

Clerk's Stamp: NOV 19 2018

COURT FILE NUMBER 1701-08644

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF CENTURION MORTGAGE CAPITAL CORPORATION

DEFENDANTS THE BRIDGES STEPS LIMITED PARTNERSHIP, by its general partner, GIUSTINI BRIDGES INC., GIUSTINI BRIDGES INC., ASSURED DEVELOPMENTS LTD., GIUSTINI DEVELOPMENT CORPORATION, SBG INVESTMENT CORP., 1670749 ALBERTA LTD., 1670759 ALBERTA LTD., CANTERRA CUSTOM HOMES INC., and JORDAN GIUSTINI

DOCUMENT AFFIDAVIT OF VALUE AND VALUATOR'S REPORT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Dentons Canada LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8
Attention: David Mann / Afshan Naveed
Ph. (403) 268-7097 / 7015 Fx. (403) 268-3100
File No.: 570945-1

AFFIDAVIT OF JACOB HOFER

Sworn on November 5th, 2018

I, JACOB HOFER, of the City of Calgary, in the Province of Alberta, an Appraiser, SWEAR AND SAY THAT:

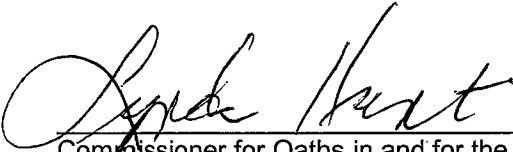
1. I have resided in and carried on business in City of Calgary, in the Province of Alberta for the last 28 years, and during that time have had considerable experience in real estate transactions.
2. On September 11, 2018, I made a careful personal inspection of the lands in question in the proceedings herein, legally described as follows:

PLAN 0512930
BLOCK 7
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS

(the "Lands")
3. Attached and marked as **Exhibit "A"** to this my Affidavit is the report entitled "Appraisal Report" showing full and true particulars of the state, condition, and value of the said Lands and the improvements situated thereon, to the best of my knowledge and belief.

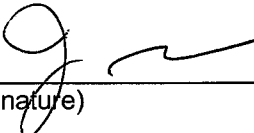
4. I have not now and never have had any interest in the said Lands or otherwise except as an appraiser retained by the Plaintiff in connection with the inspection and valuation of the lands as made by me and set forth in Exhibit "A" hereto.

SWORN BEFORE ME at the City of Calgary, in)
the Province of Alberta, this 5th day of)
November, 2018.)
)
)

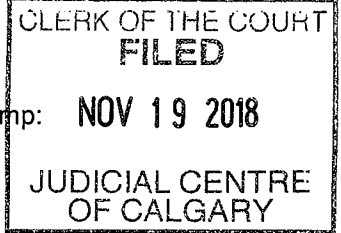


Commissioner for Oaths in and for the Province
of Alberta

Lynda Hunt
My Commission Expires
July 10, 2020



(Signature)
Name: Jacob Hofer



Clerk's Stamp: NOV 19 2018

COURT FILE NUMBER 1701-08644

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF CENTURION MORTGAGE CAPITAL CORPORATION

DEFENDANTS THE BRIDGES STEPS LIMITED PARTNERSHIP, by its general partner, GIUSTINI BRIDGES INC., GIUSTINI BRIDGES INC., ASSURED DEVELOPMENTS LTD., GIUSTINI DEVELOPMENT CORPORATION, SBG INVESTMENT CORP., 1670749 ALBERTA LTD., 1670759 ALBERTA LTD., CANTERRA CUSTOM HOMES INC., and JORDAN GIUSTINI

DOCUMENT AFFIDAVIT OF VALUE AND VALUATOR'S REPORT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Dentons Canada LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8
Attention: David Mann / Afshan Naveed
Ph. (403) 268-7097 / 7015 Fx. (403) 268-3100
File No.: 570945-1

AFFIDAVIT OF JACOB HOFER

Sworn on November 5th, 2018

I, JACOB HOFER, of the City of Calgary, in the Province of Alberta, an Appraiser, SWEAR AND SAY THAT:

- I have resided in and carried on business in City of Calgary, in the Province of Alberta for the last 28 years, and during that time have had considerable experience in real estate transactions.
- On September 11, 2018, I made a careful personal inspection of the lands in question in the proceedings herein, legally described as follows:

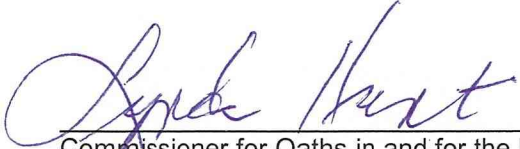
PLAN 0512930
BLOCK 7
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS

(the "Lands")

- Attached and marked as **Exhibit "A"** to this my Affidavit is the report entitled "Appraisal Report" showing full and true particulars of the state, condition, and value of the said Lands and the improvements situated thereon, to the best of my knowledge and belief.

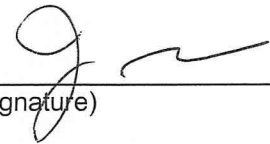
4. I have not now and never have had any interest in the said Lands or otherwise except as an appraiser retained by the Plaintiff in connection with the inspection and valuation of the lands as made by me and set forth in Exhibit "A" hereto.

SWORN BEFORE ME at the City of Calgary, in)
the Province of Alberta, this 5th day of)
November, 2018.)
)
)



Commissioner for Oaths in and for the Province
of Alberta

Lynda Hunt
My Commission Expires
July 10, 2020



(Signature)
Name: Jacob Hofer

Appraisal Report - Update

prepared for:

Miss. Afshan Naveed
Dentons Canada LLP

prepared by:

Altus Group Limited © 2018

Steps Bridgeland

918 McPherson Square NE
Calgary, AB

This is Exhibit "A" referred to in the
Affidavit of Jacob Hofer
Sworn before me this 5th day of
 November , 2018

A Commissioner for Oaths
in and for
the Province of Alberta

At October 1, 2018

Lynda Hunt
My Commission Expires
July 10, 2020

November 5, 2018

Project No.: 103016

Miss. Afshan Naveed
Dentons Canada LLP
15th Floor, Bankers Court
850 2nd Street SW
Calgary, AB, T2P 0R8

RE: Steps Bridgeland
918 McPherson Square NE, Calgary, AB

In accordance with your request, we have re-inspected the above captioned property and carried out an analysis in order to render an update to our opinion of market value, as put forth in a prior appraisal, effective July 1, 2017, under file #102553. Noteworthy to this update is that it is best read in conjunction with the previous appraisal as it would result in a better understanding of this update.

Upon investigating the marketing history of the property and evaluation of current market conditions as compared to those that existed at the time of our previous appraisal, it becomes apparent that the market value of the property has declined notably since the prior valuation.

Having completed an analysis, we submit that in our professional and considered opinion, **Market Value** on an “as is” basis, *effective October 1, 2018*, subject to important underlying contingent and limiting conditions and Extraordinary Assumptions contained herein, is;

Eleven Million Four Hundred Thousand Dollars
\$11,400,000

We further submit that in our professional and considered opinion, **Forced Sale Value** on an “as is” basis, *effective October 1, 2018*, subject to important underlying contingent and limiting conditions and Extraordinary Assumptions contained herein, is;

Ten Million Two Hundred and Sixty Thousand Dollars
\$10,260,000



This narrative report describes the method and approach to value in support of the conclusion and contains the pertinent data gathered in our investigation. If there are any questions we would be pleased to discuss the valuation further.

Respectfully submitted,

Altus Group Limited

Jacob Hofer, AACI, P.App, MRICS, Q. Arb.

Table of Contents

- 1. Executive Summary 1**
 - Liquidity 2
- 2. Introduction..... 3**
 - Extraordinary Assumptions..... 4
- 3. Property Description 6**
 - Neighborhood Description 6
 - Site Description..... 8
 - Land Use Controls..... 9
 - Building Description 10
 - Municipal Assessment and Taxes 13
- 4. Market Overview 14**
 - Economic Overview 14
 - Provincial Economic Overview 14
 - Municipal Economic Overview 17
- 5. Highest and Best Use..... 22**
- 6. Valuation 23**
 - Development Approach 25
 - Cost Approach 40
- 7. Reconciliation and Final Estimate..... 44**
 - Forced Sale Value 44
- 8. Certification..... 47**

Appendices

Appendix A

Terms of Reference

Scope of Work

Definitions

Limiting Conditions

Appendix B

Certificate of Title

Appendix C

Photographs of Subject Property

Location Maps

Appendix D

Investment Sales Summaries

Land Sales Summaries

Appendix E

Retail Pricing Schedule

BTY Cost Report Schedule December 2016

BTY Cost Report Schedule June 2017



Executive Summary



918 McPherson Square NE, Calgary, AB
Steps Bridgeland – Residential Condominium Project

Valuation Summary

Final Estimate of Market Value	\$11,400,000
Estimated Forced Sale Value (90% of Market Value)	\$10,260,000
Indicated Value – Development Approach	\$11,400,000
Estimated Revenue Potential	\$54,797,428
Estimated Cost to Complete	\$31,250,000
Developer's Profit @ 12%	\$6,575,691
Selected Internal Rate of Return	7.0%
Indicated Value – Cost Approach	\$13,100,000
Estimated Land Value	\$5,700,000 (\$140 per sq. ft.)
Estimated Contributory Value of Improvements	\$7,400,000

¹ Values are subject to the Extraordinary Assumptions and the Contingent Limiting Conditions contained in the report.



Liquidity

Liquidity is the measure of the typical buyer's desire and ability to purchase the property. An estimate of market value should include an assessment of liquidity. Overall, we consider the liquidity of the subject property to be "modest" at the value reported herein. A detailed definition of "modest" liquidity is presented in Appendix A.



Introduction

Identification	918 McPherson Square NE, Calgary, AB
Legal Description	Plan 0512930 Block 7 Lot 1 Excepting Thereout All Mines and Minerals. The appraiser is not responsible for matters legal in character and it is assumed that the Title is good and marketable. A copy of the current Certificate of Title is included in the Addenda of this report.
Purpose of Report	The purpose of this appraisal is to provide our unbiased opinion of the current market value of the property identified herein.
Intended User	The intended user of this report is Dentons Canada LLP and its client Centurion Mortgage Capital Corporation. No other users are intended by the appraiser.
Intended Use	The intended use of the report is for foreclosure purposes.
Effective Date	October 1, 2018. A cursory inspection was undertaken by Jacob Hofer on September 11, 2018.
Tenure	The property is appraised on the basis of the fee simple interest, without debt or encumbrances.
Ownership and History	The subject property is currently owned by Giustini Bridges Inc. of 5213, 333 96 th Avenue NE, Calgary, AB. The property transferred to Giustini Bridges Inc. on February 17, 2016 for the consideration of \$1.00 and a declared value of \$14,100,000. The appraiser is aware of the fact that the property is currently offered for sale through CB Richard Ellis as a judicial listing. The real estate agent in charge of the listing reports that the property was first offered for sale in February 2018 at a list price of \$19,800,000.



Given resistance to the asking price and lack of interest at that level, the asking price was reduced to \$14,500,000. The agent reports feedback from interested parties that the initial list price of \$19,800,000 was way above what was perceived as market value, and accordingly offers that were submitted were substantially below the list price in the \$10,000,000 range. To date no reported offers at the reduced list price of \$14,500,000.

Assumptions and Limiting Conditions

The reader's attention is drawn to certain Contingent and Limiting Conditions that are outlined at Appendix A.

- Financing** For the purpose of this appraisal we have assumed that the property is free and clear of all financing.
- Encumbrances** The property does have numerous charges registered against title. A full search and interpretation of the title is beyond the scope of this appraisal and the report is contingent on the expectation that there are no material encumbrances that would affect value unless otherwise noted. However, as these can have a significant impact on the market value and / or marketability, legal advice is recommended.

Extraordinary Assumptions

Certain assumptions were made by the appraiser, which in part are based on information provided by the client. The estimated value included herein will potentially be impacted if any of the following Extraordinary Assumptions are not realized as of the effective date.

- Descriptive Analysis** The subject is an incomplete residential condominium project and the Descriptive Analysis within the body of this report is based in part on an on-site inspection, a copy of the development plans provided by a representative of Centurion Mortgage Capital Corp., and a former appraisal report completed by Colliers International. For the purpose of this report we relied on the information provided and made the assumption that it is reasonably accurate.
- Development Costs** The appraiser was provided with a copy of the latest BTY Project Monitoring Claim Report dated December 7, 2016 and a schedule relative to a subsequent update which was provided in draft form dated May 3, 2017. We have relied on those reports for the purpose of estimating the remaining costs to complete the project and costs in place. We assume that the reports are authentic, are the most recent versions, and accurately reflect the situation.



Presales The appraiser was provided with information by a representative of Centurion Mortgage Capital Corp. relative to the presold units in the project, and relied on that information as provided. The information is assumed to be accurate and represents the most recent available.

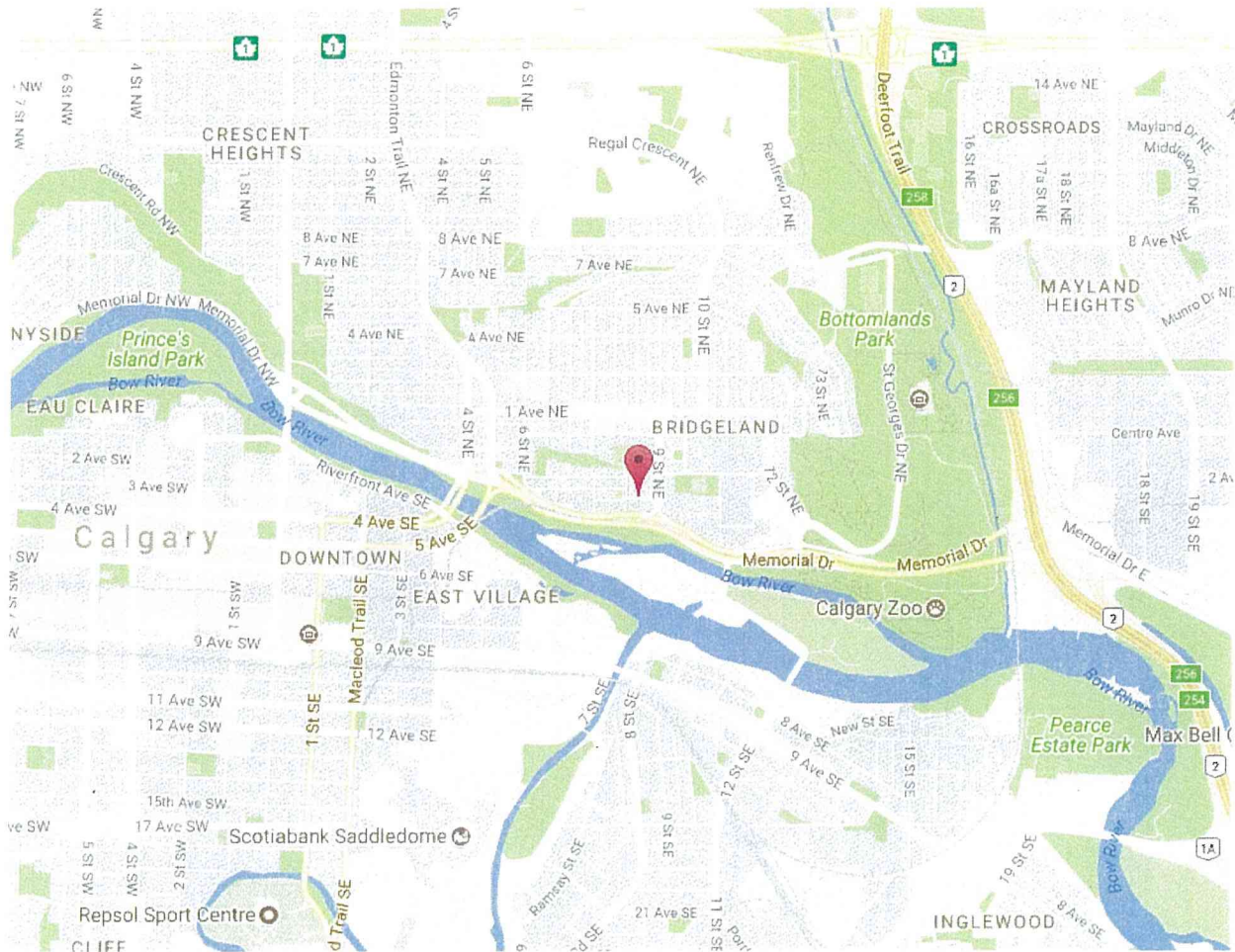
Improvements As at the effective date of this appraisal the project was incomplete, construction had ceased, and development was capped at grade level with some minor concrete work completed above grade. The appraiser is not qualified to make a determination as to the state of the existing improvements and accordingly was instructed by the client of this report to proceed with the valuation under the assumption that the existing improvements are of sound construction, are in keeping with the building plans, and can be fully incorporated in the completion of construction of the project.

We refer you to Appendix A of this report for further details relative to the Terms of Reference, including Scope of Work, Definitions of Market Value, Liquidity, and Highest and Best Use.



Property Description

Neighborhood Description



The property is located within the Bridgeland District of Central Calgary. Bridgeland is a mixed use residential / commercial district located immediately to the north of Downtown Calgary on the north side of Memorial Drive and east of Edmonton Trail.

Adjacent Districts

- | | |
|-------|---|
| North | Renfrew residential neighbourhood, north of 8 th Avenue NE |
| South | Downtown East Village & Inglewood Districts, south of Memorial Drive NE |
| East | Mayland Height neighbourhood, east of Deerfoot Trail NE |
| West | Crescent Height neighbourhood, west of Edmonton Trail NE |



Access / Transportation

Access to the property and neighbourhood is best rated as good with Edmonton Trail, Memorial Drive and 8th Avenue NE providing access at numerous locations.

Public transportation is readily available with the Bridgeland LRT station along Memorial Drive providing access to light transit rail service, while public bus stops are interspersed throughout the neighbourhood.

Trends in Development

Bridgeland is located immediately to the northeast of downtown Calgary across Memorial Drive from East Village, and is bound by the Bow River to the south, Deerfoot Trail to the east, Edmonton Trail to the west, and 8th Avenue NE to the north.

Bridgeland is a predominant residential neighbourhood with interspersed commercial/retail development along 1st Avenue NE, and Edmonton Trail NE. Bridgeland was initially developed in the early to mid-1900s as a residential district and was home to the former Calgary General Hospital. The hospital was closed and demolished in 1998 which left a large tract of land approximately 4 city blocks wide and 3 city blocks deep at the south central edge of the Bridgeland District ripe for redevelopment. This tract of land which includes the development of the subject property has been the location of numerous new residential condominium developments over the past 15 years.

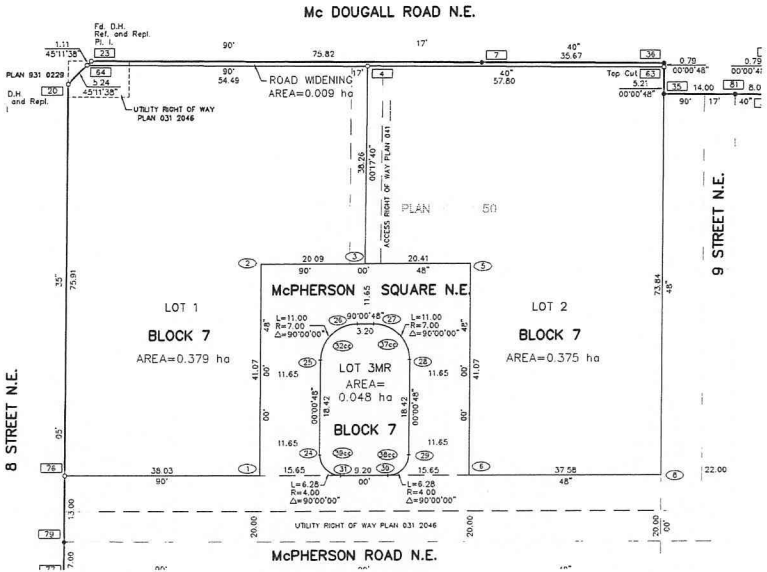
The initial redevelopment took place along 1st Avenue, between 7A Street and 10th Street SE and consisted of 4 large mid-rise projects spanning full city blocks and consists of mix of retail on the main floor and residential development on the upper floors. Subsequent developments are focussed south of Centre Avenue SE, east of the 9th Avenue, and south of McDougal Road NE to Memorial Drive, east of 8th Street. Development in Bridgeland has slowed following the 2008 / 09 global economic crisis and the more recent downturn stemming from substantially lower world energy prices. Although notable development has taken place on the former General Hospital site, significant capacity remains and redevelopment is likely to continue for a number of years.

Summary

In summary, Bridgeland is a well located neighbourhood in central Calgary with historical significance and is especially attractive to residents that desire to live in a central location and still have modern housing choices offered by the numerous newer residential condominium developments within Bridgeland.



Site Description



Site Area	9365 Acres, more or less (40,742 sq. ft., more or less)
Site Position	Corner lot
Topography	Generally level
Configuration	L shaped configuration (See Block 7, Lot 1 in the Plot Plan above)
Frontage	191 feet along McDougall Road NE 261 feet along 8 th Street NE
Services	All the typical city services including water, sewer, natural gas and telephone.
Environmental	We are not experts in environmental matters and make no representations regarding them. It is assumed for the purpose of this report that there is no environmental contamination. A formal environmental audit should be conducted for certainty. Any costs associated with contamination would need to be deducted from the final value concluded herein.
Access and Exposure	The site has an inner block location within the neighbourhood and is readily accessible via 9 th Street NE which intersects Memorial Drive to the south, and 1 st Avenue NE to the north which in turn connects to Edmonton Trail NE. LRT Station is located approximately 1 block to the south of the subject on Memorial Drive NE. Public bus stop on 9 th Street less than a block to the east of the site.



Land Use Controls



Area Redevelopment Plan Bridgeland – Riverside Area Redevelopment Plan

Bylaw Calgary Land Use Bylaw IP2007

Zoning / Land Use DC 41Z2022 Site 14 (Direct Control)

Bylaw Calgary Land Use Bylaw IP2007

Permitted Uses Permitted and discretionary uses for this site include utilities, parks and playgrounds, apartments, stacked townhouses, dwelling units, live work units, special care facilities, public, quasi-public buildings, etc.

Allowable Density Based on the pertinent Land Use Bylaw, the maximum allowable density for Site 14 (subject site) is 130 units per acre equating to approximately 122 units, while the maximum building height is six stories.

Conformance A review of the pertinent land use bylaw and the subject's building plans, suggests that if developed in accordance with plan, the property would be in conformance with the pertinent land use bylaw. However, we are not experts in land use planning and as such the appropriate planning authorities at the City of Calgary should be contacted to ensure conformity.



Building Description

The following is a description of the multi residential condominium project that was in the process of being developed on the subject site prior to construction being ceased. The following building description is based on a variety of information provided by a representative of Centurion Management Capital Corp. and our observation during our onsite inspection.

Pictorial Presentation of Steps Bridgeland – Artist Renderings





Building Type Mid-rise residential condominium project know as Steps Bridgeland.

Storeys 6 Storeys

Total Units 122 units

Suite Mix

Condominium Suite Mix			
Steps Bridgeland, Calgary, Alberta			
Suite Type	# of Units	Total Saleable Size	Average Unit Size (SF)
Studio	7	2,384	341
1 Bedroom Flat	33	17,114	519
1 Bedroom + Den Townhouse	1	811	811
2 Bedroom Flat	43	36,062	839
2 Bedroom Townhouse	10	11,418	1,142
2 Bedroom + Den Townhouse	14	17,283	1,234
Penthouse	14	14,485	1,035
Total	122	99,557	816

Amenities Underground parkade and bike storage

Construction Details

Foundation Poured in place concrete, steel reinforcement, concrete pilings

Superstructure Poured in place reinforced concrete columns and floor slabs

Exterior Walls Stone clad, acrylic stucco and glass curtain wall panels

Windows / Doors Commercial grade double glazed windows and exterior doors in extruded aluminium frames

Roof Flat roof with 2 ply SBS modified bituminous roofing membrane

Vertical Access Elevator access to all floors

Heating/Cooling Heating is via natural gas fired hot water boilers. A chiller unit with appropriate distribution system will provide for cooling throughout the building.

Electrical Electrical service is assumed to be of adequate capacity for the building.

Life Safety/Security A wet sprinkler system will provide fire suppression throughout



Interior Finishes Interior finishes are to be of good quality with the following providing a short summary of the anticipated features:

- Polished concrete flooring throughout
- Individually controlled heating systems
- Modern doors, baseboards and door casings
- Italian cabinetry and wood work
- Quartz countertops
- Spa like bathroom fixtures featuring dual flush toilets, vanity mirrors and rain showerheads

On the overall the units are expected to be of good quality with finishes ranging depending on the purchaser selections. Each unit will feature balcony access and expansive windows.

Parking 2 level underground parkade. All of the units will include 1 underground parking stall with the exception of the penthouse units (which will include two parking stalls), and the studio units (which will have no parking included).

Utility / Condition Upon completion of construction, the Step Bridgeland project is expected to reflect a modern, well designed residential condominium project with good functionality and offering good utility. The only negative noted in our review of the plans is that the Studio units do not include a parking stall.

From a condition perspective the project is new construction and as such is expected to be in excellent condition.

Summary On the overall, the Steps Bridges project is well located in the Bridgeland District of central Calgary and upon completion of construction will provide inner city residents with an attractive range of housing choice relative to unit type, unit size and interior finish. The planned project appears to be well designed and will conform with surrounding developments.



