



Appraisers Inc.

## NARRATIVE APPRAISAL

161 / 208 Lakeshore Rd. E  
Lot 172, Part Lots 161 and 173, RP 529  
Town of the Blue Mountains  
County of Grey



As Of:  
April 23, 2020

Prepared For:  
Town of the Blue Mountains

Our File #B20-0491

June 11, 2020

Town of the Blue Mountains  
Planning Department  
32 Mill Street, PO Box 310  
Thornbury, ON. N0H 2P0

Re: 161 / 208 Lakeshore Rd. E, Lot 172, Part Lots 161 and 173, RP 529, Town of Blue Mountains, County of Grey

In accordance with the request by Mr. Andrew Pascuzzo of Pascuzzo Planning, on behalf of Parkbridge Lifestyle Communities Inc. our firm has carried out an appraisal of the above referenced property. This narrative has been prepared for the exclusive use of the addressee above with the intended use to assist in the determination of an amount for cash in lieu of parkland dedication, wherein the conclusions have been based on information contained in the appraisal report, together with data contained in the files of HG Appraisers Inc., and provides an estimate of market value of this property as of April 23, 2020. The valuations herein are to be considered null and void if utilized for any other purposes. All information herein pertains to this date.

The attached report contains all supporting documents outlining my approach to value, together with other pertinent data in support of the final conclusion. This letter is not to be considered a standalone analysis and only draws out the key findings.

The Final Estimate of Market Value of this property, in its Highest and Best Use of land for residential subdivision development, as detailed herein, is **\$4,600,000 (FOUR MILLION SIX HUNDRED THOUSAND DOLLARS) as of April 23, 2020 for the subject property as a single contiguous parcel of vacant land.** The value is subject to all Ordinary Assumptions and Limiting Conditions cited in this report. In addition, for purposes of this appraisal we have invoked Extraordinary Assumptions and Limiting Conditions and Hypothetical Conditions pertaining to the subject property as a single contiguous property as if vacant, adjustments for additional development and construction cost risk, any changes to the condition of the property between the retrospective effective date and the inspection date and the current COVID-19 economic environment.

I certify that I have personally inspected this property and processed the information in connection with it. I have no past, present, or contemplated interest in the property. This report has been compiled in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) as set out by the Appraisal Institute of Canada, of which I am a member.

Respectfully submitted,  
**HG Appraisers Inc.**



Jacqueline M. Boland, BA, CFA, AACI, P.App.  
AIC Member #904651  
JMB/TR. Encl.

## EXECUTIVE SUMMARY

Civic Address	161 / 208 Lakeshore Rd. E, Blue Mountains
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Effective Date of Appraisal		April 23, 2020 Retrospective
Date of Inspection		June 10, 2020
Legal Description of Property		Lot 172, Part Lots 161 and 173, RP 529
Purpose of Report		Estimate Market Value
Intended Use		Cash In Lieu
Intended User		Town of the Blue Mountains
Extraordinary Items	Extraordinary Assumptions	Retrospective Value Single Contiguous Property As If Vacant Valuation Approaches Employed Development Risk Adjustments COVID-19
	Hypothetical Conditions	Single Property As If Vacant
	Jurisdictional Exceptions	None

Estimated Value by Cost Approach	N/A
Estimated Value by Income Approach	N/A
Estimated Value by Direct Comparison Approach	\$4,600,000
<b>Final Estimate of Market Value</b>	<b>\$4,600,000</b>
Exposure Time	6 Months to 1 Year

Official Plan		Residential Recreational Area and Hazard
Zoning		Second Density Residential, Exception 122, Holding Provision 36 (R2-122-h36) / Open Space, Exception 123 (OS-123) / Hazard (H)
Assessment	Total	\$2,990,000
	Phased-In (2020)	\$2,990,000

Building Type	Single Family Detached Dwelling (Excluded)
Size of Land	67.51 Acres
Existing Use	Land for Residential Development / Residential
Highest and Best Use	Land for Residential Subdivision Development

This Executive Summary is not to be considered on a standalone basis and only draws out the key findings.

## PHOTOS

**Subject Property – Front at Grey Road 19**



**Subject Property – Street (Grey Road 19)**



**Subject Property – Front Lakeshore Road East**



**Subject Property – Front Lakeshore Road East North Side**



**Subject Property – Street (Lakeshore Road East)**



**Overhead**



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## **BASIS OF THE APPRAISAL**

### **Terms of Reference**

This appraisal report was commissioned by Mr. Andrew Pascuzzo of Pascuzzo Planning on behalf of Parkbridge Lifestyle Communities Inc., for the property identified as 161 / 208 Lakeshore Rd. E, legally described as Lot 172, Part Lots 161 and 173, RP 529, in the Town of Blue Mountains, in the County of Grey. The subject property consists of a 67.51 acre parcel, improved with a detached single family dwelling and is zoned Second Density Residential, Exception 122, Holding Provision 36 (R2-122-h36) / Open Space, Exception 123 (OS-123) / Hazard (H). The appraisal offers a retrospective market value of a physical segment of the combined property 'As If Vacant' in a narrative format, subject to the terms and conditions outlined in the Ordinary Assumptions and Limiting Conditions section of this report plus any Extraordinary Assumptions, Extraordinary Limiting Conditions, Hypothetical Conditions and/or Jurisdictional Exceptions outlined in the Extraordinary Items section of this report. This report has been compiled in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) as set out by the Appraisal Institute of Canada of which I am a member.

### **Purpose of the Appraisal**

The purpose of the appraisal report is to estimate the market value of the subject property (See Definition of Market Value below).

### **Intended Use of Appraisal**

The intended use of the appraisal is to assist in the determination of an amount for cash in lieu of land for parkland dedication. The valuations herein are to be considered null and void if utilized for any other purposes. The appraiser reserves the right to rescind this appraisal if it is used for any purpose other than that authorized.

### **Intended User of Appraisal**

The report is intended for the use of The Town of the Blue Mountains. Neither all, nor any part of the contents of this report, or copies thereof, shall be used for any purpose by anyone but the client specified in this report.

### **Property Rights Appraised**

The interest under appraisal is "fee simple" estate, which implies absolute ownership unencumbered by any other interest or estate. Fee simple ownership is subject to government limitations of eminent domain, escheat, police power and taxation.

### **Definition of Market Value**

"Market value" is defined in the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) as set out by the Appraisal Institute of Canada, as follows:

*"The most probable price which a property should bring in a competitive and open market as of the specified date 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 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.”*

Market value may be different from investment value, and value in use.

### **Date of Inspection**

The subject property was inspected on June 10, 2020.

### **Effective Date of Appraisal**

This appraisal report represents the following value:

	Current	X	Retrospective
	Prospective		Update of Report Completed

The effective date at which this value estimate applies is April 23, 2020.

Draft Plan approval was provided by the Local Planning Appeal Tribunal (LPAT) on April 24, 2020. As per Blue Mountain requirements, valuation as of the day prior to plan approval is required for calculation of cash in lieu of parkland dedication.

## **SCOPE OF THE ASSIGNMENT & REPORTING FORMAT**

Each appraisal assignment is unique, differing with the type and size of property being appraised; the complexity and significance of the appraisal assignment; and the intended function of the appraisal.

The scope of the appraisal encompasses the due diligence undertaken by the appraiser (consistent with the terms of reference from the client, the purpose and intended use of the report) and the necessary research and analysis to prepare a report in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) of the Appraisal Institute of Canada. The following comments describe the extent of the process of collecting, confirming and reporting data and its analysis as well as describing relevant procedures.

The client has asked that in addition to typical development costs, costs relating to the land-lease zoning, excavation risk regarding potential for archeologically significant deposits and shallow bedrock soil horizons be considered. Such adjustments are more subjective and case dependent. The appraiser has based these adjustments on information provided by the client in conjunction with analysis of similar developments and interviews with market participants.

### **Inspection**

Jacqueline Boland inspected the property on June 10, 2020. Identification of the property also involved a review of mapping and data sourced from the local municipality, Geowarehouse, etc. The photographs appended were taken on June 10, 2020 at the time of inspection and represent a selection of the larger body of photographs taken and kept within the digital file.

### **Prior Appraisal**

Note that members of the appraisal firm have, in the past, undertaken appraisals on the subject property. These appraisals have been undertaken for separate purposes and have not affected the current appraisal report. In accordance with CUSPAP, it has been determined that there is no conflict of interest in completing the current assignment.

### **Type of Analysis**

The appraisal assignment has been discussed and defined with the client; the work required to undertake the assignment planned; and the necessary market data acquired, analysed, and reconciled into an estimate of the market value.

### **Data Research**

Instructions were received from Mr. Jay Beech, who provided information on the property. Mr. Andrew Pascuzzo of Pascuzzo Planning provided the Plan Approval and zoning amendment decisions from the Ontario's Local Planning Appeal Tribunal. Publications produced by the Town of Blue Mountains and County of Grey provided information on applicable land use controls. Sources of market evidence included, as appropriate, the local real estate board (MLS), the Toronto Real Estate Board (TREB) and real estate agents, vendors and purchasers active in the market. Further property details were provided through Agriculture and Agri-Food Canada soil maps, Land Title

Office transactions - including those reported by Data Systems and local assessors. Geowarehouse provided information on the state of title.

The specific tasks and items necessary to complete this assignment included the following:

- Assembly and analyses of relevant information pertaining to the property being appraised, including acquisition particulars if acquired within five years prior to the date of appraisal;
- An inspection of the subject property and the surrounding area;
- Assembly and analyses of pertinent economic and market data;
- An analysis of land use controls pertaining to the subject property;
- An in-depth discussion and statement of Highest and Best Use;
- A discussion of the appraisal methodologies and procedures employed in arriving at indications of value;
- Inclusion of all appropriate photographs, maps, graphics, and addenda/exhibits; and
- Reconciliation of the collected data into an estimate of current market value as at the effective date of the appraisal.

The report has been completed in narrative report format.

#### **AUDITS AND TECHNICAL INVESTIGATIONS**

I did not complete technical investigations such as:

- Detailed inspections or engineering review of the structure, roof or mechanical systems of the residential dwelling;
- An environmental review of the property;
- Archeological surveys taken of the property;
- A building survey; or
- Investigations into the bearing qualities of the soils.

#### **Soil/Environmental**

At time of inspection, there are no visible signs that the land has been used for purposes which may have resulted in contamination; however, the services of a qualified professional would be required to confirm the condition of the soils. No information has been provided with respect to any environmental audits as it pertains to the subject property and no environmental audits have, to the appraisers' knowledge, been recently carried out. The valuation estimate herein is based upon the assumption that there are no hidden or unusual soil conditions present, particularly in the form of contamination, which may affect the marketability, utility or value of the land.

#### **Structural Integrity**

The appraiser is not qualified to determine the structural integrity of the building, the services of a qualified professional would be required to confirm structural integrity. The appraiser makes no representation or warranties applicable to the condition or suitability of the electrical system, HVAC system or roof membrane.

**Construction Materials**

The age of the building is such that various materials of construction now considered hazardous may have been used, such as lead paint, asbestos, urea formaldehyde foam insulation, etc. At time of inspection no potentially hazardous materials were observed, however the appraiser is not qualified to detect such existence, the services of a qualified professional would be required to confirm the absence of hazardous materials in improvements. No information has been provided with respect to any environmental audits as it pertains to the subject property. The existence of such substances may have an effect on the value of the property. For purposes of this report it is assumed that no materials were used in the construction of the building that would be found to be hazardous, nor any other materials which would cause a loss in value.

**Personal Property**

No attempt has been made to value any personal property or chattels contained or associated with the subject property.

**VERIFICATION OF THIRD-PARTY INFORMATION**

All data considered appropriate for inclusion in the appraisal is, to the best of our knowledge, factual.

While care has been taken with respect to the use of data and supporting information, any errors and/or omissions or corrections should be brought to the attention of the appraiser for immediate correction.

## EXTRAORDINARY ITEMS

A number of ordinary assumptions and limiting conditions have been undertaken in the making of this report and are detailed in the Addendum. In addition, certain reports require further extraordinary assumptions, extraordinary limiting conditions, hypothetical conditions, and/or jurisdictional exceptions. Definitions of these are detailed below. The following table indicates which, if any, of these have been undertaken.

Extraordinary Assumptions and Extraordinary Limiting Conditions	Retrospective Value Single Contiguous Property As If Vacant Valuation Approaches Employed Development Risk Adjustments COVID-19
Hypothetical Conditions	Single Property As If Vacant
Jurisdictional Exception	None

### EXTRAORDINARY ASSUMPTIONS AND EXTRAORDINARY LIMITING CONDITIONS

An extraordinary assumption is a hypothesis, either supposed or unconfirmed, which, if not true, could alter the appraiser's opinions and conclusions (e.g. an absence of contamination where such contamination is possible, the presence of a municipal sanitary sewer where unknown or uncertain). An extraordinary limiting condition is a necessary modification or exclusion of a Standard Rule which must be explained and justified by the appraiser (e.g. exclusion of a relevant valuation approach). The appraiser must conclude, before accepting an assignment invoking an Extraordinary Limiting Condition, that the scope of the work applied will result in opinions and conclusions which are credible.

#### Retrospective Valuation

The report provides a retrospective market valuation dated April 23, 2020. The inspection was completed on June 10, 2020. As such information regarding the condition and physical characteristics of the subject property is based upon information derived from the inspection modified by any further information provided by the client. If the condition of the property is discovered to have been different as of the effective date, the appraised value may be altered.

#### Single Contiguous Property As If Vacant

The subject property is comprised of three separate parcels of land, each with its own Roll # and PIN. The parcels are identified through the registry office under Property Identification Numbers (PINs) #37313-0088, #37313-0103 and #37313-0062 and through MPAC for assessment purposes under three separate Roll numbers, Roll #4242-000-003-347-00-0000, Roll #4242-000-003-366-00-0000 and Roll #4242-000-003-369-00-0000. The properties were purchased at different times and are registered to two different, though related, companies, Parbridge Lifestyle Communities Inc. and Belmac Estate Properties Inc. The valuation assumes the overall property as a single parcel of land.

The three parcels are non-contiguous, the two larger properties are located on the south side of Lakeshore Road East and the third property, identified as Roll #4242-000-003-369-00-0000, is located on the north side of Lakeshore Road East.

The smaller parcel of land at the east end, identified as 208 Lakeshore Road East, Roll #4242-000-003-366-00-0000, is improved with a detached single family dwelling.

The valuation assumes a physical segment of the overall property as contiguous and 'As If Vacant', excluding residential improvements.

### **Valuation Approaches Employed**

An appraisal standard has been excluded as the Cost Approach and Income Approach have not been employed in the valuation of the subject property. Both approaches are of limited relevance in the determination of current market value for vacant land properties. Buyers and sellers in the marketplace rely heavily on the sale of similar properties in the marketplace. The exclusion of these valuation approaches has not restricted the ability to appraise the subject property.

