C. Ltd. registered against title to the Lands in the New Westminster Land Title Office under the registration number CA9722918;



- (b) an assignment of rents granted in favour of the Dragon Heir Investments Ltd., Renlican Investment Group Inc., Ms. Yan Shen and 1046056 B.C. Ltd. registered against title to the Lands in the New Westminster Land Title Office under the registration number CA9722919;
- (c) a general security agreement made by Coromandel Slokan 29 Development BT Ltd., Coromandel Slokan 29 Limited Partnership and Coromandel Slokan 29 Development Ltd. registered in the British Columbia Personal Property Registry under base registration number 543346N on February 16, 2022.
3. The total amount of indebtedness secured by the security is \$9,115,065.00 as at February 14, 2023.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent entity consents to an earlier enforcement.

Dated at Vancouver, British Columbia this 14<sup>th</sup> day of February, 2022.

**DRAGON HEIR INVESTMENTS LTD.  
RENLICAN INVESTMENT GROUP INC.  
MS. YAN SHEN  
1046056 B.C. LTD.**




---

By its solicitors, Norton Rose Fulbright Canada LLP  
Per: Scott M. Boucher

The undersigned hereby consent to the enforcement by Dragon Heir Investments Ltd., Renlican Investment Group Inc., Ms. Yan Shen and 1046056 B.C. Ltd. of the security set forth above before the expiration of the 10 day period described in this Notice of Intention.

---

Per: \_\_\_\_\_

Authorized Signatory of Coromandel Slokan 29 Development BT Ltd.

---

Per: \_\_\_\_\_

Authorized Signatory of Coromandel Slokan 29 Limited Partnership

---

Per: \_\_\_\_\_

Authorized Signatory of Coromandel Slokan 29 Development Ltd.


**NORTON ROSE FULBRIGHT**

February 14, 2023

Sent By Courier

**Lauan Capital Ltd.  
Coromandel Properties (2016) Ltd.  
Coromandel Holdings Ltd.  
Cedarhurst Holdings Ltd.  
Thurlow Holdings Ltd.  
Carnarvon Capital Ltd.  
Birney Holdings Ltd.  
800 – 855 West Georgia Street  
Vancouver, BC, V6C 3H1**

**Bayberry Holdings Ltd.  
1600 – 925 West Georgia Street  
Vancouver, BC V6C 3L2**

**Mahogany Holdings Limited  
Junchao Mo (also known as Jun Chao Mo)  
Zhen Yu Zhong (also known as Jerry Zhong),  
in his personal capacity and his capacity as the trustee of  
Birch Family Trust (2020)  
1800 – 1188 West Georgia Street  
Vancouver, BC V6E 4A2**

Norton Rose Fulbright Canada LLP  
510 West Georgia Street, Suite 1800  
Vancouver, BC V6B 0M3 CANADA

F: +1 604.641.4949  
[nortonrosefulbright.com](http://nortonrosefulbright.com)

**Scott Boucher**  
+1 604.641.4920  
[scott.boucher@nortonrosefulbright.com](mailto:scott.boucher@nortonrosefulbright.com)

**Assistant**  
+1 604.641.4578  
[krystal.shayler@nortonrosefulbright.com](mailto:krystal.shayler@nortonrosefulbright.com)

Our reference  
1001198666

Dear Sir/Madam:

**Indebtedness owing to Dragon Heir Investments Ltd., Renlican Investment Group Inc., Ms. Yan Shen and 1046056 B.C. Ltd. (collectively, the “Lenders”)**

We are the legal counsel for the Lenders.

We refer to the loan agreement dated for reference February 10, 2022 (the “**Loan Agreement**”), whereby the Lenders advanced a loan to Coromandel Slocan 29 Development BT Ltd., Coromandel Slocan 29 Limited Partnership and Coromandel Slocan 29 Development Ltd., as borrowers (collectively, the “**Borrowers**”). Capitalized terms used in this letter and not otherwise defined herein shall have the meanings given to them in the Loan Agreement.

We have, on behalf of the Lenders, made formal demand for repayment of all amounts due and owing by the Borrowers to the Lenders under the Loan Agreement, and a copy of our demand letter (the “**Demand Letter**”) is enclosed herewith.

In consideration of the Lenders lending money to the Borrowers, each of you provided to the Lenders an unlimited joint and several written guarantee whereby each of you guaranteed payment of the obligations of the Borrowers under the Loan Agreement (the “**Guarantee**”).

The security held by the Lenders in connection with the Guarantees includes a general security agreement made by (among others) the Guarantors in favour of the Lenders (the “**Security**”).

CAN\_DMS: 115063187012

Norton Rose Fulbright Canada LLP is a limited liability partnership established in Canada.

Norton Rose Fulbright Canada LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright Australia, Norton Rose Fulbright South Africa Inc and Norton Rose Fulbright US LLP are separate legal entities and all of them are members of Norton Rose Fulbright Verein, a Swiss Verein. Norton Rose Fulbright Verein helps coordinate the activities of the members but does not itself provide legal services to clients. Details of each entity, with certain regulatory information, are at [nortonrosefulbright.com](http://nortonrosefulbright.com).

February 14, 2023

 **NORTON ROSE FULBRIGHT**

We hereby make formal demand upon you for the total sum of \$9,115,065.00, pursuant to the Guarantee, together with interest on such amount from the date of demand to the date payment is made, at the interest rate provided for in the Loan Agreement, plus legal costs in connection with the collection under the Guarantee and the enforcement of the Security.

Payment of this amount must be made in accordance with the Demand Letter, in default of which we are instructed that the Lenders intend to enforce their rights and remedies under all security held in support of the Loan Agreement, including the Guarantee referred to herein.

We enclose for service upon you a Notice of Intention to Enforce Security, issued pursuant to s. 244 of the *Bankruptcy and Insolvency Act*.

Yours very truly,



Scott Boucher  
Partner

SB/ks

Copies to: Clark Wilson LLP (attention: Christopher Ramsay and Katie Mak)



**FORM 86**  
**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**[Subsection 244(1), Rule 124]**

To: **Lauan Capital Ltd.**  
**Coromandel Properties (2016) Ltd.**  
**Coromandel Holdings Ltd.**  
**Cedarhurst Holdings Ltd.**  
**Thurlow Holdings Ltd.**  
**Carnarvon Capital Ltd.**  
**Birney Holdings Ltd.**  
**Bayberry Holdings Ltd.**  
**Mahogany Holdings Limited**  
**Junchao Mo (also known as Jun Chao Mo)**  
**Zhen Yu Zhong (also known as Jerry Zhong), in his personal capacity and his capacity as the trustee of Birch Family Trust (2020)**

each an insolvent entity.

Take notice that:

1. Dragon Heir Investments Ltd., Renlican Investment Group Inc., Ms. Yan Shen and 1046056 B.C. Ltd., the secured creditors, intend to enforce their security on the following properties:
  - (a) all of the presently owned or held and after acquired or held personal property of Lauan Capital Ltd., Coromandel Properties (2016) Ltd., Coromandel Holdings Ltd., Cedarhurst Holdings Ltd., Thurlow Holdings Ltd., Carnarvon Capital Ltd., Birney Holdings Ltd., Bayberry Holdings Ltd., Mahogany Holdings Limited, Junchao Mo (also known as Jun Chao Mo), Zhen Yu Zhong (also known as Jerry Zhong), in his personal capacity and his capacity as the trustee of Birch Family Trust (2020), of whatsoever nature or kind and wheresoever situate, and all proceeds and renewals thereof and therefrom, accretions thereto and substitutions therefor, as well as all proceeds including, without limitation, money, chattel paper, intangibles, goods, documents of title, instruments and investment property and financial assets.
2. The security that is to be enforced is the following:
  - (a) a general security agreement made by Lauan Capital Ltd., Coromandel Properties (2016) Ltd., Coromandel Holdings Ltd., Cedarhurst Holdings Ltd., Thurlow Holdings Ltd., Carnarvon Capital Ltd., Birney Holdings Ltd., Bayberry Holdings Ltd., Mahogany Holdings Limited, Junchao Mo (also known as Jun Chao Mo), Zhen Yu Zhong (also known as Jerry Zhong), in his personal capacity and his capacity as the trustee of Birch Family Trust (2020), registered in the British Columbia Personal Property Registry under base registration number 543346N on February 16, 2022.
3. The total amount of indebtedness secured by the security is \$9,115,065.00 as at February 14, 2023.

- 4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent entity consents to an earlier enforcement.

Dated at Vancouver, British Columbia this 14<sup>th</sup> day of February, 2022.

**DRAGON HEIR INVESTMENTS LTD.  
 RENLICAN INVESTMENT GROUP INC.  
 MS. YAN SHEN  
 1046056 B.C. LTD.**



By its solicitors, Norton Rose Fulbright Canada LLP  
 Per: Scott M. Boucher

The undersigned hereby consent to the enforcement by Dragon Heir Investments Ltd., Renlican Investment Group Inc., Ms. Yan Shen and 1046056 B.C. Ltd. of the security set forth above before the expiration of the 10 day period described in this Notice of Intention.

Per: \_\_\_\_\_  
 Authorized Signatory of Luan Capital Ltd.

Per: \_\_\_\_\_  
 Authorized Signatory of Coromandel Properties (2016) Ltd.

Per: \_\_\_\_\_  
 Authorized Signatory of Coromandel Holdings Ltd.

Per: \_\_\_\_\_  
 Authorized Signatory of Cedarhurst Holdings Ltd.

Per: \_\_\_\_\_  
 Authorized Signatory of Thurlow Holdings Ltd.

Per: \_\_\_\_\_  
 Authorized Signatory of Carnarvon Capital Ltd.

Per: \_\_\_\_\_  
 Authorized Signatory of Birney Holdings Ltd.

Per: \_\_\_\_\_  
 Authorized Signatory of Mahogany Holdings Limited

Per: Junchao Mo (also known as Jun Chao Mo)

Per: Zhen Yu Zhong (also known as Jerry Zhong), in his personal capacity and his capacity as the trustee of Birch Family Trust (2020)


**NORTON ROSE FULBRIGHT**

February 14, 2023

Sent By Courier

**Coromandel Slocan 29 Development BT Ltd.**  
**Coromandel Slocan 29 Limited Partnership**  
**Coromandel Slocan 29 Development Ltd.**  
 1800 – 1188 West Georgia Street  
 Vancouver, BC, V6E 4A2

**Attention: Zhen Yu Zhong**

Norton Rose Fulbright Canada LLP  
 510 West Georgia Street, Suite 1800  
 Vancouver, BC V6B 0M3 CANADA

F: +1 604.641.4949  
**nortonrosefulbright.com**

**Scott Boucher**  
 +1 604.641.4920  
 scott.boucher@nortonrosefulbright.com

Assistant  
 +1 604.641.4578  
 krystal.shayler@nortonrosefulbright.com

Our reference  
 1001198666

Dear Sir/Madam:

**Indebtedness owing to Dragon Heir Investments Ltd., Renlican Investment Group Inc., Ms. Yan Shen and 1046056 B.C. Ltd. (collectively, the "Lenders")**

We are the legal counsel for the Lenders.

Further to our letter to you dated February 2, 2023, we refer to the loan agreement dated for reference February 10, 2022 (the "Loan Agreement"), whereby the Lenders advanced a loan to Coromandel Slocan 29 Development BT Ltd., Coromandel Slocan 29 Limited Partnership and Coromandel Slocan 29 Development Ltd., as borrowers (collectively, the "Borrowers"). Capitalized terms used in this letter and not otherwise defined herein shall have the meanings given to them in the Loan Agreement.

The security held by our client in connection with the Loan Agreement includes the following:

1. A mortgage in the principal amount of \$9,000,000 and an assignment of rents (the "Mortgage") granted by Coromandel Slocan 29 Development BT Ltd., charging the following lands:

PARCEL IDENTIFIER	LEGAL DESCRIPTION
011-643-668	LOT 9, EXCEPT THE SOUTH 7 FEET NOW ROAD, BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
011-643-676	LOT 10 BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
011-643-706	LOT 11, EXCEPT THE SOUTH 7 FEET NOW ROAD, BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
029-494-371	LOT A BLOCK 5 SECTION 47 HASTINGS SUBURBAN LANDS PLAN EPP47823
011-645-431	LOT 13, EXCEPT THE SOUTH 7 FEET NOW ROAD, BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272

CAN\_DMS: \150631418\2

Norton Rose Fulbright Canada LLP is a limited liability partnership established in Canada.

Norton Rose Fulbright Canada LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright Australia, Norton Rose Fulbright South Africa Inc and Norton Rose Fulbright US LLP are separate legal entities and all of them are members of Norton Rose Fulbright Verein, a Swiss Verein. Norton Rose Fulbright Verein helps coordinate the activities of the members but does not itself provide legal services to clients. Details of each entity, with certain regulatory information, are at nortonrosefulbright.com.

COPY



February 14, 2023


**NORTON ROSE FULBRIGHT**

LEGAL DESCRIPTION	
007-336-420	LOT 15 BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272

2. A beneficiary authorization and charge agreement in respect of the Mortgage made by the Borrowers in favour of the Lenders;
3. A general security agreement made by (among others) the Borrowers in favour of the Lenders;
4. An unlimited joint and several guarantee (the "**Guarantee**") by Lauan Capital Ltd., Coromandel Properties (2016) Ltd., Coromandel Holdings Ltd., Cedarhurst Holdings Ltd., Thurlow Holdings Ltd., Carnarvon Capital Ltd., Birney Holdings Ltd., Bayberry Holdings Ltd., Mahogany Holdings Limited, Junchao Mo (also known as Jun Chao Mo) and Zhen Yu Zhong (also known as Jerry Zhong), in his personal capacity and his capacity as the trustee of Birch Family Trust (2020) (collectively, the "**Guarantors**") relating to the obligations of the Borrowers to the Lenders,

(collectively, the "**Security**").

We are instructed by the Lenders that you have defaulted under the Loan Agreement and the Security, including by failing to make payments as and when due thereunder. Such default constitutes an Event of Default under the Loan Agreement.

We are further instructed that, as of February 14, 2023, you are indebted to the Lenders in the total sum of \$9,115,065.00, and interest continues to accrue as per the Loan Agreement (the "**Indebtedness**").

On behalf of the Lenders, we hereby make demand for payment of the full amount of the Indebtedness, together with interest accruing in accordance with the Loan Agreement, calculated to the date of payment in full. In addition, all legal costs incurred by the Lenders in connection with the collection of the Indebtedness and the enforcement of the Security will be added to the amount required to satisfy the Indebtedness.

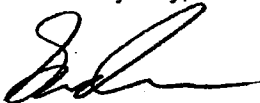
Payment of the Indebtedness, in full, made by wire transfer (see details enclosed) to Norton Rose Fulbright Canada LLP, in trust, on or before February 17, 2023.

In the event that full repayment of the Indebtedness is not received by the date and in the manner aforesaid, we are instructed to take such proceedings as may be available under the Loan Agreement and the Security, to enforce repayment of the Indebtedness.

We enclose for service upon you a Notice of Intention to Enforce Security, issued pursuant to s. 244 of the *Bankruptcy and Insolvency Act*.

Under separate cover, we are making demand on the Guarantors of the obligations of the Borrowers for the amounts owing pursuant to the Guarantee.

Yours very truly,



Scott Boucher  
Partner

Enclosures (2)

Copies to: Lauan Capital Ltd., Coromandel Properties (2016) Ltd., Coromandel Holdings Ltd., Cedarhurst Holdings Ltd., Thurlow Holdings Ltd., Carnarvon Capital Ltd., Birney Holdings Ltd., Bayberry Holdings Ltd., Mahogany Holdings Limited, Junchao Mo (also known as Jun Chao Mo) and Zhen Yu Zhong (also known as Jerry Zhong), in his personal capacity and his capacity as the trustee of Birch Family Trust (2020); and Clark Wilson LLP (attention: Christopher Ramsay and Katie Mak)

**Norton Rose Fulbright Canada LLP- Trust Accounts****CANADIAN DOLLARS**

Royal Bank of Canada – Main Branch 1025 West Georgia Street Vancouver, BC V6E 3N9	
Beneficiary/Account Holder Name:	Norton Rose Fulbright Canada LLP Trust Account
Beneficiary Address:	1 Place Ville Marie, Montreal, QC H3B 1R1
Transit Number:	00010
Account Number:	<b>131-134-9</b>
Swift Number :	ROYCCAT2
Institution Number:	003

COPY

**FORM 86**  
**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**[Subsection 244(1), Rule 124]**

To: **Coromandel Slocan 29 Development BT Ltd.**  
**Coromandel Slocan 29 Limited Partnership**  
**Coromandel Slocan 29 Development Ltd.**

each an insolvent entity.

Take notice that:

1. Dragon Heir Investments Ltd., Renlican Investment Group Inc., Ms. Yan Shen and 1046056 B.C. Ltd., the secured creditors, intend to enforce their security on the following properties:

- (a) the real property of Coromandel Slocan 29 Development BT Ltd. legally described as follows (collectively, the "Lands"):

<b>PARGEL IDENTIFIER</b>	<b>LEGAL DESCRIPTION</b>
011-643-668	LOT 9, EXCEPT THE SOUTH 7 FEET NOW ROAD, BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
011-643-676	LOT 10 BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
011-643-706	LOT 11, EXCEPT THE SOUTH 7 FEET NOW ROAD, BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
029-494-371	LOT A BLOCK 5 SECTION 47 HASTINGS SUBURBAN LANDS PLAN EPP47823
011-645-431	LOT 13, EXCEPT THE SOUTH 7 FEET NOW ROAD, BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272
007-336-420	LOT 15 BLOCK 5 SOUTH WEST 1/4 OF SECTION 47 TOWN OF HASTINGS SUBURBAN LANDS PLAN 4272

- (b) all of the presently owned or held and after acquired or held personal property of Coromandel Slocan 29 Development BT Ltd., Coromandel Slocan 29 Limited Partnership and Coromandel Slocan 29 Development Ltd., of whatsoever nature or kind and wheresoever situate, and all proceeds and renewals thereof and therefrom, accretions thereto and substitutions therefor, as well as all proceeds including, without limitation, money, chattel paper, intangibles, goods, documents of title, instruments and investment property and financial assets.

2. The security that is to be enforced is the following:

- (a) a mortgage granted in favour of the Dragon Heir Investments Ltd., Renlican Investment Group Inc., Ms. Yan Shen and 1046056 B.C. Ltd. registered against title to the Lands in the New Westminster Land Title Office under the registration number CA9722918;

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- (b) an assignment of rents granted in favour of the Dragon Heir Investments Ltd., Renlican Investment Group Inc., Ms. Yan Shen and 1046056 B.C. Ltd. registered against title to the Lands in the New Westminster Land Title Office under the registration number CA9722919;
  - (c) a general security agreement made by Coromandel Slocan 29 Development BT Ltd., Coromandel Slocan 29 Limited Partnership and Coromandel Slocan 29 Development Ltd. registered in the British Columbia Personal Property Registry under base registration number 543346N on February 16, 2022.
3. The total amount of indebtedness secured by the security is \$9,115,065.00 as at February 14, 2023.
  4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent entity consents to an earlier enforcement.

Dated at Vancouver, British Columbia this 14<sup>th</sup> day of February, 2022.

**DRAGON HEIR INVESTMENTS LTD.  
 RENLICAN INVESTMENT GROUP INC.  
 MS. YAN SHEN  
 1046056 B.C. LTD.**




---

By its solicitors, Norton Rose Fulbright Canada LLP  
 Per: Scott M. Boucher

COPY

The undersigned hereby consent to the enforcement by Dragon Heir Investments Ltd., Renlican Investment Group Inc., Ms. Yan Shen and 1046056 B.C. Ltd. of the security set forth above before the expiration of the 10 day period described in this Notice of Intention.

---

Per: \_\_\_\_\_  
 Authorized Signatory of Coromandel Slocan 29 Development BT Ltd.

---

Per: \_\_\_\_\_  
 Authorized Signatory of Coromandel Slocan 29 Limited Partnership

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Per: \_\_\_\_\_  
 Authorized Signatory of Coromandel Slocan 29 Development Ltd.

## OWEN • BIRD

LAW CORPORATION

Alan A Frydenlund, KC\*  
Harvey S Delaney\*  
Paul J Brown\*  
John J Kim\*  
Jonathan L Williams\*  
Paul A Brackstone\* \*\*  
David W P Moriarty\* \*\*  
Katharina R Spotz\*  
Nikta Shirazian  
Laura A Buitendyk

Allison R Kuchia\*  
James L Carpick\*  
Patrick J Haberl\*  
Heather E Maconachie  
Michael F Robson\*  
Scott H Stephens\*  
Daniel H Coles\* \*  
Sameer Kamboj\*  
Patrick J Weafer  
Taahaa Patel

Jeffrey B Lightfoot\*  
Christopher P Weafer\*  
Gregory J Tucker, KC\* \*\* \*\*  
Terence W Yu\*  
James H McBeath\*  
Michelle Karby\*  
Jocelyn M Bellerud\*  
Heather A Frydenlund\*\*  
Georgia Barnard  
Harleen K Randhawa

Daniel W Burnett, KC\*  
Ronald G Paton\*  
Gary M Yaffe\*  
Harley J Harris\*  
Kari F Richardson\*  
George J Roper\*  
Tony R Anderson\*  
Brian Y K Cheng\*\*  
Brittney S Dumanowski  
Lily Y Zhang

Josephine M Nadel, KC, Associate Counsel\*  
Duncan J Manson, Associate Counsel\*  
Jennifer R Loeb, Associate Counsel\*  
Jean Feng, Associate Counsel\*  
Hon Walter S Owen, OC, QC, LLD (1981)  
John I Bird, QC (2005)

\* Law Corporation  
\* Also of the Yukon Bar  
\*\* Also of the Alberta Bar  
\*\* Also of the Ontario Bar  
\*\* Also of the Washington Bar

Vancouver Centre II  
2900-733 Seymour Street  
PO Box 1  
Vancouver, BC V6B 0S6  
Canada  
Telephone 604 688-0401  
Fax 604 688-2827  
Website www.owenbird.com

Direct Line: 604 691-7511

Direct Fax: 604 632-4486

E-mail: afrydenlund@owenbird.com

File No. 34273-0326

February 9, 2023

COROMANDEL WILMAR DEVELOPMENT BT LTD.,  
COROMANDEL WILMAR LIMITED PARTNERSHIP and  
COROMANDEL WILMAR DEVELOPMENT LTD.

all c/o Katie G. Mak / Christopher Ramsay  
Clark Wilson LLP  
900 – 885 West Georgia Street  
Vancouver, BC V6C 3H1

This is Exhibit " N referred to in the  
Affidavit of Zhen Yu Zhong  
affirmed before me at Vancouver, BC  
this 15 day of February 20 23.

Dear Sirs/Mesdames:

  
A Commissioner/Notary Public for the

Re: **Debt due to ACCOUNTABLE MORTGAGE INVESTMENTS CORP. (the "Lender")**

We are counsel to the Lender.

We are informed by the Lender that you are in default of your obligations under the security granted in favour of the Lender, including without limitation, CCAA proceedings have been commenced, a claim of builders lien has been registered against the lands and a third mortgage without the consent of the Lender. Accordingly, the Lender hereby exercises its right to demand repayment of the secured indebtedness. The amount due is the sum of \$24,216,204.74 as of February 7, 2023 on which interest currently accrues at a daily rate of \$5,795.47 thereafter to and including the date funds are deemed to be received in our offices.

Demand is hereby made for the immediate payment to our offices by way of bank draft or certified cheque payable to "Owen Bird Law Corporation, In Trust", in the sum of **\$24,218,204.74 plus per diem interest as aforesaid**, being the aforesaid balance plus our costs. Any payment less than the full amount outstanding may be accepted by the Lender, but any such payment shall not vitiate this demand for full payment and the Lender reserves its right to take whatever steps it deems appropriate to recover the full amount owed notwithstanding any partial payment.

Unless we are in receipt of the sum of **\$24,218,204.74 as of February 7, 2023 plus per diem interest currently at \$5,795.47 thereafter to and including the date funds are received in our offices on or before NOON, FEBRUARY 24, 2023**, the Lender may instruct us to commence proceedings against you forthwith thereafter without further notice to recover the full amount owing under its security plus costs. Please note that funds received after NOON shall be

February 9, 2023  
Page 2

OWEN·BIRD  
LAW CORPORATION

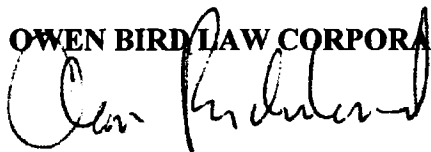
regarded as funds received on the next business day and therefore must include interest to and including the next business day.

Enclosed is a copy of our Lender's Notice of Intention to Enforce Security served upon you pursuant to s. 244 of the *Bankruptcy and Insolvency Act*.

Please govern yourselves accordingly.

Yours truly,

OWEN BIRD LAW CORPORATION



Alan A. Frydenlund, K.C.

AAF/arl  
Encl.  
cc: Lender  
cc: covenantors  
E&OE



FORM 86  
**Notice of Intention to Enforce Security**  
*[Subsection 244(1)]*

To: COROMANDEL WILMAR DEVELOPMENT BT LTD., COROMANDEL WILMAR LIMITED PARTNERSHIP, COROMANDEL WILMAR DEVELOPMENT LTD., COROMANDEL HOLDINGS LTD., COROMANDEL PROPERTIES (2016) LTD., LAUAN CAPITAL LTD., CEDARHURST HOLDINGS LTD., THURLOW HOLDINGS LTD., ZHEN YU ZHONG and JUNCHAO MO (collectively, the insolvent persons)

Take notice that:

1. ACCOUNTABLE MORTGAGE INVESTMENT CORP., the secured creditor, intends to enforce its security on the property of the insolvent persons described below:

All real and personal property interests of the insolvent persons specifically charged in favour of ACCOUNTABLE MORTGAGE INVESTMENT CORP.

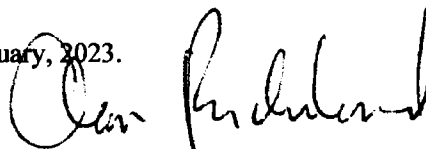
2. The security that is to be enforced is a mortgage, assignment of rents, general security agreements, estoppel certificate-mortgage of beneficial interest and all other security granted by the insolvent persons to ACCOUNTABLE MORTGAGE INVESTMENT CORP.

3. The total amount of the indebtedness secured by the security is:

\$24,218,204.74 as of February 7, 2023 plus current per diem interest of \$5,795.47 thereafter and all costs and charges of enforcement.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent persons consent to an earlier enforcement.

DATED at Vancouver, B.C., this 9th day of February, 2023.



Solicitor for ACCOUNTABLE MORTGAGE INVESTMENT CORP., Alan A. Frydenlund, K.C.

Name and address of solicitor for ACCOUNTABLE MORTGAGE INVESTMENT CORP.:

ALAN A. FRYDENLUND, K.C., OWEN BIRD LAW CORPORATION, Vancouver Centre II, 2900-733 Seymour Street, PO Box 1, Vancouver, BC, V6B 0S6, Telephone: (604) 691-7511.

**ACKNOWLEDGEMENT, CONSENT AND WAIVER**

## THE UNDERSIGNED HEREBY:

1. Acknowledges receipt of the above Form 86 Notice of Intention to Enforce Security;
2. Waives the ten day period of notice required under Section 244 of the *Bankruptcy and Insolvency Act*;
3. Waives all notice and cure provisions contained in the security referred to in the above Form 86 Notice of Intention to Enforce Security; and
4. Consents to the immediate enforcement by ACCOUNTABLE MORTGAGE INVESTMENT CORP. of the security referred to in the above Form 86 Notice of Intention to Enforce Security.

Executed by COROMANDEL WILMAR  
DEVELOPMENT BT LTD. on the \_\_\_\_ day of  
February, 2023 by its authorized signatory(ies):

\_\_\_\_\_  
Print name:  
Title:

Executed by COROMANDEL WILMAR  
LIMITED PARTNERSHIP, by its general  
partner, COROMANDEL WILMAR  
DEVELOPMENT LTD., on the \_\_\_\_ day of  
February, 2023 by its authorized signatory(ies):

\_\_\_\_\_  
Print name:  
Title:

Executed by COROMANDEL PROPERTIES  
(2016) LTD. on the \_\_\_\_ day of February, 2023  
by its authorized signatory(ies):

\_\_\_\_\_  
Print name:  
Title:

Executed by CEDARHURST HOLDINGS LTD.  
on the \_\_\_\_ day of February, 2023 by its  
authorized signatory(ies):

\_\_\_\_\_  
Print name:  
Title:

Executed by COROMANDEL WILMAR  
DEVELOPMENT LTD. on the \_\_\_\_ day of  
February, 2023 by its authorized signatory(ies):

\_\_\_\_\_  
Print name:  
Title:

Executed by COROMANDEL HOLDINGS LTD.  
on the \_\_\_\_ day of February, 2023 by its  
authorized signatory(ies):

\_\_\_\_\_  
Print name:  
Title:

Executed by LAUAN CAPITAL LTD. on the  
\_\_\_\_ day of February, 2023 by its authorized  
signatory(ies):

\_\_\_\_\_  
Print name:  
Title:

Executed by THURLOW HOLDINGS LTD., on  
the \_\_\_\_ day of February, 2023 by its authorized  
signatory(ies):

\_\_\_\_\_  
Print name:  
Title:

---

ZHEN YU ZHONG

---

JUNCHAO MO

**GUARANTEE AND INDEMNITY**

TO: LFC ALBERTA21 Limited Partnership  
210 – 2112 West Broadway  
Vancouver, B.C.  
V6K 2C8  
(the "Lender")

This is Exhibit " 0 " referred to in the  
Affidavit of Zhen Yu Zhong  
affirmed before me at Vancouver, BC  
this 15 day of February 2023.

  
\_\_\_\_\_  
A Commissioner/Notary Public for the  
Province of British Columbia

DATE: July 16, 2021.

**RECITALS:**

- A. The Obligor is required to deliver this Agreement under the terms of the Security Documents. The Obligor will derive substantial direct and indirect benefits and advantages from the financial accommodations to the Borrower under the Security Documents, and it will be to the Obligor's direct interest and economic benefit to deliver this Agreement in order to allow the Borrower to obtain those financial accommodations. The Obligor acknowledges the value of that benefit.

