

MEAFORD PROPERTIES

VALUATION & MARKETING STRATEGY

BY:

BRYAN VANACKER
SALES REPRESENTATIVE
E BRYAN.VANACKER@CBRE.COM
T 519 286 2004

CHAD RITZER
SALES REPRESENTATIVE
SALES ASSOCIATE
E CHAD.RITZER@CBRE.COM
T 519 340 2306

CBRE

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EXECUTIVE SUMMARY



Dear Wendy,

RE: Meaford Properties, Meaford, ON - Brief Opinion of Value

As requested, we are providing this brief opinion of value for the three Meaford Properties as of May 2012. We visited the property and reviewed the comparable sales considered in the opinion as of May 15, 2012. The Comparison Approach to Value was considered for this proposal.

Based on our review, it is our opinion that the current fair market value of the Meaford Properties is as fallows:

A suggested listing price:

A more detailed summary of our analysis is enclosed. Please feel free to contact the undersigned should you have any questions.

It is important to recognize that this property valuation does not represent an appraisal nor a guarantee of a value. This valuation is to be used by the addressee only for the purposes discussed, and is based on the assumptions outlined in the report, which are based on current market knowledge. The information contained herein has been obtained from sources which we have deemed reliable but we cannot guarantee its accuracy or completeness.

Best Regards,

Chad Ritzer

Sales Associate

Bryan VanAcker

Sales Representative

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ASSUMPTIONS AND LIMITING CONDITIONS

- 1. This opinion of value is prepared at the request of Wendy Santoro for the purpose of providing an estimate of current market value of the fee simple interest in the subject property, including the building site improvements as of the effective date of the opinion of value for information purposes pertaining to the marketing of the subject property for sale by the current owner, Deloitte & Touche as requested and for no other use. No one other than the person to whom this report is addressed and those parties in the negotiations to whom the client directs the report can rely on this appraisal without first obtaining written authorization from the client and the author of this report. There may be qualifications, assumptions or limiting conditions, in addition to those described herein, relevant to that person's identity or intended use. The report is prepared on the assumption that no other person or corporation will rely on it for any other purpose and all liability to all such persons is denied.
- 2. While experienced in commercial real estate matters, the author is not qualified and does not purport to give legal advice. It is assumed that:
- (a) a legal description as furnished by Assessment and Registry Office records is correct;
- (b) title to the property is good and marketable;
- (c) there are no encroachments, encumbrances, restrictions, leases or covenants that would in any way affect the valuation, except as expressly noted herein;
- (d) the existing use is a legal conforming use which may be continued by any purchaser from the existing owner; and,
- (e) rights of way, easements or encroachments over other real property and leases or other covenants noted herein are legally enforceable.

Because the assumptions have been made, no investigation, legal or otherwise, has been undertaken which would verify these assumptions except as expressly noted herein.

- 3. The estimated market value of the property referred to herein is predicated on the assumption that it would be sold under what are considered to be normal financing conditions (e.g. on a cash basis to the vendor, or on the basis of cash over conventional financing for a property of this nature). Other financial arrangements, good or cumbersome, may affect the price at which this property might well sell for in the open market.
- 4. The author is not a qualified surveyor and no legal survey concerning the subject property has been provided. Sketches, drawings, diagrams, photographs etc. are presented in this report for the limited purposes of illustration and are not to be relied upon in themselves.
- 5. The author is not qualified to give engineering advice. It is assumed that there are no patent or latent defects in the subject improvements, that no objectionable materials such as Urea Formaldehyde Foam are present, that they are structurally sound and in need of no immediate repairs or completion, unless expressly noted within this report. Tests have not been completed on the heating, plumbing, electrical, air conditioning or other systems and, for the purpose of this opinion, they are assumed to be in good working. It is assumed that soil conditions at the subject site have the necessary bearing capacity to support the subject improvements.