### **Development Risk Adjustments**

The client has asked that in addition to typical development costs, costs relating to the land-lease zoning, excavation risk regarding potential for archeologically significant deposits and shallow bedrock soil horizons be considered. Such adjustments are more subjective and case dependent. The appraiser has based these adjustments on information provided by the client in conjunction with analysis of similar developments and interviews with market participants and has attempted to replicate market considerations. Should the actual costs and /or level of risk associated with such items be found to be significantly different from what is estimated in the report, the valuation herein may be altered.

### **COVID-19**

As of the effective date of this report, Canada and the global community are 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.

### **HYPOTHETICAL CONDITIONS**

Hypothetical conditions may be used when they are required for legal purposes, for purposes of reasonable analysis or for purposes of comparison. Common hypothetical conditions include proposed improvements and prospective appraisals. For every Hypothetical Condition, an Extraordinary Assumption is required (see above). An analysis based on a hypothetical condition must not result in an appraisal report that is misleading, or that relies on actions or events that would be illegal or improbable within the context of the assignment.

**Single Contiguous Property As if Vacant**

A Hypothetical Condition is being cited pertaining to the configuration and condition of the subject property. The appraisal property is comprised of three parcels, each with its own Roll # and PIN, one of which is improved with a detached dwelling and another which is physically separated from the larger properties by the Georgian Trail. The market value estimate expressed in this report assumes a single 67.51 acre contiguous parcel of land 'As If Vacant.

**JURISDICTIONAL EXCEPTION**

The Jurisdictional Exception permits the appraiser to disregard a part or parts of CUSPAP determined to be contrary to law or public policy in a given jurisdiction and only that part shall be void and of no force or effect in that jurisdiction.






None






# PROPERTY DETAILS

## IDENTIFICATION OF THE PROPERTY

### Legal Description

The subject property at 161 / 208 Lakeshore Rd. E is legally described as Lot 172 and Part Lots 161 and 173, Registered Plan 529, in the Town of Blue Mountains, in the County of Grey and the Province of Ontario. Roll #4242-000-003-347-00-0000, Roll #4242-000-003-366-00-0000 and Roll #4242-000-003-369-00-0000. Property Identification Number (PIN) #37313-0088, (PIN) # 37313-0103 and (PIN) #37313-0062.

Title Information			
161 Lakeshore Rd E, The Blue Mountains, L9Y0M9 <a href="#">Suggest an address correction</a>			
 Owner Name PARKBRIDGE LIFESTYLE COMMUNITIES INC.	 Last Sale <b>\$1,156,000</b> Dec 16, 2015	 Lot Size NOT AVAILABLE <a href="#">View Measurements</a>	 Assessed Value <b>\$2,424,000</b> Based on Jan 1, 2016
			 Phased-In Value <b>\$2,424,000</b> 2020 Tax Year
Legal Description <a href="#">📄</a> PT LT 161 PL 529 COLLINGWOOD AS IN R311088 TOWN OF THE BLUE MOUNTAINS			
GeoWarehouse Address 161 LAKESHORE RD E, THE BLUE MOUNTAINS, L9Y0M9		Ownership Type Freehold	Registration Type Certified (Land Titles)
Land Registry Office Grey (16)		Land Registry Status Active	PIN 373130088
Owner Names PARKBRIDGE LIFESTYLE COMMUNITIES INC.			

Title Information			
208 Lakeshore Rd E, The Blue Mountains, L9Y0M9 <a href="#">Suggest an address correction</a>			
 Owner Name BELMAC ESTATE PROPERTIES INC.	 Last Sale <b>\$447,500</b> May 17, 2016	 Lot Size NOT AVAILABLE <a href="#">View Measurements</a>	 Assessed Value <b>\$447,000</b> Based on Jan 1, 2016
			 Phased-In Value <b>\$447,000</b> 2020 Tax Year
Legal Description <a href="#">📄</a> LT 172 PL 529 COLLINGWOOD; PT LT 173 PL 529 COLLINGWOOD PT 2 16R6640; THE BLUE MOUNTAINS			
GeoWarehouse Address 208 LAKESHORE RD E, THE BLUE MOUNTAINS, L9Y0M9		Ownership Type Freehold	Registration Type Certified (Land Titles)
Land Registry Office Grey (16)		Land Registry Status Active	PIN 373130103
Owner Names BELMAC ESTATE PROPERTIES INC.			

## Title Information

Blue Mountains

[Suggest an address correction](#)



Owner Name

PARKBRIDGE LIFESTYLE  
COMMUNITIES INC.



Last Sale

**\$169,000**

Mar 29, 2017



Lot Size

**919.55 ft**

Frontage

**N/A**

Depth

[View Measurements](#)



Assessed Value

**\$119,000**

Based on Jan 1, 2016

Phased-In Value

**\$119,000**

2020 Tax Year

Legal Description [📄](#)

PT LT 169 PL 529 COLLINGWOOD PT 2 16R3194; THE BLUE MOUNTAINS

GeoWarehouse Address

BLUE MOUNTAINS

Land Registry Office

Grey (16)

Owner Names

PARKBRIDGE LIFESTYLE COMMUNITIES INC.

Ownership Type

Freehold

Land Registry Status

Active

Registration Type

Certified (Land Titles)

PIN

373130062

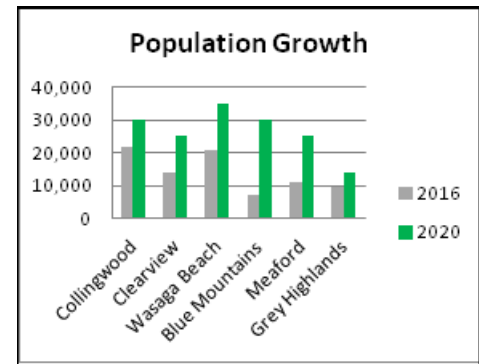
## AREA AND MUNICIPAL ANALYSIS

The Georgian Triangle is an assemblage of increasingly tourism and retirement oriented neighbouring municipalities in the southern Georgian Bay area, encompassing Meaford, the Town of The Blue Mountains, Collingwood, Clearview, Wasaga Beach and the Grey Highlands. The region is considered a significant recreational destination area, typically associated with the various ski hills and the waters of Georgian Bay, as well as escarpment natural areas, hiking trails and facilities attracting cyclists.



Parts of the region have undergone dynamic changes from a rural-based agriculturally-oriented economy to one that is more based in tourism and recreation. Residential activity gained strength in 2015 following a period of inactivity and stalled growth. The last five years have presented a transfer of the supply versus demand curve from a buyers' market to a sellers' market, most notably in the Town of The Blue Mountains, Wasaga Beach, Collingwood and some of the smaller villages like Stayner. Developments that had been dormant for a number of years have now seen renewed interest. In addition, there was an increase in the amount of cases of multiple offerings in 2016 and 2017. Residential market activity quieted in 2018, with the federally driven directives creating new mortgage rules and increasing interest rates.

Overall, growth for the region has been expected to increase 134% from 2002 to 2020. Much of the growth to date has occurred in the eastern areas of the region. An opportunities analysis of the Georgian Triangle, undertaken by the Centre for Business and Economic Development and Human Resources Development Canada from 2003, concludes that future growth trends are expected to follow a westward path within the region; while the report may be somewhat dated, the overall, trends remain in place.



### Market Drivers

The dramatic degree of development taking place throughout the Georgian Triangle is driven by three major trends:

- 1) Higher degree of seasonal residential use,
- 2) extending periods of seasonal utility and increased types of activity and/or recreational amenities; and
- 3) the demographic shift with seniors becoming an increasingly larger portion of the economy.

Population growth is expected to come from nearby higher density urban areas like the Greater Toronto Area (GTA) as well as from market participants looking to retire, adding secondary recreational properties and/or looking for lifestyle changes.

The rural character of the district is changing as a result, with active farms increasingly interspersed with weekend homes, rural residential properties and hobby farms. New builds are predominantly low-density residential development near recreational elements, as more inhabitants purchase secondary houses to augment their urban Toronto lifestyle or move from urban Toronto areas, changing social and environmental values.

Historically the areas west of Wasaga Beach displayed significant seasonality, with the majority of tourist visits occurring in the winter. Investments by Intrawest and their successors expanded summer activity-based tourism through mountain biking, and other amenities. Former shoulder seasons of spring and fall have been further bolstered by increased and/or target marketed local amenities serving the recreational population, plus an increased interest in multi-season activities such as road biking and hiking.

The demographics show an aging residential population coupled with an influx of retirees, concentrated within certain municipalities. Within the major urban centres of the Georgian Triangle, seniors (ages 65 and over) represent over 1.5 times the provincial concentration, comprising an estimated 29% of the overall population in 2016.

	Ontario	Collingwood	Blue Mountains	Wasaga Beach	Meaford	Owen Sound	Total Urban Centres
Percentage	17%	26%	33%	33%	28%	25%	29%
Ratio to Ontario		1.57	1.99	1.99	1.67	1.49	1.71

Source: Statistics Canada 2016

The majority of developments in the Blue Mountain area and surrounding boundary areas are targeted for seasonal residential use. In some cases, no local marketing for the subdivision was undertaken. More balanced seasonal and permanent residential use is targeted elsewhere in the Georgian Triangle, with urban development focusing more on senior markets. Advertisements commonly depict older active couples rather than young families.

The implications of growth are wide ranging, with expanding demands for services. While providing good potential for commercial demand, this growth could possibly place future burdens on everything from transportation systems to public works and social services.

## TOWN OF THE BLUE MOUNTAINS

The Town of The Blue Mountains is located near the centre of the southern shore of Georgian Bay, some 35 to 50 km east of Owen Sound and 160 km north from Metro Toronto. The Town shares borders with the Municipalities of Collingwood, Meaford, Clearview and Grey Highlands and is part of the area referred to as the Georgian Triangle (which includes Collingwood, Blue Mountains, Wasaga Beach and Meaford). The Niagara Escarpment extends southerly to northerly through the Municipality. The Beaver River bisects the north-west quadrant of the town.

Thornbury and the adjacent Village of Clarksburg in the north-west section of the Town are the main urban centres. There are twelve smaller hamlets dispersed throughout the Municipality: The Village at Blue, Heathcote, Redwing, Duncan, Little Germany, Ravenna, Victoria Corners, Loree, Kolapore, Banks, Gibraltar, Castle Glen, Slabtown, Swiss Meadows, Camperdown and Lora Bay.



The major highway running east-west through the Town of The Blue Mountains is Highway 26, which provides a connecting link to Ontario's main north-south highway, Highway 400, and thus to Ontario's main east-west highway, Highway 401. County Roads No. 13 and No. 4 extend southerly to the east and west of Thornbury. County Road No. 19 follows the base of the escarpment in a north-south direction and then westerly to meet with County Road No. 2 at Kolapore.

The town offers a number of recreational attractions, including multiple ski hills, waterfront areas, hiking trails, biking paths, parks, etc. and enjoys a good amount of tourist visitation.

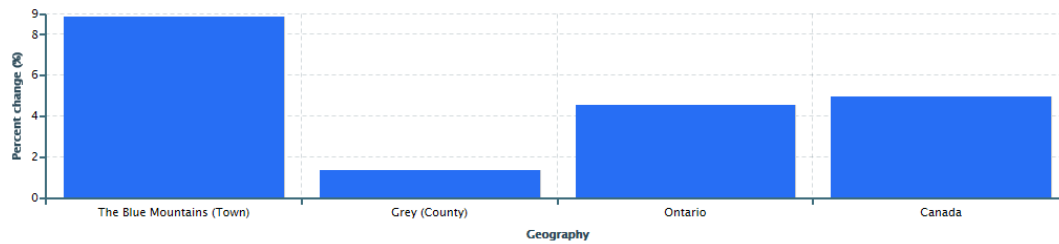
Predominate land use throughout the Town was agricultural. Much of the land remains in its natural state, due to the rocky terrain of the Niagara Escarpment and the potential for flooding along the course of the Beaver River and its tributaries.

### Demographics

In 2016, the population of the Town of the Blue Mountains was 7,025, representing a growth of 8.9% from 2011, roughly 50% higher than the provincial average of 4.6% and the national average of 5.0%. This strong growth is not representative of the county as a whole, which continues to see relatively stable growth of less than 2%, but represents increased interest in secondary, seasonal housing and recreational attractions within the Blue Mountains.

Figure 1.2 description

**Population change (in percentage) for The Blue Mountains and higher level geographies, 2011 to 2016**



Source: Statistics Canada. Focus on Geography Series, Census 2016.

Due to the area's impressive four-season recreational amenities, the town's population consists of more seasonal residents than permanent. Weekend visitors can bring the population up to 30,000. Permanent resident growth has been further augmented by growth in part-time residents in the Blue Mountains, which is predicted to translate into future permanent growth. A common rule of thumb is that 10% of part-time residents should become permanent population during each five-year period. Historically, seasonal use was highly skewed towards winter months. Current seasonal visits appear to be growing through the summer and decreasing the spring and fall 'shoulder seasons'.

Accelerating growth trends continue to influence demographics in the area. The Town continues to witness a changing demographic composition of the community with seniors becoming an increasingly larger portion of the population. The community is seniors oriented, with this age group projected to drive the majority of the growth in the near future. The median age of the population was 54.2 in 2011, considerably higher than the provincial median age of 40.4, reflecting a high proportion of senior residents in the area. Seniors (people age 65 and up) represented 28.5% of the Town of The Blue Mountains' population versus only 14.8% for the national average.

The senior cohort is estimated to grow to 38% by 2021, adding a further 2,335 senior residents to the area (permanent and part-time) according to the Town of The Blue Mountains Development Charges Background Study, completed in 2005 by Monteith Brown Planning Consultants. This increase is expected to come from a combination of typical aging of the community and attraction to the area of new seniors.

The vast majority of people currently living in the Blue Mountains are third generation or more residents (nearly 65% versus Ontario's average of 46.5%). Less than 1% of the population are visible minorities (versus 22.8% for the Province of Ontario). As such, the culture is quite homogeneous. Much of the population that has moved to the Blue Mountain area has come from within the province. Nearly 19% of the 2011 population moved to the area from within Ontario in the last twelve years.

In 2016, there were 3,271 private dwellings in the Town of The Blue Mountains occupied by usual residents, increasing by close to 15% from 2,846 in 2011. In 2011, single detached homes in the Town of The Blue Mountains represented 83.5% of housing compared to 55.6% for the province. Residential housing is projected to double within the next decade. Prior data indicates that Thornbury contains the largest population with nearly 2,000 permanent residents and an additional 700 in the adjacent hamlet of Clarksburg, comprising of nearly 40% of the town's population when combined. The

Craigleith/Blue Mountain Village is the second largest area with combined permanent residents of approximately 1,700, 24% of the overall permanent population. Most of the smaller hamlets and rural areas mentioned above have permanent populations of less than 300 people. The majority of growth is expected to take place in the urban settlement areas.

### **Economic Drivers**

The Town has a significant agricultural influence. Apple production is atypically strong, with good soil conditions and the 'Lake Effect', which means moderated climates in areas within 50km of Lake Huron's Georgian Bay.

