

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

BUSINESS DEVELOPMENT BANK OF CANADA

Applicant

and

VERTAMIN REAL ESTATE INC.

Respondent

**FIRST REPORT OF MNP LTD., IN ITS
CAPACITY AS COURT APPOINTED RECEIVER OF
VERTAMIN REAL ESTATE INC.**

NOVEMBER 9, 2017

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**CONFIDENTIAL
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INTRODUCTION AND BACKGROUND

1. Vertamin Real Estate Inc. (“Vertamin” or the “Company”) is a company is federally incorporated with its head office and business operations located at 340 Albert Street, Suite 1300, Ottawa, Ontario (the “Albert Premises”) Copy of the corporate profile is attached as Appendix “1”.
2. The Company is indebted to Business Development Bank of Canada (“BDC” or the “Lender”), its senior secured creditor, with respect to certain credit facilities granted by the Lender pursuant to and under the terms of various credit agreements contained as Exhibits to the Receivership Motion Record dated October 14, 2016 (the “Credit Agreements”).
3. Vertamin’s obligations to the lender arise pursuant to: (a) an offer of credit dated October 2, 2012 in the amount of \$1,200,000.00 (the “First Agreement”) encumbering title to the municipally known as 1687 Montreal Road, Ottawa, Ontario (the “1687 Property”); and (b) a second offer of credit dated August 29, 2013 in the amount of \$2,140,000.00 (the “Second Agreement”) encumbering title to the municipally known as 895 Montreal Road, Ottawa, Ontario (the “895 Property”).
4. The First Agreement and the Second Agreement (hereinafter collectively referred to as the “Loan Agreements”), by their standard credit terms, provide that, in event of default, the Bank is entitled to accelerate payment of the outstanding amounts of the loans and enforce its security should the Company fail to make any of the payments required by the Loan Agreements.
5. The Company has had a lengthy history of default under the terms and conditions of the Loan Agreements and the security granted by the Company to the Bank. Amongst other things, the Company has breached the Loan Agreements and other breaches as follows:
 - a) The Company has not made any of the required monthly payments on account of the Loan Agreements since March 11, 2014;
 - b) The Company refuses to provide any financial information or disclosure to the Bank such that the Bank cannot assess its risk;

- c) The municipal taxes have not been paid; and
 - d) There has been a significant and material deterioration of the financial condition and circumstances of the Company.
6. In January 2015, the Company was involved in various insolvency proceedings and requested postponements under the Loan Agreements for a period of 12-months.
 7. On February 22, 2016, BDC made written demand for payment on the Debtor to satisfy the BDC Indebtedness.
 8. The Bank attempted to enter into a forbearance agreement with the Company on June 29, 2016 however, the Company refused to execute the said agreement.
 9. As of July 7, 2016, the Companies total indebtedness to the Bank pursuant to the Loan Agreements was \$3,316,701.90 and the last loan payment was made on March 11, 2014.
 10. On October 14, 2016, the BDC brought an application for the appointment of MNP LTD. (“MNP”) as the receiver of Vertamin for the protection of the interests of BDC and other stakeholders.
 11. By order of this Honourable Court dated November 8, 2016 (the “Receivership Order”), MNP was appointed Receiver (the “Receiver”), without security, of all the assets, undertakings and properties of Vertamin used in relation to its business, including all proceeds thereof (the “Property”). A copy of the Receivership Order is attached as Appendix “2”.
 12. The Receivership Order provided for the Company to make specific payments and to repay the Bank in full by May 28, 2017 failing which the Receivership Order would be released 15 days thereafter. The Company did not repay the Bank in full and the Receiver Order was released on June 13, 2017.

PURPOSE OF THIS REPORT

13. The purpose of this first report of the Receiver (the “First Report”) is as follows:
 - (a) To report on the activities of the Receiver since its appointment pursuant to the Receivership Order;

- (b) To obtain the Court's approval of the activities of the Receiver as described in the First Report;
- (c) To obtain the Court's approval of the sealing of Confidential Appendices A, B and C of the First Report pending the closing of a transaction pursuant to which the Receiver sells the 895 Property, or further Order of the Court. The Receiver is requesting an Order sealing these appendices because these documents contain confidential and/or financial and other information that could taint the market in the event that the pending transaction in respect of the 895 Property does not close;
- (d) To approve the payment to the City of Ottawa in the amount of \$62,362.34 plus interest and penalties, as applicable;
- (e) To approved the payment to BDC in the amount of \$2,167,218.03 plus daily per diem interest of \$323.46 from October 31, 2017; and
- (f) approving the professional fees and disbursements of the Receiver and its legal representatives;

14. All amounts referred to in the First Report are in Canadian dollars unless otherwise noted.

NOTICE TO READER

15. This report is prepared solely for the use of the Court, for the purpose of assisting the Court in making a determination of whether to approve the relief being sought. It is based on the Receiver's analysis of information provided to it by the management and directors of the Company, which included unaudited financial statements and internal financial reporting.

INITIAL RECEIVERSHIP ACTIVITIES

16. Immediately following the granting of the Receivership Order and the default by the Company to pay BDC their indebtedness in full by May 28, 2017, the Receiver took possession and control of the 895 Property and 1687 Property on June 13, 2017 (the "Receivership Date"). The initial activities of the Receiver included:

- (a) changing of the locks;

- (b) contacting the utilities to give notice of the receivership and to arrange for continued service, if required;
- (c) arrange for liability insurance as there was no insurance in place;
- (d) the operating accounts for the Company were previously frozen by another lender;
- (e) Vertamin's management was not available to meet with the Receiver to discuss the plans for the receivership administration, however given the assets of the Company was vacant lands, there was no negative impact to the administration of the receivership;
- (f) Arranging for two appraisals;
- (g) Arranging for two real estate firms to provide proposals to serve;
- (h) Signed a listing agreement to sell 895 Property and 1687 Property;
- (i) 1687 Property contained a significant amount of used, old office furniture and cases of bottled water which were beyond the date of expiry. We had the assets viewed by Rideau Auctions Inc. and they advised the assets had no value. Accordingly, the Receiver arranged for the goods to be removed from the location;
- (j) Identify priority claims and any third-party claims, including demands for repossession of goods pursuant to section 81.1 of the *Bankruptcy and Insolvency Act* (the "BIA");
- (k) responding to creditor inquiries; and
- (l) preparing and issuing the prescribed notices and statements of the receiver pursuant to ss. 245(1) and 246(1) of the BIA, which were sent to Vertamin's creditors. Copy of the receiver's notice is contained in Appendix "3".

17. Upon the Receiver taking possession of the two properties, we confirm:

- a) Both sites were vacant with no hydro or other utility service in use;
- b) There were no employees; and
- c) There were no books and records of Vertamin on site.

APPRAISALS

18. The Receiver retained McLean, Simon & Associates (Ottawa) Real Estate Advisory Services (“MSA”) and Shore, Tanner & Associates (“STA”) to appraise 895 Property and 1687 Property.
19. On July 5, 2017 MSA provided the Receiver with their appraisal on 1687 Property.
20. On July 10, 2017 STA provided the Receiver with their appraisal for 1687 Property.
21. On July 5, 2017 MSA provided the Receiver with their appraisal on 895 Property, which is contained in the Confidential Appendix “A”.
22. On July 10, 2017 STA provided the Receiver with their appraisal for 895 Property, which is contained in the Confidential Appendix “B”.

LISTING PROPOSALS

23. The Receiver obtained from Koble Commercial Real Estate & Brokerage (“Koble”) a proposal to list both properties along with their requested rate for real estate commissions. Their proposal to serve for 1687 Property is contained within Appendix “4” and for 895 Property is contained within Appendix “5” excluding pages 29 onwards which are duplicates contained in Appendix 4.
24. The Receiver obtained from Gentry Commercial (“Gentry”) a proposal to list both properties along with their requested rate for real estate commissions. Their proposal to serve is attached in Appendix “6”.
25. The projected range of recovery based on the recommended list net of commissions for the Koble proposal was combined \$3,657,500 to \$3,705,625 and for the Gentry proposal was combined \$3,772,250 to \$3,811,750. A summary of the proposals is contained in Appendix “7”.
26. Based on the proposals to serve, the Receiver selected Gentry to list and market the both properties. A copy of the listing agreements is contained in Appendix “8”.

1687 PROPERTY

27. The 1687 Property has been marketed for sale since the listing was signed. On August 9, 2017, an offer to purchase was received from a third party however that offer was not in an acceptable range based on the recommendation from Gentry. Subsequently, the interested party withdrew their offer.
28. A summary of the marketing results and interest for August and September 2017 is attached in Appendix "9".

895 PROPERTY

29. The property has been listed for sale since July 13, 2017.
30. On July 21, 2017 Mattamy (Rockliffe) Limited ("Mattamy") submitted an offer to purchase the property. The initial offer from Mattamy was determined to be low and the Receiver submitted a counter offer. On August 14, 2017, the Receiver and Mattamy ultimately negotiated an agreement to sell the 895 Property at a price that was acceptable to the Receiver.
31. On October 16, 2017, the Receiver and Mattamy amended the August 14, 2017 offer to waive all conditions except for court approval of the offer and to provide a vesting order. The amendment also increased the deposit from \$100,000.00 to \$250,000.00 and allowed Mattamy to start to prepare the site for occupancy. A redacted copy of the August 14, 2017 agreement and October 16, 2017 amendment is contained in the Confidential Appendix "10". A un-redacted copy of the August 14, 2017 agreement and October 16, 2017 amendment is contained in the Confidential Appendix "C".
32. A summary of the marketing results and interest for August and September 2017 is attached in Appendix "11".

RESULTS OF THE SALES PROCESS

33. The sales process has produced an acceptable offer which is contained in Appendix "10" and Confidential Appendix "C" for the 895 Property. The Receiver recommends the Court approve the transaction as agreed to by the Receiver and Mattamy and provide

the required Vesting Order to allow the Receiver to provide clear title to Mattamy for 895 Property.

34. For 1687 Property, the Receiver will continue to have Gentry market the property and seek approval from BDC to lower the listing price if there continues to be low interest in this asset.