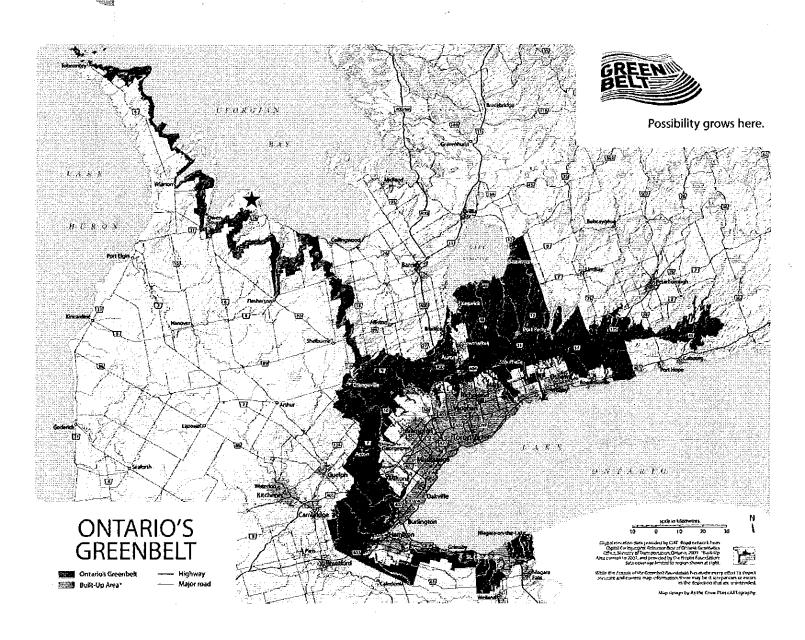
ASSUMPTIONS AND LIMITING CONDITIONS

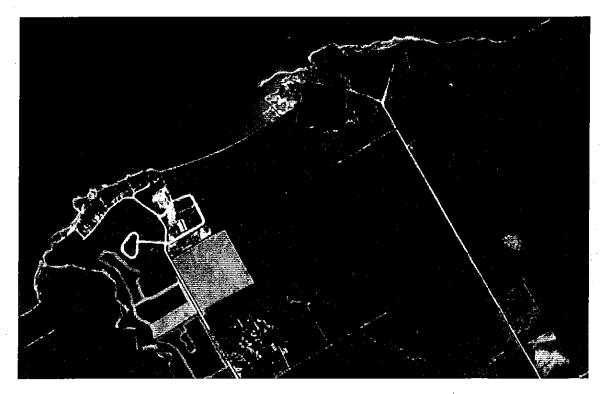


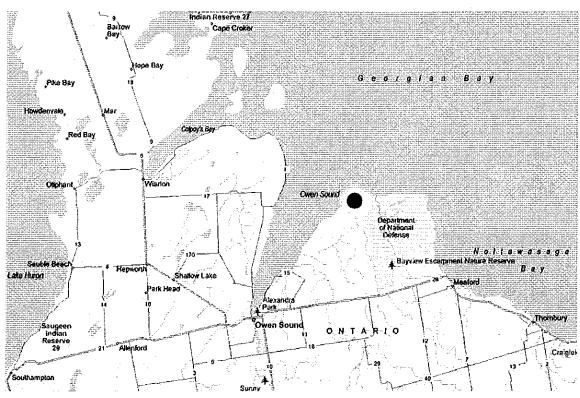
- 6. Environmental Issues: The author is not qualified to comment on environmental issues that may affect the market value of the property appraised, including, but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed 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. The writer expressly denies any legal liability relating to the effect of environmental issues in the market value of the property being valued.
- 7. The property has been valued on the basis that all municipal and public utility services, such as sanitary sewers, water, electricity, telephone and natural gas, have been installed, connected and are operating satisfactorily. It is assumed that full payment for all of the said services shall have been made, whether or not changeable against the site or the project by way of local improvement charges payable before or after the effective date of the valuation.
- 8. No investigation has been undertaken with the local zoning office, the fire department, the building inspector, the health department, the conservation authority or any other government regulatory agency unless such investigations are expressly represented to have been made in this report. The subject property must comply with such government regulations and, if it does not comply, its non-compliance may affect the market value. To be certain of compliance, further investigation may be necessary.
- 9. Neither possession of this report nor a copy of it carries with it the right of publication. All copyright is reserved to the author and is considered confidential by the author and the client. It shall not be disclosed, quoted from or referred to, in whole or in part, or published in any manner, without the express written consent of the writer.
- 10. Market data has been obtained, in part, from documents at the land registry office or as reported by Geowarehouse and RealTrack data services or by the Real Estate Board. As well as using such documented and generally reliable evidence of market transactions, it was also necessary to rely on hearsay evidence. Except as noted herein, a reasonable attempt has been made to verify all such information.
- 11. The client(s) to whom this report is addressed may use it in deliberations affecting the subject property only, and in so doing; the report should not be extracted, but used in its entirety.
- 12. Because market conditions, including economic, social and political factors, change rapidly and, on occasion, without warning, the market value expressed as of the date of this opinion of value cannot be relied upon to estimate the market value as of any other date except with further advice of the writer.