FOR VALUE RECEIVED and intending to be legally bound by this guarantee and indemnity (the "**Agreement**"), the undersigned (the "**Obligor**") agrees as follows:

1. INTERPRETATION

1.1 Capitalized Terms In this Agreement, except where the context otherwise requires:

- (a) "**Borrower**" means collectively, Coromandel Alberta Street 40 Limited Partnership, Coromandel Alberta Street 40 Development Ltd., and Coromandel Alberta Street 40 Development BT Ltd.
- (b) "**Facility Letter**" means the facility letter dated June 16, 2021, from the Lender to the Borrower, as may be amended, renewed or replaced from time to time.
- (c) "**Security Documents**" has the meaning ascribed thereto in the Facility Letter.
- (d) "**Obligations**" means all debts, liabilities and obligations of the Borrower to the Lender, whether present or future, direct or indirect, absolute or contingent, matured or not, at any time owing or remaining unpaid by the Borrower to the Lender in any currency, whether arising from dealings between the Lender and the Borrower or from other dealings or proceedings by which the Lender may be or become in any manner whatever a creditor of the Borrower, and wherever incurred, and whether incurred by the Borrower alone or with another or others and whether as principal or surety, and all interest, fees, commissions and legal and other costs, charges and expenses owing or remaining unpaid by the Borrower to the Lender in any currency.

1.2 No Contra Proferentum This Agreement has been negotiated by the Obligor and the Lender with the benefit of legal representation, and any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply to the construction or interpretation of this Agreement.

1.3 Other Interpretation Rules In this Agreement:

- (a) The division into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.



- (b) Unless otherwise specified or the context otherwise requires, (i) "including" or "includes" means "including (or includes) but is not limited to" and shall not be construed to limit any general statement preceding it to the specific or similar items or matters immediately following it, (ii) a reference to any legislation, statutory instrument or regulation or a section thereof is a reference to the legislation, statutory instrument, regulation or section as amended, restated and re-enacted from time to time, and (iii) words in the singular include the plural and vice-versa and words in one gender include all genders.
- (c) Unless otherwise specified or the context otherwise requires, any reference in this Agreement to payment of the Obligations includes performance of the Obligations.

## 2. GUARANTEE AND INDEMNITY

- 2.1 **Guarantee** The Obligor unconditionally guarantees payment to the Lender of the Obligations.
- 2.2 **Indemnity** The Obligor also unconditionally agrees that, if the Borrower does not unconditionally and irrevocably pay any Obligations when due and those Obligations are not recoverable from the Obligor for any reason under Section 2.1, the Obligor shall indemnify the Lender immediately on demand against any cost, loss, damage, expense or liability suffered by the Lender as a result of the Borrower's failure to do so.
- 2.3 **Separate Liabilities** The liabilities of the Obligor under Sections 2.1 and 2.2 are separate and distinct from each other, but the provisions of this Agreement shall apply to the liabilities under both of those Sections unless the context otherwise requires.
- 2.4 **Limit on Liability** The liability of the Obligor under this Agreement is unlimited.
- 2.5 **Irrevocable.** This Agreement is irrevocable by the Obligor and, subject to Section 3.4, the Obligor expressly and unconditionally waives any right to terminate this Agreement.

## 3. CONTINUING AGREEMENT AND REINSTATEMENT

- 3.1 **Continuing Agreement** This Agreement is a continuing guarantee and indemnity for a current or running account and will extend to the ultimate balance of the Obligations, regardless of any intermediate payment or discharge of the Obligations in whole or in part. Without limiting the foregoing, the Obligations may include advances and re-advances under revolving credit facilities, which permit borrowing, repayment of all or part of the amount borrowed and re-borrowing of amounts previously paid.
- 3.2 **Payments in Gross** Until this Agreement has been terminated in accordance with Section 3.4, all amounts of any kind received by the Lender from any source in respect of the Obligations shall be regarded for all purposes as payments in gross without any right on the part of the Obligor to claim the benefit of those amounts in reduction of its liabilities under this Agreement.
- 3.3 **Reinstatement** If at any time any payment of the Obligations is or must be rescinded or returned by the Lender as a result of insolvency or reorganization of the Borrower or any other person, or for any other reason whatsoever, the Obligations will be deemed to have continued in existence and this Agreement shall continue to be effective, or be reinstated, as if the payment had not occurred. The Lender may concede or compromise any claim that any payment ought to be rescinded or returned without diminishing the liability of the Obligor under this Section.
- 3.4 **Termination** If the Obligations have been indefeasibly paid in full in cash and if all obligations of the Lender to extend credit under any Loan Document have been cancelled, then the Lender shall, at the request and expense of the Obligor, execute and deliver whatever documents are reasonably required to acknowledge the termination of this Agreement.

#### 4. WAIVER OF DEFENCES AND OTHER MATTERS

- 4.1 In Addition to Other Rights; No Marshalling This Agreement is in addition to and is not in any way prejudiced by or merged with any other guarantee, indemnity or security now or subsequently held by the Lender in respect of any Obligations. The Lender shall be under no obligation to marshal in favour of the Obligor any other guarantees or other securities or any money or other property that the Lender may be entitled to receive or may have a claim upon.
- 4.2 Liabilities Unconditional Subject to Section 3.4, the liabilities of the Obligor under this Agreement are absolute and unconditional, and will not be affected by any act, omission, law, circumstance or thing that, but for this Section, would reduce, release or prejudice any of its liabilities under this Agreement, or that might constitute a legal or equitable defence to or a discharge, limitation or reduction of the Obligor's liabilities under this Agreement, including the following, whether or not known to it or the Lender or consented to by it or the Lender:
- (a) any discontinuance, reduction, increase, extension or other variance of the credit granted by the Lender to the Borrower or any time, waiver or consent granted to, or any release of or compromise or other dealing of any kind with, the Borrower or any other person;
  - (b) any amendment, supplement or restatement (however fundamental) or replacement of any Loan Document;
  - (c) any unenforceability, illegality or invalidity of any obligation of any person under or in connection with any Loan Document, including any bar to recovery from the Borrower under any statute of limitations;
  - (d) the death or loss of capacity of the Borrower, any change in the name of the Borrower, or in the membership of the Borrower, if a partnership, or in the ownership, objects, capital structure or constitution of the Borrower, if a corporation, the sale of all or any part of the Borrower's business or the Borrower being amalgamated or merged with one or more other entities, and this Agreement shall, notwithstanding any such event, continue to apply to all Obligations whether previously or subsequently incurred; and in the case of a change in the membership of a Borrower that is a partnership or in the case of the Borrower being amalgamated or merged with one or more other entities, this Agreement shall also apply to the liabilities of the resulting or continuing entity, and the term "Borrower" shall include each resulting or continuing entity;
  - (e) any credit being granted or continued by the Lender purportedly to or for the Borrower after the death, loss of capacity, bankruptcy or insolvency of the Borrower;
  - (f) any lack or limitation of power, incapacity or disability of the Borrower or of the directors, partners or agents of the Borrower, or the Borrower not being a legal or suable entity, or any irregularity, defect or lack of formality in the obtaining of credit by the Borrower;
  - (g) any bankruptcy, insolvency or similar proceedings, including any stay of or moratorium on proceedings, any action or omission of the Lender in connection with any such proceedings, or any effect of any such proceedings on the Lender;
  - (h) any impossibility, impracticability, frustration of purpose, *force majeure*, illegality or act of governmental authority affecting any Loan Document;
  - (i) any taking or failure to take security, any loss of or loss of value of security for the Obligations, any invalidity, lack of perfection, unenforceability or release of any security, or any subordination, postponement or enforcement of, failure to enforce, or irregularity or deficiency in the enforcement of, any security or other right;

- (j) the existence of any claim, set-off or other right that the Obligor may have against the Borrower, the Lender or any other person, whether in connection with the Security Documents or otherwise; or
- (k) any loss of, or adverse effect on, any right of the Obligor that is postponed pursuant to Section 6, whether or not caused by any act or omission of the Lender.

Each of the defences mentioned above is waived by the Obligor to the fullest extent permitted under applicable law.

- 4.3 **Information Concerning Borrower** The Obligor acknowledges that it is presently familiar with the Security Documents, the financial condition of the Borrower and any other circumstances affecting the risk incurred by the Obligor in connection with this Agreement. The Obligor shall be solely responsible for keeping itself informed concerning those matters in the future. The Obligor acknowledges that the Lender has no obligation to provide any information concerning those matters now or in the future and that, if it does so at any time, it shall have no obligation to update the information or provide other information subsequently.
- 4.4 **No Obligation to Enforce Other Rights** The Obligor waives any right it may have of requiring the Lender (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Obligor under this Agreement and the Obligor waives all benefits of discussion and division. These waivers apply irrespective of any law or any provision of any Loan Document to the contrary.
- 4.5 **Saskatchewan** The *Limitation of Civil Rights Act* (Saskatchewan) shall not have any application to this Agreement, or to any agreement or instrument renewing, extending or collateral to this Agreement, or to the rights, powers or remedies of the Lender under this Agreement.

## 5. USE OF AMOUNTS RECEIVED

- 5.1 **Use of Amounts Received** Until this Agreement has been terminated in accordance with Section 3.4, the Lender (or any trustee or agent on its behalf) may:
  - (a) refrain from applying any money received or enforcing any other security or rights held by or on behalf of the Lender in respect of the Obligations, or apply any money and enforce any other security or rights in any manner and order as it sees fit;
  - (b) change any application of money received in whole or in part from time to time; and
  - (c) hold in a suspense account any money received from the Obligor or on account of the Obligor's liabilities under this Agreement.

## 6. POSTPONEMENT OF OBLIGOR'S RIGHTS

- 6.1 **Postponement of Subrogation Etc.** Until this Agreement has been terminated in accordance with Section 3.4, the Obligor shall not exercise any rights that it may have by reason of performance by it of its liabilities under this Agreement:
  - (a) to be indemnified by the Borrower;
  - (b) to claim contribution from any other guarantor of the Obligations; or
  - (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under any Loan Document.

- 6.2 Postponement of Set-Off Etc. Until this Agreement has been terminated in accordance with Section 3.4, the Obligor shall not claim any set-off or counterclaim against the Borrower as a result of any liability of the Borrower to the Obligor, or claim or prove in bankruptcy or insolvency of the Borrower in competition with the Lender.
- 6.3 Postponement and Assignment The Obligor postpones payment of all present and future debts, liabilities and obligations of the Borrower to the Obligor until this Agreement has been terminated in accordance with Section 3.4. The Obligor assigns to the Lender all present and future debts, liabilities and obligations of the Borrower to the Obligor as security for payment of the Obligor's liabilities under this Agreement, and agrees that all money received by the Obligor in respect of those debts, liabilities and obligations shall be received in trust for the Lender and forthwith upon receipt shall be paid over to the Lender, all without in any way lessening or limiting the liabilities of the Obligor under this Agreement. The provisions of this Section 6.3 are independent of the other provisions of this Agreement and shall remain in full force and effect until this Agreement has been terminated in accordance with Section 3.4, notwithstanding that the other liabilities of the Obligor under this Agreement may have been discharged or terminated.
7. OBLIGATION TO MAKE PAYMENT
- 7.1 Payment Immediately After Demand The Obligor's liability to make a payment under this Agreement shall arise immediately after demand for payment has been made in writing on the Obligor. In connection with any demand, the Lender may treat all Obligations as due and payable and may demand immediate payment from the Obligor of the total amount of its liabilities under this Agreement, whether or not all Obligations are otherwise due and payable at the time of demand.
- 7.2 Right to Enforce Demands under this Agreement may be made from time to time, and the liabilities of the Obligor under this Agreement may be enforced, irrespective of:
- (a) whether any demands, steps or proceedings are being or have been made or taken against the Borrower and/or any third party; or
  - (b) whether or in what order any security to which the Lender may be entitled in connection with any Loan Document is enforced.
- 7.3 Certificate as to Amount A certificate of the Lender specifying the outstanding amount of the Obligations shall be conclusive evidence of that amount against the Obligor in the absence of any manifest error.
- 7.4 Interest The Obligor's liabilities under this Agreement shall bear interest from the date of demand at the highest rate of interest per annum that is applicable to any part of the Obligations.
- 7.5 Rights Cumulative No failure on the part of the Lender to exercise, nor any delay in exercising, any right or remedy under any Loan Document or this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. Neither the taking of any judicial or extra-judicial proceeding nor the exercise of rights under any security held from the Obligor shall extinguish the liability of the Obligor to pay and perform its liabilities under this Agreement, nor shall the acceptance of any payment or security create any novation. No covenant, representation or warranty of the Obligor in this Agreement shall merge in any judgment. The rights and remedies provided in this Agreement are cumulative and do not exclude any rights and remedies provided by law or otherwise.
- 7.6 Limitation Periods To the extent that any limitation period applies to any claim for payment of the Obligations or remedy for enforcement of the Obligations, the Obligor agrees that:



- (a) any limitation period is expressly excluded and waived entirely if permitted by applicable law;
- (b) if a complete exclusion and waiver of any limitation period is not permitted by applicable law, any limitation period is extended to the maximum length permitted by applicable law;
- (c) any applicable limitation period shall not begin before an express demand for payment of the Obligations is made in writing by the Lender to the Obligor;
- (d) any applicable limitation period shall begin afresh upon any payment or other acknowledgment of the Obligations by the Obligor; and
- (e) this Agreement is a "business agreement" as defined in the *Limitations Act, 2002* (Ontario) if that Act applies.

## 8. PAYMENTS

- 8.1 **Withholdings Etc.** Any payment made by the Obligor under this Agreement shall be made without any deduction or withholding for or on account of tax and without any set-off or counterclaim of any kind. However, if the Obligor is required by law to deduct, withhold or pay any tax in respect of any payment under this Agreement, then (i) the Obligor shall pay additional sums under this Agreement as necessary so that, after making or allowing for all required deductions, withholdings and payments (including deductions, withholdings and payments applicable to additional sums payable under this Section), the Lender receives an amount equal to the sum it would have received had no deductions, withholdings or payments been required, (ii) the Obligor shall make any deductions, withholdings or payments required by law to be made by it and (iii) the Obligor shall timely pay the full amount required to be deducted, withheld or paid to the relevant governmental authority in accordance with applicable law.
- 8.2 **Currency and Place of Payment** Payment shall be made in the currency or currencies specified in the demand for payment to the Lender at 210 – 2112 West Broadway, Vancouver, British Columbia, V6K 2C8 or another address or account that the Lender may specify by written notice to the Obligor from time to time.
- 8.3 **Currency Indemnity** If a judgment or order is rendered by any court or tribunal for the payment of any amount owing to the Lender under or in connection with this Agreement and the judgment or order is expressed in a currency (the "**Judgment Currency**") other than the currency payable under or in connection with this Agreement (the "**Agreed Currency**"), the Obligor shall indemnify and hold the Lender harmless against any deficiency in terms of the Agreed Currency in the amount received by the Lender arising or resulting from any variation as between (a) the rate at which the Agreed Currency is converted into the Judgment Currency for the purposes of the judgment or order, and (b) the rate at which the Lender is able to purchase the Agreed Currency in accordance with normal banking practice with the amount of the Judgment Currency actually received by the Lender on the date of receipt. The indemnity in this Section shall constitute a separate and independent liability from the other liabilities of the Obligor under this Agreement, shall apply irrespective of any indulgence granted by the Lender, and shall be secured by any security held by the Lender from the Obligor.
- 8.4 **Set-Off** The Lender and each of its affiliates is authorized at any time and from time to time to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by the Lender or affiliate to or for the credit or the account of the Obligor against any and all of the liabilities of the Obligor now or in the future existing under this Agreement, irrespective of whether or not the Lender has made any demand under this Agreement and although those liabilities of the Obligor may be contingent or unmatured or are owed to a branch or office of the Lender different

from the branch or office holding any deposit or obligated to the Obligor. The rights of the Lender and its affiliates under this Section 8.4 are in addition to other rights and remedies (including other rights of set-off, consolidation of accounts and bankers' lien) that the Lender or its affiliates may have.

## 9. NOTICES

9.1 Notices in Writing Any communication to be made under this Agreement shall be made in writing and may be made by letter. Any communication shall be effective when received if during business hours or on the next business day if received outside of business hours.

9.2 Irrevocable Appointment of Agent and Address for Notice. The Obligor hereby nominates and appoints the Borrower as its agent for service which appointment is irrevocable. Service on the Borrower of all notices, legal proceedings or legal process in connection with the Loan (as defined in the Facility Letter) and the Security Documents shall be sufficient service on the Obligor. The Borrower's address for notice is Suite 1800 – 1188 West Georgia Street, Vancouver, British Columbia V6E 4A2.

## 10. ENTIRE AGREEMENT; SEVERABILITY

10.1 Entire Agreement This Agreement embodies all the agreements between the Obligor and the Lender relating to the guarantee, indemnity contemplated in this Agreement. No party shall be bound by any representation or promise made by any person relating to this Agreement that is not embodied in it. It is specifically agreed that the Lender shall not be bound by any representation or promise made by the Borrower to the Obligor. Any waiver of, or consent to departure from, the requirements of any provision of this Agreement shall be effective only if it is in writing and signed by the Lender, and only in the specific instance and for the specific purpose for which it has been given.

10.2 Severability If, in any jurisdiction, any provision of this Agreement or its application to any circumstance is restricted, prohibited or unenforceable, that provision shall, as to that jurisdiction, be ineffective only to the extent of that restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement, without affecting the validity or enforceability of that provision in any other jurisdiction and, if applicable, without affecting its application to other circumstances.

## 11. DELIVERY OF AGREEMENT

11.1 Counterparts This Agreement may be executed in any number of counterparts and all counterparts taken together shall be deemed to constitute one agreement.

11.2 Delivery To evidence the fact that it has executed this Agreement, the Obligor may send a signed copy of this Agreement or its signature to this Agreement by facsimile transmission or e-mail and the signature sent in that way shall be deemed to be its original signature for all purposes.

11.3 No Conditions Possession of this Agreement by the Lender shall be conclusive evidence against the Obligor that the Agreement was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with. This Agreement shall be operative and binding notwithstanding that it is not executed by any proposed signatory.

11.4 Receipt and Waiver The Obligor acknowledges receipt of a copy of this Agreement. The Obligor waives any notice of acceptance of this Agreement by the Lender. The Obligor also waives the right to receive a copy of any financing statement or financing change statement that may be registered in connection with this Agreement or any verification statement issued with respect to a

registration, if waiver is not otherwise prohibited by law. The Obligor agrees that the Lender may from time to time provide information regarding this Agreement and the Obligations to persons that the Lender believes in good faith are entitled to the information under applicable law.

## 12. GOVERNING LAW

12.1 Governing Law This Agreement and any dispute arising from or in relation to this Agreement shall be governed by, and interpreted and enforced in accordance with, the law of the province of British Columbia and the laws of Canada applicable in that province, excluding the conflict of law rules of that province.

12.2 Obligor's Exclusive Dispute Resolution Jurisdiction The Obligor agrees that the courts of the province of British Columbia have exclusive jurisdiction over any dispute arising from or in relation to this Agreement and the Obligor irrevocably and unconditionally attorns to the exclusive jurisdiction of that province. The Obligor agrees that the courts of that province are the most appropriate and convenient forum to settle disputes and agrees not to argue to the contrary.

12.3 Lender Entitled to Concurrent Jurisdiction Despite Section 12.2, the Lender is permitted to take proceedings in relation to any dispute arising from or in relation to this Agreement in any court of another province or another state with jurisdiction and to the extent allowed by law may take concurrent proceedings in any number of jurisdictions.

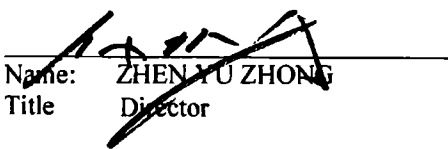
## 13. SUCCESSORS AND ASSIGNS

13.1 Successors and Assigns The Obligor may not assign or transfer all or any part of its liabilities under this Agreement. This Agreement shall enure to the benefit of the Lender and its successors and assigns and be binding on the Obligor and its successors and any permitted assigns.

*(Signature page to follow)*

**IN WITNESS OF WHICH**, the Obligor has duly executed this Agreement.

**COROMANDEL HOLDINGS LTD.**

By:   
Name: ZHEN YU ZHONG  
Title Director



This is Exhibit " P " referred to in the  
Affidavit of Zhen Yu Zhong 674  
affirmed before me at Vancouver BC  
this 15 day of February 2023.



**GUARANTEE**

A Commissioner/Notary Public for the  
Province of British Columbia

In consideration of **GARDENFUL VENTURES LIMITED** (the "Lender") making one or more loans and/or credit facilities available to **GEORGIA COURT BT LTD.** and **GEORGIA COURT LIMITED PARTNERSHIP** (together, the "Borrowers") and one dollar and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby jointly and severally unconditionally guarantee payment to the Lender of all present and future debts and liabilities, direct or indirect, absolute or contingent, now or at any time and from time to time hereafter due or owing to the Lender from or by the Borrowers or either of them, whether such debts and liabilities are incurred by the Borrowers or either of them alone or jointly with any other corporation, person or persons, or otherwise howsoever together with all costs, charges and expenses (including legal fees on a solicitor and our client basis) incurred by the Lender, the receiver, receiver-manager or agent of the Borrowers, or the agent of the Lender in the perfection and enforcement of this Guarantee and of any security held by the Lender in respect of such indebtedness, obligations, liabilities, expenses and interest.

**And the undersigned and each of them (if more than one) hereby jointly and severally agree(s) with the Lender as follows:**

1. The sum collectible by the Lender under this Guarantee shall include interest accruing on the debt owed by the Borrowers to the Lender at the respective rates of interest applicable to the various obligations of the Borrowers which constitute the Borrowers' debts and liabilities to the Lender. Where the Borrowers are liable to the Lender for interest calculated at more than one rate, then the particular rate of interest charged on a particular obligation shall continue to apply hereunder in respect of such obligation both before and after default and before and after judgment.
2. Every certificate issued under the hand of the Lender from time to time purporting to show the amount at any particular time due and payable to the Lender and covered by this Guarantee, shall be received as prima facie evidence as against the undersigned that such amount is at such time due and payable to the Lender and is covered hereby.
3. No change in the name, objects, capital stock or constitution of the Borrowers shall in any way affect the liability of the undersigned, either with respect to transactions occurring before or after any such change, and this Guarantee shall extend to all debts and liabilities to the Lender of the person or corporation who or which assumes the obligations of the Borrowers in whole or part in whatsoever manner including, without limitation, by amalgamation of the Borrowers with any other corporation.
4. The Lender shall not be obliged to inquire into the powers of the Borrowers or any of their directors or other agents acting or purporting to act on their behalf, and moneys, advances, renewals or credits in fact borrowed or obtained from the Lender in professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding that such borrowing or obtaining of moneys, advances, renewals or credits is in excess of the powers of the Borrowers or of their directors or other agents aforesaid, or is in any way irregular, defective or informal.

5. The Lender, without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any or all existing securities up to, may abstain from taking securities from, or from perfecting securities of, may cease or refrain from giving credit or making loans or advances to, may accept compositions from, and may otherwise deal with the Borrowers and all other persons (including the undersigned and any other guarantor) and securities, as the Lender may see fit, and all dividends, compositions, and moneys received by the Lender from the Borrowers or from any other persons or estates of being applied by the Lender in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross. No loss of or in respect of the securities received by the Borrowers or others, whether occasioned by the fault of the Lender or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. Until all indebtedness of the Borrowers to the Lender has been paid in full, the undersigned shall not have any right of subrogation to the Lender or to the securities held by the Lender and this Guarantee shall not be diminished or affected on account of any act or failure to act on the part of the Lender which would prevent subrogation from operating in favour of the undersigned. The Lender shall be entitled to prove against the estate of the Borrowers upon any insolvency or winding-up in respect of the whole of said debts and liabilities; and the undersigned shall have no right to be subrogated to the Lender or to the securities held by the Lender until the Lender has received payment in full of its claim with interest.
6. The Lender, in its unfettered discretion and as the Lender from time to time sees fit, without in any way prejudicing or affecting the rights of the Lender hereunder, may appropriate any moneys received to any portion of the debts and liabilities hereby guaranteed, whether then due or to become due, and may from time to time revoke or alter any such appropriation.
7. This shall be a continuing guarantee, and shall cover and secure any ultimate balance owing to the Lender, but the Lender shall not be obliged to enforce its rights against the Borrowers or other persons or the securities it may hold before being entitled to payment from the undersigned of all and every of the debts and liabilities hereby guaranteed.
8. Notwithstanding the provisions of any statute relating to the rate of interest payable by debtors, this Guarantee shall remain in full force and effect whatever the rate of interest received or demanded by the Lender.
9. The undersigned hereby grants to the Lender the right to set off against any and all accounts, credits or other amounts which may at any time be owing by the Lender to the undersigned, the aggregate amount of any and all liabilities of the undersigned hereunder if and when the same shall become due and payable.
10. All debts and liabilities present and future of the Borrowers or either of them, to any one or more of the undersigned and all claims of any one or more of the undersigned against the Borrowers or either of them, in respect of any such indebtedness are hereby assigned to the Lender and subordinated and postponed to the present and future debts and liabilities of the Borrowers to the Lender and all moneys received by the undersigned from the Borrowers or either of them shall be received in trust for the Lender and forthwith upon

receipt shall be paid over to the Lender until the Borrowers' indebtedness to the Lender is fully paid and satisfied; all without prejudice to or without in any way limiting or lessening the liability of the undersigned to the Lender.

11. The Lender shall not be obliged to give the undersigned notice of default by the Borrowers, and upon any default by the Borrowers the undersigned shall be held bound directly to the Lender as principal debtor in respect of the payment of the amounts hereby guaranteed.
12. No suit based on this Guarantee shall be instituted until demand for payment has been made. Any notice, demand or court process may be served by the Lender on the undersigned or his or her or its legal or personal representatives either personally or by posting the same by ordinary mail postage prepaid, in an envelope addressed to the address of the party to be served last known to the Lender, and the notice or demand so sent shall be deemed to be served on the day following that on which it is mailed.
13. This Guarantee shall be operative and binding upon every signatory hereof notwithstanding the non-execution hereof by any other proposed signatory or signatories, and the undersigned acknowledges that this Guarantee has been delivered free of any conditions and that no statements, representations, agreements, collateral agreements or promises have been made to or with the undersigned affecting or limiting the liability of the undersigned under this Guarantee or inducing the undersigned to grant this Guarantee except as specifically contained herein in writing, and agrees that this Guarantee is in addition to and not in substitution for any other guarantees held or which may hereafter be held by the Lender.
14. No alteration or waiver of this Guarantee or of any of its terms, provisions or conditions shall be binding on the Lender unless made in writing over the signature of a senior officer of the Lender.
15. The undersigned shall file all claims against the Borrowers in any bankruptcy or other proceedings in which the filing of claims is required by law or upon any indebtedness of the Borrowers to the undersigned and will assign to the Lender all of the undersigned's rights thereunder. In all such cases, whether an administration, bankruptcy, or otherwise, the person or persons authorized to pay such claims shall pay to the Lender the full amount payable on the claim in the proceeding before making any payment to the undersigned; all without in any way limiting or lessening the liability of the undersigned to the Lender. All moneys received by the undersigned in all such cases shall be received in trust for the Lender and forthwith upon receipt shall be paid over to the Lender until the Borrowers' indebtedness is fully paid and satisfied. To the fullest extent necessary for the purposes of this paragraph 15 the undersigned hereby assigns to the Lender all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled.
16. In this Guarantee, any word importing the singular number shall include the plural, and without restricting the generality of the foregoing, where there is more than one undersigned any reference to the undersigned refers to each and every one of the undersigned, and any word importing a person shall include a corporation, partnership and any other entity.

17. If this Guarantee is executed by more than one party, the liability of each of the undersigned hereunder shall be joint and several.
18. This Guarantee shall extend to and enure to the benefit of the successors and assigns of the Lender, and shall be binding upon the undersigned and the respective heirs, executors, administrators, successors and assigns of each of the undersigned.
19. No invalidity, irregularity or unenforceability by reason of any bankruptcy or similar law or any law or order of any government or agency thereof purporting to reduce, amend or otherwise affect the liability of the Borrowers to the Lender or of any security therefor, shall affect, impair or be a defence to this Guarantee. If one or more of the provisions contained herein shall be invalid, illegal or unenforceable in any respect, such provisions shall be deemed to be severable and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
20. All the rights, powers and remedies of the Lender hereunder and under any other agreement now or at any time hereafter in force between the Lender and the undersigned shall be cumulative and shall be in addition to and not in substitution for all rights, powers and remedies of the Lender at law or in equity.
21. This Guarantee shall be construed in accordance with the laws of the Province of British Columbia and shall be deemed to have been made in such Province and to be performed there, and the Courts of such Province shall have jurisdiction over all disputes which may arise under this Guarantee, provided that nothing herein contained shall prevent the Lender from proceeding at its election against the undersigned in the court of any other province or country. If the undersigned becomes resident outside British Columbia then the undersigned hereby submits to the jurisdiction of the courts of competent jurisdiction of the Province referred to in this paragraph 21 in respect of any proceeding hereon. Service of any process upon the undersigned may be made by courier or registered mail in an envelope addressed to the following address:

in respect of the undersigned corporate guarantors and Junchao Mo:

Suite 1800 – 1188 West Georgia Street,  
Vancouver, BC V6E 4A2

in respect of Zhen Yu Zhong:

3029 West 45<sup>th</sup> Avenue,  
Vancouver, BC V6N 3L9

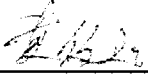
or in any other manner permitted by law.





SIGNED, SEALED and DELIVERED by )  
JUNCHAO MO in the presence of: )

\_\_\_\_\_) )  
\_\_\_\_\_) )  
\_\_\_\_\_) )  
\_\_\_\_\_) )

  
\_\_\_\_\_) )  
**JUNCHAO MO**

The signor was not physically present before me because it is medically unsafe to meet him in person due to Covid-19 but was linked with me using video technology. Legal advice was given.

SIGNED, SEALED and DELIVERED by )  
JUNCHAO MO in the presence of: )

*Karen Ngan*

\_\_\_\_\_) )  
**KAREN NGAN** )  
*Barrister & Solicitor* )  
**CLARK WILSON LLP** )  
\_\_\_\_\_) )  
**900 - 885 WEST GEORGIA STREET** )  
**VANCOUVER, BC V6C 3H1** )  
\_\_\_\_\_) )  
**T 604.687.5700** )

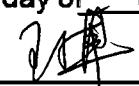
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**JUNCHAO MO**

The signor was not physically present before me because it is medically unsafe to meet him in person due to Covid-19 but was linked with me using video technology. Legal advice was given.