General market trends remained relatively stable throughout 2012 through 2014. Demand began to increase in late 2014, matched with large amounts of pent-up inventory, which had the effect of increasing activity but had very little effect on pricing. Demand remained strong throughout 2015 and the pendulum shifted towards more of a seller's market in late summer to early fall of 2015. Activity levels were quite strong throughout this period, further buoyed by easy year, over year comparisons. Strong demand continued from 2016 to 2018 and began to level out in 2019. In early 2020, market activity dropped significantly as a result of COVID-19 social distancing and a wait and see environment; for the period from March 15, 2020 to May 15, 2020, the number of resales of residential dwellings dropped by 54% from the same period in 2019.

Currently, the Town also has a number of developments in planning and building phases, including Peaks Meadows, Peaks Ridge/Ridge Estates, further phases at Lora Bay, Parkbridge Development (Craigleith Ridge), Home Farm Subdivision, Windfall, Applevale Properties Limited (Ashbury Court), Sleepy Hollow West, Sleepy Hollow East and Delphi Court as well as the Telfer subdivision.

There is a considerable income difference between the Town's permanent and seasonal residents. The Town of The Blue Mountains' median individual income was \$34,694 in 2010 and the median household income was \$66,428 according to the 2011 NHS survey; roughly in line with the provincial median income. Discretionary spending in the area is proportionately high, likely due to the propensity of tourists, part-time residents and the high proportion of seniors.


Commercial growth in the Blue Mountain development is quite concentrated, within excess of 100,000 square feet of commercial space at the base of the mountain and limited rural village commercial in both Thornbury and Clarksburg. Thornbury's commercial sector has been enjoying strong expansion recently, with the addition of a new grocery store, gas station and separate LCBO building, all in the west end of the village along Highway 26. There has also been good interest in vacant land and resales in the area.

### **History**

The Town was formed on January 1, 1998 through the amalgamation of the former Township of Collingwood and the Town of Thornbury.

# NEIGHBOURHOOD ANALYSIS

## NEIGHBOURHOOD DESCRIPTION

Location			
			
DISTANCE TO:			
Transit	Less than 1km	School	Thornbury, Meaford, Collingwood
Shopping	Collingwood	Employment Source	Collingwood

NEIGHBOURHOOD PROFILE	
Trend	Improving
Nature of District	Recreational / Residential
Type of Improvements	Residential
Percentage Built-up	60%
Dominant Age of Improvement	New to 50+ Years
Value Range	Variable
Market Appeal	Average
Resale Possibilities	Average
Ability to Rent Property	Average to Good

The subject property is located in the northeast quadrant of the Town of the Blue Mountains in a small hamlet known as Craigeleith. The general area is a mixed residential and recreational area in close proximity to the waters of Georgian Bay to the north, and public and private ski hills to the south. Highway 26 is a main thoroughfare bisecting the neighbourhood and connecting Barrie and the Town of Collingwood to the east to the Village of Thornbury and Meaford and Owen Sound beyond to the west. The immediate area is comprised of a mix of seasonal chalets and cottages, custom built

detached single family residences and townhouse style condominium complexes. The property is in close proximity to Northwinds Beach area and a recreational trail system that runs between Collingwood and Meaford. This residential neighbourhood is considered to be stable. While properties on Highway 26 tend to experience some adverse influence related to traffic, no negative influences regarding the subject site have been noted.

The neighbourhood would be considered desirable and is seen to be improving, with upscale developments and large residential estate properties with executive style dwellings replacing older detached single family dwellings and seasonal chalets.

Many of the properties in the area are used part time in connection with the local public and private ski hills.

Market appeal, resale possibilities of the properties are considered good, given its proximity to the ski hills and the waters of Georgian Bay.

## SITE AND IMPROVEMENTS DESCRIPTION

### SITE SERVICES

X	Paved Roads	X	Telephone		Sanitary Sewer
	Gravel Road	X	Gas	X	Septic
	Sidewalk	X	Municipal Water		Storm Sewer
	Curbs		Well - Private	X	Open Ditch
	Streetlights		Well – Communal		Gutters
X	Hydro	X	High-Speed Internet		Street Parking
X	Fire Protection	X	Police Protection		On-Site Parking

The subject property is accessed via Lakeshore Road East and Grey Road 19. Both roads are year-round municipal roadways. The property is serviced with municipal water service and a private septic system. Sufficient capacity exists for future potential densities associated with the subject property.

### SITE DESCRIPTION

Civic Address	161 / 208 Lakeshore Rd. E, Blue Mountains
Area	67.51 Acres (Plan)
Topography	Level to Sloping
Configuration	Irregular
Soil Type	Gs – Granby – Sand Wsl – Waterloo – Sandy Loam Ksc – Kemble – Silty Clay MC – Morley - Clay
Drainage	Variable
Cultivated Acres	None
Easements	None Known
Assemblage	Yes
Title Searched	Registry Information Provided Through Geowarehouse

The subject site is a multi-acre, irregularly shaped property, measuring approximately 67.51 acres, as per plan provided by the client. The property is located within a desirable area, in close proximity to private and public ski hills. The property enjoys views of the ski hills to the south and obstructed views to the waters of Georgian Bay to the north. The property is bisected by a small creek running through the east side of the property from north to south and along a larger waterway running east west. The location of the creek at the eastern boundary of the property is not expected to impact development potential. The property includes a forested area to the southwest at the bottom of a ridged area. The remainder of the property consists of overgrown meadow.

The subject site under valuation is being considered 'As If Vacant'. Site improvements include a double gravel driveway, sodded lawns, some established natural trees and garden areas. While no information was available regarding deeded beach access, the surrounding properties include this feature. We do not know of any easements that would adversely affect the site's use.

Information provided from Mr. Jay Beech at Parkbridge Lifestyle Communities Inc. indicates that the areas of soil horizon present significant bedrock deposits. Information

from the company is based on prior test pit investigations by Peto MacCallum Ltd., who, in their March 30, 2017 report, concluded that shallow bedrock was encountered at 1.6 m to 2.5m depth in three of five test pits and that these results were in keeping with prior test pits and boreholes conducted in the lower lying part of the subject property. C.F. Crozier & Associates Inc. has assigned an additional \$200,000 in rock breaking allowance for sanitary sewer and servicing. Mr. Beech has indicated a high probability of the requirement for additional costs.

The subject property is located in an area that has been identified as having potential archaeological significance. Archaeological artifacts have in the past been found on the property. A stage 1-2 archaeological assessment of the property conducted by Archaeological Services Inc. in 2015, identified 3 archaeological sites in addition to a previously identified archaeological site identified as the Plater-Fleming site. Some of the areas, including the Plater-Fleming site, were recommended for long term protection which includes construction monitoring of the site during development. The entire Craighleith Ridge development was recommended for construction monitoring during initial earthworks and topsoil removal, to identify and deeply buried archaeological significant deposits. The Plater-Fleming site includes a suspected ossuary.

Properties in the immediate vicinity consist of single family dwellings, ski chalets, waterfront cottages and some commercial highway improvements. The adjoining property to the south has been advertised as a potential site for an employee village development, wherein high density development would be considered for seasonal or permanent worker rentals; as of the valuation date this development is speculative.

### **Existing Use**

As If Vacant Land

## **ASSESSMENT AND TAXES**

The Municipal Property Assessment Record identifies the subject property by Municipal Roll # 4242-000-003-347-00-0000. The total assessed value based on a January 1, 2016 current value assessment is \$2,424,000. The phased-in assessed value for the 2020 taxation year, the fourth year of a four-year phase-in, is \$2,424,000.

The Municipal Property Assessment Record identifies the subject property by Municipal Roll # 4242-000-003-366-00-0000. The total assessed value based on a January 1, 2016 current value assessment is \$447,000. The phased-in assessed value for the 2020 taxation year, the fourth year of a four-year phase-in, is \$447,000.

The Municipal Property Assessment Record identifies the subject property by Municipal Roll # 4242-000-003-369-00-0000. The total assessed value based on a January 1, 2016 current value assessment is \$119,000. The phased-in assessed value for the 2020 taxation year, the fourth year of a four-year phase-in, is \$119,000.

Tax rates have yet to be established for the current taxation year and, as such, no opinion has been given with respect to the taxes as it relates to the current year.

No opinion has been given with respect to the assessment as it relates to similar properties in the vicinity nor as it relates to the market value derived in this report.

Property assessment in the Province of Ontario is the sole responsibility of the Municipal Property Assessment Corporation (MPAC), a not-for-profit organization whose main responsibility is to provide property assessments for municipal use. Every Municipality in Ontario is a member of MPAC.

## SALES HISTORY AND LISTING HISTORY

As required by the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP), as set out by the Appraisal Institute of Canada, a historical search of MLS, MPAC and Geowarehouse for any marketing or transfer activity over the last five years for the subject properties was carried out. The following table details the sales history for the prior five-year period.

### Larger Segment

Sale Date	December 16, 2015	Sale Price	\$1,156,000
Vendor	Barbara Fogel (236779 Ontario Limited)	Purchaser	Parkbridge Lifestyle Communities Inc.
Source	MLS #SG373130088	List Price	\$1,400,000 (Last List Price)
List Date	July 17, 2014	Days on Market	258 Non-Contiguous

The larger segment of the property (161 Lakeshore Road East) was listed on January 14, 2014 for \$1,850,000, the listing expired on July 1, 2014 as per SG20140295 and BD1400266. The property was relisted on July 18, 2014 for \$1,650,000, was reduced on December 22, 2014 to \$1,400,000. A conditional offer was received on February 23, 2015 and the listing was cancelled on December 15, 2015, all as per SG272130088 and BD1405001. The property was purchased December 16, 2015 for \$1,156,000. Since time of purchase, the property has undertaken many of the requirements necessary for plan approval, including an archaeological analysis and further professional consulting.

This property had historically been the subject of a significant stigma over the last several years. A 'caution' had been placed on title with respect to a long standing and heavily contested marital matter between the parties involved. This has had the effect of suspending any transfer of the property pending court decisions. In addition, archeological artifacts had been found on the property, putting higher risk on development potential.

### Eastern Segment

Sale Date	April 11, 2016	Sale Price	\$447,500
Vendor	Marcella Keith	Purchaser	Parkbridge Lifestyle Communities Ltd.
Source	MLS #SG1600627	List Price	\$479,000
List Date	January 11, 2016	Days on Market	1,355 (552 at last list price)

The smaller northeastern segment (208 Lakeshore Road East) was most recently listed on January 11, 2016 for \$479,000, received a conditional offer to purchase of \$457,500 on February 25, 2016 and was purchased on April 18, 2016 for \$447,500, as per MLS SG1600627 and information provided from the purchaser at time of sale.

Prior to this listing, the property was listed somewhat consecutively since April 27, 2012, at prices from \$549,900 to the current list price of \$479,000 as detailed herein, for a total list time of 1,355 days. In addition, the property was listed on a less consecutive basis throughout the period of January 16, 2006 to December 31, 2011, with a list price of

\$880,000 to \$649,900, totalling an additional 2,040 days. The following table details the prior listings.

List Date	Beginning List Price	Expiry Date	Days on Market	MLS #	End List Price
Jan 16/06	\$880,000	Jan 13/07	365	20060187	\$880,000
Jan 16/07	\$880,000	Dec 15/07	335	20070204	\$880,000
Dec 20/07	\$750,000	Dec 30/09	743	20075510	\$750,000
May 13/10	\$749,900	Jan 15/11	248	20102654	\$699,900
Jan 18/11	\$649,900	Dec 31/11	349	20110298	\$649,900
Apr 27/12	\$549,900	Dec 31/12	248	20122363	\$499,000
Jan 8/13	\$499,000	Jun 30/13	174	20130157	\$499,000
Jul 10/13	\$499,000	Dec 31/13	175	20133747	\$499,000
Jan 2/14	\$499,000	May 1/14	120	20140019	\$499,000
Jul 2/14	\$479,000	Jun 30/15	368	20143454	\$479,000
Jul 3/15	\$479,000	Jan 1/16	184	1547564	\$479,000

Note that the list price was historically aggressive, with the vendors marketing the Highest and Best Use as development land and citing opinion letters from the Town of the Blue Mountains outlining potential for the development of 12-16 units of townhouse style residential dwellings.

#### Small Front Segment

Sale Date	March 23, 2017	Sale Price	\$169,000
Vendor	Margaret Metcalfe, High Metcalfe	Purchaser	Parkbridge Lifestyle Communities Ltd.
Source	MLS #GB4242000-0036900 / SG20135775	List Price	\$189,900
List Date	November 17, 2016	Days on Market	1,007 Non-contiguous

The smaller front section of the subject property that fronts onto the Georgian Trail and backs onto Lakeshore Road East was most recently listed on November 17, 2016 at \$189,900 and was purchased on March 23, 2017, as per MLS #GB42420000036900.

Prior to this listing the property was listed on August 4, 2016 and expired on November 4, 2016, as per MLS #GB42420000036900.

The property was also previously listed on October 30, 2013 for \$229,000. The price was reduced on May 22, 2014 to \$209,000 and then again on August 12, 2014 to \$199,999 and expired on January 6, 2015. The property was relisted on January 9, 2015 at \$199,999 and expired on July 1, 2015. It was relisted on July 2, 2015 with a price reduction to \$185,000 and expired on December 29, 2015, all as per MLS #SG20135775.

## LAND USE CONTROLS

### THE OFFICIAL PLAN

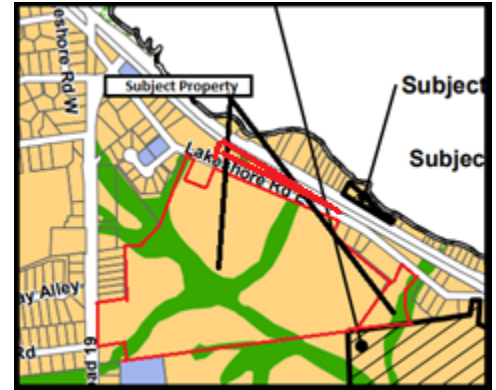
The Official Plan for the Town of Blue Mountains, adopted in June of 2016, designates the subject property as Residential Recreational Area and Hazard.

#### Residential/Recreational Lands

The intent of the Residential/Recreational Lands designation, according to Section B3.7 of the Official Plan, adopted June 2016, is to identify lands with a mix of seasonal, permanent and recreational uses and to provide for residential uses to have access to resort and recreational facilities. Permitted uses include low-density to mid-density residential dwellings, including detached single family, semi-detached, townhouse and low-rise multiple-unit housing. Other permitted uses include accessory apartments in detached single family, semi-detached and townhouse style dwellings, bed and breakfast establishments, home occupations, home daycares, golf courses, and recreational uses, including passive uses, community centres, recreational clubs, etc.