Properly Overview	
	370504 Concession B, CON A LOT 6 C BF W PT LOT 6, PIN: 37098-0150 (LT), Lot 6, Concession A, Formerly Township of Sydenham, except lands described as SY538, Municipality of Meaford
Legal Description	CON BF E PT LOT 6, PIN: 37098-0125 (LT) Lot 6, Broken Front Concession, Formerly Township of Sydenham, Municipality of Meaford
	423020 Harbour Dr, CON B PT LOT 5, PIN: 37098-0128 (LT), Part Lot 5, Broken Front Concession, Formerly Township of Sydenham, as Instrument No. R267818, Subject to Instrument R267818, Municipality of Meaford
Acres	190.42
Property Taxes	To be determined
	• RU - Rural
	RU(H1) - Rural with holding
Zoning	D(H1) - Development with holding
	EP - Environmental Protection
	• Rural
Official Plan	Environmental Protection
	In Land Lakes and Shorelines
Municipal Services	None
Typography	Mainly flat with gently rolling
Current Use	Agriculture and forestry with land leases
	Properties are mainly forested with a small portion of cleared land
	 Located on secondary road with limited road access to majority of property
	River runs through Properties
	 Northern boundary features lake frontage along southern shore of Georgian Bay
Comments	 Old vacant stone farm house and quonset hut near southern part of properties
	 Several land leases relating to the cottages along the shoreline
	Further investigation into land leased required
	 No building permits will be issued for new land leases under the current planning policies
	 Area development is slow and portion of land with development capacity is minimal and developments would be long term