Municipal Assessment and Taxes

Total Assessment 2018: \$11,320,000

2018 Tax Levy: \$71,964

Comments: The subject property is an incomplete residential condominium project and no legal condominium plan or individual titles have been created. The current assessment does not reflect the proposed condominium development.

Commentary

Establishing reasonableness of assessed value and realty tax costs associated with the subject property is beyond the scope of this appraisal assignment. Municipal assessment and tax information is provided purely for reference purposes.



Market Overview

Alberta, Economic Overview

#AltusEconomicFlash - Alberta								
	Expected Trend*	Snapshot	Analysis	Alberta			Canada	
GDP 	▼ 2018 ● 2019	<p> ■ Manufacturing ■ Construction ■ Office-based ■ Wholesale and Retail ■ Other Sectors </p>	Improvement in the energy sector and capital investment should lead to moderate economic growth during the forecast period.	Annual % Change Real GDP	2014-2016: 2.5, 2.3, 2.2 2017: 6.7, 3.0 2018: -2.5, 0.8 2019: 2.2, 2.0	2014-2016: 1.6, 1.2 2017: 1.0, 1.9 2018: 0.5, 0.8 2019: 1.1, 1.0		
	▲ 2018 ▼ 2019	<p> ■ Goods ■ Services </p>	Employment growth is likely to continue as the provincial government keeps spending and oil prices rise moderately. Meanwhile, increasing new home construction should support positive job growth in the construction sector.	Annual % Change Jobs	2014-2016: 2.4, 2.4, 2.2 2017: 7.5, 6.7 2018: -0.2, 0.5 2019: 1.1, 1.0	2014-2016: 0.6, 0.7 2017: 1.0, 1.9 2018: 0.5, 0.8 2019: 1.1, 1.0		
	▼ 2018 ▼ 2019	<p> ■ Percent of Canada-wide sales </p>	Retail sales are on track to post substantial growth this year. After which, more modest increases are likely, in line with slow, steady job gains.	Annual % Change Sales	2014-2016: 2.4, 2.4, 2.2 2017: 7.5, 6.7 2018: -1.7, 2.6 2019: 2.2, 2.1	2014-2016: 2.0, 1.4 2017: 6.7, 3.0 2018: 2.6, 0.8 2019: 2.1, 2.0		
Key Financial Trends 	10 year bond yield to drift higher over longer-term amid sustained economic growth; higher oil prices, the cessation of sector-specific drags and stronger growth to result in accelerating inflation going forward, CAD to trend higher over the forecast horizon in tandem with higher oil prices and Bank of Canada policy rate increases.		10 year bond yield (%)	1.64	1.82	2.25	2.03	2.23
			Inflation Rate (%)	1.82	1.07	1.54	1.87	2.08
			\$ Canadian Dollar (per US\$)	0.78	0.78	0.80	0.83	0.79
	Sources: • Statistics Canada • Conference Board of Canada All Forecasts by Altus Group Economic Consulting (as of Q1 2018) Historical data / forecasts covers Alberta and Canada	Key Takeaway: The improvement in the energy sector and continued capital investment will carry Alberta's economy throughout the forecast period, while other economic sectors slowly follow.		3-year Trend History	Last Year	This Year	Next Year	3-Year Trend Horizon
				2014-2016	2017	2018	2019	2020-2022
				* Expected Trend shows rise, steady or fall in rate of growth				
				Contact: economics@altusgroup.com				



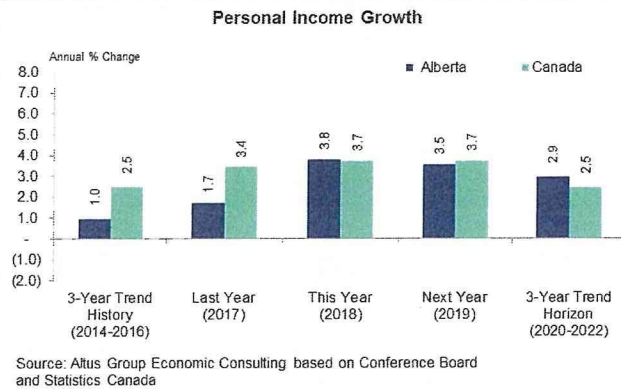
Economic Trends - Alberta

Economic Conditions

- Alberta's robust economic activity leading into 2014 ensured positive real GDP growth, on an average annual basis, before the economy was devastated by plunging crude oil prices in 2014. Low oil prices weighed on capital spending and government revenues and also slowed oil production. Economic activity contracted sharply in 2015 and 2016 averaging -2.5% over the 2014-2016 period. However, higher oil prices led to increased oil production in 2017 with further economic support coming from increased provincial government spending and the rebuilding of Fort McMurray after the wildfires in 2016. Improving, but still comparatively low oil prices should preclude a significant ramp up of capital spending, providing impetus for growth this year and beyond.

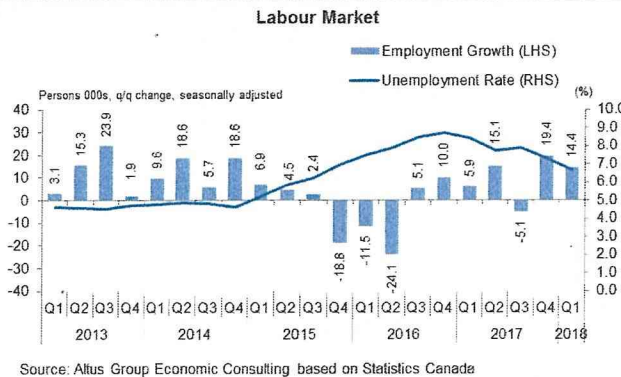
Income Growth

- After growing at a 1.0% average from 2014-2016, personal income growth continued to increase in 2017 amid economic weakness.
- The return to positive employment growth is supporting sustained increases in personal income. Alberta's minimum wage increased by 11% as of October 2017 and is set to increase another 10% to 15% by October of this year.
- This policy will likely support near-term income growth, but could weigh on the pace of job gains going forward as the wage gain eats into operating margins and employers are incentivized to invest more heavily in automation.



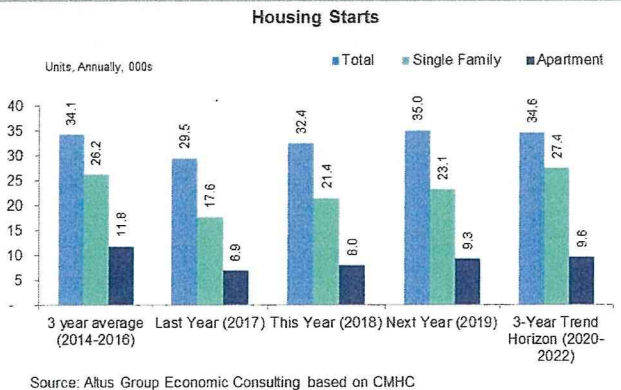
Labour Market

- Employment increased by 14,400 in the first quarter of this year to 2.3 million workers, after a slight decrease in the previous quarter.
- The unemployment rate dropped to 14.4% in the first quarter, though still remaining well above recent levels.
- Employment growth recovered in 2017 and will continue to increase through the forecast horizon, bolstered by economic strength. Overall, employment is expected to increase by about 130,000 net new jobs between 2018-2022.



Housing Market

- In the first quarter of this year, work started on 5,239 new homes, 6% lower than the same period in 2017. Housing starts increased in 2017, supported by the Fort McMurray rebuild. Starts will likely average 29,815 units from 2018-2022.
- Sales of existing homes dropped by 27% between 2014 and 2016 as weak employment and income growth weighed on housing demand. However, despite the substantial decline in sales, average prices dipped by only 2% over the same period as supply also dropped, but by a smaller amount. In the first quarter of this year, sales were down 9% and the average price per household decreased by 2% on a year-over-year basis.

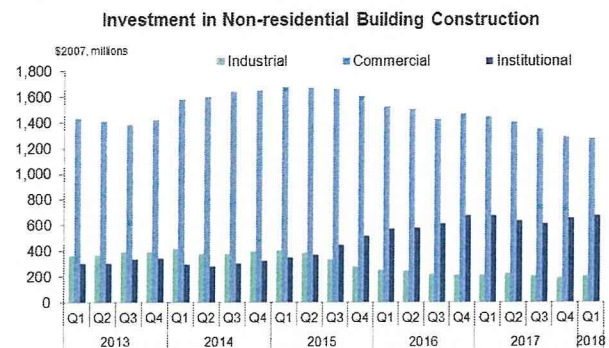




Economic Trends - Alberta (Continued)

Non-residential Construction

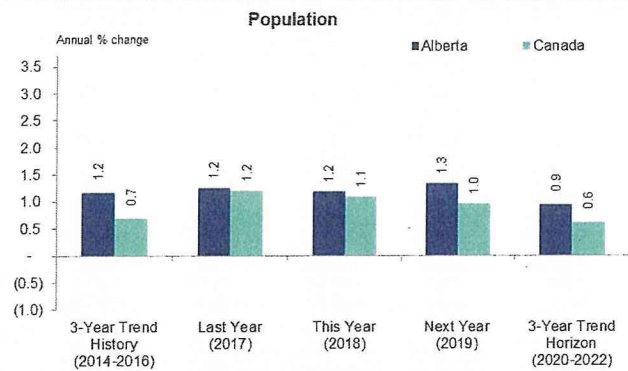
- In the first quarter of this year, non-residential investment increased by 1% to \$2.15 billion (seasonally adjusted) compared with the fourth quarter.
- The level of investment is still below the five-year average.
- Extremely elevated office vacancy rates in Calgary and Edmonton point to subdued investment going forward. However, the large-scale mixed-use ICE District project and the ongoing \$3 billion StoneGate Landing mixed-use project in Calgary, should boost spending going forward.



Source: Altus Group Economic Consulting based on Statistics Canada

Population Growth

- Population growth slowed in 2016 as economic conditions deteriorated.
- Population growth softened further in 2017, weighed on by interprovincial migration (sustained employment growth is likely needed to attract migrants back to Alberta from other provinces). However, support likely came from the federal government's plan to settle between 280,000 and 320,000 immigrants in Canada in 2017 as many of these people likely settled in Alberta. Solid economic growth should support a modest acceleration in population growth from this year onwards.



Source: Altus Group Economic Consulting based on Statistics Canada

National Economic Context

- Canadian economic growth advanced at a 1.2% average annual pace from 2014-2016, slower than the long-term average. Growth then advanced at a 3.0% rate in 2017 thanks in part to strong migration and employment. In 2017, stabilization in the oil and gas sector contributed to recovering growth in the oil-levered provinces. This, combined with solid nation-wide consumer spending, ongoing government expenditures and positive residential investment contributed to very strong growth in 2017. Economic growth will likely moderate from its robust 2017 pace thereafter, but still remain relatively firm, supported by improved investment, ongoing U.S. demand and government spending. Forecast risks include potential negative impacts from a renegotiation of trade terms with the U.S. and potentially lower than expected business investment.



Calgary, Economic Overview

#AltusEconomicFlash - Calgary								
	Expected Trend*	Snapshot	Analysis	Calgary	Alberta	Canada		
GDP 	2018 2019	<p>\$113 B (2016)</p>	Economic growth rebounded sharply in 2017 and is set to outpace both the province and the rest of the country in 2018 and 2019, but at a more modest pace than last year.	0.8 6.0 6.7 3.0	2.7 2.5 2.3	2.6 2.2 2.0		
	Annual % Change Real GDP			0.2 -0.2 0.5	3.3 1.0 1.9	2.6 1.6 1.2	1.7 1.1 1.0	
	Employment 			Improved economic growth should support ongoing hiring over the forecast horizon but at a more moderate pace than 2017. Calgary remains an attractive head office location and the municipality's economic development approach remains supportive of new job creation among existing employers and through the attraction of new employers.	0.9 0.6 0.7	0.9 0.6 0.7	0.9 0.6 0.7	
Retail Sales 	2018 2019	<p>\$29 B (2017)</p>	Retail sales posted substantial growth in 2017. More modest increases are expected in 2018 and 2019, in line with slower employment growth.	0.3 -1.7 2.6	8.1 7.5 6.7	2.5 2.4 2.4		
	Annual % Change Sales			2.9 2.2 2.1	2.2 2.0 1.4	2.2 2.0 1.4	2.2 2.0 1.4	
Key Financial Trends 	10 year bond yield is forecasted to drift lower longer-term amid sustained economic growth; higher oil prices, the cessation of sector-specific drags and stronger growth to result in accelerating inflation going forward; CAD to trend higher over the forecast horizon in tandem with higher oil prices. Looming trade war poses risks.		10 year bond yield (%)	1.64	1.82	2.25	2.03	2.23
			Inflation Rate (%)	1.96	0.97	1.62	1.83	2.08
			\$ Canadian Dollar (per US\$)	0.78	0.78	0.80	0.83	0.79
Sources: • Statistics Canada • Conference Board of Canada		Key Takeaway: The devastating recession which gripped Calgary's economy is now in the rear-view mirror. 2017 saw the start of recovery and 2018 and beyond will mark the return of more normal economic conditions.		3-year Trend History	Last Year	This Year	Next Year	3-Year Trend Horizon
All Forecasts by Altus Group Economic Consulting (as of Q1 2018)				2014-2016	2017	2018	2019	2020-2022
Historical data / forecasts covers Calgary Census Metropolitan Area (CMA), Alberta and Canada				* Expected Trend shows rise, steady or fall in rate of growth				
				Contact: economics@altusgroup.com				



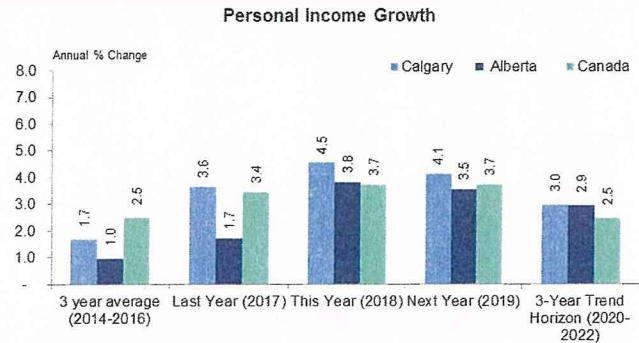
Economic Trends - Calgary

Economic Conditions

- After a very strong pace of growth earlier this decade, Calgary endured a protracted recession in 2015 and 2016 amid contracting activity in the oil and gas sector which negatively impacted a broad range of industries. Economic growth flatlined in the first half of 2016 but sharply recovered in 2017, supported by increased oil sector production. Growth is likely to advance at a more moderate pace over the remainder of the forecast horizon as steadily increasing oil prices promote increased production and, eventually, stronger growth in capital investment, while increased provincial and federal government spending also provides a boost.

Income Growth

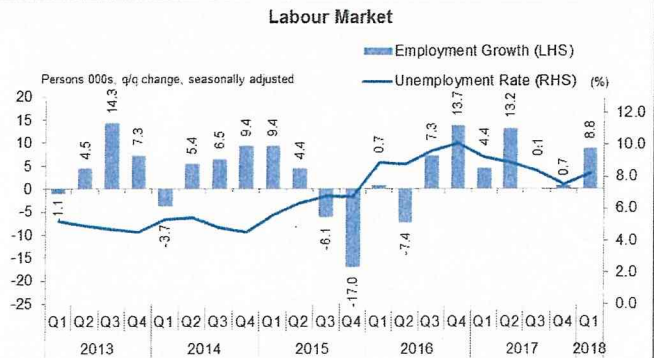
- Personal income growth advanced at a robust 6.2% average annual pace from 2013-2016 despite weak economic conditions and remained steady amid an employment recovery. Improved job gains should lead to positive income growth in 2018, with it moderating thereafter.



Source: Altus Group Economic Consulting based on Conference Board and Statistics Canada

Labour Market

- In the first quarter of 2018, employment rose by 8,800 workers to 842,900. This marked the seventh straight gain in Calgary. The goods-producing sector is primarily responsible for the gain, particularly the construction, wholesale & trade, and manufacturing sectors.
- Despite the increase in employment, the unemployment rate increased to 8.2%, after four straight quarters of improvement.
- Employment growth is likely to improve over the forecast horizon, supported by strengthening economic growth. Overall, employment is expected to increase by about 52,940 net new jobs between 2018-2022.



Source: Altus Group Economic Consulting based on Statistics Canada

Housing Market

- In the first quarter of 2018, work started on 2,060 new homes, 1% lower than the same period in 2017. Starts are likely to increase in 2018, with single-family and apartment units higher. Positive employment growth and stronger new home sales point to higher starts in 2018, despite an elevated level of completed and unabsorbed units. Ongoing population growth should sustain housing demand and starts over the remainder of the forecast horizon.
- Prices for existing homes were unchanged in Q1 2018 on an year-over-year basis. Unit sales of existing homes decreased by 16%.



Source: Altus Group Economic Consulting based on CMHC

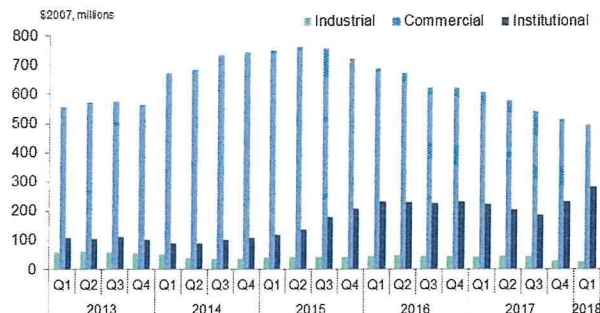


Economic Trends - Calgary (Continued)

Non-residential Construction

- In the first quarter of 2018, non-residential investment increased by 3% to \$802 million (seasonally adjusted). Gains were weighed on by institutional investment.
- Non-residential investment peaked in the third quarter of 2015 and has subsequently trended lower, weighed on by the slump in the oil and gas sector.
- Non-residential investment should receive a substantial boost from the ongoing \$3 billion StoneGate Landing mixed-use project, slated to conclude in 2021. Spending should also receive support from ongoing construction of East Village mixed-use development, with a 230,000 sq. ft. retail centre currently under construction in the development.

Investment in Non-residential Building Construction

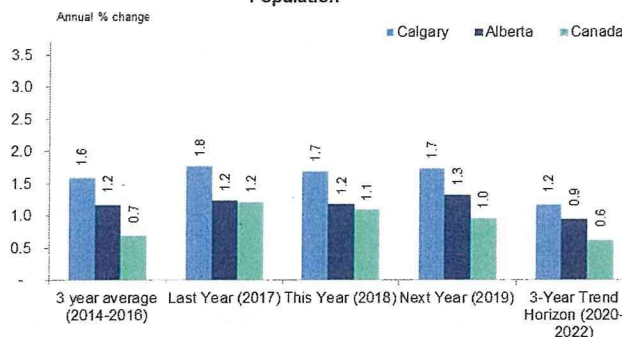


Source: Altus Group Economic Consulting based on Statistics Canada

Population Growth

- Despite economic weakness, population growth remained relatively firm in 2017, boosted by international migration.
- Over the forecast horizon, improved employment growth should help attract migrants, fuelling ongoing population growth. The federal government's plan to settle between 280,000 and 320,000 immigrants in Canada will likely boost population growth in 2018, as some of these people will settle in Calgary.

Population



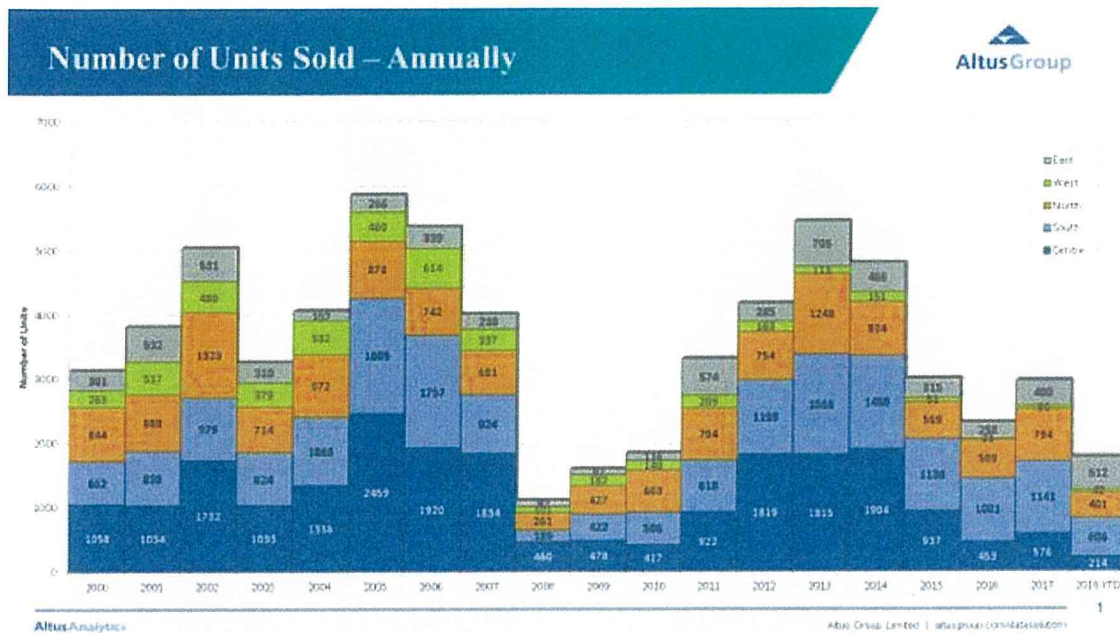
Source: Altus Group Economic Consulting based on Statistics Canada

National Economic Context

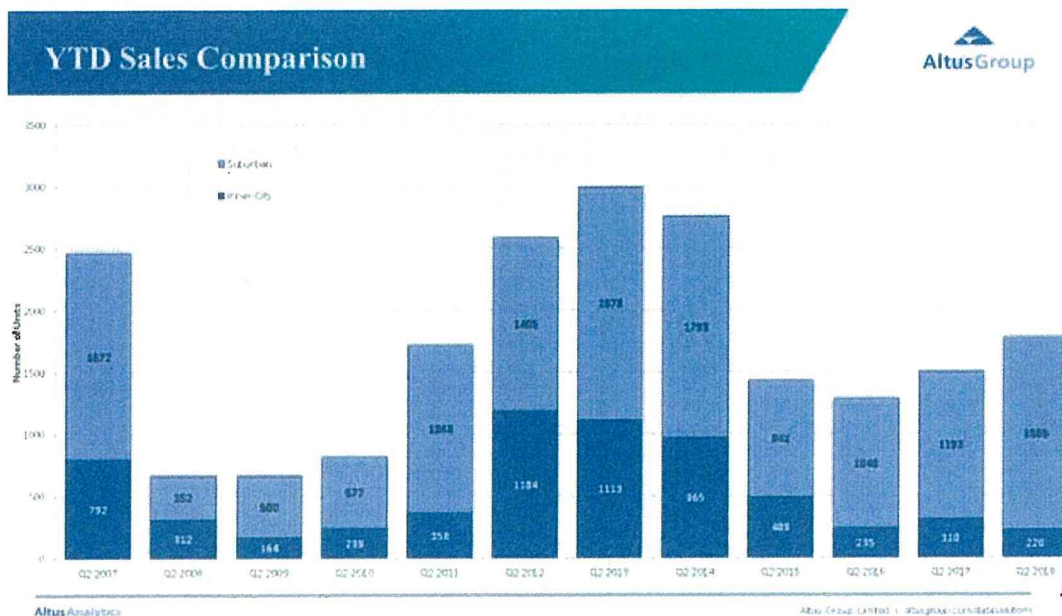
- Canadian economic growth advanced at a 1.2% average annual pace from 2014-2016, slower than the long-term average. Growth then advanced at a 3.0% rate in 2017 thanks in part to strong migration and employment. In 2017, stabilization in the oil and gas sector contributed to recovering growth in the oil-levered provinces. This, combined with solid nation-wide consumer spending, ongoing government expenditures and positive residential investment contributed to very strong growth in 2017. Economic growth will likely moderate from its robust 2017 pace thereafter, but still remain relatively firm, supported by improved investment, ongoing U.S. demand and government spending. Forecast risks include potential negative impacts from a renegotiation of trade terms with the U.S., the prospect of a Canada U.S. trade war and potentially lower than expected business investment.



Calgary Residential Condominium Overview



The preceding summary provides a general overview of annual sales of residential condominium for the greater Calgary market. As expected, overall condominium sales started retreating into 2014 coinciding with the most recent economic downturn spurred on by declining energy prices. The data illustrates significant contraction from the peak in 2005 to 2008. Expansion started taking place following the 2008/2009 global financial crisis which peaked in 2013. Since then sales have gradually decreased and although not yet evident in the annual data the quarterly data suggests that sales have shown signs of improvement.





A review of the quarterly sales summary indicates that in spite of overall citywide condominium sales being notably higher in Q2 2018, as compared to Q2 2017, the improvements appears to have taken place in the suburban market, whereas the Inner City market showed further deterioration over the same time frame. Review of the data presented on the preceding page reveals that Q2 2018 saw the lowest number of sales in the Inner City since Q2 2010.

A review of resales statistics for condominium apartment units as published by the Calgary Real Estate Board indicates that the average sale price for a benchmark condominium apartment unit decreased by 4.0% from January 1, 2017 to December 31, 2017, and decreased a further 2.3% from January 1, 2018 to September 30th 2018. Resale condominium prices have been on a decline since reaching a peak in December of 2014 and CREB statistics suggest an average decrease of 12.3% since then.

Summary

Sales of residential condominium tend to track economic performance for Alberta and Calgary. Given the 2014 downturn in energy prices and subsequent deteriorating economic conditions, sales dropped precipitously from late Q4 2014 through to Q4 2016. Since then, world oil prices appear to have stabilized in the \$60-\$70 range and small to medium sized energy companies headquartered in Calgary appear to have right sized their balance sheets and operations, instilling confidence in their survival and consumer confidence in general.

