



This is the 10th Affidavit of Linda Alexander
in this case and was made on November 24, 2022

NO. S-198522
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF
SECTION 179.1 OF THE *SECURITIES ACT*, RSBC 1996, C. 418

BETWEEN:

BRITISH COLUMBIA SECURITIES COMMISSION

PETITIONER

AND:

SIU MUI "DEBBIE" WONG
SIU KON "BONNIE" SOO
ORIGIN BUSINESS PARK INC., formerly known as
WHEATLAND INDUSTRIAL PARK INC.
1300302 ALBERTA INC.
D & E ARCTIC INVESTMENTS INC.
WAI HUNG WONG, ALSO KNOWN AS GILBERT WAI HUNG WONG
CHEN LIANG TAO AND JAE WAN CHOW
NGAI FUNG CHOW AND SAU LAN CHOW
DANNY CHOW, EXECUTOR OF THE WILL OF NGAI MO CHOW,
DECEASED
BRIAN BOTTEM, MARIA BOTTEM, IAN RICHARDSON

RESPONDENTS

AFFIDAVIT

I, Linda Alexander, Paralegal, of 1600-925 West Georgia Street, in the City of Vancouver, in the Province of British Columbia, SWEAR THAT:

1. I am a Paralegal with the law firm of Lawson Lundell LLP, solicitors for the Applicant, MNP Ltd. in its capacity as court-appointed receiver (the "Receiver"), and as such have

personal knowledge of the matters herein deposed to, except where stated to be based on information and belief, in which case I verily believe them to be true.


2. On April 21, 2022, the Receiver sought and was granted an Order approving the sale of another property being the subject of the Receivership, located at 26678 100 Avenue, Maple Ridge, B.C. (the “**100 Avenue Lands**”).
3. At that application, the Receiver also sought and was granted an Order to add the third-party owners and occupants of the 100 Avenue Lands as Respondents to the proceeding, as they were necessary and proper parties to be added in order to facilitate the transfer of title of the 100 Avenue Lands. As a result, the following individuals were added as Respondents to the proceeding by order of the Court pronounced on April 21, 2022: Chen Liang Tao, Jae Wan Chow, Ngai Fung Chow, Sau Lan Chow, and Danny Chow, as Executor of the Will of Ngai Mo Chow, Deceased, Brian Bottem, Maria Bottem, and Ian Richardson (collectively, the “**100 Avenue Owners and Occupants**”). A copy of the Order adding the 100 Avenue Owners and Occupants is attached hereto as **Exhibit “A”**.
4. It was the intention of the Receiver to discontinue this proceeding as against the 100 Avenue Owners and Occupants upon completion of the sale of the 100 Avenue Lands. The sale of the 100 Avenue Lands was completed on May 24, 2022 and, accordingly, the 100 Avenue Owners and Occupants no longer have an interest in this proceeding. Accordingly, the Receiver is seeking an Order to remove the 100 Avenue Owners and Occupants as named Respondents to the proceeding.
5. Farm Credit Canada and Derek Wai Git Wong are each holders of charges against title to the Lands that will be discharged from title to Lands through the proposed sale, as follows:


Nature of Charge	Registration No.	Registered Owner
Right of First Refusal	CA3171252	Derek Wai Git Wong, as to the interest of Debbie
Judgment	CA6365587, renewed by CA7639427 and CA9183886	Farm Credit Canada, as to the interest of Debbie

6. Farm Credit Canada and Derek Wai Git Wong are not currently parties to the proceeding. Accordingly, for the limited purpose of being able to effect transfer of title to the Lands, and release the above-noted charges from title to the Lands, the Receiver is seeking an Order to add Farm Credit Canada and Derek Wai Git Wong as a Respondents to the proceeding, as they are necessary and proper parties to the proceeding. Attached hereto and marked as **Exhibit “B”** is a copy of the title search print for the Lands, confirming the ownership and of the Lands and the charges noted in the preceding paragraph.

- 7. On November 14, 2022, the Receiver applied to remove the lapsed judgment registered in favour of The Crown in Right of Canada on July 20, 2015, due to effluxion of time. The pending release is noted on the title search print attached hereto as Exhibit B.
- 8. Attached hereto as **Exhibit "C"** is a copy of an Appraisal of the Lands, dated as at October 14, 2022, prepared by Grover Elliott & Co. Ltd., which values the Lands at \$4,580,000.
- 9. Attached hereto as **Exhibit "D"** is a copy of a Market Valuation of the Lands, dated as at May 5, 2022, prepared by Avison Young, which values the Lands at \$6,750,000.

SWORN BEFORE ME at the City of Vancouver)
 in the Province of British Columbia, this 24th)
 day of November, 2022.)


 _____)
 A Commissioner for taking Affidavits for British)
 Columbia.)


 _____)
 LINDA ALEXANDER)

JOEL J. R. SCHACHTER
Barrister & Solicitor
 1600 - 925 WEST GEORGIA ST.
 VANCOUVER, B.C. V6C 3L2
 (604) 685-3456



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BRITISH COLUMBIA SECURITIES COMMISSION

PETITIONER

AND:

SIU MUI "DEBBIE" WONG
 SIU KON "BONNIE" SOO
 ORIGIN BUSINESS PARK INC., formerly known as
 WHEATLAND INDUSTRIAL PARK INC.
 1300302 ALBERTA INC.
 D & E ARCTIC INVESTMENTS INC.
 GILBERT WAI HUNG WONG, KWOK KIE SOO
 HILTON WING CHONG SUE, BECKY TING CHANG LUK
 SANDY WEE CHYIU MAR, RITCHIE ROY SUE
 0765311 B.C. LTD., 0760251 B.C. LTD.
 0765994 B.C. LTD., 0765316 B.C. LTD.
 ROBERT FITZ-JAMES, SANDRA VAN DER LAAN
 GARRETT VAN DER LAAN, ALSO KNOWN AS
 GERRIT VAN DER LAAN

This is Exhibit "A" referred to in the
 affidavit of ... LINDA ALEXANDER ...
 made before me on Nov 21 2022

[Signature]
 A Commissioner for taking Affidavits
 for British Columbia

RESPONDENTS

ORDER MADE AFTER APPLICATION
TO ADD RESPONDENT TO THE PROCEEDING

BEFORE THE HONOURABLE) THURSDAY, THE 21ST DAY
)
) DAY OF APRIL, 2022
)


THE APPLICATION of MNP Ltd., in its capacity as Court-appointed Receiver (the "Receiver") of the assets, undertakings and properties of the Respondents Siu Mui "Debbie" Wong, Siu Kon "Bonnie" Soo, Origin Business Park Inc., formerly known as Wheatland Industrial Park Inc., 1300302 Alberta Inc. and D & E Arctic Investments Inc. (collectively, the "Debtors"), coming on for hearing, via *Microsoft Teams*, at Vancouver, British Columbia, on the 21st day of April, 2022; AND ON HEARING Joel Schachter, counsel for the Receiver and no one appearing for the Petitioner, the Respondents or the Intended Respondents, although duly served, AND UPON READING the

material filed, including the Affidavit of the Patty Wood sworn herein on March 25, 2022 (the "Receiver's Affidavit");

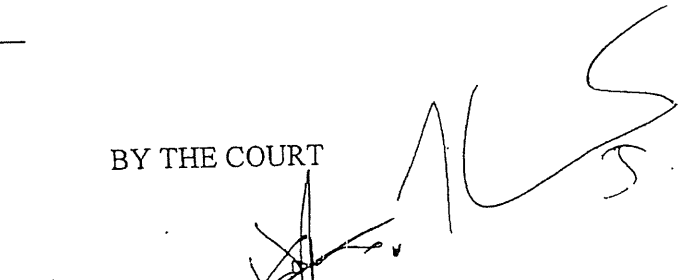
THIS COURT ORDERS that:

1. Kwok Kie Soo, Hilton Wing Chong Sue, Becky Ting Chang Luk, Sandy Wee Chyi Mar, Ritchie Roy Sue, 0765311 B.C. Ltd., 0760251 B.C. Ltd., 0765994 B.C. Ltd., 0765316 B.C. Ltd., Robert Fitz-James, Sandra van der Laan and Garrett van der Laan, also known as Gerrit van der Laan be removed as named Respondents to this proceeding;
2. The name of the Respondent Gilbert Wai Hung Wong ("Mr. Wong") be amended to read "Wai Hung Wong, also known as Gilbert Wai Hung Wong" for the purposes of this proceeding;
3. Chen Liang Tao, Jae Wan Chow, Ngai Fung Chow, Sau Lan Chow, and Danny Chow, as Executor of the Will of Ngai Mo Chow, Deceased, Brian Bottem, Maria Bottem, and Ian Richardson be added as named Respondents to these proceedings, *nunc pro tunc*.
4. The style of proceedings be and is hereby amended accordingly.
5. Preparation and service of the Amended Petition on all parties be and is hereby dispensed with.
6. The terms of Rule 6-2(8) of the Supreme Court Civil Rules be dispensed with.
7. The Receiver shall be entitled to its costs of this application.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



 Joel Schachter
 COUNSEL FOR THE APPLICANT

BY THE COURT


 REGISTRAR

TITLE SEARCH PRINT

File Reference: 22556-148347
Declared Value \$979750

2022-11-24, 13:59:39
Requestor: Linda Alexander


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

Land Title District NEW WESTMINSTER
Land Title Office NEW WESTMINSTER

Title Number CB278062
From Title Number BB1509955

Application Received 2022-10-12

Application Entered 2022-10-26

This is Exhibit " B " referred to in the
affidavit of LINDA ALEXANDER
made before me on Nov 24 20 22

A Commissioner for taking Affidavits
for British Columbia

Registered Owner in Fee Simple
Registered Owner/Mailing Address: DEBBIE SIU MUI WONG, BUSINESSWOMAN
16863 - 58A AVENUE
SURREY, BC
V3S 8P1
AS TO AN UNDIVIDED 1/4 INTEREST

Registered Owner/Mailing Address: NGAI WOON CHOW, BUSINESSMAN
13275 - 59A AVENUE
SURREY, BC
V3X 3P8
AS TO AN UNDIVIDED 1/2 INTEREST

Registered Owner/Mailing Address: DEREK WONG
AUSTIN WONG
16863 58A AVENUE
SURREY, BC
V3S 8P1
EXECUTORS OF THE WILL OF GILBERT WAI HUNG WONG,
DECEASED, SEE CB278062
AS TO AN UNDIVIDED 1/4 INTEREST

Taxation Authority Surrey, City of

Description of Land
Parcel Identifier: 000-616-583
Legal Description:
LOT A EXCEPT: PART ON STATUTORY RIGHT OF WAY PLAN 83439, SECTION 18
TOWNSHIP 2 NEW WESTMINSTER DISTRICT PLAN 10691

Legal Notations NONE

TITLE SEARCH PRINT

File Reference: 22556-148347

Declared Value \$979750

2022-11-24, 13:59:39

Requestor: Linda Alexander

Charges, Liens and Interests

Nature: EASEMENT
 Registration Number: M59912
 Registration Date and Time: 1976-05-26 14:46
 Remarks: APPURTENANT TO M45451 (SEE M45451)

Nature: EASEMENT
 Registration Number: M59913
 Registration Date and Time: 1976-05-26 14:46
 Remarks: PORTION APPURTENANT TO M45451 (SEE M45451)

Nature: MORTGAGE
 Registration Number: CA2951150
 Registration Date and Time: 2013-01-14 14:54
 Registered Owner: SOUTH TOWN ENTERPRISES LTD.
 INCORPORATION NO. BC0459773
 Transfer Number: CA4676188

Nature: ASSIGNMENT OF RENTS
 Registration Number: CA2951151
 Registration Date and Time: 2013-01-14 14:54
 Registered Owner: SOUTH TOWN ENTERPRISES LTD.
 INCORPORATION NO. BC0459773
 Transfer Number: CA4676189

Nature: MORTGAGE
 Registration Number: CA3171250
 Registration Date and Time: 2013-06-10 16:29
 Registered Owner: NGAI WOON CHOW
 KWAN CHYIU CHOW
 AS JOINT TENANTS
 Remarks: AS TO THE UNDIVIDED 1/4 INTEREST OF
 DEBBIE SIU MUI WONG

Nature: MORTGAGE
 Registration Number: CA3171251
 Registration Date and Time: 2013-06-10 16:29
 Registered Owner: DEREK WONG
 AUSTIN WONG
 EXECUTORS OF THE WILL OF GILBERT WAI HUNG WONG,
 DECEASED, SEE CB278063
 Transfer Number: CB278063
 Remarks: AS TO THE UNDIVIDED 1/4 INTEREST OF
 DEBBIE SIU MUI WONG

TITLE SEARCH PRINT

File Reference: 22556-148347
 Declared Value \$979750

2022-11-24, 13:59:39
 Requestor: Linda Alexander

Nature: RIGHT OF FIRST REFUSAL
 Registration Number: CA3171252
 Registration Date and Time: 2013-06-10 16:29
 Registered Owner: DEREK WAI GIT WONG
 Remarks: AS TO THE UNDIVIDED 1/4 INTEREST OF
 DEBBIE SIU MUI WONG

Nature: SECURITIES ACT CHARGE
 Registration Number: BB3013226
 Registration Date and Time: 2013-09-27 14:58
 Registered Owner: BRITISH COLUMBIA SECURITIES COMMISSION
 Remarks: SECTION 151, RESTRICTS DEALINGS

Nature: JUDGMENT
 Registration Number: CA4545125
 Registration Date and Time: 2015-07-20 08:46
 Registered Owner: THE CROWN IN RIGHT OF CANADA
 Remarks: AS TO THE INTEREST OF DEBBIE SIU MUI WONG

Nature: JUDGMENT
 Registration Number: CA6365587
 Registration Date and Time: 2017-10-12 11:40
 Registered Owner: FARM CREDIT CANADA
 Remarks: AS TO THE INTEREST OF DEBBIE SIU MUI WONG
 RENEWED BY CA7639427

Nature: JUDGMENT
 Registration Number: CA6591432
 Registration Date and Time: 2018-01-26 14:00
 Registered Owner: BRITISH COLUMBIA SECURITIES COMMISSION
 Remarks: AS TO THE INTEREST OF DEBBIE SIU MUI WONG
 RENEWED BY CA7978405

Nature: JUDGMENT
 Registration Number: CA7639427
 Registration Date and Time: 2019-07-24 08:34
 Registered Owner: FARM CREDIT CANADA
 Remarks: RENEWAL OF CA6365587
 AS TO THE INTEREST OF DEBBIE SIU MUI WONG
 RENEWED BY CA9183886

TITLE SEARCH PRINT

File Reference: 22556-148347

Declared Value \$979750

2022-11-24, 13:59:39

Requestor: Linda Alexander

Nature: JUDGMENT
 Registration Number: CA7837829
 Registration Date and Time: 2019-10-30 09:08
 Registered Owner: HER MAJESTY THE QUEEN IN RIGHT OF CANADA
 Remarks: AS TO THE INTEREST OF GILBERT WAI HUNG WONG
 RENEWED BY CA9397597

Nature: INJUNCTION
 Registration Number: CA7859608
 Registration Date and Time: 2019-11-08 09:16
 Remarks: RESTRICTS DEALINGS

Nature: JUDGMENT
 Registration Number: CA7978405
 Registration Date and Time: 2020-01-14 11:41
 Registered Owner: BRITISH COLUMBIA SECURITIES COMMISSION
 Remarks: AS TO THE INTEREST OF DEBBIE SIU MUI WONG
 RENEWAL OF CA6591432
 RENEWED BY CA9564132

Nature: JUDGMENT
 Registration Number: CA9183886
 Registration Date and Time: 2021-07-13 11:11
 Registered Owner: FARM CREDIT CANADA
 Remarks: AS TO THE INTEREST OF DEBBIE SIU MUI WONG
 RENEWAL OF CA7639427

Nature: JUDGMENT
 Registration Number: CA9397597
 Registration Date and Time: 2021-09-29 12:14
 Registered Owner: HER MAJESTY THE QUEEN IN RIGHT OF CANADA
 Remarks: RENEWAL OF CA7837829
 AS TO THE INTEREST OF GILBERT WAI HUNG WONG

Nature: JUDGMENT
 Registration Number: CA9564132
 Registration Date and Time: 2021-12-08 09:06
 Registered Owner: BRITISH COLUMBIA SECURITIES COMMISSION
 Remarks: AS TO THE INTEREST OF DEBBIE SIU MUI WONG
 RENEWAL OF CA7978405

Duplicate Infeasible Title

NONE OUTSTANDING

Transfers

NONE

TITLE SEARCH PRINT

File Reference: 22556-148347

Declared Value \$979750

2022-11-24, 13:59:39

Requestor: Linda Alexander

Pending Applications

Parcel Identifier:

000-616-583

Application Number/Type:

CB333556 CHARGE RELEASE



GROVER ELLIOTT

REAL ESTATE APPRAISERS & ADVISORS

This is Exhibit " c " referred to in the affidavit of LINDA ALEXANDER made before me on Nov 24 2022

A Commissioner for taking Affidavits for British Columbia

NARRATIVE APPRAISAL

of the
Commercial Development
at

**7192 120 Street,
Surrey, British Columbia**

FOR:
MNP Ltd. c/o Lawson Lundell LLP

AS AT:
October 14, 2021

BY:
Andrew Love, B.Comm., AACI, P.App
Grover, Elliott & Co. Ltd.





MNP Ltd. c/o Lawson Lundell LLP
 1600 – 925 West Georgia Street
 Vancouver, BC V6C 3L2

November 1, 2021
 File No. 2021-0837-S

Attention: Mrs. Patty Wood

Dear Madam:

Re: 7192 120 Street, Surrey, British Columbia

Pursuant to your request, we completed an appraisal analysis of the above real property and prepared this report to summarize our analyses, opinions, and conclusions. As at October 14, 2021, we estimate the market value of the fee simple interest at:

**FOUR MILLION FIVE HUNDRED AND EIGHTY THOUSAND DOLLARS
 \$4,580,000**

The above conclusion is subject to the Extraordinary Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions on Page 8 of the report that follows.

Our opinions considered the research, data, and analyses in the report that follows, and are subject to the assumptions and limiting conditions outlined in Appendix 1. Grover, Elliott & Co. Ltd. has prepared this report at your request for the exclusive use of MNP Ltd. c/o Lawson Lundell LLP. The intent of this report is to provide MNP Ltd. c/o Lawson Lundell LLP information to assist the receiver in determining the fair market value of the subject property; any use that a third party makes of this report, or any reliance on or decisions to be made based on it are the responsibility of such third parties. Grover Elliott & Co. Ltd. and our consultants accept no liability or responsibility for any damages that any third party might suffer or incur because of the use of, reliance on, or any decisions made based on this report.

Thank you for allowing us to be of assistance with this matter. If you have any questions or comments, please contact our office.

Respectfully submitted,
 GROVER, ELLIOTT & CO. LTD.
 per:

Andrew Love, B.Comm., AACI, P.App
 email: andrew.love@groverelliott.ca
 direct: Andrew 604 638 3091

AL
 Encl.



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SUMMARY

Location

7192 120 Street is located on the southeast corner of 120 Street and 72 Avenue in the West Newton neighbourhood of Surrey, British Columbia.

The Site

The area of the subject site is 19,390 square feet calculated from Plan NWP10691 and Plan NWP83439. Verifying this estimate requires a survey by a professional surveyor. The indicated area results in a floor space ratio of approximately 0.385.

The Improvements

Present improvements comprise a single-storey, multi-tenant retail building reportedly constructed in 1974. I have not been provided with floor plans and have measured the building at a leasable area of approximately 7,469 square feet. BC Assessment shows a similar net leasable area of 7,554 square feet. I have relied on my measurements of 7,469 square feet,

Land Use Controls

OCP Designation: Commercial
Zoning Designation: C-8, Community Commercial Zone

Highest and Best Use

As improved, for the remaining economic life of the improvements.

Effective Date of Value Estimation

October 14, 2021, the date of property inspection.

Stabilized Net Income

\$180,488

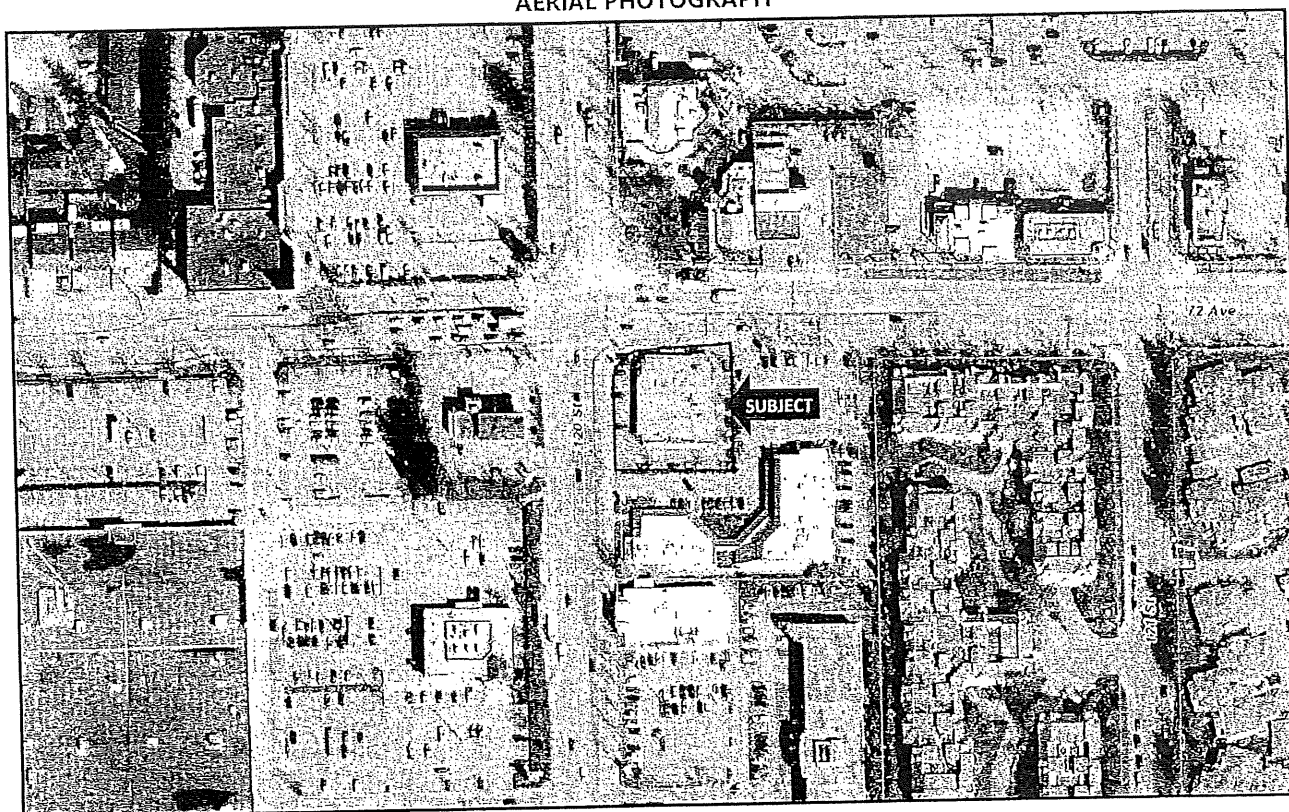
Valuation

\$4,580,000

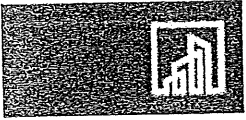
The above conclusion is subject to the Extraordinary Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions on Page 8 of this report.



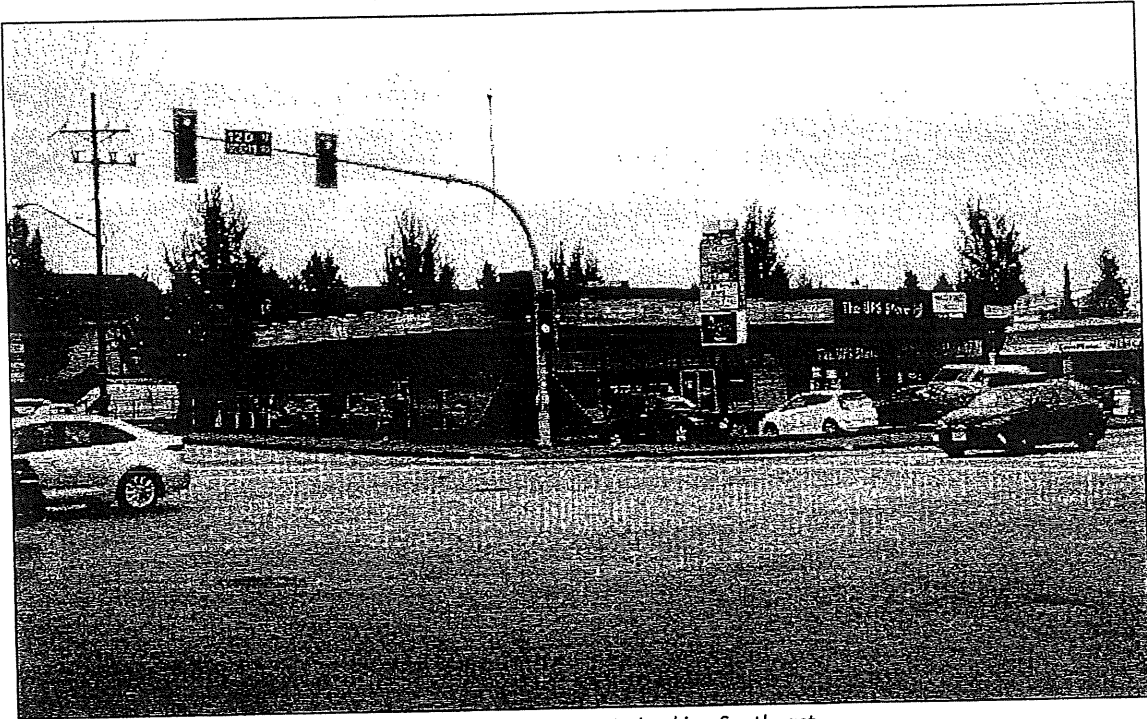
AERIAL PHOTOGRAPH



Source: City of Surrey Mapping Online System (COSMOS) (April 2021 Imagery)



EXTERIOR PHOTOGRAPHS



View of the Subject Property Looking Southeast



View of the Subject Property Looking Northeast



PART ONE – THE ASSIGNMENT

Instructions, Intended Use and Intended User

MNP Ltd. c/o Lawson Lundell LLP requires information to assist the receiver in determining the fair market value of the subject property. We have prepared this report in accordance with instructions obtained from Mr. William Roberts of Lawson Lundell LLP of behalf of Mrs. Patty Wood of MNP Ltd. Our analyses, opinions, and conclusions are subject to the assumptions, limiting conditions and disclosures provided herein.

We did not prepare this report in contemplation of any other use, for property assessment or tribunal purposes, or for reliance by any other party. Absent our prior written agreement, which we may withhold, we reserve the right to refuse any other assignment involving this report, and expressly deny responsibility to third parties for any use.

Purpose of the Appraisal

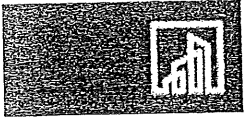
The purpose of this report is to provide our estimate of the current market value of the fee simple interest in the subject property as at October 14, 2021, the effective date of this valuation. An accepted Canadian definition of market value is:

The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.¹

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

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

1 The Appraisal of Real Estate, Third Canadian Edition, ed. Dybvig, (University of British Columbia, Real Estate Division, 2010), p. 2.8
 2 Canadian Uniform Standards of Professional Appraisal Practice: Appraisal Institute of Canada, 2018, (Ottawa, Ont.) ("CUSPAP") 18.8.4.iv



Market Rent is defined as:

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).³

The fee simple estate is absolute ownership subject only to limitations imposed by the State; also called a *freehold*. This is the most comprehensive form of ownership. It gives a "bundle of rights" that allows the owner the right to use the property, to sell it, to lease it, to enter it, or to give it away. It also includes the right to refuse to take any of these actions. A fee simple interest excludes existing financing and leases.

This appraisal considers interests created by a lease. The leasehold interest is the interest held by the lessee (the tenant or renter) through a lease transferring the rights of use and occupancy for a stated term under certain conditions.

The leased fee interest is an ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. Contract terms contained within the lease specify the rights of the lessor (the leased fee owner) and the lessee. A subordinate lease of a leasehold interest is a 'sublease'.

All property rights are subject to land use regulation, legal restrictions (e.g. a zoning ordinance) that control the use to which land may be put; these may include controls established by restrictive covenants or contained in redevelopment or urban renewal plans approved by local governing bodies.⁴

Scope and Extent of Work

Our work on this assignment entailed:

- Receipt of instructions from William Roberts of Lawson Lundell LLP;
- An inspection⁵ of the property on October 14, 2021 accompanied by Mr. Ngai Woon Chow. I took the photographs herein at that time;
- a review of mapping provided by the City of Surrey;
- a review of land use control information obtained from the City of Surrey;
- a review of the reliance documents described herein;
- the investigation of relevant market activity, with sources including:

³ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015).

⁴ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute), 2015; fee simple, leased fee, leasehold, sublease.

⁵ The term "inspection" refers to our observation and reporting of the general material finishing and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP).