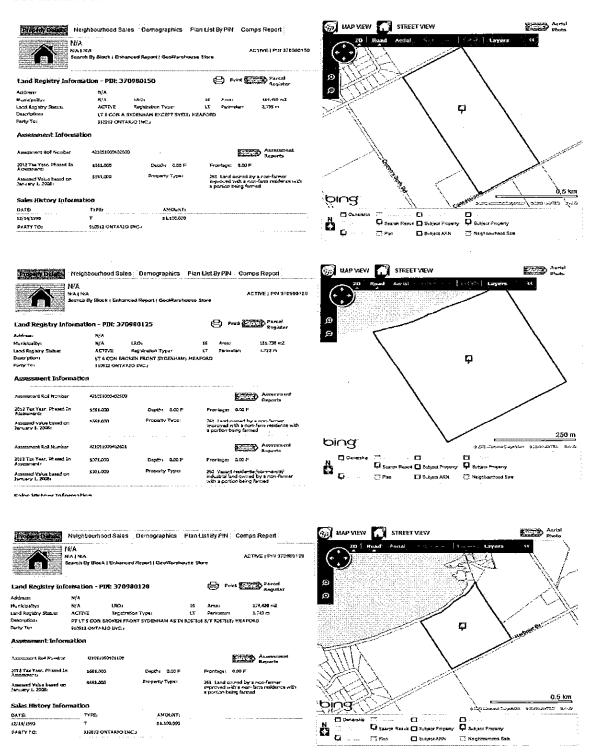




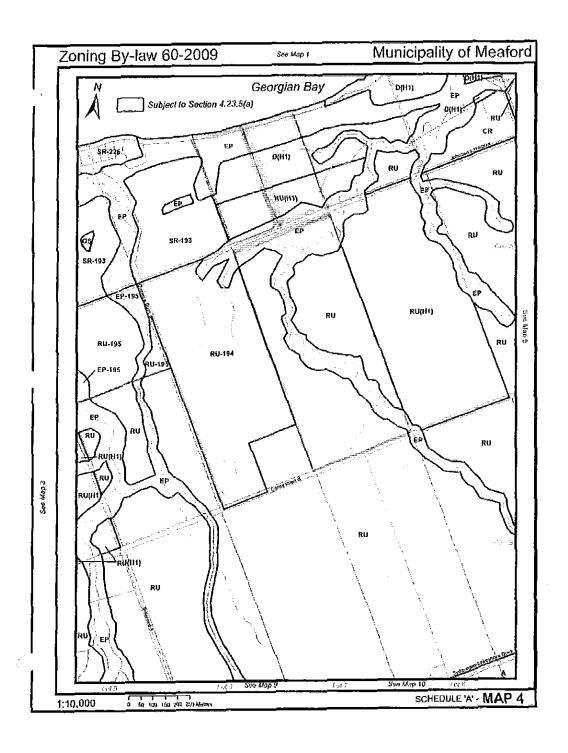




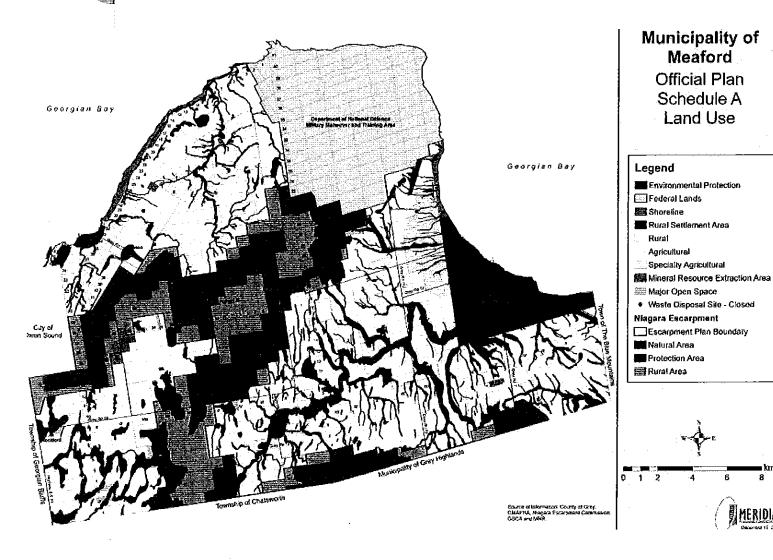
GEOWAREHOUSE REPORT



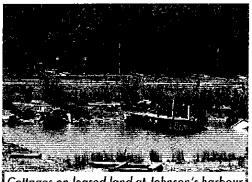
ZONING MAP



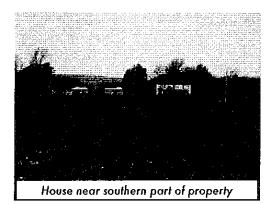
OFFICIAL PLAN

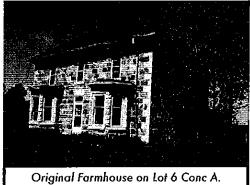


PROPERTY PHOTOS

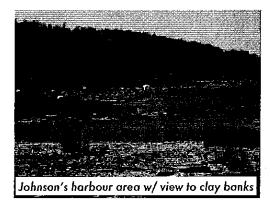


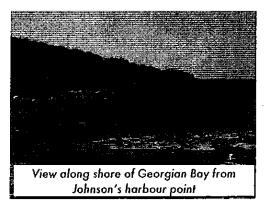
Cottages on leased land at Johnson's harbour

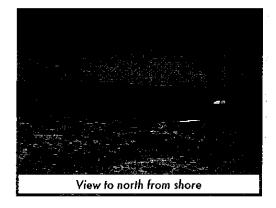












COMPARABLE PROPERTIES

SOLD COMPARABLES

- redacted-

MARKET APPROACH TO VALUE



SALE VALUE

The Market Approach produces an estimate of value or range of value of a property by comparing it with similar properties of the same type and class that have been sold recently or are currently offered for sale in the same or competing areas.