Expectations are that sales of residential condominium units will once again start tracking upward as economic conditions improve, although pricing may remain stagnant due to increasing interest rates and expanded stress testing whereby CMHC insured purchasers are expected to qualify at rates 2.00% higher than prevailing mortgage rates.



Highest and Best Use

We refer the reader to Appendix A for the definition of Highest and Best Use.

The first test is what is physically possible. The parcel size, shape, terrain and accessibility of a parcel affect the uses under which it can be developed. In the subject instance, the land is considered physically suitable for a range of uses including residential condominium development, such as that which has commenced on the site.

The second test concerns permitted uses. The subject land is currently designated as DC, Direct Control District which provides for a host of permitted or discretionary uses. One of the stated discretionary uses for the subject site is apartment buildings consistent with that which has commenced on the site. In recognition of the surrounding developments and the pertinent land use bylaw, the project has commenced as per the plans and is in keeping with current land use planning.

The third test is what is financially feasible. For a use to be seriously considered, it must have the potential to provide a sufficient return to attract investment capital over alternative forms of investment. It is believed that many alternate uses are available for the redevelopment of the site based on the land use designation and site size.

The fourth test is what is maximally productive or what use provides the highest net return to the land. In this instance multi-residential use would provide the highest return.

The highest and best use of the subject is therefore concluded to be multi-residential development, and development should be to maximum potential while balancing market demand. The Steps Bridgeland condominium project, as planned, is a reasonable representation of the highest best use for the site.



Valuation

Methodology

The generally recognized methods for appraising real estate are the Income Approach, the Direct Comparison Approach, and the Cost Approach.

Income Approach

The Income Approach recognizes the principle of anticipation, where 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:

Direct Capitalization: This procedure involves dividing stabilized annual net income by a singular rate that takes into account all of the comparative investment characteristics of the property.

Discounted Cash Flow (DCF): The Discounted Cash Flow Procedure calculates the present value of the future cash flows over a specified time period, including the potential proceeds of a deemed disposition, to determine market value.

Direct Comparison Approach

The Direct Comparison Approach recognizes the principle of substitution, according to which a buyer will not pay more for one property than for another that is equally desirable. By this approach, an opinion of value is developed by applying a comparative analysis of properties that are similar to the subject property that have recently sold, are listed for sale or are under contract, which focuses on the similarities and differences that affect value.

Cost Approach

The Cost Approach recognizes the principle of substitution, according to which 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. The Cost Approach involves adding the market value of the land to the depreciated value of the building and site improvements.



Valuation Methodology Selected

In determining the market value of the subject on an "as is" basis, we primarily relied on the Development Approach (Residual Value), supported by Cost Approach which entails estimating market value of the underlying land by the Direct Comparison Approach and adding to it the contributory value of the existing improvements based in part on the reported cost in place. The Development Approach combines elements of Cost, Income and the Direct Comparison Approach.



Development Approach

In applying the Development Approach, we undertook the following steps

- Estimate the market value of the residential condominium units the project is expected to yield
- Estimate an absorption period over which the resultant units are expected to sell
- Estimate a construction period for completion of the project
- Estimate the Hard Costs to complete the project based on available information
- Estimate the Soft Costs to complete the project based on available information
- Estimate a reasonable developer's profit
- Compiled a cash flow giving consideration to the previously discussed items
- Capitalize the resultant cash flow into an indication of Market Value for the project on an "as is" basis, through applying an appropriate discount rate or internal rate of return

Estimate of Market Value - Condominium Units

Recognizing that presales for the Steps Bridgeland project initially commenced in early 2013 and that a significant number of units were presold, a brief discuss regarding the status of the presold units is in order.

We were provided with a schedule of presale units and a summary of the presales is presented on the following page. The schedule is provided for reference purposes only, as the enforceability of the presale contracts is in doubt, given the length of time that has passed between the signing of those contracts, the initial intended occupancy date, and the current status of the project.

In discussion with legal counsel for Centurion Mortgage Capital Corp. it was indicated that there is some uncertainty as to whether the contracts relative to the presales are enforceable, and given that uncertainty, it was felt to be more appropriate to disregard the presales and model a new marketing program and absorption period. A potential purchaser of the development is unlikely to risk that the contracts are valid and as such would take the more conservative approach and model a new marketing program into their cashflow projections, especially given that current market value for the units is unlikely to be higher than the presale purchase prices. It is our understanding that the deposits relative to the presales are insured and as such the assumption is made that those deposits will be returned to the purchasers upon rescinding the contracts.

Summary of Presales and Available Units



The following schedule is as per information provided by a representative of Centurion Mortgage Capital Corp. and is assumed to be accurate.

Suite Type	# of Units	Total Value	Total Saleable SF	Avg Price/Unit	Avg Price PSF
Studio	7	\$1,515,300	2,384	\$216,471	\$636
1 Bedroom Flat	33	\$9,292,442	17,114	\$281,589	\$543
1 Bedroom + Den Townhome	1	\$395,900	811	\$395,900	\$488
2 Bedroom Flat	43	\$19,227,921	36,062	\$447,161	\$533
2 Bedroom Townhome	10	\$5,830,724	11,418	\$583,072	\$511
2 Bedroom + Den Townhome	14	\$8,917,700	17,283	\$636,979	\$516
Penthouse	14	\$9,570,250	14,485	\$683,589	\$661
Total	122	\$54,750,237	99,557	\$448,772	\$550

Units "Sold"	# of Units	Total Price Sold	Total Sold SF	Avg Price/Unit	Avg Price PSF
Studio	5	\$1,045,500	1,713	\$209,100	\$610
1 Bedroom Flat	31	\$8,560,642	15,687	\$276,150	\$546
1 Bedroom + Den Townhome	1	\$395,900	811	\$395,900	\$488
2 Bedroom Flat	29	\$12,120,321	23,115	\$417,942	\$524
2 Bedroom Townhome	6	\$3,138,124	6,327	\$523,021	\$496
2 Bedroom + Den Townhome	4	\$2,255,700	4,456	\$563,925	\$506
Penthouse	5	\$3,241,150	4,696	\$648,230	\$690
Total Presales in Place	81	\$30,757,337	56,806	\$379,720	\$541

Units "Available"	# of Units	Inventory Value	Total Saleable SF	Avg Price/Unit	Avg Price PSF
Studio	2	\$469,800	672	\$234,900	\$699
1 Bedroom Flat	2	\$731,800	1,426	\$365,900	\$513
1 Bedroom + Den Townhome	0	\$0	0	\$0	\$0
2 Bedroom Flat	14	\$7,107,600	12,947	\$507,686	\$549
2 Bedroom Townhome	4	\$2,692,600	5,091	\$673,150	\$529
2 Bedroom + Den Townhome	10	\$6,662,000	12,826	\$666,200	\$519
Penthouse	9	\$6,329,100	9,789	\$703,233	\$647
Total Inventory	41	\$23,992,900	42,751	\$585,192.68	\$561

Retail Market Value of Subject Units

Research was undertaken in the subject marketplace for evidence on which the market value of the subject units could be based. Upon completing our research it was determined that 4 residential condominium projects in Bridgeland provided the most useful evidence with each being discussed on the following pages. The projects are Radius Bridgeland, Bridgeland Crossing II, Bridgeland Hill, and Victory and Venture.

Radius Bridgeland



Radius Bridgeland is a new condominium project by Bucci Group located at 9 Street and Centre Avenue NE, within the Bridgeland District. The development has a total of 201 units of which 130 (64.68%) are reportedly presold. The project reportedly started selling in October 2015 with possession dates set for early 2018.

Radius Bridgeland features one bedroom, junior two bedroom, two bedroom and penthouse units ranging in size from 549 to 1367 sq. ft. One bedroom units range from \$285,000 to \$390,000 and have an average size of 549 to 775 sq. ft. Junior two bedroom suites range in size from 688 to 934 sq. ft. and are priced between \$370,000 and \$485,000. Two bedrooms range in size from 1023 to 1321 sq. ft. and are priced between \$585,000 and \$765,000. Penthouse suites range in size from 1087 to 1367 sq. ft. and are priced between \$710,000 and \$810,000.

The average unit size is approximately 843 sq. ft. The average per square foot rate for the project is reported at \$548 per square foot, whereas the rates of the current available units as reported at \$596 per square foot.

Interior specifications include quartz countertops and backsplash, laminate flooring, and stainless steel appliances.

Building amenities include a yoga studio, spin studio, concierge, bike/ski/snowboard service room, and separate cardio and weight training rooms.



Bridgeland Crossing II



Bridgeland Crossing II is a new condominium project by Apex City Homes / Gable Craft Homes located at the corner of 9 Street and McDougall Road NE, within the Bridgeland District. The development has a total of 143 units of which 128 (90%) are reportedly sold. The project started selling in March 2014 with possession dates in mid to late 2016.

The 143-unit project is comprised of eight floors and features a variety of one, two and three bedroom suites. One bedroom units plus den are 650 to 670 sq. ft. and are priced starting at \$314,900. Two bedroom units start in the low \$400,000's and are 713 to 892 sq. ft., while two bedrooms + den are between 910 and 1105 sq. ft. Three bedroom units start at \$579,000 and are 1,119 sq. ft.

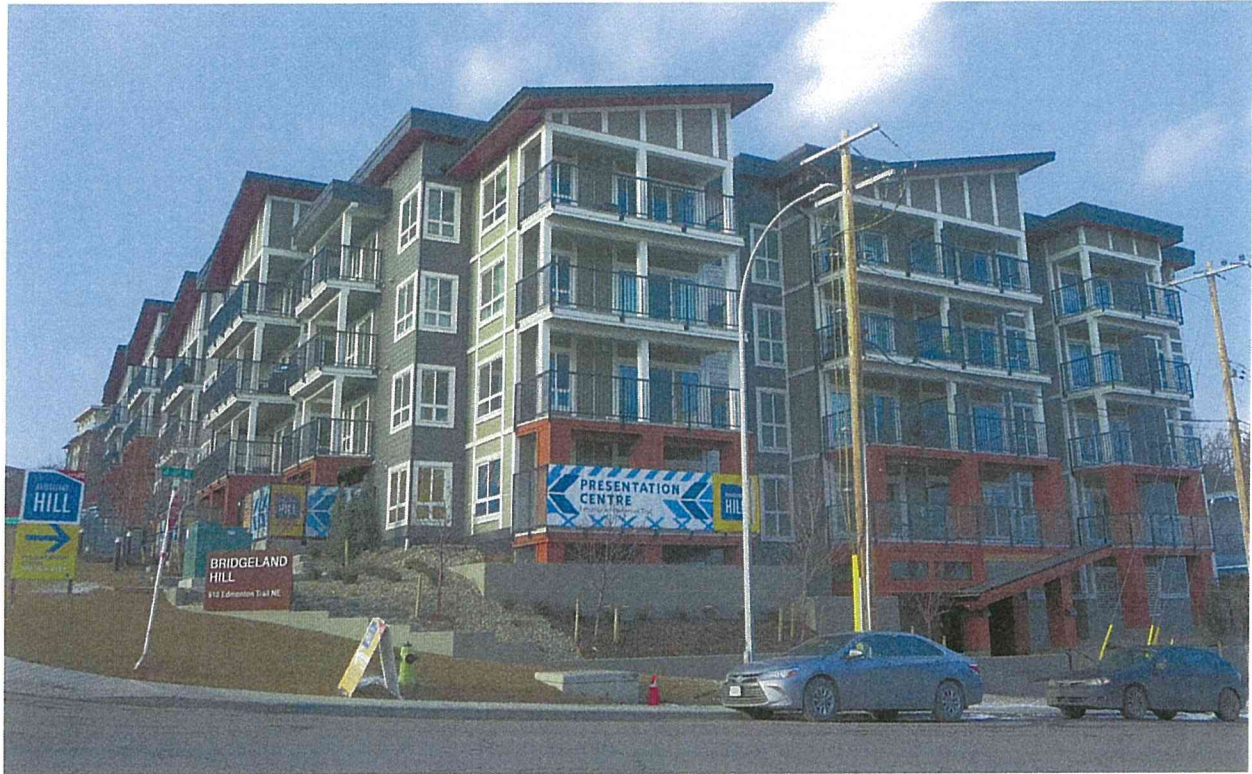
The average unit size is approximately 850 sq. ft. The average per square foot rate for the project is reported at \$532 per square foot, whereas the rate of the current available units is reported at \$553 per square foot.

All units feature laminate floors, nylon carpet in bedrooms, engineered stone counter tops, stainless steel appliances, tile floor in bathrooms and A/C throughout. The project was completed in summer 2016 and as at the current date there are 34 units still available.

Building amenities include a lounge, gym and yoga studio, outdoor patio, landscaped courtyard and movie room.



Bridgeland Hill



Bridgeland Hill is a new low-rise condominium project by Gablecraft Homes located at Edmonton Trail and 4th Avenue NE in Bridgeland. The development has a total of 101 units of which 86 (85%) are reportedly sold. The project started selling in September 2014 with possession dates in early 2017.

Bridgeland Hill features a variety of one, two and three bedroom suites. One bedroom units are 577 to 633 sq. ft. and are priced starting at \$314,900. Two bedroom units start at \$389,900 (747 to 986 sq. ft.), while two bedrooms plus den are 805 to 882 sq. ft. and are priced between \$399,900 and \$458,900. The three bedroom units start at \$529,900 and are 1088 sq. ft.

The average unit size is approximately 779 sq. ft. The average per square foot rate for the project is reported at \$506 per square foot, whereas the average rate of the available units is reported at \$455 per square foot.

Interior features include laminate floors in living, dining, and kitchen areas; loop pile carpet in the bedrooms, quartz countertops, stainless steel appliances, porcelain tile flooring in bathrooms and an optional air conditioning upgrade.

Building amenities include bike storage, outdoor courtyard and fitness facility.



Victory & Venture



Victory & Venture is a new condominium project by The Providence Group located at the corner of 5th Street and 4th Avenue NE, within Bridgeland. The development has a total of 83 units of which 56 (67%) are reportedly sold. The project started selling in February 2014 with possession dates in mid-2017.

The 83-unit low-rise project is of wood frame construction and is comprised of four floors. Victory and Venture offers a variety of one and two bedroom units with one bedroom units ranging from 470 to 572 sq. ft. Two bedroom units range from 644 to 810 sq. ft and start in the low \$300,000's.

The average unit size is approximately 689 sq. ft. The average per square foot rate for the project is reported at \$489 per square foot, whereas the average rate of the current available units is reported at \$530 per square foot. The units in general are on the small side and the project is somewhat basic.

Features include laminated flooring, quartz countertops, average quality cabinetry, soaker tub and standard glass shower enclosure. The project was completed in early 2017 and as at the current date there is a reported 25 units available.

Building amenities include a fitness facility and rooftop patio.



Sales Analysis

In estimating the market value of the individual units in the subject project, reference was made to the pricing of the available units in the four competing projects detailed on the preceding pages, the sale prices achieved during the subject project's presale program, the listing prices for units in the subject project as established in 2016 and 2017. The following schedule provides pricing relative to the available units in the four competing projects.

New Project Pricing Summary										
Project Name	Average Price					Average PSF				
	Studio	1 Bedroom	2 Bedroom*	Townhouse	Project Average	Studio	1 Bedroom	2 Bedroom*	Townhouse	Project Average
Radius Bridgeland (71 Units)		\$348,855	\$553,442		\$521,745		\$555	\$602		\$596
Bridgeland Crossing II (15 Units)		\$335,478	\$550,451		\$472,333		\$560	\$552		\$553
Bridgeland Hill (15 Units)		\$302,525	\$398,264		\$372,733		\$459	\$454		\$455
Victory & Venture (27 Units)		\$298,248	\$368,818	\$423,000	\$378,852		\$531	\$548	\$470	\$530

** Includes the Penthouse and 2 Bedroom + Dens

Although the comparable projects are reasonably similar to Steps Bridgeland, notable differences do exist which need to be given consideration. The following schedule provides a summarization of those variances, followed by a brief discussion.

Project Comparison					
Project Name	Location	Built Form	Amenities	Amenity Description	Parking
Steps Bridgeland				Central Courtyard	Yes (Except for Studio Units)
Radius Bridgeland	Comparable	Comparable	Superior	Yoga, Spin & Weight Rooms; Rooftop Terrace & Urban Garden; Double Fireplace; Outdoor BBQ; Underground dog wash & Car wash; Bike/Skiboard Room	Yes
Bridgeland Crossing II	Comparable	Comparable	Superior	Lounge, Gym & Yoga Studio; Outdoor Patio & Landscaped Courtyard ; Movie room	Yes
Bridgeland Hill	Inferior	Inferior	Superior	Bike/Storage; Outdoor Courtyard; Fitness Facility	Yes
Victory & Venture	Inferior	Inferior	Superior	Training Room; Rooftop Patio	Yes

The three primary elements of consideration relative to variance is location, built form, and level of onsite amenities. Built form refers to concrete construction as compared to wood frame construction.



Radius Bridgeland is comparable to the subject with respect to location and built form, however is superior relative to interior finishes and on-site amenities.

Bridgeland Crossing II is comparable to the subject with respect to location and built form, however, is slightly superior relative to quality of finishes and level of on-site amenities.

Bridgeland Hill is inferior to the subject with respect to location and built form, given that it is of wood frame construction as compared to concrete construction. On-site amenities are slightly superior in that this project also offers a fitness facility.

Victory & Venture is inferior to the subject with respect to location and built form, given that it is of wood frame construction as compared to concrete construction. On-site amenities are slightly superior given that this project also offers a rooftop patio and training/ exercise facility.

The four competing projects reflect average per square foot unit rates ranging from \$455 to \$596 per sq. ft. with the average for the four being \$534 per sq. ft. Recognizing that Radius Bridgeland and Bridgeland Crossing II are superior to the subject with respect to quality and amenities, and reflect the upper end of the range at \$596 and \$553 per sq. ft, while Bridgeland Hill and Victory & Venture at \$455 and \$530 are somewhat inferior. Recognizing the softening in pricing over the past two years and giving consideration to the rates reflected by the projects offering units in the subject market, a base rate for a standard unit in the subject project is concluded at \$500 per sq. ft.

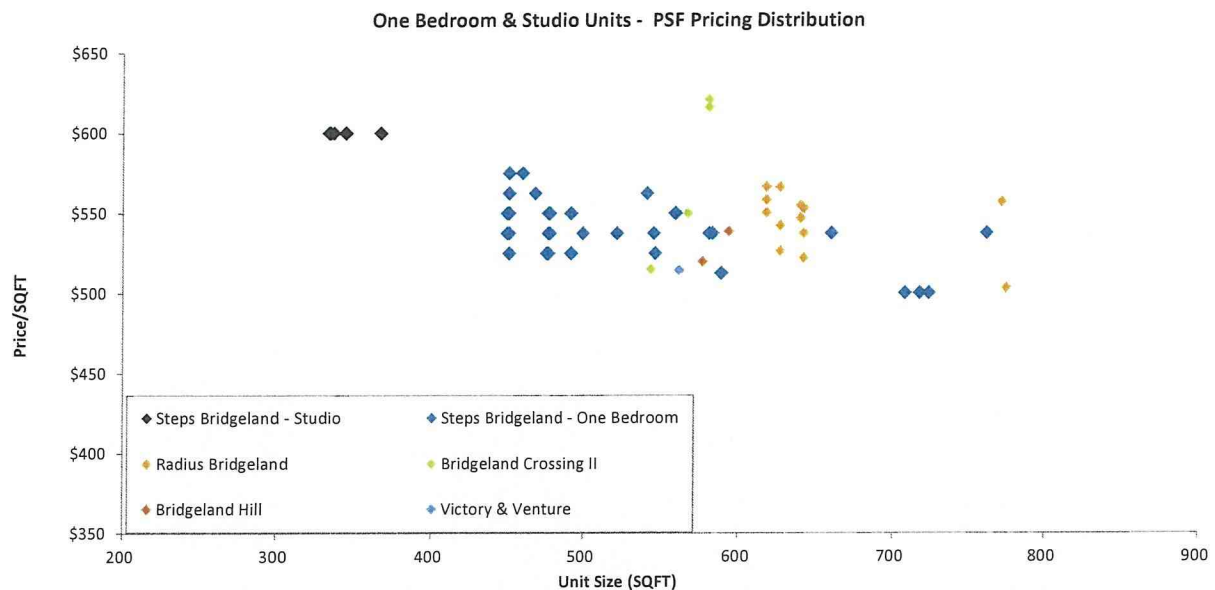
The concluded rate of \$500 per sq. ft forms the base to which adjustments are applied, as required, for variance in location / elevation, view / exposure and suite size. Recognizing that the penthouse units include 2 parking stalls the base rate for the penthouse units is set at \$530 per sq. ft.

An analysis and adjustment process was undertaken giving consideration to the variances and variables discussed which yielded the following estimates of market value for the 122 units in Steps Bridgeland.

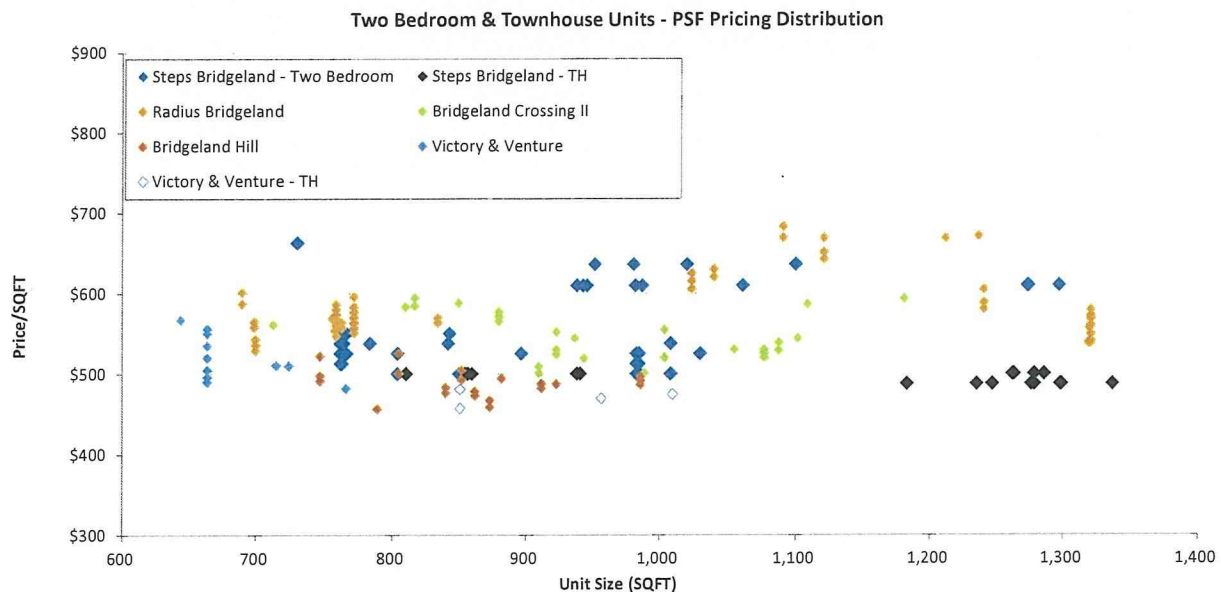
Concluded Estimates of Value - Steps Bridgeland					
Suite Type	# of Units	Total Value	Saleable SF	Avg Price/Unit	Avg Price PSF
Studio	7	\$1,430,522	2,384	\$204,360	\$600
1 Bedroom Flat	33	\$9,190,218	17,114	\$278,491	\$537
1 Bedroom + Den Townhome	1	\$405,500	811	\$405,500	\$500
2 Bedroom Flat	43	\$18,860,580	36,062	\$438,618	\$523
2 Bedroom Townhome	10	\$5,697,754	11,418	\$569,775	\$499
2 Bedroom + Den Townhome	14	\$8,451,151	17,283	\$603,654	\$489
Penthouse	14	\$8,980,688	14,485	\$641,478	\$620
Total	122	\$53,016,413	99,557	\$434,561	\$533



A detailed schedule showing the adjustments and concluded value for each unit is presented in the addenda, while scatter chart presentations are presented hereafter which are meant to provide the reader with insight into reasonableness of the concluded values.



The blue diamond markers reflect the one bedroom units in subject project and are concentrated toward the left and toward the center of the graph. The concentration toward the left indicates that the subject units are generally smaller than the units in the competing project, and given that there is typically an inverse relationship between unit size and rates, the subject units are appropriately scattered towards the mid to upper region of the graph. The black diamond markers reflect the studio units and given their size are appropriately scattered toward the left and extreme upper region of the graph.





The blue diamond markers reflect the two bedroom units in subject project and are largely clustered throughout the central left region of the chart. Their distribution suggests that the concluded price / rates are reasonable in the context of 2 bedroom units in the four competing projects. The black diamond markers are the townhouse units and are appropriately concentrated toward the right and lower region of the graph given that they are considerably larger on average and the price / unit rates should be somewhat lower than the smaller 2 bedroom units.

In summary, the evidence suggests the subject units are reasonably priced in the context of its immediate competition and in recognition of expected growth will be inflated at a rate of 2.5% per annum in each of years 2 and 3.

Parking Stalls

The project has a total of 153 parking stalls of which 129 are allocated to individual condominium units and are included in the sale price for those units. Deducting 13 stalls required for visitors parking from the 24 residual units, leaves 11 excess stalls available for sale. In the course of presale marketing, excess stall were priced at \$35,000, with the purchaser of Suite 101 having agreed to purchase an additional stall at \$35,000. Recognizing that pricing and sale evidence appears to be well in line market, a rate of \$35,000 per excess stall is adopted for valuation purposes.