ONGOING OPERATIONS

35. The Receiver has not operated the Company since it has been appointed.

POTENTIAL PRIORITY AND SECURED CLAIMS

Potential Priority Claims

36. The Receiver is not aware of any statutory trust claims.

Secured Claims

37. The Receiver retained Robert A. Lewis Professional Corporation to provide an independent legal opinion. The legal opinion is attached in Appendix "12".
38. The legal opinion confirms BDC has a valid first charge on the Properties. BDC has provided advanced the Receiver \$50,000.00 and the Receiver has issued Receiver's Certificate date June 16, 2017 pursuant to the November 8, 2016 Receivership Order. A copy of the Receivers Certificate is attached in Appendix "13".
39. BDC has provided the Receiver with an update statement of account as of October 31, 2017. The outstanding mortgage balance for the 895 Property is \$2,167,218.03 plus a daily per diem of \$323.46. For 1687 Property, the outstanding mortgage balance is \$1,247,777.63 plus a daily per diem of \$189.60. The BDC payout letter is contained in Appendix "14".
40. As of August 4, 2017, there are outstanding property taxes in the amount of \$62,362.34 plus interest for the 895 Property and \$54,455.21 for the 1687 Property. Copies of the August 4, 2017 statements are contained in Appendix "15".

FUNDS AVAILABLE FOR DISTRIBUTION

41. Should the Court approve the sale of the 895 Property the Receiver would seek the Courts approval to pay all the selling costs related to the sale, the costs of the Receiver to date and its legal representative, remit amounts due to the City of Ottawa for property taxes outstanding for 895 Property and remit the balance of the funds to BDC to satisfy its indebtedness related to 895 Property.
42. A copy of the Statement of Receipts and Disbursements is attached hereto as Appendix “16”.

PROFESSIONAL FEES

43. Pursuant to paragraph 16 of the Receivership Order, the fees and disbursements of the Receiver and its legal counsel form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any person.
44. Pursuant to paragraph 18 of the Appointment Order, the Receiver is entitled to apply reasonable amounts out of the monies in its hands to satisfy its professional fees and disbursements and those of its counsel, and such amounts are to constitute advances against its remuneration and disbursements when and as approved by the Court.
45. Attached as Appendix “17” hereto is the Affidavit of John Haralovich, in support of the fees and disbursements of the Receiver for the period from June 13, 2017 to November 9, 2017.
46. The fees and disbursements of the Receiver’s counsel with respect to the 895 Property for the period from June 13, 2017 to closing of the transaction to sell the 895 Property are estimated to be \$10,000 plus HST.

COMPLETION OF THE RECEIVERSHIP

47. Until the Receiver can liquidate 1687 Property, the Receiver is not in a position to determine when the Receivership can be completed. In this regard, the Receiver will continue its ongoing activities as outlined earlier in the report.

SUMMARY AND RECOMMENDATIONS


48. For the reasons outlined above, the Receiver respectfully recommends that this Court grant the Receiver's request for an Order, amongst other things:

- (a) If necessary, abridging the time for and validation of service of the Notice of Motion and Motion herein;
- (b) Approving the Receiver's First Report, and the activities of the Receiver since its appointment, all as recited in the First Report;
- (c) Approving the sale of 895 Property;
- (d) Approving the payments to City of Ottawa and the Business Development Bank of Canada and costs related to the sale of 895 Property;
- (e) Approving the payment of the fees and disbursements of the Receiver and Receiver's counsel;
- (f) Sealing the Confidential Appendices pending the Receiver's realization of 895 Property or until further Order of the Court. The Receiver is requesting an Order sealing these Appendices and First Report because these documents contain confidential financial and other information that could undermine the sales process and the Receiver's ongoing efforts to market and sell the Property.

This Report is respectfully submitted to the Honourable Court as of this 9th day of November 2017.

MNP LTD.,

In Its capacity as Court-Appointed Receiver of
Vertamin Real Estate Inc.
and not in its personal or corporate capacity
Per:



John P. Haralovich, CPA, CA, CIRP, CMA
Senior Vice President

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BUSINESS DEVELOPMENT BANK OF CANADA

Applicant

-and-

VERTAMIN REAL ESTATE INC.

Respondents

AFFIDAVIT OF JOHN HARALOVICH
(Sworn November 10, 2017)

I, JOHN HARALOVICH, of the City of Ottawa, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Senior Vice President of MNP LTD. ("MNP") and, as such, I have knowledge of the matters to which I hereinafter depose.
2. On application by Business Development Bank of Canada, MNP was appointed as Receiver of the property of Vertamin Real Estate Inc. by way of court order dated October 14, 2016 (the "Order").
3. Pursuant to the Order, the Receiver has provided services and incurred disbursements which are more particularly described in the detailed time dockets attached hereto and marked as Exhibit "A".
4. The Receiver requests that the Court approve its fees and disbursements for the period of June 13, 2017 to November 9, 2017 in the amount of \$31,123.50 plus HST of \$4,046.06, totaling \$35,169.56, for the services set out in Exhibit "A".

5. The hourly billing rates set out in Exhibit "A" are comparable to the hourly rates charged by MNP for services rendered in relation to similar proceedings.

6. This affidavit is sworn in support of a motion to, *inter alia*, approve the attached account of MNP and the fees and disbursement detailed therein, and for no improper purpose

SWORN BEFORE ME at the }
 }
City of Ottawa in the }
 }
Province of Ontario }
 }
this 10th day of November, 2017 }

JOHN HARALOVICH


A Commissioner, etc.

**Anna Lorraine Campbell,
A Commissioner, etc.,
Province of Ontario,
For MNP Ltd.
Expires March 9, 2020**

Vertamin Real Estate Inc.				
Date	Description	Units	Amount	Notes
				review court material, call with fred, prepare
13-Jun-2017	John Haralovich	5.80	\$ 2,233.00	notice for doors
15-Jun-2017	John Haralovich	3.80	1,463.00	attend locations meeting with property manager,
16-Jun-2017	John Haralovich	1.40	539.00	call with BDC
				prepare receivers certificate
20-Jun-2017	John Haralovich	4.40	1,694.00	calls with 2 appraisers, call with agent, call with
				BDC
20-Jun-2017	Laurie Campbell	2.20	440.00	file set up in Ascend, complete mailing to
21-Jun-2017	John Haralovich	2.30	885.50	creditors
23-Jun-2017	John Haralovich	2.20	847.00	call regarding properties from interested party
				prepare notice of receiver
26-Jun-2017	John Haralovich	3.10	1,193.50	review real estate proposals and provide
				summary
27-Jun-2017	John Haralovich	1.90	731.50	call with BDC, call with real estate agent and
				appraisers.
29-Jun-2017	John Haralovich	1.60	616.00	send material for insurance on vacant land, call
				with broker
29-Jun-2017	Echa Odeh	.80	160.00	Created new corporate engagement website,
				updated blurb, email sent to John H regarding
06-Jul-2017	Tara McLeod	.90	180.00	order and notice dates. Published website.
07-Jul-2017	Tara McLeod	.60	120.00	bank account set up, chq, deposit, disbursement
13-Jul-2017	Tara McLeod	.50	100.00	bills
				chqs
18-Jul-2017	John Haralovich	1.70	654.50	call with interested parties, call with fred, send
20-Jul-2017	John Haralovich	.90	346.50	terms and conditions of the seller
25-Jul-2017	John Haralovich	1.40	539.00	review of emails and pay insurance
				review of offer, call with agent
26-Jul-2017	John Haralovich	1.30	500.50	send information to Gowlings, review email from
27-Jul-2017	John Haralovich	.90	346.50	real estate agent
28-Jul-2017	John Haralovich	1.10	423.50	review emails and message to shareholders
				review of email and deal with property repair
				review of changes to offer and send back, call with
31-Jul-2017	John Haralovich	1.80	693.00	fred
02-Aug-2017	Tara McLeod	.80	160.00	invoices, cheques
02-Aug-2017	John Haralovich	.80	308.00	work on review of environmental
03-Aug-2017	Tara McLeod	.60	120.00	chqs for mailing
03-Aug-2017	John Haralovich	1.60	616.00	review revised offer
				sign back offer on 1687 Montreal road, email
10-Aug-2017	John Haralovich	1.20	462.00	Gowlings
11-Aug-2017	John Haralovich	1.30	500.50	call with Gowlings, call Bram, amend offer
				complete terms for asset purchase agreement,
14-Aug-2017	John Haralovich	4.20	1,617.00	calls with purchaser
15-Aug-2017	John Haralovich	1.40	539.00	sign offer and send around
17-Aug-2017	Tara McLeod	.40	80.00	deposit prep, chq
18-Aug-2017	John Haralovich	.70	269.50	send update to BDC
24-Aug-2017	John Haralovich	.80	308.00	call regarding property
28-Aug-2017	John Haralovich	.60	231.00	review email from Andre, call with Andre
06-Sep-2017	John Haralovich	.90	346.50	call with interested party
				work on sale of property, review amendment to
16-Oct-2017	John Haralovich	3.80	1,463.00	offer, forward offer to BDC
				call with lawyer regarding security review, provide
24-Oct-2017	John Haralovich	1.40	539.00	documents
26-Oct-2017	John Haralovich	6.60	2,541.00	work on the court report
27-Oct-2017	Tara McLeod	.40	80.00	disbursement
30-Oct-2017	John Haralovich	6.30	2,425.50	work on court report
31-Oct-2017	John Haralovich	1.60	616.00	work on report to the court
02-Nov-2017	John Haralovich	1.30	500.50	call with Gowlings to review court dates
03-Nov-2017	John Haralovich	1.40	539.00	prepare exhibits for court
09-Nov-2017	John Haralovich	5.60	2,156.00	complete court report and emails with lawyer
			\$ 31,123.50	
	HST		4,046.06	
			<u>\$ 35,169.56</u>	





Industry Canada

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Corporations Canada

Federal Corporation Information - 7544286

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Corporation Number

7544286

Business Number (BN)

813267861RC0001

Governing Legislation

Canada Business Corporations Act - 2010-05-05

Corporate Name

VERTAMIN REAL ESTATE INC.

Status

Active

Registered Office Address

340 Albert Street
Suite 1300
Ottawa ON K1R 7Y6
Canada

Active CBCA corporations are required to [update this information](#) within 15 days of any change. A [corporation key](#) is required.

Directors

Minimum

1

Maximum

10

Directors

Raymond Kuate Konga
128 Camella Avenue
Ottawa ON K1K 2X6
Canada

Active CBCA corporations are required to [update director information](#) (names, addresses, etc.) within 15 days of any change. A [corporation key](#) is required.