RANGE OF VALUE FOR MARKET APPROACH

After adjustment, based on the above, it is our opinion that the fair market value for these properties in Meaford, ON,

PLAN OF STRATEGY

Timeline - Initial Marketing Phase

MARKETING ACTION ITEMS		×	Month 1			i	Month 2	2	٠	É	Month 3			Ong	Ongoing	
	. . .	8-12 1	15-19 2	22-26 29	29-2 5-9		12-16 15	19-23 26-30	30 3-7	10-14	17-21	24-28	314	7-11	14-18	21-25
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CBRE Prepares & Delivers Markeling Materials																
CBRE Announcement Brokers/Users																
Press releases (if required)							-									
Property Analysis]									
Brochure Approval and Production										_						
Website Posting		354-93								_						
Installation of Signage							_									
Announcement E-mail to Brokers/Buyers w/ Brachure																
Marketing Technical Parkage Complete					100000000000000000000000000000000000000	-										
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Proactive Marketing Period					=	2/\``\					*** _**					
Identify target investors/developers/users contacts		122111111111111111111111111111111111111						_								
Property Tours	ACTES S									1000000			P. (A)			
Direct Mailer/Phone Calls to Target Users	Sicoreus:					2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.		7 784 7 7 4 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1				2,200				7
Broker Mailer (email campaign)	31312 14.								•							100 mg 1 m
Broker Meetings/Entertainment	,100000000									1						
Extensive Follow-Up w/ Investors/Developers Prosperts			kráteráhos						7				**************************************	21. 12. 13. 13. 13. 13. 13. 13. 13. 13. 13. 13		1000000
Verbal Market Updates w/ Investors/Developers every Week												7 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	\$750			7 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -
CBRE Delivers Written Progress Reports Monthly					1											
CBRE Delivers Market Views & Supplements Quarterly - Email					21.221. 26.27 T. 10.222. 16.27											



PLAN OF STRATEGY

Respond to LOI/APC's Respond to LOI/APC's Receive LOI/APC's Receive LOI/APC Owner/CBRE Conduct References Interviews Counter Offer(s) Proposals made by both norties	Month 1	22-26 29-2		Month 2	h 2		<u> </u>	Month 3	h 3			Ongoing		
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CBRE Prepares & Delivers Marketing Materials Receive LOVAPS Owner/CBRE Conduct References Interviews Counter Offer(s) Proposals mande by both parties	,										<u> </u>			
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Receive LOVAPS Owner/CBRE Conduct References Interviews Counter Offer(s) Proposals mande by both parties														
Owner/CBRE Conduct References Interviews Counter Offerts! Proposals made by both parties													-	
Counter Offeris) Proposals made by both parties														
			100101010									ļ		
Architectural/Space Planning Meetings										· ·				
Owner/CBRE and Buyer/Tenant sign LOI/APS			111111111111111111111111111111111111111								<u> </u>			
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Contract/Lease/APS Negotiations														
CBRE Assists in Contract/Lease/APS Negotiations														
CBRE Provides Anecdotes to Support Owner's Positions			A							_		<u> </u>		
Agreement Signed by All Parties					<u>Stormania</u>					 				
					,			1			-			
Due Diligence Period														
CBRE Delivers Organized, Comprehensive Files to Investors/Developers		-				225-21-21-21								
CBRE supplies list of Third Party Inspections if required		_												
CBRE Closely Monitors Due Diligence Process								45.5						
CBRE/Seller Respond to Due Diligence Issues (If Any)						farna n		100000000000000000000000000000000000000						
CBRE Prepares Defense Against Any Issues														
Buyer Posts Firm Earnest Money														
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Closing/Tenan/Buyer Move In							-							
CBRE Assists in Closing and Funding											**************************************		7	
CBRE Assists in Move In									(ha (1919)				47.00	