Absorption Projection

New Projects - Inventory / Absorption											
Project Name	Developer	Total Units	Units Sold	Units Available						Average Project Absorption (Units/Month)	Status
				Studio	1 Bedroom	2 Bedroom	3 Bedroom	Townhouse	Total		
Steps Bridgeland	Giustini Development Corporation	122	84	4	3	21	0	10	38	3.1	On Hold
Radius Bridgeland	Bucci Developments Ltd	201	130	0	11	60	0	0	71	3.6	Under Construction
Bridgeland Crossing II	Apex Cityhomes/Gablecraft Homes	143	128	0	4	10	1	0	15	2.3	Complete
Bridgeland Hill	GableCraft Homes	101	86	0	4	10	1	0	15	1.7	Complete
Victory and Venture	The Providence Group	83	56	0	0	21	1	5	27	1.0	Complete

In order to put forth an estimate of the absorption, the subject and the four competing projects were analysed relative to their absorption with the results being summarized in the preceding summary. Absorption ranges from 1.0 to 3.6 units per month with the subject's historical presales reflecting an absorption rate of 3.1 units per month. Recognizing that the subject's sale experience is likely the best indicator of potential absorption for the project going forward, and that absorption has slowed notably in the past year, an absorption rate of 3.0 units per month is deemed reasonable and is adopted for valuation purposes.

Applying the concluded absorption rate of 3.0 units per month to the 122 unit in the project suggests an absorption period of approximately 40.67 months or 3.39 years.



Construction Period

Reviewing the aforementioned BTY Project Monitoring Claims Report suggests that the anticipated completion of the project was approximately 9 months from the date of that report. Giving consideration to permitting, remobilization and the uncertainty as to the required scope of work given the status of existing improvements, it is likely that the construction period forecast in the BTY report would be extended significantly. As such we forecast a construction completion period of approximately 18 months or 1.5 years from the effective date. Possession of sold units and receipt of revenue from the sale of initial units is forecast to start in Year 3.

Construction Costs

Construction Budget / Cost to Complete						
Cost Element	Budget	Cost in Place	Cost to Complete	Budget	Cost in Place	Cost to Complete
	Dec 2016 - BTY Report			May 2017 - BTY Draft Cost Report		
General Requirements	2,425,000	847,464	1,577,536	2,875,574	0	2,875,574
Site work	625,000	116,324	508,676	210,000	0	210,000
Concrete	4,995,000	1,040,607	3,954,393	3,835,441	0	3,835,441
Masonry	945,000	0	945,000	537,500	0	537,500
Metals	780,000	0	780,000	978,816	0	978,816
Wood and plastics	235,000	553	234,447	414,098	0	414,098
Thermal and moisture	3,295,000	0	3,295,000	2,940,890	0	2,940,890
Doors and Windows	2,315,000	0	2,315,000	2,552,297	0	2,552,297
Finishes	2,975,000	0	2,975,000	3,257,165	0	3,257,165
Specialties	100,000	0	100,000	29,146	0	29,146
Equipment	545,000	0	545,000	469,700	0	469,700
Furnishings	835,000	0	835,000	366,000	0	366,000
Special construction	0	0	0	41,330	0	41,330
Conveying systems	290,000	67,000	223,000	240,500	0	240,500
Mechanical	3,870,000	113,863	3,756,137	4,382,500	0	4,382,500
Electrical	2,370,000	0	2,370,000	1,807,894	0	1,807,894
Subtotal Construction	26,600,000	2,185,811	24,414,189	24,938,851	0	24,938,851
Non- contract Work	6,395,933	6,395,933	0	9,222,929	9,222,929	0
Total Construction (Hard Costs)	32,995,933	8,581,744	24,414,189	34,161,780	9,222,929	24,938,851
					Adjusted	25,000,000
Land	5,700,000	5,700,000	0	5,700,000	5,700,000	0
Consultants	1,146,935	1,002,830	144,105	1,148,308	1,002,830	145,478
Development	1,838,363	1,627,488	210,875	1,838,363	1,627,488	210,875
Government Taxes and Levies	1,983,857	1,983,857	0	1,983,857	1,983,857	0
Marketing	1,782,416	1,674,362	108,054	1,782,416	1,674,362	108,054
Financing	2,246,000	2,234,650	11,350	2,507,950	2,234,650	273,300
Contingencies	306,496	0	306,496	577,326	0	577,326
Total Development (Land & Soft Costs)	15,004,067	14,223,187	780,880	15,538,220	14,223,187	1,315,033
Total Project Cost	48,000,000	22,804,931	25,195,069	49,700,000	23,446,116	26,253,884



Hard Construction Costs

The preceding schedule summarizes the Development Budget, Cost in Place and Cost to Complete from the two BTY cost reports. Given that the May 2017 report is more recent and likely more accurate, we adopt the indicated **\$25,000,000 as the Cost to Complete relative to Hard Costs**. Of note is that Total Construction Costs (Hard Costs) increased from \$24,414,189 to \$24,938,851, an approximate increase of \$524,662, presumably due to the inefficiencies of dealing with a stalled project.

Soft Costs

A review of the Soft Costs within the BTY cost report suggests that the cost to complete have not yet been adjusted to reflect the fact that a number of soft costs are sunk costs, in that they have already been incurred by the former developer, however, will have to be re-incurred by the subsequent purchaser. An analysis suggests with the exclusion of some design and engineering costs within the Consultants category (assuming that the development and building plans are available to the subsequent purchaser), the balance of the costs will have to be largely re-incurred in order to mobilize and bring the project back on stream.

Given that at this point in time there is no accurate or reliable estimate of the Soft Costs available to the appraiser; we turn to estimating soft costs based on a percent of hard costs, excluding design and engineering costs. An analysis of the BTY cost report indicates that soft costs excluding the Land and Consultants categories, equated to approximately 25% of hard costs in the overall budget, which when applied to the hard costs to complete as at June 2017, equates to approximately \$6,250,000. ($\$25,000,000 * .25 = \$6,250,000$).

In summary, we estimate **Soft Costs to Complete of \$6,250,000**, which will provide for development management fees, insurance, legal, taxes, marketing, financing and a contingency provision.

Developer's Profit

Land development is a risky and talent intensive enterprise, the wages of which translate into profit. Typically developer's profit is measured as a percentage of gross revenue. Expected developer's profit tends to vary depending on the type of development and associated risk profile, with a reasonable range being 10% to 15% of gross revenue. For purposes of this analysis we adopted a profit target of 12% of gross revenue. This is not to say that the ultimate realized profit would not be above or below this amount, but rather that 12% is taken to be a suitable projection.

Our estimate of developer's profit is based on surveys of developers and other participants in the market undertaken by the Altus group team over time, and published surveys including a publication entitled Developer Survey (2nd Quarter 2016) by Realty Rates.com.



Cashflow Projection

Combining the various elements of revenue and costs discussed on the preceding pages, results in the following cashflow projection for Steps Bridgeland.

Estimate of Value by the Development Approach					
	Year 1	Year 2	Year 3	Year 4	Totals
Revenue Projection					
Number of Units Sold	36	36	36	14	122
Average Sale Price / Unit	\$434,561	\$445,425	\$456,561	\$462,268	
Total Revenue of Sold Units	\$15,644,196	\$16,035,301	\$16,436,183	\$6,471,747	\$54,587,428
Deposits at 10% of Sale Price	\$1,564,420	\$1,603,530	\$1,643,618	\$647,175	\$5,458,743
Residual Cashflow from Sale of Units	\$0	\$0	<u>\$43,304,112</u>	<u>\$5,824,573</u>	<u>\$49,128,685</u>
Total Cashflow from Sale of Units	\$1,564,420	\$1,603,530	\$44,947,731	\$6,471,747	\$54,587,428
Number of Excess Parking Stalls Sold	0	0	3	3	6
Sale Price per Stall	\$35,000	\$35,000	\$35,000	\$35,000	
Revenue from Sale of Excess Parking Stalls	\$0	\$0	<u>\$105,000</u>	<u>\$105,000</u>	<u>\$210,000</u>
Total Revenue	\$1,564,420	\$1,603,530	\$45,052,731	\$6,576,747	\$54,797,428
Development Costs					
Hard Costs	\$16,666,667	\$8,333,333	\$0	\$0	\$ 25,000,000
Soft Costs	<u>\$1,843,658</u>	<u>\$1,843,658</u>	<u>\$1,843,658</u>	<u>\$719,026</u>	\$ 6,250,000
Total Development Costs	<u>\$18,510,325</u>	<u>\$10,176,991</u>	<u>\$1,843,658</u>	<u>\$719,026</u>	
Net Cashflow	-\$16,945,905	-\$8,573,461	\$43,209,073	\$5,857,721	
Calculation of Developer's Profit Payable	\$187,730	\$192,424	\$5,406,328	\$789,210	
Developer's Profit @12%	\$0	\$0	\$0	<u>\$6,575,691</u>	<u>\$6,575,691</u>
Net Cashflow	(\$16,945,905)	(\$8,573,461)	\$43,209,073	(\$717,970)	\$ 16,971,736
NPV of Cashflow @ 7.0% IRR	\$11,398,051				
	Rounded	\$11,400,000			

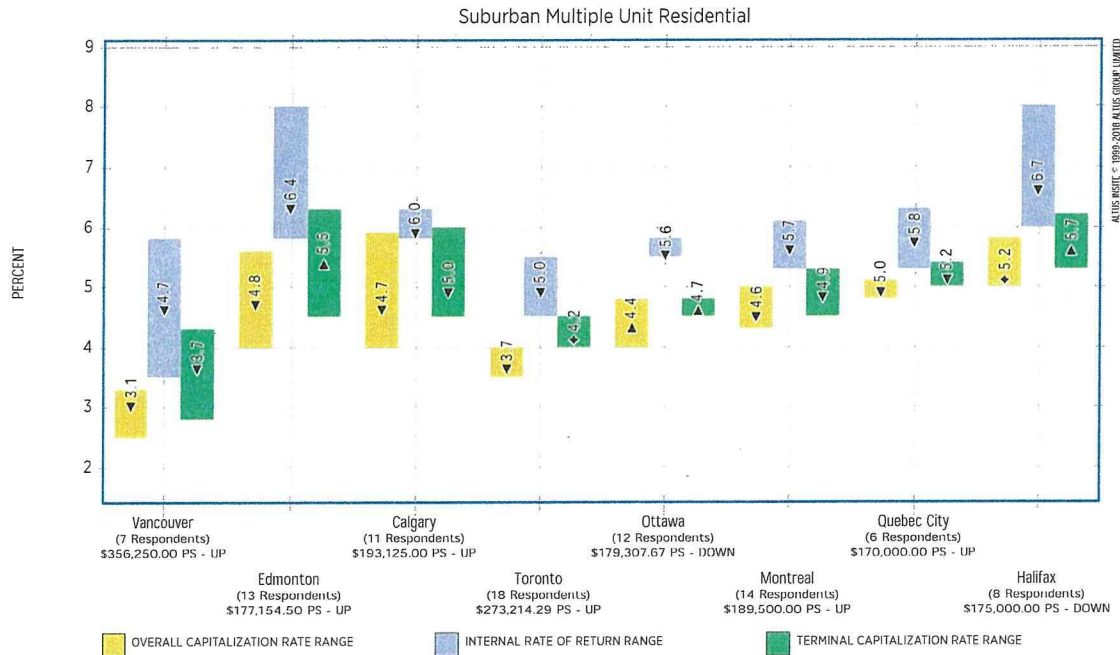


Internal Rate of Return (IRR)

In order to capitalize the cashflow projection in an indication of value, we researched the Calgary market for indication of an appropriate Internal Rate of Return. Of the evidence uncovered, that considered most useful is presented hereafter.

Valuation Parameters

Q3 2018



Arrows indicate directional movement from previous survey
 Movement is defined as a change of more than 0.10 and due to rounding some arrows may not reflect actual movement.

The preceding schedule reflects the survey results of a quarterly investor survey undertaken by Altus InSite, wherein the respondents were asked for their opinion with respect to valuation parameters for a well located multiple family residential project in each community. The Q3 2018 results relative to IRR for Calgary ranged from 5.8% to 6.3% with the average for the 11 respondents being 6.0%. The results for ingoing OCR ranged from 4.0% to 5.9% with the average being 4.7%.

Recognizing that the indicated IRRs are for existing project that do not have the development risk inherent in them, the applicable rate for the subject property in the case at hand would need to be slightly higher than the rate indicated for existing projects. As such the survey results suggest an IRR in the 7.00% range for the subject investment.

Relative to terminal OCR, survey results range from 4.5% to 6.0% with the average being 5.0%.



Multi-family Investment Sales

Multi-Family Residential Investment Sales						
Sale ID Complex Address	Closing Date Adjusted Price Status	Building Type Number of Suites Room Weight	Income Avg. Monthly /Suite	S/Suite	GIM	Stabilized CR
ID 70440 7107 ELBOW DR SW Calgary, AB Scottsdale Gardens	07/04/2018 \$8,288,000 Closed	Low-Rise 51 4.03	\$1,106.12	\$162,509	12.24	5.00%
ID 69162 535 13 AVE SW Calgary, AB Central Towers	06/21/2018 \$11,850,000 Closed	High-Rise 58 4	\$1,286.87	\$204,310	13.23	4.45%
ID 67269 401 FALCONRIDGE GDNS NE Calgary, AB Falconridge Gardens	11/16/2017 \$21,840,000 Closed	Townhouse 112 5.5	\$1,348.69	\$195,000	12.05	5.64%
ID 62798 Parkview Village Apartments 111 146 AVE SE Calgary, AB	05/03/2017 \$35,700,000 Closed	Low-Rise 204 4.25	\$998.46	\$175,000	14.61	4.24%
ID 60435 Radisson Place Apartments 1710 RADISSON DR SE Calgary, AB	03/17/2017 \$24,000,000 Closed	High-Rise 130 4.08	\$1,341.15	\$184,615	11.47	5.00%
ID 63069 Spruce Grove Lane 1802 92 AVE SW Calgary, AB	02/06/2017 \$11,900,000 Closed	Townhouse 66 4.50	\$1,055.58	\$180,303	14.23	4.64%

The six multi-family residential investment sales presented in the preceding schedule present a stabilized OCR range from a low of 4.24% to a high of 5.64%, with the average being 4.83%. Recognizing that IRRs are generally 1.5 to 2.0 percentage points higher than ingoing OCRs, and that construction development has added risk, an **IRR of 7.00%** is appropriate for the subject development.

A detailed sales sheet for each of the investment sales is presented in the Addenda.

Estimate of Value by the Development Approach

Estimate of Value by the Development Approach					
	Year 1	Year 2	Year 3	Year 4	Totals
Net Cashflow	(\$16,945,905)	(\$8,573,461)	\$43,209,073	(\$717,970)	\$ 16,971,736
NPV of Cashflow @ 7.0% IRR	\$11,398,051				
	Rounded \$11,400,000				

Applying the concluded **IRR of 7.0%** to the cash flow projections presented earlier, results in the following estimate of market value by the Development Approach of:

\$11,400,000

Eleven Million Four Hundred Thousand Dollars



Cost Approach

The Cost Approach to Value is based on the premise that the market value of an improved property is equal to the cost of replacement, less depreciation. The cost of replacement includes the value of the underlying land plus the depreciated cost of the building and site improvements. Depreciation is determined through observation and market forces from physical, functional and economic sources.

The basic steps involved in the application of the Cost Approach in this case is as follows:

- Estimate the market value of the land
- Determine the costs in place through a review of the most recent cost / progress report
- Undertake a review of the costs in place and determine if any of the costs are sunk cost, meaning are they costs that have already been incurred by the former developer and will likely need to be re-incurred by the subsequent purchaser, in order to complete the project
- Calculate the market value by the Cost Approach through adding the value of the land to the costs in place, net of sunk cost or accrued depreciation

Estimate of Land Value

Research was undertaken for sales of similar parcels of development land in the central Calgary market and of the sales uncovered; those felt most useful in estimating the market value for the subject site, are presented in the following schedule. A detailed fact sheet for each of the comparables is presented in the addenda of this report.

The sales are presented and analyzed on a price per sq. ft basis, which is the unit of comparison typically applied in the case of suburban or inner city land valuations.

Direct Comparison Chart						
	Subject	Index 1	Index 2	Index 3	Index 4	Index 5
Address / Name	918 McPherson SQ NE Steps Bridgeland	1511 / 21 16 Ave SW	110 18A Street NW	110 18 Ave SW	1009 Centre Ave NE	103 4 Street NE
Municipality	Calgary	Calgary	Calgary	Calgary	Calgary	Calgary
Date of Sale		Apr-17	Jan-17	Nov-15	Dec-14	Aug-14
Sale Price		\$2,700,000	\$8,000,000	\$2,535,000	\$4,500,000	\$4,800,000
Physical Characteristics	Bridgeland Location Corner Lot 2.7 FAR / 130 UPA	Sunalta Location Surface parking Lot 2.5 FAR	Kensington Location Level Site 150 UPA	Mission Location Corner Lot 2.5 FAR	Bridgeland Location Corner Lot 4.2 FAR	Crescent Heights Fronts Edmonton TR 5.0 FAR
Land Use	DC - Residential	M-C2 - Residential	DC Residential	M-C2 - Residential	DC - Residential	C-Cor / M C2 Residential
Planning Status	Inner City	Similar	Similar	Similar	Similar	Similar
Site Size (acres)	40,742	16,204	63,075	19,518	44,132	30,421
Sale Price / sq.ft.	-	\$167	\$127	\$130	\$102	\$158



Analysis & Adjustment

The comparable property sales in our analysis are the most recent available in the subject and competitive markets and range in sale date from August 2014 to April of 2017. The comparable property sales provide good benchmarks upon which to estimate a current market value for the subject land and reflect an unadjusted price range from \$102 to \$167 per sq. ft.

The Direct Comparison Approach requires analysis of the comparable property sales and adjustment to reflect differing characteristics between the subject and the comparables. The adjusted sales price of the comparable reflects the price that would have been paid for the comparable property if it had all the same characteristics as the subject. A brief discussion of the comparability of the sales is presented hereafter.

Index #1 is an April 2017 sale of a 16,204 sq. ft. parcel of land in the Sunalta District of west downtown Calgary. Adjustments are required for inferior location and smaller parcel size, as compared to the subject. Upon application of appropriate adjustments, the comparable indicated an adjusted unit rate of \$150 per sq. ft.

Index #2 is a January 2017 sale of a 63,075 sq. ft. parcel of land in the Kensington District of central Calgary. An adjustment is required for larger parcel size, which upon application of an appropriate adjustment results in an adjusted unit rate of \$133 per sq. ft.

Index #3 is a November 2015 sale of a 19,518 sq. ft. parcel of land in the Mission District of central Calgary. Adjustments were required and applied for time, inferior physical characteristics given site configuration, and for smaller parcel size. Upon applying appropriate adjustments in recognition of the variances the sale reflects an adjusted unit rate of \$136 per sq. ft.

Index #4 is a December 2014 sale of a 44,132 sq. ft. parcel of land in Bridgeland. Adjustments were required and applied for time and parcel size. Upon applying appropriate adjustments the sale reflects an adjusted unit rate of \$123 per sq. ft.

Index #5 is an August 2014 sale of a 30,421 sq. ft. parcel of land in the Crescent Height District of central Calgary. Adjustments were required and applied for time, superior exposure and for superior allowable density. Upon applying appropriate adjustments the sale reflects an adjusted unit rate of \$145 per sq. ft.



The schedule on the following page summarizes the comparable sales and the applied adjustments, resulting in the range of adjusted unit rates.

Direct Comparison Chart						
	Subject	Index 1	Index 2	Index 3	Index 4	Index 5
Address / Name	918 McPherson SQ NE Steps Bridgeland Calgary	1511 / 21 16 Ave SW	110 18A Street NW	110 18 Ave SW	1009 Centre Ave NE	103 4 Street NE
Municipality	Calgary	Calgary	Calgary	Calgary	Calgary	Calgary
Date of Sale		Apr-17	Jan-17	Nov-15	Dec-14	Aug-14
Sale Price		\$2,700,000	\$8,000,000	\$2,535,000	\$4,500,000	\$4,800,000
Physical Characteristics	Bridgeland Location Corner Lot 2.7 FAR / 130 UPA	Sunalta Location Surface parking Lot 2.5 FAR	Kensington Location Level Site 150 UPA	Mission Location Corner Lot 2.5 FAR	Bridgeland Location Corner Lot 4.2 FAR	Crescent Heights Fronts Edmonton TR 5.0 FAR
Land Use	DC - Residential	M-C2 - Residential	DC Residential	M-C2 - Residential	DC - Residential	C-Cor / M C2 Residential
Planning Status	Inner City	Similar	Similar	Similar	Similar	Similar
Site Size (acres)	40,742	16,204	63,075	19,518	44,132	30,421
Sale Price / sq.ft.	-	\$167	\$127	\$130	\$102	\$158
Financing/Motivation	-	0%	0%	0%	0%	0%
Adjusted Value	-	\$167	\$127	\$130	\$102	\$158
Time Adjustment	-	0.0%	0.0%	11.0%	13.5%	15.5%
Time Adjusted Value	-	\$167	\$127	\$136	\$117	\$181
Other Adjustments						
Location	-	Inferior	Similar	Similar	Similar	Superior
Physical Characteristics	-	Superior	Similar	Inferior	Similar	Similar
Service Availability	-	Similar	Similar	Similar	Similar	Similar
Planning / Density	-	Similar	Similar	Similar	Similar	Superior
Site Size (acres)	-	Superior	Inferior	Superior	Inferior	Similar
Total Other Adjustments	-	Superior	Inferior	Similar	Inferior	Superior
Adjusted Unit Price		+/- \$150 per sq. ft.	+/- \$133 per sq. ft.	+/- \$136 per sq. ft.	+/- \$123 per sq. ft.	+/- \$145 per sq. ft.

Upon analysis and adjustment, the five comparable sales reflect a range of adjusted unit rates from \$123 to \$150 per square foot, averaging \$137 per sq. Giving consideration to the evidence presented and discussions undertaken, market value for the subject site is concluded that \$140 per square foot.

Therefore, the estimated market value of the subject site is as follows:

Site Area of 40,742 sq. ft. * \$140 per sq. ft. = \$5,703,880

Estimate of Market Value (Rounded) \$5,700,000



Contributory Value of Improvements

The latest cost report by BTY was presented in summary format earlier in this report. As indicated, as at May 2017, there was approximately \$9,222,929 in Hard Costs that had been spent on the existing improvement, while an additional \$8,523,187 had been spent on Soft Cost.

Undertaking an analysis of the soft costs incurred to date and considering market feedback reported by the listing agent in the course of current marketing efforts, all soft costs are deemed as sunk costs in that the vast majority of them will have to be re-incurred by the potential purchaser in order to complete the project. As such, the contributory value of the existing improvements is based solely on a portion of the hard costs reported to have been incurred prior to cessation of construction.

Giving consideration to the fact that construction ceased in early 2017 and in spite of the observation that the project is capped at grade, appears to be protected from the elements, and a dewatering program has been in place since cessation of construction, uncertainty exists with respect to the state and soundness of the existing improvements. Recognizing the uncertainty with respect to the soundness of the existing improvements, market feedback reported by the current listing broker for the project, and a review of how incomplete projects such as the subject have historically been perceived in the market, a functional depreciation discount of 20% is deemed applicable to hard costs in arriving at a contributory value of the existing improvements.

Applying a 20% discount to the reported in place hard costs results in a rounded contributory value of \$7,400,000 ($\$9,222,929 \times .80 = \$7,378,343$) for the existing improvements.

Estimate of Value by the Cost Approach

Combining the estimated market value of the land with the estimated contributory value of the improvements, results in the following estimate of market value by the Cost Approach:

Estimated Land Value	\$5,700,000
Estimated Contributory Value of the Improvements	<u>\$7,400,000</u>
Total	\$13,100,000

\$13,100,000

Thirteen Million One Hundred Thousand Dollars



Reconciliation and Final Estimate of Value

Final Value Conclusion

The two applied approaches to valuing the property produced indications of value ranging from \$11,400,000 to \$13,100,000, with the low end of the range being reflected by the Development Approach. In the context of this valuation, the Development Approach is considered to be the most reliable, while the Cost Approach was applied in a supportive role.

Therefore, in consideration of the evidence provided, the analysis and discussions undertaken, we estimate the **Market Value** of the property located at 918 McPherson Square NE, Calgary, Alberta, on an “as is” basis, as at October 1, 2018, subject to the Extraordinary Assumptions listed in this report and the underlying Contingent and Limiting Conditions outlined in **Appendix A** to be:

Eleven Million Four Hundred Thousand Dollars
\$11,400,000

Based on this estimate of current market value, liquidity is expected to be “modest”. We estimate a reasonable exposure time of 6 to 9 months at current market value.

Forced Sale Value

The term ‘forced sale’ is often used in circumstances where a seller is under compulsion to sell and/ or a proper marketing period is not available. The prices obtainable in these circumstances may not meet the definition of market value. It will depend upon the nature of the pressure on the seller or the reasons why proper marketing cannot be undertaken. It may also reflect the consequences for the seller of failing to sell within a specified period. Unless the nature of, and reason for, the constraints on the vendor are known, the price obtainable in a forced sale will reflect its particular circumstances, rather than those of the hypothetical willing seller in the market value definition. The price obtainable in a forced sale will bear only a coincidental relationship to market value, or any of the other bases defined in International Valuation Standard 2 (IVS 2). ‘Forced sale’ is not a basis of valuation. It is a description of the situation under which a transfer takes place, not a distinct measurement objective.¹

Definition – Forced Sale Value²

The highest price which a property can reasonably be expected to bring, if offered for sale without the consent or concurrence of the owner by virtue of judicial process, in what may be a restricted market

¹ *International Valuation Standards (IVS) – 8th Edition – IVS-2 6.11*

² *Source: Committee for foreclosure valuation guidelines, Alberta Association of The Appraisal Institute of Canada*



place, within a restricted time frame, to a prudent, willing and able purchaser who may have limited knowledge about the property, its uses and capability.