Annual Filings

Anniversary Date (MM-DD)

05-05

Date of Last Annual Meeting

2014-05-01

Annual Filing Period (MM-DD)
05-05 to 07-04

Type of Corporation
Non-distributing corporation with 50 or fewer shareholders

Status of Annual Filings
2015 - Not due
2014 - Filed
2013 - Filed

Corporate History

Corporate Name History

2010-05-05 to Present
VERTAMIN REAL ESTATE INC.

Certificates and Filings

Certificate of Incorporation
2010-05-05

2

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE) TUESDAY, THE 8TH DAY
JUSTICE: *R.J. SMITH*)
) OF NOVEMBER, 2016.

BETWEEN:

BUSINESS DEVELOPMENT BANK OF CANADA

Applicant

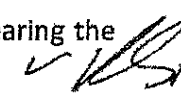
- and -

VERTAMIN REAL ESTATE INC.

Respondent

ORDER

THIS APPLICATION made by the Applicant, Business Development Bank of Canada (the "Bank"), for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, appointing MNP Ltd. as receiver (the "Receiver") without security, of certain assets, undertakings and properties of the Respondent (hereinafter the "Debtor") acquired for, or used in relation to operations carried out at 1687 and 895 Montreal Road, Ottawa, Ontario, was heard this day at the Courthouse, 161 Elgin Street, Ottawa, Ontario, K2P 2K1.

ON READING the Notice of Application, the Affidavit of Marlène Rodrigue, sworn on August 30, 2016 and the Exhibits thereto, the Factum and Authorities of the Applicant, the Affidavit of Cuihua Jian, sworn on November 7, 2016 and the Exhibits thereto, on hearing the submissions of counsel for the parties, ~~and on reading the consent of the parties, filed,~~ 

1. **THIS COURT ORDERS** that the receivership order attached hereto as Schedule "A" shall be and is hereby issued (the "Receivership Order"). The issuance of the Receivership Order

shall be without prejudice to the Bank's right to seek to expand the scope of the said order in the event the Debtor defaults upon the terms of this Order or in the event of a shortfall after the Bank realizes on the Property (as such term is defined in the Receivership Order), in the event such realization is required by the Bank. The Receivership Order shall be held in escrow by the Bank's lawyer of record herein and shall be immediately released in the event of a default by the Debtor that is not remedied within 15 calendar days of such default. The Debtor shall not be entitled to notice of any such default and shall only be entitled to two (2) such defaults. In the event of a third default or a default that is not remedied in accordance with the foregoing, counsel for the Bank shall be entitled to immediately release the Receivership Order from escrow without further notice and the Receiver shall be entitled to immediately act upon the Receivership Order in accordance with the terms thereof.

2. **THIS COURT FURTHER ORDERS** that the Debtor shall make a payment to the Bank on account of interest arrears by way of certified funds in an amount of no less than \$179,842.93 on or before November 30, 2016. From the date hereof onwards, the Debtor shall be required to keep monthly interest payments owing to the Bank current, and these payments shall be made by the Debtor to the Bank as follows:

- (a) Loan Number 068434-01: monthly interest payments in the amount of \$4,590 each shall be paid by the Debtor to the Bank on the 2nd day of each month, commencing on December 2, 2016; and
- (b) Loan Number 068434-04: monthly interest payments in the amount of \$8,395 each shall be paid by the Debtor to the Bank on the 1st day of each month from December 1, 2016 onwards.

3. **THIS COURT FURTHER ORDERS** that the Debtor shall be required to pay to the Bank a forbearance fee in the amount of \$20,000 as follows:

- (a) \$10,000 by way of certified funds on or before December 30, 2016; and

within thirty days from this date

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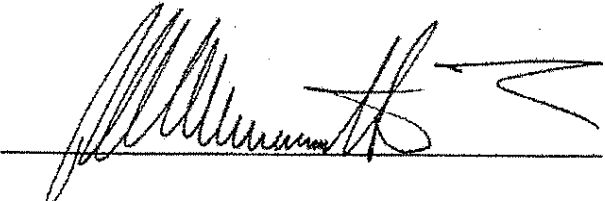
143,315.04
December 7,
The November 2016 interest arrears shall be paid by the Debtor to the Bank by no later than May 29, 2016.

Handwritten signature

(b) \$10,000 by way of certified funds on or before ~~January 30~~ ^{May 23}, 2017.

4. THIS COURT FURTHER ORDERS that the entire indebtedness owing to the Bank by the Debtor, including, without limitation, all outstanding principal, interest, fees, costs, disbursements and HST, shall be paid by or on behalf of the Debtor to the Bank in full by no later than ~~April~~ ^{May} 28, 2017. Without limiting the generality of paragraph one above, in the event the entire indebtedness owing to the Bank is not paid out in full in accordance with the foregoing, counsel for the Bank shall be entitled to immediately release the Receivership Order from escrow without further ^{15 days} notice and the Receiver shall be entitled ^{thereafter} to immediately act upon the Receivership Order in accordance with the terms thereof ^{after giving of the said notice.}

5. THIS COURT FURTHER ORDERS that the Debtor shall immediately start repaying municipal tax arrears, which total \$95,824.15 as of November 2, 2016, by way of monthly payments to the municipality of no less than \$7,985.35. All outstanding tax arrears must be repaid in full on or before ~~April~~ ^{May} 28, 2007. From the date hereof onwards, all required monthly payments owing on account of municipal taxes going forward shall be paid by the Debtor as and when due to the municipality, and the Debtor shall forthwith provide the Bank with written confirmation whenever such a payment is made, and shall provide documentary support evidencing any such payment.



ENTERED AT OTTAWA INSCRIT A OTTAWA
ON/LE NOV 09 2016
DOCUMENT # <u>0111</u>
IN BOOK NO. 73-13
AU REGISTRE NO. 73-13

SCHEDULE "A"

RECEIVERSHIP ORDER ATTACHED

BUSINESS DEVELOPMENT BANK OF CANADA
Plaintiff

-and-

VERTAMIN INC. et al.

Defendants

Court File No.: 16-70260

ONTARIO SUPERIOR COURT OF JUSTICE

Proceedings commenced at Ottawa

ORDER

SOLOWAY WRIGHT LLP

Lawyers

700-427 Laurier Avenue West

Ottawa, Ontario K1R 7Y2

André A. Ducasse (#44739R)

(613) 236-0111 telephone

(613) 238-8507 facsimile

Lawyers for the Plaintiff

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE

JUSTICE

R.S. SMITH

) TUESDAY, THE 8TH DAY

) OF NOVEMBER, 2016.

BETWEEN:

BUSINESS DEVELOPMENT BANK OF CANADA

Applicant

- and -

VERTAMIN REAL ESTATE INC.

Respondent

ORDER

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing MNP Ltd. as receiver (in such capacities, the "Receiver") without security, of certain assets, undertakings and properties of the Respondent (hereinafter the "Debtor") was heard this day at the Courthouse, 161 Elgin Street, Ottawa, Ontario, K2P 2K1.

ON READING the Notice of Application, the Affidavit of Marlène Rodrigue, sworn on August 30, 2016 and the Exhibits thereto, the Factum and Authorities of the Applicant, the Affidavit of Cuihua Jiang, sworn on November 7, 2016 and the Exhibits thereto, on hearing the submissions of counsel for the parties, no one appearing on behalf of any other creditors on the Service List although duly served as appears from the Affidavit of Service of Roxanne Chapman sworn on October 26, 2016, and on reading the consent of MNP Ltd., dated October 18, 2016, to act as the Receiver in respect of the assets of the Respondent referred to herein,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, MNP Ltd. is hereby appointed Receiver, without security, of the Debtor's real properties municipally known as 895 and 1687 Montreal Road, Ottawa, Ontario, including all interests therein and proceeds thereof (the "Property").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the

ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby

conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$200,000.00, provided that the aggregate consideration for all such transactions does not exceed \$500,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating

to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the

Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

PIPEDA

13. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their

advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

14. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

15. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

16. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

17. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Ontario Superior Court of Justice.

18. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

19. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

20. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

21. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

22. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

GENERAL

23. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
24. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
25. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
26. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
27. THIS COURT ORDERS that the Plaintiff shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor' estate with such priority and at such time as this Court may determine.

28. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.



A handwritten signature in black ink, consisting of several vertical strokes followed by a horizontal line and a stylized flourish.

ENTERED AT OTTAWA
INSCRIT A OTTAWA
ON/LE NOV 09 2016
DOCUMENT # 0411
IN BOOK NO. 73-13
AU REGISTRE NO. 73-13

BUSINESS DEVELOPMENT BANK OF CANADA
Plaintiff

-and-

VERTAMIN INC. et al.

Defendants

Court File No.: 16-70260

ONTARIO SUPERIOR COURT OF JUSTICE

Proceedings commenced at Ottawa

ORDER

SOLOWAY WRIGHT LLP

Lawyers

700-427 Laurier Avenue West
Ottawa, Ontario K1R 7Y2

André A. Ducasse (#44739R)
(613) 236-0111 telephone
(613) 238-8507 facsimile

Lawyers for the Plaintiff

3

District of: Ontario
Division No. 12 - Ottawa
Court No. 16-70260
Estate No. 33-165605

- FORM 87 -

Notice of Statement of the Receiver
(Subsections 245(1) and 246(1) of the Act)

In the matter of the receivership of
Vertamin Real Estate Inc.
of the City of Ottawa
in the Province of Ontario

The receiver gives notice and declares that:

1. On the 14th day of June 2017, we, MNP LTD., became the receiver in respect of the property of Vertamin Real Estate Inc., that is described below:

Real Property or Immovable	Land - 1687 Montreal Road, Ottawa, Ontario	1600000.00
Real Property or Immovable	Land - 895 Montreal Road, Ottawa, Ontario	1900000.00

2. We became a receiver by having taken possession or control of the property described above (or by virtue of being appointed by Business Development Bank of Canada), pursuant to a charge on property located at 1687 Montreal Road dated October 31, 2012, a charge on property located at 895 Montreal Road dated September 20, 2013, a general security agreement dated October 31, 2012 and an assignment of rents dated October 31, 2012 and September 20, 2013 plus a personal guarantee of Raymond Kuate Konga dated September 20, 2013.