- the local real estate board,
- Land Titles – through BC Online and BC Assessment,
- commercial data services,
- real estate agents, vendors and purchasers active in the market, and
- our corporate real estate database; and
- a valuation and market analyses as described later herein.

Reliance Documents

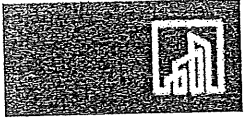
Documents relied on for our analysis include:

- a letter of instructions, as appended;
- a title search print and related documents obtained from the Land Title & Survey Authority of British Columbia, dated October 14, 2021 and reproduced herein;
- registered legal plans NWP10691 and NWP83439, with excerpts reproduced herein and reproduced in full as an appendix;
- a property record obtained from <http://evaluatebc.bcassessment.ca/>;
- the following documents, as provided by Mr. Ngai Woon Chow:
 - a rent roll dated October 2021; and
 - copies of the first two pages of the leases for the various tenancies.

Technical Investigations

We did not complete technical investigations such as:

- inspection beyond the extent necessary to identify materials of construction, finishes and apparent condition – appraisers do not verify that all components and systems are in good operating condition, do not complete (and lack expertise in) inspections or engineering reviews of the structure, roof or mechanical systems; and often do not view all areas of the improvements or inaccessible areas such as crawlspaces and attics;
- a technical review of the structure, roof or mechanical systems;
- a technical review of the utility servicing;
- a site survey;
- a building survey;
- a review of the property tax valuations or classifications;
- investigations into the bearing, percolation or other qualities of the soils;
- investigations into the extent and value of subsurface oil, gas or mineral rights, or whether the property is subject to surface entry by others for the exploration or removal of such materials;
- planning or engineering studies as necessary to examine the feasibility of alternate uses;
- a market analysis to ascertain demand for the property;
- an environmental review;



- tests related to occupational health, indoor air quality, moulds etc.;
- an archaeological survey;
- investigations into title beyond those described herein; or
- audit or professional review of financial, technical, and legal documents obtained or reviewed by us in the course of this assignment.

Verification of Third-Party Information

The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we assumed to be correct. We reserve the right to review our valuation if the information received from a third party is not accurate. Any party wishing to rely on this report should confirm the source of any important information herein as well as the assumptions that underlie any significant conclusion.

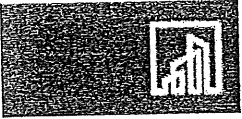
Type of Analysis

This narrative appraisal report of a current value opinion complies with the Canadian Uniform Standards of Professional Practice of the Appraisal Institute of Canada. We have competence in this type of valuation analysis and have valued this class of real property before.

Supreme Court Rules Compliance

I prepared this report for litigation purposes. I certify that:

- I am aware of the duty referred to in Rule 11-2 of the Supreme Court Civil Rules, specifically, that I understand it is my duty to assist the court, and that I am not to be an advocate for any party.
- I made this report in conformity with that duty, and
- I will, if called on to give oral or written testimony, give my testimony in conformity with that duty.



Extraordinary Limiting Conditions, Extraordinary Assumptions, and Hypothetical Conditions

An Extraordinary Limiting Conditions is defined as, "A necessary modification to, or exclusion of, a Standard Rule which may diminish the reliability of the report."⁶

An Extraordinary Assumption is defined as, "An assumption, directly related to a specific Assignment, which, if found to be false, could materially alter the opinions or conclusions. Extraordinary Assumptions presume as fact otherwise uncertain information about or anticipated changes in the physical, legal or economic characteristics of the subject property, or about conditions external to the subject property such as market conditions or trends, or the integrity of data used in an analysis."⁷

Hypothetical Conditions are defined as "a specific type of an Extraordinary Assumption that presumes, as fact, simulated but untrue information about physical, legal or economic characteristics of the subject property or external conditions, and are imposed for the purposes of reasonable analysis."⁸ A Hypothetical Condition requires an Extraordinary Assumption.

The appraiser has not personally inspected the interior of the sale or lease indices and relied upon information provided by CLS, RealNet, listing brochures, and other data. It is an Extraordinary Assumption of this report that the information relied upon is accurate.

It is an Extraordinary Assumption of this report that the subject building has a leasable area of 7,469 square feet. A professional surveyor can verify this estimate.

6 CUSPAP 2020, 3.24

7 CUSPAP 2020, 3.23

8 CUSPAP 2020, 3.31

PART TWO – FACTUAL DATA
IDENTIFICATION OF THE SUBJECT PROPERTY

Civic Address

7192 120 Street, Surrey, British Columbia

Legal Description

Lot A Except: Part On Statutory Right Of Way Plan 83439, Section 18 Township 2 New Westminster District
Plan 10691

Parcel Identifier

000-616-583

Title Information and Encumbrances

A title status print dated October 14, 2021 for the subject is included as an appendix. **DEBBIE SIU MUI WONG (Undivided 1/4 Interest), GILBERT WAI HUNG WONG (Undivided 1/4 Interest) NGAI WOON CHOW (Undivided 1/2 Interest)** are the registered owners. Charges or interests registered against the title of the property include:

Charge Description	Document	Registered Owner
Easement	M59912	Appurtenant To M45451 (See M45451)
Easement	M59913	Portion Appurtenant to M45451 (See M45451)
Mortgage	CA2951150	South Town Enterprises Ltd.
Assignment Of Rents	CA2951151	South Town Enterprises Ltd.
Mortgage	CA3171250	Ngai Woon Chow, Kwan Chyiu Chow As Joint Tenants
Mortgage	CA3171251	Gilbert Wai Hung Wong
Right Of First Refusal	CA3171252	Derek Wai Git Wong
Securities Act Charge	BB3013226	British Columbia Securities Commission
Judgment	CA4545125	The Crown in Right of Canada
Judgment	CA6365587	Farm Credit Canada
Judgment	Renewed By CA7639427 CA6591432	British Columbia Securities Commission
Judgment	Renewed By CA7978405 CA7639427	Farm Credit Canada
Judgment	Renewal Of CA6365587 Renewed By CA9183886	Her Majesty the Queen in Right of Canada
Judgment	CA7837829 Renewed By CA9397597	Her Majesty the Queen in Right of Canada
Injunction	CA7859608	Inter Alia Restricts Dealings



Charge Description	Document	Registered Owner
Judgment	CA7978405 Renewal of CA6591432	British Columbia Securities Commission
Judgment	CA9183886 Renewal of CA7639427	Farm Credit Canada
Judgment	CA9397597 Renewal of CA7837829	Her Majesty the Queen in Right of Canada

There is a right of first refusal registered on title (document CA3171252) dated June 2013. Debbie Sui Mui Wong is the transferor and Derek Git Wai Wong is the transferee. The document does not indicate whether this right of first refusal relates to the full ownership of the property or solely the one quarter share of Debbie Wong's. However, the title document for the subject property indicates that the right of first refusal relates to the undivided one quarter share of Debbie Siu Mui Wong.

There are a total of eight (8) Judgements registered against title of the subject property including six relating to the interest of DEBBIE SIU MUI WONG and two relating to the interest of GILBERT WAI HUNG WONG. There is also a Securities Act Charge and an Injunction registered against title of the property. I have not read these documents.

There are two easements registered on title (documents M59912 and M59913). These are not available for purchase from the Land Title and Survey Authority of British Columbia (LTSA). The subject's title document indicates that the easements are appurtenant to document M45451. Document M45451 is a registered lease from 1975 for a five-year term with a three-year renewal option, so the lease appears to have expired December 31, 1982.

Subject to the limitations of this assignment, client supplied information and our review of the title search print, I believe that title encumbrances materially affect the value of the property interest under consideration.

I did not obtain a legal opinion of the state of title or any of the encumbrances, we lack qualifications in this area, we have not read the documents registered against title and we cannot guarantee that the property is free of encroachments or that the interest appraised is free of unregistered rights.

My valuation assumes that title is good and marketable and that encumbrances do not affect the value of the appraised interest.



ASSESSMENTS & TAXES

BC Assessment and the City of Surrey show the following actual value assessments and taxes for the subject property.

Roll No.: 14-326-6183-90003-5

Year	Land Assessed Value (\$)	Building Assessed Value (\$)	Total Assessed Value (\$)	Gross Taxes (\$)
2020	\$2,033,000	\$2,056,000	\$4,089,000	
2021	\$1,762,000	\$2,328,000	\$4,090,000	\$42,122.77

Actual value reflects the opinion of BC Assessment of the market value of the freehold interest in the property as at July 1 of the previous years based on the physical condition of the property as of October 31 of the previous year. Assessors disregard encumbrances such as leases and financing, and can base their assessments on mass valuation techniques and on dated inspection information. Consequently, actual values can result in less precise estimates of market value than provided by a full appraisal. BC Assessment provides further information on its valuations at www.bcasessment.ca.

HISTORY & USE

Transactions

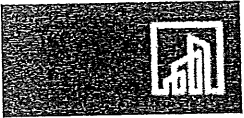
Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada require investigation and consideration of transactions, agreements for sale, options and listings of the subject property occurring prior to the effective date of the valuation. When a recent arm's length market transaction has occurred compelling evidence of value arises, often requiring only an adjustment for market conditions.

BC Assessment records shows four transfers in 2013 each for a consideration of \$0. The staff at BC Assessment characterize these transactions as a non-sale and not suitable for analysis. The Greater Vancouver Multiple Listing Service (MLS) and BC Assessment records show no recent market transactions associated with the subject. We are unaware of any transactions, agreements for sale, options and listings for the property in the last three years.

Land Titles Office records, a primary source of data on real estate sales, do not include transfers of property accomplished by the sale of shares by a corporate owner holding title to the property. Since no public database records transactions of shares for privately held companies, we cannot investigate sales of this nature.

Actual and Historic Use

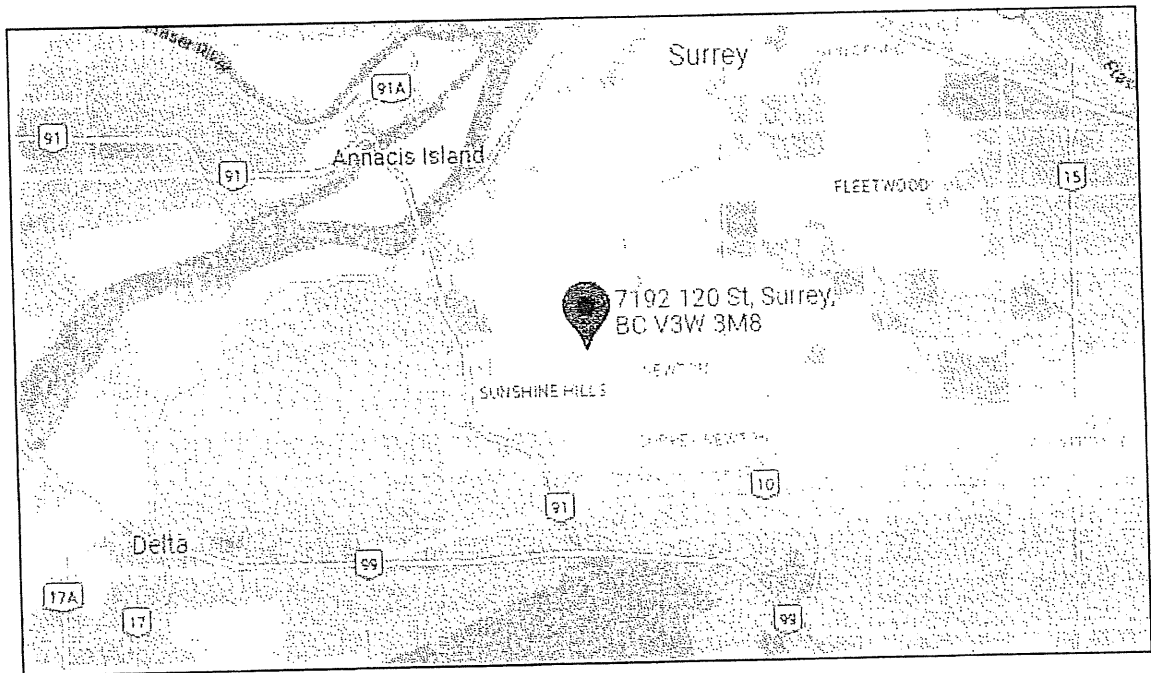
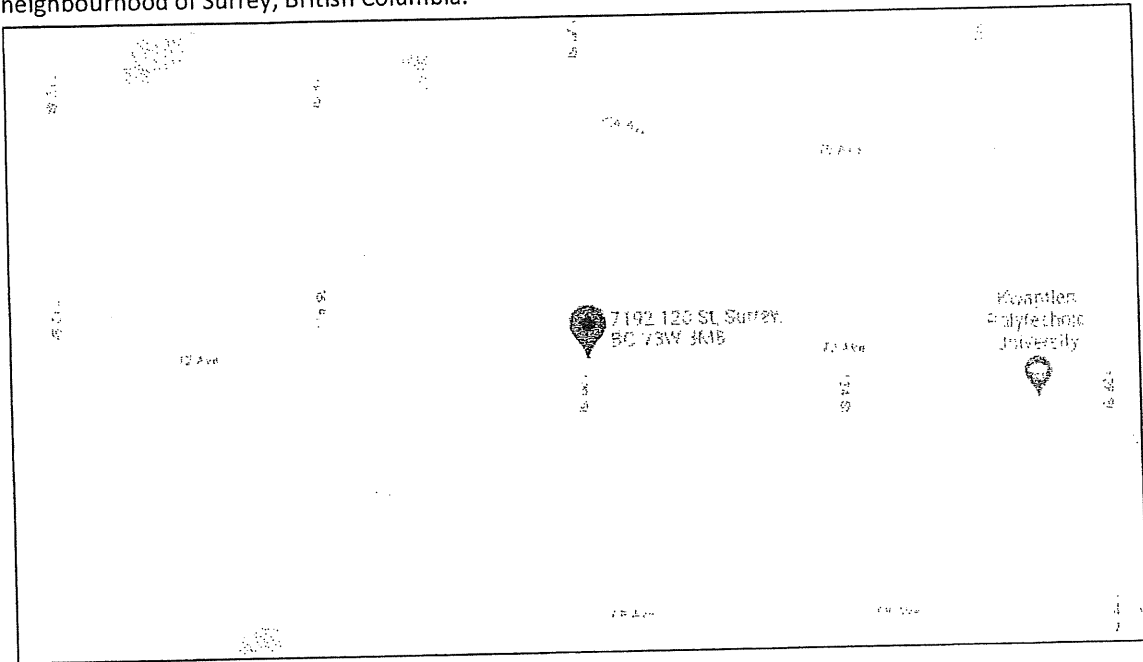
As at the date of inspection, the subject was improved with a multi-tenant retail building, constructed circa 1974. We are unaware of any prior uses.



THE SITE

Location

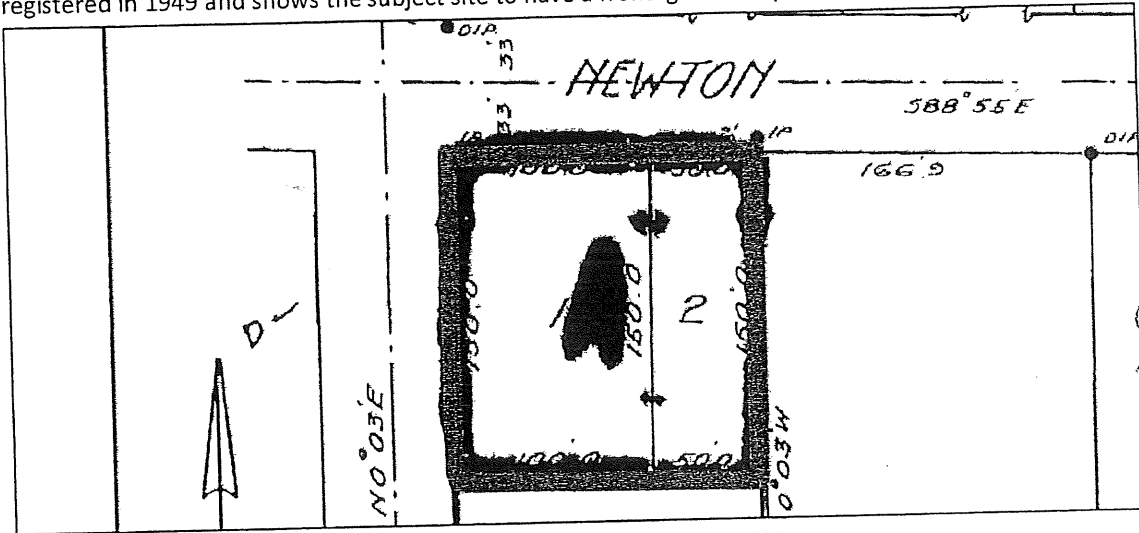
7192 120 Street is located on the southeast corner of 120 Street and 72 Avenue in the West Newton neighbourhood of Surrey, British Columbia.





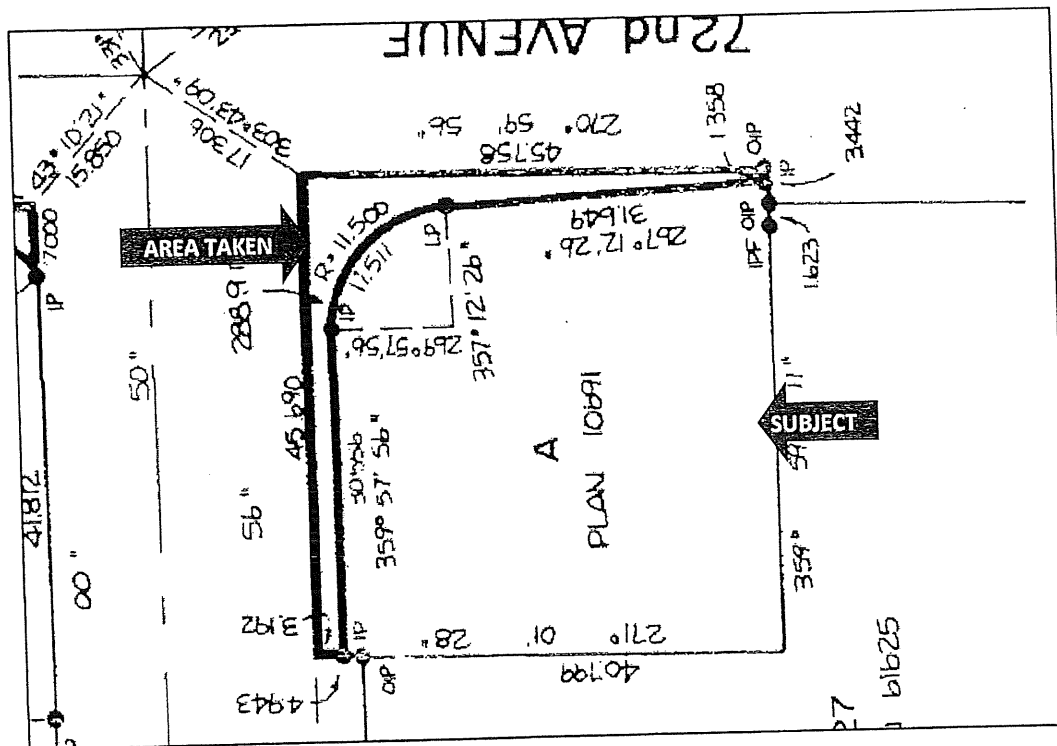
Shape and Size

There is not a current survey plan that accurately shows the area of the subject site. Plan NWP10691 was registered in 1949 and shows the subject site to have a frontage and depth of 150 feet as shown below.



Source: Registered Legal Plan NWP10691

A portion of the subject site was taken at the northwest corner of the property for intersection improvements as shown in plan NWP83439 registered in 1989. An excerpt from the Plan is shown below.



Source: Registered Legal Plan NWP83439



Registered Legal Plan NWP83439, shows that an area of 288.9 m² (3,109.7 sq. ft.) was taken as shown in the table below taken from Plan NWP83439. The current area of the subject site is 19,390 square feet (22,500 sq. ft. – 3,109.7 sq. ft.) or ±0.45 acres.

BOOK OF REFERENCE	
LEGAL DESCRIPTION	AREA (m ²)
LOT 4, EXCEPT: THE NORTH 275 FEET: SEC 18, TP. 2, PLAN 2285	420.0
LOT A, SECTION 18, TOWNSHIP 2, PLAN 10691	288.9
LOT 26, SECTION 19, TOWNSHIP 2, PLAN 64851	19.86
LOT 1, SECTION 19, TOWNSHIP 2, PLAN 69410	8.203
SOUTH 1/2 OF LOT 3, SECTION 19, TOWNSHIP 2, PLAN 4431	1697
LOT 314, SECTION 13, TOWNSHIP 4, PLAN 41120	76.58
LOT 4, SECTION 24, TOWNSHIP 4, PLAN 12918	231.8

BC Assessment shows an area of 19,367 square feet (0.445 acres) for the subject site similar to the area calculated above. I have relied on the calculated area of 19,390 square feet as per Plan NWP10691 less then area taken as shown on Plan NWP83439, which equates to a floor space ratio of approximately 0.385. Verifying these estimates requires a survey by a professional surveyor.

Topography

The site is roughly level and at grade with the adjacent road and surrounding development. Topographical features are suitable for the present or alternative uses.

Soil Conditions

No one provided us with a soil survey for the subject site and we have not commissioned one. For the objective of this report, we have assumed that the bearing, percolation and other characteristics of the land are adequate to permit development under the present land use controls, without undue and costly site preparation or engineering. We did not observe any contaminants or hazardous materials at the property and do not have the knowledge or qualifications to detect the existence of such materials on or in the property. Our value estimate assumes that no contaminants or hazardous materials exist on, in, or near the property that would cause a loss in value. We recommend retaining an expert in these matters if doubt exists regarding the quality of the soils or groundwater.

Access

Vehicular and pedestrian access are provided via 120 Street (Scott Road), a north-south arterial route, and 72 Avenue, an east-west arterial route. Vehicular access is right-in, right-out only. The general area has good bus service linkages east/west along 72nd Avenue, and north/south along 120th Street. Rapid transit linkages via SkyTrain are to the North at Scott Road, Gateway, and King George Stations.



Commercial Exposure

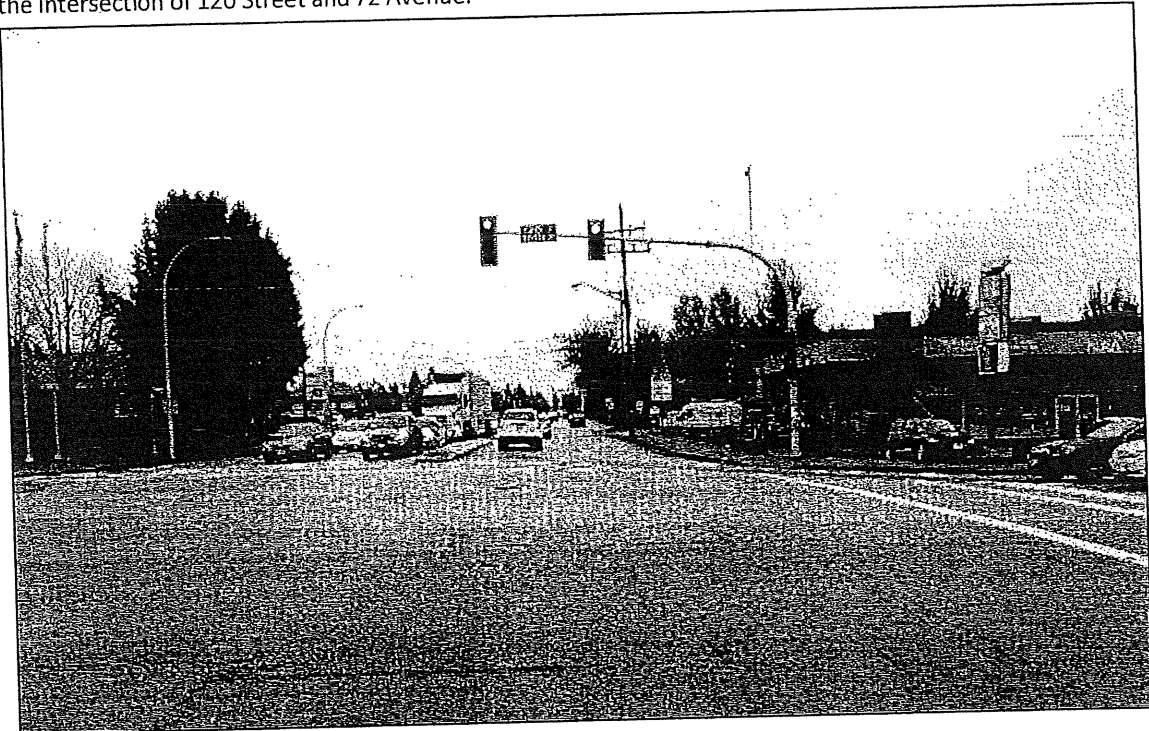
The subject has good commercial exposure due to its corner location at the intersection of two arterial routes.

Public Utilities

Utility services typical of an urban community are available in the area, including domestic water and sanitary sewer, storm water drainage, electricity, natural gas, and telephone/internet/television.

Street Improvements

120 Street is asphalt-paved and five lanes in width (three northbound and two southbound lanes) with concrete curbs, concrete sidewalks, streetlights, and no on-street parking on both sides of the road. 72 Avenue is asphalt-paved and four lanes in width (plus dedicated left turn lanes) with concrete curbs, concrete sidewalks, streetlights, and no on-street parking on both sides of the road. Traffic lights control the intersection of 120 Street and 72 Avenue.



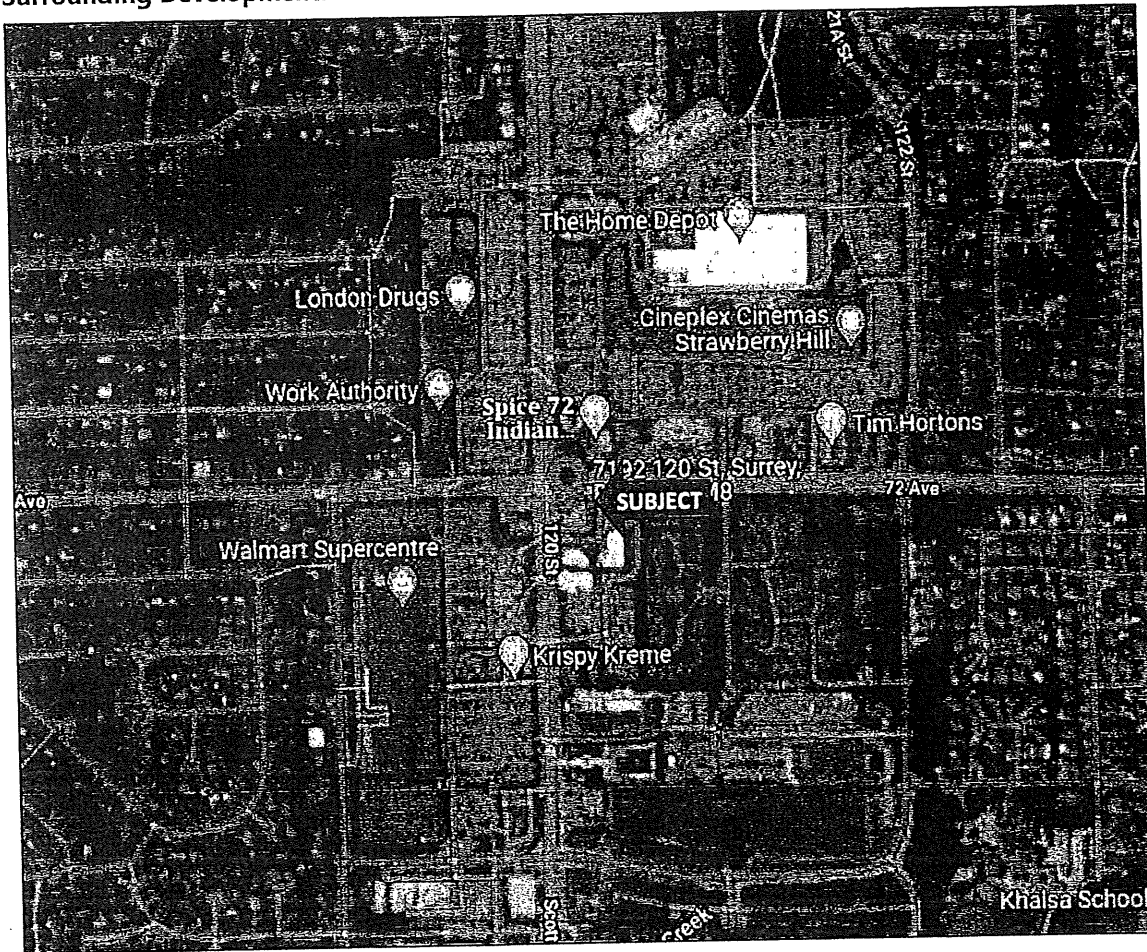
Looking East along 72 Avenue, Subject to the Right



Looking South along 120 Street, Subject to the Left



Surrounding Developments



Source: Google Maps

The immediate area surrounding the subject is predominantly commercial in nature. To the south and east of the subject is a multi-tenant retail property with a freestanding retail building occupied by Bank of Montreal south of this property. To the east of the subject, on the south side of 72 Avenue, are multi-family residential developments. Single family residential uses surround the 120 Street corridor.