While the preceding conditions/observations are logical, the process of formulating a forced sale or corresponding reduction from an estimate of market value remains highly subjective and difficult to quantify.

Historically, a review of judicial sales as recorded through the Alberta Court system supports a wide range of value discounts from a high of approximately 50% to a low of 5%. Typically, forced sale values reflect reductions from market in the range of 10% to 20%. The specific physical and locational attributes of each asset involved in a foreclosure proceeding has much to do with its eventual sale in the judicial process. Without detailing specific characteristics, suffice it to say that higher quality assets in sound locations attract greater interest at lesser discounts than marginal properties exhibiting various forms of obsolescence.

The final estimate of discount for Forced Sale is ultimately subjective. In selecting a discount for the subject, we have taken in to account the location in central Calgary, economic conditions relative to the condominium market, and the overall scale of the investment. For the purposes of this analysis, a 10% discount from the Market Value is considered reasonable for the subject property. Therefore total Forced Sale Value is as follows:

$$\text{Forced Sale Value} = \text{Current Market Value} \times (1 - \text{Discount Rate})$$

$$\text{Forced Sale Value} = \$11,400,000 \times (1 - 10\%)$$

Forced Sale Value

\$10,260,000

Ten Million Two Hundred Sixty Thousand Dollars



Certification

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct
- The reported analyses, opinions, and conclusions are limited only by the reported Extraordinary Assumptions and Limiting Conditions and Contingent and Limiting Conditions, and are our personal, unbiased professional analyses, opinions and conclusions
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved
- Compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of Dentons Canada LLP or its client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event
- To the best of our knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada
- The property was inspected on September 11, 2018 by Jacob Hofer. The content, form, and reasoning have been prepared and reviewed by Jacob Hofer. We have not knowingly withheld any comments or observations that might affect the opinions of value stated in this report
- The appraisal report is treated as confidential by the appraiser and will not be revealed to third parties without the consent and authorization of the Client for whom this report was prepared, subject only to review only if required by the Appraisal Institute of Canada.
- Jacob Hofer is currently certified under the continuing education program of the Appraisal Institute of Canada and pursuant to the *Real Estate Act* is a licensed Real Estate Appraiser in the province of Alberta.
- The value estimate contained in this report applies as of October 1, 2018. This date may be referred to as the *effective date of valuation*.

In my opinion, the current market value of the leased fee interest in the subject property, subject to the Assumptions and Limiting Conditions and Standard Terms and Limiting Conditions at Appendix A as at October 1, 2018 is \$11,400,000 and Forced Sale Value is \$10,260,000.

Altus Group Limited

Jacob Hofer, AACI, P.App, MRICS, Q.Arb.

Date: November 5, 2018

Appendices

Appendix A

Terms of Reference

Scope of Work

Definitions

Limiting Conditions



Terms of Reference

Identification	918 McPherson Square NE, Calgary, AB
Legal Description	Plan 0512930 Block 7 Lot 1 Excepting Thereout All Mines and Minerals. The appraiser is not responsible for matters legal in character and it is assumed that the Title is good and marketable. A Copy of the current Certificate of Title is included in the Addenda of this report.
Purpose of Report	The purpose of this appraisal is to provide our unbiased opinion of the current market value of the property identified herein.
Intended User	The intended user of this report is Dentons Canada LLP and its client Centurion Mortgage Capital Corporation: No other users are intended by the appraiser.
Intended Use	The intended use of the report is for foreclosure purposes.
Effective Date	October 1, 2018. A cursory inspection was undertaken by Jacob Hofer on September 11, 2018.
Tenure	The property is appraised on the basis of the fee simple interest, without debt or encumbrances.



Scope of Work

The scope of work has involved the following procedures:

Site Inspection

- Identify characteristics of location and any overall trends
- Identify site and building characteristic based on a physical inspection and a review of development plans
- Review status of property
- Survey adjacent land uses

Title

A title search was completed and the data is assumed to be correct and the title to be good and marketable.

Planning/Land Use

- Review land use regulations

Highest & Best Use

Review existing use in terms of:

- Location
- Physical elements
- Land use controls
- Income characteristics
- Market conditions
- Consider alternate uses
- Analyze the highest and best use of the land as if vacant as well as the existing improvements

Market Survey

- Assembly of market data for comparison purposes
- Analyze transaction activity of similar properties
- Review performance of competitive listings

Valuation

Comparison Rating:

- Strengths/Weaknesses
- Liquidity
- Outlook
- Gauge the market value of the property using Cost, Income and Direct Comparison Approach.



Definitions

Highest and Best Use

Highest and best use may be defined as:

“The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value.”¹

The highest and best use of both land as though vacant and property as developed must meet four criteria. The highest and best use must be:

Physically Possible: The size, shape, terrain and soil conditions of a parcel of land affect its physical utility and adaptability. The size, design and condition of an improved property may suggest that rehabilitation, conversion, or demolition is in order

Legally Permissible: Depends on public restrictions such as zoning, building codes, historic preservation regulations, and environmental controls, as well as the private or contractual restrictions found in deeds and long-term leases

Financially Feasible: Uses that should produce returns that exceed the income required to satisfy operating expenses and debt service (interest and amortization)

Maximum Return: Among financially feasible uses, the use that produces the highest price or value consistent with the rate of return warranted by the market.

¹*Canadian Uniform Standards of Professional Appraisal Practice, Ottawa. Appraisal Institute of Canada. 2010. Section 2.29*



Fee Simple¹

An interest consisting in absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power and escheat.

Leased Fee²

An ownership interest held by the landlord with the rights of use and occupancy conveyed by the lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained with the lease.

Leasehold³

The interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

Liquidity

We have provided our opinions on the liquidity of the subject property if it were placed on the open market for sale. Our summary shows a single-word description from Excellent through Poor, explained as follows:

Excellent Liquidity

May achieve a price above market value and within a brief marketing period

- High competition among buyers, keen and able to make an acquisition
- Rare availability of similar assets
- A high availability of both debt and equity
- Brief marketing period is possible
- Evidence of similar properties achieving price above a common view of market value
- Overwhelming strengths of investment character

¹ *The Appraisal of Real Estate: 2nd Canadian Edition. Vancouver. University of British Columbia Real Estate Division. 2002. Glossary 10.*

^{2,3} *The Appraisal of Real Estate: 2nd Canadian Edition. Vancouver. University of British Columbia Real Estate Division. 2002. Glossary 14.*



Good Liquidity

Likely to achieve market value within a reasonable marketing period

- Buyers, keen and able to make an acquisition
- Restricted availability of similar assets
- A good availability of both debt and equity
- Reasonable marketing period and brokerage effort required in order to achieve market value
- High confidence of brokers able to achieve market value estimate
- Similar properties demonstrate pricing at a common view of market value
- Investment character strengths outweigh the weaknesses

Modest Liquidity

Market value may be difficult to achieve; a more extensive marketing period may be required

- Selective and few buyers
- Demand/supply of investment opportunities is in balance
- A good availability of debt but at higher margins
- More cautious sources of equity
- Strengths and weaknesses of investment character offset each other
- More extensive marketing effort required in order to achieve value
- Similar properties demonstrate pricing at a common view of market value

Poor Liquidity

Market value is difficult to gauge and achieve notwithstanding an extensive marketing period

- Very few buyers and limited to a speculative nature only
- Unusual assets, or high, or potentially high availability of similar assets
- Poor availability of debt even at higher margins
- Very cautious sources of equity
- Limited trading activity
- Extensive marketing period required
- Overwhelming weaknesses of investment character
- Low broker confidence



Market Value¹

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

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

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”

Reasonable Exposure Time²

Reasonable Exposure Time is an estimate of the length of time that the property would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

It is a retrospective estimate based upon our experience and the opinions gathered from real estate brokers active in the field. The estimate of time period for reasonable exposure is not intended to be a prediction, but is an estimate of the amount of time that the property would have required to be exposed for sale on the open market in an appropriate manner, and using an experienced broker.

¹ *Canadian Uniform Standards of Professional Appraisal Practice, Ottawa. Appraisal Institute of Canada. 2010. Section 12.16.1, 12.16.2 and 12.16.3*

² *Canadian Uniform Standards of Professional Appraisal Practice, Ottawa. Appraisal Institute of Canada. 2010. Section 7.7.1*



Standard Terms and Limiting Conditions

Real Estate Appraisal Reports

The following Standard Terms and Limiting Conditions apply to *real estate appraisals* prepared by Altus Group ("Altus"). Special Conditions are added as required.

Terms of the Engagement

Appraisal assignments are accepted with the understanding that there is no obligation to furnish services after completion of the original assignment. If the need for subsequent service related to an appraisal assignment (e.g., testimony, updates, conferences, reprint or copy service) is contemplated, special arrangements acceptable to Altus must be made in advance. The working papers for this engagement have been retained in our files and are available for your reference.

Altus Group maintains policies with respect to the handling of complaints, disclosure of previous involvement and a rotation of report signatories; copies of these policies are available upon request.

We take no responsibility for any events, conditions or circumstances affecting the Subject Property or its value, that take place subsequent to either the effective date of value cited in the appraisal or the date of our field inspection, whichever occurs first.

The Addressee agrees to indemnify Altus and its respective affiliates, agents and employees, and its successors and assigns (Altus and each such person being an "Indemnified Party") from and against any and all losses, claims, damages and liabilities, joint or several, to which such Indemnified Parties may be subject under any applicable federal, provincial, or territorial law, related to, or arising out of, the subject appraisal and/or the engagement of Altus pursuant to the appraisal assignment and will reimburse any Indemnified Party for all reasonable expenses (including counsel fees and expenses) as they are incurred in connection with the investigation of, preparation for, or defense of, any pending or threatened claim or action or proceeding arising therefrom, whether or not such Indemnified Party is a party. The Addressee will not be liable under the foregoing indemnification provisions to the extent that any loss, claim, damage, liability or expense is found in a final judgment by a court of competent jurisdiction to have resulted primarily from the bad faith, gross negligence or recklessness of an Indemnified Party.

Altus's maximum liability relating to services rendered under this report (regardless of form of action, whether in contract, negligence, or otherwise) shall be limited to the fee paid to Altus for the portion of its services or work products giving rise to liability. In no event shall Altus be liable for consequential,



special, incidental, or punitive losses, damages, or expenses (including, without limitation, lost profits, opportunity costs, etc.) even if it has been advised of their possible existence.

This engagement may be terminated whether by client or Altus at any time upon written notice to that effect to the other parties, it being understood that, unless Altus shall unilaterally terminate the engagement without the client's consent and without reasonable cause, the provisions related to the payment of fees and expenses through the date of termination will survive any termination, and it being further understood that the indemnification and hold harmless provisions shall survive any termination thereof, whether or not such termination is unilateral.

Invoices are due upon receipt. Invoices not paid after 30 days from issuance will be subject to a late fee calculated at a 12% per annum rate of interest. The client is responsible for all costs of collection, including legal fees.

Confidentiality

"Confidential Information" means non-public, confidential, or proprietary information that a party provides to the other party or marks as "confidential" or "proprietary" or that otherwise should be understood by a reasonable person to be confidential in nature. Subject to the provisions hereof, neither party, nor its Representatives (as defined below) will disclose any Confidential Information provided by the other party or on its behalf and shall only use such Confidential Information for the purpose of performing this Agreement. Confidential Information does not include information which (i) was in the receiving party's lawful possession prior to receipt from the disclosing party; (ii) is lawfully disclosed to the receiving party by a third party; or (iii) is independently developed by the recipient without any use of or reliance on Confidential Information; or (iv) is disclosed to a party's employees, officers, directors, affiliates, manager, agents and representatives (collectively, "Representatives") consistent with the purposes hereof and who shall be directed by such party to keep the Confidential Information confidential in accordance herewith.

Notwithstanding the foregoing, either party and its Representatives may disclose Confidential Information (including, for the avoidance of doubt, the services and the deliverables) of the other to a third party as may be required by law, statute, rule or regulation, legal process, including any subpoena or other similar form of process, or to any governmental or regulatory authority (including any self-regulatory authority) exercising applicable jurisdiction over a party, provided that (and without breaching any legal or regulatory requirement) the party to which the request is made provides the other party with prompt written notice thereof and, if practicable under the circumstances, allows the other party to seek a restraining order or other appropriate relief at such party's cost and expense.

This provision shall survive termination of this agreement.



Other Matters

Neither party may assign or transfer this letter, or any rights, obligations, claims, or proceeds from claims arising under it, without the prior written consent of the other party. Any assignment without such consent shall be void and invalid. If any provision of this letter is found to be unenforceable, the remainder of this letter shall be enforced to the extent permitted by law. Altus Group may not use Client's or its investment manager's name or refer to either of them or any of their affiliates, directly or indirectly in any advertisement, news release, marketing materials, customer lists, or professional trade or trade publications or represent directly or indirectly, that any product or service of the Altus Group has been approved or endorsed by Client, or refer to the existence of this Agreement in press releases, advertising or other materials without the prior consent of Client. This letter supersedes any prior understandings, proposals or agreements with respect to the Services, and any changes must be agreed to in writing.

Report Content

Appraisals are performed and written reports are prepared in accordance with the *Canadian Uniform Standards of Professional Practice* (CUSPAP) of the Appraisal Institute of Canada (AIC), the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the AIC, and the *Valuation – Professional Standards 2014* of the Royal Institution of Chartered Surveyors (RICS), and the *International Valuation Standards* (IVS) published by the International Valuation Standards Council and any other Appraisal Organization to which they are members.

Unless specifically stated, the value conclusion(s) contained in the appraisal applies to the real estate only, and does not include personal property, machinery and equipment, trade fixtures, business value, goodwill or other non-realty items. The appraisal report covering the Subject Property is limited to surface rights only, and does not include any inherent subsurface or mineral rights. Income tax considerations have not been included or valued unless so specified in the appraisal. We make no representations as to the value changes that may be attributed to such considerations.

The appraisal assumes market conditions as observed as of the current date of our market research stated in the letter of transmittal. These market conditions are believed to be correct; however, the appraisers assume no liability should market conditions materially change because of unusual or unforeseen circumstances.

No opinion is rendered as to property title, which is assumed to be good and marketable. Unless otherwise stated, no consideration is given to liens or encumbrances against the property. Sketches, maps, photos, or other graphic aids included in appraisal reports are intended to assist the reader in ready identification and visualization of the property, and are not intended for technical purposes.



It is assumed that legal, engineering, or other professional advice, as may be required, has been or will be obtained from properly qualified legal professional sources and that the appraisal report will not be used for guidance in legal or technical matters such as, but not limited to, the existence of encroachments, easements or other discrepancies affecting the legal description of the property. It is assumed that there are no concealed or dubious conditions of the subsoil or subsurface waters including water table and flood plain, unless otherwise noted. We further assume there are no regulations of any government entity to control or restrict the use of the property unless specifically referred to in the report. It is assumed that the property will not operate in violation of any applicable government regulations, codes, ordinances or statutes.

It is assumed that any and all liabilities that might accrue against the real estate such as taxes, hypothecs, contracts or services of any kind, are paid when due. Taxes and other fees (e.g. broker commissions) incurred during the hypothetical sale of the real estate are not addressed in our valuation.

This report is not intended to be an engineering report. We are not qualified as structural or environmental engineers; therefore, we are not qualified to judge the structural or environmental integrity of the improvements, if any. Consequently, no warranty or representations are made nor any liability assumed for the structural soundness, quality, adequacy or capacities of said improvements and utility services, including the construction materials, particularly the roof, foundations, and equipment, including the HVAC systems, if applicable. Should there be any question concerning same, it is strongly recommended that an engineering, construction and/or environmental inspection be obtained. The value estimate(s) stated in this appraisal, unless noted otherwise, is predicated on the assumptions that all improvements, equipment and building services, if any, are structurally sound and suffer no concealed or latent defects or inadequacies other than those noted in the appraisal. We will call to your attention any apparent defects or material adverse conditions which come to our attention.

In the absence of competent technical advice to the contrary, it is assumed that the property being appraised is not adversely affected by concealed or unapparent hazards such as, but not limited to asbestos, hazardous or contaminated substances, toxic waste or radioactivity.

Information furnished by others is presumed to be reliable, and where so specified in the report, has been verified; but no responsibility, whether legal or otherwise, is assumed for its accuracy, and it cannot be guaranteed as being certain. No single item of information was completely relied upon to the exclusion of other information.

Appraisal reports may contain estimates of future financial performance, estimates or opinions that represent the appraiser's view of reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of



income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by our prospective financial analyses will vary from those described in our report, and the variations may be material.

Any proposed construction or rehabilitation referred to in the appraisal is assumed to be completed within a reasonable time and in a workmanlike manner according to or exceeding currently accepted standards of design and methods of construction.

Any inaccessible portions of the property or improvements not inspected are assumed to be as reported or similar to the areas that are inspected.

It should be specifically noted by any prospective mortgagee that the appraisal assumes that the property will be competently managed, leased, and maintained by financially sound owners over the expected period of ownership. This appraisal engagement does not entail an evaluation of management's or owner's effectiveness, nor are we responsible for future marketing efforts and other management or ownership actions upon which actual results will depend.

Use of the Report

The report, the final estimate of value and estimates of future financial performance included therein, are intended for the information and sole use of the person or persons to whom they are addressed, solely for the purposes stated therein, and should not be relied upon for any other purpose.

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 his client. This is subject only to confidential review by the Appraisal Institute of Canada and the Ordre des évaluateurs agréés du Québec.

The addressee shall not distribute the report to third parties without prior permission of Altus. Before such permission shall be provided, the third party shall agree to hold Altus harmless relative to their use of the report. Neither our report, nor its contents, nor any reference to the appraisers or Altus, may be included or quoted in any offering circular or registration statement, prospectus, sales brochure, other appraisal, loan or other agreement or document without our prior written permission. Permission will be granted only upon meeting certain conditions. Generally, Altus will not agree to the use of its name as a "named expert" within the meaning of the Securities Act.

The valuation applies only to the property described and for the purpose so stated and should not be used for any other purpose. This report is prepared on the assumption that no other person will rely on it for any other purpose, and that all liability to all such persons is denied. Any allocation of total price



between land and the improvements as shown is invalidated if used separately or in conjunction with any other report.

Neither the report nor any portions thereof (especially any conclusions as to value, the identity of the appraisers or Altus, or any reference to the AIC, The Royal Institution of Chartered Surveyors or other recognized appraisal organization or the designations they confer) shall be disseminated to the public through public relations media, news media, advertising media, sales media or any other public means of communication without the prior written consent and approval of the appraisers and Altus. The date(s) of the valuation to which the value estimate conclusions apply is set forth in the letter of transmittal and within the body of the report. The value is based on the purchasing power of the Canadian dollar as of that date.

Appendix B

Certificate of Title



LAND TITLE CERTIFICATE

S
LINC SHORT LEGAL TITLE NUMBER
0031 222 912 0512930;7;1 161 044 240

LEGAL DESCRIPTION
PLAN 0512930
BLOCK 7
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE
ATS REFERENCE: 5;1;24;14;NW

MUNICIPALITY: CITY OF CALGARY

REFERENCE NUMBER: 061 269 051

REGISTERED OWNER(S)				
REGISTRATION	DATE (DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
161 044 240	17/02/2016	TRANSFER OF LAND	\$14,100,000	SEE INSTRUMENT

OWNERS

GIUSTINI BRIDGES INC.
OF 5213, 333-96TH AVE NE
CALGARY
ALBERTA T3K 0S3

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION		
NUMBER	DATE (D/M/Y)	PARTICULARS
031 245 255	23/07/2003	UTILITY RIGHT OF WAY GRANTEE - THE CITY OF CALGARY. AS TO PORTION OR PLAN:0312046
051 309 873	25/08/2005	UTILITY RIGHT OF WAY GRANTEE - THE CITY OF CALGARY. AS TO PORTION OR PLAN:0512931
061 243 411	19/06/2006	RESTRICTIVE COVENANT

(CONTINUED)



ENCUMBRANCES, LIENS & INTERESTS

PAGE 2

161 044 240

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

061 243 412 19/06/2006 RESTRICTIVE COVENANT

161 044 241 17/02/2016 MORTGAGE
MORTGAGEE - CENTURION MORTGAGE CAPITAL CORPORATION.
710, 25 SHEPPARD AVENUE WEST
TORONTO
ONTARIO M2N6S6
ORIGINAL PRINCIPAL AMOUNT: \$12,500,000

161 044 242 17/02/2016 CAVEAT
RE : ASSIGNMENT OF RENTS AND LEASES
CAVEATOR - CENTURION MORTGAGE CAPITAL CORPORATION.
710, 25 SHEPPARD AVENUE WEST
TORONTO
ONTARIO M2N6S6
AGENT - TERENCE G LIDSTER

161 133 364 09/06/2016 MORTGAGE
MORTGAGEE - CENTURION MORTGAGE CAPITAL CORPORATION.
710, 25 SHEPPARD AVENUE WEST
TORONTO
ONTARIO M2N6S6
ORIGINAL PRINCIPAL AMOUNT: \$30,000,000
(DATA UPDATED BY: TRANSFER OF MORTGAGE
171168580)

161 133 365 09/06/2016 CAVEAT
RE : ASSIGNMENT OF RENTS AND LEASES
CAVEATOR - CENTURION MORTGAGE CAPITAL CORPORATION.
710, 25 SHEPPARD AVENUE WEST
TORONTO
ONTARIO M2N6S6
AGENT - SEAL.
(DATA UPDATED BY: TRANSFER OF CAVEAT
171168581)

161 152 437 04/07/2016 MORTGAGE
MORTGAGEE - AVIVA INSURANCE COMPANY OF CANADA.
1100-1125 HOWE ST
VANCOUVER
BRITISH COLUMBIA V6Z2Z6
ORIGINAL PRINCIPAL AMOUNT: \$2,300,000

161 199 558 24/08/2016 CAVEAT
RE : POSTPONEMENT
CAVEATOR - CENTURION MORTGAGE CAPITAL CORPORATION.
710, 25 SHEPPARD AVENUE WEST
TORONTO
ONTARIO M2N6S6

(CONTINUED)



ENCUMBRANCES, LIENS & INTERESTS

PAGE 3
161 044 240

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

AGENT - SEAL.
(DATA UPDATED BY: TRANSFER OF CAVEAT
171168581)

161 199 559 24/08/2016 CAVEAT
RE : POSTPONEMENT
CAVEATOR - CENTURION MORTGAGE CAPITAL CORPORATION.
710, 25 SHEPPARD AVENUE WEST
TORONTO
ONTARIO M2N6S6
AGENT - SEAL.
(DATA UPDATED BY: TRANSFER OF CAVEAT
171168581)

171 053 603 06/03/2017 BUILDER'S LIEN
LIENOR - TRIMEN ELECTRIC LTD.
C/O WARREN BENSON AMANTEA LLP
1413 2ND ST SW
CALGARY
ALBERTA T2R0W7
AGENT - TIM KATS.
AMOUNT: \$409,067

171 058 449 13/03/2017 BUILDER'S LIEN
LIENOR - BMP MECHANICAL LTD.
110,6420 6A STREET SE
CALGARY
ALBERTA T2H2B7
AGENT - BRAD SHALAGAN
AMOUNT: \$61,895

171 059 343 14/03/2017 BUILDER'S LIEN
LIENOR - CEMROCK CONCRETE & CONSTRUCTION LTD.
ATTN: MATTHEW K. KACHUR
C/O WARREN BENSON AMANTEA LLP
1413-2ND ST SW
CALGARY
ALBERTA T2R0W7
AMOUNT: \$499,412

171 060 008 15/03/2017 BUILDER'S LIEN
LIENOR - CANADIAN DEWATERING L.P.
C/O ROBB & EVENSON PROFESSIONAL CORPORATION
506, 933 17 AVE SW
CALGARY
ALBERTA T2T5R6
AGENT - CALVIN C ROBB
AMOUNT: \$11,618

(CONTINUED)



ENCUMBRANCES, LIENS & INTERESTS

PAGE 4

161 044 240

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

171 060 403 15/03/2017 BUILDER'S LIEN
LIENOR - SCOTT CONSTRUCTION (ALBERTA) LTD.
C/O FASKEN MARTINEAU DUMOULIN LLP
ATTN: ARIF CHOWDHURY
3400, 350 7TH AVE SW
CALGARY
ALBERTA T2P3N9
AGENT - ARIF CHOWDHURY
AMOUNT: \$1,894,196

171 060 428 15/03/2017 BUILDER'S LIEN
LIENOR - LMS REINFORCING STEEL LTD.
ATTN: ANDREW W. WILKINSON
C/O FIELD LLP
400, 444 7TH AVENUE SW
CALGARY
ALBERTA T2P0X8
AGENT - MARCEL LAMARCHE.
AMOUNT: \$121,349
(DATA UPDATED BY: CHANGE OF ADDRESS 171072517)

171 061 701 17/03/2017 BUILDER'S LIEN
LIENOR - IGNITE RENTAL SOLUTIONS LTD.
3, 285130 WRANGLER WAY SE
CALGARY
ALBERTA T1X0K3
AGENT - KENT PETERS
AMOUNT: \$17,894

171 061 728 17/03/2017 BUILDER'S LIEN
LIENOR - MORWEST CRANE & SERVICES LTD.
C/O 3408- 114 AVENUE SE
CALGARY
ALBERTA T2Z3V6
AGENT - WAYNE MORIN
AMOUNT: \$144,605

171 064 478 22/03/2017 BUILDER'S LIEN
LIENOR - CONSTRUCTIVE SOLUTIONS (CALGARY) LTD.
C/O FIELD LLP
ATTN: MATTHEW TURZANSKY
2500 - 10175 101 ST. NW
EDMONTON
ALBERTA T5J0H3
AGENT - LEANNE BARTON
AMOUNT: \$24,385

171 070 504 31/03/2017 CERTIFICATE OF LIS PENDENS
AFFECTS INSTRUMENT: 171060403

(CONTINUED)



ENCUMBRANCES, LIENS & INTERESTS

PAGE 5
161 044 240

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
171 131 538	16/06/2017	CAVEAT RE : PURCHASERS INTEREST CAVEATOR - DEJAN TIMOTIJEVIC SHEA NERLAND LLP SUITE 1400, 350-7 AVE SW CALGARY ALBERTA T2P3N9
171 169 596	31/07/2017	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 171053603
171 170 509	01/08/2017	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 161133364 AFFECTS INSTRUMENT: 161044241
171 183 366	17/08/2017	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 171060428
171 190 028	25/08/2017	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 171060008
171 196 436	01/09/2017	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 171059343
171 196 466	01/09/2017	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 171061701
171 197 882	05/09/2017	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 171064478 "BUILDER'S LIEN ACT"
171 201 769	08/09/2017	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 171058449
171 211 035	20/09/2017	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 171061728
TOTAL INSTRUMENTS: 031		

(CONTINUED)



THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 12 DAY OF
OCTOBER, 2018 AT 03:07 P.M.