3. The undersigned took possession or control of the property described above on the 14th day of June 2017.

4. The following information relates to the receivership:

(a) Address: 340 Albert Street, Suite 1300, Ottawa, ON, K1R 7Y6

(b) Principal line of business: Rental Properties

(c) Location(s) of business:

895 Montreal Road, Ottawa, ON
1687 Montreal Road, Ottawa, ON

(d) Amount owed to each creditor who holds a security on the property described above:

Business Development Bank of Canada - Ottawa West	\$1167214.00
Business Development Bank of Canada - Ottawa West	\$2113737.00
City of Ottawa - Legal Department	\$40000.00
City of Ottawa - Legal Department	\$49000.00

(e) The list of other creditors and the amount owed to each creditor and the total amount due is as follows:

CRA Legal Services	Unsecured	\$1.00
TD Canada Trust	Unsecured	\$1.00
Kelly Santini LLP	Unsecured	\$1.00
Magenta Mortgage Corporation - Perth Office	Unsecured	\$1.00

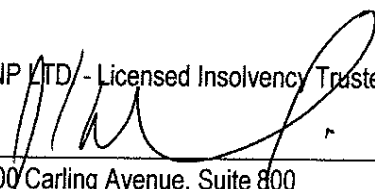
(f) The intended plan of action of the receiver during the receivership, to the extent that such a plan has been determined, is as follows: The Receiver will list 2 properties for sale. The Receiver will obtain 2 appraisals to determine the market value for the properties in their existing condition. The Receiver will obtain 2 proposals from real estate brokers to market the properties. The Receiver will list the properties with one agent.

(g) Contact person for receiver:

John Haralovich, Tel: (613) 691-4200, Fax: (613) 726-9009.

Dated at the City of Ottawa in the Province of Ontario, this 14th day of June 2017.

MNP LTD - Licensed Insolvency Trustee



1600 Carling Avenue, Suite 800
Ottawa ON K1Z 1G3
Phone: (613) 691-4200 Fax: (613) 726-9009



Industry Canada
**Office of the Superintendent
of Bankruptcy Canada**

Industrie Canada
**Bureau du surintendant
des faillites Canada**

RECEIVER: JOHN PIERRE HARALOVICH
MNP LTD / MNP LTÉE
800 - 1600 Carling Avenue
Ottawa, ONTARIO
K1Z 1G3

DATE: June 26, 2017

RE: Filing of Receivership and Reporting Duties of Receiver

ESTATE NAME: VERTAMIN REAL ESTATE INC.

ESTATE NO: 33-165605

Dear Sir/Madam,

We write to acknowledge receipt of Form 87, Notice and Statement of the Receiver, for the above noted receivership. Please note the assigned estate number and ensure this number is on all future correspondence.

As a reminder, subsection 246(2) of the Bankruptcy and Insolvency Act (BIA) and Rule 126 of the Bankruptcy and Insolvency General Rules require the receiver to prepare interim reports relating to the receivership at least once every six months and provide copies thereof to the Superintendent, to the insolvent person or the Licensed Insolvency Trustee (in the case of a bankrupt) and to any creditor who requested a copy.

In addition, pursuant to subsection 246(3) of the BIA and Rule 127, the receiver shall, after completion of his/her duties, prepare a final report and a statement of accounts containing the prescribed information relating to the receivership and provide a copy thereof to the Superintendent, to the insolvent person or the Licensed Insolvency Trustee (in the case of a bankrupt) and to any creditor who requested a copy.

Please contact this office should you have any questions regarding any of the above.

Superintendent of Bankruptcy

**Place Bell Canada, 160 Elgin Street, 11th Floor, Suite B-100, Ottawa, ONTARIO, K2P
2P7, 877/376-9902**

Canada



-- ESTATE INFORMATION SUMMARY --

I. COMPLETE THE FOLLOWING IN ALL CASES

PROCEEDING: Assignment Receivership Bankruptcy Order Proposal Individual Corporation Income Trust

Estate Name: Vertamin Real Estate Inc. Occupation: _____ Language: English French Other Specify

Ind. Date of Birth: D M Y Previous or current BIA proceeding? Yes No If yes, enter estate number(s) _____ Previous bankruptcy Yes No If yes, how many? 0

Address (Street No. and Apt No.): 340 Alibert Street, Suite 1300 Indicate if receivership Yes No D M Y

City: Ottawa Province: ON Postal Code: K1R 7Y6 Home Telephone no. () - - - - Work Telephone no. (613) 742-6866

E-mail Address (if any) _____ Consumer debts only? Yes No 100.00 % of the total debt is Business The debtor resides or has carried on business at the above address since: D M Y 05-05-2010

Highest level of education completed by bankrupt/debtor: (for statistical purposes only)
 0-8 years Some high school high school graduate some post-secondary post-secondary certificate or diploma university degree refuses to answer or doesn't know

II - COMPLETE THE FOLLOWING IF THE DEBTOR HAS GUARANTEED THE DEBTS OF ANOTHER PERSON N/A

III - COMPLETE THE FOLLOWING IF THE DEBTOR WAS PREVIOUSLY OR IS PRESENTLY IN BUSINESS N/A

Trade name(s) if different from the estate name	Place of Business	Nature of Business	Corporation, partnership or sole proprietorship
	895 Montreal Road Ottawa ON	Rental	Corporation

Names of the partners if a partnership: _____

During the past 12 months, what was the maximum number of employees that you employed? 1 How long have you been in operation under this current legal name? 12 Month(s)

	1687 Montreal Road Ottawa ON	Rental	Corporation
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Names of the partners if a partnership: _____

During the past 12 months, what was the maximum number of employees that you employed? 0 How long have you been in operation under this current legal name? 0 Month(s)

IV - COMPLETE THE FOLLOWING IF THE DEBTOR IS A CORPORATION N/A

Are the shares of the corporation publicly traded? Yes No Federal Charter Number Yes ▶ 7544286 No

Names of the corporate officers
Raymond Kuate Konga

Name of person to be examined: Raymond Kuate Konga Title: Officer of the Bankrupt Cc Phone Number: () - - - -

Address: 128 Camella Avenue

City: Ottawa Province: ON Postal Code: K1K 2X6 Language: English French Other specify

During the past 12 months, what was the maximum number of employees that you employed? 1 How long have you been in operation under this current legal name? 85 Month(s)

V - TO BE COMPLETED WHEN FILING A CONSUMER PROPOSAL OR AMENDED CONSUMER PROPOSAL N/A

VI - TO BE COMPLETED AND SIGNED BY THE TRUSTEE IN ALL CASES

Creditors Meeting Suggested Time & Place: D M Y Time: _____ Location: _____

TRUSTEE APPOINTMENT Name & Licence number of the trustee or, if a Corporate Trustee, the name & Licence number of the person responsible for the administration of the estate. MNP LTD., John Haralovich, 2572 Licence number: 2572

Request for an investigation under the Debtor Compliance Referral Program Yes No If yes, provide reasons for referral ▶

A possible conflict of interest situation exists: Yes No If yes, explain ▶



-- ESTATE INFORMATION SUMMARY --

Continued

Indemnification:

N/A Deposit Guarantee

Name of depositor or guarantor

Amount or extent of indemnity ▶ \$ 0.00

Trustee absent when file submitted
Amended summary to follow

Signature
of Trustee

VII - OFFICIAL RECEIVER USE ONLY

NOTE: Quote this number in all future correspondence

No. >

Administration

Summary Ordinary

Date of
filing

D M Y

Type

Industry District Division

Court No.

Licence No. of appointed Trustee

As above

Other >>

Resp. O. R.

Assets

Liabilities

Security

Creditor's Meeting

Date

D

M

Y

Time

Location

Chairperson

As above

Or

O. R.

Trustee

Debtor Examination

Date

D

M

Y

Time

Location

No

Yes

Official Receiver Comments

Note to file

A

B

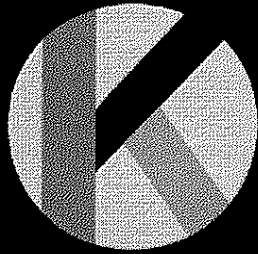
C

Data Processing Initials

Official
Receiver's
Initials

Document Production Initials

4



KOBLE

COMMERCIAL REAL ESTATE & BROKERAGE

1687 MONTREAL RD, OTTAWA, ON

VALUATION & LISTING PROPOSAL

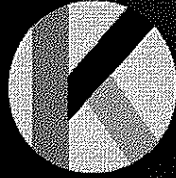
PRESENTED BY

GRAEME WEBSTER
613 237 0123 x203
GRAEME@KOBLE.CA

MARC MORIN
613 237 0123 x212
MARC@KOBLE.CA

KOBLE

COMMERCIAL REAL ESTATE & BROKERAGE

VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

June 26, 2017

Dear Mr. Haralovich

Thank you for the opportunity to discuss the real estate market and submit a valuation and proposal for commercial real estate brokerage listing services for 1687 Montreal Rd.

As a team, we have been particularly active in this market and have spent the past number of years investing in our marketing system, with the express intent of delivering the most comprehensive and highly exposed and promoted listing services in Ottawa.

Our objective in working with you on this project, should you decide to move forward, is to sell 1687 Montreal Rd. at the highest possible market price and to minimize time on market. The intention of this proposal is to provide the following:

1. A valuation and recommended pricing strategy, which is evidence based and competitively positioned in the current market; and
2. Our proposed marketing plan, designed to create maximum exposure for 1687 Montreal Rd.
 - within our personal database, the commercial brokerage community, online and with the general public.

We propose that the listing agreement is signed immediately upon making a decision to sell, and that pre-listing work is completed immediately. The listing will go live within days,

By completing the recommended pre-marketing initiatives, maximizing property exposure and pricing the property competitively, we expect that the property will be under contract within 120 days of the marketing launch.

Based on our market analysis detailed herein, we propose the following list price:

List price: \$1,350,000

Once you've had the opportunity to review the proposal in detail, we look forward to discussing further.