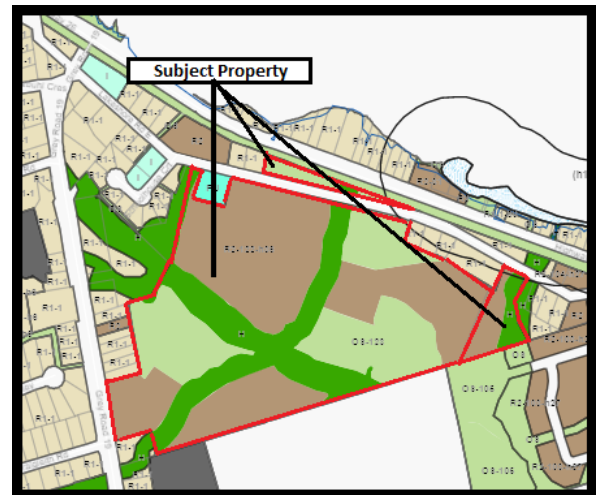
#### Hazard

The intent of the Hazard Lands designation, according to Section B5.4 of the Official Plan, adopted June 2016, is to identify those lands where the natural attributes of the land create physical conditions that limit development, as any development could potentially pose a risk for the occupant and/or property damage. Permitted uses are therefore limited, and include forestry, conservation uses, agricultural uses, resource based recreational uses, essential municipal services and passive uses.



### ZONING

The Town of the Blue Mountains regulates zoning and provisions for the subject property under By-Law 2018-42, approved by the Town on July 9, 2018 and by the Local Planning Appeal Tribunal ((LPAT), previously the Ontario Municipal Board (OMB)), as Sixth Density Residential, Exception 286, Holding Provision (R6-286-h) / Private Open Space (OS2) / Hazard (H). The site has been rezoned by the Town of the Blue Mountains as Second Density Residential, Exception 122, Holding Provision 36 (R2-122-h36) / Open Space, Exception 123 (OS-123) / Hazard (H), integrating the LPAT decisions into the new zoning document under By-Law #2018-65.



### **Second Density Residential, Exception 122 (R2-122)**

This amendment to the zoning permits a maximum of 211 Land Lease Community Homes for the overall subject property, comprised of a minimum of 45 detached single family dwellings and 100 horizontally attached townhouse dwellings, plus a maximum 465 square metre (1,525 square foot) private clubhouse, a maximum 370 square metre (1,213 square foot) private storage facility, as well as accessory uses, buildings and structures.

The exception further stipulates minimum yard setbacks and parking space requirements.

### **Holding Provision, Exception 36 (h36)**

Development is restricted to the existing improvements, plus six model homes (pursuant to a Model Home Agreement with the Town), until such time that all necessary development criteria are met, including servicing, phasing of development, site plan agreement, registration of plan of subdivision, access, etc. and the symbol is removed by an amendment to the by-law.

### **Hazard (H)**

As detailed in Section 8.1, typically permitted uses under the Hazard zone include agricultural uses and passive recreational uses such as forestry, conservation uses, parks, etc.

### **Open Space, Exception 123 (OS-123)**

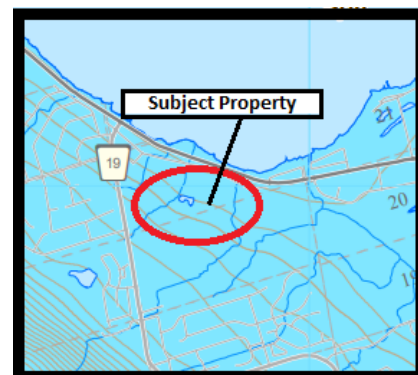
As detailed in Section 8.1, permitted uses under the Open Space zone include passive uses such as forestry, conservation uses, parks, etc. plus agricultural uses, excluding any agricultural accessory structures. Exception 123 extends permitted uses to include Private Recreation Use and allows for the construction of new buildings and structures of up to 50 square metres (538 square feet) of gross floor area for an outdoor or private recreation use, or a private park.

### **Provisions**

No survey documentation has been provided, nor have any field measurements been taken to determine the subject property's compliance with zoning provisions. Current property as if vacant is assumed to conform to current land use controls.

### **Niagara Escarpment Plan (NEP)**

The subject property falls under the Niagara Escarpment Plan Development Area. Properties within this area require permits from the Niagara Escarpment Commission in addition to the normal review provided by the Municipality. The Plan is a provincially run environmental land use plan designed to protect and sustain the natural features of the Niagara Escarpment. The area identified by The Plan has been designated by UNESCO as a World Biosphere Reserve. The Plan was updated on May 18, 2017, the update came into effect on June 1, 2017.



The subject property is designated as Escarpment Rural Area within the NEP. Properties within this designation are typically located in areas of existing or potential recreational development and is created to minimize negative impacts of recreational development on the environment. The objectives of the Escarpment Recreation Area designation according to Section 1.8 of the Niagara Escarpment Plan are to recognize the importance of the tourism sector in the Town of The Blue Mountains area while ensuring that future recreational development is compatible with local habitats.

Permitted uses are set out in Subsection 1.8 and include, but are not limited to, existing uses, agricultural operations, detached single family dwellings, recreational facilities (such as ski runs and lifts, etc. that require the escarpment slope), commercial development associated with recreational attractions (such as marinas, retail stores, trail activities, golf courses, billboards, accessory uses, infrastructure), and uses as described within the Blue Mountain Official Plan. Permitted uses also include any subsequent amendments where such amendments are not in conflict with the NEP, as well as forest, wildlife and fisheries management, accessory buildings and structures, as well as small scale commercial uses accessory to agriculture and incidental uses.

## **CONCLUSION**

The subject property's current use as vacant residential land conforms to the current Official Plan designation and zoning requirements as it pertains to permitted use and to current provisions, based on information available to the appraiser. Excerpts of the documents are contained in the Addenda of this report.

## CHARACTERISTICS OF THE MARKET

### **Economic Volatility Anticipated From COVID-19 Virus: Creating History**

As of the effective date, the global economy had been swiftly and heavily hit as a result of the spread of the Novel Coronavirus (COVID-19) and health imperatives requiring social distancing. The outbreak was officially classified as a pandemic on March 11, 2020. The 2003 SARS outbreak provided some perspective on how the markets react to fast-spreading health issues, creating volatile markets; stock market participants fear what they cannot accurately measure, and conservatism becomes prevalent. News was rapidly evolving on the pandemic and significant political decisions were being made daily revolving around social distancing.

Economists were downgrading near term economic forecasts with expectations of unprecedented declines in GDP and employment, following announcements of historic EI applications and the (mostly) temporary closing of many businesses. Governments and central banks responded with unprecedented levels of support to help mitigate the pandemic driven contraction in world oil prices and the global economy. In March, GDP output dropped an estimated 9% month to month, implying an annualized contraction of between 9% and 11% for the first quarter, in line with 2007/2008 financial crisis levels.

### **Ultra-Low Interest Rates**

As of April 20, 2020, TD bank decreased its forecasts for Canadian GDP growth for the second quarter 2020 (Q2/20) to -42%, following a weak first quarter reduction in GDP of 9.7%. A strong turnaround was forecast for the second half of 2020, with GDP growth of 32.6% forecast for the third quarter of 2020, prompted by government support to credit flows, liquidity and incomes and a late May relaxation of some distancing requirements. Canada's economic recovery was anticipated to be slower than the US, because of the countries heavier reliance on the hard-hit energy sector.

In both Canada and the US stimulus policies were being put in place. The economic impact to global supply chain disruptions remained a threat from necessary social distancing measures. Based on the rapidity of measures being put in place, it was hoped that the impact would be contained to a two-month shock. On March 27, 2020 the Bank of Canada lowered its target for the overnight rate to 0.25%. TD forecasts were forecasting that the rate would stay in place for the remainder of the year and for 2021. The speed in the decline in interest rates was without precedent and interest rates reached their lower effective boundary, meaning further rate reductions were unlikely in the near term.

### **Unemployment Skyrocketing Following Shutdowns**

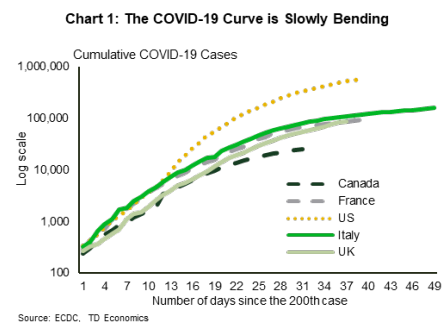
An unprecedented number of Canadians faced layoffs as businesses shut their doors in response to virus lockdown measures and changing demand. March was the worst month for layoffs since the 1930's. More than 22 million people sought unemployment benefits between March 23<sup>rd</sup> and April 20<sup>th</sup>. TD increased their unemployment rate forecast to 16.5% in the second quarter from its pre-pandemic levels of roughly 4%. Canada's biggest drop in employment for a single month prior to this period was a 2.5% drop during the Great Depression. David MacDonald, senior economist at the Canadian Centre for Policy Alternatives told The Toronto Star on March 23<sup>rd</sup> that the longer the pandemic goes on, the larger impact it could have on the labour market.

The goal of government and central bank stimulus was to create a V-shaped economic shock, with hopes of a strong second-half economic turnaround. Measures were undertaken to support the immediate crisis and minimize permanent job losses and business insolvencies in the wake of the pandemic-driven contraction.

While numbers had not yet been posted, the feeling was that the Georgian Triangle region was facing an immediate impact in the local tourist-oriented economic market in addition to overall economic market issues. Tourist oriented businesses rely heavily on revenues from extended holiday periods and the abrupt closing of the ski hills and directives to limit non-essential travel was expected to create economic repercussions in the Blue Mountains and surrounding areas. The outlook for the economy remained fluid, with much uncertainty.

### Short Duration Is Key

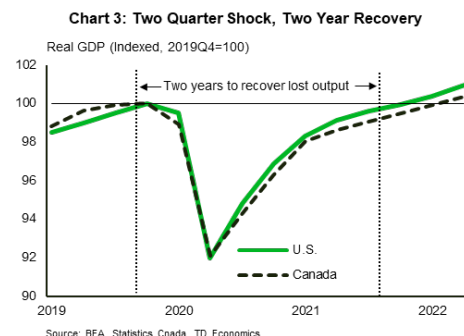
Assuming successful fiscal and monetary policies are once social distancing tactics could be eased, TD economists were anticipating the unemployment rate to level off after a two-month period and hoping it would fall nearly as fast as it rose as workers got called back to work. But the duration of the shock needed to remain contained to two months. In the second week of April early indicators were emerging that the curve was slowly bending.



Social distancing requirements were extended to May in Ontario. Countries around the world, like Germany, Iran, Austria, Denmark and Norway were testing selective relaxation of distancing restrictions. Early phases of these restriction ease were taking cues from shifts in recovery rates. Some of the Asian economies, like Singapore, Japan and Hong Kong, which had less stringent social distancing measures in place, were seeing a second wave of the virus.

Early data from China and other Asian countries that were starting to see slowing in their outbreaks suggested potential for a double-digit GDP recovery, with reports at that time suggesting that 60% of small and medium sized businesses and 90% of manufacturers were now back into operation.

Based on the assumption that restrictions would be limited to the two-month timeframe, TD was forecasting a rebound in the second half of the year. While the scale of the rebound was anticipated to be beyond any historical data, a full recovery was not anticipated for 2020. TD was forecasting 50% of the lost economic activity to be recovered by the end of 2020 for Canada, and 60% for the US. A more complete recovery was not anticipated until the second quarter of 2022. Even so, TD was forecasting long-term changes to anticipated GDP growth.



If instead of easing in May, stringent measures were to last through the summer, the shape of the recovery curve had a higher risk from moving from the Nike shaped V, to a

U, or even an L shaped recovery. TD economists were anticipating that different industries would experience different recovery patterns. Changes in forecasts were not based on historical economic cues as was historically the case, but instead, were contingent on governmental health policies.

**Short Term Hit to Real Estate Market But Poised for Future Strength**

Economists anticipated that the real estate market would experience short-term contractions as economic survival becomes the key focus, but with such low interest rate environments forecasted to remain in place until the end of 2021, the market was felt to be well positioned to make a strong recovery, once the impact of the virus dissipated.

**PART III**

**ANALYSIS AND CONCLUSIONS**

# HIGHEST AND BEST USE

## HIGHEST AND BEST USE

The Appraisal Institute of Canada's CUSPAP 2018 document defines Highest and Best Use 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" (CUSPAP 2.26).

The Highest and Best Use is, therefore, not tied necessarily to the existing value in use but to the potential for exploitation of the property's amenities, the monetary return of an income stream or that achieved when the property is exposed to the market.

In examining the Highest and Best Use of a property, consideration is given to those factors affecting the determination of Highest and Best Use. These factors include: marketability, profitability, financial constraints, managerial constraints, social constraints, statutory limitations, regulatory controls as well as physical and functional limitations.

### Existing Use

The subject property currently consists of a 67.1 acre vacant land parcel in close proximity to both the ski hills and the waters of Georgian Bay. A large waterway runs through the property. Land use controls permit 211 residential land lease units, pursuant to approval of a plan of subdivision, site plan and other plan requirements. The property is located in an area that has potential for archaeological significance and shallow bedrock depth, both of which would have a negative effect on development potential and/or cost.

The subject property is being appraised as a single contiguous parcel 'As If Vacant', as such separate conclusions 'As If Vacant' and 'As Improved' have not been presented.

Legal Permissibility	Designated Residential Recreational Area and Hazard, zoned Second Density Residential, Exception 122, Holding Provision 36 (R2-122-h36) / Open Space, Exception 123 (OS-123) / Hazard (H). Allow For Up to 211 Land Lease Units.
Physical Possibility	Configuration and Topography Present Areas Available for Medium Density Residential Subdivision Development
Financial Feasibility	Good Demand for Residential Properties In Close Proximity to Ski Hills / Waterfront
Maximum Productivity	Medium Density Residential Subdivision Development

### HIGHEST AND BEST USE – CONCLUSION

In the case of the subject property, the Highest and Best Use is considered to be the continuation of its existing use as a land lease residential subdivision development.

## **APPROACHES TO VALUE**

The body of the report presents the scope of the appraisal assignment, identifying the real estate, the effective date of the value estimate, the property rights being appraised, and the type of value sought. Factors affecting the market value of the subject are identified and addressed in the sections encompassing analysis of the general area, the neighbourhood, and site-specific improvements. Utilizing these items, Highest and Best Use has been determined. The current section presents the valuation process, which involves detailing, organizing and analyzing data to estimate the value of the subject property.

When valuing improved properties, three approaches can be used to estimate Market Value: the Cost Approach, the Income Approach and the Direct Comparison Approach.

### **Cost Approach**

This approach recognizes the principle of substitution, which maintains that a knowledgeable purchaser would not pay more for a property than it would cost to construct a property of similar design and utility, assuming no unreasonable delays. In this approach, the market value of the land is added to the depreciated value of the buildings and site improvements.