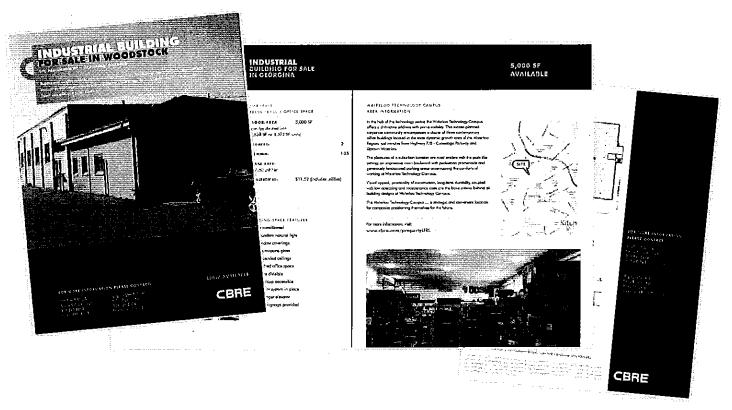


PLAN OF STRATEGY



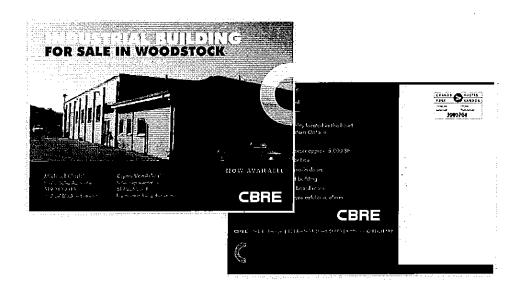
MARKETING BROCHURES

An important part of CBRE's marketing effort for the these lands will be monthly direct mail campaigns, which will distribute marketing brochures and general information to the brokerage community and prospective prospects. We will produce a quality color brochure to present to potential prospects. Included in this brochure will be a picture of the subject site, site plan, pertinent information, a locator map, and an aerial of the property.



PROPERTY POSTCARDS

Postcards will be developed and distributed to all prospects during both the active marketing phase and upon completion of this prominent transaction. The postcards will offer brief insight into the property's features and transaction details as required.



TERMS OF ENGAGEMENT



CBRE is the world's largest provider of Commercial Real Estate Services. Your local office representative is comprised of a morket leader who is a specialists in land sales. CBRE has the strongest track record of performance in the market and is supported by the strongest network of Real Estate professionals in the country for this assignment, given its remoteness.

Given the location of the Property and the necessity for local market knowledge and expertise, Desmond von Teichman, Broker of Record, Owner has been sought out to join the listing team. He will be a key team member and will provide the local contingent on this project. CBRE will maintain single point of contact and project leader.

LISTING TERM SIX (6) MONTHS

MARKETING COSTS

All marketing costs to be borne the Listing Team

SALE COMMISSION

5% of the sale price. 2.5% payable to the Co-Broker and 2.5% payable to the Listing Team.

CO-BROKERAGE

The CBRE Team will co-operate with outside brokers.

REPORTING

To be completed formally and informally on a monthly basis with continuous discussions throughout the process.

Formal reporting letters will be distributed on a monthly basis to project leaders detailing recent marketing initiatives and prospective tenants/buyers.

TOURING PROTOCOL

All site tours will be coordinated through CBRE and will be attended by a member of the Listing Team. This will ensure all prospects have timely, open and unencumbered access to accurate information regarding the offering.

RESPONSE TIME

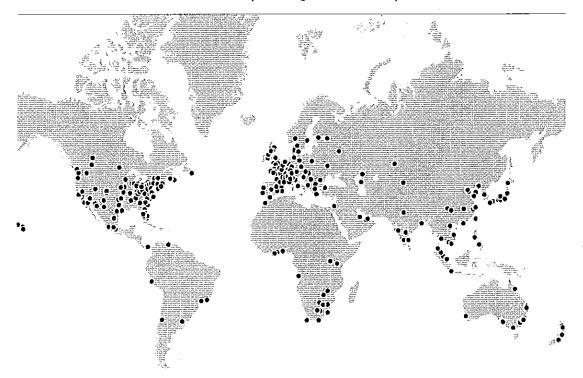
The CBRE Team commits to being open and accessible to all prospects and brokers, and further commits to respond to all inquiries in a timely manner. Where possible, our response time shall be same business day.