ORDER NUMBER: 36060545

CUSTOMER FILE NUMBER:



END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,
SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM
INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION,
APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS
PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

Appendix C

Photographs of Subject Property

Location Maps



Photographs of Subject Property



Western Exposure



Southern Exposure



Eastern Exposure



Southeastern Exposure



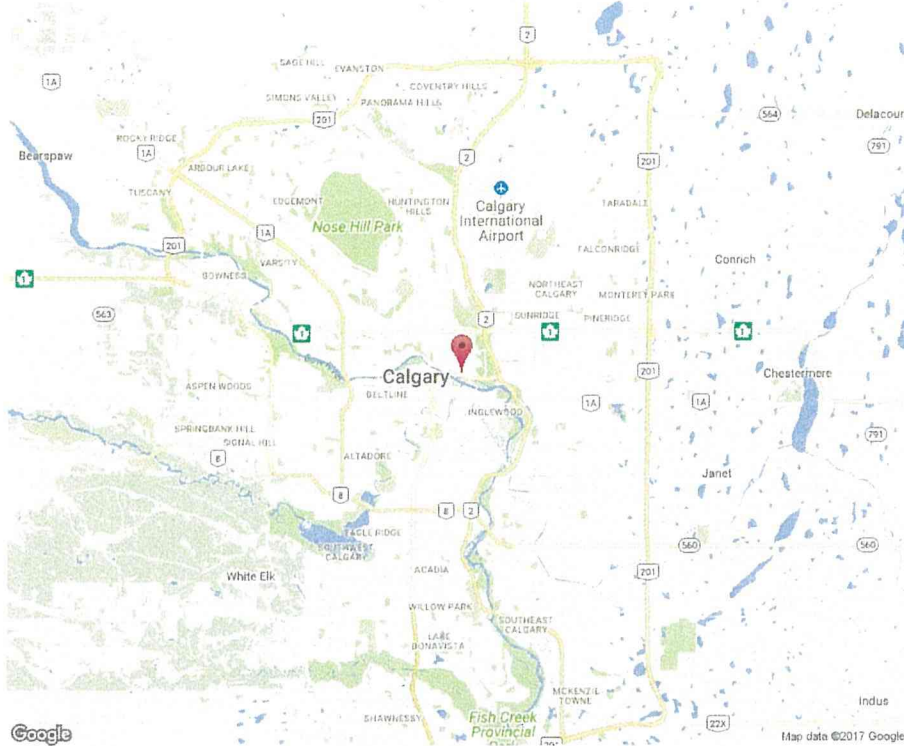
Western Exposure



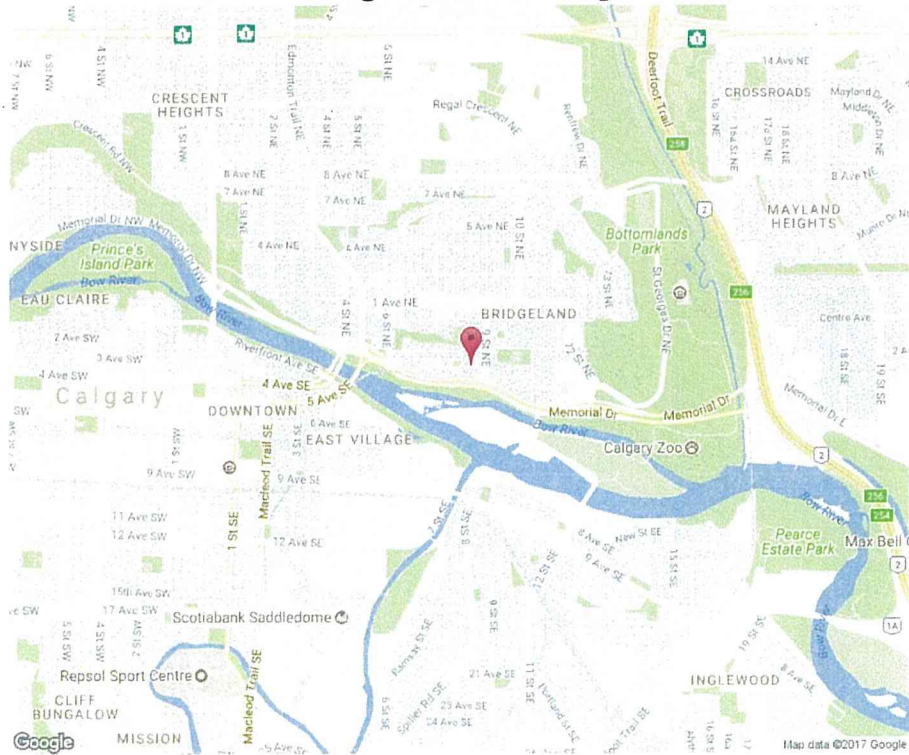
Northern Exposure



City Map

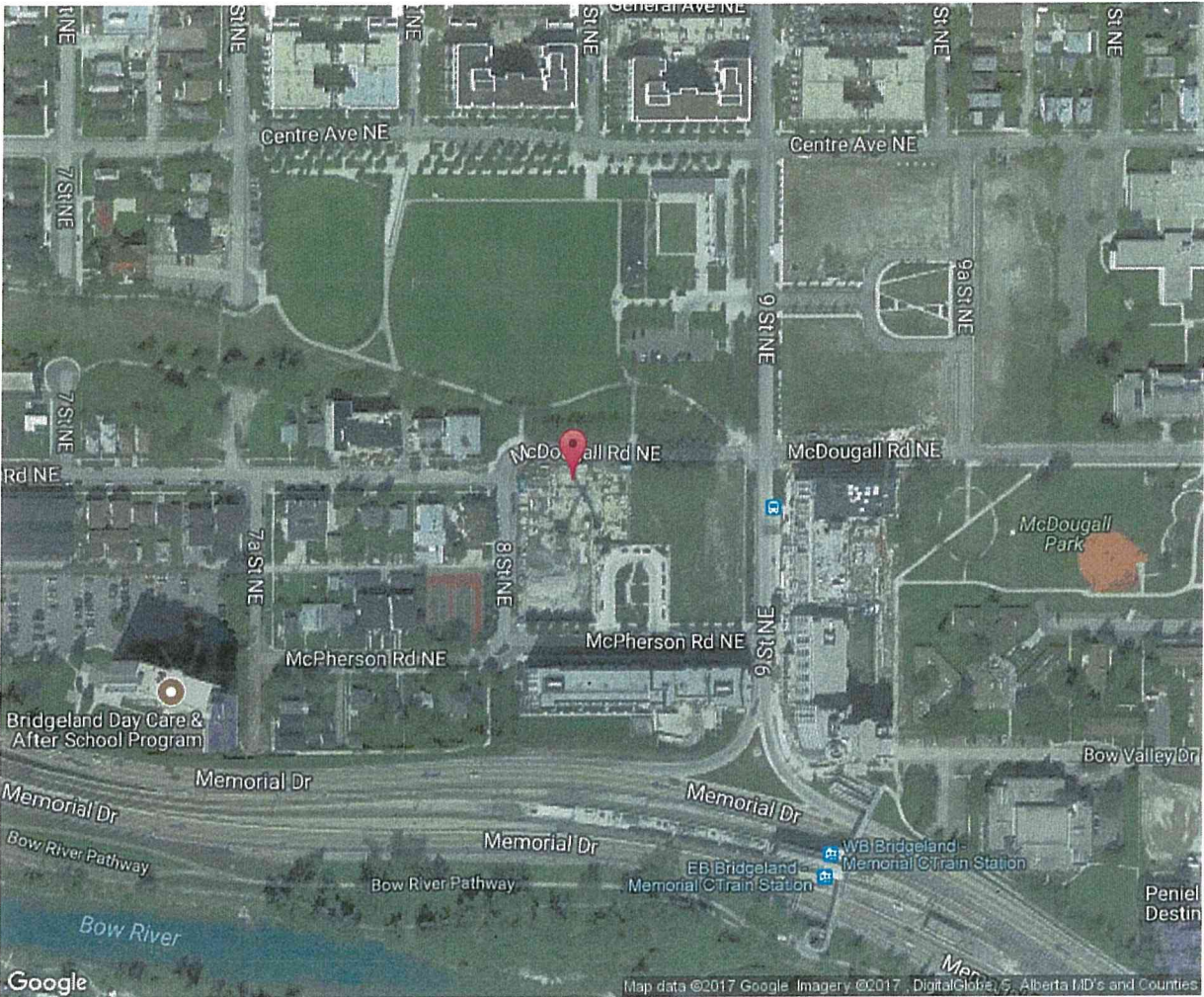


Neighbourhood Map





Aerial Map



Appendix D

Investment Sales Summaries

Land Sales Summaries



MultiRes

Scottsdale Gardens
7107 ELBOW DR SW, Calgary, AB



TRANSACTION DATA

Listing Date	n/a	Reference Number	70440
Listing Price	n/a	Registration Number	1811582346
Firm Date	n/a	Interest Transferred	100%
Closing Date	7/4/2018	Tenure	Fee Simple
Vendor	Carleton Equities Ltd.		
Purchaser	Mainstreet Equity Corp.		

PRICE ANALYSIS

Sale Price (100%)	\$8,288,000	Projection (years)	1
Adjusted Sale Price	\$8,288,000	IRR	n/a
Per Suite	\$162,509	TCR	n/a
Gross Income Multiplier	12.24	Canada Bond (10-Yr.)	2.28%
OCR Stabilized	5.00%	Real Estate Premium	n/a

PROPERTY/SITE

Building Type	Low-Rise (3 or less storey)		
Structure Type	Wood	Site Area (acres/sq.ft.)	1.57 / 68,389
No. of Buildings	6	Density (suites/acre)	32.484
Year Built	1964	Parking Covered	n/a
Year Renovated	n/a	Parking Underground	n/a
Storeys (Above/Below)	2 / 0	Parking Surface	58
Building Condition	Average	Total Parking	58
		Parking Per Suite	1.14

SUITE DISTRIBUTION

Suite Type	Qty	%	Avg. Rent	Avg. Area	\$/sf
1 Bedroom (3½)	24	47.1	\$875	606	\$1.44
2 Bedroom (4½)	27	52.9	\$962	885	\$1.09
Total	51	100	\$921	754	\$1.22

INCOME FORECAST

Forecast Year Ending	8/1/2019	Gross Income / Suite	\$13,827
Total Gross Income	\$705,154		
Vacancy and Bad Debts	\$28,206		
Effective Gross Income	\$676,948		

Average Room Weight

4.03

	\$\$\$	\$/Suite	% EGI
Total Operating Expenses	\$263,346	\$5,164	38.90%
Net Operating Income	\$413,602	\$8,110	61.10%

VACANCY AND RENT ASSUMPTIONS

CMHC District Vacancy	6.30%
Altus District Vacancy	n/a
Building Vacancy	25.00%
Stabilized Vacancy	4.00%

SERVICES INCLUDED

Heating	Yes (Gas)
Water	Yes
Electricity	No
Appliances	2
Other	n/a

INVESTMENT CHARACTERISTICS

Physical: Low rise apartment units that are a mix of townhouse and apartment style suites located in 6 buildings. Constructed in 1964 with a mix of concrete and wood frame buildings. Recent capital improvements included new hot water tanks (2013,2014 and 2017), balcony repair (2015) and new boilers (2015)

Income: Rental upside potential in the range of 15% was forecast.

General: July 2018 sale of a 51 unit garden style apartment project located in the southwest district of Kelvin Grove. This project was purchased by Mainstreet who also purchased an 11 suite building in Bankview (#70447)

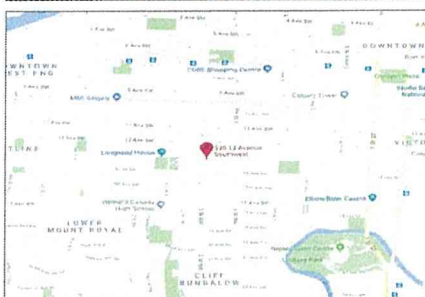
The author is not qualified and does not purport to give legal advice. The legal description and/or cadastral number reported herein are assumed to be correct. Legal advice is required for certainty. OCRs, IRRs, TCRs, as well as NOI and cash flow, yields, are based on Altus Group methodology and market inputs, and may not reflect the purchasers' or vendors' perception of the transaction.



MultiRes



Central Towers
535 13 AVE SW, Calgary, AB



TRANSACTION DATA

Listing Date	n/a	Reference Number	69162
Listing Price	n/a	Registration Number	181131845
Firm Date	n/a	Interest Transferred	100%
Closing Date	6/21/2018	Tenure	Fee Simple
Vendor	Industrial Alliance Insurance & Financial Services		
Purchaser	Hollyburn Properties Ltd.		

PRICE ANALYSIS

Sale Price (100%)	\$11,850,000	Projection (years)	1
Adjusted Sale Price	\$11,850,000	IRR	n/a
Per Suite	\$204,310	TCR	n/a
Gross Income Multiplier	13.23	Canada Bond (10-Yr.)	2.25%
OCR Stabilized	4.45%	Real Estate Premium	n/a

PROPERTY/SITE

Building Type	High-Rise (7 & more)		
Structure Type	Concrete	Site Area (acres/sq.ft.)	0.52 / 22,775
No. of Buildings	1	Density (suites/acre)	110.932
Year Built	1967	Parking Covered	0
Year Renovated	n/a	Parking Underground	0
Storeys (Above/Below)	15 / 0	Parking Surface	58
Building Condition	Average	Total Parking	58
		Parking Per Suite	1.00

SUITE DISTRIBUTION

Suite Type	Qty	%	Avg. Rent	Avg. Area	\$/sf
1 Bedroom (3½)	29	50.0	\$0	625	\$0.00
2 Bedroom (4½)	29	50.0	\$0	775	\$0.00
Total	58	100	\$0	700	\$0.00

INCOME FORECAST

Forecast Year Ending	6/1/2019	Gross Income / Suite	\$15,920
Total Gross Income	\$923,363		
Vacancy and Bad Debts	\$27,701		
Effective Gross Income	\$895,662		

Average Room Weight

4.00

	\$\$\$	\$/Suite	% EGI
Total Operating Expenses	\$368,148	\$6,347	41.10%
Net Operating Income	\$527,514	\$9,095	58.90%

VACANCY AND RENT ASSUMPTIONS

SERVICES INCLUDED

CMHC District Vacancy	n/a	Heating	Yes (Gas)
Altus District Vacancy	n/a	Water	Yes
Building Vacancy	n/a	Electricity	Yes
Stabilized Vacancy	n/a	Appliances	2
		Other	n/a

INVESTMENT CHARACTERISTICS

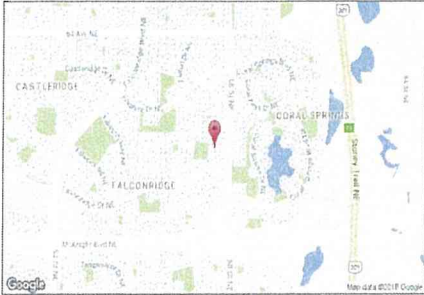
Physical:	Fifteen (15) storey building containing an equal mix of one and two bedroom units. All suites are corner units and feature wrap around balconies. The project is serviced by 58 surface parking stalls. The seller had indicated that there was approximately \$2 million dollars required in capital expenditures to be completed on the building, primarily with the post tension cables.
Income:	This project sold as part of a portfolio with a Toronto property. The purchaser intends to renovate and reposition the property as rental upside potential was identified.
General:	June 2018 sale of "Central Towers", located in the Beltline District in southwest Calgary.

The author is not qualified and does not purport to give legal advice. The legal description and/or cadastral number reported herein are assumed to be correct. Legal advice is required for certainty. OCRs, IRRs, TCRs, as well as NOI and cash flow yields, are based on Altus Group methodology and market inputs, and may not reflect the purchaser's or vendor's perception of the transaction.



MultiRes

Falconridge Gardens
401 FALCONRIDGE GDNS NE, Calgary, AB



TRANSACTION DATA

Listing Date	n/a	Reference Number	67269
Listing Price	n/a	Registration Number	n/a
Firm Date	n/a	Interest Transferred	100%
Closing Date	11/16/2017	Tenure	Fee Simple
Vendor	Har-Par Investments Ltd.		
Purchaser	Timbercreek Asset Management Inc		

PRICE ANALYSIS

Sale Price (100%)	\$21,840,000	Projection (years)	1
Adjusted Sale Price	\$21,840,000	IRR	n/a
Per Suite	\$195,000	TCR	n/a
Gross Income Multiplier	12.05	Canada Bond (10-Yr.)	1.88%
OCR Stabilized	5.64%	Real Estate Premium	n/a

PROPERTY/SITE

Building Type	Townhouse		
Structure Type	Wood	Site Area (acres/sq.ft.)	7.06 / 307,534
No. of Buildings	28	Density (suites/acre)	15.864
Year Built	1982	Parking Covered	0
Year Renovated	n/a	Parking Underground	0
Storeys (Above/Below)	2 / 1	Parking Surface	160
Building Condition	Average	Total Parking	160
		Parking Per Suite	1.43

SUITE DISTRIBUTION

Suite Type	Qty	%	Avg. Rent	Avg. Area	\$/sf
3 Bedroom (5½)	112	100	\$0	1,046	\$0.00
Total	112	100	\$0	1,046	\$0.00

INCOME FORECAST

Forecast Year Ending	11/1/2018	Gross Income / Suite	\$16,859
Total Gross Income	\$1,888,160		
Vacancy and Bad Debts	\$75,526		
Effective Gross Income	\$1,812,634		

Average Room Weight

5.50

	\$\$\$	\$/Suite	% EGI
Total Operating Expenses	\$578,027	\$5,161	31.89%
Net Operating Income	\$1,234,607	\$11,023	68.11%

VACANCY AND RENT ASSUMPTIONS

CMHC District Vacancy	7.00%
Altus District Vacancy	n/a
Building Vacancy	n/a
Stabilized Vacancy	4.00%

SERVICES INCLUDED

Heating	No (Gas)
Water	No
Electricity	No
Appliances	3
Other	n/a

INVESTMENT CHARACTERISTICS

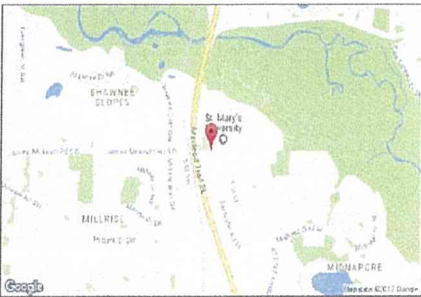
Location:	The project is located along 68th Street and Falconridge Gardens NE providing high visibility and property exposure; LRT is located at 36th Street NE; immediate access to public transportation along 68th Street and Falconridge Road NE.
Physical:	The project was constructed in 1982 and features 112 townhouse units in 28 clusters. All units are two storey wood frame with vinyl siding on full basements. Forced air heating and domestic hot water tank in each unit. All units have three bedrooms, 1.5 baths and a full undeveloped basement. The project is serviced by 160 surface parking stalls. Units are strata titled.
General:	November 2017 sale of Falconridge Gardens, a 112 unit townhouse complex located in northeast Calgary. This project sold as part of the Har-Par Portfolio to Timbercreek.

The author is not qualified and does not purport to give legal advice. The legal description and/or cadastral number reported herein are assumed to be correct. Legal advice is required for certainty. OCPIs, IRRs, TCRs as well as NOI and cash flow yields, are based on Altus Group methodology and market inputs, and may not reflect the purchasers' or vendors' perception of the transaction.



MultiRes

Parkview Village Apartments
111 146 AVE SE, Calgary, AB



TRANSACTION DATA

Listing Date	n/a	Reference Number	62798
Listing Price	n/a	Registration Number	171119216
Firm Date	4/1/2017	Interest Transferred	100%
Closing Date	5/3/2017	Tenure	Fee Simple
Vendor	112859 Canada Limited		
Purchaser	Har-Par Investments Ltd.		

PRICE ANALYSIS

Sale Price (100%)	\$35,700,000	Projection (years)	1
Adjusted Sale Price	\$35,700,000	IRR	n/a
Per Suite	\$175,000	TCR	n/a
Gross Income Multiplier	14.61	Canada Bond (10-Yr.)	1.41%
OCR Stabilized	4.24%	Real Estate Premium	n/a

PROPERTY/SITE

Building Type	Low-Rise (3 or less storey)		
Structure Type	Wood	Site Area (acres/sq. ft.)	3.75 / 163,350
No. of Buildings	4	Density (suites/acre)	54.4
Year Built	1982	Parking Covered	n/a
Year Renovated	n/a	Parking Underground	265
Storeys (Above/Below)	3 / 0	Parking Surface	17
Building Condition	Average	Total Parking	282
		Parking Per Suite	1.38

SUITE DISTRIBUTION

Suite Type	Qty	%	Avg. Rent	Avg. Area	\$/sf
1 Bedroom (3½)	57	27.9	\$0	643	\$0.00
2 Bedroom (4½)	141	69.1	\$0	842	\$0.00
3 Bedroom (5½)	6	2.9	\$0	1,115	\$0.00
Total	204	100	\$0	794	\$0.00

INCOME FORECAST

Forecast Year Ending	6/1/2018	Gross Income / Suite	\$12,612
Total Gross Income	\$2,572,873		
Vacancy and Bad Debts	\$128,644		
Effective Gross Income	\$2,444,229		

Average Room Weight

4.25

	\$\$\$	\$/Suite	% EGI
Total Operating Expenses	\$928,807	\$4,553	38.00%
Net Operating Income	\$1,515,422	\$7,429	62.00%

VACANCY AND RENT ASSUMPTIONS

CMHC District Vacancy	7.00%
Altus District Vacancy	n/a
Building Vacancy	n/a
Stabilized Vacancy	5.00%

SERVICES INCLUDED

Heating	Yes (Gas)
Water	Yes
Electricity	No
Appliances	3
Other	n/a

INVESTMENT CHARACTERISTICS

Location:	The property is located in the southeast community of Midnapore in close proximity to St. Mary's University.
Physical:	Three storey walk up wood frame building with underground parking. Mix of one, two and three bedroom units that feature a fridge, stove and dishwasher. Additional amenities include a fireplace in every suite and a large balcony/walk out patio. New asphalt shingles in 2012 and partial kitchen/bathrooms renovations completed in 2014.
Income:	Rents were reportedly to be slightly below market suggesting some rental upside.
General:	May 2017 sale of Parkview Village located in southeast Calgary.

The author is not qualified and does not purport to give legal advice. The legal description and/or cadastral number reported herein are assumed to be correct. Legal advice is required for certainty. OCRs, IRRs, ICRs, as well as NOI and cash flow values, are based on Altus Group methodology and market inputs, and may not reflect the purchaser's or vendor's perception of the transaction.