The City of Surrey's western boundary is 120 Street and Delta is to the west. To the west of the subject, across 120 Street, is a Shell gas station and the Scottsdale Centre, an enclosed community centre with 40 shops and services that is anchored by Walmart and Save-On-Foods.

Scott 72 Shopping Centre, located on the northwest corner of 120 Street and 72 Avenue, is approximately 167,000 square feet in size and is anchored by London Drugs and Staples. To the north is the Strawberry Hill Shopping Centre, located on the northeast corner of 120 Street and 72 Avenue, with 35 units totalling 337,846 square feet anchored by The Home Depot, Cineplex, Winners, HomeSense and PetSmart.



THE IMPROVEMENTS

Design and Plan

Present improvements comprise a single-storey, multi-tenant retail building reportedly constructed in 1974. I have not been provided with floor plans and only two of the leases show the areas of the respective units. I measured the building at 93 feet wide by 82 feet deep (7,626 sq. ft.) less the 60 square foot hydro room less the 97 square foot storage room for a gross leasable area of 7,469 square feet. BC Assessment shows a similar net leasable area of 7,554 square feet. I have relied on my measurements of 7,469 square feet. The building has a site coverage of 39.4% and a floor space ratio of 0.39 based on the measured gross floor area. Verifying these estimates requires a survey by a professional surveyor.

The building contains five units that are individually addressed. 12014 72nd Avenue faces 72nd Avenue and operates as a jewellery store under the name The Gold Room. The unit has an open floor plan with jewellery cases lining the perimeter of the showroom. There are perimeter offices, a workshop, a two-piece washroom and a small furnace room.

12004 72nd Avenue is a corner unit with exposure to 72nd Avenue and 120th Street. This unit is set up as a dentist office operating as Aura Orthodontics. The unit has a reception area and waiting room upon entry. There is a large open patient area with dental chairs, a staff room, a variety of perimeter offices and patient rooms, an x-ray room and washrooms. This unit has modern finishes.

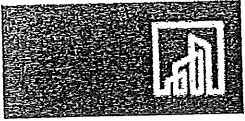
7184 120th Street is operating as The UPS Store and has a large open customer area with service counter and mailboxes. There is a large lunchroom and storage area to the rear along with a two-piece washroom.

7182B 120th Street is operating as Save on Cartridge Plus and is an ink and toner refill retailer. The unit has a reception counter and retail display space upon entry with a service area to the rear with a storage area and a two-piece washroom to the back of the unit. Finishes appear dated in this unit. There is a storage room for the building to the rear of this unit that is accessed from the rear of the building.

I was not permitted to enter 7182A 120th Street. It is set up as a pizza shop with a service counter as viewed from the exterior. I am not aware of what is in the area to the rear. There is an electrical room to the rear of this unit that is accessed from the rear of the building.

Remaining Life

The estimated physical age of the improvements is 47 years. The remaining physical life is a function of the extent and nature of maintenance and upgrading. If prudently managed and maintained, the remaining physical life can exceed 20 years. However, obtaining optimal use and thus value of the property might entail redevelopment prior to that date, to reflect changing highest and best use or an improvement that has deteriorated through neglect. Assuming no change to highest and best use and assuming a repair and maintenance plan is implemented after the deferred maintenance is taken care of, the remaining economic life is expected to exceed 20 years.



Materials of Construction

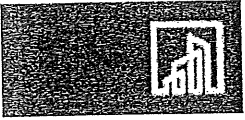
Detailed specifications were not available to us. The following reflects observations made during the property inspection and our expectations based on our knowledge of this type of property.

Foundations:	Presumed to be reinforced concrete perimeter footings, column pads and surface foundation, designed and supervised by a qualified engineer. Concrete floor slabs.
Structure:	Concrete block structure.
Exterior Finish:	Combination of brick veneer and stucco. Sign panels, roof overhang over store entrances.
Interior Walls:	Predominantly painted gypsum board. Vinyl or wood trim.
Ceiling Finish:	Predominantly T-bar with inset acoustic tile and lighting fixtures. Some painted gypsum board. Tin ceiling tiles in the Gold Room (12014 72 nd Ave.).
Floor Finish:	Combination of carpet, sheet vinyl or vinyl asbestos tiles, hardwood, and parquet. Vinyl or wood base trim.
Roofing:	Not inspected. Presumed to entail either torch-on membrane or tar and gravel ballast over bituminous membrane, insulation and decking. Drainage.
Plumbing:	Water and sanitary sewer service connections. Adequate copper and plastic piping with fixtures to tenant requirements and characteristic of code requirements at the time of construction or renovation. Exterior hose bibs.
Electrical:	Service connection. House meter with separate meters for direct tenant billing. Switches and outlets typical of code requirements at the time of construction. Lighting by incandescent and fluorescent fixtures. Building mounted yard lighting.
Heating:	Furnaces in each unit with the exception of the pizza store (7182A 120th Street).
Doors and Windows:	Full height storefronts and thermopane windows set in anodized aluminum commercial sections. Metal fire-rated doors and jambs and hollow slab interior doors.
Yard Improvements:	Paved parking (20 stalls at grade), and internal transportation areas. Yard lighting, site drainage.
Age and Condition:	A 47-year-old development, apparently in fair condition. The building has deferred maintenance particularly evidenced by water stains from an aging roof. The roof is reported to require replacement.

Assumptions

In the absence of technical studies by experts, we have assumed that:

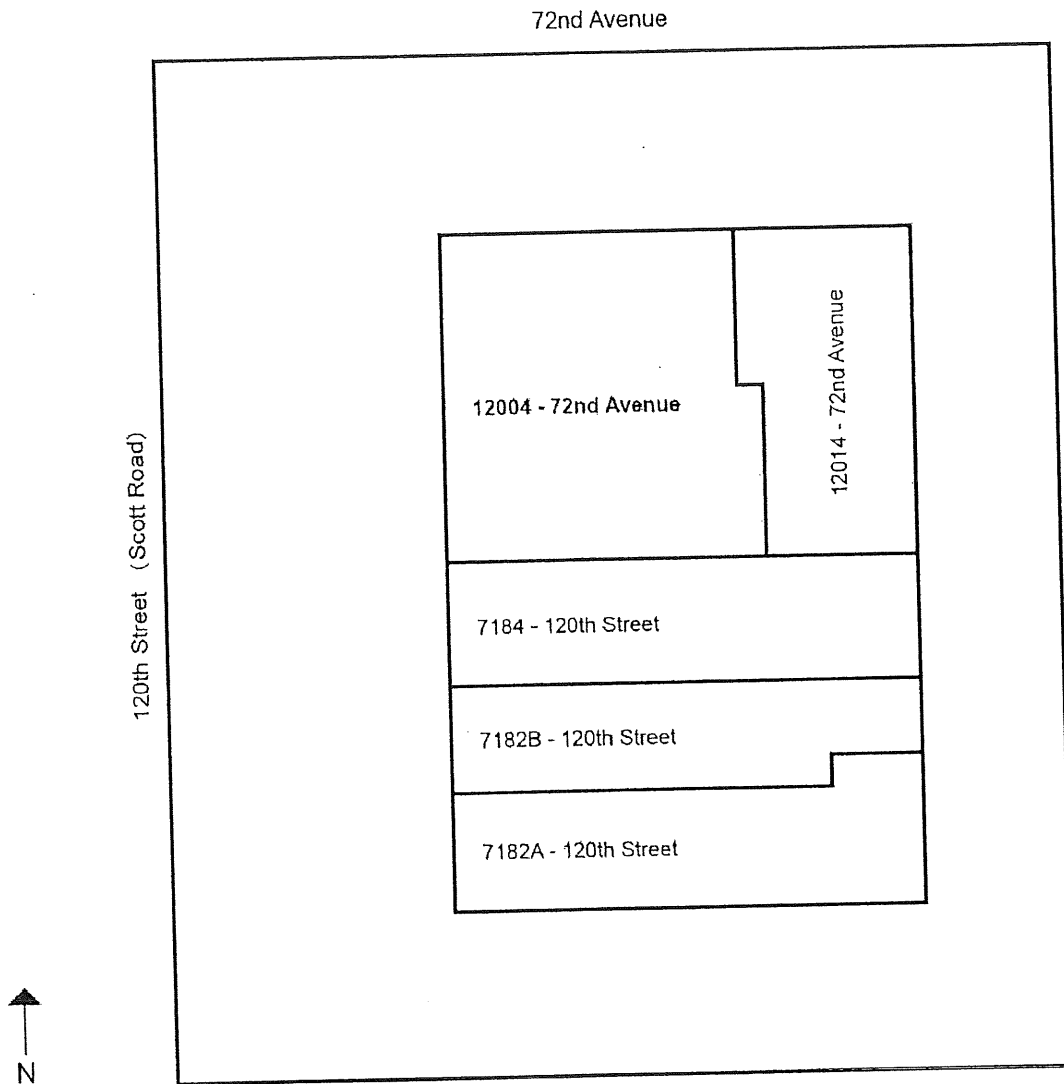
- no latent defect or deferred maintenance exists;
- the improvements are structurally sound;
- the services to the improvements are sound and adequate;
- the roof, electrical and mechanical facilities are sound and adequate for their purpose;
- the improvements contain no environmentally hazardous substances; and
- the improvements are free from insect and rodent infestation or dry rot, moulds, mildews or the conditions that might give rise to any.

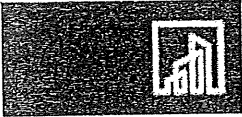


We make no representations on these matters. A building condition survey could confirm these assumptions. We have also assumed that:

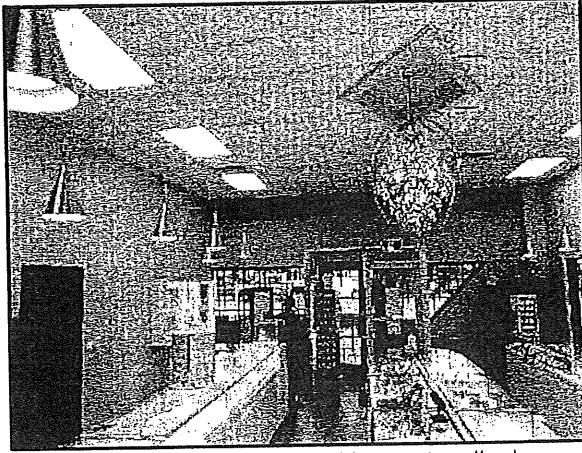
- no encroachments exist involving the property lines or required building or utility setbacks; and
- no outstanding work orders or regulatory infractions exist.

PROPERTY DIAGRAM

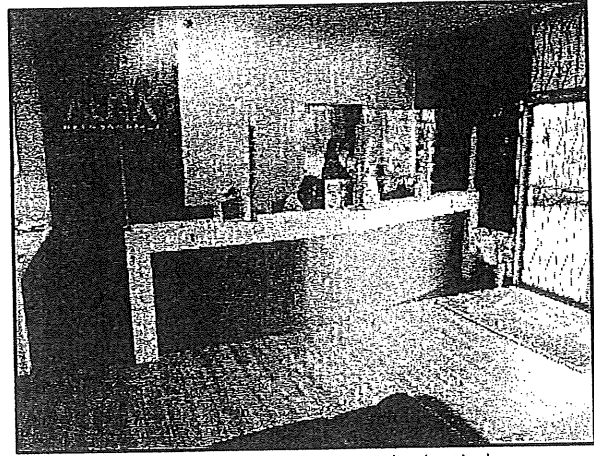




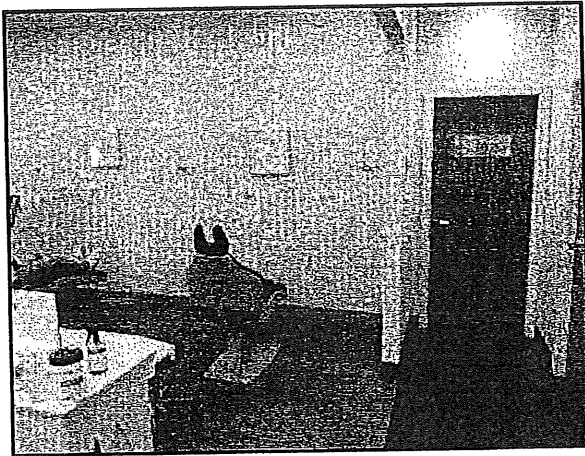
PHOTOGRAPHS



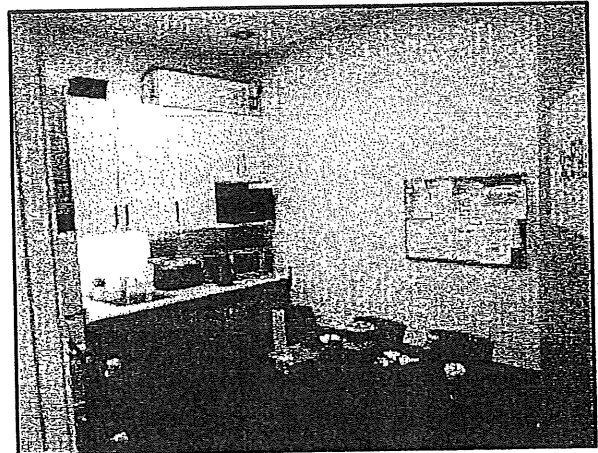
12014 72 Avenue (The Gold Room Jewellers)



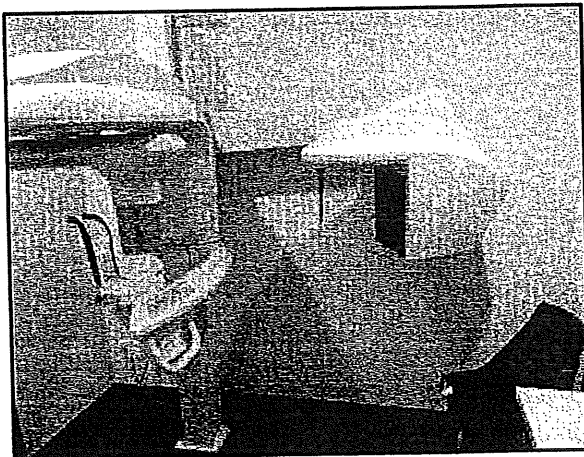
12004 72 Avenue (Aura Orthodontics)



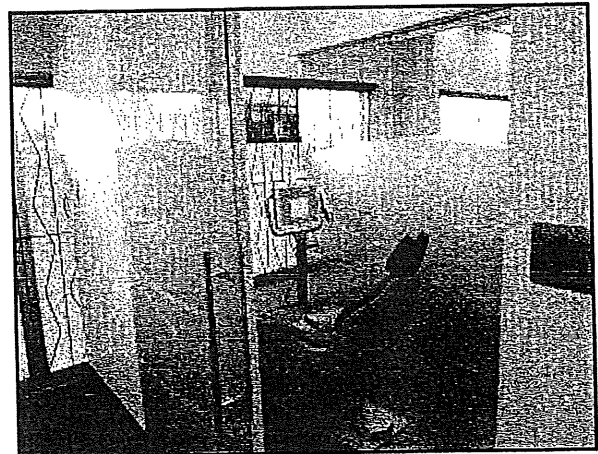
12004 72 Avenue (Aura Orthodontics)



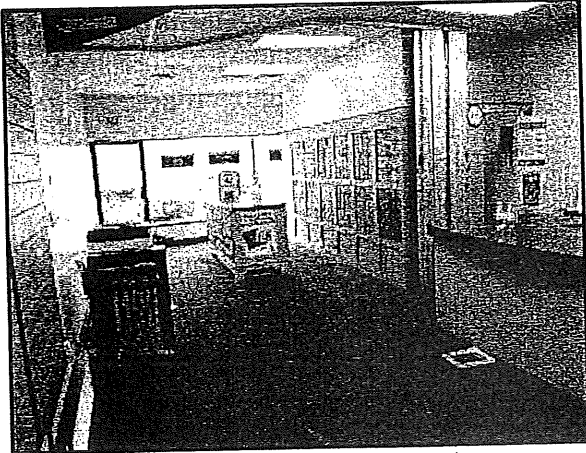
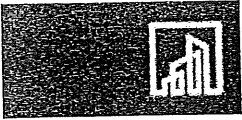
12004 72 Avenue (Aura Orthodontics)



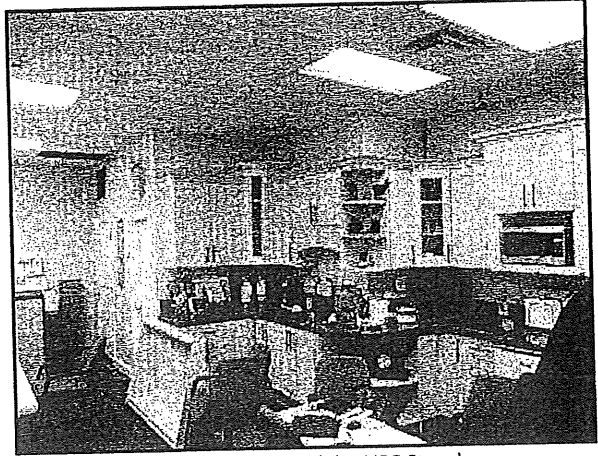
12004 72 Avenue (Aura Orthodontics)



12004 72 Avenue (Aura Orthodontics)



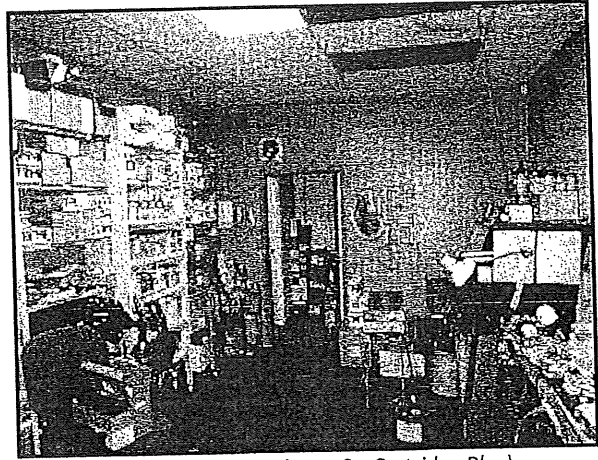
7184 120 Street (The UPS Store)



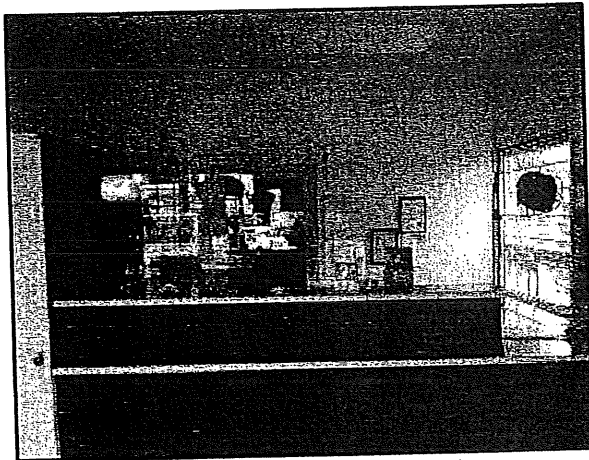
7184 120 Street (The UPS Store)



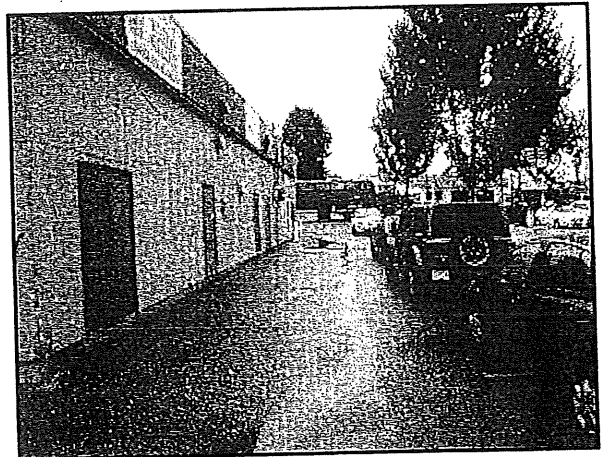
7182B 120 Street (Save On Cartridge Plus)



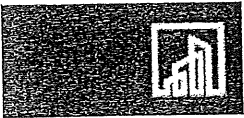
7182B 120 Street (Save On Cartridge Plus)



7182A 120 Street (Westin Pizza)



View to the Rear of Subject Building Looking North



LAND USE CONTROLS

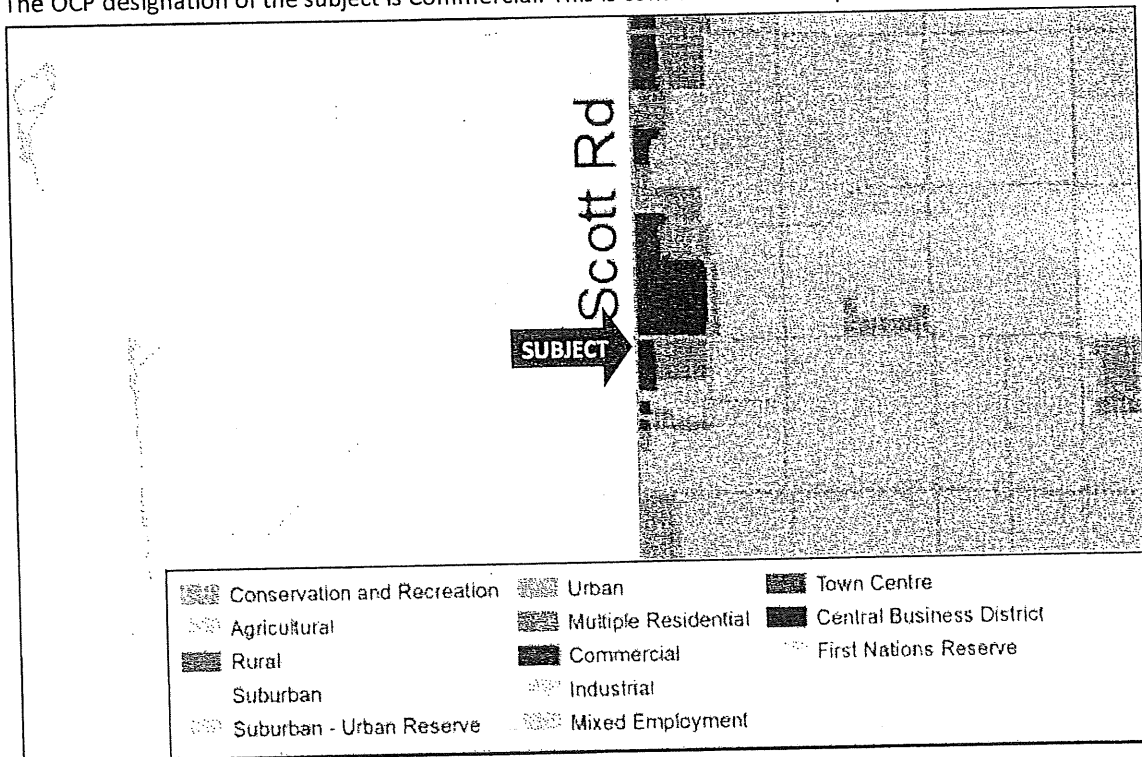
Metro Vancouver Regional Growth Strategy

The GVRD Board adopted Metro Vancouver's Regional Growth Strategy ("RGS") on July 29th, 2011. The RGS contemplates a growth horizon extending to 2040 and provides a framework for accommodating the growth of the more than one million people and 600,000 new jobs that the RGS forecasts for Metro Vancouver in the next 30 years. Under the RGS, the subject is designated General Urban⁹, areas intended for residential neighbourhoods, urban centres, services, institutions and recreational facilities.

Official Community Plan

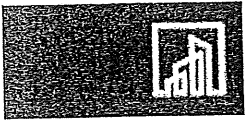
Most provincial municipalities have also adopted official community plans, area plans, and other planning devices that supplement their zoning bylaws. The process for developing an Official Community Plan ("OCP") typically involves considerable social, economic, and demographic research and an extensive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

The OCP designation of the subject is Commercial. This is consistent with the present zoning schedule.



Source: Surrey Official Community Plan

9 <https://gis.metrovancouver.org/mvmaps/RegionalPlanning>



The following are the guidelines for the Commercial designation within the City of Surrey's OCP.

Commercial

The COMMERCIAL designation is intended to support major commercial developments, including neighbourhood-serving and city-serving retail and office developments. Lands within the COMMERCIAL designation are typically located in neighbourhood centres, along major roads, or in areas adjacent to TOWN CENTRE and CENTRAL BUSINESS DISTRICT designations.

Primary uses within the COMMERCIAL designation are retail and stand-alone office uses including institutional offices. Multi-unit residential uses may also be permitted in mixed-use development provided that ground-level uses are exclusively commercial.

Limited light industrial uses may be permitted within this designation but these developments are subject to being compatible with adjacent land uses. Public facilities are also permitted uses within the COMMERCIAL designation.

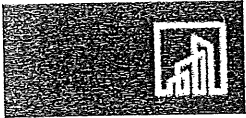
DEVELOPMENT CONSIDERATIONS FOR COMMERCIAL:

Densities:

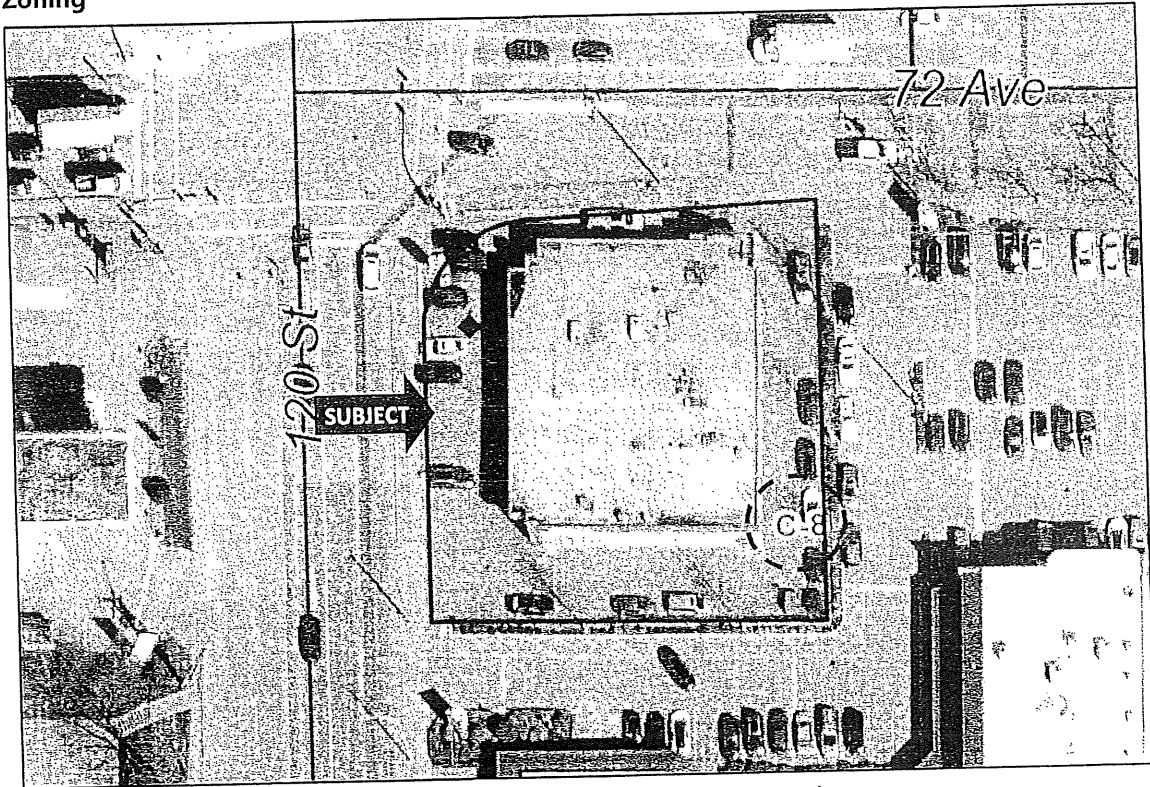
- ⇒ Densities within the COMMERCIAL designation may range up to 1.5 FAR, subject to an appropriate interface (see Figure 10) with adjacent residential areas
- ⇒ Referencing Figure 9, densities within the COMMERCIAL designation may range up to 2.5 FAR in Frequent Transit Development Areas (FTDA) and in Urban Centres, provided a minimum of 0.5 FAR is used for commercial purposes
- ⇒ Additional bonus densities may be granted in select areas in exchange for the provision of sufficient community amenities in accordance with approved City Council and Department policies

Development Permits:

- ⇒ Commercial, multiple unit residential, mixed-use and industrial developments within this designation are subject to the issuance of a Development Permit, in accordance with DP1 of the Implementation Section of this OCP.