### **Income Approach**

This approach recognizes the principle of anticipation and is based on the theory that the anticipation of future benefits creates value. The Income Approach is usually used as the primary method of valuation when a property is expected to be acquired by an investor. The two primary capitalization procedures are Discounted Cash Flow (DCF) and Direct Capitalization. The Discounted Cash Flow Procedure calculates the present value of future cash flows over a specified time period, including the potential proceeds of a deemed disposition, to determine market value. The Direct Capitalization procedure involves dividing stabilized annual net income by a singular rate that takes into account all of the comparative investment characteristics of the property.

### **Direct Comparison Approach**

This approach recognizes the principle of substitution, which maintains that a buyer would not pay more for one property than for another of equal desirability. In this approach, an opinion of value is developed through the selection of properties with similar value drivers that have recently sold, are listed for sale or are under contract. Comparative analysis is used to tighten the value range, adjusting for affecting differences of the comparable indices in relation to the subject property.

## **LAND VALUATION METHODS**

For land valuation, six approaches can be employed to determine value. Each of these approaches draws from one or more of the three underlying principle approaches described for improved properties.

### **Direct Comparison**

This method involves the selection of recent market sales data with similar characteristics to the subject. The market indices are compared and weighed, and adjustments are applied to develop a market value for the subject property.

### **Allocation**

This method analyzes the typical ratio of land value to improvement value for specific categories of real estate in specific locations.

### **Extraction**

This method involves analyzing, improved sales, and deducing and separating out the contribution of the improvements, with the land value remaining.

### **Subdivision Development**

This methodology is used for lands for development purposes and involves estimating total value as if the lands were subdivided and sold, and subtracting from this the development costs, to realize a land value.

### **Land Residual**

This method capitalizes into value the residual income imputable to the lands as derived from an actual or hypothetical new and proper building improvement.

### **Ground Rent Capitalization**

This method is used when ground rents correspond to the value of the landowner's interest in the property and market derived capitalization rates are available. The method involves dividing the stabilized ground rents by the capitalization rate.

## **METHOD CHOSEN**

The appraisal is being undertaken on an 'As If Vacant' assumption, as such valuation of the property employs land value methodologies. The direct comparison approach to land value has been chosen to estimate the current market value of the land.

## DIRECT COMPARISON APPROACH TO VALUE

This approach to value incorporates sales of similar properties which, when adjusted for their differences with the subject, are meant to replicate the reaction of a knowledgeable potential purchaser. Inherent in this approach to value is the principle of substitution, which states that a prudent purchaser would not pay more for a property than it would cost to buy an equally desirable substitute. The Direct Comparison Approach involves the selection of similar types of properties that have sold and are then compared to the subject property.

This approach becomes most reliable when the data is evaluated and adjustments are made, thereby developing an indication of what the comparable indices would have sold for had they possessed the characteristics of the subject property.

There are five basic steps in the Direct Comparison Approach. They are:

1. Survey the area to locate comparable properties that have either sold or are offered for sale;
2. Locate and verify the pertinent data on each;
3. Analyse the market data with particular attention to the time of sale, and other factors between each comparable and the subject property;
4. Compare each sale to the subject property and make the necessary adjustments; and
5. Reconcile the data and arrive at a final value estimate.

A search of the sale of similar properties in the area revealed limited data of a truly comparable nature. The search was expanded, targeting residential development properties, ideally with similar densities. No development properties targeted for land lease were available. Four indices have been chosen as indicators to market value. The indices are summarized in the table below and detailed in the following pages.

### Index Summary

#	Date	Reference (PIN)	Sale Price	Land Size (Acres)	# of Res. Units	Sale Rate per Unit
1	Conditional Offer	37064-0027	\$ 4,500,000 List	73.20	800-1,580	\$5,625 (at 800)
2	Mar 2, 2019	37148-0257 / 0258	\$ 2,900,000	99.43	N/A	N/A
3	Dec 1, 2017	373140154/205 /211/212/215/ 216	\$11,000,000	61.95	210	\$52,381
4	Nov 28, 2017	PIN 58511-0165	\$ 6,365,000	137.87	248	\$25,665

Note that further indices supporting demand for various portions of the overall plan for purposes of the subdivision approach are included in the Addenda. These indices have been added for reference purposes, adjustments have not been detailed.

### Comparable Index No. 1



Civic Address	1305/1415 8 <sup>th</sup> St E	List Price	\$4,500,000 List
Town	Owen Sound	Sale Date	Conditional Offer
Legal Address	Pt Park Lot 3-6 Plan 3 EGR, Parts 3,4,5, City of Owen Sound, County of Simcoe		
Source	MLS #GB42590400	DOM	1,080 to date
Identifier	PIN 37064-0027	\$/Acre	\$61,517

### Property Attributes

Lot Size	73.15 Acres	Location	Urban Expansion
Zoning	MR – C-R	Servicing	Full
Devpt Status	Requires Site Plan	# of Units	800 to 1,580
Other	Mixed-use, Estate	\$/Unit	\$2,848 to \$5,625

### Comments

The index is located in the northeast quadrant of the City of Owen Sound in an improving neighbourhood targeted by the City for residential development. The property consists of a 73.2 acre parcel of crop land across the street from a college. The potential for development of the property, based on the Official Plan, supports development of 800 to 1,580 residential units of varying densities, plus 7.4 acres of arterial commercial. Development potential translates into a residential density of 10.9 to 21.6 residential units per acre. Part of the plan would require external road infrastructure creation. Servicing to the area was recently installed and supports the maximum build out potential. A development charge relating to the servicing would be charged per residential unit. The index is designated as medium and high density residential and arterial commercial, with some hazard lands surrounding small creeks. Zoning is a mix of Rural, Residential, Commercial and Hazard, with Holding Provisions. The index is an estate sale. Waste water management servicing for the property is currently dependent on development of the neighbouring property, which has stalled. The property had an extended conditional offer from September 2017 to February of 2020 that expired, partially in relation to the waste water management issues according to the listing agent. The property currently has a second interested party with a conditional offer extended to August of 2020. The agent indicates that the potential buyer is working with the City to develop alternative solutions for the waste water management issue and undergoing other due diligence. The southwestern corner of the property borders onto a hydro tower.

### Adjustments

An adjustment is required as the list price may not reflect the final closing price and to consider the extended list period (though most of this period was under conditional offer). Location is highly inferior. Site size is similar to slightly larger. Stage of development is inferior. Mixed-use is superior. Density is higher. External servicing

requirements are inferior. A further adjustment is required for the development risk associated with archaeological site significance and shallow bedrock excavation. Following adjustments, the index presents a market value of \$4,825,000, predicated on a 67.1 acre property.

### Comparable Index No. 2



Civic Address	Part Lot 14, Grey Road 19	Sale Price	\$2,900,000
Town	Blue Mountains	Sale Date	March 2, 2019
Legal Address	Part Lot 14, Concession 1, Collingwood Part 1 & 2, 16R739, Town of the Blue Mountains, County of Grey		
Source	MLS #151316	DOM	184
Identifier	PIN #37148-0257 / 0258	\$/Acre	\$29,166

#### Property Attributes

Lot Size	99.43 Acres	Location	Recreational
Zoning	Development (D) / Hazard	Servicing	Not Available
Devpt Status	Speculative	# of Units	N/A
Other	NEP, NHS, NVCSA	\$/Unit	N/A

#### Comments

The index is located at the eastern border of the Town of the Blue Mountains, in close proximity to the Blue Mountains ski hill, in a residential and recreational area. The property is zoned Development (D) and would require plan approval prior to any development. No servicing exists to the immediate area. Extensive residential development is currently under construction 1km to the north, across Grey Road 19, but the immediate area is marked for future development. The property is highly regulated. The property falls within the NEP and is designated as Escarpment Recreational Area. The rear of the property has areas identified as Natural Heritage System Core. A waterway exists at the front of the property. Portions at the front of the property are regulated under the Nottawasaga Valley Conservation Authority. The index is divided into two lots, each approximately 50 acres in size, with narrow width and extended depth.

#### Adjustments

A time adjustment is required. Location is inferior. Lot size is larger. Utility is similar. Stage of development is inferior. External servicing requirements are inferior. A further adjustment is required for the development risk associated with archaeological site significance and shallow bedrock excavation. Following adjustments, the index presents a market value of \$4,825,000, predicated on a 67.1 acre property.

### Comparable Index No. 3



Civic Address	209681 – 209881 Hwy 26	Sale Price	\$11,000,000
Town	Blue Mountains	Sale Date	December 1, 2017
Legal Address	Lots 59, 110-112 and Part Lots 86-89, 113-114 and Part of Block D, Plan 529, Town of the Blue Mountains, County of Grey		
Source	Geowarehouse / Prior Listing (MLS SG20121336)	DOM	Extended
Identifier	PIN 373140154/205 /211/212/215/216	\$/Acre	\$177,563

### Property Attributes

Lot Size	61.95 Acres	Location	Highway/Waterfront, Recreation Proximity
Zoning	Mixed-use	Servicing	Full Available
Devpt Status	DPA	# of Units	210
Other	Structures On Site	\$/Unit	\$52,381

### Comments

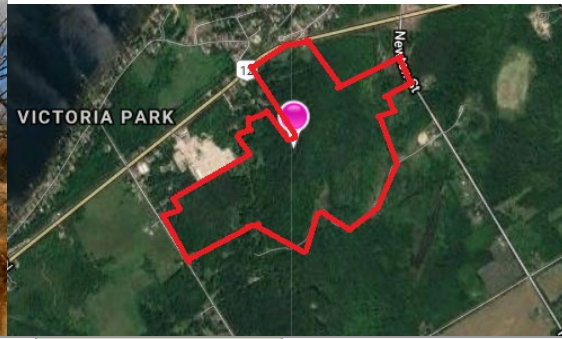
The index is a 61.95 acre waterfront property located on the north side of Highway 26 at the north eastern border of the Town of the Blue Mountains. The property is irregular in shape, with approximately 1,110 feet of water frontage and is an assemblage of 6 separate properties. The surrounding neighbourhood is the Craigleith area, a desirable residential area in close proximity to the recreational amenities of the waterfront of Georgian Bay and ski hills. The index has close to 3,275 feet of frontage onto Highway 26. The index originally had a mix of uses including the former Easter Seals Camp, the Craigleith General Store, The Blue Mountain Lodge and a former gas bar. The buildings have all been vacant for an extended period of time and are at various states of disarray. Highest and Best Use was for redevelopment of the property. Following purchase of the property, all but one of the buildings was deconstructed. Zoning is a mix of Open Space, Hazard Lands, Commercial, (C6) Institutional (I-59), Development (D) and Residential (R1 and R2 Densities.) The property also falls within the Niagara Escarpment Plan. A prior block plan from 2012 divided the property into a mix of Open Space, Commercial, Institutional and Residential uses. A current application provides for 210 residential units. The index was sold power of sale.

### Adjustments

An adjustment is required for the motivation of the seller. A time adjustment is required. Location is deemed similar. Lot size is slightly smaller to similar. Stage of development is superior. Mixed-use potential is superior. Mountain views and waterfront land characteristics are similar. Density is similar. Lack of external

servicing requirements is similar. A further adjustment is required for the development risk associated with archaeological site significance and shallow bedrock excavation. Following adjustments, the index presents a market value of \$4,600,000, predicated on a 67.1 acre property.

### Comparable Index No. 4



Civic Address	2472 Newton Street	Sale Price	\$6,365,000
Town	Victoria Harbour	Sale Date	November 28, 2017
Legal Address	Pt Lots 12 & 13, Con 6, RP 51R32669 Pt 1, RP 51 R25368 Pt 1, Tay Township, County of Simcoe		
Source	Geowarehouse	DOM	N/A
Identifier	PIN 58511-0165	\$/Acre	\$46,167
<b>Property Attributes</b>			
Lot Size	137.87 acres	Location	Community Boundary
Zoning	Residential RM1-85 (H-2)/ R1B (H-5), Open Space OS-87 (H-2), Commercial C2, Greenlands GL2	Servicing	Infrastructure Required
Devpt Status	Draft Plan Approved	# of Units	248
Other	Golf Course	\$/Unit	\$25,665

### Comments

The index is located immediately south of Victoria Harbour in Midland. The property is partially located within Tay's settlement area. The parcel has plan approval for an 18-hole golf course and mixed-density subdivision, including 248 single family dwellings, 94 townhouses, plus a 1.3 acre commercial portion. The parcel is currently not serviced and will require an investment in external servicing. The property is mostly zoned OS-87, which permits outdoor recreational uses (golf course), plus residential (varying densities), some commercial and some green land (surrounding watercourse).

### Adjustments

A time adjustment is required. Location is inferior. Site size is larger. Stage of development is superior. Mixed-use is superior. Density per acre is inferior. The requirement for infrastructure is inferior. Servicing requirements are inferior. A further adjustment is required for the development risk associated with archaeological site significance and shallow bedrock excavation. Following adjustments, the index presents a market value of \$4,675,000, predicated on a 67.1 acre property.

## ADJUSTMENTS / VALUATION SUMMARY

The four indices sold for prices ranging from \$2,900,000 to \$11,000,000, for properties ranging in size from 62.0 to 137.9 acres, translating into rates of \$29,166 to \$177,563 per acre. The indices are in various stages of development; only two of the four indices have specific residential unit plans. Due to the early stage of the subject property, prior to an approved plan, a price per acre metric has been employed. Evidence of economy of scale exists.

	Subject	1	2	3	4
Address	161 / 208 Lakeshore Road E Blue Mountains	1305/1415 8th St E Owen Sound	Pt Lot 14 Grey Road 19 Blue Mountains	209681-209881 Hwy 26 Blue Mountains	2472 Newton St Victoria Harbour
<b>Sale Details</b>					
Date of Sale		Conditional	02-Mar-19	01-Dec-17	28-Nov-17
Sale Price		\$4,500,000	\$2,900,000	\$11,000,000	\$6,365,000
<b>Property Details</b>					
Land Size (Acres)	67.5	73.2	99.4	62.0	137.9
Unadjusted \$/Acre		\$61,517	\$29,166	\$177,563	\$46,167
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Land Characteristics	Cleared	Cleared, Ag Use	Lake & Mountain View	Lake & Mountain View	Part Cleared
Draft Plan Approval	Application Submitted	No	None	Yes, Revising	Yes
Improvements	N/A	2 Houses	None	None	None
Density	Medium	Mixed Use	Residential	Mixed Use	Mixed Use
# of Units	211	800-1,580	N/A	210	248
Density Per Acre	3.1	10.9 - 21.6		3.4	1.8
Unadjusted \$/Unit		\$5,625		\$52,381	\$25,665
Other		Plus Commercial / Institutional	Speculative	Plus Commercial	Plus Commercial/ Golf Course
		Wastewater Issue	External Servicing Required	Servicing At Lot Line	External Servicing Required
<b>Initial Adjustments</b>					
Property Rights		Nil	Nil	Nil	Nil
Financing		Nil	Nil	Nil	Nil
Special Motivation		Yes	Nil	Yes	Nil
Time Adjustment		Nil	Yes	Yes	Yes
<b>Index Adjustments</b>					
Location		Inferior	Inferior	Similar	Inferior
Lot Size		Similar	Larger	Similar	Larger
Stage of Development		Inferior	Inferior	Superior	Superior
Density		Superior	Similar	Similar	Inferior
Servicing		Inferior	Inferior	Similar	Inferior
Other		Superior	Equivalent	Superior	Superior
<b>Adjusted Value</b>		<b>\$4,425,000</b>	<b>\$4,425,000</b>	<b>\$4,200,000</b>	<b>\$4,275,000</b>

The appraiser notes the lack of highly comparable indices of similar properties. Adjustments are supported by paired data analysis where possible and verified by interviews with market participants. A 15% annual time adjustment has been chosen, based on paired sales and market statistical analysis.