MultiRes

Radisson Place Apartments
1710 RADISSON DR SE, Calgary, AB



TRANSACTION DATA

Listing Date	n/a	Reference Number	60435
Listing Price	n/a	Registration Number	n/a
Firm Date	1/31/2017	Interest Transferred	100%
Closing Date	3/17/2017	Tenure	Fee Simple
Vendor	Radisson Place Apartments Ltd.		
Purchaser	Minto Group		

PRICE ANALYSIS

Sale Price (100%)	\$24,000,000	Projection (years)	1
Adjusted Sale Price	\$24,000,000	IRR	n/a
Per Suite	\$184,615	TCR	n/a
Gross Income Multiplier	11.47	Canada Bond (10-Yr.)	1.82%
OCR Stabilized	5.00%	Real Estate Premium	n/a

PROPERTY/SITE

Building Type	High-Rise (7 & more)		
Structure Type	Concrete	Site Area (acres/sq.ft.)	0.98 / 42,689
No. of Buildings	1	Density (suites/acre)	132.652
Year Built	1983	Parking Covered	0
Year Renovated	n/a	Parking Underground	113
Storeys (Above/Below)	12 / 0	Parking Surface	50
Building Condition	Good	Total Parking	163
		Parking Per Suite	1.25

SUITE DISTRIBUTION

Suite Type	Qty	%	Avg. Rent	Avg. Area	\$/sf
1 Bedroom (3½)	55	42.3	\$1,075	627	\$1.71
2 Bedroom (4½)	75	57.7	\$1,160	890	\$1.30
Total	130	100	\$1,124	779	\$1.44

INCOME FORECAST

Forecast Year Ending	3/1/2018	Gross Income / Suite	\$16,784
Total Gross Income	\$2,181,948		
Vacancy and Bad Debts	\$89,752		
Effective Gross Income	\$2,092,196		

Average Room Weight

4.08

	\$\$\$	\$/Suite	% EGI
Total Operating Expenses	\$891,111	\$6,855	42.59%
Net Operating Income	\$1,201,085	\$9,239	57.41%

VACANCY AND RENT ASSUMPTIONS

CMHC District Vacancy	13.80%
Altus District Vacancy	n/a
Building Vacancy	7.00%
Stabilized Vacancy	3.50%

SERVICES INCLUDED

Heating	n/a
Water	n/a
Electricity	n/a
Appliances	n/a
Other	n/a

INVESTMENT CHARACTERISTICS

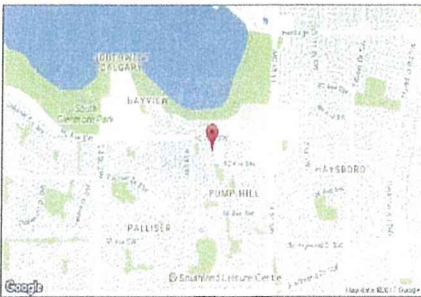
Location:	Located in Forest Lawn (east Calgary). Situated on the southeast corner of 16 Ave SE and 33 St SE.
Physical:	12-storey high rise with 130 suites and 163 parking stalls (113 underground heated + 50 surface). Structure is concrete with brick exterior. Rectangular corner site provides exposure and is 0.98 acres in size. All suites have dishwashers and most have washer/dryer hookups. 2009 renovations include main floor foyer, replaced boilers and hot water tanks and repaired roof surface. Amenities include exercise room, social room and sauna. The units were not individually metered at the time of sale; however, the purchaser does intend to separate the utilities and install washers and dryers in all suites with the exception of the D4 suites.
Income:	The main floor was leased to the property management company that owned the building.
General:	March 2017 sale of a multi-residential rental building at \$24,000,000 in east Calgary, equates to approx. \$185,000/door. Zoned C-COR2f3.0h33 with main floor commercial use. Originally managed by Magnum York Property Management Ltd.

The author is not qualified and does not purport to give legal advice. The legal description and/or cadastral number reported herein are assumed to be correct. Legal advice is required for certainty. OCRs, IRRs, TCRs, as well as NOI and cash flow yields, are based on Altus Group methodology and market inputs, and may not reflect the purchasers' or vendors' perception of the transaction.



MultiRes

Spruce Grove Lane
1802 92 AVE SW, Calgary, AB



TRANSACTION DATA

Listing Date	n/a	Reference Number	63069
Listing Price	n/a	Registration Number	171033636
Firm Date	n/a	Interest Transferred	100%
Closing Date	2/6/2017	Tenure	Fee Simple
Vendor	Wilfred Holdings Ltd et al		
Purchaser	Killam Properties SGP.LTD.		

PRICE ANALYSIS

Sale Price (100%)	\$11,900,000	Projection (years)	1
Adjusted Sale Price	\$11,900,000	IRR	n/a
Per Suite	\$180,303	TCR	n/a
Gross Income Multiplier	14.23	Canada Bond (10-Yr.)	1.71%
OCR Stabilized	4.64%	Real Estate Premium	n/a

PROPERTY/SITE

Building Type	Townhouse		
Structure Type	Wood	Site Area (acres/sq. ft.)	2.91 / 126,760
No. of Buildings	n/a	Density (suites/acre)	22.680
Year Built	1978	Parking Covered	n/a
Year Renovated	n/a	Parking Underground	n/a
Storeys (Above/Below)	2 / 1	Parking Surface	n/a
Building Condition	Average	Total Parking	n/a
		Parking Per Suite	n/a

SUITE DISTRIBUTION

Suite Type	Qty	%	Avg. Rent	Avg. Area	\$/sf
2 Bedroom (4½)	66	100	\$0	1,100	\$0.00
Total	66	100	\$0	1,100	\$0.00

INCOME FORECAST

Forecast Year Ending	2/1/2018	Gross Income / Suite	\$13,334
Total Gross Income	\$880,020		
Vacancy and Bad Debts	\$44,001		
Effective Gross Income	\$836,019		

Average Room Weight

4.50

	\$\$\$	\$/Suite	% EGI
Total Operating Expenses	\$284,051	\$4,304	33.98%
Net Operating Income	\$551,968	\$8,363	66.02%

VACANCY AND RENT ASSUMPTIONS

CMHC District Vacancy	7.00%
Altus District Vacancy	n/a
Building Vacancy	n/a
Stabilized Vacancy	5.00%

SERVICES INCLUDED

Heating	No (Gas)
Water	No
Electricity	No
Appliances	5
Other	n/a

INVESTMENT CHARACTERISTICS

- Physical:** The project features a mix of garden level and two storey townhouse units. All units feature a fireplace and all two storey units feature a balcony. The units and property were considered to be in average condition at the time of sale.
- Income:** The average income for the property was \$1,111 per suite per month. The purchaser intends to renovate and reposition the units to increase the average rental rate.
- General:** February 2017 sale of 66 townhouse units located in the southwest community of Pump Hill.

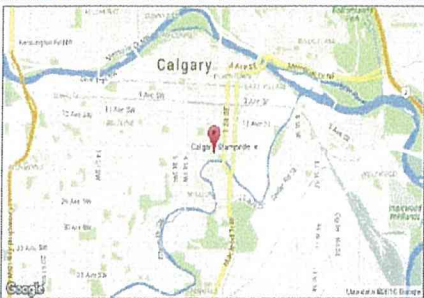
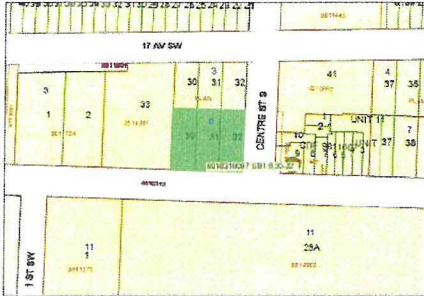
The author is not qualified and does not purport to give legal advice. The legal description and/or cadastral number reported herein are assumed to be correct. Legal advice is required for certainty. OCRs, IRRs, TCRs, as well as NOI and cash flow metrics, are based on Altus Group methodology and market inputs and may not reflect the purchaser's or vendor's perception of the transaction.



Land



110 18 AVE SW, Calgary, AB



TRANSACTION DATA

Listing Date	n/a	Reference Number	55090
Listing Price	n/a	Registration Number	151295595
Firm Date	n/a	Interest Transferred	100%
Closing Date	11/17/2015	Tenure	Fee Simple
Vendor	Roman Catholic Diocese of Calgary		
Purchaser	Avi Land Corporation Inc.		
Vendor Broker	n/a		

PRICE ANALYSIS

Sale Price	\$2,535,000	Adj. Price (\$/buildable GFA)	n/a
Adj. Sale Price	\$2,535,000	Adj. Price (\$/buildable units)	n/a
Adj. Price (\$/acre)	\$5,633,333	Adj. Price (\$/frontage)	n/a
Adj. Price (\$/sq. ft.)	\$129.88		

LAND USE REGULATION

Official Plan	1P2007
Zoning Designation	M-C2
Zoning Description	Multi-Residential - Contextual Medium Profile
Permitted Uses	Accessory Residential Building, Park, Secondary Suite, etc.

SITE DESCRIPTION

Frontage	0.00	Land Area (sq.ft.)	19,518
Depth	0.00	Land Area (acre)	0.45
Nearest Intersection	18 AVE SE & CENTRE ST S		
Municipal Services	Available		
Legal Description	Plan B1; Block 6; Lot 30-32		

INVESTMENT CHARACTERISTICS

Location:	Located on the northwest of the intersection of 18 Ave SW and Centre St S in the historic Cathedral District within the community of Mission. Mission is bound to the west by 4 St SW, to the north by 17 Ave SW, and to the east by the Elbow River. Surrounding uses included retail, commercial and multi-residential. Many well-known attractions are nearby including the Talisman Centre, Stampede, Scotiabank Saddledome, and others. The Mission ARP Land Use Policy Plan states that the intended use of this site is for Medium Density Residential use.
Physical:	Corner lot, regular (rectangular) shaped site, level and municipally serviced. Currently vacant land.
General:	Sale at \$2,535,000 of a 19,518 sq. ft. vacant lot located in Mission. This equates to a price of \$130/sq. ft. or \$51.95/sq. ft. buildable. Zoned M-C2 Multi-Residential - Contextual Medium Profile. Maximum FAR 2.5. DP2014-4694 New: Multi-Residential Development (1 building, 47 units), Sign - Class B (Fascia Sign) Released. BP2015-07970 Hold, BP2013-02620 Completed, BP2013-02617 Completed.

The author is not qualified and does not purport to give legal advice. The legal description and/or cadastral number reported herein are assumed to be correct. Legal advice is required for certainty. OCFS, IRRs, TCRE, as well as NOI and cash flow yields, are based on Altus Group methodology and market inputs, and may not reflect the purchasers' or vendors' perception of the transaction.



Land



110 18A ST NW, Calgary, AB



TRANSACTION DATA

Listing Date	n/a	Reference Number	63476
Listing Price	n/a	Registration Number	171027915
Firm Date	n/a	Interest Transferred	100%
Closing Date	1/31/2017	Tenure	Fee Simple
Vendor	North Calgary Branch of the Royal Canadian Legion		
Purchaser	Truman Homes		
Vendor Broker	n/a		

PRICE ANALYSIS

Sale Price	\$8,000,000	Adj. Price (\$/buildable GFA)	n/a
Adj. Sale Price	\$8,000,000	Adj. Price (\$/buildable units)	\$67,797
Adj. Price (\$/acre)	\$5,517,241	Adj. Price (\$/frontage)	\$34,339
Adj. Price (\$/sq. ft.)	\$126.83		

LAND USE REGULATION

Official Plan	1P2007
Zoning Designation	DC21D2016 - Site 2
Zoning Description	Mid-rise mixed-use development suitable for unique depth.
Permitted Uses	Mid-Rise Mixed-Use Development

SITE DESCRIPTION

Frontage	232.97	Land Area (sq.ft.)	63,075
Depth	274.13	Land Area (acre)	1.45
Nearest Intersection	18 ST NW & KENSINGTON RD NW		
Municipal Services	Available		
Legal Description	Plan 1612424, Block 14, Lot 37		

INVESTMENT CHARACTERISTICS

Location:	The property is located in NW Calgary. The property is situated directly between 18 ST NW and 19 ST NW. The civic address is at the end of the cul-de-sac on 18A ST NW, which is the north-side of the property, however the property has easier access from Kensington RD NW than it does from 18A ST NW. The property is 0.4km north of the Bow River.
Physical:	At the time of the sale the property is improved with a 20,625 square foot building that is the home of the North-Calgary branch of the Royal Canadian Legion. The depth of 274.13ft from Kensington RD NW makes the property unique for the area. It is far greater than the depth of other properties on Kensington RD. The parcel is surrounded by low-density residential.
General:	Development Permit DP2015-4956 (issued 08/26/2016) is pending release at the time of verification. It is for a new mixed-use development comprising 1 building and 218 units. Building Permit BP2017-06292 is for demolition of existing improvement. Permit was created 05/29/2017 approximately 4 months after sale date and is currently on hold. Property has DC 21D2016 zoning.

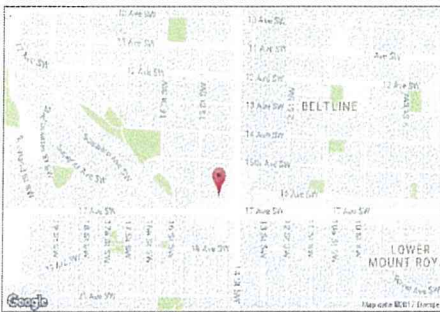
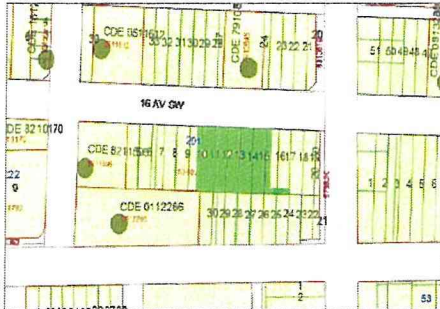
The author is not qualified and does not purport to give legal advice. The legal description and/or cadastral number reported herein are assumed to be correct. Legal advice is required for certainty. GCRs, IRRs, TCRs, as well as NOI and cash flow yields, are based on Altus Group methodology and market inputs, and may not reflect the purchaser's or vendor's perception of the transaction.



Land



1511-1521 16 AVE SW, Calgary, AB



TRANSACTION DATA

Listing Date	n/a	Reference Number	63231
Listing Price	n/a	Registration Number	171001554
Firm Date	n/a	Interest Transferred	100%
Closing Date	4/1/2017	Tenure	Fee Simple
Vendor	The City of Calgary (The City of Calgary)		
Purchaser	ASI Sentinel Block GP Management Inc.		
Vendor Broker	n/a		

PRICE ANALYSIS

Sale Price	\$2,700,000	Adj. Price (\$/buildable GFA)	\$66.65
Adj. Sale Price	\$2,700,000	Adj. Price (\$/buildable units)	n/a
Adj. Price (\$/acre)	\$7,297,297	Adj. Price (\$/frontage)	\$18,918
Adj. Price (\$/sq. ft.)	\$166.63		

LAND USE REGULATION

Official Plan	1P2007
Zoning Designation	M-C2
Zoning Description	Multi-Residential Contextual Medium Profile District
Permitted Uses	n/a

SITE DESCRIPTION

Frontage	142.72	Land Area (sq.ft.)	16,204
Depth	109.09	Land Area (acre)	0.37
Nearest Intersection	16 AVE SW & 14 ST SW		
Municipal Services	Available		
Legal Description	Plan:5380V, Block:201, Lots:10-16 (not full legal)		

INVESTMENT CHARACTERISTICS

Location:	Located in the community of Sunalta.
Physical:	Irregular shaped site, currently improved as a surface parking lot.
General:	The sale of 4 lots, 9.28% of the site is zoned C-COR1 f3.0h23, and 90.72% is zoned M-C2. Its assumed the site is 100% M-C2 when calculating \$/buildable GFA. M-C2 land allows for a maximum density of 2.5 FAR.

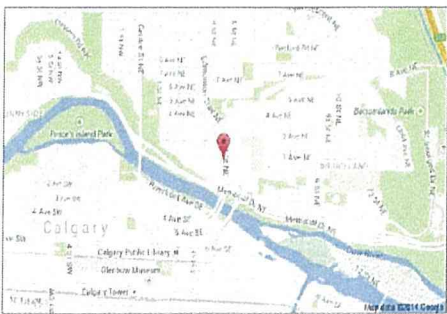
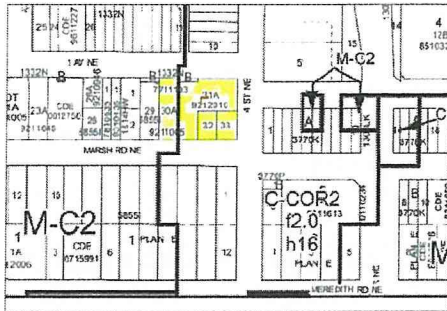
The author is not qualified and does not purport to give legal advice. The legal description and/or cadastral number reported herein are assumed to be correct. Legal advice is required for certainty. IRRs, TCRs, as well as NOI and cash flow yields, are based on Altus Group methodology and market inputs, and may not reflect the purchasers' or vendors' perception of the transaction.



Land



103 4 ST NE, Calgary, AB



TRANSACTION DATA

Listing Date	n/a	Reference Number	48993
Listing Price	n/a	Registration Number	141201387-88...
Firm Date	n/a	Interest Transferred	100%
Closing Date	8/1/2014	Tenure	Fee Simple
Vendor	Capri Car Wash Ltd.		
Purchaser	Minto (4th and Marsh) Inc.		
Vendor Broker	REMAX CENTRAL CORP		

PRICE ANALYSIS

Sale Price	\$4,800,000	Adj. Price (\$/buildable GFA)	n/a
Adj. Sale Price	\$4,800,000	Adj. Price (\$/buildable units)	n/a
Adj. Price (\$/acre)	\$6,857,143	Adj. Price (\$/frontage)	n/a
Adj. Price (\$/sq. ft.)	\$157.79		

LAND USE REGULATION

Official Plan	n/a
Zoning Designation	C-COR2 & M- C2
Zoning Description	n/a
Permitted Uses	n/a

SITE DESCRIPTION

Frontage	n/a	Land Area (sq.ft.)	30,421
Depth	n/a	Land Area (acre)	0.70
Nearest Intersection	n/a		
Municipal Services	n/a		
Legal Description	Plan 9212010, Block B, Lot 31A		

INVESTMENT CHARACTERISTICS

Location:	Located on the west side of Edmonton Trail two blocks north of Memorial Drive. It is composed of three lots and housed a Carwash and a retail automotive outlet, plus a residence. This area is generally referred to the Bridgeland Area and has good access to the Downtown Core.
Physical:	Flat site with good exposure to 4th Street NE which is a southbound major thoroughfare.
General:	The subject transferred under 3 documents. Firstly, Transfer No. 141201387 for 107 4 Street NE (), 15,433 sq.ft. for \$1,370,000. Secondly, Transfer No. 141201389 for 103 4th Street NE (legally described as Plan 58551, the South Half of Lot 32 and 33), 7,257 sq.ft. for \$687,500. Thirdly, Transfer No. 141201388 for 450 Marsh Rd. (legally described as Plan 9211005, Lot 30A), 7,731 sq.ft. for \$2,742,500. Subsequent to the transfer, new Plan 1412965 was created, but only consolidated the Lot 31A and 30A. The structure of the transfer to Minto, was calculated on 30,421 or \$157.00 per sq.ft. Sale are agreed to approximately 3 months prior to close date according to the agent. List price was \$5,000,000. The new owner has applied to reclassify land use to C-COR1 f5.0h40 to accommodate new mixed use development.

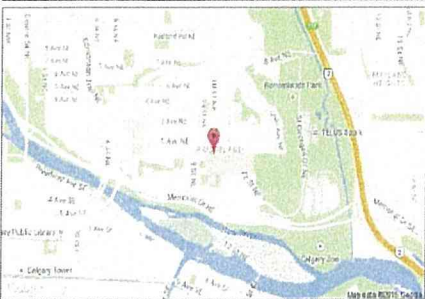
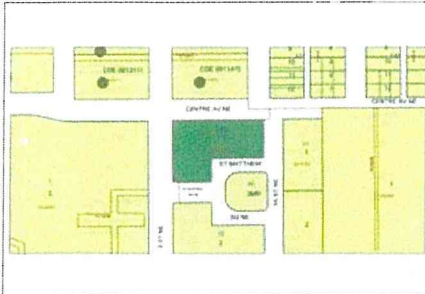
The author is not qualified and does not purport to give legal advice. The legal description and/or cadastral number reported herein are assumed to be correct. Legal advice is required for certainty. OC's, IR's, TC's, as well as NOI and cash flow yields, are based on Altus Group methodology and market inputs, and may not reflect the purchasers' or vendors' perception of the transaction.



Land



1009 CENTRE AVENUE NE, Calgary, AB



TRANSACTION DATA

Listing Date	n/a	Reference Number	49398
Listing Price	n/a	Registration Number	141334567
Firm Date	n/a	Interest Transferred	100%
Closing Date	12/9/2014	Tenure	Fee Simple
Vendor	The City of Calgary		
Purchaser	Bucci Developments Limited		
Vendor Broker	n/a		

PRICE ANALYSIS

Sale Price	\$4,500,000	Adj. Price (\$/buildable GFA)	\$19.24
Adj. Sale Price	\$4,500,000	Adj. Price (\$/buildable units)	n/a
Adj. Price (\$/acre)	\$4,455,446	Adj. Price (\$/frontage)	n/a
Adj. Price (\$/sq. ft.)	\$101.97		

LAND USE REGULATION

Official Plan	n/a
Zoning Designation	DC 37D2012
Zoning Description	Medium Rise Residential
Permitted Uses	n/a

SITE DESCRIPTION

Frontage	n/a	Land Area (sq.ft.)	44,132
Depth	n/a	Land Area (acre)	1.01
Nearest Intersection	n/a		
Municipal Services	Available		
Legal Description	Plan 081 5793 Block 10 Lot 1		

INVESTMENT CHARACTERISTICS

General: Residential medium rise development site located in The Bridges Phase 3. The DC Land Use supports development to a maximum 5.3 FAR with 23 metre building height. The proposed development is reported to include a 7 storey building with 2.5 levels of parking (2 underground) and 200,000 sf of building. Developed density will be approximately 4.2 FAR. The land sale includes a three year development commitment (caveat on Title), lengthy submission process and the development to meet LEED Silver certification.

The Auditor is not qualified and does not purport to give legal advice. The legal description and/or cadastral number reported herein are assumed to be correct. Legal advice is required for certainty. DCRs, IRRs, TDRs, as well as NOI and cash flow metrics, are based on Altus Group methodology and market inputs, and may not reflect the purchasers' or vendors' perception of the transaction.