Zoning



City of Surrey Mapping Online System (COSMOS)

The zoning schedule assigned to the subject property is C-8, Community Commercial Zone. The intent of the zone is to accommodate and regulate the development of community shopping centres serving a community of several neighbourhoods. Complete details of this zoning designation are in the City of Surrey Bylaw No. 12000, as amended to date. A copy of the zoning schedule is included in the addenda; a brief summary of this zone follows:

Standard	Provisions
Permitted Uses:	<ul style="list-style-type: none"> - Retail stores excluding adult entertainment stores and secondhand stores and pawnshops; Personal service uses excluding body rub parlours; General service uses excluding funeral parlours and drive-through banks; Beverage container return centres; Eating establishments excluding drive-through restaurants; Neighbourhood pubs; Liquor store; Office uses excluding social escort services, methadone clinics, marijuana dispensaries; Parking facilities; Automotive service uses of vehicles less than 5,000 kilograms [11,023 lbs] G.V.W.; Indoor recreational facilities; Entertainment uses excluding arcades and adult entertainment stores; Assembly halls; Community services; Child care centres; and Cultural Uses.
Accessory Uses:	<ul style="list-style-type: none"> - One caretaker unit per lot.
Building Height:	<ul style="list-style-type: none"> - Maximum of 12 meters (40 feet) for principal buildings



Standard	Provisions
Building Setbacks:	- 7.5 metres (25 feet) from all lot lines
Off-Street Parking:	- To be provided in accordance with Part 5 Off-Street Parking and Loading/Unloading of this Surrey's Zoning By-law.
Lot Coverage:	- 50%
Floor Space Ratio:	- Maximum of 0.8 if amenity contributions are provided in accordance with Schedule G

Other municipal policies exist for matters such as building codes, heritage, subdivision, parking, and loading. Based on the information available to us the existing commercial use of the property appears to conform to the land use controls.

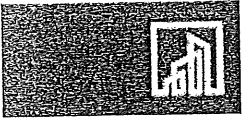
Other Controls

Municipal councils can change only some aspects of the land use controls that apply to certain properties. Provincial, regional, and federal controls that also affect development include:

- environmental regulations,
- heritage policies,
- public health, building and fire codes, and
- highways and transit plans.

We obtained the information on land use controls contained in this report from the local government website at the time of the valuation. We have not verified that the bylaw information on the website reflects the current official documents, as it is not practical to obtain a consolidated official document. In the event of material variance, our conclusions herein might need updating.

The mandate for this valuation did not require research into all of the land use regulations that possibly apply. Further, existing land use controls do not always bind regulators, who can develop new policy and rescind or modify existing land use policies. Municipal planning officials and independent planning consultants can assist with specific questions on land use matters.



PART THREE – MARKET DATA, ANALYSES AND CONCLUSIONS

HIGHEST AND BEST USE

An accepted definition of highest and best use is:

the reasonably probable use of Real Property, that is physically possible, legally permissible, financially feasible, and maximally productive, and that results in the highest value.¹⁰

The highest and best use of a property is an economic concept that measures the interaction of four criteria: legal permissibility, physical possibility, financial feasibility, and maximum profitability. Estimating the highest and best use of a property is a critical valuation component that provides the valuation context within which market participants and appraisers select and analyze comparable market information.

An appraiser considers highest and best use of the property as if vacant separately from the highest and best use of the property as improved. This is because the highest and best use of the site, as if vacant and available for development determines the value of the land, even if the property's existing improvement does not represent the highest and best use of the site.

Vacant Land

An accepted definition of the highest and best use of land or a site is:

the use among all reasonable alternative uses that yields the highest present land value, after payment for labour, capital and co-ordination. The conclusion assumes that the parcel of land is vacant or can be made vacant by demolishing any improvements.¹¹

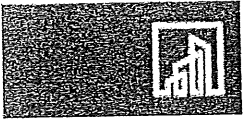
Zoning policies in place contemplate use of the property as commercial, pursuant to the C-8, Community Commercial Zone schedule. It is designated as Commercial in the OCP. Changing the land use controls requires approval by municipal council of a rezoning. Given the nature of development in the area and the pattern of municipal land use policy, it is unlikely that the municipality would rezone the property to a use or density inconsistent with the subject's OCP designation.

For the purposes of our analysis, we have assumed that the non-financial title limitations do not restrict use of the site beyond the constraints of the land use controls.

Over the market cycle, market values and rents for commercial properties in the neighbourhood are sufficient to retire the cost of construction, adequately compensate the developer and provide a positive return to the underlying land.

¹⁰ CUSPAP 2020, 3.30

¹¹ CUSPAP 2018, 2.26



The utility servicing, exposure, and topography generally suit the requirements of development. The subject has a small site size for a retail plaza. Based on the surrounding development pattern we have assumed that soil conditions could support development as contemplated under the land use controls without undue or costly site preparation.

Consequently, we conclude that highest and best use of the site, as if vacant and available, entails development pursuant to the applicable land use controls, and as market conditions permit.

As Improved

Highest and best use of a property as improved is:

the use that should be made of an improved property in light of the existing improvements and the ideal improvement described at the conclusion of the analysis of highest and best use as though vacant.¹²

An owner would renovate or retain an existing property "as is" while the improvements continue to contribute to the total market value or until the return from new improvements would more than offset the cost of demolishing the existing development.

For the objective of this analysis, we have assumed that the existing improvements comply with the requirements of the zoning bylaws and other land use controls.

The usual opportunities to enhance the utility of an existing improvement involve changing the use (typically requiring a change to the zoning), substantially renovating the structure, and/or constructing an addition. The existing commercial improvements contribute value to the subject property. We cannot envision an alternate program of use that justifies removal of the improvements and do not believe that a change of use is either permissible or profitable. The existing development reflects a floor space ratio of 0.39, likely the maximum that is practical for a single storey development given the site's tight configuration, without constructing expensive structured parking.

Conclusion

Based on the above, the highest and best use of the property is for holding purposes, pursuant to the applicable land use controls, and essentially as improved, for the remaining economic life of the improvements.

¹² *The Appraisal of Real Estate*, 3rd Canadian Edition, a joint publication of the Appraisal Institute of Canada and the University of British Columbia, 2010



INTRODUCTION TO VALUATION

The mandate for this valuation entails an estimate of market value to assist with a receivership matter.

Classical valuation theory provides three methods for the valuation of improved property: cost, income, and direct comparison. The relevance of a method for a particular assignment varies with the availability of necessary market data and the extent to which market participants for the property at hand rely on it.

A property of this nature would have appeal to two general classes of purchasers: investors and owner-users.

For an investor, the subject property would normally trade on its ability to generate rental revenue and anticipated capital gain, so purchasers and vendors would base their decision primarily on the income approach. Although less specific, a relationship also exists between physical characteristics and value, so the direct comparison approach will provide corroborative insight. For an owner user, the cost of a physical substitute is relevant, so the cost and direct comparison methods have application. The cost approach (which incorporates a valuation of the underlying land) can provide particular insight for non-standard properties, because its starting point is the cost of a replacement facility – useful since market data involving sales and rentals of non-standard properties is often limited.

Our analysis has employed the income approach, which the marketplace relies on to value property similar to the subject, as a primary indicator. We completed the direct comparison approach for corroboration purposes.

When sufficient data are available to permit reliable income and direct comparison analyses, the marketplace would place little reliance on the cost approach in setting value for the subject. The subject improvements were constructed in 1974 and are approximately 47 years old as of the effective date of this report. Determining the amount of depreciation for the subject is subjective given the age of the improvements making the cost approach less reliable. We have not completed the cost approach for these reasons.



INCOME APPROACH

Introduction

The income analysis relies on an assessment of the quality, quantity, and durability of income that a property can produce, analysing the marketplace to learn typical income-to-value ratios for properties recently traded, and combining these analyses to obtain an estimate of value. The simplest application of this technique is direct capitalization of the property's stabilized income. For properties having multiple tenancies and in a strong marketplace, market participants might forecast incomes over a typical holding period and estimate a future sale price. Calculated using discounted cash flow techniques, the present value of these incomes can also provide useful insight into value. Given the stable income forecast for the subject, we elected to capitalize the single year income using an overall rate determined from the market.

Base Rent

Mr. Chow has provided the first two pages of each of the leases from which I have put together the property's rent roll. I have relied upon the information provided as a comprehensive summary of the lease particulars. Please note that I have not verified this data and have not obtained or reviewed complete lease documentation for the various tenancies. We summarize this information below.

Unit	Tenant Address of Unit	Rentable Area (Sq. Ft.)	Term (years)	Start	End	Net Rental Rate per Sq. Ft.	Yr. 1 Annual Rent Nov 1, '21 to Oct 31, '22
1	Dr. Vishal Sharma 12004 72nd Avenue	2,666	5.0	1-Mar-17	28-Feb-18	\$23.10	\$67,896.84
				1-Mar-19	28-Feb-19	\$24.25	
				1-Mar-20	28-Feb-22	\$25.47	
2	The Gold Room 12014 72nd Avenue		5.0	1-Mar-17	28-Feb-19		\$32,420.28
				1-Mar-19	28-Feb-21		
				1-Mar-21	28-Feb-22		
3	Deltaview Enterprises Ltd. operating as The UPS Store 7184 120th Street	1,535	5.0	1-Jul-21	30-Jun-22	\$25.50	\$39,910.00
				1-Jul-22	30-Jun-23	\$27.00	
				1-Jul-23	30-Jun-24	\$28.00	
				1-Jul-24	30-Jun-25	\$29.00	
				1-Jul-25	30-Jun-26	\$30.00	
4	Ky Claire Technologies Ltd. operating as Save on Cartridges 7182B 120th St.		5.0	1-Jul-17	30-Jun-18		\$24,198.00
				1-Jul-18	30-Jun-19		
				1-Jul-19	30-Jun-20		
				1-Jul-20	30-Jun-21		
				1-Jul-21	30-Jun-22		
5	Westin Pizza Ltd. 7182A 120th Street		5.0	1-Mar-18	28-Feb-20		\$28,640.00
				1-Mar-20	28-Feb-22		
				1-Mar-22	28-Feb-23		
Total Area		±7,469				±\$25.85	\$193,065.12

The lease documentation provides floor areas for Unit 1 (12004 72nd Avenue) and Unit 3 (7184 120th Street); however, no floor areas have been provided for the remaining units.

Based on the information provided, all of the agreements are on a net basis wherein the tenants are responsible for all operating costs associated with the property including repairs and maintenance, utilities, management, insurance and real property taxes.

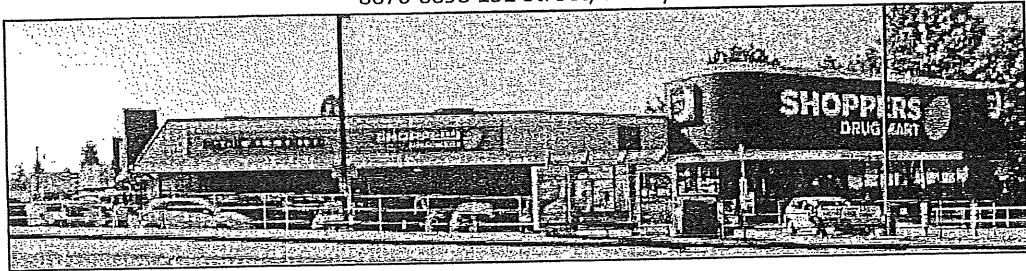


Costs to the account of the lessor are for structural repairs and maintenance plus any non-recoverable items under an assumed vacancy and collection loss.

To ascertain the reasonableness of the leases in place, and to determine an appropriate rent for the vacant space, the following lease indices are noted.

Lease Index 1

8870-8898 152 Street, Surrey

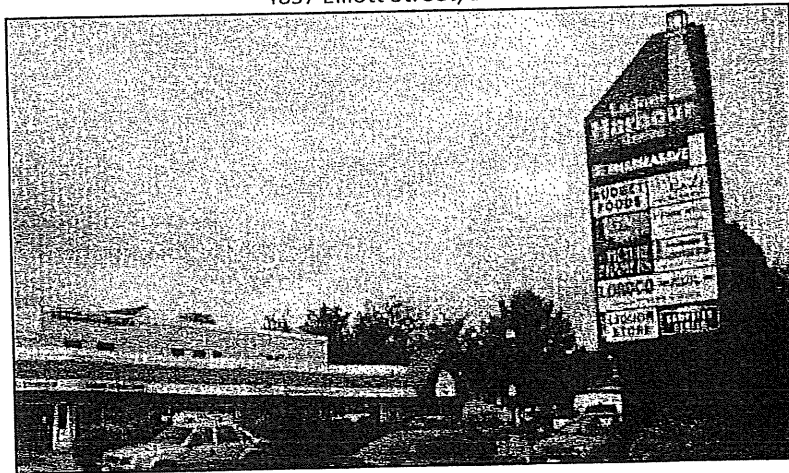


Evergreen Mall is located on the southeast corner of Fraser Highway and 152 Street. The property has 28 stores and approximately 55,000 square feet of retail area. Major tenants include Shopper's Drug Mart and BC Liquor Store. Zoned: C-8 Community Commercial Zone

Suite	Tenant	Area (SF)	Term	Start	End	Rent/SF
127		1,295	5.0 Years	Mar 2019	Feb 2024	\$24.00

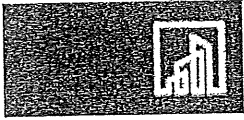
Lease Index 2

4857 Elliott Street, Delta

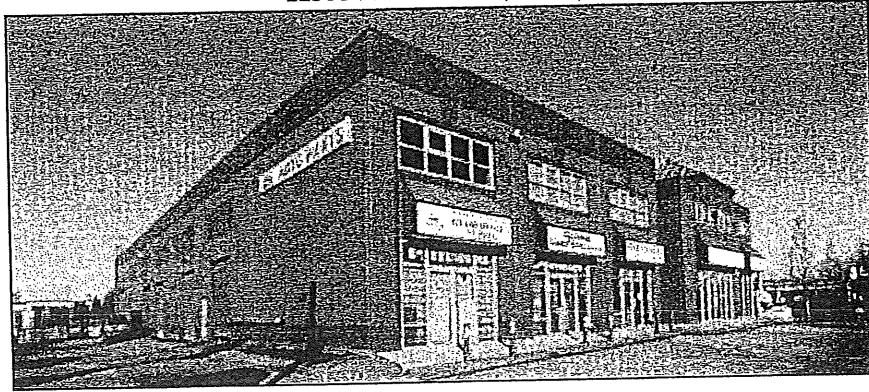


Ladner Harbour Centre is located in the heart of Ladner Village in Delta, on the southwest corner of Elliott Street and Bridge Street. Anchored by Jarrys Market, Pharmasave, BMO, Lordco, and Speeds Liquor Store. Additional rent is estimated at \$11.10 per square foot. Zoned: C1 Core Commercial Zone

Suite	Tenant	Area(SF)	Term	Start	End	Rent/SF
118		2,858	3.0 Years	May 2019	May 2022	\$22.00



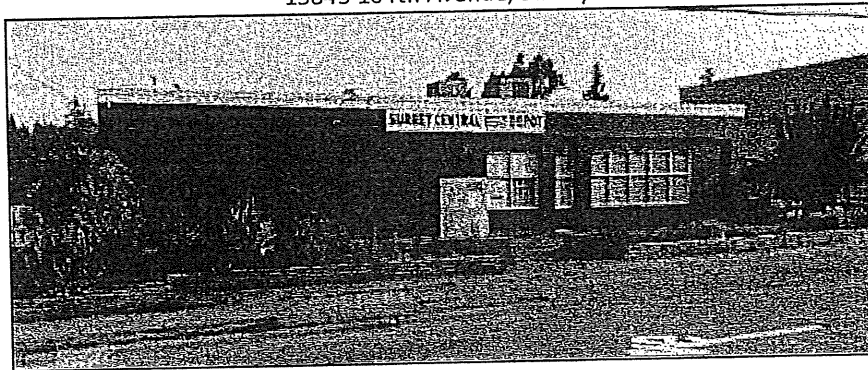
Lease Index 3
12388 Pattullo Place, Surrey



A multi-tenant commercial building located on the southwest corner of Pattullo Place and 120 Street in the South Westminster area of Surrey. The property is located less than 500 metres from the Scott Road SkyTrain station. Zoned: CHI Highway Commercial

Suite	Tenant	Area (SF)	Term	Start	End	Rent/SF
108		2,200	5.0 Years	Jul 2019	Jun 2024	\$20.80

Lease Index 4
13845 104th Avenue, Surrey



Single tenant retail building constructed in 1972 located on the northwest corner of 104 Avenue and 138A Street. The lessee is operating as Surrey Central Return It Centre & Bottle Depot. The lease rate reportedly escalates to \$22.00 per square foot in 2022. The lease term was not provided. Zoned: CHI Highway Commercial

Suite	Tenant	Area (SF)	Term	Start	End	Rent/SF
13845	Surrey Central Return It Centre & Bottle Depot	3,000		Jan 2020		\$20.85

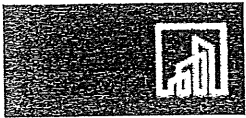


Lease Index 5 a, b & c
 12025 Nordel Way, Surrey

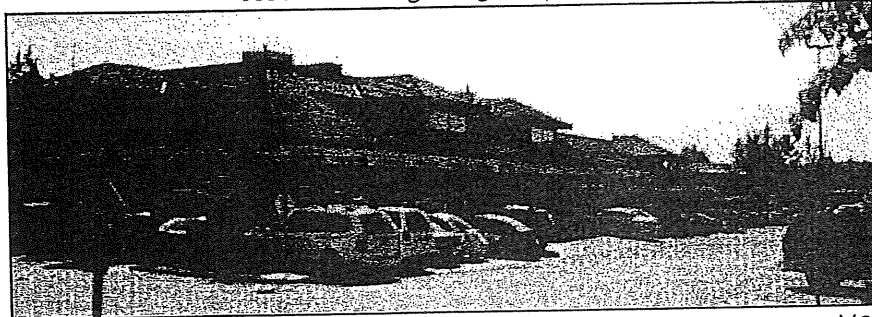


A two-storey commercial building constructed in 2009/2010, located at the northeast corner of Nordel Way and 120th Street. The development features retail uses on the ground floor and a banquet hall on the second floor, a site coverage of approximately 15.4%, a floor space ratio of 0.27 and a leasable area reported at 35,675 square feet. Zoned: CD Comprehensive Development Zone

Index	Suite	Area(SF)	Term	Start	End	Rent/SF
5a	CRU	887	Year 1 to 3	Apr-2020	Mar-2023	\$27.00
			Year 4 & 5	Apr-2023	Mar-2025	\$28.00
2 months free base rent						
5b	CRU	1,434	Years 1 to 4	June-2021	May-2025	\$30.00
			Years 5 to 7	June-2025	May-2028	\$34.00
			Years 8 to 10	June-2028	May-2031	\$36.00
2 months free base rent						
5c	CRU	2,650	Years 1 to 3	Oct-2021	Sept-2024	\$28.00
			Years 4 to 6	Oct-2024	Sept-2027	\$30.00
			Years 7 to 10	Oct-2027	Sept-2031	\$34.00
3 months free base rent, 180 day fixturing period and \$16 per sq. ft. TI						



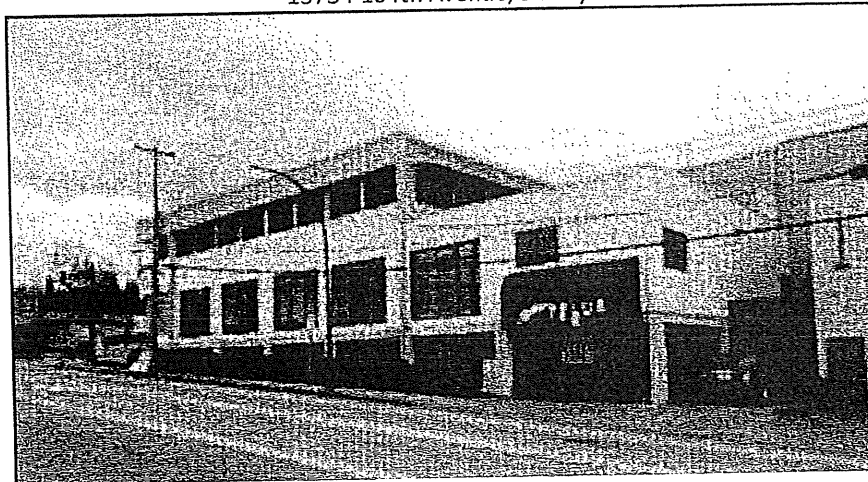
Lease Index 6a & b
6830 - 6840 King George Hwy, Surrey



Benchmark Plaza is centrally located on King George Boulevard and the Newton Ring Road (68th Avenue). This two-storey office/retail/professional complex consists of three separate buildings. It was renovated in 2011. Concrete tilt-up & block design. Additional rent was estimated at \$9.14 per square foot as of 2021. Zoned: Commercial

Index	Suite	Area (SF)	Term	Start	End	Rent/SF
6a	108	1,235	5.0 Years	May 2020	Apr 2025	\$21.75
6b	6832	553	Year 1	Mar 2021	Feb 2022	\$24.50
			Year 2	Mar 2022	Feb 2023	\$25.00
			Year 3	Mar 2023	Feb 2024	\$25.50

Lease Index 7
13734 104th Avenue, Surrey

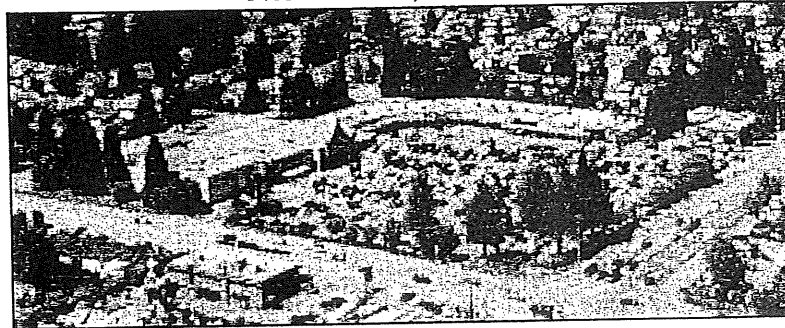


A two-storey retail and office building, with a secure lower-level vehicle parking area, constructed circa 1975. The property is situated on the southeast corner of 104th Avenue and Whalley Boulevard. Zoned: C8 Community Commercial

Suite	Tenant	Area (SF)	Term	Start	End	Rent/SF
Ground Floor	ML Emporio	4,177	2.0 Years	June 2021	May 2023	\$25.00



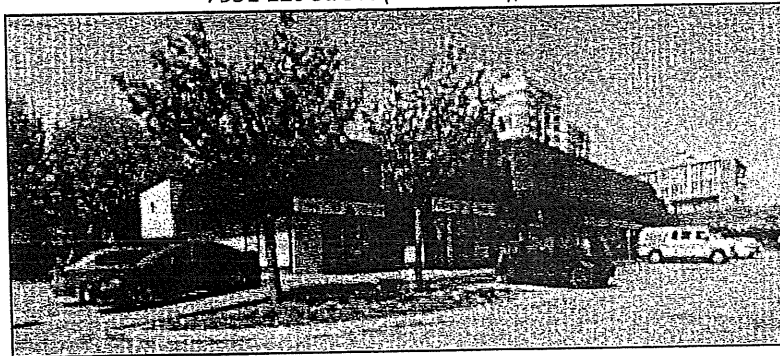
Lease Index 8
6409 120 Street, North Delta



The Sunshine Hills Centre is a retail plaza located at the southwest corner of 120 Street (Scott Road) and 64 Avenue in North Delta. The plaza has 20 units, a gross floor area of approximately 69,000 square feet, is anchored by Safeway and includes a freestanding retail building currently occupied by Browns Socialhouse. Additional rent is estimated at \$10.82 per square foot as of 2021. Zoned: C1 Core Commercial Zone

Suite	Tenant	Area(SF)	Term	Start	End	Rent/SF
6409		1,213	5.0 years	Sept-2021	Aug-2022	\$29.00
				Sept-2022	Aug-2023	\$30.00
				Sept-2023	Aug-2024	\$31.00
				Sept-2024	Aug-2025	\$32.00
				Sept-2025	Aug-2026	\$33.00

Lease Index 9
7931 120 Street (Scott Road), Delta

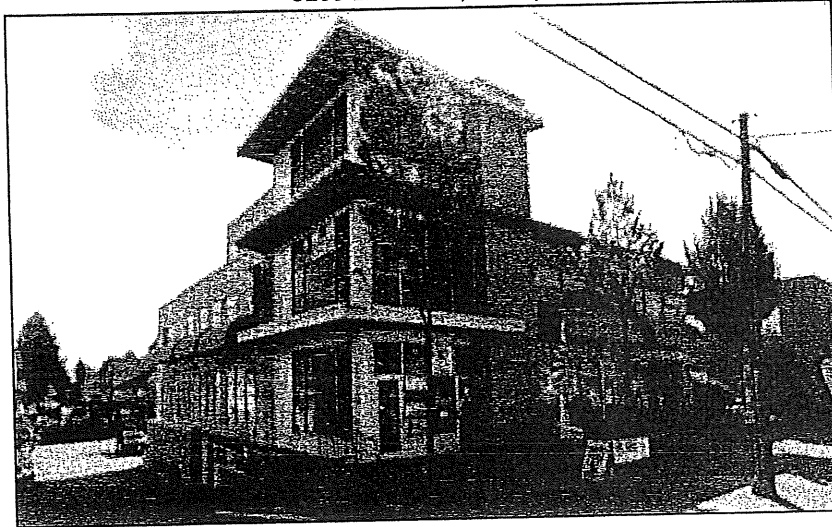


New Orleans Square is a multi-building, multi-tenant retail development located on the west side of Scott Road, south of 80 Avenue. The development has units ranging in size from 549 to 4,787 square feet. In October 2021, five units were listed for lease with asking rates between \$19 and \$25 per square foot and operating expenses of \$15.04 per square foot. As of October 2021 the leasing agent reported completing deals in the \$19.00 per square foot range, below market, primarily due to the high additional rent for the property. Zoned: C1 Core Commercial

Suite	Tenant	Area(SF)	Term	Start	End	Rent/SF
7909		2,119		Oct 2021		\$19.00



Lease Index 10
8268 120 Street, Surrey



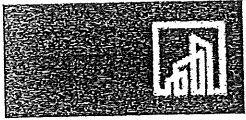
Situated on the east side of 120th Street and close to the corner of 82nd Avenue, a three-storey retail/office building built 2002/03. Additional rent was estimated at \$7.00 per square foot as of 2021. Zoned: C8 Commercial

Suite	Tenant	Area(SF)	Term	Start	End	Rent/SF
103		1,900	5.0 years	Nov-2021	Oct-2022	\$29.00
			Year 2	Nov-2022	Oct-2023	\$30.00
			Year 3	Nov-2023	Oct-2024	\$31.00
			Year 4	Nov-2024	Oct-2025	\$32.00
			Year 5	Nov-2025	Oct-2026	\$33.00

The primary factors affecting rental rates are:

- supply and demand,
- location,
- commercial exposure,
- aesthetic exposure,
- layout and design,
- age of improvements,
- parking availability, safety and proximity, and
- tenant improvements and incentives.

Index 1 is a 1,295 square foot unit in Evergreen Mall located on the southeast corner of Fraser Highway and 152 Street in the Fleetwood neighbourhood of Surrey. The plaza anchored by a Shoppers Drug Mart requiring a downward adjustment as anchor tenanted retail attracts higher rates. However, this index is a lower limit at \$24.00 per square net foot due to its inferior relative location and 2019 lease date. Indices 2, 3, and 4 are lower limits in the range of \$20.80 to \$22.00 per square foot net due to their inferior relative locations or building condition (Index 4).



Indices 5a, 5b & 5c are the leases of three retail units in the Nordel Annex building, a commercial development located at the northeast corner of Nordel Way and 120th Street in Surrey with retail uses on the ground floor and a banquet hall on the second floor. These units provide good visual exposure and the building is newer than the subject. Index 5a provides an indication of the upper end of the market range for the subject at a starting rate of \$27.00 per square foot net due to the April 2020 lease date while the remaining leases are upper limits with starting rates of \$28.00 and \$30.00 per square foot net.

Indices 6a & 6b are the leases of retail units in the Benchmark Plaza located on the northeast corner of King George Boulevard and 68th Avenue. These units provide inferior visual exposure compared to the subject. Index 6a is a clear lower limit at \$21.75 per square foot net due to the May 2020 lease date while the Index 6b provides an indication of the lower end of the market range for the subject at a starting rate \$24.50 per square net foot.

Index 7 is the recent lease of a ground floor retail/office unit located southeast corner of 104th Avenue and Whalley Boulevard. This index is of a similar vintage to the subject and offers good visual exposure. The indicated rate of \$25.00 per square foot net provides a good indication of the lower end of the market range for the subject.

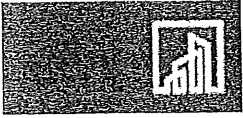
Index 8 is a 1,213 square foot unit in a retail plaza located at the southwest corner of 120 Street (Scott Road) and 64 Avenue in North Delta. The plaza anchored by a grocery store (Safeway) making this index an upper limit at a starting rate of \$29.00 per square foot net as grocery anchored retail attracts higher rates.

Index 9 is a clear lower limit at \$19.00 per square foot net because the high additional rent of \$15.04 per square foot for this multi-tenant retail development limits the achievable net rental rates.