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This is Exhibit " Q " referred to in the  
Affidavit of Zhen Yu Zhong  
affirmed before me at Vancouver, BC  
this 15 day of February 2023.

**GUARANTEE**

  
\_\_\_\_\_  
A Commissioner/Notary Public for the  
Province of British Columbia

To: PETERSON INVESTMENT GROUP INC.

In consideration of PETERSON INVESTMENT GROUP INC. (herein called the "Lender") dealing with **1380 BURRELL STREET GP INC., PACIFIC BURRELL HOLDINGS LIMITED PARTNERSHIP and PACIFIC BURRELL HOLDINGS LIMITED** (herein collectively called the "Customer") and one dollar and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby jointly and severally unconditionally guarantee(s) payment to the Lender of all present and future debts and liabilities direct or indirect, absolute or contingent, now or at any time and from time to time hereafter due or owing to the Lender from or by the Customer whether as principal or surety, and whether incurred by the Customer alone or jointly with any other Corporation, person or persons, or otherwise howsoever together with all costs, charges and expenses (including legal fees on a solicitor and client basis) incurred by the Lender, the receiver, receiver-manager or agent of the Customer, or the agent of the Lender in the perfection and enforcement of this Guarantee and of any security held by the Lender in respect of such indebtedness, obligations, liabilities, expenses and interest.

**And the undersigned and each of them (if more than one) hereby jointly and severally agree(s) with the Lender as follows:**

1. The sum collectible by the Lender under this Guarantee shall include interest accruing on the debt owed by the Customer to the Lender at the respective rates of interest applicable to the various obligations of the Customer which constitute the Customer's debts and liabilities to the Lender. Where the Customer is liable to the Lender for interest calculated at more than one rate, then the particular rate of interest charged on a particular obligation shall continue to apply hereunder in respect of such obligation both before and after default and before and after judgment.
2. Every certificate issued under the hand of any director, officer or manager of the Lender, purporting to show the amount at any particular time due and payable to the Lender and covered by this Guarantee, shall be received as conclusive evidence against the undersigned that such amount is at such time due and payable to the Lender and is covered hereby.
3. If this Guarantee is expressed to be made in respect of a Limited Amount and the Limited Amount is less than the obligation or the aggregate of the obligations of the Customer, then a certificate by the Manager or Acting Manager of the Lender where the Customer's account is kept shall be conclusive as to which of the obligations of the Customer are being allocated for collection under this Guarantee and the rate or rates of interest applicable.
4. If the Customer is a corporation, no change in the name, objects, capital stock or constitution of the Customer shall in any way affect the liability of the undersigned, either with respect to transactions occurring before or after any such change, and this Guarantee shall extend to all debts and liabilities to the Lender of the person or corporation who or which assumes the obligations of the Customer in whole or in part in whatsoever manner including, without limitation, by amalgamation with the Customer.
5. The Lender shall not be obliged to inquire into the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and moneys, advances, renewals or credits in fact borrowed or obtained from the Lender in exercise of such powers shall be deemed to form part of the debts and



liabilities hereby guaranteed, notwithstanding that such borrowing or obtaining of moneys, advances, renewals or credits is in excess of the powers of the Customer or of its directors or other agents, or is in any way irregular, defective or informal.

6. If the Customer is a partnership, no change in the name of the Customer's firm or in the membership of the Customer's firm through the death, retirement or introduction of one or more partners or otherwise, or by the disposition of the Customer's business in whole or in part, shall in any way affect the liability of the undersigned, either with respect to transactions occurring before or after any such change, and this Guarantee shall extend to all debts and liabilities to the Lender of the person or corporation who or which assumes the obligations of the Customer in whole or in part in whatsoever manner.
7. The Lender, without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any or all existing securities up to, may abstain from taking securities from, or from perfecting securities of, may cease or refrain from giving credit or making loans or advances to, may accept compositions from, and may otherwise deal with the Customer and all other persons (including the undersigned and any other guarantor) and securities, as the Lender may see fit, and all dividends, compositions, and moneys received by the Lender from the Customer or from any other persons or estates capable of being applied by the Lender in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross. No loss of or in respect of the securities received by the customer or others, whether occasioned by the fault of the Lender or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee. Until all indebtedness of the Customer to the Lender has been paid in full, the undersigned shall not have any right of subrogation to the Lender or to the securities held by the Lender and this Guarantee shall not be diminished or affected on account of any act or failure to act on the part of the Lender which would prevent subrogation from operating in favour of the undersigned. The Lender shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities; and the undersigned shall have no right to be subrogated to the Lender or to the securities held by the Lender until the Lender has received payment in full of its claim with interest.
8. The Lender, in its sole discretion and as the Lender sees fit, without in any way prejudicing or affecting the rights of the Lender hereunder, may appropriate any moneys received to any portion of the debts and liabilities hereby guaranteed, whether then due or to become due, and may revoke or alter any such appropriation.
9. This shall be a continuing guarantee, and shall cover and secure any ultimate balance owing to the Lender, but the Lender shall not be obliged to enforce its rights against the Customer or other persons or the securities it may hold before being entitled to payment from the undersigned of all and every of the debts and liabilities hereby guaranteed: Provided always that the undersigned may determine his or her or their further liability under this continuing guarantee by 90 days' notice in writing to be given to the Lender, and the liability hereunder of the undersigned shall continue until the expiration of 90 days after the giving of such notice, notwithstanding the death or insanity of the undersigned, and after the expiry of such notice the undersigned shall remain liable under this Guarantee in respect of any sum or sums of money owing to the Lender as aforesaid on the date such notice expired and also in respect of any contingent or future liabilities incurred to or by the Lender on or before such date but maturing thereafter, but in the event of the determination of this Guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

10. Notwithstanding the provisions of any statute relating to the rate of interest payable by debtors, this Guarantee shall remain in full force and effect whatever the rate of interest received or demanded by the Lender.
11. The undersigned hereby grants to the Lender the right to set off against any and all accounts, credits or balances maintained by the undersigned with the Lender, the aggregate amount of any and all liabilities of the undersigned hereunder if and when the same shall become due and payable.
12. All debts and liabilities present and future of the Customer to the undersigned are hereby assigned to the Lender and postponed to the present and future debts and liabilities of the Customer to the Lender and all moneys received by the undersigned from the Customer shall be received in trust for the Lender and forthwith upon receipt shall be paid over to the Lender until the Customer's indebtedness to the Lender is fully paid and satisfied; all without prejudice to or without in any way limiting or lessening the liability of the undersigned to the Lender whether this Guarantee is expressed to be made in respect of a Limited Amount or otherwise.
13. The Lender shall not be obliged to give the undersigned notice of default by the Customer, and upon any default by the Customer the undersigned shall be held bound directly to the Lender as principal debtor in respect of the payment of the amounts hereby guaranteed.
14. No suit based on this Guarantee shall be instituted until demand for payment has been made. Any notice, demand or court process may be served by the Lender on the undersigned or his or her or their legal personal representatives either personally or by posting the same by ordinary mail postage prepaid, in an envelope addressed to the address of the party to be served last known to the Lender, and the notice or demand so sent shall be deemed to be served on the day following that on which it is mailed.
15. This Guarantee shall be operative and binding upon every signatory hereof notwithstanding the non-execution hereof by any other proposed signatory or signatories, and the undersigned acknowledges that this Guarantee has been delivered free of any conditions and that no statements, representations, agreements, collateral agreements or promises have been made to or with the undersigned affecting or limiting the liability of the undersigned under this Guarantee or inducing the undersigned to grant this Guarantee except as specifically contained herein in writing, and agrees that this Guarantee is in addition to and not in substitution for any other guarantees held or which may hereafter be held by the Lender.
16. No alteration or waiver of this Guarantee or of any of its terms, provisions or conditions shall be binding on the Lender unless made in writing under the signature of either the President or one of the Vice-Presidents of the Lender.
17. The undersigned shall file all claims against the Customer in any bankruptcy or other proceedings in which the filing of claims is required by law or upon any indebtedness of the Customer to the undersigned and will assign to the Lender all of the undersigned's rights thereunder. In all such cases, whether an administration, bankruptcy, or otherwise, the person or persons authorized to pay such claims shall pay to the Lender the full amount payable on the claim in the proceeding before making any payment to the undersigned; all without in any way limiting or lessening the liability of the undersigned to the Lender whether this Guarantee is expressed to be made in respect of a Limited Amount or otherwise. All moneys received by the undersigned in all such cases shall be received in trust for the Lender and forthwith upon receipt shall be paid over to the

Lender until the Customer's indebtedness is fully paid and satisfied. To the fullest extent necessary for the purposes of this paragraph 17 the undersigned hereby assigns to the Lender all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled.

18. In this Guarantee, any word importing the singular number shall include the plural, and without restricting the generality of the foregoing, where there is more than one undersigned any reference to the undersigned refers to each and every one of the undersigned, and any word importing a person shall include a corporation, partnership and any other entity.
19. If this Guarantee is executed by more than one party, the liability of each of the undersigned hereunder shall be joint and several.
20. This Guarantee shall extend to and enure to the benefit of the successors and assigns of the Lender, and shall be binding upon the undersigned and the respective heirs, executors, administrators, successors and assigns of each of the undersigned.
21. No invalidity, irregularity or unenforceability by reason of any bankruptcy or similar law or any law or order of any government or agency thereof purporting to reduce, amend or otherwise affect the liability of the Customer to the Lender or of any security therefor, shall affect, impair or be a defence to this Guarantee. If one or more of the provisions contained herein shall be invalid, illegal or unenforceable in any respect, such provision shall be deemed to be severable and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
22. With respect to any portion of the indebtedness secured hereby which is payable in a currency other than Canadian currency (the "Foreign Currency Obligation"), the following provisions shall apply:
  - (a) Payment hereunder with respect to the Foreign Currency Obligation shall be made in immediately available funds in lawful money of the jurisdiction in the currency of which the Foreign Currency Obligation is payable (the "Foreign Currency") in such form as shall be customary at the time of payment for settlement of international payments in Vancouver, British Columbia without set-off compensation or counterclaim and free and clear of and without deduction for any and all present and future taxes, levies, imposes, deductions, charges and withholdings with respect thereto.
  - (b) The undersigned shall hold the Lender harmless from any loss incurred by the Lender arising from any change in the value of Canadian currency in relation to the Foreign Currency between the date the Foreign Currency Obligation becomes due and the date of payment thereof.
  - (c) If for the purpose of obtaining judgment in any court it is necessary to convert a sum due hereunder in the Foreign Currency into Canadian funds ("Canadian dollars"), the rate of exchange used shall be that at which in accordance with normal banking procedures the Lender could purchase the Foreign Currency with Canadian dollars on the business day preceding that on which final judgment is given.

The obligation of the undersigned in respect of any Foreign Currency Obligation due by it to the Lender hereunder shall, notwithstanding any judgment in Canadian dollars, be discharged only to the extent

that on the business day following receipt by the Lender of any sum adjudged to be so due in Canadian dollars the Lender may in accordance with normal banking procedures purchase the Foreign Currency with Canadian dollars; if the amount of the Foreign Currency so purchased is less than the sum originally due to the Lender in the Foreign Currency the undersigned agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Lender against such loss and if the Foreign Currency purchased exceeds the sum originally due to the Lender in the Foreign Currency the Lender agrees to remit such excess to the undersigned to the extent the undersigned is entitled thereto.

23. All the rights, powers and remedies of the Lender hereunder and under any other agreement now or at any time hereafter in force between the Lender and the undersigned shall be cumulative and shall be in addition to and not in substitution for all rights, powers and remedies of the Lender at law or in equity.
24. The undersigned by its signature of this Guarantee on the one hand and the Lender by making this Guarantee available to the undersigned on the other hand acknowledge having expressly required it to be drawn up in the English language.
25. This Guarantee shall be construed in accordance with the laws of the Province of British Columbia and shall be deemed to have been made in such Province and to be performed there, and the Courts of such Province shall have jurisdiction over all disputes which may arise under this Guarantee, provided that nothing herein contained shall prevent the Lender from proceeding at its election against the undersigned in the courts of any other province or country.

If the undersigned becomes resident outside the Province referred to in this paragraph 25 then the undersigned hereby submits to the jurisdiction of the courts of competent jurisdiction of the Province referred to in this paragraph 25 in respect of any proceeding hereon. Service of any process upon the undersigned may be made by ordinary mail in an envelope addressed to the following address:

c/o 800 – 885 West Georgia Street, Vancouver, B.C. V6C 3H1

or in any other manner permitted by law.

26. This guarantee may be executed in counterparts and delivered by facsimile, pdf or other means of electronic transmission, which counterparts so delivered shall together constitute one and the same document as if originally executed and delivered.
27. This guarantee is in addition to and not in substitution for any other guarantees held or which may hereafter be held by the Lender.
28. The undersigned acknowledge and agree that it is the intention of the parties that this guarantee be construed as a deed.

*EXECUTION PAGES FOLLOW*



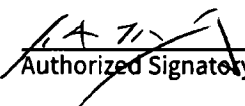
Dated at Vancouver, British Columbia, this 24<sup>th</sup> day of August, 2022.

**BAYSTONE PROPERTIES LTD.**

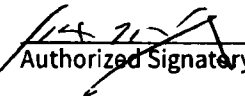
by its authorized signatory:

Per:   
Authorized Signatory

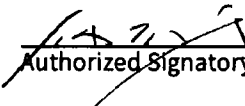
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Per:   
Authorized Signatory


**SILVERSTONE INVESTMENT CORP.**

Per:   
Authorized Signatory

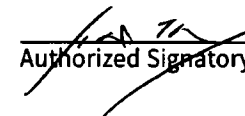
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Per:   
Authorized Signatory

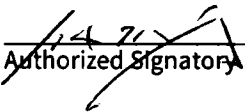
**MULBERRY CAPITAL LTD.**

Per:   
Authorized Signatory

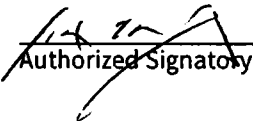
**COROMANDEL HOLDINGS LTD.**

Per:   
Authorized Signatory

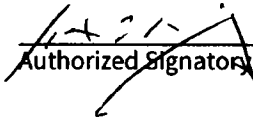
**COROMANDEL PROPERTIES LTD.**

Per:   
Authorized Signatory

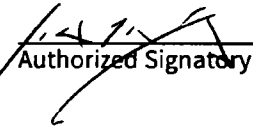
**CARNARVON CAPITAL LTD.**

Per:   
Authorized Signatory

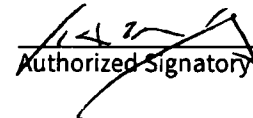
**BIRNEY HOLDINGS LTD.**

Per:   
Authorized Signatory

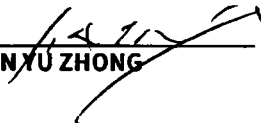
**CEDARHURST HOLDINGS LTD.**

Per:   
Authorized Signatory

**BAYBERRY HOLDINGS LTD.**

Per:   
Authorized Signatory

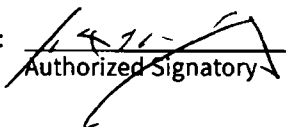
**BIRCH FAMILY TRUST (2020)**  
by its trustee, Zhen Yu Zhong:

  
ZHEN YU ZHONG

**MAHOGANY HOLDINGS LIMITED**

Per: \_\_\_\_\_  
Authorized Signatory

**THURLOW HOLDINGS LTD.**

Per:  \_\_\_\_\_  
Authorized Signatory

Signed by ZHEN YU ZHONG in the presence of:

  
\_\_\_\_\_  
Witness Signature

**DANIELLE MARSHALL**  
Barrister & Solicitor  
**CLARK WILSON LLP**  
**900 - 885 WEST GEORGIA STREET**  
**VANCOUVER, BC V6C 3H1**  
**T. 604.687.5700**  
\_\_\_\_\_  
Occupation

  
\_\_\_\_\_  
**ZHEN YU ZHONG**  
(also known as JERRY ZHONG)

Signed by JUNCHAO MO in the presence of:

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Address  
\_\_\_\_\_  
\_\_\_\_\_  
Occupation

\_\_\_\_\_  
**JUNCHAO MO**





**MAHOGANY HOLDINGS LIMITED**

Per: \_\_\_\_\_  
Authorized Signatory

**THURLOW HOLDINGS LTD.**

Per: \_\_\_\_\_  
Authorized Signatory

Signed by ZHEN YU ZHONG in the presence of: )

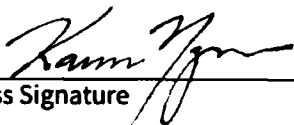
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Address )

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Occupation )

\_\_\_\_\_  
**ZHEN YU ZHONG**  
(also known as **JERRY ZHONG**)

Signed by JUNCHAO MO in the presence of: )



\_\_\_\_\_  
Witness Signature )

\_\_\_\_\_  
Address )

\_\_\_\_\_  
900-805 WEST GEORGIA STREET  
VANCOUVER, BC V6C 3H1  
T 604 682 5700 )

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Occupation )

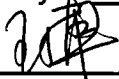
\_\_\_\_\_  
**JUNCHAO MO**

**The signor was not physically present before me because it is medically unsafe to meet in person due to Covid-19 but was linked with me using video technology. Legal advice given.**

**GUARANTEE AND INDEMNITY**

TO: **LFC KESEF-B21 LIMITED PARTNERSHIP**  
 210 – 2112 West Broadway  
 Vancouver, BC V6K 2C8  
 ("LFC KESEF-B21")

This is Exhibit "       R       " referred to in the  
 Affidavit of       Zhen Yu Zhong        
 affirmed before me at       Vancouver      , BC  
 this       15       day of       February       20      23      .

  
 \_\_\_\_\_  
 A Commissioner/Notary Public for the  
 Province of British Columbia

AND TO: **FISGARD CAPITAL CORPORATION**  
 3378 Douglas Street  
 Victoria, BC V8Z 3L3  
 ("Fisgard" and collectively with LFC KESEF-B21, the "Lender")

DATE: as of March       17      , 2021

RECITALS:

- A. The Obligor is required to deliver this Agreement under the terms of the Facility Letter and the Loan Documents. The Obligor will derive substantial direct and indirect benefits and advantages from the financial accommodations to the Borrower under the Facility Letter and the Loan Documents, and it will be to the Obligor's direct interest and economic benefit to deliver this Agreement in order to allow the Borrower to obtain those financial accommodations. The Obligor acknowledges the value of that benefit.

FOR VALUE RECEIVED and intending to be legally bound by this guarantee and indemnity (the "Agreement"), the undersigned (the "Obligor") agrees as follows:

1. **INTERPRETATION**

1.1 **Capitalized Terms**. In this Agreement, except where the context otherwise requires:

- (a) "**Borrower**" means collectively AC Nanaimo Investment GP Ltd., AC Nanaimo Investment Limited Partnership (the "**Beneficial Owner**") and Ansen Nanaimo 26 Development Bare Trustee Ltd. (the "**Nominee**") in its capacity as legal owner, nominee, and agent for the Beneficial Owner;
- (b) "**Facility Letter**" means the facility letter agreement dated February 19, 2021 issued by LFC KESEF-B21, as lender, to the Beneficial Owner and accepted, *inter alios*, by the Beneficial Owner, as amended by a facility letter amending agreement dated as of       March             15      , 2021 among the Lender, the Borrower and the Guarantor (including the Obligor), as further amended, renewed, replaced, restated or otherwise modified from time to time;
- (c) "**Guarantor**" has the meaning ascribed to such term in the Facility Letter;
- (d) "**Loan Documents**" has the meaning ascribed to "**Security Documents**" in the Facility Letter; and

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(e) **"Obligations"** means all debts, liabilities and obligations of the Borrower to the Lender, whether present or future, direct or indirect, absolute or contingent, matured or not, at any time owing or remaining unpaid by the Borrower to the Lender in any currency, whether arising from dealings between the Lender and the Borrower or from other dealings or proceedings by which the Lender may be or become in any manner whatever a creditor of the Borrower, and wherever incurred, and whether incurred by the Borrower alone or with another or others and whether as principal or surety, and all interest, fees, commissions and legal and other costs, charges and expenses owing or remaining unpaid by the Borrower to the Lender in any currency.

1.2 **No Contra Proferentum.** This Agreement has been negotiated by the Obligor and the Lender with the benefit of legal representation, and any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply to the construction or interpretation of this Agreement.

1.3 **Other Interpretation Rules.** In this Agreement:

(a) The division into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.

(b) Unless otherwise specified or the context otherwise requires, (i) "including" or "includes" means "including (or includes) but is not limited to" and shall not be construed to limit any general statement preceding it to the specific or similar items or matters immediately following it, (ii) a reference to any legislation, statutory instrument or regulation or a section thereof is a reference to the legislation, statutory instrument, regulation or section as amended, restated and re-enacted from time to time, and (iii) words in the singular include the plural and *vice-versa* and words in one gender include all genders.

(c) Unless otherwise specified or the context otherwise requires, any reference in this Agreement to payment of the Obligations includes performance of the Obligations.

## **2. GUARANTEE AND INDEMNITY**

2.1 **Guarantee.** The Obligor unconditionally guarantees payment to the Lender of the Obligations.

2.2 **Indemnity.** The Obligor also unconditionally agrees that, if the Borrower does not unconditionally and irrevocably pay any Obligations when due and those Obligations are not recoverable from the Obligor for any reason under Section 2.1, the Obligor shall indemnify the Lender immediately on demand against any cost, loss, damage, expense or liability suffered by the Lender as a result of the Borrower's failure to do so.

2.3 **Separate Liabilities.** The liabilities of the Obligor under Sections 2.1 and 2.2 are separate and distinct from each other, but the provisions of this Agreement shall apply to the liabilities under both of those Sections unless the context otherwise requires. If any or all of the Obligations are not duly performed by the Borrower and are not performed under Section 2.1 or the Lender is not indemnified under Section 2.2, in each case, for any

- 3 -

reason whatsoever, such Obligations will, as a separate and distinct obligation, be performed by the Obligor as the primary obligor.

- 2.4 Limit on Liability. The liability of the Obligor under this Agreement is unlimited.
- 2.5 Irrevocable. This Agreement is irrevocable by the Obligor and, subject to Section 3.4, the Obligor expressly and unconditionally waives any right to terminate this Agreement.

### **3. CONTINUING AGREEMENT AND REINSTATEMENT**

- 3.1 Continuing Agreement. This Agreement is a continuing guarantee and indemnity for a current or running account and will extend to the ultimate balance of the Obligations, regardless of any intermediate payment or discharge of the Obligations in whole or in part. Without limiting the foregoing, the Obligations may include advances and re-advances under revolving credit facilities, which permit borrowing, repayment of all or part of the amount borrowed and re-borrowing of amounts previously paid.
- 3.2 Payments in Gross. Until this Agreement has been terminated in accordance with Section 3.4, all amounts of any kind received by the Lender from any source in respect of the Obligations shall be regarded for all purposes as payments in gross without any right on the part of the Obligor to claim the benefit of those amounts in reduction of its liabilities under this Agreement.
- 3.3 Reinstatement. If at any time any payment of the Obligations is or must be rescinded or returned by the Lender as a result of insolvency or reorganization of the Borrower or any other person, or for any other reason whatsoever, the Obligations will be deemed to have continued in existence and this Agreement shall continue to be effective, or be reinstated, as if the payment had not occurred. The Lender may concede or compromise any claim that any payment ought to be rescinded or returned without diminishing the liability of the Obligor under this Section.
- 3.4 Termination. If the Obligations have been indefeasibly paid in full in cash and if all obligations of the Lender to extend credit under any Loan Document have been cancelled, then the Lender shall, at the request and expense of the Obligor, execute and deliver whatever documents are reasonably required to acknowledge the termination of this Agreement.

### **4. WAIVER OF DEFENCES AND OTHER MATTERS**

- 4.1 In Addition to Other Rights; No Marshalling. This Agreement is in addition to and is not in any way prejudiced by or merged with any other guarantee, indemnity or security now or subsequently held by the Lender in respect of any Obligations. The Lender shall be under no obligation to marshal in favour of the Obligor any other guarantees or other securities or any money or other property that the Lender may be entitled to receive or may have a claim upon.
- 4.2 Liabilities Unconditional. Subject to Section 3.4, the liabilities of the Obligor under this Agreement are absolute and unconditional, and will not be affected by any act, omission, law, circumstance or thing that, but for this Section, would reduce, release or prejudice any of its liabilities under this Agreement, or that might constitute a legal or equitable defence to or a discharge, limitation or reduction of the Obligor's liabilities under this



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Agreement, including the following, whether or not known to it or the Lender or consented to by it or the Lender:

- (a) any discontinuance, reduction, increase, extension or other variance of the credit granted by the Lender to the Borrower or any time, waiver or consent granted to, or any release of or compromise or other dealing of any kind with, the Borrower or any other person;
- (b) any amendment, supplement or restatement (however fundamental) or replacement of any Loan Document;
- (c) any unenforceability, illegality or invalidity of any obligation of any person under or in connection with any Loan Document, including any bar to recovery from the Borrower under any statute of limitations;
- (d) the death or loss of capacity of the Borrower, any change in the name of the Borrower, or in the membership of the Borrower, if a partnership, or in the ownership, objects, capital structure or constitution of the Borrower, if a corporation, the sale of all or any part of the Borrower's business or the Borrower being amalgamated or merged with one or more other entities, and this Agreement shall, notwithstanding any such event, continue to apply to all Obligations whether previously or subsequently incurred; and in the case of a change in the membership of a Borrower that is a partnership or in the case of the Borrower being amalgamated or merged with one or more other entities, this Agreement shall also apply to the liabilities of the resulting or continuing entity, and the term "Borrower" shall include each resulting or continuing entity;
- (e) any credit being granted or continued by the Lender purportedly to or for the Borrower after the death, loss of capacity, bankruptcy or insolvency of the Borrower;
- (f) any lack or limitation of power, incapacity or disability of the Borrower or of the directors, partners or agents of the Borrower, or the Borrower not being a legal or suable entity, or any irregularity, defect or lack of formality in the obtaining of credit by the Borrower;
- (g) any bankruptcy, insolvency or similar proceedings, including any stay of or moratorium on proceedings, any action or omission of the Lender in connection with any such proceedings, or any effect of any such proceedings on the Lender;
- (h) any impossibility, impracticability, frustration of purpose, force majeure, illegality or act of governmental authority affecting any Loan Document;
- (i) any taking or failure to take security, any loss of or loss of value of security for the Obligations, any invalidity, lack of perfection, unenforceability or release of any security, or any subordination, postponement or enforcement of, failure to enforce, or irregularity or deficiency in the enforcement of, any security or other right;
- (j) the existence of any claim, set-off or other right that the Obligor may have against the Borrower, the Lender or any other person, whether in connection with the Loan Documents or otherwise; or

- 5 -

- (k) any loss of, or adverse effect on, any right of the Obligor that is postponed pursuant to Section 6, whether or not caused by any act or omission of the Lender.

Each of the defences mentioned above is waived by the Obligor to the fullest extent permitted under applicable law.

- 4.3 **Information Concerning Borrower.** The Obligor acknowledges that it is presently familiar with the Loan Documents, the financial condition of the Borrower and any other circumstances affecting the risk incurred by the Obligor in connection with this Agreement. The Obligor shall be solely responsible for keeping itself informed concerning those matters in the future. The Obligor acknowledges that the Lender has no obligation to provide any information concerning those matters now or in the future and that, if it does so at any time, it shall have no obligation to update the information or provide other information subsequently.
- 4.4 **No Obligation to Enforce Other Rights.** The Obligor waives any right it may have of requiring the Lender (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Obligor under this Agreement and the Obligor waives all benefits of discussion and division. These waivers apply irrespective of any law or any provision of any Loan Document to the contrary.
- 4.5 **Saskatchewan.** *The Limitation of Civil Rights Act* (Saskatchewan) shall not have any application to this Agreement, or to any agreement or instrument renewing, extending or collateral to this Agreement, or to the rights, powers or remedies of the Lender under this Agreement.

## **5. USE OF AMOUNTS RECEIVED**

- 5.1 **Use of Amounts Received.** Until this Agreement has been terminated in accordance with Section 3.4, the Lender (or any trustee or agent on its behalf) may:
- (a) refrain from applying any money received or enforcing any other security or rights held by or on behalf of the Lender in respect of the Obligations, or apply any money and enforce any other security or rights in any manner and order as it sees fit;
  - (b) change any application of money received in whole or in part from time to time; and
  - (c) hold in a suspense account any money received from the Obligor or on account of the Obligor's liabilities under this Agreement.

## **6. POSTPONEMENT OF OBLIGOR'S RIGHTS**

- 6.1 **Postponement of Subrogation Etc.** Until this Agreement has been terminated in accordance with Section 3.4, the Obligor shall not exercise any rights that it may have by reason of performance by it of its liabilities under this Agreement:
- (a) to be indemnified by the Borrower;
  - (b) to claim contribution from any other guarantor of the Obligations; or

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- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under any Loan Document.
- 6.2 **Postponement of Set-Off Etc.** Until this Agreement has been terminated in accordance with Section 3.4, the Obligor shall not claim any set-off or counterclaim against the Borrower as a result of any liability of the Borrower to the Obligor, or claim or prove in bankruptcy or insolvency of the Borrower in competition with the Lender.
- 6.3 **Postponement and Assignment.** The Obligor postpones payment of, and hereby subordinates to the interests of the Lender, all present and future debts, liabilities and obligations of the Borrower or any Guarantor to the Obligor until this Agreement has been terminated in accordance with Section 3.4 unless otherwise permitted by the Lender in writing. The Obligor assigns to the Lender all present and future debts, liabilities and obligations of the Borrower to the Obligor as security for payment of the Obligor's liabilities under this Agreement, and agrees that all money received by the Obligor in respect of those debts, liabilities and obligations shall be received in trust for the Lender and forthwith upon receipt shall be paid over to the Lender, all without in any way lessening or limiting the liabilities of the Obligor under this Agreement. The provisions of this Section 6.3 are independent of the other provisions of this Agreement and shall remain in full force and effect until this Agreement has been terminated in accordance with Section 3.4, notwithstanding that the other liabilities of the Obligor under this Agreement may have been discharged or terminated.
- 7. OBLIGATION TO MAKE PAYMENT**
- 7.1 **Payment Immediately After Demand.** The Obligor's liability to make a payment under this Agreement shall arise immediately after demand for payment has been made in writing on the Obligor. In connection with any demand, the Lender may treat all Obligations as due and payable and may demand immediate payment from the Obligor of the total amount of its liabilities under this Agreement, whether or not all Obligations are otherwise due and payable at the time of demand.
- 7.2 **Right to Enforce.** Demands under this Agreement may be made from time to time, and the liabilities of the Obligor under this Agreement may be enforced, irrespective of:
- (a) whether any demands, steps or proceedings are being or have been made or taken against the Borrower and/or any third party; or
  - (b) whether or in what order any security to which the Lender may be entitled in connection with any Loan Document is enforced.
- 7.3 **Certificate as to Amount.** A certificate of the Lender specifying the outstanding amount of the Obligations shall be conclusive evidence of that amount against the Obligor in the absence of any manifest error.
- 7.4 **Interest.** The Obligor's liabilities under this Agreement shall bear interest from the date of demand at the highest rate of interest *per annum* that is applicable to any part of the Obligations.
- 7.5 **Rights Cumulative.** No failure on the part of the Lender to exercise, nor any delay in exercising, any right or remedy under any Loan Document or this Agreement shall operate

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as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. Neither the taking of any judicial or extra-judicial proceeding nor the exercise of rights under any security held from the Obligor shall extinguish the liability of the Obligor to pay and perform its liabilities under this Agreement, nor shall the acceptance of any payment or security create any novation. No covenant, representation or warranty of the Obligor in this Agreement shall merge in any judgment. The rights and remedies provided in this Agreement are cumulative and do not exclude any rights and remedies provided by law or otherwise.