Zoning of the subject property land lease development. Market demand would likely consider a change to zoning that entails risk and an extended timeframe to development. To monetize the risk/time required, an adjustment has been considered for a 1.5 year timeframe, assuming opportunity costs of 7.5%.

A downward adjustment for excavation risk related to the construction monitoring required during initial earthworks and topsoil removal for identification of any buried archaeological significant deposits has been estimated at \$844,000, which represents 40% of the estimated \$10,000 per unit of excavation costs plus an extended excavation period. These figures have been estimated based on initial budgets provided by the client and analyzed in context of other, similar style development projects plus a ½ year delay risk. The adjustment has been applied to all comparable indices in an equitable manner.

In addition, a downward adjustment of a further 10% of the estimated cost per unit of excavation costs has been estimated related to the potential for shallow bedrock excavation costs, translating into an adjustment for the 211 units of \$211,000. This has been applied to all comparable indices in an equitable manner.

Based on the best available information, and with appropriate adjustments factored into variances for transactional items, time, location, stage of development, site size, density per acre, and servicing requirements, the four indices generate an adjusted value range from \$4,600,000 to \$4,825,000, predicated on a 67.1 acre property size.

A value at the lower end of the range has been chosen, due to the current more questionable economic conditions combined with the higher risk profile of the development relating to potential for additional costs and the more restrictive market for land lease zoning of the subject property.

The retrospective market value by the Direct Comparison Approach is therefore estimated at:

**\$4,600,000**  
**(FOUR MILLION SIX HUNDRED THOUSAND DOLLARS)**  
**As of April 23, 2020**  
**Assuming a Single Contiguous Parcel As If Vacant**  
**And Considering Potential for Additional Development Costs/Risk.**

## VALUATION CONCLUSION

### Reconciliation

Approach	Value	Emphasis
Cost Approach	N/A	
Income Approach	N/A	
Direct Comparison	\$4,600,000	X

The appraisal process has been applied using the Direct Comparison Approach to Value, which illustrates the competitive value of the property as a whole.

The Direct Comparison Approach to Value incorporates four sales of residential development properties, wherein appropriate adjustments have been made for variances. These sales generate an estimated value range of \$4,600,000 to \$4,675,000, predicated on a contiguous 67.1 acre property size with an assumed density of 211 leased land residential units. The low end of the range has been chosen, reflecting the land lease use and economic environment. The market value by the Direct Comparison Approach is therefore estimated at \$4,600,000 (FOUR MILLION SIX HUNDRED THOUSAND DOLLARS) as of April 23, 2020, assuming a single contiguous parcel 'As If Vacant' and considering potential for additional development costs/risk.

### Exposure Time

Exposure time is defined by CUSPAP as:

*"The estimated length of time the property interest being appraised would have been offered in the market prior to the hypothetical consummation of a sale at market value on the effective date of appraisal. Exposure time is always presumed to occur prior to the effective date of appraisal and is typically based on an analysis of past events and trends applicable to the property type under appraisal."*

For the purpose of expressing an appropriate exposure time, relative to the value estimate, reference may be made to available statistical information concerning exposure time related to recently sold properties; and/or information gathered from market participants during the sales verification process.

Recognizing that exposure time is price sensitive and based upon the investigations conducted, it is the appraiser's opinion that a reasonable exposure time related to the market value estimate herein is 6 months to 1 year on average.

**Final Estimate of Value**

The final market value estimate, therefore, as of the effective date of the appraisal is:

**\$4,600,000**

**(FOUR MILLION SIX HUNDRED THOUSAND DOLLARS)**

**As of April 23, 2020**

**Assuming a Single Contiguous Parcel As If Vacant  
And Considering Potential for Additional Development Costs/Risk.**

**COVID-19 Environment**

The appraiser notes the increased risk of the valuation as a result of the unprecedented current situation with the COVID-19 virus and its potential effect on economic conditions and their impacts on the real estate market, much of which has transpired since the effective date of this report. It is required that the user take into consideration any changes in the economic environment when relying on the market value estimate after the effective date.

## **CERTIFICATION**

**161 / 208 Lakeshore Rd. E  
Lot 172, Part Lots 161 and 173, RP 529  
Town of Blue Mountains, County of Grey**

I CERTIFY THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF:

- 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 personal, impartial and unbiased professional analyses, opinions and conclusions.
- 3) I have no present or prospective interest in the subject matter, the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
- 4) I am not in a conflict of interest to undertake this assignment.
- 5) I have no bias with respect to the subject matter, the property that is the subject of this report or to the parties involved with this assignment.
- 6) My engagement in and compensation for this assignment was not contingent upon developing or reporting a predetermined result, the amount of value estimate, or a conclusion favouring the client.
- 7) My analyses, opinions and conclusions were developed, and this report has been prepared in conformity with Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP).
- 8) I have the knowledge, skills and experience to complete this assignment competently.
- 9) No one provided professional assistance or third-party professional assistance to the person(s) signing this report.
- 10) The Appraisal Institute of Canada has a mandatory Recertification Program for designated members. As of the date of this report, the undersigned has fulfilled requirements of The Appraisal Institute of Canada Continuing Professional Development Program for Members.
- 11) The undersigned is a member in good standing of the Appraisal Institute of Canada.
- 12) I have made an inspection of the property that is the subject of this report on June 10, 2020.
- 13) Analysis, preparation and valuation for the report were completed by myself, Jacqueline Boland.

14) Based upon the data, analyses and conclusions contained herein, the retrospective market value of the interest in the property described, as at **April 23, 2020**, is estimated at **\$4,600,000 (FOUR MILLION SIX HUNDRED THOUSAND DOLLARS)**, assuming a single contiguous parcel 'As If Vacant' and Considering Potential for Additional Development Costs/Risk, subject to the Limiting Conditions and Critical Assumptions as cited within the report and based on an exposure time of 6 months to 1 year on average.

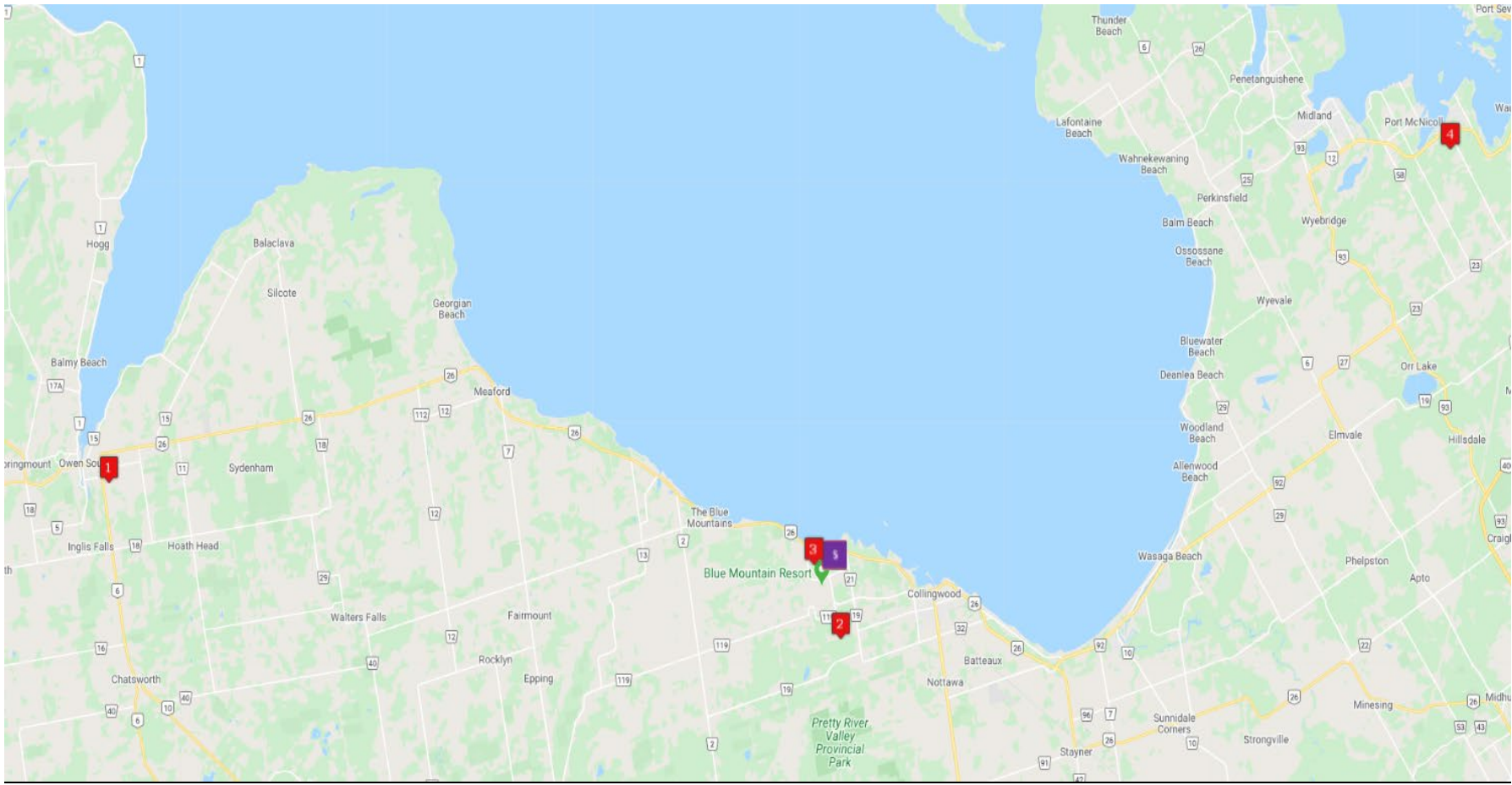
Respectfully submitted,  
**HG APPRAISERS INC.**

A handwritten signature in black ink, appearing to read 'JMB', with a stylized flourish at the end.

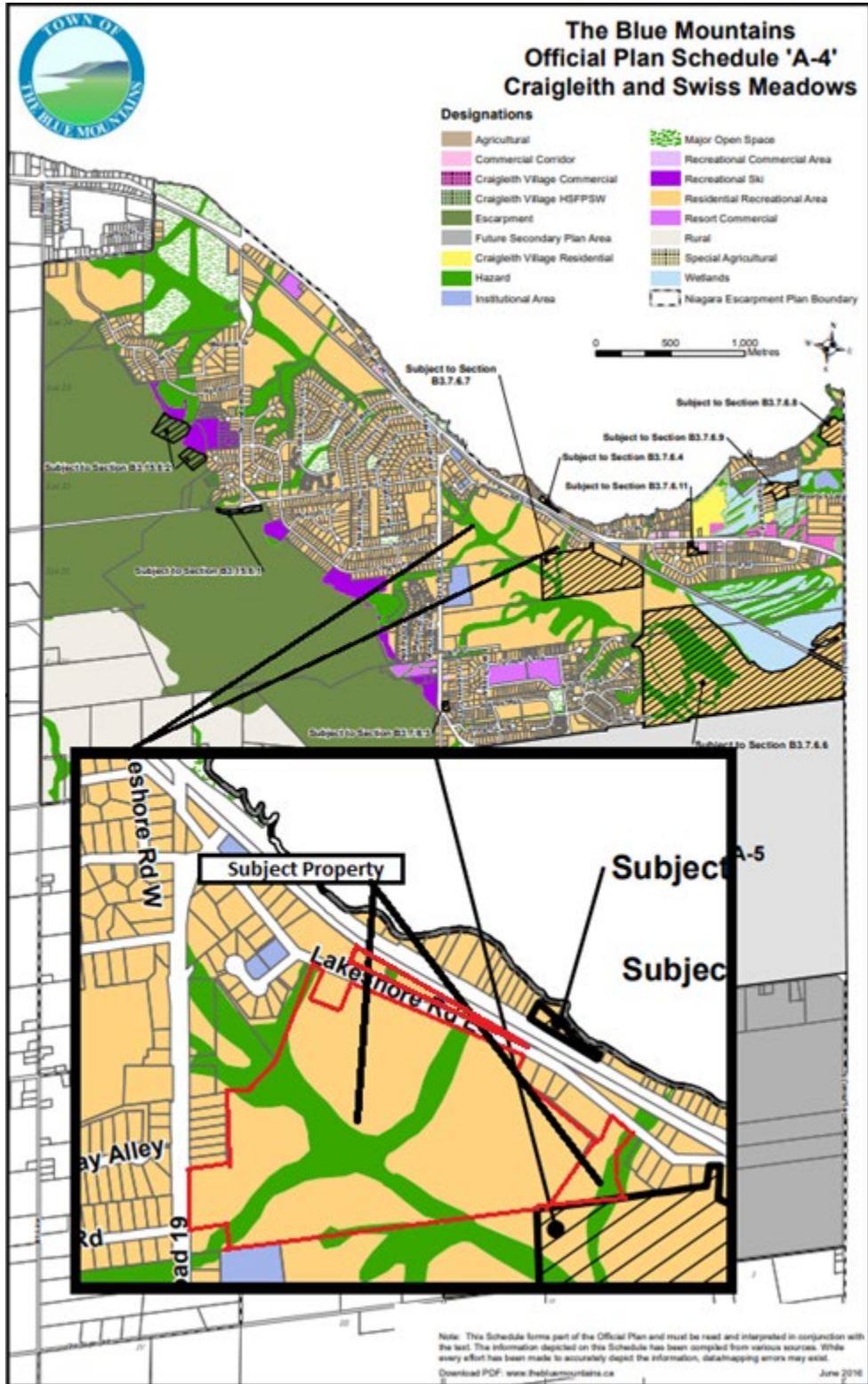
Jacqueline M. Boland, BA, CFA, AACI, P.App.  
AIC Member#904651  
June 11, 2020

**PART IV**  
**ADDENDA**

COMPARABLE LOCATION MAP



## OFFICIAL PLAN



**B3.6.5 Zoning By-law Implementation**

All lands designated Institutional Area shall be placed in appropriate zone(s) in the implementing Zoning By-law.

**B3.6.6 Special Site Policies**

**B3.6.6.1 Schedule A-2 – Part Lot 32, Concession 10**

Single detached dwellings shall also be permitted on these lands.