Index 10 is the lease of a retail unit within a commercial building on the east side 120th Street and close to the corner of 82nd Avenue approximately 2.2 kilometres north of the subject. This is a newer building constructed in 2002/03 and additional rent is low at \$7.00 per square foot meaning that the indicated starting rate of \$29.00 per square foot net is an upper limit for the subject.

Based on the market evidence, market rental rates appear to be in the range of \$25.00 to \$26.00 per square foot net for the subject's retail space. The most recent lease within the subject building for unit 3 (7184 120th Street) commenced July 1, 2021 at \$25.50 per square foot net, which is within the range \$25.00 to \$26.00 per square foot net.

The one-year projection period for this assignment runs from November 1, 2021 to October 31, 2022 and three of the five lease terms expire prior to the end of this projection period. If those three leases were to continue at their current rates, then the contractual rent for the subject would be \$193,065 for the one-year period. This equates to an average of \$25.85 per square foot based on the estimated leasable area of 7,469 square feet.



Based on the evidence assembled the lease rates for the subject development are at or near market levels. For valuation purposes I have adopted an average rate of \$25.85 per square foot net. This rate is well supported by the market evidence above and the recently starting lease rate for unit 3 (7184 120th Street) at \$25.50 per square foot net.

Vacancy and Collection Loss

Commercial units in the subject's neighbourhood exhibit moderate vacancy and vacancies tend to be due to functional or physical obsolescence or size. Minimal vacancies were observed in the subject neighbourhood. CB Richard Ellis (CBRE) reported a vacancy rate of 2.3% for shopping centres of over 20,000 square feet in the Surrey market in the first half of 2021, which was down from the 3.9% reported in the previous six-month period (Second half 2020). Cushman & Wakefield report an overall vacancy rate of 1.9% for the Surrey retail market as of the first half of 2021. Although the subject is currently fully occupied, a vacancy and collection loss allowance of 3.0% of basic rent is applied to reflect anticipated vacancy during a typical investment horizon (assumed to be 10 years).

Operating Expenses

Commercial leases are typically on a net basis where tenants are 100% responsible for the operating costs associated with the space they occupy. Operating expense rates for multi-tenant retail building without shared indoor space typically range from \$7.00 to \$12.00 per square foot with the upper end of the range being for commercial plazas with more parking than the subject and landscaping. This range is supported by the additional rental rates shown for the lease indices above.

Derek Wong, apparently the son of one of the owners Debbie Wong, has provided the following estimate of operating expenses for 2018 to 2020. The information provided is incomplete and does not include property taxes, insurance, or utilities not covered by the tenants.

Expense Item	2018	2019	2020	2021 Est.
Property Taxes	Not Provided	Not Provided	Not Provided	\$42,123
Insurance	Not Provided	Not Provided	Not Provided	\$4,000
Utilities	Not Provided	Not Provided	Not Provided	\$500
Repairs & Maintenance	\$8,000	\$3,163	\$0	\$4,500
Office, Accounting & Legal Management	\$880	\$900	\$900	\$900
	\$12,000	\$12,000	\$12,000	\$9,654
Total	\$20,880	\$16,063	\$12,900	\$61,677
Rate per Sq. Ft.	\$2.80	\$2.15	\$1.73	\$8.26

I have provided an estimate of stabilized additional rent utilizing the reported property taxes for 2021, insurance typical of buildings such as the subject, an allowance for utilities not covered, a repair and maintenance allowance of approximately 1.0% for the value of the property, office, accounting and legal expenses as reported and a management fee of 5.0% of base rent. For appraisal purposes, I estimated additional rent at \$8.26 per square foot for the subject. This rate is within the range shown by the lease indices above.



An allowance of 2.0% of the effective gross income is applied to account for future structural maintenance and expenses borne during vacant periods.

Stabilized Net Income

Based on the above, the stabilized net income for the subject is estimated as follows:

ITEM	UNIT SIZE SQ. FT.	RATE (PSF)	ANNUAL INCOME
Base Rent	±7,469	\$25.85	\$193,074
Recoveries Revenue		\$8.26	\$61,694
POTENTIAL GROSS INCOME	±7,469		\$254,768
LESS: VACANCY AND CREDIT LOSS	3.00%		<u>\$7,643</u>
EFFECTIVE GROSS INCOME			\$247,125
LESS: EXPENSES			
Reimbursable Expenses			
Additional Rent incl. Taxes		\$8.26	\$61,694
Total Reimbursable Expenses		\$8.26	\$61,694
Non- Reimbursable Expenses			
Structural Reserve	2.00% of EGI	<u>\$0.66</u>	<u>\$4,942</u>
Total Non- Reimbursable Expenses			\$4,942
TOTAL OPERATING EXPENSES			\$66,636
NET INCOME (before tax)			\$180,488

Capitalization Rate

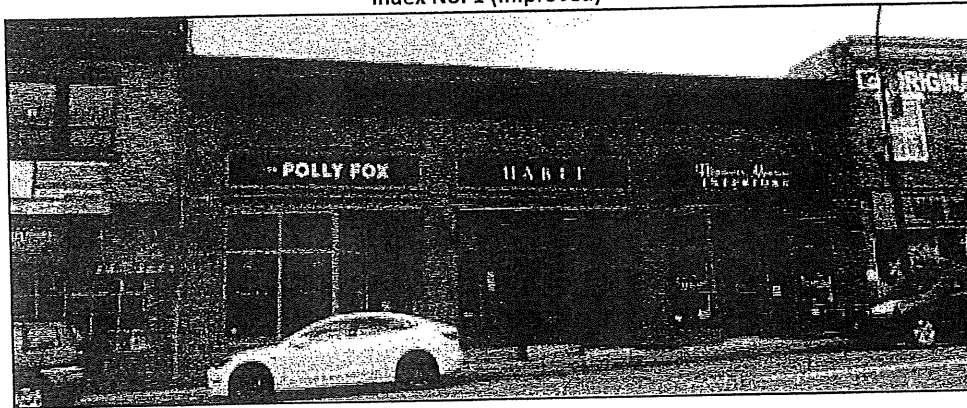
The next step in the income approach involves selection of an appropriate overall capitalization rate. We have surveyed the marketplace for investment properties that investors would consider competitive with the subject, emphasizing:

- similar value,
- comparable investment risk, and
- recent market activity.

Pertinent details of these properties are summarized below:



Index No. 1 (Improved)

**Property Identification**

Address	33780 Essendene Avenue, Abbotsford, BC
Neighbourhood	Central Abbotsford
Legal Description	Lot 1, Section 22, Township 16, New Westminster District Plan EPP10340
PID(s)	028-404-947

Land Data

Site Size	6,970 square feet or 0.160 acres
Zoning	C-7 Downtown Abbotsford Commercial Zone
OCP Designation	Urban Centre

Building Data

Gross Building Area	4,690 square feet
Year Built	1953

Sale Data

Date	Closed May 2020
Price	\$2,195,000
Instrument Number	CA 8214576
Vendor	1187086 B.C. Ltd.- Dimitrios Diamantopoulos, ASO
Purchaser	Lili Investment Holdings - Kyung Kim, ASO

Income

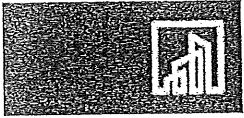
Potential Gross Income	\$92,736	
Vacancy & Collections Loss	\$927	@ 1.0 % of PGI
Effective Gross Income	\$91,809	
Expenses	\$2,754	@3.0 % of EGI
Net Operating Income	\$89,055	

Remarks

Caps Building - Located in Central Abbotsford, on the south side of Essendene Avenue, east of Montrose Avenue. The property is improved with one single storey, multi-tenant, retail building constructed circa 1953, with extensive renovations completed circa 2012. The building contains a total gross floor area of approximately 4,850 square feet, contained in three commercial rental units.

Indicators

Overall Capitalization Rate	4.1%
Price/SF Gross Bldg Area	\$468.02
FSR	0.67



Index No. 2 (Improved)

**Property Identification**

Address 5687 176th Street, Surrey, BC
 Legal Description Lot 3, Block 7, Section 7, Township 8, New Westminster District Plan 628
 PID(s) 002-247-381

Land Data

Site Size 4,356 square feet or 0.100 acres
 Zoning C-15 Town Centre Commercial
 OCP Designation Heritage Downtown within the Cloverdale Town Centre Neighbourhood Plan

Building Data

Gross Building Area 2,261 square feet

Sale Data

Date Closed October 2020
 Price \$976,000
 Instrument Number CA 8488444
 Vendor 1169277 B.C. Ltd.- Darryl & Jason Trentini, ASOs
 Purchaser 1188862 B.C. Ltd. - Private Investor - Canadian-

Income

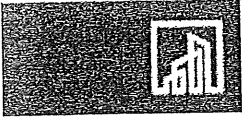
Potential Gross Income	\$30,919	
Vacancy & Collections Loss	\$464	@ 1.50 % of PGI
Effective Gross Income	\$30,455	
Expenses	\$914	@ 3.0% of EGI
Net Operating Income	\$29,541	

Remarks

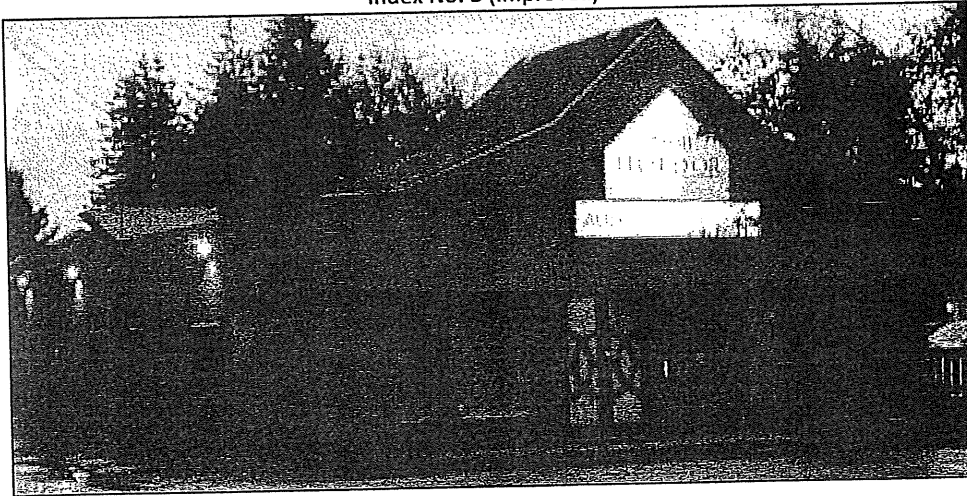
Located on the west side of 176th Street, south of 57th Avenue. The property is improved with a two-storey, multi-tenant retail building.

Indicators

Overall Capitalization Rate	3.0%
Price/SF Gross Bldg Area	\$431.67
FSR	0.52



Index No. 3 (Improved)

**Property Identification**

Address	2328 Clearbrook Road, Abbotsford, BC
Neighbourhood	Central Abbotsford
Legal Description	Parcel One (R78196E), Except: Portions in Plans LMP45048 and BCP6316; Lot A, Section 17, Township 16, NWD Plan 14330
PID(s)	009-928-146

Land Data

Site Size	10,019 square feet or 0.230 acres
Zoning	C-4 Secondary Business Commercial Zone
OCP Designation	Secondary Commercial

Building Data

Gross Building Area	2,585 square feet
Year Built	1981

Sale Data

Date	Closed October 2020
Price	\$1,200,000
Instrument Number	CA 8531479
Vendor	1080550 B.C. Ltd.- Thanh Nguyen, ASO
Purchaser	1269064 B.C. Ltd. - Daniel Grice, Lawyer

Income

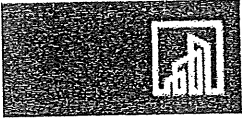
Net Operating Income	<u>\$45,223</u> reported
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Remarks

Located in the community of Central Abbotsford, on the east side of Clearbrook Road, south of Fir Avenue. The property is improved with one single storey, single tenant, retail building constructed circa 1979. The building contains a total gross leasable area of approximately 2,585 square feet. At the time of sale, the building was fully occupied by Thai D'Or, a local restaurant.

Indicators

Overall Capitalization Rate	3.8%
Price/SF Gross Bldg Area	\$464.22
FSR	0.26



Index No. 4 (Improved)

**Property Identification**

Address	8037 120th Street, Delta, BC
Neighbourhood	Kennedy-East in North Delta
Legal Description	Lot 2, Section 25, Township 4, New Westminster District Plan BCP3128
PID(s)	025-559-729

Land Data

Site Size	257,265 square feet or 5.906 acres
Zoning	C-1 Core Commercial
OCP Designation	Mixed-Use (North Delta) 1 within the North Delta Area Plan

Building Data

Gross Building Area	74,669 square feet
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Sale Data

Date	Closed November 2020 Share Sale
Price	\$34,300,000
Instrument Number	CA 8580301
Vendor	Artis REIT (Artis BC Delta Shoppers Ltd.)
Purchaser	A.L. Sott (Delta Shoppers) Inc.

Income

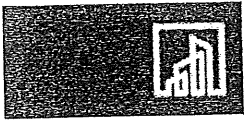
Net Operating Income	<u>\$1,783,600</u>
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Remarks

Delta Shoppers Mall is a multi-tenant shopping centre buildings located on the west side of 120th Road, north of 80th Avenue. The five buildings contains a total gross floor area of 74,669 square feet. The property was initially developed in 1973 with a major renovation in 2004 and the addition of freestanding buildings in approximately 2002.

Indicators

Overall Capitalization Rate	5.2%
NOI/SF	\$23.89
Price/SF Gross Bldg Area	\$459.36
FSR	0.29



Index No. 5 (Improved)

**Property Identification**

Address	31789 South Fraser Way, Abbotsford, BC
Neighbourhood	Central Abbotsford
Legal Description	Lot A, Section 19, Township 16, NWD Plan 73780
PID(s)	006-716-156

Land Data

Site Size	31,537 square feet or 0.72 acres
Zoning	C-4 Secondary Business Commercial Zone
OCP Designation	Secondary Commercial

Building Data

Gross Building Area	10,510 square feet
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Sale Data

Date	Closed January 2021
Price	\$3,650,000
Instrument Number	CA 8709019
Vendor	Sadolims Enterprises Ltd.- Ally Shivji, ASO
Purchaser	1277921 B.C. Ltd. - Private Investor - Canadian- Rudhir Gulati, ASO

Income

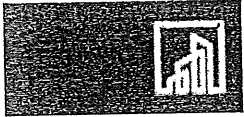
Net Operating Income	<u>\$139,815</u>
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Remarks

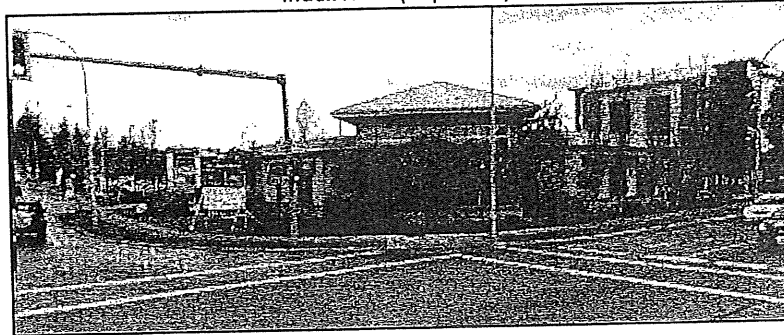
Located in Central Abbotsford, on the northeast corner of South Fraser Way and Janzen Street. The property is improved with one single storey, multi-tenant, commercial building containing a total gross leasable area of 10,510 square feet, contained in three commercial rental units. At the time of sale the building was fully leased by Cloverdale Paint, Classic Pizza and Valley Sleep Centre & Furniture Gallery. Based on material available during the marketing phase of the property, the net operating income was estimated at \$139,815, representing a going-in yield of 3.83%.

Indicators

Overall Capitalization Rate	3.8%
NOI/SF	\$13.30
Price/SF Gross Bldg Area	\$347.29
FSR	0.34



Index No. 6 (Improved)

**Property Identification**

Address	5606 & 5620 152nd Street, Surrey, BC
Legal Description	Parcel 1, Section 11, Township 2, New Westminster District Plan BCP26477
PID(s)	026-853-850

Land Data

Site Size	60,723 square feet or 1.394 acres
Zoning	C-8 Community Commercial
OCP Designation	Commercial within the City of Surrey Official Community Plan

Building Data

Gross Building Area	34,782 square feet
Year Built	2006

Sale Data

Date	Under Contract February 2021 (Closed March 2021)
Price	\$23,300,000
Instrument Number	CA 8883124
Vendor	0746675 B.C. Ltd.- Murray Sereda, ASO
Purchaser	1289143 B.C. Ltd. - Private Investor - Canadian- Harjit Grewal, Baljit Kaila & Harinder Deol, ASOs

Income

Net Operating Income	<u>\$1,100,775</u> as reported
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Remarks

Rodeo Square - A three-storey, multi tenant mixed-use building (29,182 square feet) and one single-storey, single tenant retail building (5600 square feet) located on the northeast corner of 152nd Street and 56th Avenue. The buildings contain a net rentable area of 34,782 square feet. The remainder of the property is comprised of an asphalt surface parking lot containing approximately 98 spaces.

Indicators

Overall Capitalization Rate	4.7%
NOI/SF	\$31.65
Price/SF Gross Bldg Area	\$669.89
FSR	0.57



Index No. 7 (Improved)

**Property Identification**

Address 1635 128th Street, Surrey, BC
 Legal Description Lot 19, Plan NWP25712, Section 18, Township 1, New Westminster Land District
 PID(s) 008-843-325

Land Data

Site Size 9,801 square feet or 0.225 acres
 Zoning C-8 Community Commercial

Building Data

Gross Building Area 5,225 square feet
 Year Built 1964

Sale Data

Date Closed March 2021
 Price \$2,525,000
 Instrument Number CA 8810286
 Purchaser 1007609 B.C. Ltd.

Income

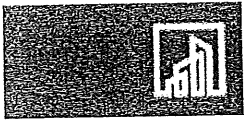
Potential Gross Income	\$86,892	reported
Vacancy & Collections Loss	<u>\$1,738</u>	@ 2.0% of PGI
Effective Gross Income	\$85,154	
Expenses	<u>\$1,277</u>	@ 1.5% of EGI
Net Operating Income	<u>\$83,877</u>	stabilized

Remarks

A two-storey, fully leased, retail/residential building located on the west side of 128 Street, north of 16 Avenue. Features three ground floor commercial units with two two-bedroom residential units above. Marketed as having below market rents. Selling agent reported multiple offers.

Indicators

Overall Capitalization Rate	3.3%
Price/SF Gross Bldg Area	\$483.25
FSR	0.53



Index No. 8 (Improved)

**Property Identification**

Address 1993 Riverside Road, Abbotsford, BC
 Legal Description Lot 36 Except: Part Dedicated Road on Plan LMP27968, Section 15, Township 16, NWD Plan 27308
 PID(s) 008-979-341

Land Data

Site Size 1,377,410,760 square feet or 31,621.000 acres
 Zoning C-3 Community Commercial
 OCP Designation Secondary Commercial within the City of Abbotsford Official Community Plan

Building Data

Gross Building Area 10,188 square feet
 Year Built 2000

Sale Data

Date Closed March 2021
 Price \$5,440,000
 Instrument Number CA 8835048
 Vendor S.G.S. Enterprises Ltd.- Steve Azyan, ASO
 Purchaser Trail Appliances (1290610 B.C. Ltd.)

Income

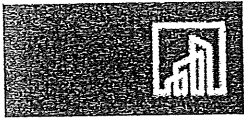
Net Operating Income \$217,303 as reported

Remarks

A single storey, multi tenant retail building located on the southwest corner of Riverside Road and Marshall Road. The building contains a total gross floor area of 10,188 square feet. The remainder of the property is comprised of an asphalt surface parking lot. At the time of sale the building was fully occupied by Sherwin Williams and Coastal Rivers Pet Hospital.

Indicators

Overall Capitalization Rate 4.0%
 NOI/SF \$21.33
 Price/SF Gross Bldg Area \$533.96



Index No. 9 (Improved)

**Property Identification**

Address	20257 Fraser Highway, Langley, BC
Neighbourhood	Langley City
Legal Description	Lot 2, District Lot 209, Group 2, NWD Plan 6821
PID(s)	011-211-385

Land Data

Site Size	14,593 square feet or 0.335 acres
Zoning	C1 Downtown Commercial Zone
OCP Designation	Downtown Commercial West Gateway Boulevard within the Downtown Master Plan

Building Data

Gross Building Area	5,976 square feet
Year Built	1991

Sale Data

Date	Closed March 2021
Price	\$3,018,000
Instrument Number	CA 8885871
Vendor	Private Individual(s)-
Purchaser	Xu Holdings (2017) Ltd. - Private Investor - Canadian- Yao Fang Xu, ASO

Income

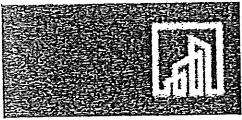
Net Operating Income	<u>\$88,861</u>
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Remarks

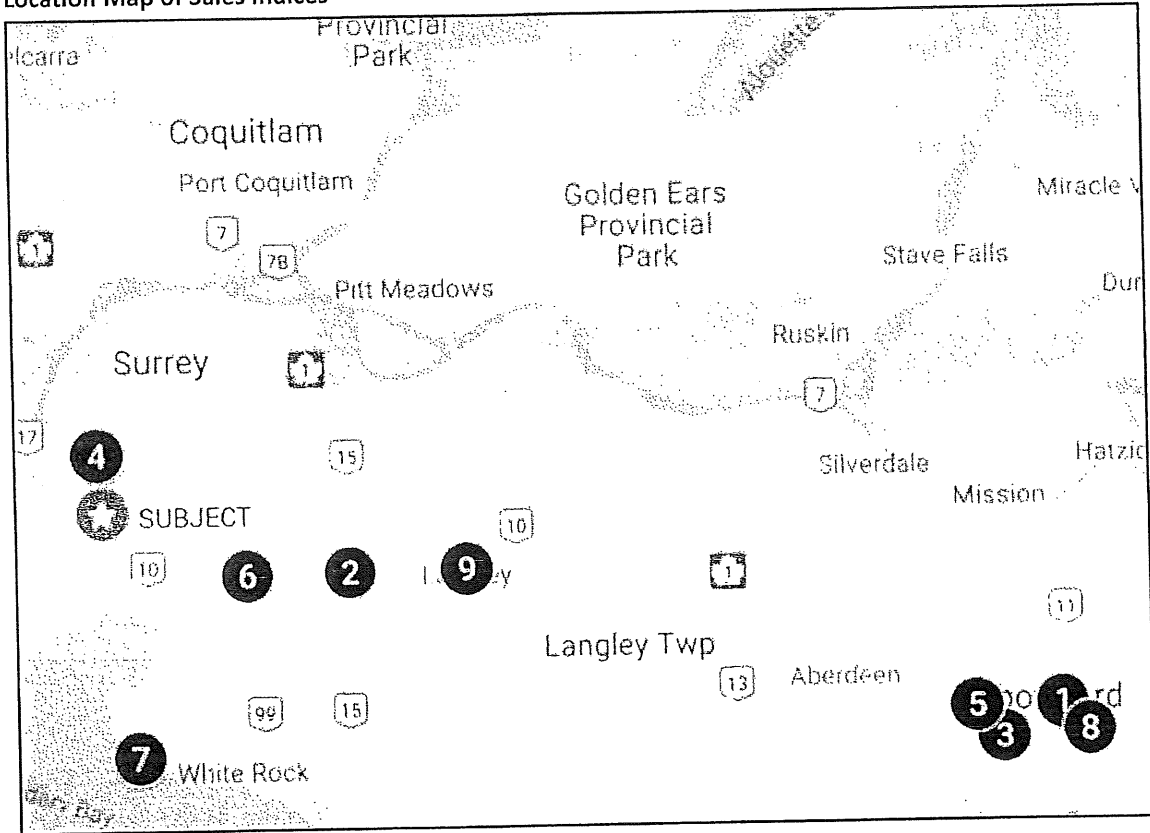
Located on the north side of Fraser Highway, west of 203rd Street. The property is improved with a single storey, multi tenant retail building. The building contains a gross floor area of 5,976 square feet. The building is currently demised for the use of three tenants although it was originally designed to contain four units. At the time of sale the property was fully occupied by MD Charlton Company, Travel Medicine & Vaccination Centre & Save On Cartridge Plus. It is our understanding that the Purchaser's investment rationale was not solely based on the income in place at the time of sale rather it was also based on the opportunity to redevelop the site in the future.

Indicators

Overall Capitalization Rate	2.9%
NOI/SF	\$14.87
Price/SF Gross Bldg Area	\$505.02
FSR	0.41

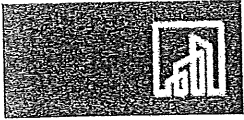


Location Map of Sales Indices



Summary Table

Index	Address	City	Zone	Date	Price (\$)	Lot Size (SF)	Building Size (SF)	Cap Rate
1	33780 Essendene Ave.	Abbotsford	C-7	2020-05-29	\$2,195,000	6,970	4,690	4.06%
2	5687 176th Street	Surrey	C-15	2020-10-09	\$976,000	4,356	2,261	3.03%
3	2328 Clearbrook Road	Abbotsford	C-4	2020-10-29	\$1,200,000	31,537	10,510	3.77%
4	8037 120th Street	Delta	C-1	2020-11-19	\$34,300,000	257,265	74,669	5.20%
5	31789 South Fraser Way	Abbotsford	C-4	2021-01-15	\$3,650,000	31,363	10,510	3.83%
6	5606 & 5620 152nd Street	Surrey	C-8	2021-02-16	\$23,300,000	60,723	34,782	4.72%
7	1635 128th Street	Surrey	C-8	2021-03-01	\$2,525,000	9,801	5,225	3.32%
8	1993 Riverside Road	Abbotsford	C-3	2021-03-11	\$5,440,000	31,625	10,188	3.99%
9	20257 Fraser Highway	Langley	C1	2021-03-31	\$3,018,000	14,593	5,976	2.94%
	Minimum				\$976,000	4,356	2,261	2.94%
	Median				\$3,018,000	31,363	10,188	3.83%
	Average				\$8,511,556	49,804	17,646	3.87%
	Maximum				\$34,300,000	257,265	74,669	5.20%



Analysis

The sales indices relate to commercial developments in Surrey, Langley, Abbotsford and Delta. The properties sold between May 2020 and March 2021. Prices range from \$976,000 to \$34,300,000. The overall capitalization rates are between 2.94% and 5.20%, with a median rate of 3.83%.

The factors affecting overall rates include location, age, and design of the improvements, the size of the space and the type of investment (i.e. redevelopment vs. holding). Generally, smaller developments sell at lower overall rates given their affordability and appeal to a broader market and underdeveloped properties sell at lower overall rates given their future redevelopment potential. In addition, overall rates are low where rents are below market.

Indices 1, 3, 5 and 8 are located in Abbotsford and the indicated capitalization rates require downward adjustment for the inferior relative location of these indices. The rates for indices 1 and 8 are 4.06% and 3.99%, respectively, which are clear upper limits (inferior) for the subject.

Index 3 is the October 2020 sale of a single storey, single tenant, retail building on the east side of Clearbrook Road, south of Fir Avenue in central Abbotsford. This index is a lower limit (superior) at a rate of 3.77% because of its redevelopment potential as it has a high land value relative to the value of the improvements.

Index 5 is the January 2021 sale of a single storey, multi-tenant commercial building built in 1992 that is located on the northeast corner of South Fraser Way and Janzen Street in central Abbotsford. This index is within the market range for the subject at 3.83% due to its strong visual exposure and newer building offsetting its Abbotsford location.

Index 2 is the October 2020 sale of a small 4,356 square foot property improved with a multi-tenant commercial building in the Cloverdale area of Surrey. Residential uses are permitted in this property's Heritage Downtown designation within the Cloverdale Town Centre Neighbourhood Plan. This sale required upward adjustment for its smaller size and downward adjustment for its inferior relative location. The rents are below market for this index and I would expect the subject to achieve a cap rate well above the 3.03% indicated by this sale (superior).

Index 4 is the November 2020 sale of a 5.91-acre property known as the Delta Shoppers Mall. The property is improved with a 74,669 square foot shopping centre included in five buildings. This sale is a clear upper limit (inferior) at the indicated cap rate of 5.2%.

Index 6 relates to the February 2021 sale of Rodeo Square, a three-storey, multi tenant mixed-use building of 29,182 square feet and one single-storey, single tenant retail building of 5,600 square feet. This 60,723 square foot (1.394 acre) site is located on the northeast corner of 152nd Street and 56th Avenue in the Panorama Business Park. This sale is a clear upper limit (inferior) at the indicated cap rate of 4.72%.



Index 7 is the March 2021 sale of a retail/residential building located on the west side of 128 Street, north of 16 Avenue in South Surrey. Upward adjustments are required for the residential uses present within this index and because the property was marketed with below market rents. The indicated cap rate of 3.32% is a lower limit (superior) for the subject.