7.6 **Limitation Periods.** To the extent that any limitation period applies to any claim for payment of the Obligations or remedy for enforcement of the Obligations, the Obligor agrees that:

- (a) any limitation period is expressly excluded and waived entirely if permitted by applicable law;
- (b) if a complete exclusion and waiver of any limitation period is not permitted by applicable law, any limitation period is extended to the maximum length permitted by applicable law;
- (c) any applicable limitation period shall not begin before an express demand for payment of the Obligations is made in writing by the Lender to the Obligor;
- (d) any applicable limitation period shall begin afresh upon any payment or other acknowledgment of the Obligations by the Obligor; and
- (e) this Agreement is a "business agreement" as defined in the *Limitations Act, 2002* (Ontario) if that Act applies.

## 8. **PAYMENTS**

8.1 **Withholdings Etc.** Any payment made by the Obligor under this Agreement shall be made without any deduction or withholding for or on account of tax and without any set-off or counterclaim of any kind. However, if the Obligor is required by law to deduct, withhold or pay any tax in respect of any payment under this Agreement, then (i) the Obligor shall pay additional sums under this Agreement as necessary so that, after making or allowing for all required deductions, withholdings and payments (including deductions, withholdings and payments applicable to additional sums payable under this Section), the Lender receives an amount equal to the sum it would have received had no deductions, withholdings or payments been required, (ii) the Obligor shall make any deductions, withholdings or payments required by law to be made by it and (iii) the Obligor shall timely pay the full amount required to be deducted, withheld or paid to the relevant governmental authority in accordance with applicable law.

8.2 **Currency and Place of Payment.** Payment shall be made in the currency or currencies specified in the demand for payment to Lanyard Financial Corporation – in trust at 210 – 2112 West Broadway, Vancouver, British Columbia, V6K 2C8 or another address or account that the Lender or Lanyard Financial Corporation may specify by written notice to the Obligor from time to time.

8.3 **Currency Indemnity.** If a judgment or order is rendered by any court or tribunal for the payment of any amount owing to the Lender under or in connection with this Agreement



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and the judgment or order is expressed in a currency (the "Judgment Currency") other than the currency payable under or in connection with this Agreement (the "Agreed Currency"), the Obligor shall indemnify and hold the Lender harmless against any deficiency in terms of the Agreed Currency in the amount received by the Lender arising or resulting from any variation as between (a) the rate at which the Agreed Currency is converted into the Judgment Currency for the purposes of the judgment or order, and (b) the rate at which the Lender is able to purchase the Agreed Currency in accordance with normal banking practice with the amount of the Judgment Currency actually received by the Lender on the date of receipt. The indemnity in this Section shall constitute a separate and independent liability from the other liabilities of the Obligor under this Agreement, shall apply irrespective of any indulgence granted by the Lender, and shall be secured by any security held by the Lender from the Obligor.

- 8.4 **Set-Off.** The Lender and each of its affiliates is authorized at any time and from time to time to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by the Lender or affiliate to or for the credit or the account of the Obligor against any and all of the liabilities of the Obligor now or in the future existing under this Agreement, irrespective of whether or not the Lender has made any demand under this Agreement and although those liabilities of the Obligor may be contingent or unmatured or are owed to a branch or office of the Lender different from the branch or office holding any deposit or obligated to the Obligor. The rights of the Lender and its affiliates under this Section 8.4 are in addition to other rights and remedies (including other rights of set-off, consolidation of accounts and bankers' lien) that the Lender or its affiliates may have.

## 9. **NOTICES**

- 9.1 **Notices in Writing.** Any communication to be made under this Agreement shall be made in writing and may be made by letter. Any communication shall be effective when received if during business hours or on the next business day if received outside of business hours.
- 9.2 **Irrevocable Appointment of Agent and Address for Notice.** The Obligor hereby nominates and appoints the Nominee as its agent for service which appointment is irrevocable. Service on the Nominee of all notices, legal proceedings or legal process in connection with the Loan (as defined in the Facility Letter) and the Loan Documents shall be sufficient service on the Obligor. The Nominee's address for notice is 2288 - 555 West Hastings Street, Vancouver, British Columbia, V6B 4N6.

## 10. **ENTIRE AGREEMENT; SEVERABILITY**

- 10.1 **Entire Agreement.** This Agreement embodies all the agreements between the Obligor and the Lender relating to the guarantee, indemnity contemplated in this Agreement. No party shall be bound by any representation or promise made by any person relating to this Agreement that is not embodied in it. It is specifically agreed that the Lender shall not be bound by any representation or promise made by the Borrower to the Obligor. Any waiver of, or consent to departure from, the requirements of any provision of this Agreement shall be effective only if it is in writing and signed by the Lender, and only in the specific instance and for the specific purpose for which it has been given.

10.2 **Severability.** If, in any jurisdiction, any provision of this Agreement or its application to any circumstance is restricted, prohibited or unenforceable, that provision shall, as to that jurisdiction, be ineffective only to the extent of that restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement, without affecting the validity or enforceability of that provision in any other jurisdiction and, if applicable, without affecting its application to other circumstances.

## 11. **DELIVERY OF AGREEMENT**

11.1 **Counterparts.** This Agreement may be executed in any number of counterparts and all counterparts taken together shall be deemed to constitute one agreement.

11.2 **Delivery.** To evidence the fact that it has executed this Agreement, the Obligor may send a signed copy of this Agreement or its signature to this Agreement by facsimile transmission or e-mail and the signature sent in that way shall be deemed to be its original signature for all purposes.

11.3 **No Conditions.** Possession of this Agreement by the Lender shall be conclusive evidence against the Obligor that the Agreement was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with. This Agreement shall be operative and binding notwithstanding that it is not executed by any proposed signatory.

11.4 **Receipt and Waiver.** The Obligor acknowledges receipt of a copy of this Agreement. The Obligor waives any notice of acceptance of this Agreement by the Lender. The Obligor also waives the right to receive a copy of any financing statement or financing change statement that may be registered in connection with this Agreement or any verification statement issued with respect to a registration, if waiver is not otherwise prohibited by law. The Obligor agrees that the Lender may from time to time provide information regarding this Agreement and the Obligations to persons that the Lender believes in good faith are entitled to the information under applicable law.

## 12. **GOVERNING LAW**

12.1 **Governing.** This Agreement and any dispute arising from or in relation to this Agreement shall be governed by, and interpreted and enforced in accordance with, the law of the province of British Columbia and the laws of Canada applicable in that province, excluding the conflict of law rules of that province.

12.2 **Obligor's Exclusive Dispute Resolution Jurisdiction.** The Obligor agrees that the courts of the province of British Columbia have exclusive jurisdiction over any dispute arising from or in relation to this Agreement and the Obligor irrevocably and unconditionally attorns to the exclusive jurisdiction of that province. The Obligor agrees that the courts of that province are the most appropriate and convenient forum to settle disputes and agrees not to argue to the contrary.

12.3 **Lender Entitled to Concurrent Jurisdiction.** Despite Section 12.2, the Lender is permitted to take proceedings in relation to any dispute arising from or in relation to this Agreement in any court of another province or another state with jurisdiction and to the extent allowed by law may take concurrent proceedings in any number of jurisdictions.


**13. SUCCESSORS AND ASSIGNS**

- 13.1 Successors and Assigns. The Obligor may not assign or transfer all or any part of its liabilities under this Agreement. This Agreement shall enure to the benefit of the Lender and its successors and assigns and be binding on the Obligor and its successors and any permitted assigns.

***[Signature Page Follows]***

**IN WITNESS OF WHICH**, the Obligor has executed this Agreement as of the date first written above.

**COROMANDEL HOLDINGS LTD.**

By:   
Name: ZHEN YU ZHONG  
Title: Director

By: \_\_\_\_\_  
Name:  
Title:

I / We have authority to bind the above.



**GUARANTEE AND INDEMNITY**

TO: **LFC KESEF-B21 LIMITED PARTNERSHIP**  
 210 – 2112 West Broadway  
 Vancouver, BC V6K 2C8  
 ("LFC KESEF-B21")

AND TO: **FISGARD CAPITAL CORPORATION**  
 3378 Douglas Street  
 Victoria, BC V8Z 3L3  
 ("Fisgard" and collectively with LFC KESEF-B21, the "Lender")

DATE: as of March 17, 2021

RECITALS:

- A. The Obligor is required to deliver this Agreement under the terms of the Facility Letter and the Loan Documents. The Obligor will derive substantial direct and indirect benefits and advantages from the financial accommodations to the Borrower under the Facility Letter and the Loan Documents, and it will be to the Obligor's direct interest and economic benefit to deliver this Agreement in order to allow the Borrower to obtain those financial accommodations. The Obligor acknowledges the value of that benefit.

FOR VALUE RECEIVED and intending to be legally bound by this guarantee and indemnity (the "Agreement"), the undersigned (the "Obligor") agrees as follows:

**1. INTERPRETATION**

1.1 Capitalized Terms. In this Agreement, except where the context otherwise requires:

- (a) "**Borrower**" means collectively AC Nanaimo Investment GP Ltd., AC Nanaimo Investment Limited Partnership (the "**Beneficial Owner**") and Ansen Nanaimo 26 Development Bare Trustee Ltd. (the "**Nominee**") in its capacity as legal owner, nominee, and agent for the Beneficial Owner;
- (b) "**Facility Letter**" means the facility letter agreement dated February 19, 2021 issued by LFC KESEF-B21, as lender, to the Beneficial Owner and accepted, *inter alios*, by the Beneficial Owner, as amended by a facility letter amending agreement dated as of March 15, 2021 among the Lender, the Borrower and the Guarantor (including the Obligor), as further amended, renewed, replaced, restated or otherwise modified from time to time;
- (c) "**Guarantor**" has the meaning ascribed to such term in the Facility Letter;
- (d) "**Loan Documents**" has the meaning ascribed to "**Security Documents**" in the Facility Letter; and

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(e) "**Obligations**" means all debts, liabilities and obligations of the Borrower to the Lender, whether present or future, direct or indirect, absolute or contingent, matured or not, at any time owing or remaining unpaid by the Borrower to the Lender in any currency, whether arising from dealings between the Lender and the Borrower or from other dealings or proceedings by which the Lender may be or become in any manner whatever a creditor of the Borrower, and wherever incurred, and whether incurred by the Borrower alone or with another or others and whether as principal or surety, and all interest, fees, commissions and legal and other costs, charges and expenses owing or remaining unpaid by the Borrower to the Lender in any currency.

1.2 No Contra Proferentum. This Agreement has been negotiated by the Obligor and the Lender with the benefit of legal representation, and any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply to the construction or interpretation of this Agreement.

1.3 Other Interpretation Rules. In this Agreement:

(a) The division into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.

(b) Unless otherwise specified or the context otherwise requires, (i) "including" or "includes" means "including (or includes) but is not limited to" and shall not be construed to limit any general statement preceding it to the specific or similar items or matters immediately following it, (ii) a reference to any legislation, statutory instrument or regulation or a section thereof is a reference to the legislation, statutory instrument, regulation or section as amended, restated and re-enacted from time to time, and (iii) words in the singular include the plural and *vice-versa* and words in one gender include all genders.

(c) Unless otherwise specified or the context otherwise requires, any reference in this Agreement to payment of the Obligations includes performance of the Obligations.

## 2. GUARANTEE AND INDEMNITY

2.1 Guarantee. The Obligor unconditionally guarantees payment to the Lender of the Obligations.

2.2 Indemnity. The Obligor also unconditionally agrees that, if the Borrower does not unconditionally and irrevocably pay any Obligations when due and those Obligations are not recoverable from the Obligor for any reason under Section 2.1, the Obligor shall indemnify the Lender immediately on demand against any cost, loss, damage, expense or liability suffered by the Lender as a result of the Borrower's failure to do so.

2.3 Separate Liabilities. The liabilities of the Obligor under Sections 2.1 and 2.2 are separate and distinct from each other, but the provisions of this Agreement shall apply to the liabilities under both of those Sections unless the context otherwise requires. If any or all of the Obligations are not duly performed by the Borrower and are not performed under Section 2.1 or the Lender is not indemnified under Section 2.2, in each case, for any

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reason whatsoever, such Obligations will, as a separate and distinct obligation, be performed by the Obligor as the primary obligor.

- 2.4 Limit on Liability. The liability of the Obligor under this Agreement is unlimited.
- 2.5 Irrevocable. This Agreement is irrevocable by the Obligor and, subject to Section 3.4, the Obligor expressly and unconditionally waives any right to terminate this Agreement.

### **3. CONTINUING AGREEMENT AND REINSTATEMENT**

- 3.1 Continuing Agreement. This Agreement is a continuing guarantee and indemnity for a current or running account and will extend to the ultimate balance of the Obligations, regardless of any intermediate payment or discharge of the Obligations in whole or in part. Without limiting the foregoing, the Obligations may include advances and re-advances under revolving credit facilities, which permit borrowing, repayment of all or part of the amount borrowed and re-borrowing of amounts previously paid.
- 3.2 Payments in Gross. Until this Agreement has been terminated in accordance with Section 3.4, all amounts of any kind received by the Lender from any source in respect of the Obligations shall be regarded for all purposes as payments in gross without any right on the part of the Obligor to claim the benefit of those amounts in reduction of its liabilities under this Agreement.
- 3.3 Reinstatement. If at any time any payment of the Obligations is or must be rescinded or returned by the Lender as a result of insolvency or reorganization of the Borrower or any other person, or for any other reason whatsoever, the Obligations will be deemed to have continued in existence and this Agreement shall continue to be effective, or be reinstated, as if the payment had not occurred. The Lender may concede or compromise any claim that any payment ought to be rescinded or returned without diminishing the liability of the Obligor under this Section.
- 3.4 Termination. If the Obligations have been indefeasibly paid in full in cash and if all obligations of the Lender to extend credit under any Loan Document have been cancelled, then the Lender shall, at the request and expense of the Obligor, execute and deliver whatever documents are reasonably required to acknowledge the termination of this Agreement.

### **4. WAIVER OF DEFENCES AND OTHER MATTERS**

- 4.1 In Addition to Other Rights; No Marshalling. This Agreement is in addition to and is not in any way prejudiced by or merged with any other guarantee, indemnity or security now or subsequently held by the Lender in respect of any Obligations. The Lender shall be under no obligation to marshal in favour of the Obligor any other guarantees or other securities or any money or other property that the Lender may be entitled to receive or may have a claim upon.
- 4.2 Liabilities Unconditional. Subject to Section 3.4, the liabilities of the Obligor under this Agreement are absolute and unconditional, and will not be affected by any act, omission, law, circumstance or thing that, but for this Section, would reduce, release or prejudice any of its liabilities under this Agreement, or that might constitute a legal or equitable defence to or a discharge, limitation or reduction of the Obligor's liabilities under this

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Agreement, including the following, whether or not known to it or the Lender or consented to by it or the Lender:

- (a) any discontinuance, reduction, increase, extension or other variance of the credit granted by the Lender to the Borrower or any time, waiver or consent granted to, or any release of or compromise or other dealing of any kind with, the Borrower or any other person;
- (b) any amendment, supplement or restatement (however fundamental) or replacement of any Loan Document;
- (c) any unenforceability, illegality or invalidity of any obligation of any person under or in connection with any Loan Document, including any bar to recovery from the Borrower under any statute of limitations;
- (d) the death or loss of capacity of the Borrower, any change in the name of the Borrower, or in the membership of the Borrower, if a partnership, or in the ownership, objects, capital structure or constitution of the Borrower, if a corporation, the sale of all or any part of the Borrower's business or the Borrower being amalgamated or merged with one or more other entities, and this Agreement shall, notwithstanding any such event, continue to apply to all Obligations whether previously or subsequently incurred; and in the case of a change in the membership of a Borrower that is a partnership or in the case of the Borrower being amalgamated or merged with one or more other entities, this Agreement shall also apply to the liabilities of the resulting or continuing entity, and the term "Borrower" shall include each resulting or continuing entity;
- (e) any credit being granted or continued by the Lender purportedly to or for the Borrower after the death, loss of capacity, bankruptcy or insolvency of the Borrower;
- (f) any lack or limitation of power, incapacity or disability of the Borrower or of the directors, partners or agents of the Borrower, or the Borrower not being a legal or suable entity, or any irregularity, defect or lack of formality in the obtaining of credit by the Borrower;
- (g) any bankruptcy, insolvency or similar proceedings, including any stay of or moratorium on proceedings, any action or omission of the Lender in connection with any such proceedings, or any effect of any such proceedings on the Lender;
- (h) any impossibility, impracticability, frustration of purpose, force majeure, illegality or act of governmental authority affecting any Loan Document;
- (i) any taking or failure to take security, any loss of or loss of value of security for the Obligations, any invalidity, lack of perfection, unenforceability or release of any security, or any subordination, postponement or enforcement of, failure to enforce, or irregularity or deficiency in the enforcement of, any security or other right;
- (j) the existence of any claim, set-off or other right that the Obligor may have against the Borrower, the Lender or any other person, whether in connection with the Loan Documents or otherwise; or



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- (k) any loss of, or adverse effect on, any right of the Obligor that is postponed pursuant to Section 6, whether or not caused by any act or omission of the Lender.

Each of the defences mentioned above is waived by the Obligor to the fullest extent permitted under applicable law.

- 4.3 Information Concerning Borrower. The Obligor acknowledges that it is presently familiar with the Loan Documents, the financial condition of the Borrower and any other circumstances affecting the risk incurred by the Obligor in connection with this Agreement. The Obligor shall be solely responsible for keeping itself informed concerning those matters in the future. The Obligor acknowledges that the Lender has no obligation to provide any information concerning those matters now or in the future and that, if it does so at any time, it shall have no obligation to update the information or provide other information subsequently.
- 4.4 No Obligation to Enforce Other Rights. The Obligor waives any right it may have of requiring the Lender (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Obligor under this Agreement and the Obligor waives all benefits of discussion and division. These waivers apply irrespective of any law or any provision of any Loan Document to the contrary.
- 4.5 Saskatchewan. *The Limitation of Civil Rights Act* (Saskatchewan) shall not have any application to this Agreement, or to any agreement or instrument renewing, extending or collateral to this Agreement, or to the rights, powers or remedies of the Lender under this Agreement.

## 5. USE OF AMOUNTS RECEIVED

- 5.1 Use of Amounts Received. Until this Agreement has been terminated in accordance with Section 3.4, the Lender (or any trustee or agent on its behalf) may:
- (a) refrain from applying any money received or enforcing any other security or rights held by or on behalf of the Lender in respect of the Obligations, or apply any money and enforce any other security or rights in any manner and order as it sees fit;
  - (b) change any application of money received in whole or in part from time to time; and
  - (c) hold in a suspense account any money received from the Obligor or on account of the Obligor's liabilities under this Agreement.

## 6. POSTPONEMENT OF OBLIGOR'S RIGHTS

- 6.1 Postponement of Subrogation Etc. Until this Agreement has been terminated in accordance with Section 3.4, the Obligor shall not exercise any rights that it may have by reason of performance by it of its liabilities under this Agreement:
- (a) to be indemnified by the Borrower;
  - (b) to claim contribution from any other guarantor of the Obligations; or

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- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under any Loan Document.
- 6.2 Postponement of Set-Off Etc. Until this Agreement has been terminated in accordance with Section 3.4, the Obligor shall not claim any set-off or counterclaim against the Borrower as a result of any liability of the Borrower to the Obligor, or claim or prove in bankruptcy or insolvency of the Borrower in competition with the Lender.
- 6.3 Postponement and Assignment. The Obligor postpones payment of, and hereby subordinates to the interests of the Lender, all present and future debts, liabilities and obligations of the Borrower or any Guarantor to the Obligor until this Agreement has been terminated in accordance with Section 3.4 unless otherwise permitted by the Lender in writing. The Obligor assigns to the Lender all present and future debts, liabilities and obligations of the Borrower to the Obligor as security for payment of the Obligor's liabilities under this Agreement, and agrees that all money received by the Obligor in respect of those debts, liabilities and obligations shall be received in trust for the Lender and forthwith upon receipt shall be paid over to the Lender, all without in any way lessening or limiting the liabilities of the Obligor under this Agreement. The provisions of this Section 6.3 are independent of the other provisions of this Agreement and shall remain in full force and effect until this Agreement has been terminated in accordance with Section 3.4, notwithstanding that the other liabilities of the Obligor under this Agreement may have been discharged or terminated.

## 7. OBLIGATION TO MAKE PAYMENT

- 7.1 Payment Immediately After Demand. The Obligor's liability to make a payment under this Agreement shall arise immediately after demand for payment has been made in writing on the Obligor. In connection with any demand, the Lender may treat all Obligations as due and payable and may demand immediate payment from the Obligor of the total amount of its liabilities under this Agreement, whether or not all Obligations are otherwise due and payable at the time of demand.
- 7.2 Right to Enforce. Demands under this Agreement may be made from time to time, and the liabilities of the Obligor under this Agreement may be enforced, irrespective of:
- (a) whether any demands, steps or proceedings are being or have been made or taken against the Borrower and/or any third party; or
  - (b) whether or in what order any security to which the Lender may be entitled in connection with any Loan Document is enforced.
- 7.3 Certificate as to Amount. A certificate of the Lender specifying the outstanding amount of the Obligations shall be conclusive evidence of that amount against the Obligor in the absence of any manifest error.
- 7.4 Interest. The Obligor's liabilities under this Agreement shall bear interest from the date of demand at the highest rate of interest *per annum* that is applicable to any part of the Obligations.
- 7.5 Rights Cumulative. No failure on the part of the Lender to exercise, nor any delay in exercising, any right or remedy under any Loan Document or this Agreement shall operate

as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. Neither the taking of any judicial or extra-judicial proceeding nor the exercise of rights under any security held from the Obligor shall extinguish the liability of the Obligor to pay and perform its liabilities under this Agreement, nor shall the acceptance of any payment or security create any novation. No covenant, representation or warranty of the Obligor in this Agreement shall merge in any judgment. The rights and remedies provided in this Agreement are cumulative and do not exclude any rights and remedies provided by law or otherwise.

7.6 Limitation Periods. To the extent that any limitation period applies to any claim for payment of the Obligations or remedy for enforcement of the Obligations, the Obligor agrees that:

- (a) any limitation period is expressly excluded and waived entirely if permitted by applicable law;
- (b) if a complete exclusion and waiver of any limitation period is not permitted by applicable law, any limitation period is extended to the maximum length permitted by applicable law;
- (c) any applicable limitation period shall not begin before an express demand for payment of the Obligations is made in writing by the Lender to the Obligor;
- (d) any applicable limitation period shall begin afresh upon any payment or other acknowledgment of the Obligations by the Obligor; and
- (e) this Agreement is a "business agreement" as defined in the *Limitations Act, 2002* (Ontario) if that Act applies.

## 8. PAYMENTS

8.1 Withholdings Etc. Any payment made by the Obligor under this Agreement shall be made without any deduction or withholding for or on account of tax and without any set-off or counterclaim of any kind. However, if the Obligor is required by law to deduct, withhold or pay any tax in respect of any payment under this Agreement, then (i) the Obligor shall pay additional sums under this Agreement as necessary so that, after making or allowing for all required deductions, withholdings and payments (including deductions, withholdings and payments applicable to additional sums payable under this Section), the Lender receives an amount equal to the sum it would have received had no deductions, withholdings or payments been required, (ii) the Obligor shall make any deductions, withholdings or payments required by law to be made by it and (iii) the Obligor shall timely pay the full amount required to be deducted, withheld or paid to the relevant governmental authority in accordance with applicable law.

8.2 Currency and Place of Payment. Payment shall be made in the currency or currencies specified in the demand for payment to Lanyard Financial Corporation – in trust at 210 – 2112 West Broadway, Vancouver, British Columbia, V6K 2C8 or another address or account that the Lender or Lanyard Financial Corporation may specify by written notice to the Obligor from time to time.

8.3 Currency Indemnity. If a judgment or order is rendered by any court or tribunal for the payment of any amount owing to the Lender under or in connection with this Agreement

and the judgment or order is expressed in a currency (the "**Judgment Currency**") other than the currency payable under or in connection with this Agreement (the "**Agreed Currency**"), the Obligor shall indemnify and hold the Lender harmless against any deficiency in terms of the Agreed Currency in the amount received by the Lender arising or resulting from any variation as between (a) the rate at which the Agreed Currency is converted into the Judgment Currency for the purposes of the judgment or order, and (b) the rate at which the Lender is able to purchase the Agreed Currency in accordance with normal banking practice with the amount of the Judgment Currency actually received by the Lender on the date of receipt. The indemnity in this Section shall constitute a separate and independent liability from the other liabilities of the Obligor under this Agreement, shall apply irrespective of any indulgence granted by the Lender, and shall be secured by any security held by the Lender from the Obligor.

- 8.4 **Set-Off.** The Lender and each of its affiliates is authorized at any time and from time to time to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by the Lender or affiliate to or for the credit or the account of the Obligor against any and all of the liabilities of the Obligor now or in the future existing under this Agreement, irrespective of whether or not the Lender has made any demand under this Agreement and although those liabilities of the Obligor may be contingent or unmatured or are owed to a branch or office of the Lender different from the branch or office holding any deposit or obligated to the Obligor. The rights of the Lender and its affiliates under this Section 8.4 are in addition to other rights and remedies (including other rights of set-off, consolidation of accounts and bankers' lien) that the Lender or its affiliates may have.

## 9. **NOTICES**

- 9.1 **Notices in Writing.** Any communication to be made under this Agreement shall be made in writing and may be made by letter. Any communication shall be effective when received if during business hours or on the next business day if received outside of business hours.
- 9.2 **Irrevocable Appointment of Agent and Address for Notice.** The Obligor hereby nominates and appoints the Nominee as its agent for service which appointment is irrevocable. Service on the Nominee of all notices, legal proceedings or legal process in connection with the Loan (as defined in the Facility Letter) and the Loan Documents shall be sufficient service on the Obligor. The Nominee's address for notice is 2288 - 555 West Hastings Street, Vancouver, British Columbia, V6B 4N6.

## 10. **ENTIRE AGREEMENT; SEVERABILITY**

- 10.1 **Entire Agreement.** This Agreement embodies all the agreements between the Obligor and the Lender relating to the guarantee, indemnity contemplated in this Agreement. No party shall be bound by any representation or promise made by any person relating to this Agreement that is not embodied in it. It is specifically agreed that the Lender shall not be bound by any representation or promise made by the Borrower to the Obligor. Any waiver of, or consent to departure from, the requirements of any provision of this Agreement shall be effective only if it is in writing and signed by the Lender, and only in the specific instance and for the specific purpose for which it has been given.



- 10.2 **Severability.** If, in any jurisdiction, any provision of this Agreement or its application to any circumstance is restricted, prohibited or unenforceable, that provision shall, as to that jurisdiction, be ineffective only to the extent of that restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement, without affecting the validity or enforceability of that provision in any other jurisdiction and, if applicable, without affecting its application to other circumstances.

## 11. **DELIVERY OF AGREEMENT**

- 11.1 **Counterparts.** This Agreement may be executed in any number of counterparts and all counterparts taken together shall be deemed to constitute one agreement.
- 11.2 **Delivery.** To evidence the fact that it has executed this Agreement, the Obligor may send a signed copy of this Agreement or its signature to this Agreement by facsimile transmission or e-mail and the signature sent in that way shall be deemed to be its original signature for all purposes.
- 11.3 **No Conditions.** Possession of this Agreement by the Lender shall be conclusive evidence against the Obligor that the Agreement was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with. This Agreement shall be operative and binding notwithstanding that it is not executed by any proposed signatory.
- 11.4 **Receipt and Waiver.** The Obligor acknowledges receipt of a copy of this Agreement. The Obligor waives any notice of acceptance of this Agreement by the Lender. The Obligor also waives the right to receive a copy of any financing statement or financing change statement that may be registered in connection with this Agreement or any verification statement issued with respect to a registration, if waiver is not otherwise prohibited by law. The Obligor agrees that the Lender may from time to time provide information regarding this Agreement and the Obligations to persons that the Lender believes in good faith are entitled to the information under applicable law.

## 12. **GOVERNING LAW**

- 12.1 **Governing.** This Agreement and any dispute arising from or in relation to this Agreement shall be governed by, and interpreted and enforced in accordance with, the law of the province of British Columbia and the laws of Canada applicable in that province, excluding the conflict of law rules of that province.
- 12.2 **Obligor's Exclusive Dispute Resolution Jurisdiction.** The Obligor agrees that the courts of the province of British Columbia have exclusive jurisdiction over any dispute arising from or in relation to this Agreement and the Obligor irrevocably and unconditionally attorns to the exclusive jurisdiction of that province. The Obligor agrees that the courts of that province are the most appropriate and convenient forum to settle disputes and agrees not to argue to the contrary.
- 12.3 **Lender Entitled to Concurrent Jurisdiction.** Despite Section 12.2, the Lender is permitted to take proceedings in relation to any dispute arising from or in relation to this Agreement in any court of another province or another state with jurisdiction and to the extent allowed by law may take concurrent proceedings in any number of jurisdictions.