PROFESSIONAL CONDUCT

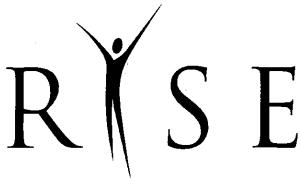
The CBRE Team commits to act with the highest degree of professionalism, embodying the qualities of empathy, sincerity, trust worthiness, friendliness, ethical behaviour and respect for others at all time.



CBRE
19,300+ employees (excluding approx. 1,600 affiliate employees) operating in more than 200 offices (including affiliate offices)



Corporate Locations



RESPECT/INTEGRITY/SERVICE/EXCELLENCE



FORTUNE

Only commercial real estate services company in the Fortune 500; #440 in 2011

WALL STREET JOURNAL

#1 real estate brand



Highest ranked commercial real estate services company



European Property Brand of the Year

Forbes

Only commercial real estate services firm included on the Forbes Global 2000



Highest Ranked Commercial Real Estate Services Firm on Black Book of Outsourcing List



Global Excellence in Outsourcing Award Recognizing The World's Premier Commercial Real Estate Services Firm



World's Best Property Consultant



U.S. EPA 2012 ENERGY STAR Sustained Excellence Award(5 consecutive years of Partner of the Year status)



Commercial Agency of the Year REIQ Awards for Excellence (Pacific)

Newsweek

Top real estate company in "green" rankings



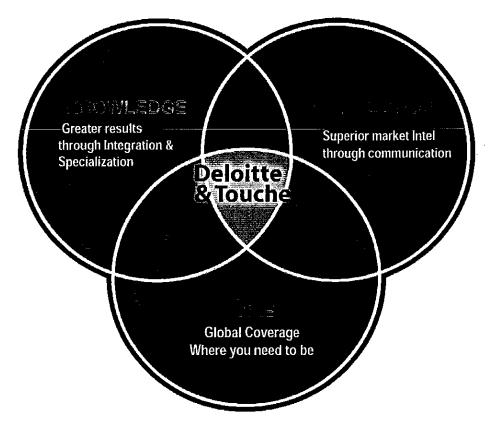
Global Investment Management Deal of the Year

WHY CBRE?



- Global Supply Chain Practice
- Port Logistics Group
- Food Solutions Group
- Special Properties Group
- Life Sciences Group
- · Manufacturing Practice Group
- Infrastructure Group
- Land Group

- National Calls
- Regional Calls
- National Conferences
- International Calls
- Global Relationship Directory
- Associate Networking Group
- Global Enterprise Strike Team



1,207 Industrial Specialists Globally

700 in the U.S. • 112 in Canada • 28 in Latin America • 147 in EMEA • 220 in APAC



Value Added Practices for the Industrial Platform

VALUATION * GLOBAL RESEARCH * COST SEGREGATION * INCENTIVES * PROJECT MANAGEMENT * LABOR ANALYTICS

PROFESSIONAL PROFILE



Chad Ritzer Sales Associate Waterloo Region, ON



Clients Represented

- Conestoga Rooting
- Tl Automotive
- Extra Sell Storage
- Dundee Wealth Management
- Bend Tech
- Opta Minerals
- Soplin Holdings
- ARISE Technologies
- AECOM
- Pepsi
- Waterloo Manufacturing
- Greenlawn
- Ellis Don

Chad A. Ritzer is a Sales Associate with CB Richard Ellis Limited located in Canada's Technology Triangle. The Waterloo/ Wellington Region office serves Guelph, Kitchener, Waterloo, Cambridge, Brantford, Stratford and the surrounding areas.

Chad started with CB Richard Ellis in the Research Department of the Waterloo/ Wellington Region office as a Research Assistant/Sales Trainee. Chad rebuilt the database of inventory that CB Richard Ellis uses to track all current availabilities in Waterloo/ Wellington Region. He also revamped the database that holds historical transactions, providing the exact information for comparables in the marketplace. Chad has been taught the backbone of the business and was an integral team player, providing the tools and information needed by the sales professionals in the Waterloo/ Wellington Region Office.

Chad has a background in land, commercial, and industrial acquisitions, dispositions and leasing. Chad's background and knowledge has recently assisted several companies in acquiring sites and buildings in Southwestern Onlario. Chad is extremely committed to understanding his client's needs and providing a high level service.