Appendix E

Retail Pricing Schedule

BTY Cost Report Schedule December 2016

BTY Cost Report Schedule June 2017

Steps Bridgeland
 918 McPherson Square NE, Calgary, AB
 1320 103016



Condominium Suite Mix												Average SP	Last Price	List Price	
Steps Bridgeland, Calgary, Alberta	Suite	Floor	Unit Type	Size (SF)	Bedrooms	Baths	Exposure	Base Price/SF	Floor	Adjustments Exposure	Size	Adjusted Price SF / Unit	Sold Units	2016	2017
118	1	1	Townhouse	811	1 Brm+Den	1 Bath	1 UG Stall South	\$500	0.00%	0.00%	0.00%	\$500	\$488	\$0	\$0
111	1	1	Townhouse	855	2 Brm	2.5 Bath	1 UG Stall South	\$500	0.00%	0.00%	0.00%	\$500	\$488	\$0	\$0
110	1	1	Townhouse	857	2 Brm	2.5 Bath	1 UG Stall South	\$500	0.00%	0.00%	0.00%	\$500	\$487	\$0	\$0
109	1	1	Townhouse	860	2 Brm	2.5 Bath	1 UG Stall East	\$500	0.00%	0.00%	0.00%	\$500	\$473	\$0	\$0
101	1	1	Townhouse	1,183	2 Brm	2.5 Bath	1 UG Stall West	\$500	0.00%	0.00%	0.00%	\$500	\$477	\$0	\$0
107	1	1	Townhouse	1,263	2 Brm	2.5 Bath	1 UG Stall North	\$500	0.00%	0.00%	-2.50%	\$488	\$522	\$0	\$0
108	1	1	Townhouse	1,264	2 Brm	2.5 Bath	1 UG Stall North	\$500	0.00%	2.50%	-2.50%	\$500	\$514	\$564	\$564
104	1	1	Townhouse	1,279	2 Brm	2.5 Bath	1 UG Stall North	\$500	0.00%	2.50%	-2.50%	\$500	\$518	\$533	\$533
106	1	1	Townhouse	1,286	2 Brm	2.5 Bath	1 UG Stall North	\$500	0.00%	2.50%	-2.50%	\$500	\$514	\$534	\$534
105	1	1	Townhouse	1,286	2 Brm	2.5 Bath	1 UG Stall North	\$500	0.00%	2.50%	-2.50%	\$500	\$512	\$530	\$530
103	1	1	Townhouse	1,286	2 Brm	2.5 Bath	1 UG Stall North	\$500	0.00%	2.50%	-2.50%	\$500	\$501	\$512	\$512
				11,418								\$499	\$515	\$540	\$540
126	1	1	Townhouse	939	2 Brm+Den	1.5 Bath	1 UG Stall West	\$500	0.00%	0.00%	0.00%	\$500	\$519	\$355	\$355
125	1	1	Townhouse	941	2 Brm+Den	1.5 Bath	1 UG Stall West	\$500	0.00%	0.00%	0.00%	\$500	\$530	\$702	\$702
120	1	1	Townhouse	1,236	2 Brm+Den	2.5 Bath	1 UG Stall West	\$500	0.00%	0.00%	-2.50%	\$488	\$521	\$520	\$520
119	1	1	Townhouse	1,248	2 Brm+Den	2.5 Bath	1 UG Stall West	\$500	0.00%	0.00%	-2.50%	\$488	\$547	\$547	\$547
124	1	1	Townhouse	1,277	2 Brm+Den	2.5 Bath	1 UG Stall West	\$500	0.00%	0.00%	-2.50%	\$488	\$487	\$503	\$503
112	1	1	Townhouse	1,277	2 Brm+Den	2.5 Bath	1 UG Stall East	\$500	0.00%	0.00%	-2.50%	\$488	\$509	\$502	\$502
122	1	1	Townhouse	1,279	2 Brm+Den	2.5 Bath	1 UG Stall West	\$500	0.00%	0.00%	-2.50%	\$488	\$490	\$506	\$506
116	1	1	Townhouse	1,279	2 Brm+Den	2.5 Bath	1 UG Stall East	\$500	0.00%	0.00%	-2.50%	\$488	\$520	\$520	\$520
114	1	1	Townhouse	1,279	2 Brm+Den	2.5 Bath	1 UG Stall East	\$500	0.00%	0.00%	-2.50%	\$488	\$483	\$498	\$498
123	1	1	Townhouse	1,298	2 Brm+Den	2.5 Bath	1 UG Stall West	\$500	0.00%	0.00%	-2.50%	\$488	\$528	\$528	\$528
121	1	1	Townhouse	1,298	2 Brm+Den	2.5 Bath	1 UG Stall West	\$500	0.00%	0.00%	-2.50%	\$488	\$500	\$535	\$535
113	1	1	Townhouse	1,298	2 Brm+Den	2.5 Bath	1 UG Stall West	\$500	0.00%	0.00%	-2.50%	\$488	\$488	\$488	\$488
115	1	1	Townhouse	1,299	2 Brm+Den	2.5 Bath	1 UG Stall East	\$500	0.00%	0.00%	-2.50%	\$488	\$483	\$498	\$498
117	1	1	Townhouse	1,337	2 Brm+Den	2.5 Bath	1 UG Stall East	\$500	0.00%	0.00%	-2.50%	\$488	\$513	\$506	\$524
				17,283								\$489	\$513	\$506	\$524
206	2	2	Studio	334	Studio	1 Bath	None South	\$500	0.00%	0.00%	20.00%	\$600	\$689	\$689	\$689
205	2	2	Studio	334	Studio	1 Bath	None South	\$500	0.00%	0.00%	20.00%	\$600	\$689	\$689	\$689
202	2	2	Studio	334	Studio	1 Bath	None South	\$500	0.00%	0.00%	20.00%	\$600	\$554	\$554	\$554
203	2	2	Studio	335	Studio	1 Bath	None South	\$500	0.00%	0.00%	20.00%	\$600	\$606	\$606	\$606
207	2	2	Studio	337	Studio	1 Bath	None South	\$500	0.00%	0.00%	20.00%	\$600	\$629	\$629	\$629
204	2	2	Studio	344	Studio	1 Bath	None South	\$500	0.00%	0.00%	20.00%	\$600	\$583	\$583	\$583
318	3	3	Studio	367	Studio	1 Bath	None South	\$500	0.00%	0.00%	20.00%	\$600	\$545	\$545	\$545
				2,384								\$610	\$618	\$609	\$609
614	6	6	Penthouse	730	2 Brm	2 Bath	2 UG Stalls West	\$530	15.00%	5.00%	5.00%	\$663	\$747	\$618	\$699
606	6	6	Penthouse	939	2 Brm	2.5 Bath	2 UG Stalls East	\$530	15.00%	0.00%	0.00%	\$663	\$747	\$618	\$699
601	6	6	Penthouse	943	2 Brm	2 Bath	2 UG Stalls North	\$530	15.00%	0.00%	0.00%	\$663	\$747	\$618	\$699
605	6	6	Penthouse	946	2 Brm	2.5 Bath	2 UG Stalls East	\$530	15.00%	0.00%	0.00%	\$663	\$747	\$618	\$699
613	6	6	Penthouse	952	2 Brm	2.5 Bath	2 UG Stalls West	\$530	15.00%	0.00%	0.00%	\$663	\$747	\$618	\$699
610	6	6	Penthouse	981	2 Brm	2 Bath	2 UG Stalls West	\$530	15.00%	0.00%	0.00%	\$663	\$747	\$618	\$699
609	6	6	Penthouse	982	2 Brm	2.5 Bath	2 UG Stalls East	\$530	15.00%	0.00%	0.00%	\$663	\$747	\$618	\$699
608	6	6	Penthouse	987	2 Brm	2.5 Bath	2 UG Stalls East	\$530	15.00%	0.00%	0.00%	\$663	\$747	\$618	\$699
611	6	6	Penthouse	1,020	2 Brm	2.5 Bath	2 UG Stalls West	\$530	15.00%	0.00%	0.00%	\$663	\$747	\$618	\$699
607	6	6	Penthouse	1,061	2 Brm	2.5 Bath	2 UG Stalls East	\$530	15.00%	0.00%	0.00%	\$663	\$747	\$618	\$699
612	6	6	Penthouse	1,100	2 Brm	2.5 Bath	2 UG Stalls West	\$530	15.00%	0.00%	0.00%	\$663	\$747	\$618	\$699
602	6	6	Penthouse	1,273	2 Brm	2.5 Bath	2 UG Stalls North	\$530	15.00%	0.00%	0.00%	\$663	\$747	\$618	\$699
604	6	6	Penthouse	1,274	2 Brm	2.5 Bath	2 UG Stalls North	\$530	15.00%	0.00%	0.00%	\$663	\$747	\$618	\$699
603	6	6	Penthouse	1,297	2 Brm	2.5 Bath	2 UG Stalls North	\$530	15.00%	0.00%	0.00%	\$663	\$747	\$618	\$699
				14,486								\$620	\$670	\$652	\$652



Steps Bridgeland
 918 McPherson Square NE, Calgary, AB
 13120 103016

Condominium Suite Mix														
Steps Bridgeland, Calgary, Alberta														
Suite	Floor	Unit Type	Size (SF)	Bedrooms	Baths	Exposure	Base Price/SF	Floor	Adjustments Exposure	Size	Adjusted Price SF / Unit	Average SF Sold Units	List Price 2016	List Price 2017
514	5	Flat	450	1 Brm	1 Bath	1 UG Stall East	\$500	5.00%	0.00%	5.00%	\$550	\$247,462	\$567	
412	4	Flat	450	1 Brm	1 Bath	1 UG Stall East	\$500	2.50%	0.00%	5.00%	\$538	\$241,838	\$533	
512	5	Flat	451	1 Brm	1 Bath	1 UG Stall East	\$500	5.00%	0.00%	5.00%	\$550	\$248,050	\$616	
521	5	Flat	451	1 Brm	1 Bath	1 UG Stall West	\$500	5.00%	5.00%	5.00%	\$575	\$259,329	\$598	
419	4	Flat	451	1 Brm	1 Bath	1 UG Stall West	\$500	2.50%	5.00%	5.00%	\$563	\$253,682	\$550	
414	4	Flat	451	1 Brm	1 Bath	1 UG Stall East	\$500	2.50%	0.00%	5.00%	\$538	\$242,416	\$588	
323	3	Flat	451	1 Brm	1 Bath	1 UG Stall West	\$500	0.00%	0.00%	5.00%	\$539	\$248,054	\$550	
313	3	Flat	451	1 Brm	1 Bath	1 UG Stall East	\$500	0.00%	0.00%	5.00%	\$525	\$236,779	\$550	
421	4	Flat	468	1 Brm	1 Bath	1 UG Stall West	\$500	5.00%	5.00%	5.00%	\$575	\$264,500	\$562	
308	3	Flat	476	1 Brm	1 Bath	1 UG Stall North	\$500	0.00%	0.00%	5.00%	\$563	\$263,379	\$529	
407	4	Flat	477	1 Brm	1 Bath	1 UG Stall North	\$500	2.50%	0.00%	5.00%	\$525	\$249,776	\$553	
306	3	Flat	477	1 Brm	1 Bath	1 UG Stall North	\$500	0.00%	0.00%	5.00%	\$538	\$256,302	\$551	
304	3	Flat	477	1 Brm	1 Bath	1 UG Stall North	\$500	0.00%	0.00%	5.00%	\$525	\$250,341	\$551	
507	5	Flat	477	1 Brm	1 Bath	1 UG Stall North	\$500	5.00%	0.00%	5.00%	\$550	\$262,350	\$629	
505	5	Flat	478	1 Brm	1 Bath	1 UG Stall North	\$500	5.00%	0.00%	5.00%	\$550	\$262,854	\$607	
503	5	Flat	478	1 Brm	1 Bath	1 UG Stall North	\$500	2.50%	0.00%	5.00%	\$550	\$262,854	\$540	
403	4	Flat	478	1 Brm	1 Bath	1 UG Stall North	\$500	0.00%	0.00%	5.00%	\$538	\$256,880	\$512	
321	3	Flat	492	1 Brm	1 Bath	1 UG Stall West	\$500	0.00%	5.00%	5.00%	\$550	\$270,551	\$514	
315	3	Flat	492	1 Brm	1 Bath	1 UG Stall East	\$500	0.00%	0.00%	5.00%	\$488	\$258,253	\$488	
405	4	Flat	499	1 Brm	1 Bath	1 UG Stall North	\$500	2.50%	0.00%	5.00%	\$538	\$268,452	\$490	
302	3	Flat	522	1 Brm	1 Bath	1 UG Stall West	\$500	0.00%	0.00%	5.00%	\$553	\$280,575	\$553	
509	5	Flat	541	1 Brm	1 Bath	1 UG Stall South	\$500	5.00%	5.00%	2.50%	\$543	\$304,551	\$543	
508	5	Flat	546	1 Brm	1 Bath	1 UG Stall East	\$500	5.00%	0.00%	2.50%	\$538	\$293,330	\$531	
408	4	Flat	547	1 Brm	1 Bath	1 UG Stall East	\$500	2.50%	0.00%	2.50%	\$539	\$287,073	\$539	
409	4	Flat	560	1 Brm	1 Bath	1 UG Stall South	\$500	2.50%	5.00%	2.50%	\$482	\$307,848	\$482	
102	1	Flat	581	1 Brm	1 Bath	1 UG Stall West	\$500	0.00%	5.00%	2.50%	\$538	\$312,422	\$523	
310	3	Flat	583	1 Brm	1 Bath	1 UG Stall South	\$500	0.00%	5.00%	2.50%	\$512	\$313,579	\$512	
309	3	Flat	589	1 Brm	1 Bath	1 UG Stall East	\$500	0.00%	0.00%	2.50%	\$586	\$301,863	\$586	
201	2	Flat	660	1 Brm	1 Bath	1 UG Stall West	\$500	0.00%	5.00%	2.50%	\$538	\$354,750	\$515	
208	2	Flat	708	1 Brm	1 Bath	1 UG Stall East	\$500	0.00%	0.00%	0.00%	\$539	\$354,132	\$539	\$562
209	2	Flat	718	1 Brm	1 Bath	1 UG Stall East	\$500	0.00%	0.00%	0.00%	\$518	\$358,976	\$518	\$510
301	3	Flat	724	1 Brm	1.5 Bath	1 UG Stall North	\$500	0.00%	0.00%	0.00%	\$586	\$362,000	\$586	\$570
17, 114											\$547	\$9,185,554	\$548	\$547
420	4	Flat	762	1 Brm	1 Bath	2 UG Stalls West	\$500	2.50%	5.00%	0.00%	\$580	\$409,575	\$580	
523	5	Flat	762	2 Brm	2 Bath	1 UG Stall West	\$500	5.00%	5.00%	0.00%	\$538	\$419,146	\$538	
522	5	Flat	762	2 Brm	2 Bath	1 UG Stall West	\$500	5.00%	5.00%	0.00%	\$538	\$419,146	\$538	
520	5	Flat	762	2 Brm	2 Bath	1 UG Stall West	\$500	5.00%	5.00%	0.00%	\$485	\$419,146	\$485	
518	5	Flat	762	2 Brm	2 Bath	1 UG Stall West	\$500	5.00%	5.00%	0.00%	\$550	\$419,146	\$550	
515	5	Flat	762	2 Brm	2 Bath	1 UG Stall East	\$500	5.00%	0.00%	0.00%	\$500	\$400,094	\$500	
513	5	Flat	762	2 Brm	2 Bath	1 UG Stall East	\$500	5.00%	0.00%	0.00%	\$493	\$400,094	\$493	
511	5	Flat	762	2 Brm	2 Bath	1 UG Stall East	\$500	5.00%	0.00%	0.00%	\$533	\$400,094	\$533	
423	4	Flat	762	2 Brm	2 Bath	1 UG Stall West	\$500	2.50%	5.00%	0.00%	\$525	\$400,620	\$525	
422	4	Flat	762	2 Brm	2 Bath	1 UG Stall West	\$500	2.50%	5.00%	0.00%	\$538	\$409,620	\$538	
415	4	Flat	762	2 Brm	2 Bath	1 UG Stall East	\$500	2.50%	5.00%	0.00%	\$538	\$409,620	\$538	
413	4	Flat	762	2 Brm	2 Bath	1 UG Stall East	\$500	2.50%	0.00%	0.00%	\$513	\$390,568	\$513	
411	4	Flat	762	2 Brm	2 Bath	1 UG Stall East	\$500	2.50%	0.00%	0.00%	\$504	\$390,568	\$504	
510	5	Flat	763	2 Brm	2 Bath	1 UG Stall East	\$500	5.00%	0.00%	0.00%	\$519	\$390,568	\$519	
410	4	Flat	763	2 Brm	2 Bath	1 UG Stall East	\$500	2.50%	0.00%	0.00%	\$525	\$400,659	\$525	
417	4	Flat	764	2 Brm	2 Bath	1 UG Stall South	\$500	2.50%	5.00%	0.00%	\$538	\$391,120	\$538	
											\$529	\$410,777	\$529	

Steps Bridgeland

918 McPherson Square NE, Calgary, AB

13120 103016



Condominium Suite Mix										Average SP		List Price		List Price	
Steps Bridgeland, Calgary, Alberta										Sold Units		2016		2017	
Suite	Floor	Unit Type	Size (SF)	Bedrooms	Baths	Exposure	Price/SF	Floor	Adjustments	Adjusted Price	Average SP	List Price	List Price	List Price	List Price
416	4	Flat	764	2 Brm	2 Bath	1 UG Stall South	\$500	2.50%	5.00%	\$410,777	\$580	\$637	\$620	\$620	\$620
517	5	Flat	766	2 Brm	2 Bath	1 UG Stall West	\$500	5.00%	0.00%	\$421,514	\$550	\$637	\$620	\$620	\$620
516	5	Flat	766	2 Brm	2 Bath	1 UG Stall East	\$500	5.00%	0.00%	\$402,355	\$525	\$623	\$605	\$605	\$605
418	4	Flat	784	2 Brm	2 Bath	1 UG Stall West	\$500	2.50%	0.00%	\$421,191	\$538	\$587	\$601	\$601	\$601
325	3	Flat	804	2 Brm	2 Bath	1 UG Stall West	\$500	0.00%	5.00%	\$422,133	\$530				
324	3	Flat	804	2 Brm	2 Bath	1 UG Stall West	\$500	0.00%	5.00%	\$422,133	\$530				
322	3	Flat	804	2 Brm	2 Bath	1 UG Stall West	\$500	0.00%	5.00%	\$422,133	\$530				
320	3	Flat	804	2 Brm	2 Bath	1 UG Stall West	\$500	0.00%	5.00%	\$422,133	\$537				
314	3	Flat	804	2 Brm	2 Bath	1 UG Stall East	\$500	0.00%	0.00%	\$402,032	\$465				
312	3	Flat	804	2 Brm	2 Bath	1 UG Stall East	\$500	0.00%	0.00%	\$402,032	\$460				
311	3	Flat	804	2 Brm	2 Bath	1 UG Stall East	\$500	0.00%	0.00%	\$402,032	\$475				
424	4	Flat	842	2 Brm	2 Bath	1 UG Stall West	\$500	2.50%	0.00%	\$402,032	\$469				
524	5	Flat	843	2 Brm	2 Bath	1 UG Stall West	\$500	5.00%	0.00%	\$452,434	\$538	\$560	\$569	\$569	\$569
317	3	Flat	850	2 Brm	2 Bath	1 UG Stall East	\$500	0.00%	5.00%	\$463,547	\$550				
319	3	Flat	897	2 Brm	2 Bath	1 UG Stall West	\$500	0.00%	0.00%	\$425,000	\$509				
502	5	Flat	983	2 Brm	1.5 Bath	1 UG Stall North	\$500	5.00%	0.00%	\$470,732	\$442				
402	4	Flat	983	2 Brm	1.5 Bath	1 UG Stall North	\$500	5.00%	0.00%	\$515,911	\$525	\$562	\$598	\$598	\$598
303	3	Flat	983	2 Brm	1.5 Bath	1 UG Stall North	\$500	2.50%	0.00%	\$503,656	\$513	\$561	\$524	\$524	\$524
506	5	Flat	985	2 Brm	1.5 Bath	1 UG Stall North	\$500	0.00%	0.00%	\$491,372	\$500	\$551	\$535	\$535	\$535
504	5	Flat	985	2 Brm	1.5 Bath	1 UG Stall North	\$500	5.00%	0.00%	\$517,071	\$525	\$560	\$545	\$545	\$545
406	4	Flat	985	2 Brm	1.5 Bath	1 UG Stall North	\$500	5.00%	0.00%	\$517,071	\$525	\$560	\$544	\$544	\$544
307	3	Flat	985	2 Brm	1.5 Bath	1 UG Stall North	\$500	2.50%	0.00%	\$504,760	\$513	\$538	\$523	\$523	\$523
305	3	Flat	985	2 Brm	1.5 Bath	1 UG Stall North	\$500	0.00%	0.00%	\$492,448	\$500	\$550	\$534	\$534	\$534
501	5	Flat	1,009	2 Brm	2 Bath	1 UG Stall North	\$500	0.00%	0.00%	\$492,448	\$500	\$550	\$534	\$534	\$534
404	4	Flat	1,009	2 Brm	2 Bath	1 UG Stall West	\$500	5.00%	0.00%	\$542,110	\$593	\$526	\$511	\$511	\$511
404	4	Flat	1,030	2 Brm	1.5 Bath	1 UG Stall North	\$500	2.50%	0.00%	\$504,289	\$500	\$526	\$511	\$511	\$511
401	4	Flat	1,030	2 Brm	2 Bath	1 UG Stall West	\$500	2.50%	0.00%	\$540,805	\$575	\$526	\$511	\$511	\$511
			36,062							\$523	\$517	\$572	\$563	\$563	\$563



Progress Claim Form
 Project: Steps Bridgeland
 Location: 918 McPherson Square NE, Calgary, AB
 Lenders: Servus Credit Union
 Developer: The Bridges Steps Ltd., Partnership
 Claim No.: 10



CODE	ELEMENT	(1) ORIGINAL BUDGET	(2) OVERALL REVISIONS (5-1)	(3) PREVIOUS BUDGET	(4) CURRENT REVISIONS (5-3)	(5) CURRENT BUDGET	(6) PREVIOUS CLAIM	(7) CURRENT CLAIM (8-4)	(8) TOTAL CLAIM	(9) COST TO COMPLETE (5-8)
3000	GENERAL REQUIREMENTS	0	2,425,000	2,425,000	0	2,425,000	742,132	305,272	917,464	1,577,536
2000	SITE WORK	0	625,000	625,000	0	625,000	110,374	5,950	116,324	503,676
3000	CONCRETE	0	4,995,000	4,995,000	0	4,995,000	3,105,134	15,473	3,040,607	9,954,393
4000	MASONRY	0	945,000	945,000	0	945,000	0	0	0	945,000
5000	METALS	0	730,000	730,000	0	730,000	0	0	0	730,000
6000	WOOD & PLASTICS	0	235,000	235,000	0	235,000	553	0	553	234,447
7000	THERMAL & MOISTURE	0	3,295,000	3,295,000	0	3,295,000	0	0	0	3,295,000
9000	DOORS & WINDOWS	0	2,315,000	2,315,000	0	2,315,000	0	0	0	2,315,000
3000	FINISHES	0	2,975,000	2,975,000	0	2,975,000	0	0	0	2,975,000
10000	SPECIALTIES	0	100,000	100,000	0	100,000	0	0	0	100,000
13000	EQUIPMENT	0	545,000	545,000	0	545,000	0	0	0	545,000
13000	FURNISHINGS	0	835,000	835,000	0	835,000	0	0	0	835,000
13000	SPECIAL CONSTRUCTION	0	0	0	0	0	0	0	0	0
14000	CONVEYING SYSTEMS	0	290,000	290,000	0	290,000	67,000	0	67,000	223,000
15000	MECHANICAL	0	3,370,000	3,370,000	0	3,370,000	113,863	0	113,863	3,256,137
16000	ELECTRICAL	0	2,370,000	2,370,000	0	2,370,000	0	0	0	2,370,000
	SUBTOTAL CONSTRUCTION	0	25,600,000	25,600,000	0	25,600,000	2,055,116	126,695	2,181,811	24,418,189
17000	NON-CONTRACT WORK	32,174,311	(25,778,378)	6,395,933	0	6,395,933	6,395,933	0	6,395,933	0
	TOTAL CONSTRUCTION	32,174,311	(25,778,378)	32,995,933	0	32,995,933	8,451,049	126,695	8,577,744	24,418,189
13000	LAND	5,700,000	0	5,700,000	0	5,700,000	5,700,000	0	5,700,000	0
19000	CONSULTANTS	757,083	409,852	1,142,704	4,231	1,146,935	564,327	18,003	1,002,330	144,305
20000	DEVELOPMENT	2,593,933	(701,620)	1,851,452	(13,129)	1,838,323	1,607,221	20,267	1,627,488	210,835
21000	GOVERNMENT TAXES & LEVIES	883,300	1,150,657	1,933,957	0	1,933,957	1,933,957	0	1,933,957	0
22000	MARKETING	1,650,223	151,493	1,722,088	60,328	1,782,416	1,641,677	32,695	1,674,362	100,054
23000	FINANCING	2,984,500	(738,500)	2,246,000	0	2,246,000	2,233,350	1,300	2,234,650	11,350
24000	CONTRIBUTION	1,400,000	(1,093,500)	306,500	(51,400)	255,100	0	0	0	306,496
	TOTAL DEVELOPMENT	15,825,689	(21,622)	15,004,067	0	15,004,067	14,459,932	72,255	14,532,187	780,880
	TOTAL PROJECT COSTS	48,000,000	0	48,000,000	0	48,000,000	22,605,931	198,950	22,804,931	25,195,069

Steps Bridgeland
 918 McPherson Square NE, Calgary, AB
 13120.103016



Progress Claim Form
 Project: Steps Bridgeland
 Location: 918 McPherson Square NE, Calgary, AB
 Lenders: Servus Credit Union
 Developer: The Bridges Steps Ltd., Partnership
 Claim No: N/A

CODE	ELEMENT	(1) ORIGINAL BUDGET	(2) OVERALL REVISIONS (5-1)	(3) PREVIOUS BUDGET	(4) CURRENT REVISIONS (5-3)	(5) CURRENT BUDGET	(6) PREVIOUS CLAIM	(7) CURRENT CLAIM (8-6)	(8) TOTAL CLAIM	(9) COST TO COMPLETE (5-8)
3000	GENERAL REQUIREMENTS	0	2,875,574	0	2,875,574	2,875,574	0	0	0	2,875,574
3000	SITE WORK	0	210,000	0	210,000	210,000	0	0	0	210,000
3000	CONCRETE	0	3,835,441	0	3,835,441	3,835,441	0	0	0	3,835,441
4000	MASONRY	0	537,500	0	537,500	537,500	0	0	0	537,500
5000	METALS	0	978,816	0	978,816	978,816	0	0	0	978,816
6000	WOOD & PLASTICS	0	414,098	0	414,098	414,098	0	0	0	414,098
7000	THERMAL & MOISTURE	0	2,940,890	0	2,940,890	2,940,890	0	0	0	2,940,890
8000	DOORS & WINDOWS	0	3,582,297	0	3,582,297	3,582,297	0	0	0	3,582,297
9000	FINISHES	0	3,257,165	0	3,257,165	3,257,165	0	0	0	3,257,165
10000	SPECIALTIES	0	29,146	0	29,146	29,146	0	0	0	29,146
11000	EQUIPMENT	0	489,700	0	489,700	489,700	0	0	0	489,700
12000	FURNISHINGS	0	366,000	0	366,000	366,000	0	0	0	366,000
13000	SPECIAL CONSTRUCTION	0	41,330	0	41,330	41,330	0	0	0	41,330
14000	CONVEYING SYSTEMS	0	240,500	0	240,500	240,500	0	0	0	240,500
15000	MECHANICAL	0	4,382,500	0	4,382,500	4,382,500	0	0	0	4,382,500
16000	ELECTRICAL	0	1,807,894	0	1,807,894	1,807,894	0	0	0	1,807,894
	SUBTOTAL CONSTRUCTION	0	24,938,851	0	24,938,851	24,938,851	0	0	0	24,938,851
17000	NON-CONTRACT WORK	32,174,311	(22,951,382)	32,935,833	(23,773,004)	9,222,929	8,581,744	641,185	9,222,929	0
	TOTAL CONSTRUCTION	32,174,311	1,987,469	32,995,933	1,165,847	34,161,781	8,581,744	641,185	9,222,929	24,938,851
18000	LAND	5,700,000	0	5,700,000	0	5,700,000	5,700,000	0	5,700,000	0
19000	CONSULTANTS	737,003	411,225	1,146,885	1,373	1,146,303	1,002,830	0	1,002,830	145,478
20000	DEVELOPMENT	2,559,988	(701,620)	1,830,363	0	1,830,363	1,627,488	0	1,627,488	210,875
21000	GOVERNMENT TAXES & LEVIES	933,300	1,150,157	1,983,857	0	1,983,857	1,983,857	0	1,983,857	0
22000	MARKETING	1,630,923	151,133	1,772,416	0	1,772,416	1,674,362	0	1,674,362	108,054
23000	FINANCING	2,984,500	(476,960)	2,246,000	261,960	2,507,950	2,234,650	0	2,234,650	273,300
24000	CONTINGENCY	1,400,000	(822,674)	306,486	270,890	577,326	0	0	0	577,326
	TOTAL DEVELOPMENT	15,825,689	(287,458)	15,604,627	534,153	15,938,226	14,223,187	0	14,223,187	1,315,093
	TOTAL PROJECT COSTS	48,000,000	1,700,000	48,000,000	1,700,000	49,700,000	22,804,931	641,185	23,446,116	26,259,884