**13. SUCCESSORS AND ASSIGNS**

- 13.1 Successors and Assigns. The Obligor may not assign or transfer all or any part of its liabilities under this Agreement. This Agreement shall enure to the benefit of the Lender and its successors and assigns and be binding on the Obligor and its successors and any permitted assigns.

***[Signature Page Follows]***

IN WITNESS OF WHICH, the Obligor has executed this Agreement as of the date first written above.

VIVAGRANT DEVELOPMENT CORP.

By:   
Name: Chao Tai Liang  
Title: Director

By: \_\_\_\_\_  
Name:  
Title:

I / We have authority to bind the above.

## GUARANTEE

For One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Align BC Properties Corp. (the "Guarantor") hereby covenants and agrees with Xintai Liu, Ying Liang and Chenming Li (together, the "Creditors") as follows:

### 1. GUARANTEE

The Guarantor hereby unconditionally agrees to pay, keep, observe, and perform on demand all of the present and future debts, obligations and liabilities of AC Nanaimo Investment Limited Partnership, AC Nanaimo Nominee Ltd., and AC Nanaimo Investment GP Ltd. (the "Debtors") to the Creditors, and their successors and assigns, whether direct or indirect, absolute or contingent, matured or not, now or any time hereafter due or owing to the Creditors by the Debtors, whether incurred by the Debtors alone or jointly with any other corporation, person, or other entity, and whether as principal or Guarantor or otherwise howsoever (collectively, the "Obligations").

### 2. GUARANTEE ABSOLUTE

The liability of the Guarantor hereunder shall be absolute and unconditional irrespective of, and shall not be released, discharged, limited, or otherwise affected by anything done, suffered, or permitted by the Creditors in connection with the Debtors, the Obligations or any security held by or granted to the Creditors to secure payment or performance of the Obligations or otherwise. Without limiting the generality of the foregoing, the obligations and liabilities of the Guarantor hereunder shall be absolute and unconditional and shall not be released, discharged, limited or otherwise affected by:

- (a) any lack of validity or enforceability of any agreement between the Creditors and the Debtors relating to the Obligations or any other agreement or instrument relating thereto;
- (b) any change in the time, manner, or place of payment of, amount of credit available to the Debtors under, or in any other term of, or any renewal, extension, other amendment or waiver of or any consent to or departure from, any agreement between the Creditors and the Debtors relating to the Obligations;
- (c) any change in the name, objects, capital stock, constating documents or bylaws, ownership or control of the Debtors;
- (d) any amalgamation, merger, consolidation, or other reorganization of the Debtors or of their business or affairs;
- (e) the dissolution, winding-up, liquidation, or other distribution of the assets of the Debtors, whether voluntary or otherwise;



- (f) the Debtors becoming insolvent or bankrupt or subject to the provisions of any insolvency legislation;
- (g) the Creditors enforcing or realizing upon any security granted to or held by the Creditors on or over the property of the Debtors, whether to secure payment or performance of the Obligations or otherwise;
- (h) any right or alleged right of set-off, deduction, counterclaim, appropriation or application or any claim or demand that the Debtors or the Guarantor may have or may allege to have against any Creditors or any other person, which rights the Guarantor hereby waive to the fullest extent permitted by law;
- (i) any agreement or decision made by the Debtors, whether it be to dispose of a part of, or all of or substantially all of its assets, or to change its form of business, or otherwise; or
- (j) any other circumstances which might otherwise constitute a legal or equitable defence available to the Debtors, or complete or partial discharge of the Debtors, in respect of the Obligations or of the Guarantor in respect of its guarantee hereunder.

### 3. DEALINGS WITH THE DEBTORS AND OTHERS

Without releasing, discharging, limiting, or otherwise affecting in whole or in part the Guarantor's Obligations and liabilities hereunder and without the consent of or notice to the Guarantor, the Creditors may:

- (a) grant time, renewals, extensions, indulgences, releases, and discharges to the Debtors;
- (b) take or refrain from taking securities or collateral from the Debtors or from perfecting securities or collateral of the Debtors;
- (c) release, discharge, compromise, realize, enforce, or otherwise deal with or do any act or thing in respect of (with or without consideration) any and all collateral, mortgages, or other security given by the Debtors or any third party with respect to the Obligations;
- (d) accept compromises or arrangements from the Debtors;
- (e) exercise any right or remedy which it may have against the Debtors or with respect to any security for the Obligations, including judicial and non-judicial foreclosure;
- (f) apply all monies at any time received from the Debtors or from securities upon such part of the Obligations as the Creditors may see fit or change

any such application in whole or in part from time to time as the Creditors may see fit; or

- (g) otherwise deal with, or waive or modify their right to deal with, the Debtors and all other persons and securities as the Creditors may see fit.

#### **4. DEALING WITH SECURITY**

The loss of or failure to obtain, perfect, or maintain any security held by the Creditors, whether occasioned through the fault of the Creditors or otherwise, shall not discharge, limit, or lessen the liability of the Guarantor hereunder.

#### **5. RECOURSE AGAINST DEBTORS**

The Creditors shall not be bound to exhaust their recourse against the Debtors or others or under any security or take any other action or legal proceeding before entitled to payment from the Guarantor under this Guarantee.

#### **6. DEBTORS' CORPORATE STATUS AND AUTHORITY**

6.1 All monies, advances, renewals, or credits in fact borrowed or obtained from the Creditors by the Debtors or by persons purporting to act on behalf of the Debtors shall be deemed to form part of the Obligations hereby guaranteed, regardless of whether such borrowing or obtaining of monies, advances, renewals, or credits of the execution, or the delivery of any agreement or document in connection therewith, by or on behalf of the Debtors, is in excess of the powers of the Debtors or any of their directors, officers, managers, employees, or other agents, or is in any way irregular, defective or informal.

6.2 This Guarantee shall be deemed binding and effective regardless of whether the execution and delivery of any agreement or document given by the Debtors is in excess of the powers of the Debtors, or whether the acts of any of their directors, officers, managers, employees, or other agents, are in any way irregular, defective or informal, or whether the Debtors are not legal entities. The Creditors has no obligation to enquire into the powers of the Debtors or any of their directors, officers, managers, employees, or other agents acting or purporting to act on their behalf.

#### **7. ACCOUNTS SETTLED**

Any account stated by the Creditors to be due to them by the Debtors shall be accepted by the Guarantor as conclusive evidence that the said amount is so due, in the absence of manifest error.

#### **8. WAIVER**

No delay on the part of the Creditors in exercising any of their options, powers, or rights, or any partial or single exercise thereof, shall constitute a waiver thereof. No

waiver of any of their rights hereunder, and no modification or amendment of this Guarantee, shall be deemed to be made by the Creditors unless the same shall be in writing, duly signed by the Creditors and each such waiver, if any, shall apply only with respect to the specific instance involved, and shall in no way impair the rights of the Creditors or the liabilities of the Guarantor hereunder in any other respect at any other time.

#### **9. FOREIGN CURRENCY OBLIGATIONS**

The Guarantor shall make payment to the Creditors relative to any Obligations due to them in the currency (the "Original Currency") in which the Debtors are required to pay such Obligations. If the Guarantor makes payment relative to the Obligations in a currency other than the Original Currency (whether voluntarily or pursuant to an order or judgment of a court or tribunal of any jurisdiction), such payment shall constitute a discharge of the liability of the Guarantor to the Creditors in respect of such Obligations only to the extent of the amount of the Original Currency which the Creditors are able to purchase with the amount they receive on the date of receipt in accordance with their normal practice. If the amount of the Original Currency which the Creditors is able to purchase is less than the amount of such currency originally due to them in respect to the relevant Obligations the Guarantor shall indemnify and save the Creditors harmless from and against any loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other Obligations contained in this Guarantee; shall give rise to a separate and independent cause of action; shall apply irrespective of anything done, suffered or permitted by the Creditors in connection with the Debtors; and shall continue in full force and effect notwithstanding any judgment or order in respect of any amount due hereunder or under any judgment or order.

#### **10. CONTINUING GUARANTEE**

This guarantee shall be a continuing guarantee and shall cover the Obligations and this guarantee shall apply to and secure any ultimate balance due or remaining unpaid to the Creditors.

#### **11. ASSIGNMENT**

The Creditors may from time to time and without notice to, or the consent of, the Guarantor assign or transfer the Obligations due to all or any of them or any interest therein to any person; and notwithstanding any such assignment or transfer or any subsequent assignment or transfer thereof, any such Obligations or part thereof so transferred or assigned shall be and shall remain part of the Obligations for the purposes of this Guarantee and any immediate and successive assignee or transferee of any Obligations or any interest therein shall, to the extent of the interest so assigned or transferred, be entitled to the benefit of, and the right to enforce, this Guarantee to the same extent as if such person were one of the Creditors.

#### **12. REVIVAL OF INDEBTEDNESS AND LIABILITY**

If at any time all or any part of any payment previously applied by the Creditors to the Obligations is or must be rescinded or returned by the Creditors for any reason whatsoever (including, without limitation, the insolvency, bankruptcy, or reorganization of the Debtors or the Guarantor), to the extent that such payment is or must be rescinded or returned such Obligations shall be deemed to have continued in existence notwithstanding such application by the Creditors, and this Guarantee shall continue to be effective or be reinstated, as the case may be, as to such Obligations, all as though such application by the Creditors had not been made.

### **13. POSTPONEMENT AND SUBROGATION**

All present and future indebtedness and liability of the Debtors to the Guarantor are hereby assigned to the Creditors and subordinated and postponed to the Obligations of the Guarantor hereunder, and all monies received by the Guarantor in respect thereof shall be received in trust for and shall be paid over to the Creditors forthwith. If the Creditors receive(s) from the Guarantor a payment or payments in full or on account of the liability of the Guarantor hereunder, the Guarantor shall not be entitled to claim repayment against the Debtors unless and until all amounts owing by the Debtors to the Creditors have been paid in full and the Creditors has no further obligation to make credit available to the Debtors. In the case of any liquidation, winding-up, or bankruptcy of the Debtors (whether voluntary or involuntary) or in the event that the Debtors make a bulk sale of any of their assets within the bulk transfer provisions of any applicable legislation or any composition, with creditors or scheme or arrangement, the Creditors shall have the right to rank for their full claims and receive all dividends or other payments in respect thereof in priority to the Guarantor until their claims have been paid in full, and the Guarantor shall continue to be liable hereunder for any balance which may be owing to the Creditors by the Debtors. In the event of the valuation by the Creditors of any of their security or the retention thereof, such valuation or retention shall not be considered as a purchase of such security, or as payment or satisfaction or reduction of the Obligations of the Guarantor hereunder or any part thereof. The foregoing provisions of this paragraph shall not in any way limit or lessen the liability of the Guarantor under any other paragraph of this Guarantee.

### **14. EXPENSES**

The Guarantor shall from time to time forthwith upon demand pay to the Creditors all expenses (including legal expenses on a solicitor and own client basis) incurred by them in the preservation or enforcement of any of their rights hereunder.

### **15. INDEMNITY**

In addition, as a separate and distinct obligation, the Guarantor, for valuable consideration, hereby agrees to indemnify and save harmless the Creditors in respect of any loss or damage which the Creditors may suffer as a result of non-payment or non-fulfillment of any of the Obligations by the Debtors.



**16. ADDITIONAL SECURITY**

This Guarantee is in addition to and without prejudice to any security of any kind (including, without limitation, other guarantees) now or hereafter held by the Creditors and any other rights or remedies that the Creditors might have.

**17. SET-OFF**

The Creditors may, to the full extent permitted by law, set-off and apply any and all deposits and other monies at any time held by the Creditors or their agents and any other indebtedness at any time owing by the Creditors to or for the credit or the account of the Guarantor against any and all of the Obligations of the Guarantor now or hereafter existing under this Guarantee irrespective of whether or not the Creditors has made any demand hereunder and although such Obligations may be contingent and unmatured.

**18. NO SUIT UNTIL DEMAND**

No suit based on this Guarantee shall be instituted until demand for payment has been made under this Guarantee by written notice to the Guarantor.

**19. NO CONDITION PRECEDENT**

The obligations of the Guarantor under this Guarantee shall be complete and binding upon the execution of this Guarantee by it and shall not be subject to any condition precedent. The Guarantor hereby expressly renounce(s) any benefits of division or discussion.

**20. GOVERNING LAW**

This Guarantee shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein. Without prejudice to the right of the Creditors to commence any proceedings with respect to this Guarantee in any other jurisdiction, the Guarantor hereby irrevocably attorn(s) and submits to the jurisdiction of the courts of the Province of British Columbia.

**21. NOTICE**

Any notice, demand, direction or other communication required or permitted to be given under this Guarantee shall be effectually made or given if delivered by prepaid private courier, Email, or facsimile transmission to the address of each party set out below:

To the Guarantor:

Align BC Properties Corp.  
2288-555 West Hastings Street  
Vancouver, BC V6O 4N6

Email: john@alignproperties.com  
Attention: John Liang

To the Creditors:

Xintai Liu  
4351 Erwin Dr.  
West Vancouver, BC V7V 1H7  
Email: xt20130228@hotmail.com

Ying Liang  
2228 Kings Avenue  
West Vancouver, BC V7V 2C2  
Email: [•]

Chenming Li  
2228 172 St.  
Surrey, BC V3Z 9Z5  
Email: elkmondli@gmail.com

or to such other address or facsimile number as either party may designate in the manner set out above. Any notice, demand, direction or other communication shall be deemed to have been given and received on the day of prepaid private courier delivery or facsimile transmission.

## 22. SUCCESSORS AND ASSIGNS

This Guarantee shall extend and enure to the benefit of the Creditors and their successors and assigns and shall be binding upon the Guarantor and the personal representatives, successors, and assigns of the Guarantor; "successors" includes any corporation resulting from the amalgamation of a corporation with any other corporation.

*[Signature page follows]*

IN WITNESS WHEREOF this Guarantee has been executed by the Guarantor, this April  
11, 2022

Align BC Properties Corp. by its authorized  
signatory:

  
Per: \_\_\_\_\_

## **GUARANTEE**

For One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Coromandel Holdings Ltd. (the "Guarantor") hereby covenants and agrees with Xintai Liu, Ying Liang and Chenming Li (together, the "Creditors") as follows:

### **1. GUARANTEE**

The Guarantor hereby unconditionally agrees to pay, keep, observe, and perform on demand all of the present and future debts, obligations and liabilities of AC Nanaimo Investment Limited Partnership, AC Nanaimo Nominee Ltd., and AC Nanaimo Investment GP Ltd. (the "Debtors") to the Creditors, and their successors and assigns, whether direct or indirect, absolute or contingent, matured or not, now or any time hereafter due or owing to the Creditors by the Debtors, whether incurred by the Debtors alone or jointly with any other corporation, person, or other entity, and whether as principal or guarantor or otherwise howsoever (collectively, the "Obligations").

### **2. GUARANTEE ABSOLUTE**

The liability of the Guarantor hereunder shall be absolute and unconditional irrespective of, and shall not be released, discharged, limited, or otherwise affected by anything done, suffered, or permitted by the Creditors in connection with the Debtors, the Obligations or any security held by or granted to the Creditors to secure payment or performance of the Obligations or otherwise. Without limiting the generality of the foregoing, the obligations and liabilities of the Guarantor hereunder shall be absolute and unconditional and shall not be released, discharged, limited or otherwise affected by:

- (a) any lack of validity or enforceability of any agreement between the Creditors and the Debtors relating to the Obligations or any other agreement or instrument relating thereto;
- (b) any change in the time, manner, or place of payment of, amount of credit available to the Debtors under, or in any other term of, or any renewal, extension, other amendment or waiver of or any consent to or departure from, any agreement between the Creditors and the Debtors relating to the Obligations;
- (c) any change in the name, objects, capital stock, constating documents or bylaws, ownership or control of the Debtors;
- (d) any amalgamation, merger, consolidation, or other reorganization of the Debtors or of their business or affairs;
- (e) the dissolution, winding-up, liquidation, or other distribution of the assets of the Debtors, whether voluntary or otherwise;



- (f) the Debtors becoming insolvent or bankrupt or subject to the provisions of any insolvency legislation;
- (g) the Creditors enforcing or realizing upon any security granted to or held by the Creditors on or over the property of the Debtors, whether to secure payment or performance of the Obligations or otherwise;
- (h) any right or alleged right of set-off, deduction, counterclaim, appropriation or application or any claim or demand that the Debtors or the Guarantor may have or may allege to have against any Creditors or any other person, which rights the Guarantor hereby waive to the fullest extent permitted by law;
- (i) any agreement or decision made by the Debtors, whether it be to dispose of a part of, or all of or substantially all of its assets, or to change its form of business, or otherwise; or
- (j) any other circumstances which might otherwise constitute a legal or equitable defence available to the Debtors, or complete or partial discharge of the Debtors, in respect of the Obligations or of the Guarantor in respect of its guarantee hereunder.

### **3. DEALINGS WITH THE DEBTORS AND OTHERS**

Without releasing, discharging, limiting, or otherwise affecting in whole or in part the Guarantor's Obligations and liabilities hereunder and without the consent of or notice to the Guarantor, the Creditors may:

- (a) grant time, renewals, extensions, indulgences, releases, and discharges to the Debtors;
- (b) take or refrain from taking securities or collateral from the Debtors or from perfecting securities or collateral of the Debtors;
- (c) release, discharge, compromise, realize, enforce, or otherwise deal with or do any act or thing in respect of (with or without consideration) any and all collateral, mortgages, or other security given by the Debtors or any third party with respect to the Obligations;
- (d) accept compromises or arrangements from the Debtors;
- (e) exercise any right or remedy which it may have against the Debtors or with respect to any security for the Obligations, including judicial and non-judicial foreclosure;

- (f) apply all monies at any time received from the Debtors or from securities upon such part of the Obligations as the Creditors may see fit or change any such application in whole or in part from time to time as the Creditors may see fit; or
- (g) otherwise deal with, or waive or modify their right to deal with, the Debtors and all other persons and securities as the Creditors may see fit.

#### **4. DEALING WITH SECURITY**

The loss of or failure to obtain, perfect, or maintain any security held by the Creditors, whether occasioned through the fault of the Creditors or otherwise, shall not discharge, limit, or lessen the liability of the Guarantor hereunder.

#### **5. RECOURSE AGAINST DEBTORS**

The Creditors shall not be bound to exhaust their recourse against the Debtors or others or under any security or take any other action or legal proceeding before entitled to payment from the Guarantor under this Guarantee.

#### **6. DEBTORS' CORPORATE STATUS AND AUTHORITY**

**6.1** All monies, advances, renewals, or credits in fact borrowed or obtained from the Creditors by the Debtors or by persons purporting to act on behalf of the Debtors shall be deemed to form part of the Obligations hereby guaranteed, regardless of whether such borrowing or obtaining of monies, advances, renewals, or credits of the execution, or the delivery of any agreement or document in connection therewith, by or on behalf of the Debtors, is in excess of the powers of the Debtors or any of their directors, officers, managers, employees, or other agents, or is in any way irregular, defective or informal.

**6.2** This Guarantee shall be deemed binding and effective regardless of whether the execution and delivery of any agreement or document given by the Debtors is in excess of the powers of the Debtors, or whether the acts of any of their directors, officers, managers, employees, or other agents, are in any way irregular, defective or informal, or whether the Debtors are not legal entities. The Creditors has no obligation to enquire into the powers of the Debtors or any of their directors, officers, managers, employees, or other agents acting or purporting to act on their behalf.

#### **7. ACCOUNTS SETTLED**

Any account stated by the Creditors to be due to them by the Debtors shall be accepted by the Guarantor as conclusive evidence that the said amount is so due, in the absence of manifest error.

## 8. WAIVER

No delay on the part of the Creditors in exercising any of their options, powers, or rights, or any partial or single exercise thereof, shall constitute a waiver thereof. No waiver of any of their rights hereunder, and no modification or amendment of this Guarantee, shall be deemed to be made by the Creditors unless the same shall be in writing, duly signed by the Creditors and each such waiver, if any, shall apply only with respect to the specific instance involved, and shall in no way impair the rights of the Creditors or the liabilities of the Guarantor hereunder in any other respect at any other time.

## 9. FOREIGN CURRENCY OBLIGATIONS

The Guarantor shall make payment to the Creditors relative to any Obligations due to them in the currency (the "Original Currency") in which the Debtors are required to pay such Obligations. If the Guarantor makes payment relative to the Obligations in a currency other than the Original Currency (whether voluntarily or pursuant to an order or judgment of a court or tribunal of any jurisdiction), such payment shall constitute a discharge of the liability of the Guarantor to the Creditors in respect of such Obligations only to the extent of the amount of the Original Currency which the Creditors are able to purchase with the amount they receive on the date of receipt in accordance with their normal practice. If the amount of the Original Currency which the Creditors is able to purchase is less than the amount of such currency originally due to them in respect to the relevant Obligations the Guarantor shall indemnify and save the Creditors harmless from and against any loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other Obligations contained in this Guarantee; shall give rise to a separate and independent cause of action; shall apply irrespective of anything done, suffered or permitted by the Creditors in connection with the Debtors; and shall continue in full force and effect notwithstanding any judgment or order in respect of any amount due hereunder or under any judgment or order.

## 10. CONTINUING GUARANTEE

This guarantee shall be a continuing guarantee and shall cover the Obligations and this guarantee shall apply to and secure any ultimate balance due or remaining unpaid to the Creditors.

## 11. ASSIGNMENT

The Creditors may from time to time and without notice to, or the consent of, the Guarantor assign or transfer the Obligations due to all or any of them or any interest therein to any person; and notwithstanding any such assignment or transfer or any subsequent assignment or transfer thereof, any such Obligations or part thereof so transferred or assigned shall be and shall remain part of the Obligations for the purposes of this Guarantee and any immediate and successive assignee or transferee of any Obligations or any interest therein shall, to the extent of the interest so assigned or

transferred, be entitled to the benefit of, and the right to enforce, this Guarantee to the same extent as if such person were one of the Creditors.

#### **12. REVIVAL OF INDEBTEDNESS AND LIABILITY**

If at any time all or any part of any payment previously applied by the Creditors to the Obligations is or must be rescinded or returned by the Creditors for any reason whatsoever (including, without limitation, the insolvency, bankruptcy, or reorganization of the Debtors or the Guarantor), to the extent that such payment is or must be rescinded or returned such Obligations shall be deemed to have continued in existence notwithstanding such application by the Creditors, and this Guarantee shall continue to be effective or be reinstated, as the case may be, as to such Obligations, all as though such application by the Creditors had not been made.

#### **13. POSTPONEMENT AND SUBROGATION**

All present and future indebtedness and liability of the Debtors to the Guarantor are hereby assigned to the Creditors and subordinated and postponed to the Obligations of the Guarantor hereunder, and all monies received by the Guarantor in respect thereof shall be received in trust for and shall be paid over to the Creditors forthwith. If the Creditors receive(s) from the Guarantor a payment or payments in full or on account of the liability of the Guarantor hereunder, the Guarantor shall not be entitled to claim repayment against the Debtors unless and until all amounts owing by the Debtors to the Creditors have been paid in full and the Creditors has no further obligation to make credit available to the Debtors. In the case of any liquidation, winding-up, or bankruptcy of the Debtors (whether voluntary or involuntary) or in the event that the Debtors make a bulk sale of any of their assets within the bulk transfer provisions of any applicable legislation or any composition, with creditors or scheme or arrangement, the Creditors shall have the right to rank for their full claims and receive all dividends or other payments in respect thereof in priority to the Guarantor until their claims have been paid in full, and the Guarantor shall continue to be liable hereunder for any balance which may be owing to the Creditors by the Debtors. In the event of the valuation by the Creditors of any of their security or the retention thereof, such valuation or retention shall not be considered as a purchase of such security, or as payment or satisfaction or reduction of the Obligations of the Guarantor hereunder or any part thereof. The foregoing provisions of this paragraph shall not in any way limit or lessen the liability of the Guarantor under any other paragraph of this Guarantee.

#### **14. EXPENSES**

The Guarantor shall from time to time forthwith upon demand pay to the Creditors all expenses (including legal expenses on a solicitor and own client basis) incurred by them in the preservation or enforcement of any of their rights hereunder.



**15. INDEMNITY**

In addition, as a separate and distinct obligation, the Guarantor, for valuable consideration, hereby agrees to indemnify and save harmless the Creditors in respect of any loss or damage which the Creditors may suffer as a result of non-payment or non-fulfillment of any of the Obligations by the Debtors.

**16. ADDITIONAL SECURITY**

This Guarantee is in addition to and without prejudice to any security of any kind (including, without limitation, other guarantees) now or hereafter held by the Creditors and any other rights or remedies that the Creditors might have.

**17. SET-OFF**

The Creditors may, to the full extent permitted by law, set-off and apply any and all deposits and other monies at any time held by the Creditors or their agents and any other indebtedness at any time owing by the Creditors to or for the credit or the account of the Guarantor against any and all of the Obligations of the Guarantor now or hereafter existing under this Guarantee irrespective of whether or not the Creditors has made any demand hereunder and although such Obligations may be contingent and unmatured.

**18. NO SUIT UNTIL DEMAND**

No suit based on this Guarantee shall be instituted until demand for payment has been made under this Guarantee by written notice to the Guarantor.

**19. NO CONDITION PRECEDENT**

The obligations of the Guarantor under this Guarantee shall be complete and binding upon the execution of this Guarantee by it and shall not be subject to any condition precedent. The Guarantor hereby expressly renounce(s) any benefits of division or discussion.

**20. GOVERNING LAW**

This Guarantee shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein. Without prejudice to the right of the Creditors to commence any proceedings with respect to this Guarantee in any other jurisdiction, the Guarantor hereby irrevocably attorn(s) and submits to the jurisdiction of the courts of the Province of British Columbia.

**21. NOTICE**

Any notice, demand, direction or other communication required or permitted to be given under this Guarantee shall be effectually made or given if delivered by prepaid

private courier, Email, or facsimile transmission to the address of each party set out below:

To the Guarantor:

Coromandel Holdings Ltd.  
800 - 855 West Georgia Street  
Vancouver, BC V6C 3H1  
Email: [•]  
Attention: [•]

To the Creditors:

Xintai Liu  
4351 Erwin Dr.  
West Vancouver, BC V7V 1H7  
Email: xt20130228@hotmail.com

Ying Liang  
2228 Kings Avenue  
West Vancouver, BC V7V 2C2  
Email: [•]

Chenming Li  
2228 172 St.  
Surrey, BC V3Z 9Z5  
Email: elkmondli@gmail.com

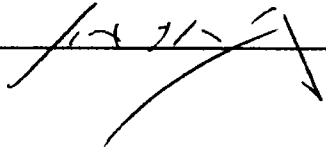
or to such other address or facsimile number as either party may designate in the manner set out above. Any notice, demand, direction or other communication shall be deemed to have been given and received on the day of prepaid private courier delivery or facsimile transmission.

## 22. SUCCESSORS AND ASSIGNS

This Guarantee shall extend and enure to the benefit of the Creditors and their successors and assigns and shall be binding upon the Guarantor and the personal representatives, successors, and assigns of the Guarantor; "successors" includes any corporation resulting from the amalgamation of a corporation with any other corporation.

IN WITNESS WHEREOF this Guarantee has been executed by the Guarantor, this April  
7, 2022

**Coromandel Holdings Ltd. by its authorized  
signatory:**

Per:  \_\_\_\_\_

This is Exhibit " S " referred to in the  
Affidavit of Zhen Yu Zhong  
affirmed before me at Vancouver, BC  
this 15 day of February 2023.

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BLUESHORE FINANCIAL CREDIT UNION  
Guarantee for Indebtedness of an Incorporated Entity

A Commissioner/Notary Public for the  
Province of British Columbia

To BLUESHORE FINANCIAL CREDIT UNION:

IN CONSIDERATION of the BlueShore Financial Credit Union (the "Credit Union") dealing with either or both of Coromandel Nanaimo 22 Limited Partnership and Coromandel Nanaimo 22 BT Ltd. (collectively and individually the "Member"), the undersigned hereby jointly and severally guarantees payment to the Credit Union of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Credit Union from or by the Member or by any successor of the Member, whether arising from dealings between the Credit Union and the Member or from other dealings or proceedings by which the Credit Union may be or become in any manner whatever a creditor of the Member, wherever incurred and whether incurred by the Member as principal or surety, alone or jointly with any other person, or otherwise howsoever.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Member shall in any way affect the liability of the undersigned, or any of them, with respect to transactions occurring either before or after any such change. If the Member amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Credit Union by the corporation continuing from the amalgamation. The Credit Union shall not be required to inquire into or confirm the powers of the Member or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Credit Union shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Member or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Credit Union in respect of all debts and liabilities stated to be owing to the Credit Union by the Member under any agreement entered into by the Member with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Credit Union and the Member.

IT IS FURTHER AGREED that the Credit Union, without the consent of the undersigned and without exonerating in whole or in part the undersigned, or any of them, may grant time, renewals, extensions, indulgences, releases and discharges to; may or may abstain from taking, perfecting or realizing upon security from; may release security to; may accept compositions from; and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with; the Member and all other persons (including the undersigned, any one of them, and any other guarantor) and security as the Credit Union may see fit. No loss or diminution of any security received by the Credit Union from the Member or others, whether the loss or diminution is due to the fault of the Credit Union or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Credit Union from the Member from any other person or estate capable of being applied by the Credit Union in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Credit Union shall be entitled to prove against the estate of the Member upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Credit Union in respect of any such proof until the Credit Union has received from such estate payment in full of its claim with interest.



AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Credit Union, including all costs, charges and expenses which the Credit Union may incur in enforcing or obtaining payment of amounts due to the Credit Union from the Member either alone or in conjunction with any other person, or otherwise, or attempting to do so. The Credit Union shall not be obliged to seek recourse against the Member, or any other person, or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned, and each of them, hereby renounces the benefits of discussion and division. The undersigned, and each of them, renounces claiming or setting up against the Credit Union any right which the undersigned, or any of them, may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Credit Union. The undersigned, or any one of them, may terminate the further liability of such terminating party, or parties, under this continuing Guarantee by providing ninety days' prior written notice to the Credit Union. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or incapacity of any of the undersigned. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Credit Union prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Credit Union on or before such date which mature thereafter. Termination by any one or more of the undersigned, or of the respective executors, administrators or legal representatives of any of the undersigned, shall not terminate the liability hereunder of any other of the undersigned. If, after such termination, any payment from the Member must be returned to the Member, or any successor or representative of the Member, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Member), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Credit Union purporting to show the amount at any particular time due and payable to the Credit Union, and guaranteed by this Guarantee, shall be conclusive evidence as against the undersigned and every one of them, that such amount is at such time so due and payable to the Credit Union and is guaranteed hereby.