Index 9 is the March 2021 sale of a single storey, multi tenant retail building with a gross floor area of 5,976 square feet located on the north side of Fraser Highway, west of 203rd Street, in Langley City. This site is designated Transit Oriented Core in the City of Langley's proposed Official Community Plan, which would allow mixed-use residential and commercial developments, multi-unit residential uses or commercial uses with a density of 3.0 to 5.5 FAR and a maximum height of up to 15 storeys. This sale is a clear lower limit (superior) at the indicated cap rate of 2.94% due to its redevelopment potential.

Conclusion

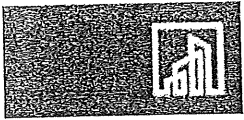
The market evidence suggests that the appropriate capitalization rate for the subject is above the 3.77% indicated by Index 3, similar to the 3.83% indicated by Index 5 and below the 3.99% indicated by Index 8. Based on the above, after consideration for the subject property's age and condition, size, location and rents at market, an appropriate overall rate will lie between 3.75% and 4.0%.

The appropriate capitalization rate will lie toward the upper end of the market range because rents are at or close to market, because the upside for rental rates is tempered by the subject's lack of parking, and because the subject does not offer significant redevelopment potential.

At 3.90%, the estimated market value via the income approach is:

Value =	$\frac{\text{Stabilized Net Income}}{\text{Overall Capitalization Rate}}$
=	$\frac{\$180,488}{0.0390}$
=	$\$4,627,897$
Rounded to:	\$4,630,000

Please note that the foregoing analysis assumes stabilized occupancy.



DIRECT COMPARISON APPROACH

Introduction

The direct comparison approach involves analysing sales, listings and offers to purchase on similar properties. Market participants apply the results of this analysis to the physical characteristics of the subject property. Although the subject property will trade primarily based on its income generation potential rather than its physical characteristics, the correlation between these factors is sufficient to warrant a direct comparison analysis.

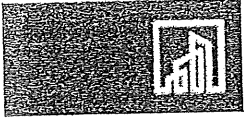
Market Evidence

We surveyed the Surrey, Delta and Langley marketplaces for evidence of recent sales, listings, or offers to purchase on properties that provide useful benchmarks of value for the subject property, emphasizing recent transactions that are similar with respect to:

- highest and best use,
- size and shape,
- age, quality and condition,
- floor space ratio,
- land use controls,
- location.

Data found include those set out below:

Aside from Index 6, the indices utilized as Capitalization Rate sales in the previous section are considered to have less application for the direct comparison approach. I have not reproduced the data sheet for Index 6 in this section for the sake of brevity.



Index No. 10 (Improved)

**Property Identification**

Address	8910 - 8966 120th Street, Surrey, BC
Neighbourhood	West Newton
Legal Description	Lot 1, Section 31, Township 2, New Westminster District Plan 80895
PID(s)	014-527-707

Land Data

Site Size	75,097 square feet or 1.724 acres
Zoning	CD Comprehensive Development
OCP Designation	Commercial within City of Surrey Official Community Plan

Building Data

Gross Building Area	14,304 square feet
Year Built	1990

Sale Data

Date	Closed March 2020
Price	\$8,450,000
Instrument Number	CA 8081002
Vendor	Khanna Management Ltd.- Baldev Khanna, ASO
Purchaser	Redeemer Bible Baptist Tabernacle/Tabernaculo Biblico Bautista El Redentor

Remarks

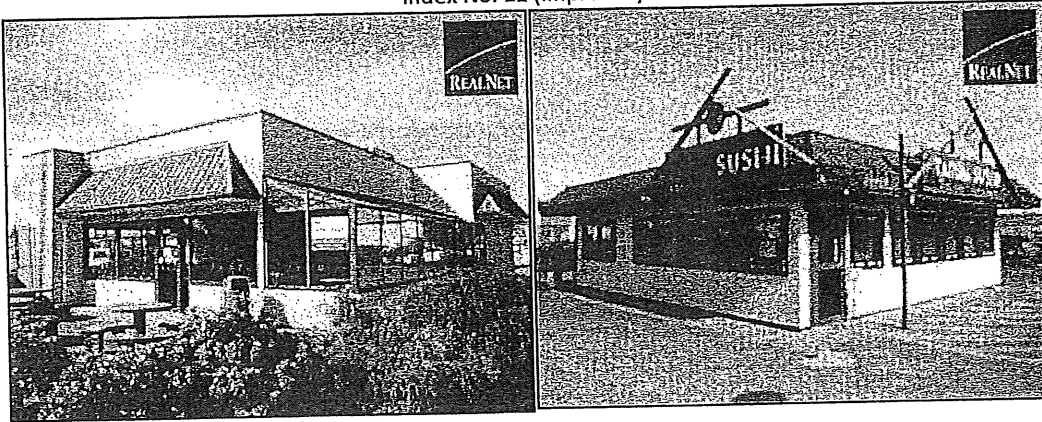
The Plaza on Scott Road - Located in the community of Queen Mary Park in West Newton, on the southeast corner of 90th Avenue and 120th Street. The property is improved with a retail plaza consisting of three single storey, multi-tenant, commercial buildings constructed circa 1990. The buildings contain a total gross leasable area of 14,304 square feet, and a net leasable area of 14,113 square feet.

Indicators

Price/SF Gross Bldg Area	\$590.74
FSR	0.19



Index No. 11 (Improved)

**Property Identification**

Address 20055 & 20059 Fraser Highway, Langley, BC
 Legal Description Lot A, District Lot 309, Group 2, NWD Plan 13456
 PID(s) 009-830-472

Land Data

Site Size 26,310 square feet or 0.604 acres
 Zoning C-2 Service Commercial Zone
 OCP Designation Service Commercial

Building Data

Gross Building Area 3,676 square feet

Sale Data

Date Closed July 2020
 Price \$3,200,000
 Instrument Number CA 8338810
 Vendor Skidmore Group (0926141 B.C. Ltd.)- Arthur & Allan Skidmore, ASOs
 Purchaser 1257926 B.C. Ltd. - Private Investor - Canadian- John Burke, Lawyer

Remarks

Located in the City of Langley, on the north side of Fraser Highway, east of 200th Street. The property is improved with two freestanding commercial buildings containing a total gross floor area of 3,676 square feet. The building at 20055 Fraser Highway has an area of 2,427 square feet while the building at 20059 Fraser Highway has an area of 1,249 square feet. The building located at 20055 Fraser Highway is serviced by a drive thru. The property has a coverage ratio of approximately 14% and there are approximately 27 surface parking spaces available, with a total of three points of ingress and egress.

Indicators

Price/SF Gross Bldg Area \$870.51
 FSR 0.14



Index No. 12 (Improved)

**Property Identification**

Address	7988 120th Street, Surrey, BC
Neighbourhood	South Newton
Legal Description	Lot 1, Section 19, Township, 2, NWD Plan LMP43781
PID(s)	024-694-185

Land Data

Site Size	22,913 square feet or 0.526 acres
Zoning	C-4 Local Commercial
OCP Designation	Commercial

Building Data

Gross Building Area	3,480 square feet
Year Built	1999

Sale Data

Date	Closed November 2020
Price	\$2,800,000
Instrument Number	CA 8555148
Vendor	7-Eleven Canada (1088548 B.C. Ltd.)
Purchaser	1186872 B.C. Ltd.

Remarks

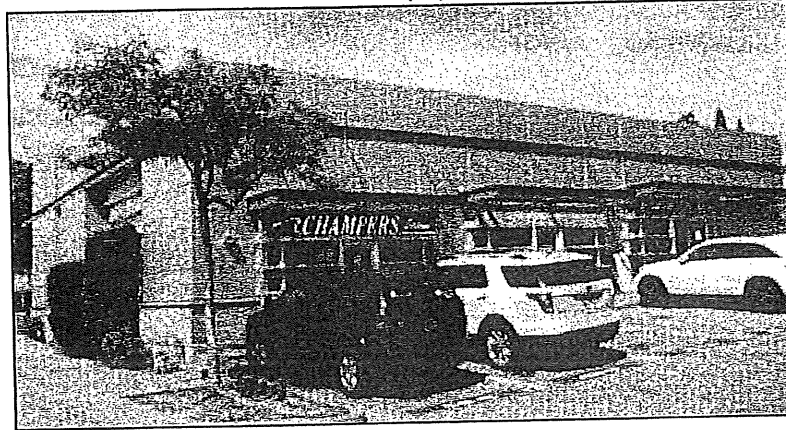
Located on the southeast corner of 120th Street and 80th Avenue. The property is improved with a single storey, single tenant retail building. The building contains a total gross floor area of approximately 3,500 square feet. At the time sale, the property was completely vacant. The property was formerly occupied by a 7-Eleven convenience store.

Indicators

Price/SF Gross Bldg Area	\$804.60
FSR	0.15



Index No. 13 (Improved)

**Property Identification**

Property Name	Boundary Court
Address	6388 & 6398 120th Street, Surrey, BC
Neighbourhood	West Newton
Legal Description	Lot D, Section 7, Township 2, LMP35534
PID(s)	023-949-678

Land Data

Site Size	37,026 square feet or 0.850 acres
Zoning	CD Comprehensive Development By-law 12998
OCP Designation	Commercial

Building Data

Gross Building Area	12,500 square feet
Year Built	1998

Sale Data

Date	Closed April 2021
Price	\$8,870,000
Instrument Number	CA 8890590
Vendor	685986 B.C. Ltd.- Guixiang He, ASO
Purchaser	Boundary Park Holdings Ltd. - Private Investor - Canadian- Amarjit Mann, ASO

Remarks

Located on the southeast corner of 120th Street and 64th Avenue. The property is improved with two single storey multi tenant retail buildings containing a total gross leasable area of approximately 12,500 square feet. The building located at 6398 120th Street is serviced by a covered drive-thru lane. The property has a coverage ratio of approximately 34% and there are 36 surface parking spaces available with two points of ingress and egress. At the time of sale the property was occupied by predominantly local businesses including FYI doctors, All Pro Physio, Changers Salons, Sunshine Hills Cleaners and Pepperoni Cafe. There was one vacant unit that was being marketed for lease.

Indicators

Price/SF Gross Bldg Area	\$709.60
FSR	0.34



Index No. 14 (Improved)

**Property Identification**

Address	10468 Whalley Boulevard, Surrey, BC
Neighbourhood	City Centre
Legal Description	Lot 84, Section 23, Block 5 North, Range 2 West, NWD Plan 41185
PID(s)	006-024-084

Land Data

Site Size	13,634 square feet or 0.313 acres
Zoning	C-8 Community Commercial
OCP Designation	84% Residential Mid to High-Rise (Up to 3.5 FAR) and 16% Arterial Road within the City Centre Plan.

Building Data

Gross Building Area	5,420 square feet
Year Built	1972

Sale Data

Date	Closed May 2021
Price	\$3,780,000
Instrument Number	CA 8971882
Vendor	Private Individual(s)-
Purchaser	Xu Holdings (2017) Ltd. - Private Investor - Canadian- David Xu, ASO

Remarks

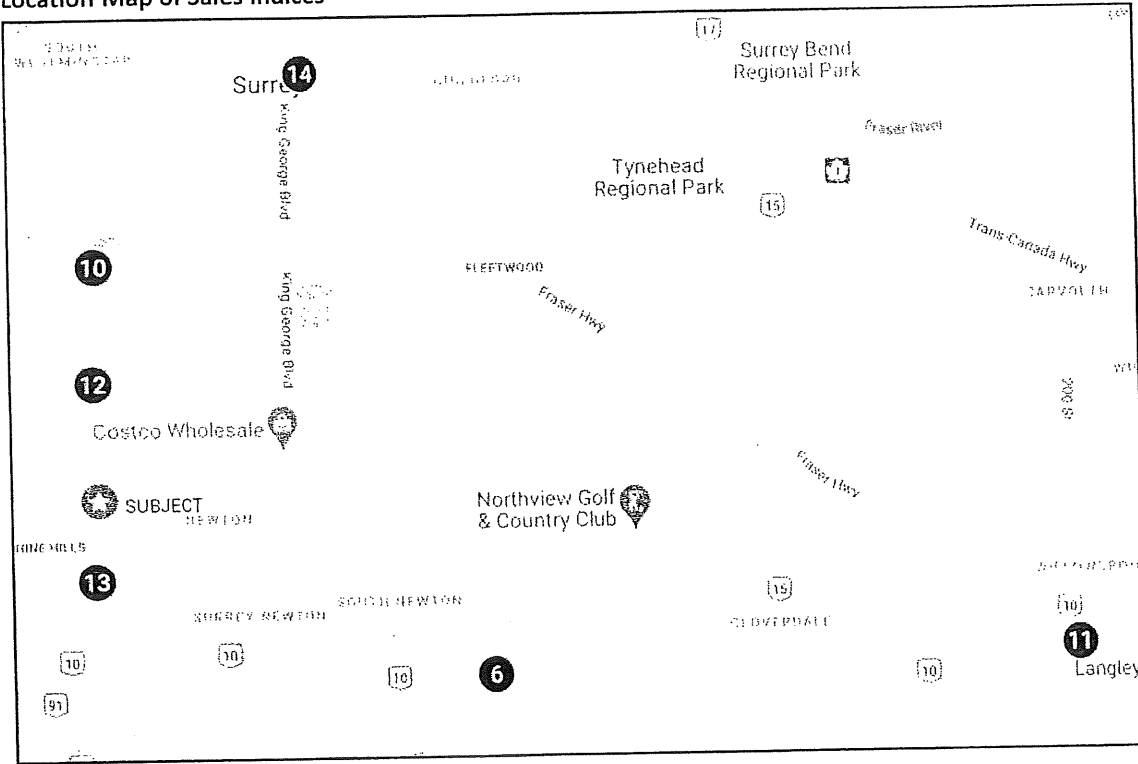
Located on the east side of Whalley Boulevard, north of 104A Avenue. The multi-tenant single-storey, retail/office building was reportedly constructed in 1972. The building is currently demised for the use of three tenants although it was originally designed to contain four units. The floor area is reported at 5,420 square feet according to BC Assessment, which results in a site coverage of 39.6% and a floor space ratio of 0.40. At the time of sale the building was occupied by The Evidence Church, Al's Vacuum Superstore and Goodwin Academy.

Indicators

Price/SF Gross Bldg Area	\$697.42
FSR	0.40



Location Map of Sales Indices

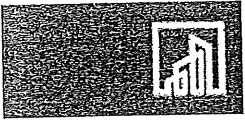


Summary Table

Index	Address	City	Zone	Date	Price (\$)	Lot Size (SF)	Building Size (SF)	\$/SF Building	Floor Space Ratio
10	8910 - 8966 120th Street	Surrey	CD	2020-03-10	\$8,450,000	75,097	14,304	\$591	0.19
11	20055 & 20059 Fraser Hwy	Langley	C-2	2020-07-31	\$3,200,000	26,310	3,676	\$871	0.14
12	7988 120th Street	Surrey	C-4	2020-11-06	\$2,800,000	22,913	3,480	\$805	0.15
6	5606 & 5620 152nd Street	Surrey	C-8	2021-02-16	\$23,300,000	60,723	34,782	\$670	0.57
13	6388 & 6398 120th Street	Surrey	CD	2021-04-01	\$8,870,000	37,026	12,500	\$710	0.34
14	10468 Whalley Boulevard	Surrey	C-8	2021-05-03	\$3,780,000	13,634	5,420	\$697	0.40
	Minimum				\$2,800,000	13,634	3,480	\$591	0.14
	Median				\$6,115,000	31,668	8,960	\$704	0.27
	Average				\$8,400,000	39,284	12,360	\$724	0.30
	Maximum				\$23,300,000	75,097	34,782	\$871	0.57

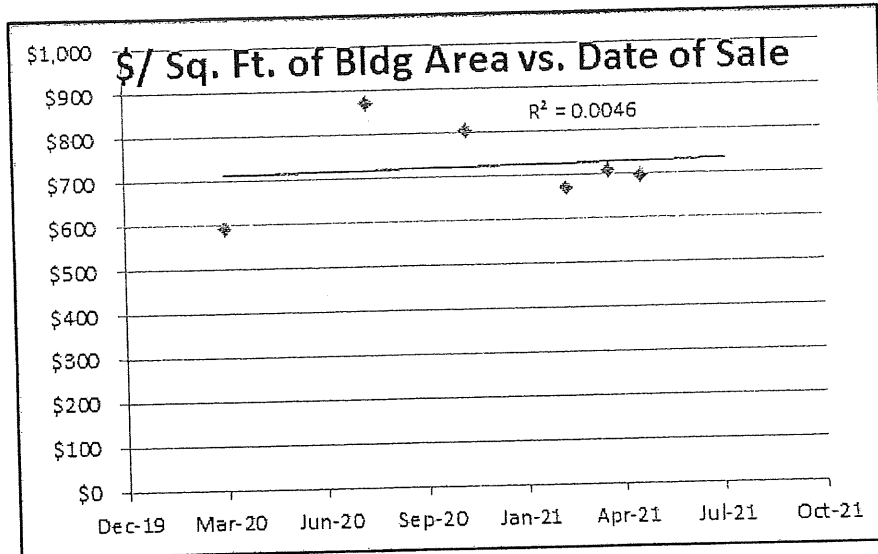
Analysis

The sales occurred between March 2020 and May 2021 and ranged from 3,480 to 34,782 square feet of building area. By comparison, the subject has a leasable area of approximately 7,469 square feet. Rates per square foot of building area range from \$591 to \$871 per square foot.



Time Adjustment

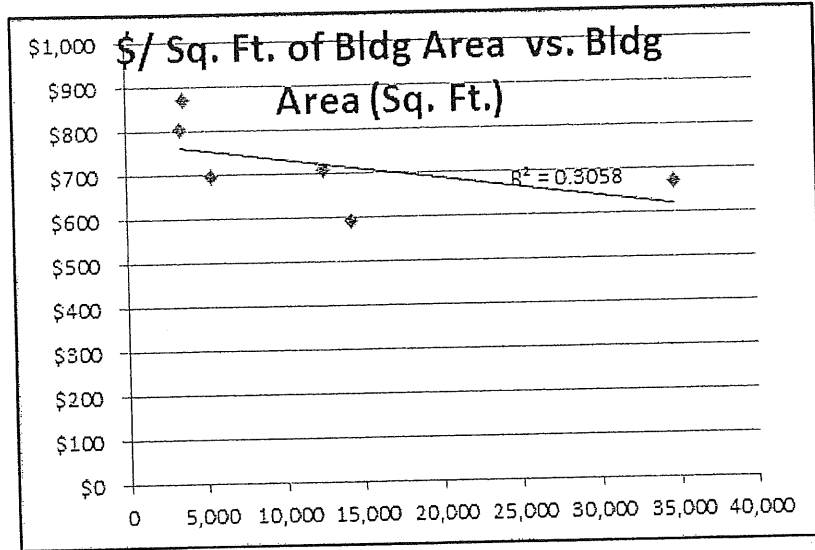
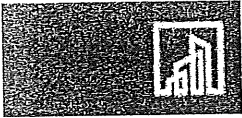
The chart below plots the rate per square foot of building area versus the sale date for the sales indices analyzed. The chart suggests that rates were flat over the period leading up to the effective date. The R-squared value indicated by the relationship between the rate per square foot of building area versus date of sale is 0.0046, which indicates that the date of sale explains 0.46% of the variability in the rate. This is considered a very weak correlation¹³ and I have not made adjustments for market conditions.



Size Adjustment

The general trend in the market is that as the building size increases the building rate declines. This trend is impacted by a variety of inter-related factors including the age and design of the improvements, floor space ratio, quality of construction, underlying land value, visual exposure, lease rates and/or strength of covenant. The chart on the following page plots the rate per square foot of building area versus building area in square feet for the sales indices analyzed. The R-squared value indicated by the relationship between the rate per square foot of building area versus building area in square feet is 0.3058, which indicates that the date of sale explains 30.58% of the variability in the rate. This is considered a moderate correlation and the smaller indices (#11 and #12) will require downward adjustment for building size while the much larger Index 6 will require upward adjustment for building size.

¹³ The R² value is a measure of the strength and direction of linear relationships between two variables, ranging from -1 for a perfect negative/inverse relationship and 1 for a perfect positive/direct relationship; an R² valued near zero indicates random or very little relationship between the two variables.

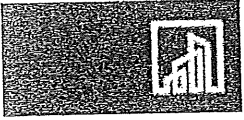


Index 6 is the February 2021 sale of Rodeo Square, a three-storey, multi tenant mixed-use building of 29,182 square feet and one single-storey, single tenant retail building of 5,600 square feet. This index is located on the northeast corner of 152nd Street and 56th Avenue in the Panorama Business Park. This sale requires upward adjustment for its larger building size and floor space ratio. The single tenant retail building within this index is occupied by TD Bank and the property's NOI per square foot of \$31.65 per square foot is well above that of the subject (\$23.65 per sq. ft.) requiring a significant downward adjustment. Further downward adjustment is required for this index's 2006 year of construction. The subject would be expected to achieve a rate well below the \$670 per square foot indicated by this sale.

Index 10 is the March 2020 sale of a long and narrow retail property on a less desirable section of Scott Road in the Queen Mary area of Surrey. There is a rail and hydro corridor to the immediate east of the site. The property is improved with three commercial buildings including a multi-tenant building and two smaller freestanding buildings. This sale is a lower limit at \$591 per square foot of building area due to its inferior relative location.

Index 11 is the July 2020 sale of a property located on the north side of Fraser Highway, east of 200th Street, in the City of Langley that is improved with two freestanding commercial buildings containing a total gross floor area of 3,676 square feet, This sale is clear upper limit for the subject at a rate of \$871 per square foot due to its smaller building size and lower floor space ratio of 0.14 compared to 0.39 for the subject.

Index 12 is the November 2020 sale of a property located on the southeast corner of 120th Street and 80th Avenue in the South Newton area of Surrey. The property is improved with a single storey, single tenant retail building of approximately 3,480 square feet that was previously occupied by a convenience store. While this index offers a similar corner location to the subject, it has a much smaller building and a lower floor space ratio of 0.15 compared to 0.39 for the subject. Each of these factors require downward adjustment. This sale is clear upper limit for the subject at a rate of \$805 per square foot.



Index 13 is the April 2021 sale of a commercial property located on the southeast corner of 120th Street and 64th Avenue in the West Newton area of Surrey. The index is improved with two single-storey multi-tenant retail buildings containing a total gross leasable area of approximately 12,500 square feet. This index required downward adjustments for the newer condition of the buildings and the lower floor space ratio of 0.34 compared to 0.39 for the subject. This sale is an upper limit at the indicated rate of \$710 per square foot.

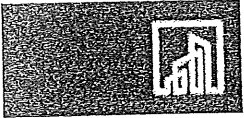
Index 14 is the May 2021 sale of a multi-tenant commercial building located in the City Centre area of Surrey. This index is an upper limit at \$697 per square foot due to this site's redevelopment potential as it is designated Residential Mid to High-Rise (Up to 3.5 FAR) within the City Centre Plan.

While the subject offers a strong corner location, the improvements exhibit deferred maintenance, the site is tight with a lack of parking and the property offers limited redevelopment potential.

The sales indices suggest a rate above the \$591 per square foot of building area indicated by Index 10 and well below the rate of \$670 per square foot indicated by Index 6. The market evidence suggests that the market value of the subject is within the range of approximately of \$600 to \$640 per square foot of building area. Due to the challenges presented by the subject including lack of parking, condition and limited redevelopment potential I have selected a rate below the mid-point of the market range. At \$615 per square foot, the estimated market value of the subject is as follows.

Conclusion

7,469 square feet at \$615 per square foot =	\$4,593,435
Rounded to	\$4,590,000 (Rounded)



SUMMARY & CONCLUSION

Our analysis of the property used two distinct approaches in its valuation.

Income Approach	\$4,630,000
Direct Comparison Approach	\$4,590,000

The Income Approach represents the investment opportunity of the property. The results of the Direct Comparison Approach correlate well with the Income Approach. The difference is \$40,000 or 0.86%, well within the margin of uncertainty inherent in valuation analyses.

Each of these analyses contains hypothetical components. The income approach presumes the property is at stable occupancy and that the owner has paid the cost of space marketing and tenant inducements. The direct comparison approach considers market evidence to establish value and presumes that the property sells on the date of valuation and ignores marketing and holding costs.

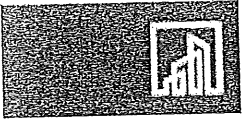
The final value estimate is not determined by merely applying a technical or quantitative procedure; instead, it involves the use of judgement. The value conclusion must reflect the response of the marketplace to properties such as the subject. Our conclusion of value relies primarily on the income approach, since this technique best reflects the response of participants in the market. The indication of value of \$4,630,000 produced by the income approach requires downward adjustment for the replacement of the subject's roof cover.

Roof Cover Replacement

The subject exhibits deferred maintenance and the roof has not been replaced in at least 15 years. The subject premises exhibited evidence of leaking from the roof in multiple locations. Mr. Chow provided photos of the patchwork repairs that have been completed to the roof recently and the roof appears to be toward or at the end of its useful based on the images provided; however, I was not provided access to the roof. Mr. Chow indicated that a new roof would cost approximately \$80,000.

A general figure for roof cover replacement consisting of an industry standard 3 ply torch on membrane system had been \$10 per square foot prior to early 2020. The costing manual published by Marshall & Swift Valuation Service shows a current estimate of \$11.71 per square foot of roof area for a modified bitumen, reinforced sheet, roof cover. This would equate to \$89,300 based on the gross floor area of the subject building at 7,626 square feet.

To corroborate this estimate, I have contacted several roofing companies specializing in commercial roofing. Best Quality Roofing provided a quote of \$94,000 excluding any required electrical work to disconnect and reconnect any rooftop HVAC equipment. This includes an industry standard 3 ply torch on membrane system including an overlay board and two plies and removal and disposal of the existing membrane.



A typical torch-on membrane roof would be expected to last approximately 20 years. On average, the sales indices would be expected to have roofs that are halfway through their expected lives. Therefore, I have deducted half of the cost of the roof replacement (\$47,000) from the indication of value of \$4,630,000 produced by the income approach

Conclusion

\$4,630,000 less \$47,000 = \$4,583,000
 Rounded to **\$4,580,000 (Rounded)**

Based on our analysis of the subject we conclude that the market value of 7192 120 Street as at October 14, 2021 is:

FOUR MILLION FIVE HUNDRED AND EIGHTY THOUSAND DOLLARS
\$4,580,000

The above conclusion is subject to the Extraordinary Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions on Page 8 of this report.

The valuation of this property is more difficult than usual due to the lack of information provided by the building owners including professional building measurements, accurate expense information and complete leases. The margin of uncertainty associated with our value estimate is therefore greater than usual.



Exposure Time

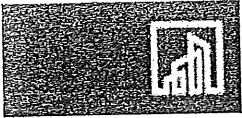
Exposure time is the time a property remains on the market. In an appraisal, the term means the "estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at the estimated value on the Effective Date of the appraisal."¹⁴ An opinion of exposure time is a retrospective estimate that has its basis in an analysis of past events assuming a competitive and open market.

The exposure period occurs immediately before the effective date of the valuation. The concept of reasonable exposure time encompasses not only adequate, sufficient, and reasonable time, but also adequate, sufficient, and reasonable marketing effort. Exposure time is different for various types of real estate and value ranges and under various market conditions.

In our view, the subject property ought to trade within a time typical for its market. This exposure time was typically up to six months for properties such as the subject, which is well supported by the following sales. This time estimate assumes reasonable pricing and professional marketing. It does not include the time for normal due diligence, nor the closing time after an agreement in principle.

Address	Location	Contract /Sale Date	Days on Market
5660 & 5668 192nd Street	Surrey	Nov-19	84
2320 King George Boulevard	Surrey	Nov-20	99
1635 128th Street	Surrey	Mar-21	72
31789 South Fraser Way	Abbotsford	Jan-21	42
1993 Riverside Road	Abbotsford	Mar-21	107

¹⁴ CUSPAP 2020, 3.21



CERTIFICATION

Re: 7192 120 Street, Surrey, British Columbia

We certify, except as otherwise noted in the preceding analysis, to the best of our knowledge and belief:

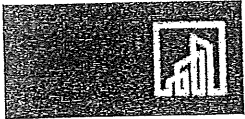
- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial and unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest or bias in the subject property, and no personal interest or bias with respect to the parties involved.
- Our engagement in and compensation for this assignment were not contingent upon developing or reporting predetermined results, the amount of the value estimate, or a conclusion favouring the client.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional appraisal Practise and IVS.
- We have the knowledge and experience to complete this assignment competently.
- As of the date of this report, the undersigned is a member in good standing of the Appraisal Institute of Canada and has fulfilled the requirements of that organization's Continuing Professional Development Program.
- No one provided significant professional assistance to the persons signing this report.
- The undersigned personally inspected the subject property on October 14, 2021.

Based upon the data, analyses and conclusions contained herein, the market value of the fee simple interest in the property described, as at October 14, 2021, is estimated as follows:

FOUR MILLION FIVE HUNDRED AND EIGHTY THOUSAND DOLLARS
\$4,580,000

The above conclusion is subject to the Extraordinary Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions on Page 8 of this report.