Areas of Specialty

Investment Acquisition and disposition of income producing properties includ-

ing retail, office and industrial centers, multi-residential and senior

housing developments

Industrial Purchasing, disposition, and leasing of industrial properties includ-

ing manufacturing facilities, industrial parks, and land sites

Commercial Site acquisitions and dispositions, site feasibility, market analysis,

project leasing, landlord and tenant services

Mission Statement

Our commitment is to fully understand and service our clients. CB Richard Ellis is committed to the delivery of the highest level of service, uniquely tailored to meet the needs of each of our customers.

We build long-term relationships and will earn the right to do business through consistently superior service.

PROFESSIONAL PROFILE



Bryan VanAcker Sales Representative London, ON



Clients Represented

- ICORR Properties
 International
- KPMG
- Roynat Capital
- MCF Investments Inc
- FortuNet Inc.
- Prosperity Developments
 Limited
- BorgWorner
- Murse TEC
- Conorm Ltd.
- Home Hardware Stores
 Limited
- Roman Catholic Diocese of London
- Noroxel Energy Ltd.
- C & L Equipment
- Nurtilawn Inc.
- BioEnergetic Products
- Dealers Supply (Agriculturol) Limited
- Gyulveszi Properties Inc.

Bryan VanAcker is a Sales Representative with CBRE Limited. He has been actively involved in real estate for over six years and in April 2007 he decided to pursue his career in commercial real estate with CBRE Limited Brokerage.

Born and raised outside Tillsonburg, Bryan has lived in many communities throughout Southwestern Ontario. He began his career with Royal LePage R. E. Wood Realty, where as a licensed Realtor and a member of the Tillsonburg Real Estate Board he serviced his clients primarily in the residential market. Over that term, Bryan's skills were utilized to complete various real estate tosks which included: representing selling and buying clients throughout the entire real estate transaction, valuating property using multiple techniques, direct involvement over personal marketing and property advertising, and overseeing of daily business functions. As a licensed member of the Real Estate Council of Ontario and the London St. Thomas Real Estate Board, Bryan has continued many of these functions at CBRE, as well as various other tasks, such as creating marketing campaigns, writing of proposals, conducting studies, compiling useful data, and assembling presentations.

Bryan's experience and knowledge was sought out by Kevin MacDougall and David Yanoshita who acted as mentors to accentuate Bryan's early career in commercial real estate. He has since taken these skills with him in his independent career whereby client relations, property selection, marketing material, preparing presentations, writing offering memorandums, property showings, drafting and negotiating offers, and continual relationship building are some of the many and most important duties performed.

Bryan's area of concentration with CBRE is in various types of investment, land, and industrial properties in mainly the areas of Oxford County and Norfolk County. This involves analysis of financial information and the physical characteristics of a property, up-to-date market knowledge, marketing the property, and negotiating transactions between Buyer and Seller, as well as aiding in arranging financing.

Credentials, Professional Affiliations/Accreditations

- Member of the Canadian Real Estate Association
- · Member of the London & SI. Thomas Real Estate Board
- Member of the Canadian Commercial Council

Education

- Police Foundations Diploma Fanshawe College
- Bachelor of Arts (Honours), History Major with a Sociology Minor; King's College, University of Western Ontario
- Canex Exchange Scholarship McGill University, Montreal

PROFESSIONAL PROFILE



Desmond von Teichman

Broker of Record, Owner Royal LePage, Brokerage



Desmond von Teichman moved to the area in 1995 from Toronto. He moved up here for business, but came to view the area as home after a short stay. While he had dabbled in the real estate business for years, he entered retail real estate full-lime in 2002, and hasn't looked back. While he is very well-exposed to the estate, recreational and luxury residential market, Des helps his clients attain their real estate goals in the commercial and investment field in addition to all sectors of the re-sale and new home markets. Desmond is an avid downhill skier, struggling golfer, sailor, and outdoor enthusiast. He is married to what he calls his "much better half" and has 3 children.





CBRE Limited. Brokerage | 150 Dufferin Avenue | Suite 602 | London, ON | www.cbre.ca

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