WITHOUT PREJUDICE to any other provision of this Guarantee, THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination (or a change in it) of the office or duties of the undersigned or in any relationship between the undersigned and the Member.

THIS CONTRACT shall be construed in accordance with the laws of the Province of British Columbia, provided always that nothing herein contained shall prevent the Credit Union from proceeding at its election against the undersigned in the courts of any other jurisdiction.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other of the undersigned.


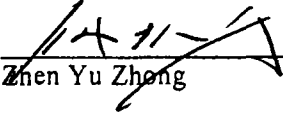

ALL DEBTS AND LIABILITIES present and future of the Member to the undersigned, and each of them, are hereby assigned to the Credit Union and postponed to the debts and liabilities of the Member to the Credit Union and all such amounts paid to any of the undersigned or its, his, hers or their assigns shall be received in trust for the Credit Union and shall immediately be paid over to the Credit Union.

THE UNDERSIGNED, and each of them, acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned or any of them affecting the liability of the undersigned, or any of them, under this Guarantee save as

may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Credit Union.

THE UNDERSIGNED, and each of them, represents and warrants that: (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

DATED as of July 23, 2019.

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)	SIGNATURE OF GUARANTOR(S)
 <p><b>BHAGWANT DHALIWAL</b>  <i>Barrister &amp; Solicitor</i>  <b>CLARK WILSON LLP</b>            900 - 885 WEST GEORGIA STREET            VANCOUVER, BC V6C 3H1            T. 604.687.5700</p>	 <p>Zhen Yu Zhong</p> 

BLUESHORE FINANCIAL CREDIT UNION  
Guarantee for Indebtedness of an Incorporated Entity

To BLUESHORE FINANCIAL CREDIT UNION:

IN CONSIDERATION of the BlueShore Financial Credit Union (the "Credit Union") dealing with any or all of Nanaimo 22 Development (BT) Ltd., Coromandel Nanaimo 22 Limited Partnership, by its general partner Coromandel Nanaimo 22 Development Ltd. and Coromandel Nanaimo 22 Development Ltd. (collectively and individually the "Member"), the undersigned hereby guarantees payment to the Credit Union of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Credit Union from or by the Member or by any successor of the Member, whether arising from dealings between the Credit Union and the Member or from other dealings or proceedings by which the Credit Union may be or become in any manner whatever a creditor of the Member, wherever incurred and whether incurred by the Member as principal or surety, alone or jointly with any other person, or otherwise howsoever.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Member shall in any way affect the liability of the undersigned, or any of them, with respect to transactions occurring either before or after any such change. If the Member amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Credit Union by the corporation continuing from the amalgamation. The Credit Union shall not be required to inquire into or confirm the powers of the Member or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Credit Union shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Member or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Credit Union in respect of all debts and liabilities stated to be owing to the Credit Union by the Member under any agreement entered into by the Member with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Credit Union and the Member.

IT IS FURTHER AGREED that the Credit Union, without the consent of the undersigned and without exonerating in whole or in part the undersigned, or any of them, may grant time, renewals, extensions, indulgences, releases and discharges to; may or may abstain from taking, perfecting or realizing upon security from; may release security to; may accept compositions from; and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with; the Member and all other persons (including the undersigned, any one of them, and any other guarantor) and security as the Credit Union may see fit. No loss or diminution of any security received by the Credit Union from the Member or others, whether the loss or diminution is due to the fault of the Credit Union or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Credit Union from the Member from any other person or estate capable of being applied by the Credit Union in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Credit Union shall be entitled to prove against the estate of the Member upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and

the undersigned shall have no right to be subrogated to the Credit Union in respect of any such proof until the Credit Union has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Credit Union, including all costs, charges and expenses which the Credit Union may incur in enforcing or obtaining payment of amounts due to the Credit Union from the Member either alone or in conjunction with any other person, or otherwise, or attempting to do so. The Credit Union shall not be obliged to seek recourse against the Member, or any other person, or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned, and each of them, hereby renounces the benefits of discussion and division. The undersigned, and each of them, renounces claiming or setting up against the Credit Union any right which the undersigned, or any of them, may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Credit Union. The undersigned, or any one of them, may terminate the further liability of such terminating party, or parties, under this continuing Guarantee by providing ninety days' prior written notice to the Credit Union. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or incapacity of any of the undersigned. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Credit Union prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Credit Union on or before such date which mature thereafter. Termination by any one or more of the undersigned, or of the respective executors, administrators or legal representatives of any of the undersigned, shall not terminate the liability hereunder of any other of the undersigned. If, after such termination, any payment from the Member must be returned to the Member, or any successor or representative of the Member, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Member), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Credit Union purporting to show the amount at any particular time due and payable to the Credit Union, and guaranteed by this Guarantee, shall be conclusive evidence as against the undersigned and every one of them, that such amount is at such time so due and payable to the Credit Union and is guaranteed hereby.

WITHOUT PREJUDICE to any other provision of this Guarantee, THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination (or a change in it) of the office or duties of the undersigned or in any relationship between the undersigned and the Member.

THIS CONTRACT shall be construed in accordance with the laws of the Province of British Columbia, provided always that nothing herein contained shall prevent the Credit Union from proceeding at its election against the undersigned in the courts of any other jurisdiction.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other of the undersigned.




ALL DEBTS AND LIABILITIES present and future of the Member to the undersigned, and each of them, are hereby assigned to the Credit Union and postponed to the debts and liabilities of the Member to the Credit Union and all such amounts paid to any of the undersigned or its, his, hers or their assigns shall be received in trust for the Credit Union and shall immediately be paid over to the Credit Union.



THE UNDERSIGNED, and each of them, acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned or any of them affecting the liability of the undersigned, or any of them, under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Credit Union.

THE UNDERSIGNED, and each of them, represents and warrants that: (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

DATED as of July 23, 2020.

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)	SIGNATURE OF GUARANTOR(S)
 <p><b>BHAGWANT DHALIWAL</b>  <i>Barrister &amp; Solicitor</i>  <b>CLARK WILSON LLP</b>            900 - 885 WEST GEORGIA STREET            VANCOUVER, BC V6C 3H1            T. 604.687.5700</p>	 <p>ZHEN YU ZHONG</p> 

**INDEMNITY AND POSTPONEMENT OF CLAIM**

**NANAIMO 22 DEVELOPMENT (BT) LTD.**, Incorporation No. BC1164767, of 2400 – 745 Thurlow Street, Vancouver, BC V6E 0C5, **COROMANDEL NANAIMO 22 BT LTD.**, Incorporation No. BC1086532, of 2400 – 745 Thurlow Street, Vancouver, BC V6E 0C5, **COROMANDEL NANAIMO 22 LIMITED PARTNERSHIP**, Registration No. LP0696110, of 2400 – 745 Thurlow Street, Vancouver, BC V6E 0C5 and **COROMANDEL NANAIMO 22 DEVELOPMENT LTD.**, Incorporation No. BC1086488, of 2400 – 745 Thurlow Street, Vancouver, BC V6E 0C5

(collectively, the “**Borrower**”)

**IN CONSIDERATION** of Accountable Mortgage Investment Corp. (the “**Lender**”) agreeing to lend money to, or otherwise incur liabilities on behalf of the Borrower,

**COROMANDEL PROPERTIES LTD.**, Incorporation No. BC0972783, of 2400 – 745 Thurlow Street, Vancouver, BC V6E 0C5, **COROMANDEL HOLDINGS LTD.**, Incorporation No. BC1086510, of 2400 – 745 Thurlow Street, Vancouver, BC V6E 0C5, **SILVERSTONE INVESTMENT CORP.**, Incorporation No. BC0968310, of 2400 – 745 Thurlow Street, Vancouver, BC V6E 0C5, **SKY TEAM CAPITAL LIMITED**, Incorporation No. BC0968191, of 2400 – 745 Thurlow Street, Vancouver, BC V6E 0C5, **LAUAN CAPITAL LTD.**, Incorporation No. BC1086518, of 2400 – 745 Thurlow Street, Vancouver, BC V6E 0C5, **ZHEN YU ZHONG** of 3029 West 45<sup>th</sup> Avenue, Vancouver, BC V6N 3L9 and **JUNCHAO MO** of 701 – 2777 Thurlow Street, Vancouver, BC V6C 0C1

(collectively, the “**Covenantor**”)

unconditionally guarantees payment to the Lender of all and every future indebtedness (including interest) and liability, present and future, direct and indirect, absolute and contingent, due or not yet due, at any time owing by the Borrower to the Lender, in relation to the loan made to the Borrower by the Lender pursuant to the commitment letter dated January 19<sup>th</sup>, 2022 between the Lender and the Borrower, and whether or not the Covenantor is aware of such indebtedness or liability when it is incurred (together, the “**Guaranteed Obligations**”).

The following terms and conditions apply to this Indemnity:

1. This will be a continuing Indemnity.
2. The Covenantor has requested that the Lender lend money to the Borrower or otherwise incur liabilities on behalf of the Borrower and, to induce the Lender so to do, the Covenantor has agreed to give this Indemnity.
3. The Covenantor agrees that if the Borrower is a corporation or partnership any change in the name, purpose, ownership structure or governing documents of the Borrower or any other agreement made by the Borrower will not in any way affect the liability of the Covenantor.
4. The Covenantor will continue to be liable to the Lender as if the Covenantor were primarily liable for the Guaranteed Obligations notwithstanding:
  - (a) any transaction which may take place between the Borrower and the Lender; or
  - (b) any neglect or default of the Lender which otherwise might operate as a discharge of the Covenantor if the Covenantor were a surety of the Borrower only; or
  - (c) the release in whole or in part of any security given by the Borrower or any other person or entity to the Lender; or

- (d) the granting of time or other indulgences to the Borrower.
5. The Covenantor agrees that the records of the Lender as to the amount of the Guaranteed Obligations will be accepted by the Covenantor as conclusive evidence.
  6. The Lender will not be obligated to seek nor exhaust its recourse against the Borrower or other parties, or any security or securities or evidence of debt which the Lender may hold before requiring payment by the Covenantor and the Lender may enforce the various remedies available to it and may realize upon the various securities or any part or parts of those securities in any order as it may determine.
  7. Upon the Covenantor paying to the Lender all of the Guaranteed Obligations, the Covenantor will, on demand in writing to the Lender, be entitled to an assignment of any securities taken by the Lender from the Borrower to secure repayment of the monies guaranteed.
  8.
    - (a) The Covenantor will immediately, upon demand being made on the Covenantor by the Lender, pay to the Lender the Guaranteed Obligations plus interest, costs and expenses as set out above.
    - (b) Demand for payment will be deemed to have been effectively made on the Covenantor if and when the envelope containing the demand, addressed to the Covenantor at the address of the Covenantor last known to the Lender is delivered to that address or is posted, postage prepaid, in any government post office in Canada. Any notice so posted will be deemed to have been effectively made on the Covenantor on the third day following the date of posting.
  9. This Indemnity is in addition to and not in substitution for any other securities that the Lender may now or later possess and the Lender will be under no obligation to marshal in favour of the Covenantor any securities or any assets that the Lender may be entitled to receive or have a claim upon.
  10. This Indemnity will be governed by, and interpreted in accordance with the laws of the Province of British Columbia. The Covenantor submits to the jurisdiction of the courts of the Province of British Columbia and agrees to be bound by any suit, action or proceeding commenced in such courts and by any order or judgment resulting from such suit, action or proceeding. The foregoing will not limit the right of the Lender to commence suits, actions or proceedings based on this Indemnity in any jurisdiction.
  11. The Covenantor agrees that the Lender is not obliged to give the Covenantor notice of default by the Borrower.

All debts and liabilities now or in the future owing by the Borrower to the Covenantor are postponed to the Guaranteed Obligations. All money received by the Covenantor from the Borrower will be received in trust for the Lender and will be paid over to the Lender immediately upon receipt.

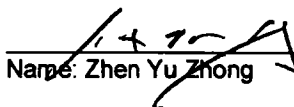
The Lender may assign this Indemnity or any security taken by it from the Borrower or the Covenantor to any other person or corporation absolutely or by way of security, and no such assignment will operate to release or discharge the Covenantor from its obligations under this Indemnity.

This Indemnity will extend to and enure to the benefit of the Lender, its successors and assigns and will be binding upon the Covenantor and the heirs, executors, administrators, successors and assigns of the Covenantor and each of them.

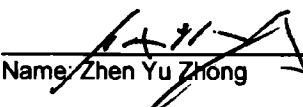
If the Covenantor consists of more than one person, the obligations and agreements of each of the persons comprising the Covenantor will be joint and several and the Indemnity will be read and interpreted accordingly with all necessary grammatical and other changes.

IN WITNESS HEREOF the undersigned has executed the Indemnity this 17 day of February, 2022.

**COROMANDEL PROPERTIES LTD.**, by its authorized signatory(ies):

  
Name: Zhen Yu Zhong


**COROMANDEL HOLDINGS LTD.**, by its authorized signatory(ies):

  
Name: Zhen Yu Zhong

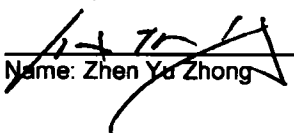
**SILVERSTONE INVESTMENT CORP.**, by its authorized signatory(ies):


  
Name: Zhen Yu Zhong

**SKY TEAM CAPITAL LIMITED**, by its authorized signatory(ies):

  
Name: Zhen Yu Zhong

**LAUAN CAPITAL LTD.**, by its authorized signatory(ies):

  
Name: Zhen Yu Zhong

  
ZHEN YU ZHONG

\_\_\_\_\_  
JUNCHAO MO



IN WITNESS WHEREOF the undersigned has executed the Indemnity this 17 day of February 2022

**COROMANDEL PROPERTIES LTD.**, by its authorized signatory(ies)

\_\_\_\_\_  
Name: Zhen Yu Zhong

**COROMANDEL HOLDINGS LTD.** by its authorized signatory(ies)

\_\_\_\_\_  
Name: Zhen Yu Zhong

**SILVERSTONE INVESTMENT CORP.**, by its authorized signatory(ies)

\_\_\_\_\_  
Name: Zhen Yu Zhong

**SKY TEAM CAPITAL LIMITED.** by its authorized signatory(ies)

\_\_\_\_\_  
Name: Zhen Yu Zhong

**LAUAN CAPITAL LTD.**, by its authorized signatory(ies)


\_\_\_\_\_  
Name: Zhen Yu Zhong

\_\_\_\_\_  
ZHEN YU ZHONG

  
\_\_\_\_\_  
JUNCHAO MO

This is Exhibit " T " referred to in the  
 Affidavit of Zhen Yu Zhong  
 affirmed before me at Vancouver, BC  
 this 15 day of February 2023

BLUESHORE FINANCIAL CREDIT UNION  
 Guarantee for Indebtedness of an Incorporated Entity

  
 A Commissioner/Notary Public for the  
 Province of British Columbia

To BLUESHORE FINANCIAL CREDIT UNION:

IN CONSIDERATION of the BlueShore Financial Credit Union (the "Credit Union") dealing with any or all of Coromandel Slocan 29 Development Ltd., Coromandel Slocan 29 Development BT Ltd. and Coromandel Slocan 29 Limited Partnership (collectively the "Member"), the undersigned hereby jointly and severally guarantee payment to the Credit Union of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Credit Union from or by the Member or by any successor of the Member, whether arising from dealings between the Credit Union and the Member or from other dealings or proceedings by which the Credit Union may be or become in any manner whatever a creditor of the Member, wherever incurred and whether incurred by the Member as principal or surety, alone or jointly with any other person, or otherwise howsoever.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Member shall in any way affect the liability of the undersigned, or any of them, with respect to transactions occurring either before or after any such change. If the Member amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Credit Union by the corporation continuing from the amalgamation. The Credit Union shall not be required to inquire into or confirm the powers of the Member or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Credit Union shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Member or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Credit Union in respect of all debts and liabilities stated to be owing to the Credit Union by the Member under any agreement entered into by the Member with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Credit Union and the Member.

IT IS FURTHER AGREED that the Credit Union, without the consent of the undersigned and without exonerating in whole or in part the undersigned, or any of them, may grant time, renewals, extensions, indulgences, releases and discharges to; may or may abstain from taking, perfecting or realizing upon security from; may release security to; may accept compositions from; and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with; the Member and all other persons (including the undersigned, any one of them, and any other guarantor) and security as the Credit Union may see fit. No loss or diminution of any security received by the Credit Union from the Member or others, whether the loss or diminution is due to the fault of the Credit Union or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Credit Union from the Member from any other person or estate capable of being applied by the Credit Union in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Credit Union shall be entitled to prove against the estate of the Member upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Credit Union in respect of any such proof until the Credit Union has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Credit Union, including all costs, charges and expenses which the Credit Union may incur in enforcing or obtaining payment of amounts due to the Credit Union from the Member either alone or in conjunction with any other person, or otherwise, or attempting to do so. The Credit Union shall not be obliged to seek recourse against the Member, or any other person, or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned, and each of them, hereby renounces the benefits of discussion and division. The undersigned, and each of them, renounces claiming or setting up against the Credit Union any right which the undersigned, or any of them, may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Credit Union. The undersigned, or any one of them, may terminate the further liability of such terminating party, or parties, under this continuing Guarantee by providing ninety days' prior written notice to the Credit Union. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or incapacity of any of the undersigned. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Credit Union prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Credit Union on or before such date which mature thereafter. Termination by any one or more of the undersigned, or of the respective executors, administrators or legal representatives of any of the undersigned, shall not terminate the liability hereunder of any other of the undersigned. If, after such termination, any payment from the Member must be returned to the Member, or any successor or representative of the Member, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Member), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Credit Union purporting to show the amount at any particular time due and payable to the Credit Union, and guaranteed by this Guarantee, shall be conclusive evidence as against the undersigned and every one of them, that such amount is at such time so due and payable to the Credit Union and is guaranteed hereby.

WITHOUT PREJUDICE to any other provision of this Guarantee, THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination (or a change in it) of the office or duties of the undersigned or in any relationship between the undersigned and the Member.

THIS CONTRACT shall be construed in accordance with the laws of the Province of British Columbia, provided always that nothing herein contained shall prevent the Credit Union from proceeding at its election against the undersigned in the courts of any other jurisdiction.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other of the undersigned.

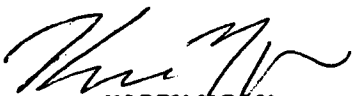
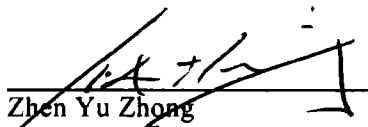
ALL DEBTS AND LIABILITIES present and future of the Member to the undersigned, and each of them, are hereby assigned to the Credit Union and postponed to the debts and liabilities of the Member to the Credit Union and all such amounts paid to any of the undersigned or its, his, hers or their assigns shall be received in trust for the Credit Union and shall immediately be paid over to the Credit Union.

THE UNDERSIGNED, and each of them, acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned or any of them affecting the liability of the undersigned, or any of them, under this Guarantee save as

may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Credit Union.

THE UNDERSIGNED, and each of them, represents and warrants that: (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

DATED as of November 21, 2016.

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)	SIGNATURE OF GUARANTOR(S)
 <hr/> <p><b>KAREN NGAN</b> Barrister &amp; Solicitor <b>CLARK WILSON LLP</b> 900 - 885 WEST GEORGIA STREET VANCOUVER, BC V6C 3H1 T. 604.687.5700</p>	<p><b>CM BAY HOLDINGS LTD.</b> by its authorized signatory</p>  <hr/> <p>Zhen Yu Zhong</p>



**BLUESHORE FINANCIAL CREDIT UNION**  
Guarantee for Indebtedness of an Incorporated Entity

To BLUESHORE FINANCIAL CREDIT UNION:

IN CONSIDERATION of the BlueShore Financial Credit Union (the "Credit Union") dealing with any or all of Coromandel Slocan 29 Development Ltd., Coromandel Slocan 29 Development BT Ltd. and Coromandel Slocan 29 Limited Partnership (collectively the "Member"), the undersigned hereby jointly and severally guarantee payment to the Credit Union of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Credit Union from or by the Member or by any successor of the Member, whether arising from dealings between the Credit Union and the Member or from other dealings or proceedings by which the Credit Union may be or become in any manner whatever a creditor of the Member, wherever incurred and whether incurred by the Member as principal or surety, alone or jointly with any other person, or otherwise howsoever.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Member shall in any way affect the liability of the undersigned, or any of them, with respect to transactions occurring either before or after any such change. If the Member amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Credit Union by the corporation continuing from the amalgamation. The Credit Union shall not be required to inquire into or confirm the powers of the Member or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Credit Union shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Member or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Credit Union in respect of all debts and liabilities stated to be owing to the Credit Union by the Member under any agreement entered into by the Member with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Credit Union and the Member.

IT IS FURTHER AGREED that the Credit Union, without the consent of the undersigned and without exonerating in whole or in part the undersigned, or any of them, may grant time, renewals, extensions, indulgences, releases and discharges to; may or may abstain from taking, perfecting or realizing upon security from; may release security to; may accept compositions from; and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with; the Member and all other persons (including the undersigned, any one of them, and any other guarantor) and security as the Credit Union may see fit. No loss or diminution of any security received by the Credit Union from the Member or others, whether the loss or diminution is due to the fault of the Credit Union or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Credit Union from the Member from any other person or estate capable of being applied by the Credit Union in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Credit Union shall be entitled to prove against the estate of the Member upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Credit Union in respect of any such proof until the Credit Union has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Credit Union, including all costs, charges and expenses which the Credit Union may incur in enforcing or obtaining payment of amounts due to the Credit Union from the Member either alone or in conjunction with any other person, or otherwise, or attempting to do so. The Credit Union shall not be obliged to seek recourse against the Member, or any other person, or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned, and each of them, hereby renounces the benefits of discussion and division. The undersigned, and each of them, renounces claiming or setting up against the Credit Union any right which the undersigned, or any of them, may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Credit Union. The undersigned, or any one of them, may terminate the further liability of such terminating party, or parties, under this continuing Guarantee by providing ninety days' prior written notice to the Credit Union. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or incapacity of any of the undersigned. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Credit Union prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Credit Union on or before such date which mature thereafter. Termination by any one or more of the undersigned, or of the respective executors, administrators or legal representatives of any of the undersigned, shall not terminate the liability hereunder of any other of the undersigned. If, after such termination, any payment from the Member must be returned to the Member, or any successor or representative of the Member, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Member), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Credit Union purporting to show the amount at any particular time due and payable to the Credit Union, and guaranteed by this Guarantee, shall be conclusive evidence as against the undersigned and every one of them, that such amount is at such time so due and payable to the Credit Union and is guaranteed hereby.

WITHOUT PREJUDICE to any other provision of this Guarantee, THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination (or a change in it) of the office or duties of the undersigned or in any relationship between the undersigned and the Member.

THIS CONTRACT shall be construed in accordance with the laws of the Province of British Columbia, provided always that nothing herein contained shall prevent the Credit Union from proceeding at its election against the undersigned in the courts of any other jurisdiction.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other of the undersigned.

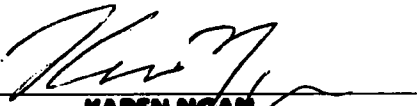

ALL DEBTS AND LIABILITIES present and future of the Member to the undersigned, and each of them, are hereby assigned to the Credit Union and postponed to the debts and liabilities of the Member to the Credit Union and all such amounts paid to any of the undersigned or its, his, hers or their assigns shall be received in trust for the Credit Union and shall immediately be paid over to the Credit Union.

THE UNDERSIGNED, and each of them, acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned or any of them affecting the liability of the undersigned, or any of them, under this Guarantee save as

may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Credit Union.

THE UNDERSIGNED, and each of them, represents and warrants that: (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

DATED as of November 21, 2016.

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)	SIGNATURE OF GUARANTOR(S)
 <b>KAREN NGAN</b> Barrister & Solicitor <b>CLARK WILSON LLP</b> 900 - 885 WEST GEORGIA STREET VANCOUVER, BC V6C 3H1 T. 604.687.5700	<b>COROMANDEL HOLDINGS LTD.</b> by its authorized signatory  Zhen Yu Zhong

**BLUESHORE FINANCIAL CREDIT UNION**  
Guarantee for Indebtedness of an Incorporated Entity

To BLUESHORE FINANCIAL CREDIT UNION:

IN CONSIDERATION of the BlueShore Financial Credit Union (the "Credit Union") dealing with any or all of Coromandel Slocan 29 Development Ltd., Coromandel Slocan 29 Development BT Ltd. and Coromandel Slocan 29 Limited Partnership (collectively the "Member"), the undersigned hereby jointly and severally guarantee payment to the Credit Union of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Credit Union from or by the Member or by any successor of the Member, whether arising from dealings between the Credit Union and the Member or from other dealings or proceedings by which the Credit Union may be or become in any manner whatever a creditor of the Member, wherever incurred and whether incurred by the Member as principal or surety, alone or jointly with any other person, or otherwise howsoever.

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WITHOUT PREJUDICE to any other provision of this Guarantee, THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination (or a change in it) of the office or duties of the undersigned or in any relationship between the undersigned and the Member.

THIS CONTRACT shall be construed in accordance with the laws of the Province of British Columbia, provided always that nothing herein contained shall prevent the Credit Union from proceeding at its election against the undersigned in the courts of any other jurisdiction.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other of the undersigned.

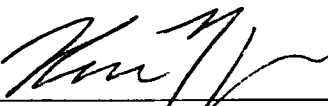


ALL DEBTS AND LIABILITIES present and future of the Member to the undersigned, and each of them, are hereby assigned to the Credit Union and postponed to the debts and liabilities of the Member to the Credit Union and all such amounts paid to any of the undersigned or its, his, hers or their assigns shall be received in trust for the Credit Union and shall immediately be paid over to the Credit Union.

THE UNDERSIGNED, and each of them, acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned or any of them affecting the liability of the undersigned, or any of them, under this Guarantee save as

may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Credit Union.

THE UNDERSIGNED, and each of them, represents and warrants that: (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

DATED as of November 21, 2016.

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)	SIGNATURE OF GUARANTOR(S)
 <hr/> <p><b>KAREN NGAN</b>  <i>Barrister &amp; Solicitor</i>  <b>CLARK WILSON LLP</b>            900 - 885 WEST GEORGIA STREET            VANCOUVER, BC V6C 3M1            T. 604.687.5700</p>	 <hr/> <p>ZHEN YU ZHONG</p> 

**GUARANTEE**

THIS GUARANTEE is dated for reference February 10, 2022

BY:

**LAUAN CAPITAL LTD.**  
and  
**COROMANDEL PROPERTIES (2016) LTD.**  
and  
**COROMANDEL HOLDINGS LTD.**  
and  
**CEDARHURST HOLDINGS LTD.**  
and  
**THURLOW HOLDINGS LTD.**  
and  
**CARNARVON CAPITAL LTD.**  
and  
**BIRNEY HOLDINGS LTD.**  
and  
**BAYBERRY HOLDINGS LTD.**  
and  
**MAHOGANY HOLDINGS LIMITED**  
and  
**JUNCHAO MO** (also known as **JUN CHAO MO**)  
and  
**ZHEN YU ZHONG** (also known as **JERRY ZHONG**) in his own capacity and his capacity as the trustee of the **BIRCH FAMILY TRUST (2020)**  
(collectively, the "Guarantors" and individually, each a "Guarantor")

IN FAVOUR OF:

**DRAGON HEIR INVESTMENTS LTD.**  
("Lender A")  
and  
**RENLICAN INVESTMENT GROUP INC.**  
("Lender B")  
and  
**MS. YAN SHEN**  
("Lender C")  
and  
**1046056 B.C. LTD.**  
("Lender D" and together with Lender A, Lender B and Lender C, collectively, the "Lenders")

In this Guarantee, "Lenders" means, collectively, Lender A, Lender B, Lender C and Lender D for their ratable benefits based on their respective Lenders' Proportions (as defined in the Loan Agreement).

**WHEREAS:**

- A. The Lenders, severally, have made available, or have agreed to make available, to the Borrowers, the Loan pursuant to the Loan Agreement; and
- B. It is a condition to the availability of the Loan pursuant to the Loan Agreement that the Guarantors, jointly and severally, make, enter into, execute and deliver to the Lenders this Guarantee in respect of the Guaranteed Obligations.

**FOR GOOD AND VALUABLE CONSIDERATION** (the receipt and sufficiency of which is hereby acknowledged), the each of the Guarantors covenants, acknowledges, represents and warrants in favour of the Lenders as follows:

## 1. INTERPRETATION

### 1.1 Definitions

- (a) **"Applicable Law"** means any federal, provincial, municipal or local statute, law, ordinance, code, rule, regulation or order applicable to and any judgment, order or award in any proceeding to which the Person in question is a party or by which such Person or any of its assets is bound.
- (b) **"Borrowers"** means collectively, Coromandel Slocan 29 Development BT Ltd., Coromandel Slocan 29 Limited Partnership and Coromandel Slocan 29 Development Ltd., their successors and permitted assigns.
- (c) **"Guarantee"** means this guarantee. The terms "this Guarantee", "hereof", "hereunder" and similar expressions refer to this Guarantee and not to any particular Article, Section, Subsection, paragraph, subparagraph, clause or other portion of this Guarantee.
- (d) **"Guaranteed Obligations"** means, all present and future debt, liabilities, obligations, covenants and duties of the Borrowers arising under or in connection with the Loan Documents to which the Borrowers are a party, in each case whether primary, secondary, direct or indirect, secured or unsecured, fixed, absolute or contingent, joint, several or independent, due or to become due, liquidated or unliquidated, and whether created directly or acquired by assignment or otherwise, including (i) the unpaid principal amount of, and accrued interest at the Interest Rate on, advances made or to be made from time to time by the Lenders to the Borrowers, including, without limitation, any interest which accrues at the Interest Rate after the commencement of any bankruptcy or insolvency proceeding with respect to the Borrowers or any Guarantor whether or not allowed or allowable, (ii) the obligations under the Loan Documents to which the Borrowers are a party, and (iii) any and all other indebtedness, obligations and liabilities of the Borrowers to the Lenders.
- (e) **"Insolvency Law"** means the *Bankruptcy and Insolvency Act (Canada)*, the *Companies' Creditors Arrangement Act (Canada)*, the *Winding Up and Restructuring Act (Canada)* or any other like, equivalent or analogous legislation of any jurisdiction, domestic or foreign.
- (f) **"Insolvency Proceeding"** means, with respect to any Person, any proceeding commenced by any application, petition, assignment, filing of notice or other means, whether voluntary or involuntary, under any Insolvency Law seeking any moratorium, reorganization, adjustment, composition, proposal, compromise, arrangement, administration or other like or similar relief in respect of any or all of the obligations of such Person, seeking the winding up, liquidation or dissolution of such Person or all or any part of its property, seeking any judgment or order declaring, finding or adjudging such Person insolvent or bankrupt, seeking the appointment (provisional, interim or permanent) of any receiver or resulting, by operation of law, in the bankruptcy of such Person.
- (g) **"Interest Rate"** means the applicable interest rate as provided for in the Loan Agreement.
- (h) **"Lien"** means (i) any right of set off or combination of accounts intended to secure the payment or performance of an obligation, (ii) any interest in property created by way of mortgage, pledge, charge (whether fixed or floating), lien, assignment by way of security, hypothecation, security interest, hire purchase agreement, conditional sale agreement,



deposit arrangement, title retention, (iii) any statutory deemed trust or lien, (iv) any preference, adverse claim, levy, execution, seizure, attachment, garnishment or other encumbrance which binds property and (v) any agreement to grant any of the foregoing rights or interests described in clauses (i) to (iv) of this definition.