Sincerely,

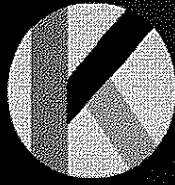
Graeme Webster

Marc Morin



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VALUATION & LISTING PROPOSAL

1687 MONTREAL RD, OTTAWA, ON

PROPERTY INFORMATION	5
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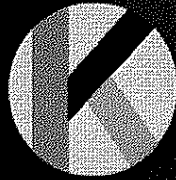
GRAEME WEBSTER | 613.237.0123 x203 | GRAEME@KOBLE.CA

MARC MORIN | 613.237.0123 x202 | MARC@KOBLE.CA

502 - 100 Gloucester Street
Ottawa, ON K2P 0A4**KOBLE**.CA

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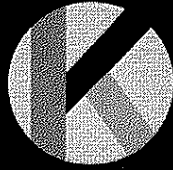
VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON**OFFERING SUMMARY****Suggested List Price:** \$1,350,000**Suggested Price/SF** \$34.82**Lot Size:** 0.89 Acres**Zoning:** AM10[2199] -
Arterial Mainstreet
Zone**PROPERTY HIGHLIGHTS**

- Just under 1 acre of land (38,768sf) for sale in prime location along busy Montreal Road
- Well located between Blair Road and Ogilvie Road, just minutes from Highway 417 and Highway 174
- This area of Ottawa is currently thriving amidst significant new investment
- Zoning is Arterial Mainstreet which allows for a wide variety of uses including retail, restaurant, office, place of worship, car dealership, hotel, drive-through facility, day care, community centre and many more



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VALUATION & LISTING PROPOSAL

1687 MONTREAL RD, OTTAWA, ON

PROPERTY INFORMATION

GRAEME WEBSTER | 613.237.0123 x203 | GRAEME@KOBLE.CA
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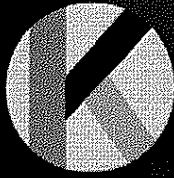


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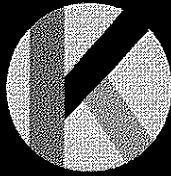

 VALUATION & LISTING PROPOSAL
 1687 MONTREAL RD, OTTAWA, ON


PROPERTY ADDRESS:	1687 Montreal Rd Ottawa, ON K1J 6N6
NEIGHBOURHOOD:	Ottawa East
PIN:	043730081
ROLL:	061460014519500
LEGAL DESCRIPTION:	PT BLK 2, PL 118 ; PT LTS 1 & 2, PL 126 , BEING PART 2, 3 & 4 ON PLAN 5R2278 , EXCEPT PT 1 ON PLAN 5R369 ; PART OF LOT 2 PLAN 126, BEING PART 2 ON PLAN 4R-27383. CITY OF OTTAWA
AREA:	38,639.16 SF
PERIMETER:	793.96 feet
MEASUREMENTS:	152.85ft. x 244.23ft. x 129.2ft. x 25.76ft. x 243.9ft.
FRONTAGE:	142.26 feet



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VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

LOCATION OVERVIEW

GRAEME WEBSTER | 613.237.0123 x203 | GRAEME@KOBLE.CA
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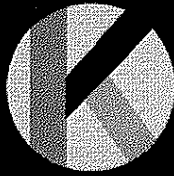


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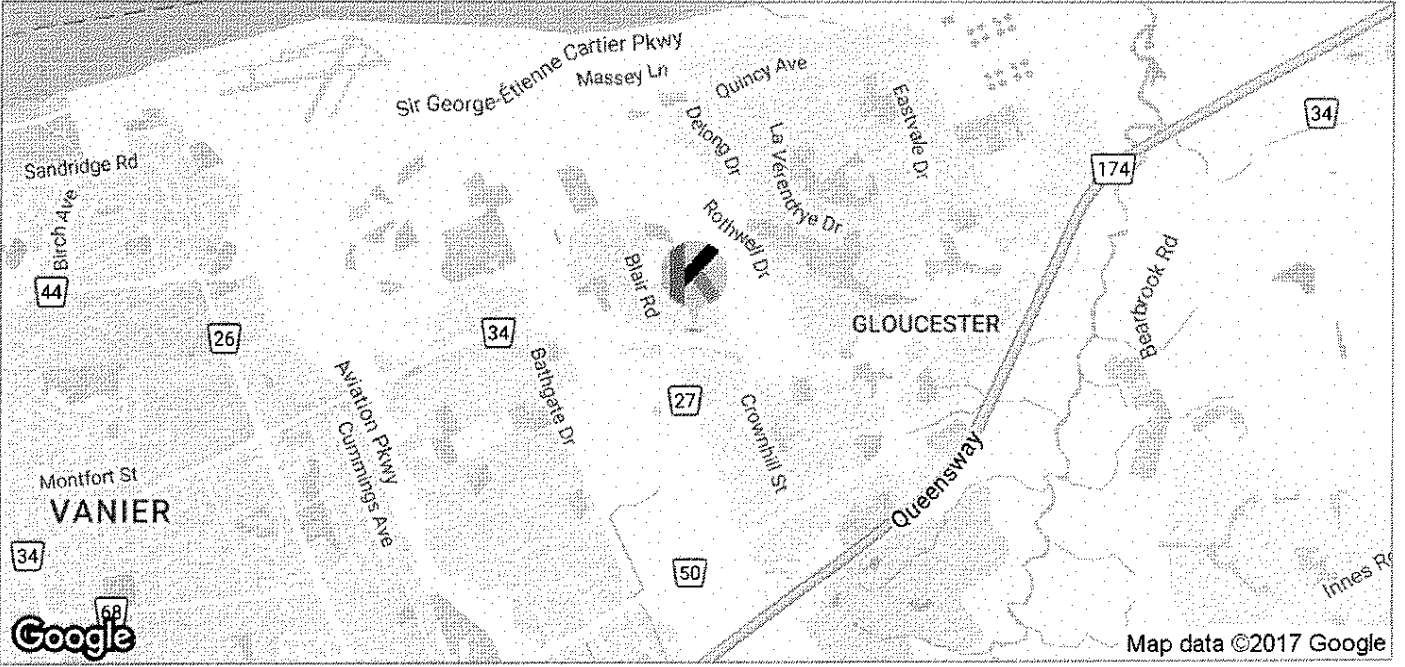
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COMMERCIAL OFFICE BUILDING
1687 MONTREAL RD, OTTAWA, ON



GRAEME WEBSTER | 613.237.0123 x203 | GRAEME@KOBLE.CA
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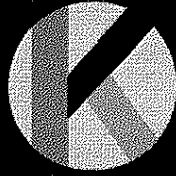


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A PROPOSAL FOR COMMERCIAL SERVICES
1687 MONTREAL RD, OTTAWA, ON K1J 6N6



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MARC MORIN | 613.237.0123 x202 | MARC@KOBLE.CA

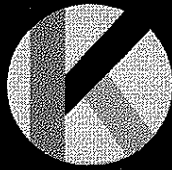


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VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

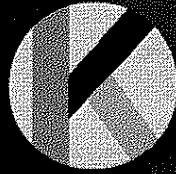
VALUATION & PRICING RECOMMENDATION

GRAEME WEBSTER | 613.237.0123 x203 | GRAEME@KOBLE.CA
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METHODOLOGY

Traditionally there are three accepted methods of analysis in valuing real estate.

1. Comparable Sales Approach;
2. Income Approach; and
3. Replacement Cost Approach.

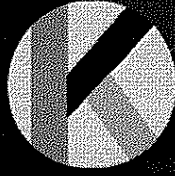
Methodology Selection

As the property is being sold as vacant land, it will most likely be purchased for a small business to build and occupy, or by a developer. For this reason, we will use Method 1, the comparable sales approach. We will look at similar comparable sales and make adjustments for any superior or inferior features including location. Because there is no income, using Method 2 will not merit the highest and best value and we will therefore omit this approach from the valuation. We will also eliminate Method 3, the replacement cost approach as it is usually only used for insurance purposes.



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VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

COMPARABLE SALE APPROACH TO VALUE

In the following pages, we've listed 7 property sales from the past 4 years with similar attributes to the subject property at 1687 Montreal Road, in that they are considered land sales. We use these recent transactions to derive an appropriate price per square foot that we will apply to the subject property's area. It should be noted that we are using the price per square foot on comparable vacant land, as this method will provide the highest and best market value, given the value of the structures on the subject property

Our findings reveal:

Average \$/SF:	\$50.69/SF
Comparable \$/SF Range:	\$21.02 – 76.74/SF

Based on our findings in the following analysis, there is very little evidence to suggest that the value of the subject property has increased since it was last purchased. Many the comparable properties are in the west-end and are located in stronger retail locations. In addition to this, the higher price per foot sales often included holding income. The lower price per square foot sales were generally much larger in area than the subject property. Smaller properties often trade at higher prices because of the absolute value. Due to the location on Montreal Road, we recommend pricing at the low end of the comparable range. While we do not believe that there has been a true increase in value since the last sale of the property, we recommend increasing the list price by 5% to account for some inflation. Of note, 1687 Montreal Rd. is priced lower than 895 Montreal Rd. due primarily, to the inferior location with respect to commercial activity.

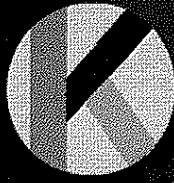
Target Market Value:	\$1,163,040 - \$1,279,344 (\$30/sf - \$33/sf)
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Suggested List Price:	\$1,350,000 (\$34.82/sf)
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COMMERCIAL REAL ESTATE & BROKERAGE

VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ONProperty Notables When Comparing to Comparable Sales:

In our assessment, prospective buyers will observe the following when comparing the subject property to closed deals:

Advantages:

- Relative proximity to the Montfort Hospital
- Dense residential population to support services

Areas to be aware of:

- Struggling retail node
- Marketed for sale but not sold in years past
- Sold for \$800K in April, 2012 and then purchased for \$1.2M in December 2012 by current owner.