Andrew Love, B.Comm., AACI, P.App
 GROVER, ELLIOTT & CO. LTD.
 November 1, 2021



ADDENDA

APPENDIX 1 – ASSUMPTIONS & LIMITING CONDITIONS

This report is prepared only for the client and authorized users specifically identified in this report and only for the specific use identified herein. No other person may rely on this report or any part of this report without first obtaining consent from the client and written authorization from the authors, even where the report is for financing purposes. Liability is expressly denied to any other person and, accordingly, no responsibility is accepted for any damage suffered by any other person as a result of decisions made or actions taken based on this report. Liability is expressly denied for any unauthorized user or for anyone who uses this report for any use not specifically identified in this report. Payment of the appraisal fee has no effect on liability. Reliance on this report without authorization or for an unauthorized use is unreasonable.

The basis of the opinions and estimates herein is information gathered from various sources considered reliable and believed to be correct.

We assume no responsibility for factors relating to the legal description, state of title or for unapparent conditions of the property not brought to our attention that might affect value.

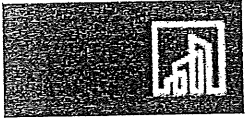
We have included images, plans, and sketches for visual reference only. We cannot assume responsibility for the accuracy of such illustrations where the basis was third party sources. Images obtained from third party sources such as Google Earth might not be current.

The client or identified third parties provided figures in this report relating to land and floor areas unless stated otherwise. Incorrect land and floor areas could render our analysis and conclusions invalid.

The economic conditions and outlook current at the date of valuation form the basis of our opinions and conclusion of value. Because market conditions, including economic, social, and political factors change rapidly, and, on occasion, without warning, it could be misleading to rely on the market value estimate expressed herein as of any other date except with the further advice from this firm, for which advice we will accept no responsibility unless made formally and confirmed in writing.

We undertook no investigation with the local zoning office, the fire department, the building inspector, the health department or any other government regulatory agency except as expressly described in this report. The subject property must comply with such government regulations. Any noncompliance may affect market value.

Verification of compliance with governmental regulations, bylaws or statutes is outside the scope of work and expertise of the appraiser. Any information provided by the appraiser is for informational purposes only and any reliance is unreasonable. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.



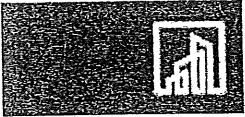
Underlying our analysis and conclusions is the assumption that no hidden or unapparent conditions of the property affect potential use or development. To confirm this assumption, we recommend due diligence investigations into applicable physical and regulatory matters, and on request will assist the intended user identify the particular requirements for this property with the intended user.

The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The author has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The author has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this visual inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the author.

Unless otherwise stated in this report, the author has no knowledge of any hidden or unapparent conditions (including, but not limited to: its soils, physical structure, mechanical or other operating systems, foundation, etc.) of/on the subject property or of/on a neighbouring property that could affect the value of the subject property. It has been assumed that there are no such conditions. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the author. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

The author is not qualified to comment on detrimental environmental, chemical or biological conditions that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air which may include but are not limited to moulds and mildews or the conditions that may give rise to either. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. It is an assumption of this report that the property complies with all regulatory requirements concerning environmental, chemical and biological matters, and it is assumed that the property is free of any detrimental environmental, chemical legal and biological conditions that may affect the market value of the property appraised. If a party relying on this report requires information about or an assessment of detrimental environmental, chemical or biological conditions that may impact the value conclusion herein, that party is advised to retain an expert qualified in such matters. The author expressly denies any legal liability related to the effect of detrimental environmental, chemical or biological matters on the market value of the property.

Except as this report specifically notes otherwise, our conclusions presume that the appraised property is free and clear of all liens or encumbrances and is capable of attracting normal mortgage financing. Our valuation does not consider the cost to retire the mortgage obligation.



Our report assumes that adequate financing and fire, peril and liability insurance are available to cover any reasonable use of the property, at costs and terms that have been typical over the years.

The liability of Grover, Elliott & Co. Ltd. for a claim related to professional service provided pursuant to this service in either contract negligent misrepresentation or tort, including the owner's, officers, employees or subcontractors of the firm is limited to the extent that such liability is covered by the Appraisal Institute of Canada's errors and omissions insurance in effect from time to time, which is available to indemnify the company and its appraisers at the time the claim is made and not more than two years after the services are rendered. If a claim of liability is made against the appraiser and Grover, Elliott & Co. Ltd. pursuant to this report, the client and the authorized users of this report agree to limit the claim to a maximum of \$2,000,000. We do not agree to any other indemnifications.

No one should rely on this report in any context other than that in which we present it. Use in excerpted or partial form could mislead.

This appraisal report and its content, and all attachments and their content are the property of the author who has signed the report. Grover, Elliott & Co. Ltd. reserves all copyrights related to this report, the analysis, opinions and conclusions of which the client or the appraiser may consider confidential. Possession of this report, or a copy of it, does not carry the right to reproduction or publication, in full or in part, nor of distribution beyond that necessary for the stated intended user to achieve the stated intended use. Only the identified intended user and those who obtain prior written consent can use this report, and only for its stated purpose. Reliance by any other user requires our prior written consent, which we have no obligation to provide. No one can use this report for any other purpose without our prior written consent. Exceptions exist for due process of law and for confidential review by the professional associations to which the authors belong.

This report, its content and all attachments/addendums and their content are the property of the author. The client, authorized users and any appraisal facilitator are prohibited, strictly forbidden, and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.

The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The author acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the author's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the author's privacy policy and in accordance with the PIPEDA.



This report is completed on the basis that testimony or appearance in court concerning this report is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to: adequate time to review the report and related data, and the provision of appropriate compensation.

This report is valid only if it bears the original signature of the author.

We cannot monitor changes to our reports once they leave our office, nor can we prevent changes, additions, or deletions in copies of our reports. If transmitted electronically, this report will have been digitally signed. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the author can be reasonably relied upon.

The author will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The property is appraised on the basis of it being under responsible ownership. No registry office search has been performed and the author assumes that the title is good and marketable and free and clear of all encumbrances. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property's owner or identifying the property owned by the listed client and/or applicant provided by the appraiser is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.

The author has agreed to enter into the assignment as requested by the client named in this report for the use specified by the client, which is stated in this report. The client has agreed that the performance of this report and the format are appropriate for the intended use.

The analyses set out in this report relied on written and verbal information obtained from a variety of sources the author considered reliable. Unless otherwise stated herein, the author did not verify client-supplied information, which the author believed to be correct.

The term "inspection" refers to observation only as defined by CUSPAP and reporting of the general material finishing and conditions observed for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only.

APPENDIX 2 – LETTER OF INSTRUCTION



5, 6 & 7th Floors
825 West Georgia Street
Vancouver BC
Canada V6C 3E7
Tel: 604.683.1150

November 15, 2021

EMAIL: andrew@groverelliott.ca

Grover Elliott & Co. Ltd.
10th Floor, 609 West Hastings Street
Vancouver, BC V6B 4W4

Attention: Andrew Love

Dear Sirs and Mesdames:

Re: Appraisal Request – 7192 120 Street, Surrey, B.C.

Further to our recent email correspondence, this will confirm we are the solicitors for MNP Ltd. with respect to receivership proceedings involving, in part, the above-referenced property. In order to determine the current market value of the subject property, our client requires an appraisal of the property, which is described in more detail below:

Civic: 7192 120 Street, Surrey, B.C. (also referred to as 12008 72 Avenue, Surrey, BC)
Owners: Debbie Siu Mui Wong, Gilbert Wai Hung Wong (now deceased), and Ngai Woon Chow.

Legal Description:

Parcel Identifier: 000-616-583

Lot A Except: part on Statutory Right of Way Plan 83439, Section 18
Township 2 New Westminster District Plan 10691

The purpose of the appraisal is to assist the Receiver in determining the fair market value of the property. Please include income and comparison valuations in the appraisal.

We confirm you initially provided a 3-4 week time frame to complete the appraisal and you have provided an estimate of \$4,000 to prepare the report, plus disbursements and taxes.

Please address the report and invoice to:

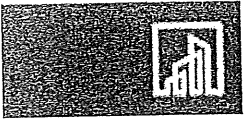
MNP Ltd.
Attention: Patty Wood
c/o Lawson Lundell LLP

■ lawsonlundell.com

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Account: 148347 LEA.20619671

Account: 148347 LEA.20619671



Page 2

1600 - 925 West Georgia Street
Vancouver, BC V6C 3L2

If you have any questions, please contact the writer or his paralegal, Linda Alexander, at (604) 408-5330 or laalexander@lawsonlundell.com.

Yours very truly,

LAWSON LUNDELL LLP

William L. Roberts*

WLR/lea

*Law Corporation

26420.148347 LEA.20619671 1



APPENDIX 3 – TITLE DOCUMENTS

TITLE SEARCH PRINT

File Reference: 2021-0837-S

2021-10-14, 11:52:07
Requestor: Grover Elliott

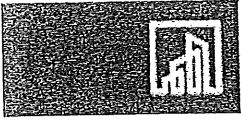
****CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN****

Land Title District	NEW WESTMINSTER
Land Title Office	NEW WESTMINSTER
Title Number	BB1509955
From Title Number	CA2941583
Application Received	2013-11-27
Application Entered	2013-12-05
Registered Owner in Fee Simple	
Registered Owner/Mailing Address:	DEBBIE SIU MUI WONG, BUSINESSWOMAN 16863 - 58A AVENUE SURREY, BC V3S 8P1 AS TO AN UNDIVIDED 1/4 INTEREST
Registered Owner/Mailing Address:	GILBERT WAI HUNG WONG, BUSINESSMAN 16863 - 58A AVENUE SURREY, BC V3S 8P1 AS TO AN UNDIVIDED 1/4 INTEREST
Registered Owner/Mailing Address:	NGAI WOON CHOW, BUSINESSMAN 13275 - 59A AVENUE SURREY, BC V3X 3P8 AS TO AN UNDIVIDED 1/2 INTEREST
Taxation Authority	Surrey, City of
Description of Land	
Parcel Identifier:	000-616-583
Legal Description:	LOT A EXCEPT: PART ON STATUTORY RIGHT OF WAY PLAN 83439, SECTION 18 TOWNSHIP 2 NEW WESTMINSTER DISTRICT PLAN 10691
Legal Notations	NONE

Title Number: BB1509955

TITLE SEARCH PRINT

Page 1 of 4



TITLE SEARCH PRINT

File Reference: 2021-0837-S

2021-10-14, 11:52:07
Requestor: Grover Elliott

Charges, Liens and Interests

Nature: EASEMENT
 Registration Number: M59912
 Registration Date and Time: 1976-05-26 14:46
 Remarks: APPURTENANT TO M45451 (SEE M45451)

Nature: EASEMENT
 Registration Number: M59913
 Registration Date and Time: 1976-05-26 14:46
 Remarks: PORTION APPURTENANT TO M45451 (SEE M45451)

Nature: MORTGAGE
 Registration Number: CA2951150
 Registration Date and Time: 2013-01-14 14:54
 Registered Owner: SOUTH TOWN ENTERPRISES LTD.
 INCORPORATION NO. BC0459773
 Transfer Number: CA4676188

Nature: ASSIGNMENT OF RENTS
 Registration Number: CA2951151
 Registration Date and Time: 2013-01-14 14:54
 Registered Owner: SOUTH TOWN ENTERPRISES LTD.
 INCORPORATION NO. BC0459773
 Transfer Number: CA4676189

Nature: MORTGAGE
 Registration Number: CA3171250
 Registration Date and Time: 2013-06-10 16:29
 Registered Owner: NGAI WOON CHOW
 KWAN CHYIU CHOW
 AS JOINT TENANTS
 Remarks: AS TO THE UNDIVIDED 1/4 INTEREST OF
 DEBBIE SIU MUI WONG

Nature: MORTGAGE
 Registration Number: CA3171251
 Registration Date and Time: 2013-06-10 16:29
 Registered Owner: GILBERT WAI HUNG WONG
 Remarks: AS TO THE UNDIVIDED 1/4 INTEREST OF
 DEBBIE SIU MUI WONG

Nature: RIGHT OF FIRST REFUSAL
 Registration Number: CA3171252
 Registration Date and Time: 2013-06-10 16:29
 Registered Owner: DEREK WAI GIT WONG
 Remarks: AS TO THE UNDIVIDED 1/4 INTEREST OF
 DEBBIE SIU MUI WONG

Title Number: BB1509955

TITLE SEARCH PRINT

Page 2 of 4

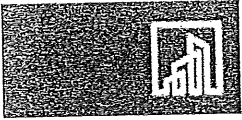


TITLE SEARCH PRINT

File Reference: 2021-0837-S

2021-10-14, 11:52:07
Requestor: Grover Elliott

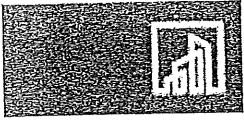
Nature:	SECURITIES ACT CHARGE
Registration Number:	BB3013226
Registration Date and Time:	2013-09-27 14:58
Registered Owner:	BRITISH COLUMBIA SECURITIES COMMISSION
Remarks:	INTER ALIA SECTION 151, RESTRICTS DEALINGS
Nature:	JUDGMENT
Registration Number:	CA4545125
Registration Date and Time:	2015-07-20 08:46
Registered Owner:	THE CROWN IN RIGHT OF CANADA
Remarks:	AS TO THE INTEREST OF DEBBIE SIU MUI WONG
Nature:	JUDGMENT
Registration Number:	CA6365587
Registration Date and Time:	2017-10-12 11:40
Registered Owner:	FARM CREDIT CANADA
Remarks:	INTER ALIA AS TO THE INTEREST OF DEBBIE SIU MUI WONG RENEWED BY CA7639427
Nature:	JUDGMENT
Registration Number:	CA6591432
Registration Date and Time:	2018-01-26 14:00
Registered Owner:	BRITISH COLUMBIA SECURITIES COMMISSION
Remarks:	INTER ALIA AS TO THE INTEREST OF DEBBIE SIU MUI WONG RENEWED BY CA7978405
Nature:	JUDGMENT
Registration Number:	CA7639427
Registration Date and Time:	2019-07-24 08:34
Registered Owner:	FARM CREDIT CANADA
Remarks:	INTER ALIA RENEWAL OF CA6365587 AS TO THE INTEREST OF DEBBIE SIU MUI WONG RENEWED BY CA9183886
Nature:	JUDGMENT
Registration Number:	CA7837829
Registration Date and Time:	2019-10-30 09:08
Registered Owner:	HER MAJESTY THE QUEEN IN RIGHT OF CANADA
Remarks:	INTER ALIA AS TO THE INTEREST OF GILBERT WAI HUNG WONG RENEWED BY CA9397597



TITLE SEARCH PRINT
File Reference: 2021-0837-S

2021-10-14, 11:52:07
Requestor: Grover Elliott

Nature:	INJUNCTION
Registration Number:	CA7859608
Registration Date and Time:	2019-11-08 09:16
Remarks:	INTER ALIA RESTRICTS DEALINGS
Nature:	JUDGMENT
Registration Number:	CA7978405
Registration Date and Time:	2020-01-14 11:41
Registered Owner:	BRITISH COLUMBIA SECURITIES COMMISSION
Remarks:	INTER ALIA AS TO THE INTEREST OF DEBBIE SIU MUI WONG RENEWAL OF CA6591432
Nature:	JUDGMENT
Registration Number:	CA9183886
Registration Date and Time:	2021-07-13 11:11
Registered Owner:	FARM CREDIT CANADA
Remarks:	INTER ALIA AS TO THE INTEREST OF DEBBIE SIU MUI WONG RENEWAL OF CA7639427
Nature:	JUDGMENT
Registration Number:	CA9397597
Registration Date and Time:	2021-09-29 12:14
Registered Owner:	HER MAJESTY THE QUEEN IN RIGHT OF CANADA
Remarks:	INTER ALIA RENEWAL OF CA7837829 AS TO THE INTEREST OF GILBERT WAI HUNG WONG
Duplicate Indefeasible Title	NONE OUTSTANDING
Transfers	NONE
Pending Applications	NONE

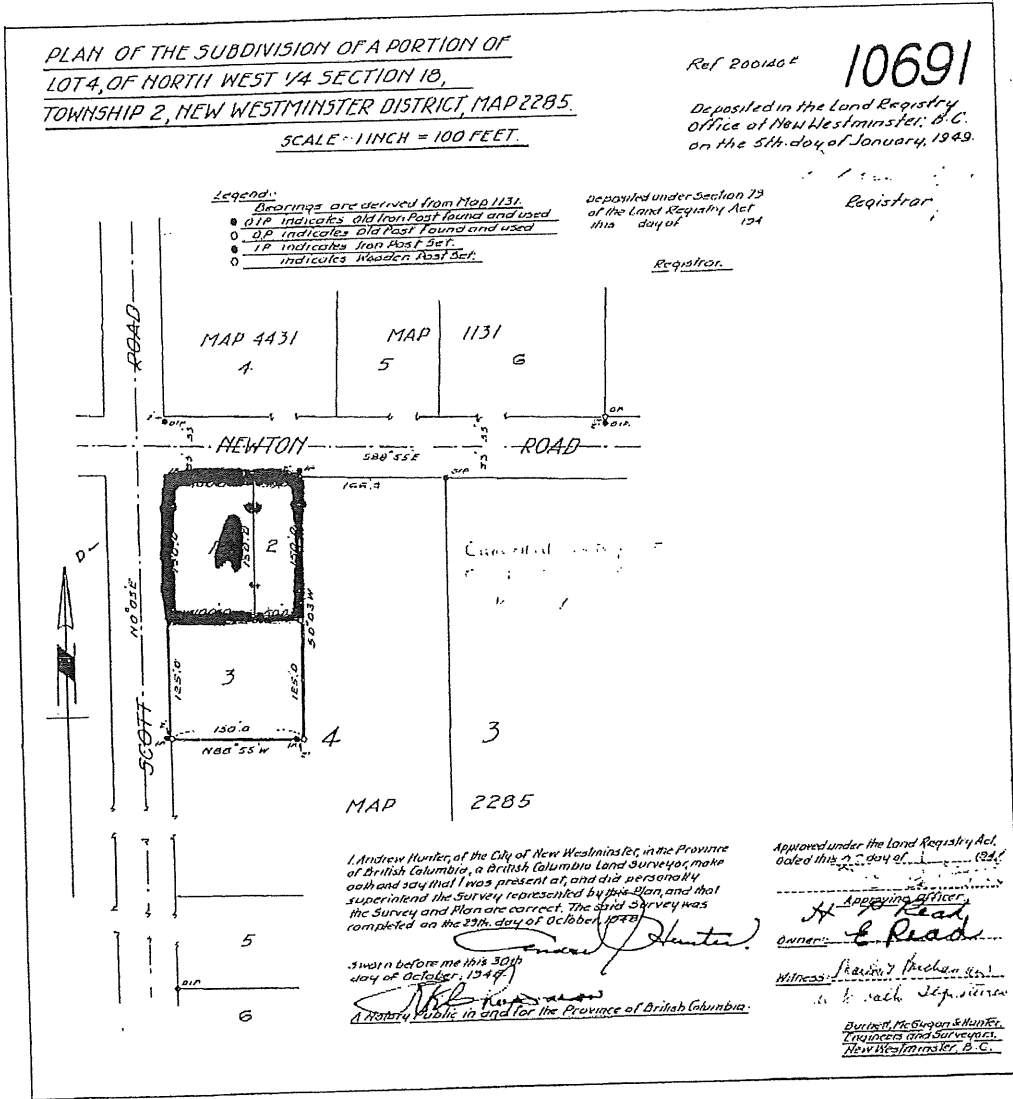


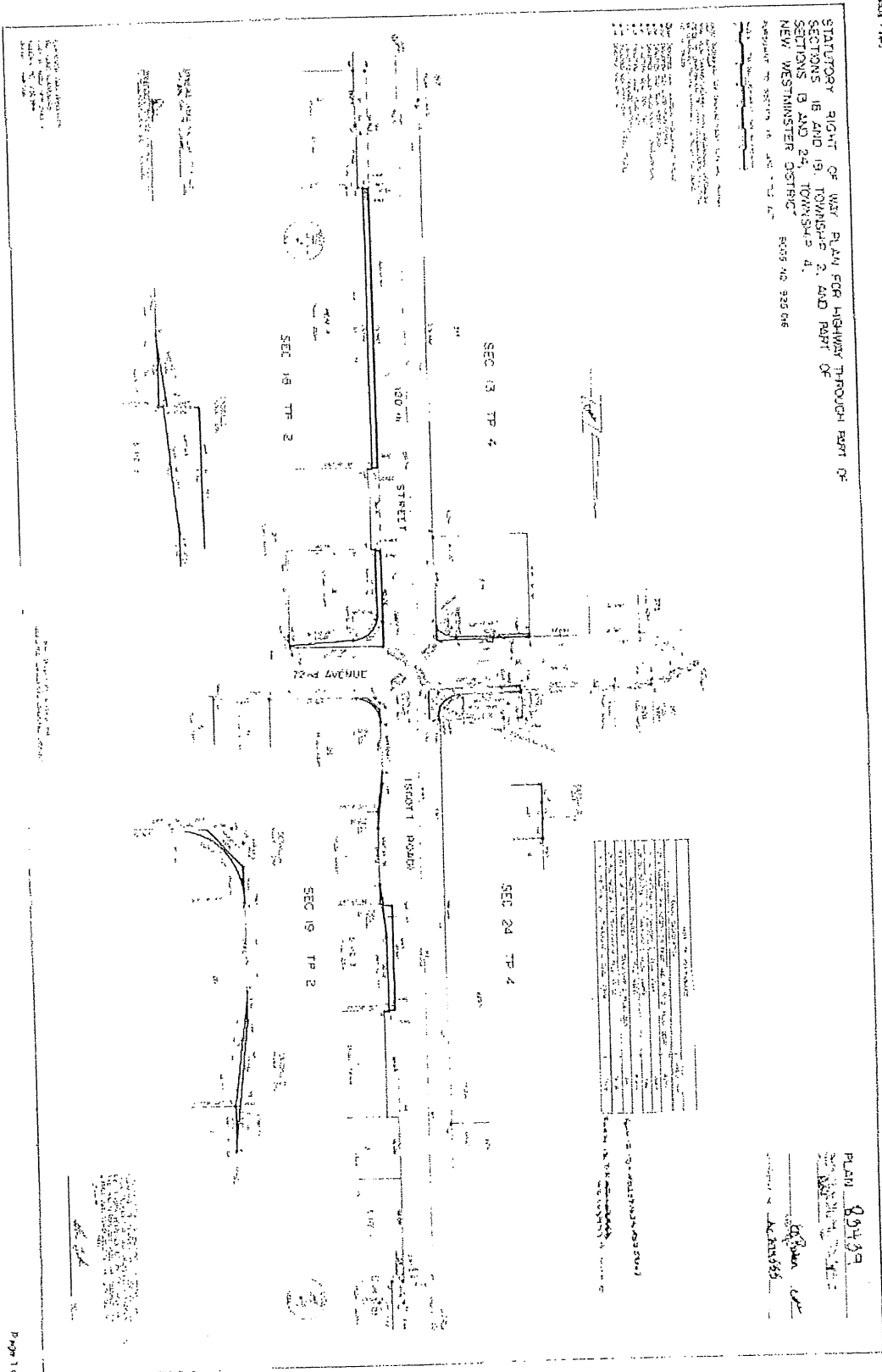
APPENDIX 4 -- SURVEY PLANS

Status: Filed

Plan #: NWP 10691 App #: N/A CrI #:

RCVD: 1968-02-11 RCST: 2021-10-14 12:30:47

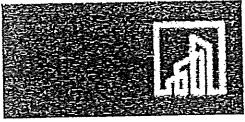




Sheet 714

Plan # APPROXIMATE AREA # 1616661

ROUND 1995-02-16 RCST 2021-10-14 12 42 40



APPENDIX 5 – ZONING EXCERPT

Part 36 - C-8, Community Commercial Zone

Part 36

Community Commercial Zone

C-8

A. Intent

This Zone is intended to accommodate and regulate the development of community shopping centres serving a community of several neighbourhoods.

B. Permitted Uses

[BL 12353; 12715; 132514; 13497; 13554; 13769; 15064; 15977; 17462; 17507; 19075; 19261]

Land, buildings and structures shall only be used for the following uses, or a combination thereof:

Principal Uses:

1. Retail stores excluding the following:
 - (a) Adult entertainment stores; and
 - (b) Secondhand stores and pawnshops.
2. Personal service uses excluding body rub parlours.
3. General service uses excluding funeral parlours and drive-through banks.
4. Beverage container return centres provided that the use is confined to an enclosed building or a part of an enclosed building and is pursuant to Section D.3 of this Zone.
5. Eating establishments excluding drive-through restaurants.
6. Neighbourhood pubs, regulated under the Liquor Control and Licensing Act, as amended.
7. Liquor store.
8. Office uses excluding the following:
 - (a) Social escort services;
 - (b) Methadone clinics; and
 - (c) Marijuana dispensaries.
9. Parking facilities.
10. Automotive service uses of vehicles less than 5,000 kg G.V.W., provided that such use is associated with a retail store (Section B.1 of this Zone).
11. Indoor recreational facilities.
12. Entertainment uses excluding arcades and adult entertainment stores.
13. Assembly halls.
14. Community services.
15. Child care centres; regulated under the Community Care and Assisted Living Act, as amended, and the Child Care Licensing Regulation, as amended.
16. Cultural Uses.

Accessory Uses:

17. One caretaker unit per lot.

C. Lot Area

Not applicable to this Zone.

D. Density

[BL 14390; 15073; 19925]

1. Maximum Density:

Maximum density shall be:

- (a) 1 dwelling unit; and
- (b) The lesser of floor area ratio of 0.1 or building area of 300 sq. m.

2. Permitted Density Increases:
if amenity contributions are provided in accordance with Schedule G, maximum *density* may be increased to a *floor area ratio* of 0.80, includes *caretaker unit*.
 3. Beverage Container Return Centre Floor Area:
In this Zone, *beverage container return centres* shall not exceed a *gross floor area* of 418 sq. m.
- E. **Lot Coverage**
The maximum *lot coverage* for all *buildings* and *structures* shall be 50%.
- F. **Yards and Setbacks**
Buildings and *structures* shall be sited not less than 7.5 m from all *lot lines*.
- G. **Height of Buildings**
1. Principal Buildings:
Principal building height shall not exceed 12 m.
 2. Accessory Buildings:
Accessory building height shall not exceed 4.5 m.
 3. Structures:
Structure height shall not exceed 4.5 m.
- H. **Off-Street Parking and Loading/Unloading**
[BL 13774; 16719]
1. Parking Calculations:
Refer to Table D.1 of Part 5 Off-Street Parking and Loading/Unloading.
 2. Tandem Parking:
Where commercial uses are part of the development, required *parking spaces* for company fleet vehicles may be provided as *tandem parking*.
- I. **Landscaping and Screening**
[BL 17671]
1. General Landscaping:
 - (a) All developed portions of the *lot* not covered by *buildings*, *structures* or paved areas shall be landscaped including the retention of mature trees. This *landscaping* shall be maintained;
 - (b) Except in those portions where a *building* abuts the *lot line*, continuous screen planting at least 1.5 m high in a strip at least 1.5 m-wide and a solid decorative fence at least 1.5 m high shall be provided along all *lot lines* separating the developed portion of the *lot* from any *lot* designated Residential in the *OCP*;
 - (c) Along the developed portions of the *lot* abutting a *highway*, a continuous *landscaping strip* a minimum of 1.5 m wide shall be provided within the *lot*; and
 - (d) *Highways* boulevards abutting a *lot* shall be seeded or sodded with grass; excludes *driveways*.
 2. Loading and Refuse:
Loading areas, garbage containers and *passive recycling containers* shall be completely screened from any adjacent *lot* designated Residential in the *OCP*, by a minimum of a 2.5 m high *building*, solid decorative fence, *landscaping screen*, or combination thereof.

3. Outdoor Storage and Display:
- (a) Outdoor storage or display shall be completely screened by a *landscaping* strip a minimum of 2.5 m high by 1.5 m wide, or a minimum of a 2.5 m high *building*, solid decorative fence, or combination thereof; and
 - (b) No storage or display of material shall be piled higher than 2.5 m within 5 m of the screening fence and no higher than 3.5 m anywhere on the *lot*.

J. Special Regulations

[S: 1349?]

1. Noise and Nuisance:
No land, *building* or *structure* is permitted to have a use that:
 - (a) Emits noise, measured at any point on any boundary of the lot on which the use is located that is:
 - i. In excess of 70 decibels where a *lot* abuts a lot designated Industrial in the *OCP*; and
 - ii. In excess of 60 decibels where a lot abuts a lot designated anything other than industrial in the *OCP*; and
 - (b) Produces heat or glare perceptible from any boundary of the *lot* on which the use is located.
2. Refuse:
Garbage containers and *passive recycling containers* shall not be located within any required *setback* adjacent any *lot* designated Residential in the *OCP*.
3. Outdoor Storage and Display:
The outdoor storage or display of any goods, materials or supplies is specifically prohibited, notwithstanding any other provision in this Zone.
4. Child Care Centres:
Child care centres shall be located on the *lot* such that these centres have direct access to an *open space* and play area within the *lot*.

K. Subdivision

Lots created through subdivision in this Zone shall conform to the following standards:

1. *Lot Area*: Minimum 2,000 sq. m;
2. *Lot Width*: Minimum 30 m; and
3. *Lot Depth*: Minimum 30 m.