- (i) "Loan" has the meaning ascribed to it in the Loan Agreement.
- (j) "Loan Agreement" means the loan agreement dated for reference February 10, 2022 between, among others, the Lenders and the Borrowers with respect to the Loan, as the said loan agreement may be amended, extended, renewed, replaced, restated and in effect from time to time.
- (k) "Loan Documents" means, collectively the Loan Agreement and the Security Documents (as defined in the Loan Agreement) and all other documents and instruments evidencing or securing the payment of the obligations of the Borrowers thereunder, in whole or in part, whether provided by or on behalf of an Obligor.
- (l) "Obligor" means, collectively, the Borrowers and each of the Guarantors and all other Persons who are from time to time liable to the Lenders for the payment of the whole or any portion of the Guaranteed Obligations, whether directly or indirectly, absolutely or contingently, jointly, severally or jointly and severally and includes all Persons who from time to time otherwise become liable for, or who agree to indemnify the Lenders for any loss, costs or damages as a result of the failure of any other Persons to pay the Guaranteed Obligations, in whole or in part.
- (m) "Persons" or "Person" means and includes any individual, sole proprietorship, corporation, partnership, bank, joint venture, trust, unincorporated association, association, institution, entity, party or government (whether national, federal, provincial, state, municipal, city, county or otherwise and including any instrumentality, division, agency, body or department thereof).
- (n) Words with initial capital letters, unless otherwise defined herein, shall have the meanings ascribed to them in the Loan Agreement.

## 1.2 References to Agreements

Each reference in this Guarantee to any agreement or document (including this Guarantee and any other word or phrase defined herein that is an agreement or document) shall be construed so as to include such agreement or document (including any attached schedules, appendices and exhibits) and each change thereto made at or before the time in question to the extent permitted by the express provisions of this Guarantee and the Loan Documents, as applicable.

## 1.3 Statutes

Each reference in this Guarantee to any code, statute, regulation, official interpretation, directive or other legislative enactment of any Canadian jurisdiction (including any political subdivision of any thereof) at any time shall be construed so as to include such code, statute, regulation, official interpretation, directive or enactment and each change thereto made at or before that time.

## 1.4 Headings

The Article and Section headings in this Guarantee are included solely for convenience, are not intended to be full or accurate descriptions of the text to which they refer and shall not be considered part of this Guarantee.

## 1.5 Grammatical Variations

In this Guarantee, unless the context otherwise requires, (i) words and expressions (including words and expressions (capitalized or not) defined or given extended meanings) in the singular include the plural and vice versa (the necessary changes being made to fit the context), (ii) words and expressions in one gender include all genders and (iii) grammatical variations of words and expressions (capitalized or not) which are defined, given extended meanings or incorporated by reference in this Guarantee shall be construed in like manner.

## 2. GUARANTEE

### 2.1 Guarantee

Each of the Guarantors, jointly and severally, unconditionally and irrevocably guarantees to the Lenders payment in full and performance in full by the Borrowers of the Guaranteed Obligations as they become due from time to time in accordance with the express provisions of the Loan Documents to which the Borrowers, or any of them, are a party.

### 2.2 Alternative Obligation

Each of the Guarantors, jointly and severally, shall unconditionally and irrevocably pay to the Lenders, all such amounts as shall be required from time to time to ensure that the Lenders are fully indemnified against and saved fully harmless from and against all losses and expenses which the Lenders may at any time suffer or incur by reason of or otherwise in connection with the unenforceability or invalidity of the Guaranteed Obligations for any reason whatsoever, including by operation of any Insolvency Law, any laws affecting creditors' rights generally or general principles of equity. Each Guarantor's indemnity under this Section 2.2 constitutes a separate and independent obligation of that Guarantor from the guarantee set out in Section 2.1 and may be enforced, without duplication of recovery, by the Lenders, in lieu of or in addition to such guarantee.

### 2.3 Reinstatement

If any payment made by the Borrowers or any other Person which is applied to the Guaranteed Obligations is at any time annulled, avoided, set aside, rescinded, invalidated, declared to be fraudulent or preferential or otherwise required to be refunded or repaid, then, to the extent of such payment, each Guarantor's liability hereunder shall be and remain in full force and effect, as fully as if such payment had never been made.

### 2.4 Nature of Guarantee

This Guarantee is an unconditional, irrevocable and continuing, joint and several, guarantee in respect of all of the Guaranteed Obligations, and the joint and several liability of each Guarantor hereunder in respect of the Guaranteed Obligations is not limited.

### 2.5 Performance of Borrowers' Obligations

If the Borrowers, or any of them, fails to pay or perform any of the Guaranteed Obligations when due in accordance with the applicable terms and conditions expressed in any applicable Loan Document (whether or not the Borrowers are legally obliged to do so), each Guarantor shall pay or perform the Guaranteed Obligations immediately on notice from the Lenders without any requirement that the Lenders have demanded that the Borrowers pay or perform any of the Guaranteed Obligations. Without duplication of interest payable under any of the Loan Documents each of the Guarantors shall pay interest to the Lenders on each amount due and payable under this Guarantee at the Interest Rate, payable on demand, both before and after judgment, commencing from the date due until the Guarantors' obligations are paid in full.

## 2.6 Guarantors' Obligations Unconditional

This Guarantee is effective irrespective of whether or not the Guaranteed Obligations are valid or enforceable. No circumstance, act or omission which might otherwise limit, lessen or release the Guarantors' obligations or discharge this Guarantee (except for payment or performance in full of the Guaranteed Obligations) shall release or discharge, or wholly or partly exonerate any of the Guarantors from, any of the Guarantors' obligations or prejudice the rights of the Lenders under this Guarantee. The Lenders may at any time vary, compromise, exchange, renew, discharge, release or abandon any of the Guarantors' obligations or any other right it may have as against any other Persons who may have provided a guarantee or any other financial assistance in respect of the Guaranteed Obligations, all without thereby lessening, limiting or releasing any of the other Guarantors' obligations hereunder.

## 2.7 Guarantee Unaffected by Judgment or Bankruptcy

Without limiting Section 2.6, no Guarantor's obligations shall be limited, lessened or released, nor shall this Guarantee be discharged, by the recovery of any judgment against the Borrowers, or any of them, any of the other Guarantors or any other Person, by any voluntary or involuntary liquidation, dissolution, winding-up, merger, amalgamation or other similar or comparable proceeding in respect of any of the Borrowers, any of the Guarantors or any other Person, by any sale or other disposition of all or substantially all of the assets of any of the Borrowers, any of the Guarantors or any other Person, or by any judicial or extra-judicial receivership, Insolvency Proceeding, or other similar or comparable proceedings affecting the Borrowers, any of the Guarantors or any other Person. If the Borrowers, or any of them, becomes subject to any proceedings described in the preceding sentence, the Guaranteed Obligations shall, unless the Lenders notify the Guarantors to the contrary, be treated as having been accelerated and become immediately due and payable, and in such instance the Guarantors shall be, jointly and severally, obligated to pay the amount of the Guaranteed Obligations to the Lenders forthwith on demand of the Lenders even if the Borrowers, or any of them, are not obliged to so pay the Guaranteed Obligations.

## 2.8 Independence of Guarantee

Each of the Guarantors' obligations hereunder are in addition to and independent of any other guarantee or security given to the Lenders in connection with the Borrowers or any Guaranteed Obligations. Each of the Guarantors' obligations shall not be lessened or limited, nor shall this Guarantee be discharged, by any direction of application of payment by any of the Borrowers, any one or more of the Guarantors or any other Person or any payment received on account of the Guaranteed Obligations that the Lenders repay or are obliged to repay pursuant to any Applicable Law or for any other reason.

## 3. AGREEMENTS AND WAIVERS OF THE GUARANTORS

### 3.1 Waiver

Each of the Guarantors hereby, jointly and severally, waives both notice of the existence or creation of the Guaranteed Obligations and presentment, demand, dishonour, notice of dishonour, protest, noting of protest and all other notices whatsoever. Each of the Guarantors hereby, jointly and severally, waives all defences to any proceeding brought to enforce this Guarantee (other than payment or performance in full of the Guaranteed Obligations), including any defences of a surety or a Guarantor or any other obligor on any obligations arising in connection with or in respect of any of the following and hereby agrees that its obligations under this Guarantee are absolute and unconditional and shall not be discharged, impaired, changed or otherwise affected as a result of any of the following:

- (a) any of the matters, actions or inactions referred to in any of Sections 2.6, 2.7, 3.2, 3.6, 3.9, 4.1 and 4.2;
- (b) any agreement or stipulation as to the provision of adequate protection in any Insolvency Proceeding;

- (c) the avoidance of any Lien in favour of the Lenders for any reason;
- (d) any defence, set-off or counterclaim (other than a defence of payment or performance) which may at any time be available to or be asserted by the Guarantors or any other Person against the Lenders;
- (e) any rights under Applicable Law affecting any term or condition of the Guaranteed Obligations; or
- (f) any other circumstance that might otherwise constitute a legal or equitable discharge or defence of a surety or of any of the Guarantors or any other obligor on the Guaranteed Obligations, other than the payment or performance in full of the Guaranteed Obligations.

### 3.2 No Requirement to Exhaust Recourse

The Lenders shall not be bound to seek or exhaust its recourse against the Borrowers or any other Person nor to enforce, marshal or value any security before being entitled to payment under this Guarantee. Each of the Guarantors renounces the benefits of discussion and division, if applicable.

### 3.3 Payment of Guarantors' Obligations

Each of the Guarantors, jointly and severally, shall, immediately upon demand by the Lenders or forthwith upon the occurrence of an Insolvency Event in relation to any of the Guarantors or any of the Borrowers, pay to the Lenders all amounts (a) then due and payable under any provision of this Guarantee in the case of a demand and (b) payable under this Guarantee, whether or not they are then due, in the case of such an Insolvency Event, in either case in the applicable currencies of the Guaranteed Obligations.

### 3.4 Insolvency

Upon any Insolvency Proceeding or any winding-up being commenced in respect of any of the Borrowers or any of the Guarantors, any sale or other disposition of all or substantially all of the assets of the Borrowers or the Guarantors or any judicial or extra-judicial receivership, or other similar or comparable proceedings affecting the Borrowers or the Guarantors, the rights of the Lenders under this Guarantee shall not be limited, lessened or released by the omission to prove each of the Lenders' claim or to prove the Lenders' full claim and the Lenders may prove such claim as the Lenders see fit and may refrain from proving any claim and, in the discretion of the Lenders, the Lenders may value as they see fit or refrain from valuing any security held by the Lenders, without in any way lessening, limiting or releasing the liability of each of the Guarantors to the Lenders and until payment in full of the Guaranteed Obligations, the Lenders shall have the right to include in the claim the amount of all sums paid to all or any one or more of the Lenders under this Guarantee and to prove and rank for and receive dividends in respect thereof. Each of the Guarantors irrevocably waives and agrees not to exercise any and all rights to prove and rank for such sums paid by any of the Guarantors to the Lenders or to receive any or all dividends in respect thereto until the Guaranteed Obligations are paid in full.

### 3.5 Survival of Guarantee

The Guarantors' obligations shall continue unaffected by any change in the name of any of the Borrowers or any of the Guarantors, or by any change whatever in the objects, capital structure or constitution of any of the Borrowers or any of the Guarantors, or by any of the Borrowers or any of the Guarantors being amalgamated or merged with another Person, becoming subject to a statutory arrangement or any other similar or comparable proceeding or continuing under the laws of another jurisdiction. Where the context so admits, each reference in this Guarantee to the Borrowers or the Guarantors shall be construed so as to include the respective heirs, administrators, personal representatives, executors and successors of each of the Borrowers and each of the Guarantors.



### **3.6 Further Assurances**

Each of the Guarantors agrees, jointly and severally, to at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, documents, assignments and assurances as the Lenders may reasonably require in order to give effect to the provisions of this Guarantee.

### **3.7 Payment of Realization Costs**

Each of the Guarantors agrees, jointly and severally, with the other Guarantors to reimburse or pay the Lenders on demand, on a full indemnity basis, the amount of all out-of-pocket fees, costs and expenses incurred and disbursements made after demand (including the fees and out-of-pocket expenses of the Lenders' counsel and those of legal counsel, accountants, experts and consultants retained by the Lenders) in connection with the preservation, protection or enforcement of any of the Guaranteed Obligations, the Guarantors' obligations or any security granted by any of the Guarantors in respect of the Guaranteed Obligations.

### **3.8 No Termination**

This Guarantee and the Guarantors' obligations hereunder are irrevocable. The Guarantors may not terminate their liabilities in regard to any Guaranteed Obligations, including future Guaranteed Obligations.

### **3.9 Withholding Taxes Generally**

Any and all payments by any of the Guarantors hereunder shall be made free and clear of, and without deduction for, any and all present and or future taxes. If any of the Guarantors is required by law to deduct any taxes from or in respect of any sum payable hereunder to the Lenders, (a) the sum payable shall be increased by the amount necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 3.9) the Lenders will receive an amount equal to the sum it would have received had no such deductions been made; (b) the Guarantors shall make such deductions; and (c) the Guarantors shall pay the full amount deducted to the relevant taxing authority or other governmental authority in accordance with applicable law and promptly forward to the Lenders an official receipt or other documentation acceptable to the Lenders evidencing such payment.

## **4. RIGHTS OF THE LENDERS**

### **4.1 Appropriations**

Upon demand any payments received in respect of the Guaranteed Obligations from time to time, and any monies realized in connection with any enforcement against the assets and personal property of any of the Guarantors, mortgaged and charged pursuant to the Loan Documents to which any Guarantor is a party, shall, notwithstanding any appropriation by any Guarantor, be appropriated by the Lenders against such Guaranteed Obligations as the Lenders deem appropriate and the Lenders shall have the right to change any appropriation at any time.

### **4.2 Dealing with Guaranteed Obligations and Security**

Without limiting Section 2.6, the Lenders may:

- (a) grant or allow any waiver, consent, extension, indulgence or other act or omission in respect of any Loan Document, any other agreement, any of the Guaranteed Obligations or any security;

- (b) enforce or do, or omit to do, anything to enforce any Loan Document, any other agreement, any of the Guaranteed Obligations or any security, with no obligation to marshal any assets, security or guarantee of any of the Guarantors, the Borrowers or any other Person;
- (c) subject to the provisions of the Loan Documents, give, refuse, cease or refrain from giving any advance, credit or other financial accommodation to the Borrowers;
- (d) vary, compromise, exchange, renew, discharge, release, subordinate, postpone or abandon any Loan Document, any other agreement, any of the Guaranteed Obligations or any security;
- (e) take, refuse or refrain from taking any security;
- (f) apply to the Guaranteed Obligations any payment or recovery from any of the Borrowers, or from any other guarantor, maker or endorser of the Guaranteed Obligations or any part of them in such order as provided herein, in each case whether such Guaranteed Obligations are secured or unsecured or guaranteed or not guaranteed by others;
- (g) apply to the Guaranteed Obligations any payment or recovery from any of the Guarantors or any sum realized from security furnished by any of the Guarantors in pursuance of the Loan Agreement;
- (h) refund at any time any payment received by the Lenders in respect of any Guaranteed Obligation, and payment to the Lenders of the amount so refunded shall be fully guaranteed hereby even though prior thereto this Guarantee shall have been cancelled or surrendered, and such prior cancellation or surrender shall not diminish, release, discharge, impair or otherwise affect the obligations of each of the Guarantors hereunder in respect of the amount so refunded (and any collateral so released or terminated shall be reinstated with respect to such obligations);
- (i) refuse or omit to register or otherwise perfect or keep perfected any security; or
- (j) deal with or allow the Borrowers, any of the Guarantors or any other Person to deal with goods or property covered by any security,

all when and in such manner and with or without notice as the Lenders may deem expedient. The Lenders may do, or omit or refuse to do, anything enumerated in this Section 4.2 without thereby lessening, limiting or releasing the Guarantors' obligations or the rights of the Lenders under this Guarantee in any way, even if the effect is to deprive any of the Guarantors of any right or opportunity to be reimbursed by any of the Borrowers or any other Person for any sums paid to the Lenders and even if any such action or omission results from inadvertence or negligence, other than gross negligence or wilful misconduct, of any of the Lenders.

#### **4.3 Assignment**

This Guarantee and the rights and obligations of the Lenders hereunder may be assigned and transferred by the Lenders to any successor or replacement lender appointed by the Lenders and any such assignee and transferee shall be entitled to all of the rights and bound by all of the obligations of the Lenders hereunder.

#### **4.4 Lenders Accounts to Govern**

The amount of the Guaranteed Obligations at any time shall be deemed to be as stated by the Lenders based on its records, absent manifest error. Each of the Guarantors shall be bound by any account settled

between the Lenders and the Borrowers. Any acceleration of any of the Guaranteed Obligations shall be binding on the Guarantors, even if contested by the Borrowers.

#### **4.5 Guarantee in Addition**

The rights of the Lenders hereunder are in addition to and not in substitution for any other rights which the Lenders may have at any time against each of the Guarantors respecting the Guaranteed Obligations or under any other guarantee or security.

### **5. GENERAL**

#### **5.1 Notices**

Any notice, demand, consent, approval or other communication to be made or given under or in connection with this Guarantee shall be in writing and shall be made or given and made or delivered to the party to which such notice or other communication is required or permitted to be given or made at the address(es) shown on the signature page of this Guarantee or at such other address as shall be designated by such party in a written notice to the other party given in accordance with this paragraph and shall be considered delivered on receipt if telecommunicated or delivered by messenger or courier service or five days after mailing, postage prepaid. All mailed notices shall be by certified or registered mail.

#### **5.2 Time of the Essence**

Time is of the essence of this Guarantee and of each of its provisions.

#### **5.3 Governing Law**

This Guarantee shall be governed by, and interpreted and enforced in accordance with, the laws in force in the Province of British Columbia, including the federal laws of Canada applicable therein, but excluding choice of law rules. Such choice of law shall, however, be without prejudice to or limitation of any other rights available to the Lenders under the laws of any other jurisdiction where the Lenders may elect to enforce this Guarantee.

#### **5.4 Severability**

If any provision of this Guarantee is determined pursuant to a final judgment of a court of competent jurisdiction to be invalid, illegal or unenforceable in any jurisdiction, each of the Guarantors agrees to the fullest extent it may effectively do so that (a) the validity, legality and enforceability in every other jurisdiction of such provision shall not in any way be affected or impaired thereby and (b) the validity, legality and enforceability in such jurisdiction of the remaining provisions hereof shall not in any way be affected or impaired thereby. Each of the Guarantors shall, at the request of the Lenders negotiate in good faith with the Lenders to replace any invalid, illegal or unenforceable provision contained in this Guarantee with a valid, legal and enforceable provision which has the economic effect as close as possible to that of the invalid, illegal and unenforceable provision, to the extent permitted by law.

#### **5.5 Successors and Assigns**

This Guarantee shall enure to the benefit of the Lenders and its successors and assigns permitted under the Loan Documents and shall be binding upon each of the Guarantors and their respective heirs, administrators, personal representatives, executors, successors and permitted assigns.

#### **5.6 Changes**

No agreement purporting to change (other than an agreement purporting to waive performance or compliance with) any provision of this Guarantee shall be binding upon the Guarantors or the Lenders

unless that agreement is in writing and signed by the Guarantors and the Lenders. No waiver of performance or compliance with any provision hereof shall be binding upon any party hereto unless such waiver is in writing signed by the parties sought to be bound thereby.

### 5.7 Waiver of Rights

Any waiver of, or consent to depart from, the requirements of any provision of this Guarantee in respect of the Guarantors shall be effective only in the specific instance and for the specific purpose for which it has been given and only to the extent contained in a written agreement signed by the Guarantors and the Lenders. No failure on the part of the Lenders to exercise, and no delay in exercising, any right under this Guarantee shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

### 5.8 Jurisdiction

- (a) To the fullest extent permitted under Applicable Law, with respect to any claim arising out of this Guarantee, any other Loan Document or any agreement relating to this Guarantee or any other Loan Document (collectively, the "Guarantee Documents"):
  - (i) for the exclusive benefit of the Lenders, each of the Guarantors irrevocably and unconditionally submits, for itself and its property, to the non-exclusive jurisdiction of the courts of the Province of British Columbia, Canada located at Vancouver, including any appellate court from any thereof (collectively and any of them, the "Courts of Primary Jurisdiction");
  - (ii) each of the Guarantors irrevocably waives:
    - (A) any objection which it may have at any time to the laying of venue of any proceeding arising out of or relating to any of the Guarantee Documents brought in any Court of Primary Jurisdiction;
    - (B) any claim that any such proceeding brought in any Court of Primary Jurisdiction has been brought in an inconvenient forum;
    - (C) the right to object, with respect to any such proceeding brought in any Court of Primary Jurisdiction, that such court does not have jurisdiction over any of the Guarantors; and
    - (D) the right to require the Lenders to post security for costs in any proceeding brought in any Court of Primary Jurisdiction.
- (b) Nothing in this Guarantee will be deemed to preclude the Lenders from bringing any proceeding in respect of any of the Loan Documents in any other jurisdiction.
- (c) Each of the Guarantors agrees that a final and unappealable judgment in any litigation commenced in the Courts of Primary Jurisdiction shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.
- (d) Each of the Guarantors irrevocably consents to the service of process out of the Courts of Primary Jurisdiction in accordance with the local rules of civil procedure or by mailing a copy thereof, by registered mail, postage prepaid to that Guarantor at the address of that Guarantor set out beside its signature to this Guarantee, or by sending a copy thereof by facsimile or e-mail in pdf format to that Guarantor at the facsimile number or e-mail address of that Guarantor set out beside its signature to this Guarantee.



- (e) Each party hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Law, any right it may have to a trial by jury in any legal proceeding directly or indirectly arising out of or relating to this Guarantee or any other Loan Document or the transactions contemplated hereby or thereby (whether based on contract, tort or any other theory). Each party hereto (a) certifies that no representative of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and the other parties hereto have been induced to enter into this Guarantee and the other Loan Documents by, among other things, the mutual waivers and certifications in this Subsection 5.8(e).

## 5.9 Currency

Unless otherwise specified, all references to money herein mean the lawful money of Canada.

## 5.10 Judgment Currency

If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or under any other Loan Documents to the Lenders in one currency (the "**Original Currency**") into another currency (the "**Judgment Currency**"), the parties agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures a Canadian chartered bank as the Lenders may designate in their sole discretion) could purchase the Original Currency with the Judgment Currency on the Business Day preceding that on which the judgment is paid or satisfied in full.

The obligations of each Guarantor in respect of any sum due in the Original Currency from it to the Lenders under any Loan Document shall, notwithstanding any judgment in any Judgment Currency, be discharged only to the extent that, on the Business Day following receipt by the Lenders of any sum adjudged to be so due in such Judgment Currency, the Lenders may in accordance with normal banking procedures purchase the Original Currency with such Judgment Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Lenders in the Original Currency, each such Guarantor agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Lenders against such loss and, if the amount of the Original Currency so purchased exceeds the sum originally due to the Lender in the Original Currency, each of the Lenders agrees to remit such excess to the Guarantor.

## 6. COUNTERPARTS

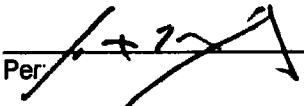
This Guarantee may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Guarantee. Delivery of an executed counterpart of this Guarantee by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Guarantee. Any party delivering an executed counterpart of this Guarantee by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Guarantee but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Guarantee.

[Signature Pages Follow]





) **BIRNEY HOLDINGS LTD.,** by its authorized  
) signatory:  
)

)   
) \_\_\_\_\_  
) Per:

) Address for Notice:  
) 800 - 885 West Georgia Street  
) Vancouver BC V6C 3H1

) Email: \_\_\_\_\_  
)

) **BAYBERRY HOLDINGS LTD.,** by its  
) authorized signatory:  
)

)   
) \_\_\_\_\_  
) Per:

) Address for Notice:  
) 1600 - 925 West Georgia Street  
) Vancouver BC V6C 3L2

) Email: \_\_\_\_\_  
)

) **MAHOGANY HOLDINGS LIMITED,** by its  
) authorized signatory:  
)

) \_\_\_\_\_  
) Per:

) Address for Notice:  
) \_\_\_\_\_  
) \_\_\_\_\_

) Email: \_\_\_\_\_  
)

**[Signature Page Continues on Next Page]**



SIGNED SEALED AND DELIVERED:

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Name of Witness:

\_\_\_\_\_  
Address:

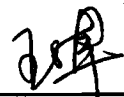
\_\_\_\_\_  
**JUNCHAO MO** (also known as **JUN CHAO MO**)

\_\_\_\_\_  
Address for Notice:

1800 – 1188 West Georgia Street  
Vancouver, BC V6E 4A2

\_\_\_\_\_  
Email:

SIGNED SEALED AND DELIVERED:



\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Name of Witness:

\_\_\_\_\_  
Address:

**ZI HUA (DESMOND) WANG**  
*Barrister & Solicitor*  
1800 – 1188 WEST GEORGIA ST.  
VANCOUVER, B.C. V6E 4A2  
(604) 620-1666

\_\_\_\_\_  
**ZHEN YU ZHONG** (also known as **JERRY ZHONG**) in his personal capacity as trustee of the **BIRCH FAMILY TRUST (2020)**

\_\_\_\_\_  
Address for Notice:

1800 – 1188 West Georgia Street  
Vancouver, BC V6E 4A2

\_\_\_\_\_  
Email:

This is Exhibit " U " referred to in the Affidavit of Zhen Yu Zhong affirmed before me at Vancouver, BC this 15 day of February 2023.

763

  
A Commissioner/Notary Public for the Province of British Columbia

## GUARANTEE

For One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Coromandel Holdings Ltd., Coromandel Properties (2016) Ltd., Cedarhurst Holdings Ltd., Thurlow Holdings Ltd., Lauan Capital Ltd., Zhen Yu Zhong and Junchao Mo (the "Guarantors") hereby covenant and agree with 1314378 B.C. Ltd., Shiyue Zhang and Qian Huang (together, the "Creditors") as follows:

### 1. GUARANTEE

The Guarantors hereby jointly and severally, and unconditionally agree to pay, keep, observe, and perform on demand all of the present and future debts, obligations and liabilities of Coromandel Wilmar Development Ltd., Coromandel Wilmar Limited Partnership, and Coromandel Wilmar Development BT Ltd. (the "Debtors") to the Creditors, and their successors and assigns, whether direct or indirect, absolute or contingent, matured or not, now or any time hereafter due or owing to the Creditors by the Debtors, whether incurred by the Debtors alone or jointly with any other corporation, person, or other entity, and whether as principal or Guarantors or otherwise howsoever (collectively, the "Obligations").

### 2. GUARANTEE ABSOLUTE

The liability of the Guarantors hereunder shall be absolute and unconditional irrespective of, and shall not be released, discharged, limited, or otherwise affected by anything done, suffered, or permitted by the Creditors in connection with the Debtors, the Obligations or any security held by or granted to the Creditors to secure payment or performance of the Obligations or otherwise. Without limiting the generality of the foregoing, the obligations and liabilities of the Guarantors hereunder shall be absolute and unconditional and shall not be released, discharged, limited or otherwise affected by:

- (a) any lack of validity or enforceability of any agreement between the Creditors and the Debtors relating to the Obligations or any other agreement or instrument relating thereto;
- (b) any change in the time, manner, or place of payment of, amount of credit available to the Debtors under, or in any other term of, or any renewal, extension, other amendment or waiver of or any consent to or departure from, any agreement between the Creditors and the Debtors relating to the Obligations;
- (c) any change in the name, objects, capital stock, constating documents or bylaws, ownership or control of the Debtors;
- (d) any amalgamation, merger, consolidation, or other reorganization of the Debtors or of their business or affairs;

- (e) the dissolution, winding-up, liquidation, or other distribution of the assets of the Debtors, whether voluntary or otherwise;
- (f) the Debtors becoming insolvent or bankrupt or subject to the provisions of any insolvency legislation;
- (g) the Creditors enforcing or realizing upon any security granted to or held by the Creditors on or over the property of the Debtors, whether to secure payment or performance of the Obligations or otherwise;
- (h) any right or alleged right of set-off, deduction, counterclaim, appropriation or application or any claim or demand that the Debtors or the Guarantors may have or may allege to have against any Creditors or any other person, which rights the Guarantors hereby waive to the fullest extent permitted by law;
- (i) any agreement or decision made by the Debtors, whether it be to dispose of a part of, or all of or substantially all of its assets, or to change its form of business, or otherwise; or
- (j) any other circumstances which might otherwise constitute a legal or equitable defence available to the Debtors, or complete or partial discharge of the Debtors, in respect of the Obligations or of the Guarantors in respect of their guarantee hereunder.