**B3.7 RESIDENTIAL/RECREATIONAL AREA**

**B3.7.1 Objectives**

It is the intent of this Plan to:

- recognize areas within the Town where there is a mix of seasonal and permanent residential and recreational uses; and,
- recognize areas where some residential uses are located to support and provide access to resort and recreational amenities.

**B3.7.2 Location**

The settlement area designated as Recreational Resort Area in the County Official Plan that extends along the Georgian Bay shoreline providing a seasonal and permanent residential and recreational function.

**B3.7.3 Permitted Uses**

Permitted uses on lands designated Residential/Recreational Area include:

- a) single detached dwellings;
- b) semi-detached dwellings;
- c) townhouse and low-rise multiple units;
- d) *accessory apartments* in single detached, semi-detached and townhouse dwellings subject to Section B2.7;
- e) *bed and breakfast establishments* subject to Sections B2.5.1;
- f) *home occupations* subject to Section B2.10;
- g) *private home daycare*;

- h) recreational lands and/or facilities in appropriate locations. Recreational uses may include uses such as parks, open space, trail uses, equestrian facilities, community centres, cultural facilities, recreational clubs, racquet facilities and other similar day use facilities may be permitted; and
- i) golf courses subject to Section B3.7.4.6 and all other policies of this Plan.

#### **B3.7.4 Development Policies**

##### **B3.7.4.1 Density and Open Space Requirements**

It is the intent of the Plan that all *development* within the Residential/Recreational areas of the Town shall provide generous amounts of open space to facilitate recreational opportunities, and to maintain the resort, open landscape *character* and image of the area. In these areas, subdivision design shall be required to provide an open space component as a separate block(s) of land and where appropriate, distributed throughout the design of each subdivision.

The open space component should constitute a major consideration of subdivision design. It is intended that all *development* shall be of the clustered form, compact in nature, and interspersed with open space areas and recreational uses. The majority of lots or units in any *development* should have direct access to the public or private open space. All lots shall have access to public open space pedestrian walkways, with linkages to sidewalks along roadways.

The following table sets out maximum density and minimum open space requirements for lands designated Residential/Recreational Area.

	<b>Maximum Density (Units / Gross Hectare)</b>	<b>Minimum Open Space Component</b>
Blue Mountain Village Area	15	40%
All other areas	10	40%

The calculation of the open space component shall be based on the whole of the proponent's holdings included in any draft plan of subdivision. Lands designated Wetland or Hazard Lands may be included within the required open space component, however, such lands are not included for the purpose of calculating maximum permitted *development* density, unless otherwise specifically provided under this Plan.

#### **B3.7.4.2 Further Lot Creation**

Within registered plans of subdivision, further lot creation shall generally be prohibited in order to maintain the intended density and *character* of the *development*. Individual consents for residential purposes may be considered in accordance with the Infill Development policies of the Community Living Area designation (Section B3.1.5).

#### **B3.7.4.3 Landscape Analysis**

*Development* proposals for a Plan of Subdivision, Plan of Condominium or other large development projects which are subject to site plan approval, shall be accompanied by a landscape analysis, prepared by a qualified professional, to address:

- a) the suitability of the site for *development*;
- b) the visual and physical complexities of the site, including areas of natural vegetation;
- c) the measures proposed to ensure that the visual quality of the area is preserved and enhanced; and,
- d) the proposed mitigation measures to avoid any adverse visual impacts, in a manner, which is consistent with the intent of this Plan to protect the open landscape *character*.

#### **B3.7.4.4 Open Space - Other Policies**

The open space component should serve a functional role in the design of subdivisions. In addition to trails and walkways, the provision of on-site recreational facilities shall be encouraged within the open space component.

The blocks of land created for the recreational open space component must be made available for use by all lot or unit owners under the plan of subdivision. For this purpose, the lands shall be registered on title as common ownership, and an association of owners or other appropriate management body must be established, to the satisfaction of *Council*, to ensure the ongoing maintenance and care for the property. Other open space blocks may be dedicated to maintaining the natural features of the area and should not be generally accessible.

At Council's sole discretion, the lands may be conveyed to an appropriate public body for management purposes.

Where lands comprising the required open space component are to be utilized for recreational facilities, it is intended that the common element of

the open space component and/or recreational facilities shall not be held in separate or individual private ownership. An exception to this general rule may be made where major recreational facilities, such as ski hills or a golf course, are to be provided and common ownership is not realistic for management purposes, however, under this exception lot and unit owners within the *development* must still be assured access to the facilities. Particular regard is to be given to the provision of open space walkway access.

*Council* may establish standards for the common ownership and/or assured access by lot and unit owners to the open space component, as well as any additional recreational lands and/or facilities as provided under this Plan.

#### **B3.7.4.5 Open Space - Exception**

- a) The open space component, or part thereof, may not be required in the case of new residential *development* associated with established ski clubs and golf courses, provided that *Council* is satisfied that an adequate recreational lands and facilities base exists to serve the *development*, and that the open space resort *character* and image of the area will be maintained.
- b) *Council* may also exempt a developer from the required open space component, or part thereof, where the parcel being developed, because of its size, *character*, or other circumstances, does not lend itself well to such use, or where such open space may provide for better recreational opportunity at an alternative location.
- c) Additional open space shall not be required where *Council* is satisfied that previous open space dedications have already been made through earlier phases of development.

Where an exemption under paragraph a) and b) is requested by the proponent, *Council* may accept suitable alternative provisions in-lieu of the required open space component or portion thereof, if deemed appropriate. However, where an exemption is made with respect to paragraph a) and the developer has provided the land for the major recreational facility as part of the overall *development*, no alternate provision-in-lieu shall be required. Any exemption for the open space component shall not include an exemption for the provision of open space walkways as deemed appropriate or desirable by *Council*.

#### **B3.7.4.6 Golf Courses**

- a) Golf courses are permitted subject to an amendment to this Plan. Golf courses shall be designed and maintained to minimize impact

- provide flood control and protect shorelines from erosion.

The purpose of the *Wetlands* designation is to recognize and protect *Provincially Significant Wetlands*.

#### **B5.3.1 Permitted Uses**

Permitted uses in the *Wetlands* designation include:

- Forestry* in the form of reforestation and regeneration, and excluding commercial logging and managed woodlots; and,
- Uses connected with the conservation of water, soil, wildlife and other natural resources.

#### **B5.3.2 Development Policies**

- No *development* or *site alteration* is permitted within the *Wetland* designation, except where such activity is associated with *forestry* and uses connect with the conservation of water, soil, wildlife and other natural resources but not including buildings and will not negatively impact on the integrity of the *wetland*.
- All buildings or structures and non-farm lots shall be located a minimum of 120 metres from all *Provincially Significant Wetlands*. The successful completion of an Environmental Impact Study may reduce this *wetland* setback. The Environmental Impact Study will indicate how adverse impacts on the natural features or *ecological functions* of the *wetland* are mitigated such that no *negative impacts* will occur to the natural features or *ecological integrity* of the *wetland*.
- Development* adjacent to *Wetland* areas may be subject to Site Plan Control and an accompanying *Development* Agreement.

#### **B5.3.3 Implementing Zoning By-law**

All lands within the *Wetland* designation shall be placed in an appropriate zone in the implementing Zoning By-law and the implementing Zoning By-law will incorporate appropriate standards for buffer planting, setbacks, and any other standards.

### **B5.4 HAZARD LANDS**

The purpose of the *Hazard Lands* designation is to identify those lands having inherent environmental hazards such as flood susceptibility, erosion susceptibility, and dynamic beach hazards, and *hazardous sites* that exhibit instability, or poor drainage, or any other physical condition

which is severe enough to pose a risk for the occupant, property damage or social disruption if developed.

#### **B5.4.1 Permitted Uses**

Permitted uses in the *Hazard Lands* designation include:

- a) *forestry*;
- b) uses connected with the conservation of water, soil, wildlife and other natural resources;
- c) agriculture;
- d) passive public parks;
- e) public utilities and *essential* municipal services; and,
- f) resource based recreational uses.

#### **B5.4.2 Development Policies**

- a) Hazard designated lands within the Niagara Escarpment, as identified on the land use schedules attached to this Plan, are also subject to the policies of the Niagara Escarpment Plan. Should instances of conflict arise, the most restrictive policies of either Plan apply.
- b) No buildings or structures are permitted within *Hazard Lands*, except for the following:
  - i) renovated or minor expansions to existing buildings and structures which were legally established on the date of approval of this Plan;
  - ii) non-habitable buildings connected with public parks (i.e. picnic shelters);
  - iii) flood and erosion/sedimentation control structures;
  - iv) fences, provided they will not constitute an obstruction or debris catching obstacle to the passage of flood waters or create or aggravate an erosion problem; and
  - v) recreational facilities, as approved by the Niagara Escarpment Commission, on lands identified as being prominent escarpment slope.

- c) Where new *development* and *site alteration* is permitted in (b) above, it shall only occur if the following can be satisfied:
  - i) the hazards can be safely addressed, including access to and from the site, and no new hazards are created or existing hazards aggravated;
  - ii) no environmental impacts will result. An Environmental Impact Study may be required as a condition of all *development*;
  - iii) the *development* does not include *institutional uses* or emergency services or involve hazardous substances;
  - iv) the advice, or approval where required, of the appropriate *Conservation Authority* and the *County*, who will consider the mitigation of effects on vegetation, wildlife and fishery resources, and the natural features of the site; and,
  - v) there is no feasible location for the *development* outside of the *Hazard Lands* designation.
- d) Buildings and structures (excluding docks and boathouses which are portable or floating in nature) will be setback 30 metres from all lakes and watercourses.
- e) Minor alteration of Hazard Lands mapping, as interpreted by the Town, in consultation with the appropriate Conservation Authority, may occur without amendment to the Official Plan. It is the intent of the Town to include more detailed Hazard Land mapping in the implementing Comprehensive Zoning By-law as provided by the Conservation Authorities.
- f) *Development* will be setback from the top of bank of all slopes and ravines having a slope of 3:1 or greater, in accordance with the requirements of the appropriate Conservation Authority. In some instances, such as the replacement or renovation of existing structures within this setback, a geotechnical slope evaluation study, prepared by a qualified geotechnical engineer, may be required prior to the issuance of any building permits. The study must address slope stability with respect to structural impact, landscaping requirements, and the impact of surface drainage.
- g) The replacement or repair of existing structures, including minor extensions or enlargements, may be permitted subject to the following:

- i) the feasibility of relocating the structure or use outside the hazard area has been assessed, and there are no reasonable alternatives;
  - ii) the replacement structure/use must be located where it will be least susceptible to damage;
  - iii) the replacement structure/use must not exceed the original structure in size or extend further into the hazard area; and
  - iv) the replacement structure/use must not result in a more intensive use than that of the original structure or use (i.e. the replacement of a non-habitable structure, such as a garage, with a habitable structure, such as a cottage is not permitted).
- h) Access through a hazard area, which requires filling or other alterations to existing grades, shall be permitted in situations where it presents the only available means of securing a safe and appropriate building site on an existing lot of record. Such access must be constructed such that it is not prone to erosion or instability and will not cause or aggravate erosion, flooding or instability on neighbouring properties. The access will generally require approval from the appropriate *Conservation Authority* under Development, Interference with Wetlands and Alterations to Shorelines and Watercourses Regulations

#### **B5.4.3 Implementing Zoning By-law**

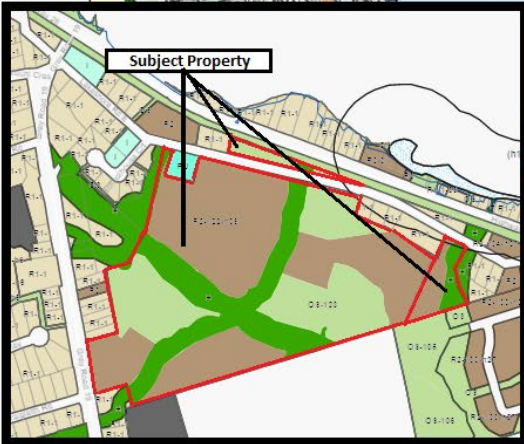
All lands within the Hazard Lands designation shall be placed in an appropriate zone in the implementing Zoning By-law.

### **B5.5 SPECIAL CONSTRAINT AREAS**

#### **B5.5.1 Areas of Natural and Scientific Interest**

Both Earth Science and Life Science Areas of Natural and Scientific Interest (ANSI's) are areas of land and water containing natural landscapes or features, which have been identified as having values, related to protection, natural heritage appreciation, scientific study or education. *Development* and *site alteration* within or adjacent to Areas of Natural and Scientific Interest shall be in accordance with Section B5.2.1. Additional information pertaining to the *area of natural and scientific interest* in regard to feature type may be obtained from the *County of Grey Official Plan*.

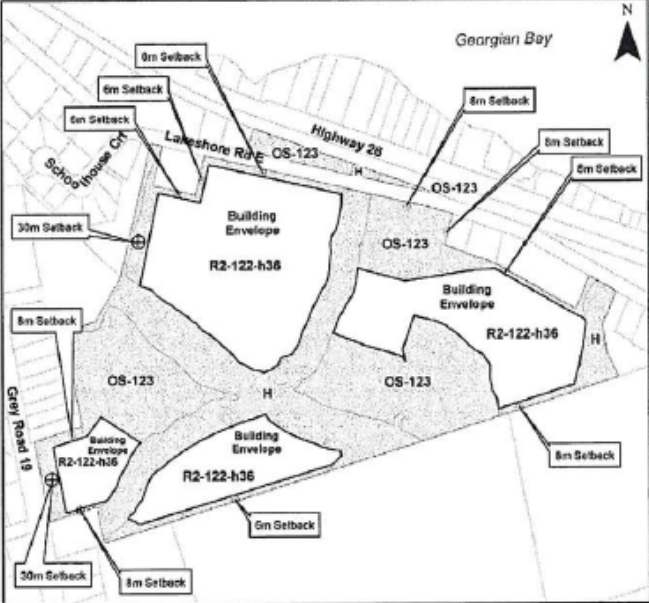
# ZONING



Now Therefore the Local Planning Appeal Tribunal hereby approves of the following:

1. Schedule 'A' of The Blue Mountains Zoning By-law 2018-65 as amended, is hereby further amended by rezoning the subject lands from the provisions of Section 1.5(c) of the By-law and from the Residential 'R6-286-h' Zone, Private Open Space 'OS2' Zone and Hazard 'H' Zone of the Township of Collingwood Zoning By-law 83-40 to the Residential 'R2-XXX-hXX' Zone, Open Space 'OS' Zone and Hazard 'H' Zone for those lands lying and being in the Town of The Blue Mountains comprised of Plan 529 Part Lot 161, Plan 529 Lot 172 Part 173 RP 16R-6640 Part 2, and Plan 529 East Part Lot 169 RP16R-3194 Part 2 as indicated on Key Map Schedule 'A-1'
2. That Table 9.1 – Exceptions to the Zoning By-law of The Blue Mountains Zoning By-law 2018-65 as amended, is hereby further amended by inserting two (2) new Exceptions as follows:

Exception Number	Zone	Special Provisions
122	R2-122-h36	<p>These lands shall be used for a maximum of 211 Land Lease Community Homes comprised of a minimum 45 single detached dwellings, and a minimum of 100 horizontally attached townhouse dwellings. A maximum 465 square metre Private Clubhouse, maximum 370 square metre Private Storage Facility and uses, buildings and structures accessory thereto are also permitted.</p> <p>In addition to the list of permitted uses and required minimum yard setbacks of the Residential R2 Zone; and the minimum parking space requirements of Section 5, the following provisions shall apply:</p> <ol style="list-style-type: none"> <li>1. All buildings and structures shall be located within the Building Envelopes identified below:</li> </ol>

		 <p>2. The maximum permitted height shall be 9.5 metres for single detached dwellings, 11.0 metres for townhouse dwellings, 7.5 metres for the Private Clubhouse, 6.5 metres for the Private Storage Facility and 4.5 metres for all other buildings and structures;</p> <p>3. No building or structure shall be located any closer than 2.0 metres from a private road or any another building or structure;</p> <p>4. A minimum of 80 visitor parking spaces shall be provided;</p>
123	OS-123	<p>In addition to the list of permitted uses, these lands may also be used for a <i>Private Recreation Use</i>.</p> <p>Notwithstanding the Special Provisions to Table 8.1 new buildings and structures for an <i>Outdoor Recreation Use</i>, <i>Private Recreation Use</i> or <i>Private Park</i> may be permitted up to a maximum <i>gross floor area</i> of 50 square metres each.</p>

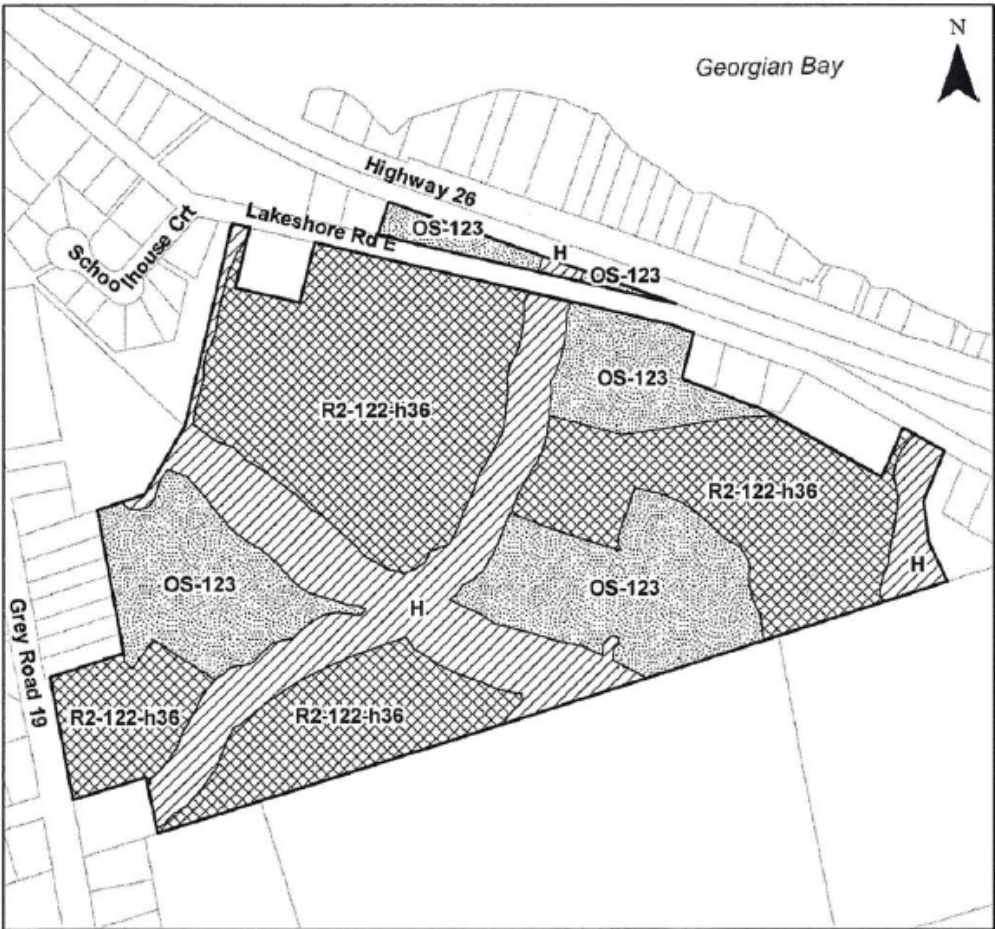
3. That Table 10.1 – Site Specific Holding Provisions to the Zoning By-law of The Blue Mountains Zoning By-law 2018-65 as amended, is hereby further amended by inserting a new Holding provision as follows:

Holding Number	Zone	Conditions for Removal
h36	R2-122-h36	<ol style="list-style-type: none"> <li>1. Execution of a Subdivision Agreement;</li> <li>2. Registration of a Plan of Subdivision;</li> <li>3. Execution of a Site Plan Agreement.</li> </ol>

4. Notwithstanding the requirements of Section 3 to this By-law, a maximum of six (6) model home(s) may be constructed prior to the removal of the Holding ‘h36’ Symbol provided that the owner enters into a Model Home Agreement to the satisfaction of the Town of The Blue Mountains.
5. That Section 1.5(c) of The Blue Mountains Zoning By-law 2018-65 as amended, is hereby further amended by deleting the text “The provisions of the former Township of Collingwood 83-40, and all amendments thereto shall continue to apply to Plan 529 Part Lot 161, Plan 529 Lot 172 Part Lot 173 RP16R-6640 Part 2, and Plan 529 East Part Lot 169 RP16R-3194 Part 2 former Township of Collingwood (Parkbridge. Roll Nos. 4242-0000-03-347-00-0000, 4242-0000-03-366-00-0000, 4242-0000-03-369-00-0000)” and replacing with the text “Deleted. See By-law 2020-\_\_\_”.
6. That Schedule ‘A-1’ is declared to form part of this By-law.

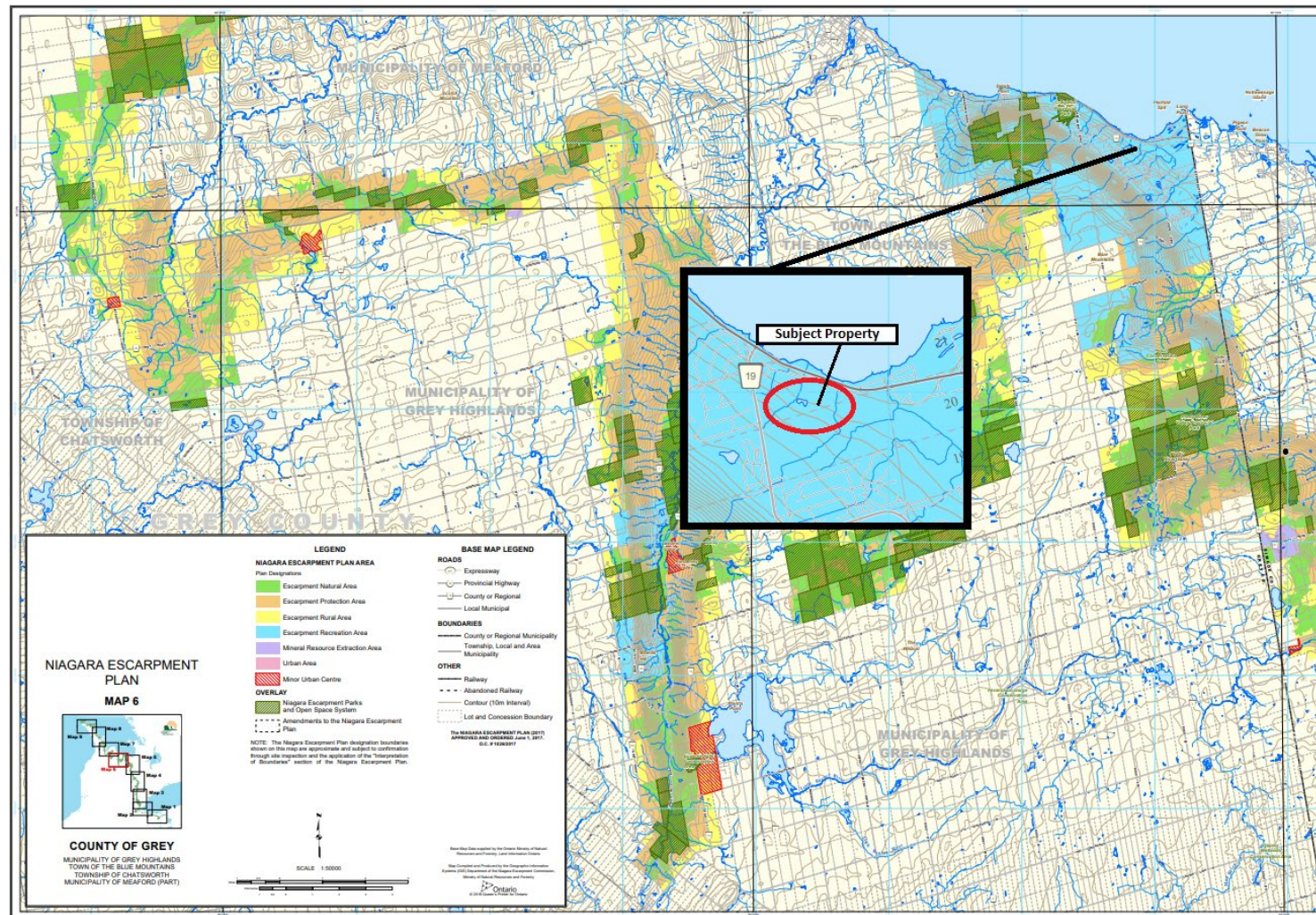
Town of The Blue Mountains  
Schedule A-1

- Area affected by this amendment
- Hazard 'H'
- Open Space 'OS-123'
- Residential R2-122-h36



Date: 3/11/2023

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## ORDINARY ASSUMPTIONS AND LIMITING CONDITIONS

The certification that appears in this appraisal report is subject to compliance with the Personal Information Protection and Electronics Documents Act (PIPEDA), the 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 author and any supervisory appraiser, 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, 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. 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.
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 and other operating systems, its foundation, etc.) or adverse environmental conditions (on the subject property 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 become apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or a 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, expressed 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. I expressly deny any legal liability relating to the effect of environmental issues on the market value of the property.

9. The analysis set out in this report relies on written and verbal information obtained from a variety of sources considered to be reliable. Unless otherwise stated herein, I did not verify client-supplied information, which I believed to be correct. The appraiser does not assume responsibility for the accuracy of items that were furnished by other parties.

10. The term 'inspection' refers to my observations 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 CUSPAP.

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 ability/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 all 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 Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) and/or when property 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 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 Personal Information Protection and Electronic Documents Act (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 is appropriate for the intended use.

14. Written consent from the author must be obtained before any part of the appraisal report can be used for any purpose 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. **Written consent and approval must also be obtained before the appraisal (or any part of it) can be altered or conveyed to other parties, including mortgages (other than the client) and the public through prospectus, offering memoranda, advertising, public relations, news, sales or other media.**

15. The preparation of this appraisal report has considered relevant historical market data. Given current economic conditions, reliance on this report is limited to three months from the effective date of the report, with the understanding that current market and economic conditions are changing at an unprecedented case with the current COVID-19 pandemic situation. It is required that the user of the report take into consideration any changes in the economic environment when relying on this report after the effective date. Any subsequent reliance should not be done without prior consultation with the appraiser of record.

16. Photographs have been included for visual reference purposes only. Verbal and/or signed consent has been provided for these photographs by the owner and/or occupant(s) in accordance with the Personal Information Protection and Electronic Documents Act (PIPEDA) and the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP).

17. Some of the photographs contained in this report have been obtained from the Multiple Listing Service and are considered reliable. Unless otherwise stated herein, the author of this appraisal report did not verify the information, which the author believes to be correct and to comply with the Protection and Electronics Document Act (PIPEDA).

18. The appraiser/appraisal firm is not responsible for the misuse by others of the photographs or confidential information contained in this report.

19. This report has been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modifications, only originally signed reports and those reports sent directly by the appraiser can be relied upon without fault.

20. Except as herein disclosed, no one has provided significant professional assistance to the persons signing this report.

21. The appraiser notes that the date of inspection of the subject property and the effective date of this report differ. This report assumes that there were no significant changes to the subject property between the effective date of the appraisal and the inspection date.

22. Unless others stated, all sale prices and estimated market values expressed in this report are inclusive of applicable HST.

**CURRICULUM VITAE**  
**JACQUELINE M. BOLAND, BA, CFA, AACI, P.App.**  
Real Estate Appraiser, HG Appraisers Inc.  
297 Ste. Marie Street, Collingwood, Ontario L9Y 3K6  
Tel: (705) 445-7414 Email: jboland@hgappraisers.com

<b>QUALIFICATIONS AND AFFILIATIONS</b>	
2019	Accredited Appraiser Canadian Institute (AACI, P.App.), Appraisal Institute of Canada
2019	Ecological Gifts Program Appraisal Workshop
2018	UBC Sauder School of Business Expropriation Valuation Course
2011	Canadian Residential Appraiser (CRA), Appraisal Institute of Canada
1997	Chartered Financial Analyst (C.F.A.) designation
1991	McMaster University, Hamilton, Ontario Bachelor of Arts, Psychology Major, Statistics Minor
<b>WORK HISTORY</b>	
2007 – Present (Owner/Partner)	<b>Senior Appraiser</b> HG Appraisers Inc., Collingwood, Ontario. Senior Commercial Appraiser: experienced in commercial, agricultural, expropriations, multi-unit properties and conservation lands. Senior Residential Appraiser: experienced in single family dwellings, condominiums, estate and rural residential dwellings, recreational properties, waterfront properties, ski chalets.
2003 – 2006	<b>Executive Director, Senior Equity Analyst</b> C.I.B.C., Toronto, Ontario. Specialization in various small cap and transportation companies.
2001 – 2003	<b>Senior Vice President, U.S. Packaging</b> Merrill Lynch, New York, New York. Senior Equity Analyst, covering various U.S. packaging related companies, ranked as “Best Newcomer” in 2002.
1999 – 2001	<b>Vice President, Canadian Special Situations,</b> Merrill Lynch. Toronto, Ontario. Equity Analyst covering various Canadian Small Cap companies. Consistently ranked in top 3 for Canadian Small Caps and Special Situations
1997 – 1999	<b>Associate Equity Analyst</b> Midland Walwyn / Merrill Lynch, Toronto Ontario. Associate to top ranking Canadian Media and Special Situations Analyst
1991 – 1997	<b>Private Placements Analyst</b> Ontario Municipal Employees Retirement System (OMERS), Toronto, Ontario. Various Positions: Associate analyst, Private Placements / Finance Analyst.