Comparable Sale

1. 1375 Clyde Ave	\$7,350,000	2.81 AC	\$2,615,658/AC	\$60.05/SF	03/31/2017
2. 665 Montreal Rd	\$1,700,000	0.5987 AC	\$2,839,485/AC	\$65.19/SF	06/15/2016
3. 2599 & 2583 Carling Ave	\$3,700,000	1.1068 AC	\$3,342,985/AC	\$76.74/SF	05/31/2016
4. 350 Cresthaven Dr	\$3,800,000	4.15 AC	\$915,662/AC	\$21.02/SF	12/15/2015
5. 1625-1629 Bank St	\$1,268,363	0.41834 AC	\$3,031,876/AC	\$69.60/SF	09/11/2015
6. 1179-1195 Hunt Club Rd	\$4,050,000	2.70 AC	\$1,500,000/AC	\$34.44/SF	06/01/2015
7. 1 Colonnade Rd	\$5,454,000	4.5 AC	\$1,212,000/AC	\$27.82/SF	12/30/2013

Sale 1 – 1375 Clyde Ave; \$2,615,658/AC or \$60.00/sf in March 2017

Location:	Nepean	Superior
Lot Size:	2.81 AC	Inferior
Zoning:	AM10[2199] - Arterial Mainstreet	Similar
Sale Date:	March 2017	Neutral
Include/Omit:	Include	Downward Adjustment

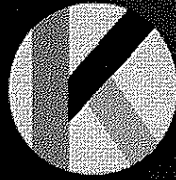
The property is located on the east side of Clyde Avenue and the south side of Baseline Road, in the north end of Nepean's Merivale Commercial Area, in the west end of the City of Ottawa. It is improved with a one-storey, 21,360 square foot retail building constructed in 1970 and renovated into a Value Village in 2001. Site had short term income at time of purchase. The site is provided with 129 paved surface parking spaces. The property was purchased for its redevelopment with a Dymon Self Storage facility. This site offers a superior retail opportunity than the subject.

Subject Property < \$60/sf



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VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

Sale 2 – 665 Montreal Rd; \$2,839,485/AC or \$65.18/sf in June 2016

Location:	Ottawa East	Superior
Lot Size:	0.5987 AC	Similar
Zoning:	AM10[2199] - Arterial Mainstreet	Similar
Sale Date:	June 2016	Neutral
Include/Omit:	Include	Downward Adjustment

The property is located on the northeast corner of Montreal Road and Thomson Street, just west of the Aviation Parkway and Montfort Hospital, in the east end of the City of Ottawa. It is improved with a motel consisting of 26 rooms, full kitchens and 30 parking spaces. It has been reported that the property was purchased for land value, and the purchaser will operate the hotel for approximately two years, before redeveloping. This property is far closer to the busy Vanier sector of Montreal Road and the Income enhances the value significantly.

Subject Property: < \$65.18 psf

Sale 3 – 2599 & 2583 Carling Ave; \$3,342,985/AC or \$76.74/sf in May 2016

Location:	Queensway Corridor West	Superior
Lot Size:	1.1068 AC	Similar
Zoning:	*_AM - Arterial Mainstreet	Similar
Sale Date:	May 2016	Neutral
Include/Omit:	Include	Downward adjustment

Avenue and Forest Street and also fronting onto the south side of Bond Street, just west of the Lincoln Fields Shopping Centre, in the Lincoln Heights neighbourhood, in the City of Ottawa. The assembled site is zoned Arterial Mainstreet, however, a zoning amendment is pending. The properties were purchased as an assembly for development of a self-storage facility.

Subject Property: < \$76.74

Sale 4 – 350 Cresthaven Dr; \$915,662/AC or \$21.02/sf in December 2015

Location:	Barrhaven	Inferior
Lot Size:	4.15 AC	Inferior
Zoning:	GM [450]	Similar
Sale Date:	December 2015	Neutral
Include/Omit:	Include	Upward Adjustment

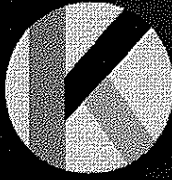
Relatively level site (slopes up modestly from Strandherd drive). Bought for short term commercial development of a 48,000-square foot grocery anchored shopping centre. Subject site has higher density development potential and as it is smaller, will trade at a higher price per foot.

Subject Property > \$21.02/sf



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COMMERCIAL REAL ESTATE & BROKERAGE

VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

Sale 5 – 1625-1629 Bank St; \$3,031,876/AC or \$69.60/sf in September 2015

Location:	Alta Vista	Superior
Lot Size:	0.41834 AC	Similar
Zoning:	AM1[1913] and R2F - Arterial Mainstreet and Residential Second Density	Similar
Sale Date:	September 2015	Inferior
Include/Omit:	Include	Downward Adjustment

The properties (3 parcels) are located on the southeast corner of Bank and Anoka Streets, in the Ridgemont neighbourhood, in the south end of the City of Ottawa. At the time of sale, the two properties fronting on Bank Street were improved and rented and the Anoka Street property was unimproved. The properties previously sold for \$1,010,000 in March 2012. Existing income supports a higher price.

Subject Property < \$69.60psf

Sale 6 – 1179-1195 Hunt Club Rd; \$1,500,000/AC or \$34.44/sf in June 2015

Location:	Hunt Club	Superior
Lot Size:	2.70 AC	Inferior
Zoning:	AM – Arterial Mainstreet	Similar
Sale Date:	June 2015	Inferior
Include/Omit:	Include	Neutral

A commercial site that was bought for re-development purposes. Two of the four existing building are to be demolished, and the retention of two older office buildings (3,000 and 9,000 square feet), both of which will be gutted and re-done. The purchaser intends to develop a new two storey 21,000 sf office building, as well as a one storey 10,000 sf or development of a two-storey office condominium as well as two retail plazas. All cash consideration.

Subject Property ~ = \$34.44psf

Sale 7 – 1 Colonnade Rd; \$1,212,000/AC or \$27.82/sf in December 2013

Location:	Merivale Corridor	Superior
Lot Size:	4.5 AC	Inferior
Zoning:	AM [1690] – Arterial Mainstreet	Similar
Sale Date:	December 2013	Inferior
Include/Omit:	Include	Upward Adjustment

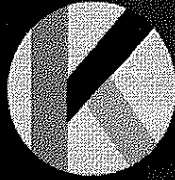
Commercial development site situated at the northeast corner of Merivale Road and Colonnade Road. Relatively level site with a moderate rise up from the street. Bought for development of a Honda automotive dealership. Location is superior to the subject market has improved considerably since 2013.

Subject Property > \$27.82/sf



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VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

LIST PRICE RECOMMENDATION

Based on the preceding valuation, we believe that a list price of \$1,350,000 is the right price to garner the attention of the market and to achieve the timelines outlined in the Marketing Plan.

Our pricing strategy and valuation are evidence based, having been substantiated with multiple lenders and appraisers prior to finalizing the Listing Proposal.

The importance of listing at the right price

1. Price certainty and velocity

The following tables show the pricing differential between properties priced by owners and properties priced by Koble.

Note that our evidence-based list prices demonstrate much more certainty in the value range, resulting in properties selling 65% faster than properties sold using non-evidence based list prices. In this case, it will mean the difference between closing in the third quarter of 2017 versus closing in fourth quarter or even the beginning of 2018.

List Price Recommended by Koble	
% of List Price	Days on Market before Accepted Offer
95.8%	37.67

List Price Chosen by Sellers	
% of List Price	Days on Market before Accepted Offer
81.4%	279.00

2. Buyer interest versus market fatigue

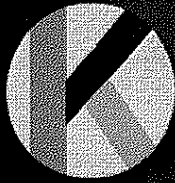
The listing price has a direct impact on buyer interest. When properties are listed with arbitrary pricing, the buyer could perceive the list price as overinflated and not reflecting the true value of the property. With such a perception, buyers will not submit an offer. Furthermore, if the property does not sell and is on the market too long, then buyers will be wary and will suspect that something is wrong with the property.

With evidence-based list prices buyers are more likely to put in an offer, and the property is more likely to sell—not only at the highest market price possible, but also in the shortest time possible.



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VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

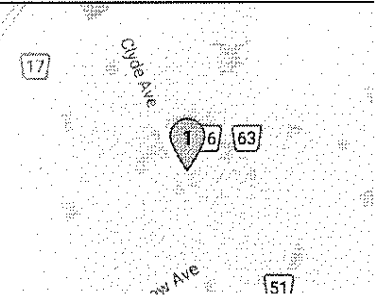
1

1375 CLYDE AVE

1375 Clyde Ave | Ottawa, ON K2G 3H7

Sale Price: \$7,350,000 Lot Size: 2.81 AC
 Price PSF: \$60.05 Price / AC: \$2,615,658
 Closed: 03/31/2017

Zoning: AM10[2199] - Arterial Mainstreet



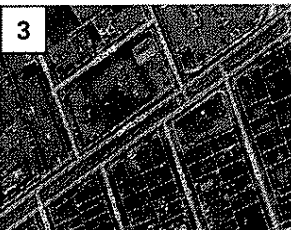
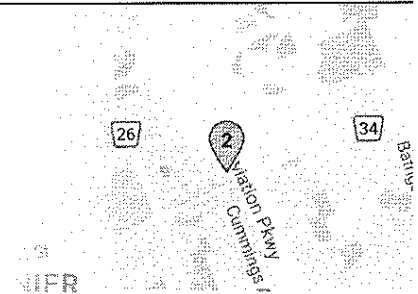
2

665 MONTREAL RD

665 Montreal Rd | Gloucester, ON K1K 0T1

Sale Price: \$1,700,000 Lot Size: 0.5987 AC
 Price PSF: \$65.19 Price / AC: \$2,839,485
 Closed: 06/15/2016

Zoning: AM10[2199] - Arterial Mainstreet



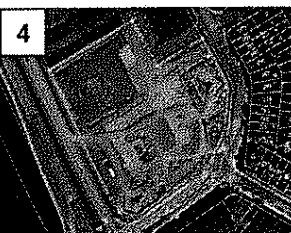
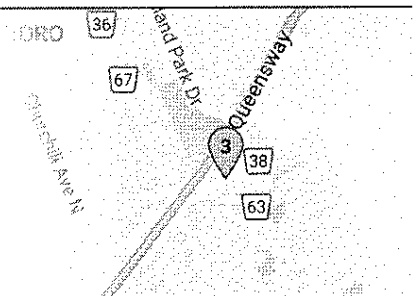
3

2599 & 2583 CARLING AVE

2599 & 2583 Carling Ave | Ottawa, ON K2B 7H7

Sale Price: \$3,700,000 Lot Size: 1.1068 AC
 Price PSF: \$76.74 Price / AC: \$3,342,970
 Closed: 03/31/2016

Zoning: *_AM - Arterial Mainstreet



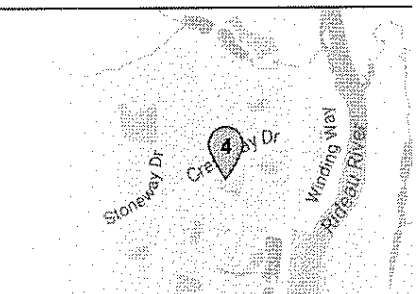
4

350 CRESTHAVEN DR

350 Cresthaven Dr | Ottawa, ON K2G 4S4

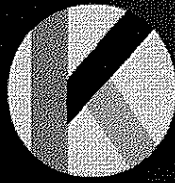
Sale Price: \$3,800,000 Lot Size: 4.15 AC
 Price PSF: \$21.02 Price / AC: \$915,662
 Closed: 12/15/2015