### 3. DEALINGS WITH THE DEBTORS AND OTHERS

Without releasing, discharging, limiting, or otherwise affecting in whole or in part the Guarantors' Obligations and liabilities hereunder and without the consent of or notice to the Guarantors, the Creditors may:

- (a) grant time, renewals, extensions, indulgences, releases, and discharges to the Debtors;
- (b) take or refrain from taking securities or collateral from the Debtors or from perfecting securities or collateral of the Debtors;
- (c) release, discharge, compromise, realize, enforce, or otherwise deal with or do any act or thing in respect of (with or without consideration) any and all collateral, mortgages, or other security given by the Debtors or any third party with respect to the Obligations;
- (d) accept compromises or arrangements from the Debtors;

- (e) exercise any right or remedy which they may have against the Debtors or with respect to any security for the Obligations, including judicial and non-judicial foreclosure;
- (f) apply all monies at any time received from the Debtors or from securities upon such part of the Obligations as the Creditors may see fit or change any such application in whole or in part from time to time as the Creditors may see fit; or
- (g) otherwise deal with, or waive or modify their right to deal with, the Debtors and all other persons and securities as the Creditors may see fit.

#### **4. DEALING WITH SECURITY**

The loss of or failure to obtain, perfect, or maintain any security held by the Creditors, whether occasioned through the fault of the Creditors or otherwise, shall not discharge, limit, or lessen the liability of the Guarantors hereunder.

#### **5. RECOURSE AGAINST DEBTORS**

The Creditors shall not be bound to exhaust their recourse against the Debtors or others or under any security or take any other action or legal proceeding before entitled to payment from the Guarantors under this Guarantee.

#### **6. DEBTORS' CORPORATE STATUS AND AUTHORITY**

- 6.1 All monies, advances, renewals, or credits in fact borrowed or obtained from the Creditors by the Debtors or by persons purporting to act on behalf of the Debtors shall be deemed to form part of the Obligations hereby guaranteed, regardless of whether such borrowing or obtaining of monies, advances, renewals, or credits of the execution, or the delivery of any agreement or document in connection therewith, by or on behalf of the Debtors, is in excess of the powers of the Debtors or any of their directors, officers, managers, employees, or other agents, or is in any way irregular, defective or informal.
- 6.2 This Guarantee shall be deemed binding and effective regardless of whether the execution and delivery of any agreement or document given by the Debtors is in excess of the powers of the Debtors, or whether the acts of any of their directors, officers, managers, employees, or other agents, are in any way irregular, defective or informal, or whether the Debtors are not legal entities. The Creditors have no obligation to enquire into the powers of the Debtors or any of their directors, officers, managers, employees, or other agents acting or purporting to act on their behalf.



## 7. ACCOUNTS SETTLED

Any account stated by the Creditors to be due to them by the Debtors shall be accepted by the Guarantors as conclusive evidence that the said amount is so due, in the absence of manifest error.

## 8. WAIVER

No delay on the part of the Creditors in exercising any of their options, powers, or rights, or any partial or single exercise thereof, shall constitute a waiver thereof. No waiver of any of their rights hereunder, and no modification or amendment of this Guarantee, shall be deemed to be made by the Creditors unless the same shall be in writing, duly signed by the Creditors and each such waiver, if any, shall apply only with respect to the specific instance involved, and shall in no way impair the rights of the Creditors or the liabilities of the Guarantors hereunder in any other respect at any other time.

## 9. FOREIGN CURRENCY OBLIGATIONS

The Guarantors shall make payment to the Creditors relative to any Obligations due to them in the currency (the "**Original Currency**") in which the Debtors are required to pay such Obligations. If the Guarantors make payment relative to the Obligations in a currency other than the Original Currency (whether voluntarily or pursuant to an order or judgment of a court or tribunal of any jurisdiction), such payment shall constitute a discharge of the liability of the Guarantors to the Creditors in respect of such Obligations only to the extent of the amount of the Original Currency which the Creditors are able to purchase with the amount they receive on the date of receipt in accordance with their normal practice. If the amount of the Original Currency which the Creditors are able to purchase is less than the amount of such currency originally due to them in respect to the relevant Obligations the Guarantors shall indemnify and save the Creditors harmless from and against any loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other Obligations contained in this Guarantee; shall give rise to a separate and independent cause of action; shall apply irrespective of anything done, suffered or permitted by the Creditors in connection with the Debtors; and shall continue in full force and effect notwithstanding any judgment or order in respect of any amount due hereunder or under any judgment or order.

## 10. CONTINUING GUARANTEE

This guarantee shall be a continuing guarantee and shall cover the Obligations and this guarantee shall apply to and secure any ultimate balance due or remaining unpaid to the Creditors.

## **11. ASSIGNMENT**

The Creditors may from time to time and without notice to, or the consent of, the Guarantors assign or transfer the Obligations due to all or any of them or any interest therein to any person; and notwithstanding any such assignment or transfer or any subsequent assignment or transfer thereof, any such Obligations or part thereof so transferred or assigned shall be and shall remain part of the Obligations for the purposes of this Guarantee and any immediate and successive assignee or transferee of any Obligations or any interest therein shall, to the extent of the interest so assigned or transferred, be entitled to the benefit of, and the right to enforce, this Guarantee to the same extent as if such person were one of the Creditors.

## **12. REVIVAL OF INDEBTEDNESS AND LIABILITY**

If at any time all or any part of any payment previously applied by the Creditors to the Obligations is or must be rescinded or returned by the Creditors for any reason whatsoever (including, without limitation, the insolvency, bankruptcy, or reorganization of the Debtors or the Guarantors), to the extent that such payment is or must be rescinded or returned such Obligations shall be deemed to have continued in existence notwithstanding such application by the Creditors, and this Guarantee shall continue to be effective or be reinstated, as the case may be, as to such Obligations, all as though such application by the Creditors had not been made.

## **13. POSTPONEMENT AND SUBROGATION**

All present and future indebtedness and liability of the Debtors to the Guarantors are hereby assigned to the Creditors and subordinated and postponed to the Obligations of the Guarantors hereunder, and all monies received by the Guarantors in respect thereof shall be received in trust for and shall be paid over to the Creditors forthwith. If the Creditors receive from the Guarantors a payment or payments in full or on account of the liability of the Guarantors hereunder, the Guarantors shall not be entitled to claim repayment against the Debtors unless and until all amounts owing by the Debtors to the Creditors have been paid in full and the Creditors have no further obligation to make credit available to the Debtors. In the case of any liquidation, winding-up, or bankruptcy of the Debtors (whether voluntary or involuntary) or in the event that the Debtors make a bulk sale of any of their assets within the bulk transfer provisions of any applicable legislation or any composition, with creditors or scheme or arrangement, the Creditors shall have the right to rank for their full claims and receive all dividends or other payments in respect thereof in priority to the Guarantors until their claims have been paid in full, and the Guarantors shall continue to be liable hereunder for any balance which may be owing to the Creditors by the Debtors. In the event of the valuation by the Creditors of any of their security or the retention thereof, such valuation or retention shall not be considered as a purchase of such security, or as payment or satisfaction or reduction of the Obligations of the Guarantors hereunder or any part thereof. The foregoing provisions of this paragraph shall not in any way limit or lessen the liability of the Guarantors under any other paragraph of this Guarantee.

**14. EXPENSES**

The Guarantors shall from time to time forthwith upon demand pay to the Creditors all expenses (including legal expenses on a solicitor and own client basis) incurred by them in the preservation or enforcement of any of their rights hereunder.

**15. INDEMNITY**

In addition, as a separate and distinct obligation, the Guarantors, for valuable consideration, hereby agree to indemnify and save harmless the Creditors in respect of any loss or damage which the Creditors may suffer as a result of non-payment or non-fulfillment of any of the Obligations by the Debtors.

**16. ADDITIONAL SECURITY**

This Guarantee is in addition to and without prejudice to any security of any kind (including, without limitation, other guarantees) now or hereafter held by the Creditors and any other rights or remedies that the Creditors might have.

**17. SET-OFF**

The Creditors may, to the full extent permitted by law, set-off and apply any and all deposits and other monies at any time held by the Creditors or their agents and any other indebtedness at any time owing by the Creditors to or for the credit or the account of the Guarantors against any and all of the Obligations of the Guarantors now or hereafter existing under this Guarantee irrespective of whether or not the Creditors have made any demand hereunder and although such Obligations may be contingent and unmatured.

**18. NO SUIT UNTIL DEMAND**

No suit based on this Guarantee shall be instituted until demand for payment has been made under this Guarantee by written notice to the Guarantors.

**19. NO CONDITION PRECEDENT**

The obligations of the Guarantors under this Guarantee shall be complete and binding upon the execution of this Guarantee by them and shall not be subject to any condition precedent. The Guarantors hereby expressly renounce any benefits of division or discussion.

**20. GOVERNING LAW**

This Guarantee shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Without prejudice to the right of the Creditors to commence any proceedings with

respect to this Guarantee in any other jurisdiction, the Guarantors hereby irrevocably attorn and submit to the jurisdiction of the courts of the Province of British Columbia.

## 21. JOINT AND SEVERAL

The Obligations of the Guarantors and any other person who becomes a Guarantor under this Guarantee shall be joint and several. The release by the Creditors of any party liable under this Guarantee shall not operate to release any other party liable hereunder.

## 22. NOTICE

Any notice, demand, direction or other communication required or permitted to be given under this Guarantee shall be effectually made or given if delivered by prepaid private courier, email, or facsimile transmission to the address of each party set out below:

### To the Guarantors:

Coromandel Holdings Ltd.

Address: 800-885 West Georgia Street, Vancouver, BC V6C 3H1

Email:

Attention:

Coromandel Properties (2016) Ltd.

Address: 800-885 West Georgia Street, Vancouver, BC V6C 3H1

Email:

Attention:

Cedarhurst Holdings Ltd.

Address: 800-885 West Georgia Street, Vancouver, BC V6C 3H1

Email:

Attention:

Thurlow Holdings Ltd.

Address: 800-885 West Georgia Street, Vancouver, BC V6C 3H1

Email:

Attention:

Lauan Capital Ltd.

Address: 800-885 West Georgia Street, Vancouver, BC V6C 3H1

Email:

Attention:

Zhen Yu Zhong

Address: 3029 West 45<sup>th</sup> Avenue, Vancouver, BC V6N 3L9

Email: [jerry@coromandelproperties.com](mailto:jerry@coromandelproperties.com)



Junchao Mo  
Address: 701-277 Thurlow Street, Vancouver, BC V6C 0C1  
Email:

To the Creditors:

1314378 B.C. Ltd.  
Address: 3914 Southridge Avenue, West Vancouver, BC V7V 3J1  
Email:  
Attention:

Shiyue Zhang  
Address: 6588 East Boulevard, Vancouver, BC V6P 5P9  
Email:

Qian Huang  
Address: 6588 East Boulevard, Vancouver, BC V6P 5P9  
Email:

or to such other address or facsimile number as either party may designate in the manner set out above. Any notice, demand, direction or other communication shall be deemed to have been given and received on the day of prepaid private courier delivery or facsimile transmission.

**23. SUCCESSORS AND ASSIGNS**

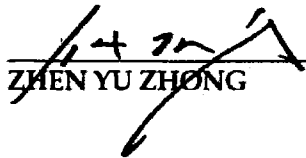
This Guarantee shall extend and enure to the benefit of the Creditors and their successors and assigns and shall be binding upon the Guarantors and the personal representatives, successors, and assigns of the Guarantors; "successors" include any corporation resulting from the amalgamation of a corporation with any other corporation.

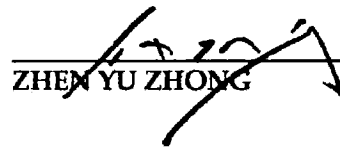
*(Signature page follows)*

IN WITNESS WHEREOF this Guarantee has been executed by the Guarantors, this November 9, 2022

**Coromandel Holdings Ltd.**  
By its authorized signatory:

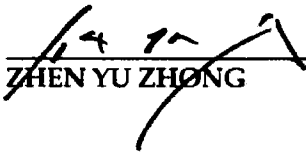
**Coromandel Properties (2016) Ltd.**  
By its authorized signatory:

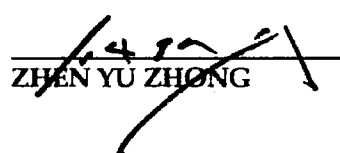
  
\_\_\_\_\_  
ZHEN YU ZHONG

  
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ZHEN YU ZHONG

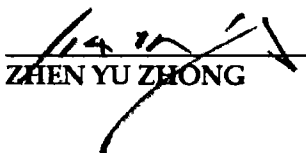
**Cedarhurst Holdings Ltd.**  
By its authorized signatory:

**Thurlow Holdings Ltd.**  
By its authorized signatory:

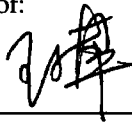
  
\_\_\_\_\_  
ZHEN YU ZHONG

  
\_\_\_\_\_  
ZHEN YU ZHONG

**Lauan Capital Ltd.**  
By its authorized signatory:

  
\_\_\_\_\_  
ZHEN YU ZHONG

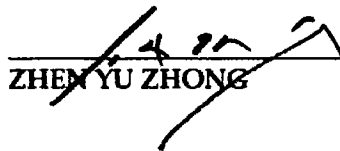
SIGNED AND DELIVERED in the presence of:



Signature

Address **ZI HUA (DESMOND) WANG<sup>U</sup>**  
*Director & Solicitor*  
1800-1155 WEST GEORGIA ST.  
VANCOUVER, B.C. V6E 4A2  
(604) 370-1666  
(604) 620-1888

Occupation

  
\_\_\_\_\_  
ZHEN YU ZHONG

SIGNED AND DELIVERED in the  
presence of: (via video-conference)

王子華

Signature of Zi Hua (Desmond) Wang

1800-1188 West Georgia Street, Vancouver, BC V6E 4A2

Address

李俊超

JUNCHAO MO

Lawyer

Occupation

(Signature page to Guarantee)

**GUARANTEE**

Dated the 27<sup>th</sup> day of July, 2022.

BETWEEN:

**1063711 B.C. LTD.**, a company duly incorporated in British Columbia, having its office address at 1715 Augusta Place, Coquitlam, BC V3E 3C9

(collectively, the "Creditor")

AND:

**COROMANDEL HOLDINGS LTD.**, a company duly incorporated in British Columbia, and having a Registered and Records office at 800 - 885 West Georgia Street, Vancouver, BC V6C 3H1

and

**ZHEN YU ZHONG**, of 3029 West 45<sup>th</sup> Avenue, Vancouver, BC V6N 3L9

and

**JUNCHAO MO**, of 701 – 277 Thurlow St, Vancouver, B.C. V6C 0C1

(collectively, the "Guarantor")

For One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor hereby covenants and agrees with the Creditor as follows:

**1. GUARANTEE**

The Guarantor hereby agrees to perform all the obligations of Coromandel Wilmar Limited Partnership, Coromandel Wilmar Development Ltd., and Coromandel Wilmar Development BT Ltd. (collectively the "Debtor") under a commitment letter dated July 22, 2022 (the "Loan Agreement") and a mortgage dated July 27, 2022 in respect of the property as follows:

	Civic Address	Legal Description
1.	<b>2050 Marine Drive Southwest, Vancouver, BC</b>	PID: 030-439-442 Legal Description: STRATA LOT 6 DISTRICT LOTS 317 AND 316 BLOCK 12 NEW WESTMINSTER DISTRICT STRATA PLAN EPS3735
2.	<b>2056 Marine Drive Southwest, Vancouver, BC</b>	PID: 030-439-396 Legal Description: STRATA LOT 1 DISTRICT LOTS 317 AND 316 BLOCK 12 NEW WESTMINSTER DISTRICT STRATA PLAN EPS3735



3.	<b>2058 Marine Drive Southwest, Vancouver, BC</b>	PID: 030-439-400 Legal Description: STRATA LOT 2 DISTRICT LOTS 317 AND 316 BLOCK 12 NEW WESTMINSTER DISTRICT STRATA PLAN EPS3735
4.	<b>2060 Marine Drive Southwest, Vancouver, BC</b>	PID: 030-439-418 Legal Description: STRATA LOT 3 DISTRICT LOTS 317 AND 316 BLOCK 12 NEW WESTMINSTER DISTRICT STRATA PLAN EPS3735
5.	<b>2062 Marine Drive Southwest, Vancouver, BC</b>	PID: 030-439-426 Legal Description: STRATA LOT 4 DISTRICT LOTS 317 AND 316 BLOCK 12 NEW WESTMINSTER DISTRICT STRATA PLAN EPS3735
6.	<b>2066 Marine Drive Southwest, Vancouver, BC</b>	PID: 030-439-434 Legal Description: STRATA LOT 5 DISTRICT LOTS 317 AND 316 BLOCK 12 NEW WESTMINSTER DISTRICT STRATA PLAN EPS3735

and unconditionally guarantees payment to the Creditor, and its successors and assigns, of all present and future debts and liabilities, direct or indirect, absolute or contingent, matured or not, now or any time and from time to time hereafter due or owing to the Creditor by the Debtor whether incurred by the Debtor alone or jointly with any other corporation, person, or persons, and whether as principal or guarantor or otherwise howsoever,

(collectively, the "Obligations").

## 2. GUARANTEE ABSOLUTE

The liability of the Guarantor hereunder shall be absolute and unconditional irrespective of, and shall not be released, discharged, limited, or otherwise affected by anything done, suffered, or permitted by the Creditor in connection with the Debtor, the Obligations or any security held by or granted to the Creditor to secure payment or performance of the Obligations or otherwise. Without limiting the generality of the foregoing, the obligations and liabilities of the Guarantor hereunder shall be absolute and unconditional and shall not be released, discharged, limited or otherwise affected by:

- (a) any lack of validity or enforceability of any agreement between the Creditor and the Debtor relating to the Obligations or any other agreement or instrument relating thereto;
- (b) any change in the time, manner, or place of payment of, amount of credit available to the Debtor under, or in any other term of, or any renewal, extension, other amendment or waiver of or any consent to or departure from, any agreement between the Creditor and the Debtor relating to the Obligations;
- (c) any change in the name, objects, capital stock, constating documents or bylaws, ownership or control of the Debtor;

- (d) any amalgamation, merger, consolidation, or other reorganization of the Debtor or of its business or affairs;
- (e) the dissolution, winding-up, liquidation, or other distribution of the assets of the Debtor, whether voluntary or otherwise;
- (f) the Debtor becoming insolvent or bankrupt or subject to the provisions of any insolvency legislation;
- (g) the Creditor enforcing or realizing upon any security granted to or held by the Creditor on or over the property of the Debtor, whether to secure payment or performance of the Obligations or otherwise;
- (h) any right or alleged right of set-off, counterclaim, appropriation or application or any claim or demand that the Debtor or the Guarantor may have or may allege to have against any Creditor or any other person, which rights the Guarantor hereby waives to the fullest extent permitted by law;
- (i) any agreement or decision made by the Debtor, whether it be to dispose of a part of, or all of or substantially all of its assets, or to change its form of business, or otherwise; or
- (j) any other circumstances which might otherwise constitute a legal or equitable defence available to the Debtor, or complete or partial discharge of the Debtor, in respect of the Obligations or of the Guarantor in respect of its guarantee hereunder.

### **3. DEALINGS WITH THE DEBTOR AND OTHERS**

Without releasing, discharging, limiting, or otherwise affecting in whole or in part the Guarantor's Obligations and liabilities hereunder and without the consent of or notice to the Guarantor, the Creditor may:

- (a) grant time, renewals, extensions, indulgences, releases, and discharges to the Debtor;
- (b) take or refrain from taking securities or collateral from the Debtor or from perfecting securities or collateral of the Debtor;
- (c) release, discharge, compromise, realize, enforce, or otherwise deal with or do any act or thing in respect of (with or without consideration) any and all collateral, mortgages, or other security given by the Debtor or any third party with respect to the Obligations;
- (d) accept compromises or arrangements from the Debtor;
- (e) exercise any right or remedy which it may have against the Debtor or with respect to any security for the Obligations, including judicial and non-judicial foreclosure;

(f) apply all monies at any time received from the Debtor or from securities upon such part of the Obligations as the Creditor may see fit or change any such application in whole or in part from time to time as the Creditor may see fit; or

(g) otherwise deal with, or waive or modify its right to deal with, the Debtor and all other persons and securities as the Creditor may see fit.

#### **4. DEALING WITH SECURITY**

The loss of or failure to obtain, perfect, or maintain any security held by the Creditor, whether occasioned through the fault of the Creditor or otherwise, shall not discharge, limit, or lessen the liability of the Guarantor hereunder.

#### **5. RECOURSE AGAINST DEBTOR**

The Creditor shall not be bound to exhaust its recourse against the Debtor or others or under any security or take any other action or legal proceeding before entitled to payment from the Guarantor under this Guarantee.

#### **6. DEBTOR'S CORPORATE STATUS AND AUTHORITY**

**6.1** All monies, advances, renewals, or credits in fact borrowed or obtained from the Creditor by the Debtor or by persons purporting to act on behalf of the Debtor shall be deemed to form part of the Obligations hereby guaranteed, regardless of whether such borrowing or obtaining of monies, advances, renewals, or credits of the execution, or the delivery of any agreement or document in connection therewith, by or on behalf of the Debtor, is in excess of the powers of the Debtor or any of its directors, officers, managers, employees, or other agents, or is in any way irregular, defective or informal.

**6.2** This Guarantee shall be deemed binding and effective regardless of whether the execution and delivery of any agreement or document given by the Debtor is in excess of the powers of the Debtor, or whether the acts of any of its directors, officers, managers, employees, or other agents, is in any way irregular, defective or informal, or whether the Debtor is not a legal entity. The Creditor has no obligation to enquire into the powers of the Debtor or any of its directors, officers, managers, employees, or other agents acting or purporting to act on its behalf.

#### **7. ACCOUNTS SETTLED**

Any account stated by the Creditor to be due to it by the Debtor shall be accepted by the Guarantor as conclusive evidence that the said amount is so due, in the absence of manifest error.

#### **8. WAIVER**

No delay on the part of the Creditor in exercising any of its options, powers, or rights, or any partial or single exercise thereof, shall constitute a waiver thereof. No waiver of any of its rights hereunder, and no modification or amendment of this Guarantee, shall be deemed to be made by the Creditor unless the same shall be

in writing, duly signed by the Creditor and each such waiver, if any, shall apply only with respect to the specific instance involved, and shall in no way impair the rights of the Creditor or the liabilities of the Guarantor hereunder in any other respect at any other time.

#### **9. FOREIGN CURRENCY OBLIGATIONS**

The Guarantor shall make payment to the Creditor relative to any Obligations due to it in the currency (the "Original Currency") in which the Debtor is required to pay such Obligations. If the Guarantor makes payment relative to the Obligations in a currency other than the Original Currency (whether voluntarily or pursuant to an order or judgment of a court or tribunal of any jurisdiction), such payment shall constitute a discharge of the liability of the Guarantor to the Creditor in respect of such Obligations only to the extent of the amount of the Original Currency which the Creditor is able to purchase at Vancouver, British Columbia with the amount it receives on the date of receipt in accordance with its normal practice. If the amount of the Original Currency which the Creditor is able to purchase is less than the amount of such currency originally due to it in respect to the relevant Obligations the Guarantor shall indemnify and save the Creditor harmless from and against any loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other Obligations contained in this Guarantee; shall give rise to a separate and independent cause of action; shall apply irrespective of anything done, suffered or permitted by the Creditor in connection with the Debtor; and shall continue in full force and effect notwithstanding any judgment or order in respect of any amount due hereunder or under any judgment or order.

#### **10. CONTINUING GUARANTEE**

This guarantee shall be a continuing guarantee and shall cover the Obligations and this guarantee shall apply to and secure any ultimate balance due or remaining unpaid to the Creditor.

#### **11. ASSIGNMENT**

The Creditor may from time to time and without notice to, or the consent of, the Guarantor assign or transfer the Obligations due to it or any interest therein to any person; and notwithstanding any such assignment or transfer or any subsequent assignment or transfer thereof, any such Obligations or part thereof so transferred or assigned shall be and shall remain part of the Obligations for the purposes of this Guarantee and any immediate and successive assignee or transferee of any Obligations or any interest therein shall, to the extent of the interest so assigned or transferred, be entitled to the benefit of, and the right to enforce, this Guarantee to the same extent as if such person were the Creditor.

#### **12. REVIVAL OF INDEBTEDNESS AND LIABILITY**

If at any time all or any part of any payment previously applied by the Creditor to the Obligations is or must be rescinded or returned by the Creditor for any reason whatsoever (including, without limitation, the insolvency, bankruptcy, or reorganization of the Debtor or the Guarantor), to the extent that such payment is



or must be rescinded or returned such Obligations shall be deemed to have continued in existence notwithstanding such application by the Creditor, and this Guarantee shall continue to be effective or be reinstated, as the case may be, as to such Obligations, all as though such application by the Creditor had not been made.

### **13. POSTPONEMENT AND SUBROGATION**

All present and future indebtedness and liability of the Debtor to the Guarantor is hereby assigned to the Creditor and subordinated and postponed to the Obligations of the Guarantor hereunder, and all monies received by the Guarantor in respect thereof shall be received in trust for and shall be paid over to the Creditor forthwith. If the Creditor receive(s) from the Guarantor a payment or payments in full or on account of the liability of the Guarantor hereunder, the Guarantor shall not be entitled to claim repayment against the Debtor unless and until all amounts owing by the Debtor to the Creditor have been paid in full and the Creditor has no further obligation to make credit available to the Debtor. In the case of any liquidation, winding-up, or bankruptcy of the Debtor (whether voluntary or involuntary) or in the event that the Debtor makes a bulk sale of any of its assets within the bulk transfer provisions of any applicable legislation or any composition, with creditors or scheme or arrangement, the Creditor shall have the right to rank for its full claims and receive all dividends or other payments in respect thereof in priority to the Guarantor until its claims have been paid in full, and the Guarantor shall continue to be liable hereunder for any balance which may be owing to the Creditor by the Debtor. In the event of the valuation by the Creditor of any of its security or the retention thereof, such valuation or retention shall not be considered as a purchase of such security, or as payment or satisfaction or reduction of the Obligations of the Guarantor hereunder or any part thereof. The foregoing provisions of this paragraph shall not in any way limit or lessen the liability of the Guarantor under any other paragraph of this Guarantee.

### **14. EXPENSES**

The Guarantor shall from time to time forthwith upon demand pay to the Creditor all expenses (including legal expenses on a solicitor and own client basis) incurred by it in the preservation or enforcement of any of its rights hereunder.

### **15. INDEMNITY**

In addition, as a separate and distinct obligation, the Guarantor, for valuable consideration, hereby agrees to indemnify and save harmless the Creditor in respect of any loss or damage which the Creditor may suffer as a result of non-payment or non-fulfillment of any of the Obligations by the Debtor.

### **16. ADDITIONAL SECURITY**

This Guarantee is in addition to and without prejudice to any security of any kind (including, without limitation, other guarantees) now or hereafter held by the Creditor and any other rights or remedies that the Creditor might have.

**17. SET-OFF**

The Creditor may, to the full extent permitted by law, set-off and apply any and all deposits and other monies at any time held by the Creditor or its agents and any other indebtedness at any time owing by the Creditor to or for the credit or the account of the Guarantor against any and all of the Obligations of the Guarantor now or hereafter existing under this Guarantee irrespective of whether or not the Creditor has made any demand hereunder and although such Obligations may be contingent and unmatured.

**18. NO SUIT UNTIL DEMAND**

No suit based on this Guarantee shall be instituted until demand for payment has been made under this Guarantee by written notice to the Guarantor.

**19. NO CONDITION PRECEDENT**

The obligations of the Guarantor under this Guarantee shall be complete and binding upon the execution of this Guarantee by it and shall not be subject to any condition precedent. The Guarantor hereby expressly renounce(s) any benefits of division or discussion.

**20. GOVERNING LAW**

This Guarantee shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein. Without prejudice to the right of the Creditor to commence any proceedings with respect to this Guarantee in any other proper jurisdiction, the Guarantor hereby irrevocably attorn(s) and submits to the jurisdiction of the courts of the Province of British Columbia.

**21. JOINT AND SEVERAL**

The Obligations of the Guarantor, if more than one, hereunder shall be joint and several.

**22. NOTICE**

Any notice, demand, direction or other communication required or permitted to be given under this Guarantee shall be effectually made or given if delivered by prepaid private courier or by facsimile transmission to the address of each party set out below:

To the Guarantor: the address on cover page of this Agreement

To the Creditor: the address on cover page of this Agreement

or to such other address or facsimile number or email as either party may designate in the manner set out above. Any notice, demand, direction or other communication shall be deemed to have been given and received on the day of prepaid private courier delivery or facsimile transmission or email.

**23. SUCCESSORS AND ASSIGNS**

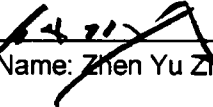
This Guarantee shall extend and enure to the benefit of the Creditor and its successors and assigns and shall be binding upon the Guarantor and the personal representatives, successors, and assigns of the Guarantor; "successors" includes any corporation resulting from the amalgamation of a corporation with any other corporation.

IN WITNESS WHEREOF this Guarantee has been signed, sealed, and delivered by the Guarantor on the date first above written.

Officer Signature



**Coromandel Holdings Ltd.**, by its by its authorized signatory(ies):



Officer Signature

Print Name: Zhen Yu Zhong

Name

**ZI HUA (DESMOND) WANG**  
*Barrister & Solicitor*  
1800 - 1188 WEST GEORGIA ST.  
VANCOUVER, B.C. V6E 4A2  
(604) 620-1666

Print Name:

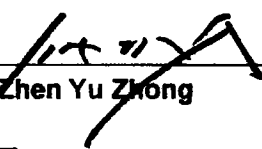
We have authority to bind the limited partnership

Officer Signature



Officer Signature

Zhen Yu Zhong



Name

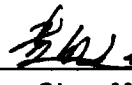
**ZI HUA (DESMOND) WANG**  
*Barrister & Solicitor*  
1800 - 1188 WEST GEORGIA ST.  
VANCOUVER, B.C. V6E 4A2  
(604) 620-1666

Address

Officer Signature



Jun Chao Mo



Officer Signature

Name

**ZI HUA (DESMOND) WANG**  
*Barrister & Solicitor*  
1800 - 1188 WEST GEORGIA ST.  
VANCOUVER, B.C. V6E 4A2  
(604) 620-1666

Address

OFFICER CERTIFICATION: Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c. 124 to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.