L. Other Regulations

[S: 1365?; 13774-17121]

Additional land use regulations may apply as follows:

1. Sign regulations, pursuant to Surrey Sign By-law, as amended.
2. *Building* permits, pursuant to Surrey Building By-law, as amended, and Surrey Development Cost Charge By-law, as amended.
3. Development permits, pursuant to the *OCP*.



APPENDIX 6 – QUALIFICATIONS

SUMMARY OF QUALIFICATIONS - ANDREW N. LOVE, B.Comm. AACI, P.App.

EDUCATION

- 2008-2011 **Sauder School of Business, University of British Columbia, Vancouver, BC**
Post Graduate Certificate in Real Property Valuation (PGCV), AACI designation program courses
- 2001-2006 **Telfer School of Management, University of Ottawa, Ottawa, ON**
Honours Bachelor of Commerce (B.Comm.) with options in Marketing and Finance

Additional Courses

- The Valuation of Partial Acquisitions - International Right of Way Association (2013)
BC Real Property Law and Real Estate Ethics (BUSI 111) –Sauder, UBC (2016)
Urban Infrastructure Applications (CPD 120) - Sauder School of Business, UBC (2018)
Submerged Land Valuation (CPD 121) - Sauder School of Business, UBC (2018)
Expropriation Valuation (CPD 122) - Sauder School of Business, UBC (2020)
Financial Analysis for Commercial Investment Real Estate (CI101) CCIM Institute(2020)

EXPERIENCE

- 2016-Present **Grover, Elliott and Co. Ltd, Real Estate Appraisers and Counsellors**
Senior Real Estate Appraiser
Completed a wide variety of appraisals and consulting assignments for a wide range of property types including special use properties for a variety of purposes including litigation, expropriation, corporate purposes, due diligence and first mortgage financing.
- 2012-2016 **Andrew, Thompson and Associates Ltd. Real Estate Advisors**
Commercial Real Estate Appraiser
Completed a wide variety of appraisals including special use properties for a variety of purposes including litigation, expropriation, corporate purposes, due diligence and first mortgage financing.
- 2009-2012 **MacKenzie Ray Heron & Edwardh Real Estate Appraisers & Consultants**
Commercial Real Estate Appraiser (2011-12)/Junior Appraiser (2009-10)
Market research and preparation of a wide variety of appraisals of different property types for a multitude of purposes

PROFESSIONAL MEMBERSHIPS

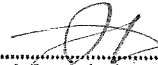
- Designated Member of the Appraisal Institute of Canada, having obtained the Accredited Appraiser, Canadian Institute (AACI), P. App. designation October 2012.
- Member, Ontario Expropriation Association, 2011-2016.
- Member, British Columbia Expropriation Association, 2017-present.

Market valuation

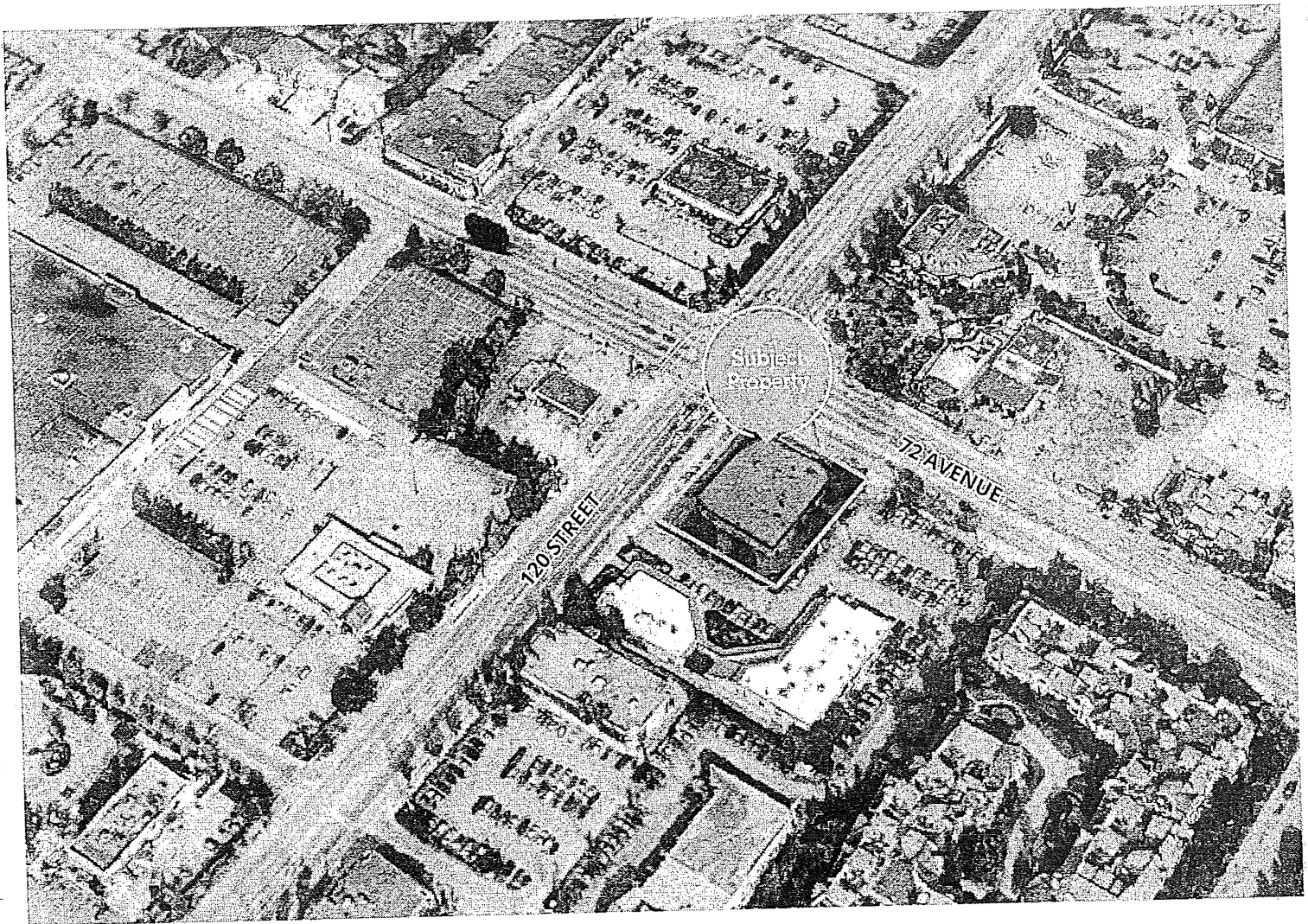
7192 120th Street
Surrey, BC

Prepared for:
MNP LTD.
c/o Patty Wood, CIRP, LIT, CPA, CGA

This is Exhibit ".....D....." referred to in the
affidavit ofLINDA ALEXANDER.....
made before me on Nov 24, 2022



.....
A Commissioner for taking Affidavits
for British Columbia



PREPARED BY

BAL ATWAL*, Principal
604 647 5090
bal.atwal@avisonyoung.com
*Bal Atwal Personal Real Estate Corporation

KERMAN PANNU, Associate
604 900 5219
kerman.pannu@avisonyoung.com



Executive summary

Avison Young Commercial Real Estate Services, LP ("Avison Young") is pleased to provide the Owner with a market valuation for 7192 120th Street, Surrey, B.C. (the "Property") as at May 5, 2022.

In determining the value for the Property, the Project Team has taken into account the following factors: location, comparable sales, demand, condition of the building, government policies, zoning (current and future), debt market and current financing options.

Thank you for the opportunity to provide you with a preliminary valuation of the Property and we look forward to discussing the content herein with you in further detail and am happy to answer any questions the Owner may have.

Avison Young,

Bal Atwal
Principal

Kerman Pannu
Associate



2 | 7192 120TH STREET, SURREY, BC | Marketing Valuation

Property overview

ADDRESS
7192 120th Street, Surrey

PID
000-616-583

LOT SIZE
19,367 sf (0.445 acre)

BUILDING SIZE
7,554 sf

DCP DESIGNATION
Commercial

ZONING
C-8

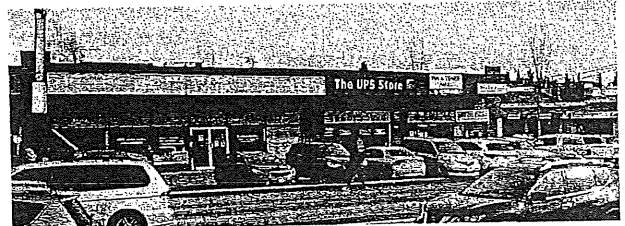
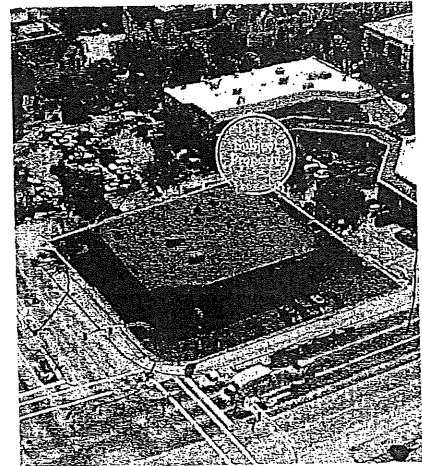
IN-PLACE NET INCOME*
\$204,892

ASSESSED VALUE 2022
Land \$2,111,000
Improvement \$3,161,000
Total \$5,272,000

YEAR BUILT
1974

PROPERTY TAXES
\$42,122.77

*From March 1, 2022 - February 28, 2023



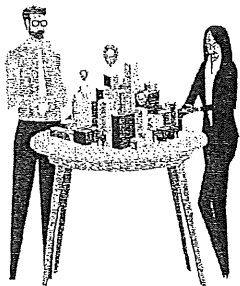
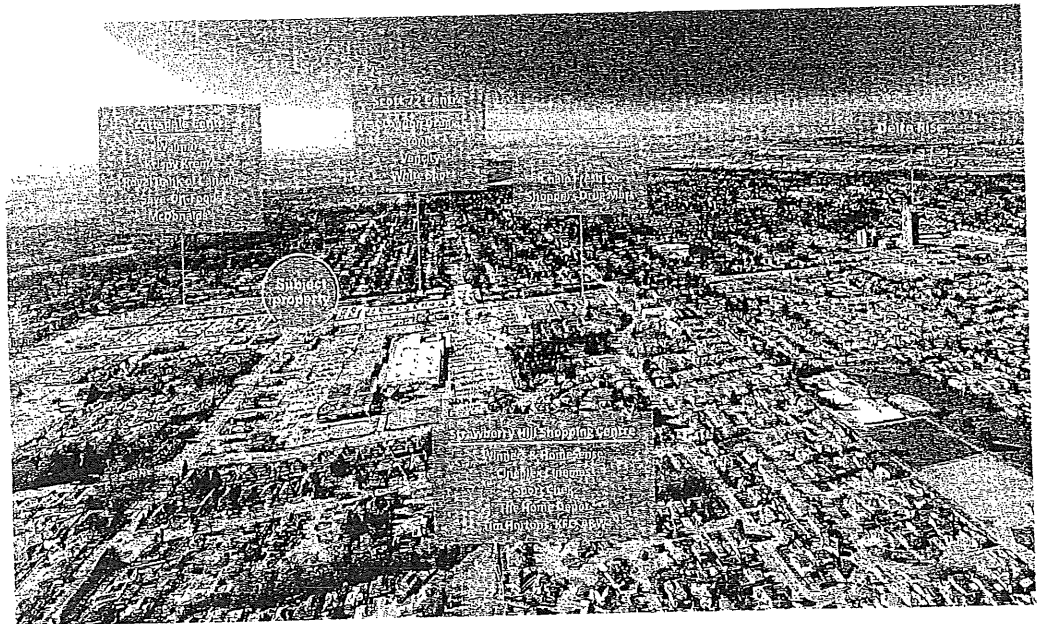
All information from BC Assessment, Tax Report, MNP Ltd., and Groves, Elliott & Co. Ltd. appraisal report dated October 14, 2021

Location overview

The Property is located on the south east corner of the Scott Road (120th Street) and 72nd Avenue intersection.

The area benefits from a wide variety of shops and amenities along Scott Road including department stores, grocery stores, cafés, restaurants, banks, as well as other medical and personal services. Additionally, future RapidBus connection will link the Property with the Scott Road SkyTrain Station.

Scott Road is an integral part of Translink's Frequent Transit Network, ensuring connectivity to Downtown Vancouver and surrounding areas.



Valuation

Avision Young's valuation of the Property is based on the information provided by the Owner, relevant market data and our opinion of value. The Direct Comparison Approach and the Direct Capitalization Approach were the primary methods used to determine the range of market value for the Property.

LAND VALUE DIRECT
COMPARISON APPROACH

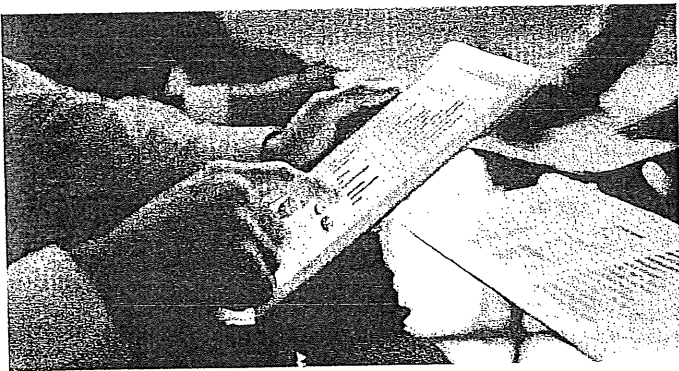
DIRECT INCOME
CAPITALIZATION APPROACH

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 currently under contract, which focuses on similarities and differences that affect value of the subject property.

Using the Direct Comparison Approach, we have estimated a range of market value by analyzing market sales comparables for similar properties in the immediate surrounding areas. We have used the price per square foot of land (PPSF) and price per square foot of building area as our primary valuation metrics to focus on.

The comparables are also available in Appendix A.



6 | 7192 120TH STREET, SURREY, BC | Marketing Valuation

COMPARABLES

- 1 7832 120th Street, Surrey (Avision Young - Pending Transaction) - single storey, single tenant, commercial building located a few blocks north of the Property. The site size is 17,343 sf and the building size is ~5,000 sf. The comparable is leased month-to-month to an arms length tenant, well below market rents (\$120,000 annual income). Pricing guidance was \$5 million. Our marketing campaign resulted in unconditional offers above pricing guidance. The Property is located in a superior location, allows for higher redevelopment potential, and has significantly higher net income, so the Property should achieve an upward adjustment.
Price Per SF - Land: \$288 psf Price Per SF - Building: \$1,000 psf
- 2 8170 120th Street, Surrey - single storey, single-tenant, commercial building located a few blocks north from the Property. The site size is 20,191 sf and the building size is 5,350 sf. The comparable was fully leased to IHOP at the time of sale. The Property is similar to the comparable given its proximity and site size, so the Price Per SF - Land is comparable, but there should be a downward adjustment due to the greater revenue potential and utility stream of a single tenant restaurant building. Also, this comparable was purchased at the peak of the market in a favourable debt market, so the Property should receive a downward adjustment on both metrics.
Price Per SF - Land: \$971 psf Price Per SF - Building: \$1,400 psf
- 3 8209 & 8239 120th Street, Surrey - Fountain Tire auto-shop and a single storey, multi-tenant, commercial building located a few blocks north from the Property. The site size is 41,338 sf and the combined building size is ~16,500 sf. The comparable was fully leased at the time of sale with an estimated annual net income of \$270,000. The Property should achieve an upward adjustment due to its less environmental contamination risk from its existing use and higher capitalization rate.
Price Per SF - Land: \$336 psf Price Per SF - Building: \$822 psf
- 4 12811 96th Avenue, Surrey - single storey, multi-tenant, commercial building located within a 10-min drive from the Property. The site size is 88,862 sf and the building size is 30,386 sf. The comparable was fully leased just below market rents at the time of sale. The comparable was purchased unconditionally one of the tenants. The comparable has similar site coverage and in-place rents, so the Price Per SF - Building is comparable.
Price Per SF - Land: \$254 psf Price Per SF - Building: \$744 psf
- 5 6388 & 6398 120th Street, Surrey - two single storey, multi-tenant, commercial buildings located a few blocks south of the Property. The site size is 37,026 sf and the building size is 12,500 sf. The comparable was fully leased at the time of sale. This transaction is dated Jan 2021 and market values have increased considerably since then. A premium should be applied to both Price Per SF - Land and Building.
Price Per SF - Land: \$239 psf Price Per SF - Building: \$710 psf

DIRECT COMPARISON VALUATION CONCLUSION

In reviewing the aforementioned sales comparables, Comparable 2 and 3 are the most relevant and recent sales along Scott Road and are the most indicative of market value for the Property. The focus for this approach is on land value as it is the main driving force behind the true market value. Based on these comparables, the range of Price PSF - Land is \$326- \$371 which equates to \$6,313,642-\$7,185,157.

The Property should achieve an upward adjustment on the lower end of the range due to its higher holding income but should achieve a downward adjustment on the upper end of the range due to the market conditions and less favourable debt market today. The adjustments will be reflected in the final Valuation Conclusion.

DIRECT CAPITALIZATION APPROACH

The second approach to our valuation is the Direct Capitalization (Income Approach), which takes the fully leased net operating income the Property is currently producing. In this case, we have not backed out a vacancy and structural allowance to obtain a stabilized net operating income (SNOI), as the existing Income is higher than the SNOI. This results in a higher capitalized value. Then a market derived capitalization rate is applied to the in-place net income to produce the Property's market value.

A detailed comparable list is available in [Appendix B](#).

COMPARABLES

- ① **6870-6898 King George Boulevard** - single storey, multi tenant, retail centre located in Surrey. The comparable was leased with a NOI of \$566,500 at the time of sale. The rents were significantly below market rates and the property offered assured redevelopment potential as it is designated within the Newton Town Centre Plan as medium density. Due to the below market rents, redevelopment potential, and the higher debt market today, a significant upward adjustment on cap rate should be applied.
Capitalization Rate: 2.75%
- ② **12811 96th Avenue, Surrey** - single storey, multi-tenant, commercial building located within a 10-min drive from the Property. The comparable shares similar attributes and redevelopment potential as the Property and it was fully leased with a NOI of \$625,000 at the time of sale. The rental rates average \$18 psf with market rates estimated to be in the mid \$20 psf range. The transaction closed on March 3, 2022. This comparable was purchased by a motivated tenant with well-below market rental rates, so an upward adjustment on cap rate should be applied.
Capitalization Rate: 2.76%
- ③ **1635 128th Street, Surrey** - two storey, multi-tenant, mixed-use building in Surrey. The comparable features three ground floor commercial units and two residential units. The comparable was leased well below market rents. This comparable is located in an affluent area of South Surrey. The transaction closed in March 2021. This comparable is located in a superior location and was purchased in a more favourable debt environment, a slight upward adjustment on cap rate should be applied.
Capitalization Rate: 3.32%

DIRECT CAPITALIZATION VALUATION CONCLUSION

In reviewing the aforementioned sales comparables, the range of capitalization rate is between 2.75%-3.32%. Although Comparable 1 & 2 best represents the size and location of the Property, but both property rents were well below market and Comparable 1 offered higher redevelopment potential while the tenant paid a significant premium over perceived market value in Comparable 2. In addition, interest rates have increased considerably over the past couple of months, putting significant upward pressure on cap rates.

Therefore, we believe the cap rate for the Property is best represented beyond the upper end of the comparable range - at 3.60%. Applying this to the in-place net income of approximately \$204,892 of the Property, the determined value range is \$5,691,444.



Valuation conclusion

The Direct Comparison Approach is the most relevant approach as it showcases the highest and best value for the Property. The Direct Capitalization Approach is not indicative of true market value and instead the holding income acts as by-product of land value.

Based on the Direct Comparison Approach, we have arrived at a total range of value of \$6,313,642-\$7,185,157. This equates to approximately \$326-\$371 PSF - Land and \$835-\$866 PSF - Building, which represents a Capitalization Rate of 2.85%-3.24%.

There is high demand for properties of this scale and in prominent locations. Based on adjustments mentioned above, we believe the average of the value range reflects the true market price for the Property, which is \$6,749,400 (rounded to \$6,750,000).

FINAL OPINION OF MARKET VALUE		
\$6,750,000		
\$349 \$psf - Land	\$851 \$psf - Building	3.04% Capitalization Rate

POTENTIAL LIST PRICE

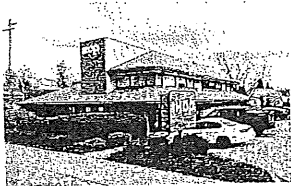
If the Property were to be marketed for sale, we would suggest taking it out unpriced, with pricing guidance of approximately \$6,950,000.





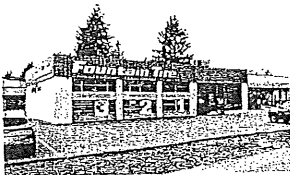
Appendix A: Direct comparison sales comparables

Direct comparison sales comparables



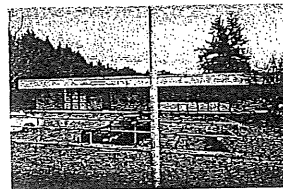
8170 120TH STREET			
Surrey, BC			
Sale Date	14/03/2022	Sale Price	\$7,500,000
Site Size	20,191 sf	Building Size	5,350 sf
Year Built	1980	Price PSF	\$1,402 psf
Asset Type/ Class	Retail		

This property is located along Scott Road, on the southeast corner of 82 Ave and 120 Street. It is improved with two-story retail building with net leasable area of 5,350 sf, fully occupied by HWOP at the time of sale. Price per acre equals \$16,180,500.



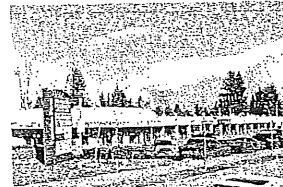
8209 & 8239 120 STREET			
Delta, BC			
Sale Date	07/03/2022	Sale Price	\$13,500,000
Site Size	41,338 sf	Building Size	16,427 sf
Year Built	1979	Price PSF	\$822 psf
Asset Type/ Class	Retail		

This property is located along Scott Road, on the northwest corner of 82 Ave and 120 St. It is improved with two fully-tenanted, single-story, retail buildings with net leasable area of approx. 16,427 sf. The estimated in place rents were \$15 psf net, and the estimated going-in cap was 2%. The Delta OCP designates the land use as Medium Density Residential (MDR/SR), permitting up to 2.2 FSR (1148 plus). Price per acre equals \$14,225,651.



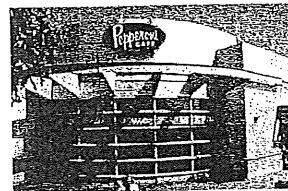
7232 120TH STREET			
(AVISON YOUNG - PENDING TRANSAC/HOM)			
Surrey, BC			
List Date	March 2022	List Price	\$5,000,000
Site Size	17,343 sf	Building Size	5,000 sf
Year Built	1974	Price PSF	\$1,000 psf
Asset Type/ Class	Retail		

This property is located on the east side of Scott Road, on the 7800 block. It is improved with a single story, single tenant, office building. The property is tenanted arm's length to the previous owner, who sold the operating business. The property is currently leased month-to-month for \$10,000 net monthly.



TOWNLINE PLAZA			
12811 96TH AVENUE			
Surrey, BC			
Sale Date	03/03/2022	Sale Price	\$22,600,000
Site Size	88,862 sf	Building Size	30,386 sf
Year Built	1976	Price PSF	\$744 psf
Asset Type/ Class	Retail		

This property is located in Whalley, on the northeast corner of 96 Ave and 128 St. It is improved with a single-story, multi-tenant, retail strip mall. The property is tenanted by a mix of local businesses, the purchaser being its largest tenant. At the time of sale, the NOI was \$624,672 representing a cap of 2.76%.



BOUNDARY PARK PLAZA			
6388 & 6398 120TH STREET			
Surrey, BC			
Sale Date	01/04/2021	Sale Price	\$8,870,000
Site Size	37,026 sf	Building Size	12,500 sf
Year Built	1998	Price PSF	\$710 psf
Asset Type/ Class	Retail		

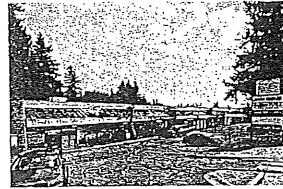
This property is located on the southeast corner of 120th Street and 64th Avenue. It is improved with two single story multi tenant retail buildings. At the time of sale, the tenants were a dry cleaner, pizza shop, and an optometry clinic. The City of Surrey OCP designates the land use for the property as Commercial, permitting a maximum of 1.5 FSR. The plot based on the OCP designation would come out to \$159.71 (\$5,539 sf of buildable). The Purchaser also purchased the adjacent 4.28 acre lot in 2016 for \$24,200,000.

Appendix B: Direct capitalization sales comparables



12 | 7192 120TH STREET, SURREY, BC | Marketing Valuation

Direct capitalization sales comparables



6870-6898 KING GEORGE BOULEVARD
Surrey, BC

Sale Date	16/02/2022	Sale Price	\$20,600,000
Site Size	116,261 sf	Building Size	30,981 sf
Year Built	1981	Price PSF	\$665 psf
Cap Rate	2.75%		
Asset Type/ Class	Retail		

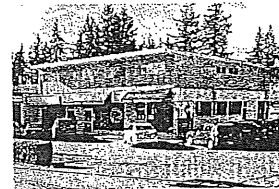
This property is located in Newton, on the east side of King George Blvd, north of 68 Ave. It is improved with a single-storey, multi-tenant, retail shopping centre with 12 units and 114 surface parking stalls. At the time of sale, 6,647 sf of space was unoccupied. The estimated stabilized NOI was \$328,271. City of Surrey OCP designates the land use as split Commercial and Multiple Residential, Multiple Residential. This property is designated in the Newton Town Centre Plan as medium density.



TOWNLINE PLAZA
12811 96TH AVENUE
Surrey, BC

Sale Date	03/03/2022	Sale Price	\$22,600,000
Site Size	88,862 sf	Building Size	30,386 sf
Year Built	1976	Price PSF	\$744 psf
Cap Rate	2.76%		
Asset Type/ Class	Retail		

This property is located in Whalley, on the northeast corner of 96 Ave and 128 St. It is improved with a single-storey, multi-tenant, retail strip mall. The property is tenanted by a mix of local businesses, the purchaser being its largest tenant. At the time of sale, the property was 94% occupied at avg. rents of \$19.81 psf. The stabilized NOI was \$624,672 representing a stabilized cap of 2.76%.



1635 128TH STREET
Surrey, BC

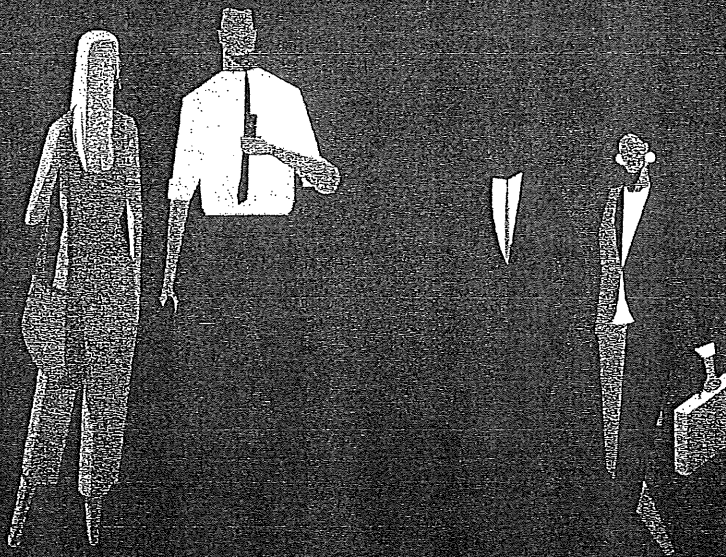
Sale Date	01/03/2021	Sale Price	\$2,525,000
Site Size	9,801 sf	Building Size	5,225 sf
Year Built	1964	Price PSF	\$483 psf
Cap Rate	3.32%		
Asset Type/ Class	Retail		

This property is located in South Surrey, on the west side of 128th Street, north of 16th Avenue. It is improved with a two-storey, multi-tenant retail/residential building with three ground floor commercial units and two two-bedroom residential units above. At the time of sale, the building was fully leased. The estimated stabilized NOI was \$83,877, representing a stabilized cap rate of 3.32%.

We look forward to the opportunity to work together

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**AVISON
YOUNG**

**BEST
MANAGED
COMPANIES**

2022-2023

NO. S-198522
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN THE MATTER OF
SECTION 152 OF THE *SECURITIES ACT*, RSBC 1996, C. 418

BETWEEN:
BRITISH COLUMBIA SECURITIES COMMISSION
PETITIONER

AND:
SIU MUJ "DEBBIE" WONG
SIU KON "BONNIE" SOO, ET AL
RESPONDENTS

AFFIDAVIT



Barristers & Solicitors
1600 Cathedral Place
925 West Georgia Street
Vancouver, British Columbia
V6C 3L2

Phone: (604) 685-3456
Attention: Joel Schachter

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