Zoning: GM [450] General Mixed - Use



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COMMERCIAL REAL ESTATE & BROKERAGE


 VALUATION & LISTING PROPOSAL
 1687 MONTREAL RD, OTTAWA, ON
**1625-1629 BANK ST**

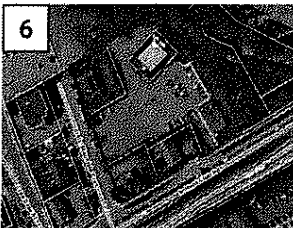
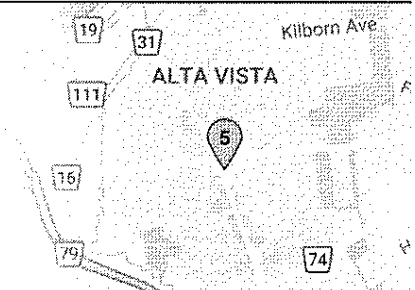
1625-1629 Bank St | Ottawa, ON K1V 7Y9

Sale Price: \$1,268,363 Lot Size: 0.418343 AC

Price PSF: \$69.60 Price / AC: \$3,031,873

Closed: 09/11/2015

Zoning: AM1[1913] and R2F - Arterial Mainstreet and Residential Second Density

**1179-1195 HUNT CLUB RD**

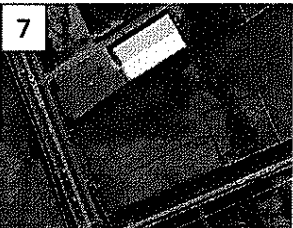
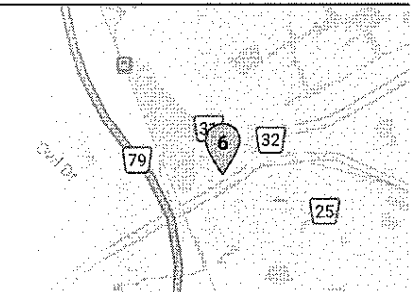
1179-1195 Hunt Club Rd | Ottawa, ON K1V 8S4

Sale Price: \$4,050,000 Lot Size: 2.7 AC

Price PSF: \$34.44 Price / AC: \$1,500,000

Closed: 06/01/2015

Zoning: AM - Arterial Mainstreet

**1 COLONNADE RD**

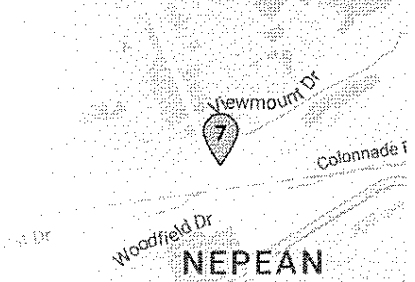
1 Colonnade Rd | Ottawa, ON K2E 0C3

Sale Price: \$5,454,000 Lot Size: 4.5 AC

Price PSF: \$27.82 Price / AC: \$1,212,000

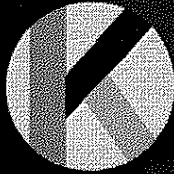
Closed: 12/30/2013

Zoning: AM [1690] - Arterial Mainstreet



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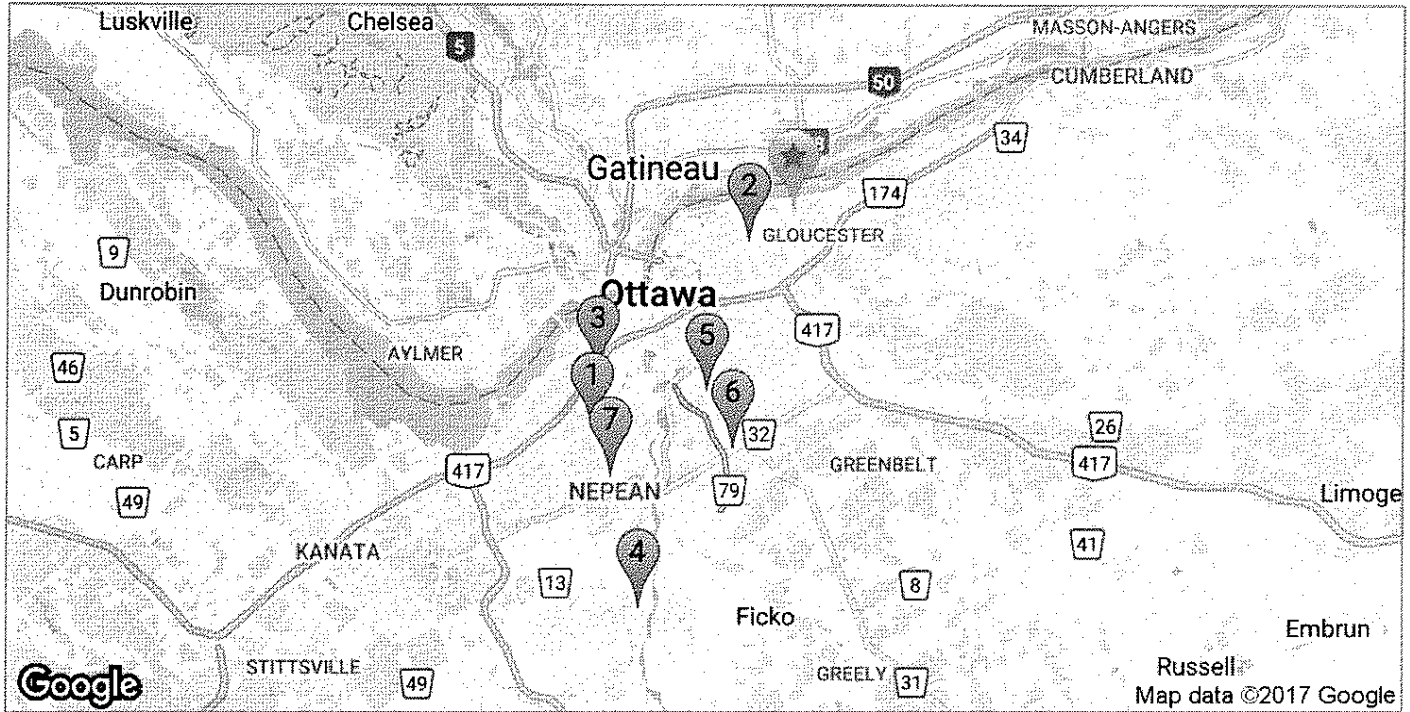
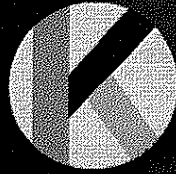
COMMERCIAL REAL ESTATE & BROKERAGE



A PROPOSAL FOR COMMERCIAL SERVICES
1687 MONTREAL RD, OTTAWA, ON K1J 6N6

SALE COMPS	PRICE	LOT SIZE	PRICE/SF	PRICE/AC
1 1375 Clyde Ave 1375 Clyde Ave Ottawa, ON K2G 3H7	\$7,350,000	2.81 AC	\$60.05	\$2,615,658
2 665 Montreal Rd 665 Montreal Rd Gloucester, ON K1K 0T1	\$1,700,000	0.5,987 AC	\$65.19	\$2,839,485
3 2599 & 2583 Carling Ave 2599 & 2583 Carling Ave Ottawa, ON K2B 7H7	\$3,700,000	1.1,068 AC	\$76.74	\$3,342,970
4 350 Cresthaven Dr 350 Cresthaven Dr Ottawa, ON K2G 4S4	\$3,800,000	4.15 AC	\$21.02	\$915,662
5 1625-1629 Bank St 1625-1629 Bank St Ottawa, ON K1V 7Y9	\$1,268,363	0.418,343 AC	\$69.60	\$3,031,873
6 1179-1195 Hunt Club Rd 1179-1195 Hunt Club Rd Ottawa, ON K1V 8S4	\$4,050,000	2.7 AC	\$34.44	\$1,500,000
7 1 Colonnade Rd 1 Colonnade Rd Ottawa, ON K2E 0C3	\$5,454,000	4.5 AC	\$27.82	\$1,212,000
	PRICE	LOT SIZE	PRICE/SF	PRICE/AC
TOTALS/AVERAGES	\$3,903,195	2.33 AC	\$50.69	\$2,208,235





SUBJECT PROPERTY
1687 Montreal Rd | Ottawa, ON K1J 6N6

1 1375 CLYDE AVE
1375 Clyde Ave
Ottawa, ON K2G 3H7

2 665 MONTREAL RD
665 Montreal Rd
Gloucester, ON K1K 0T1

3 2599 & 2583 CARLING AVE
2599 & 2583 Carling Ave
Ottawa, ON K2B 7H7

4 350 CRESTHAVEN DR
350 Cresthaven Dr
Ottawa, ON K2G 4S4

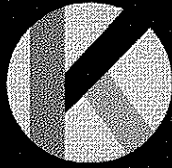
5 1625-1629 BANK ST
1625-1629 Bank St
Ottawa, ON K1V 7Y9

6 1179-1195 HUNT CLUB RD
1179-1195 Hunt Club Rd
Ottawa, ON K1V 8S4

7 1 COLONNADE RD
1 Colonnade Rd
Ottawa, ON K2E 0C3

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COMMERCIAL REAL ESTATE & BROKERAGE



VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

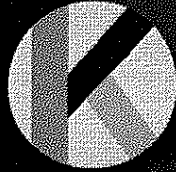
MARKETING PLAN

GRAEME WEBSTER | 613.237.0123 x203 | GRAEME@KOBLE.CA
MARC MORIN | 613.237.0123 x202 | MARC@KOBLE.CA



502 - 100 Gloucester Street
Ottawa, ON K2P 0A4

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MARKETING SALES PLAN

DISCLOSURE AND EXPOSURE

Should you choose to proceed with a sale, Koble will sell 1687 Montreal Road at the highest market price, with minimal time on market. We've designed our comprehensive marketing processes and plan around these two principles: complete disclosure and maximum exposure.

To keep you fully informed, each month you will receive a highly detailed Marketing Activity Report that delivers insight to everything from website traffic, social media impressions, face-to-face meetings, event statistics, and more. See Appendix B for samples of our Marketing Plan and Marketing Activity Report.

Disclosure

Through our custom designed CRM system, we provide you with access to live updates on all marketing and sales activity. You will receive a web link where you can review current activities and marketing initiatives as they are recorded. Once engaged in a project, we ensure full disclosure and open communication as we work together to execute the sale. By providing live access, we remain fully accountable. As part of our engagement, we expect full disclosure and open communication from you as well. At this stage, we operate "shoulder to shoulder" with clients to ensure a smooth and streamlined transaction.

Exposure

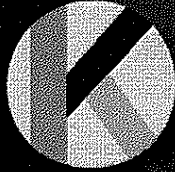
Through direct marketing to private investors and the brokerage community, as well as online via multiple property listing platforms and custom property web pages—we **deliver the best and most comprehensive property exposure in Ottawa.**

We are one of the few commercial groups that have joined the Ottawa Real Estate Board, which ensures the highest level of local, national and international exposure through the MLS/realtor.ca system. As members, we reach many new investors directly, achieving greater exposure for our clients: we can reach over 3,000 brokers who are members of the Board and their multiple clients, as well as hundreds of commercial real estate agents in our database who are not members.

As soon as a commercial property listing goes live, it is instantly broadcast to these agents and their clients. Greater exposure means more prospective buyers, creates greater competition, and most often results in a higher purchase price and less time on market. We have created a proposed marketing timeline in which we identify the "best case" timeline for the sale of your property.

By focusing on maximum exposure and full disclosure and accountability, we complete the sale and we sell it in the shortest time possible—at the highest market price possible.





PRE-LISTING RECOMMENDATIONS

- Listing terms understood and agreed to by the Seller
- Optional report to expedite process and minimize re-trade:
 - Environmental Phase 1

PRE-MARKETING ACTIVITIES

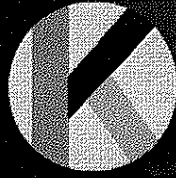
During the Pre-Marketing phase we also:

- Sign the Listing Agreement
- Order the Signage
- Receive and organize the due diligence deliveries
- Receive standard documents and information from your lawyer – Standard Agreement of Purchase and Sale used by all Buyers

Preparing Pre-marketing Collateral and Campaigns

1. **Photos and Video**
Our professional photographer will take photos of your property. These will be used in all marketing materials. For details and cost of video services see the Terms of Engagement section which follows.
2. **Website Advertising**
We create ads, banners, etc., as well as a full set of features including specialized and private login areas for specific property documents, proposals, and plans. Our real estate listing platform displays your listings while also creating custom documents in real time to further market your properties.
3. **Print Advertising**
We create professionally designed marketing brochures and e-materials as complementary assets.
4. **Social Media**
We will connect you into our social media network with ongoing features on Instagram, Twitter, LinkedIn, real estate forums, newsletters, and more—all managed full time by highly skilled social media experts.
5. **News and Events**
We prominently feature you throughout the web from posting articles on our website's news section, to professional PR services, to events coordination.





Approving Marketing Material

Prior to launch, you have the opportunity to approve every piece of the marketing collateral, including print and digital media, social media material, and online campaign components.

ONGOING MARKETING CAMPAIGN

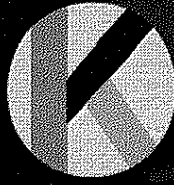
Our ten-point marketing commitment includes the following activities.

Marketing Campaign Activity		Marketing Campaign Activity	
1. Tours	Commence	6. Monthly Mailouts	Email featuring property sent to all brokers
2. Property Website	Launched and posted on MLS/realtor.ca	7. Customized Marketing Report	Marketing Plan statistics and a full breakdown of all listing activity each month
3. Social Media Campaign	Launched on LinkedIn, Twitter, Facebook and posted weekly	8. Proactive Solicitation	Includes investors and top commercial agents
4. Web Postings	Kijiji / UsedOttawa, SpaceList, LoopNet, Altus InSite, CoStar	9. Track Property Showings	We collect Showing feedback and provide you with live updates
5. Property Blast	To commercial brokerage community and to targeted prospect list from internal database	10. Review and Adjust Strategy	As required and customized according to feedback and market analysis



KOBLE

COMMERCIAL REAL ESTATE & BROKERAGE



VALUATION & LISTING PROPOSAL

1687 MONTREAL RD, OTTAWA, ON

NAVIGATING TO A CLOSE – OFFER, CONDITIONS, CLOSE

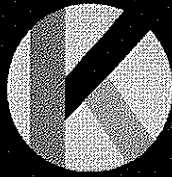
<p>Offer Stage Date</p>	<ul style="list-style-type: none"> • Provide prospective Buyer/Agent with standard Agreement of Purchase and Sale • Negotiate terms of the Agreement of Purchase and Sale with Buyer or Buyer’s Agent using evidence from property deals completed and competing properties • Finalize the Agreement of Purchase and Sale
<p>Conditional Stage 30 to 60 Days</p>	<ul style="list-style-type: none"> • Receive 1st Deposit • Track and manage all conditions and condition dates, holding each side accountable to timelines • Coordinate all Buyer’s engineer/appraisal inspections and answer any questions at the time of inspection—If not completed before marketing campaign add 15 to 30 days • Negotiate results from inspections or appraisals • Notify Seller that all inspections are complete with names of appraisers and engineers, as well as any questions they may have • Discuss fulfillment of conditions with Buyer and Buyer agent • Prepare waiver/notice of fulfillment and submit to Seller and lawyers
<p>Closing Stage 30 Days</p>	<ul style="list-style-type: none"> • Receive 2nd Deposit • Review and reconcile Statement of Adjustments with lawyer • Complete title search

SEE APPENDIX B – MARKETING PLAN & MARKETING ACTIVITY REPORT



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COMMERCIAL REAL ESTATE & BROKERAGE



VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

TERMS OF ENGAGEMENT

GRAEME WEBSTER | 613.237.0123 x203 | GRAEME@KOBLE.CA
MARC MORIN | 613.237.0123 x202 | MARC@KOBLE.CA

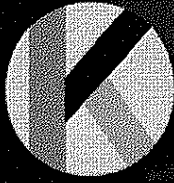


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COMMERCIAL REAL ESTATE & BROKERAGE



VALUATION & LISTING PROPOSAL

1687 MONTREAL RD, OTTAWA, ON

TERMS OF ENGAGEMENT

Recommended List Prices	\$1,350,000
Listing Process	First come, first served. See Marketing Strategy and Timeline.
Listing Term	6 Month Agreement
Fee	5% of sale price (includes co-operating fee)
Signage	Koble Commercial signage at the property
Media Package Recommended	Silver – replacing HD video walkthrough with full drone video
Required Documentation	Please see Appendix A

Koble Commercial Media Packages

Koble's standard marketing package includes all the items detailed in the marketing plan: property signage, professional photography, custom website page, print materials, social media campaigns, third-party listing sites, and more.

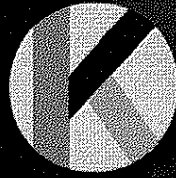
In addition to our standard marketing package, the vendor can choose one of the following media packages. Upon receipt of a retainer in the amount of the selected package, Koble's marketing group will engage its media team to produce any of the following packages. If the property does not sell, or if the listing is terminated prior to the sale, the vendor will be issued a receipt for services rendered and will be given digital copies of all media.

The retainer for these additional packages is due upon order—and will be fully refunded upon the sale of the property.



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COMMERCIAL REAL ESTATE & BROKERAGE



VALUATION & LISTING PROPOSAL
 1687 MONTREAL RD, OTTAWA, ON

Koble Commercial Media Packages

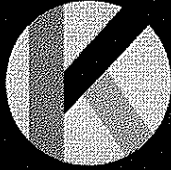
Bronze – \$500	
Video	HD walkthrough video tour
Silver – \$750	
Video	Standard HD Walkthrough video tour <ul style="list-style-type: none"> • Includes standard text titles • Includes video clips of nearby neighbourhood/features
Gold – \$1,000	
Video	Standard HD Walkthrough video tour <ul style="list-style-type: none"> • Includes animated motion titles • Includes video clips of nearby neighbourhood/features • Includes voiceover narration

à la Carte		
Drone Video	Exterior video clips	\$300
Video Short	Short video 15 to 20 seconds with Call to Action intended for social media	\$100
3D Matterport Tour	Immersive 3D media inviting you to explore a place as if you were there	TBC



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COMMERCIAL REAL ESTATE & BROKERAGE



VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

ABOUT KOBLE

GRAEME WEBSTER | 613.237.0123 x203 | GRAEME@KOBLE.CA
MARC MORIN | 613.237.0123 x202 | MARC@KOBLE.CA

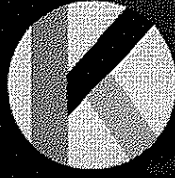


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COMMERCIAL REAL ESTATE & BROKERAGE

VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

About Us

Koble Commercial Real Estate & Brokerage provides Listing, Acquisition, and Advisory Services backed by a strategy and predictive process that delivers market-leading value. Its clients receive unrivaled access to deals, off-market properties, capital, the top active commercial lenders, and preferred service providers.

Koble's customized marketing process is based on its clients' properties and their market position, while its segmented roster of active potential buyers and experience enable it to fully qualify prospects and minimize any re-trade or risk to close.

More importantly, Koble represents its clients from start to finish, from initial advice on location and asset selection, to opportunity sourcing and due diligence that delivers accurate analyses, ensuring its clients avoid costly errors before purchasing a property. Koble's experience in commercial real estate provides an expert perspective on property utilization and on maintaining strong cashflow, while helping its clients achieve long-term capital growth. Koble is also committed to their clients' long-term success, to maintaining and increasing value through regular market updates. Its recommendations are with an exit strategy in mind, so its clients are never caught unaware as markets change.

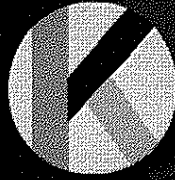
With a strict focus on working in the best interests of its clients, Koble insists on full transparency and disclosure throughout every engagement. It employs traditional real estate channels and invests in leading-edge technology-based marketing strategies in every aspect of service delivery.

Koble Commercial Real Estate & Brokerage was founded in 2014 and is headquartered in Ottawa, Ontario, Canada.



KOBLE

COMMERCIAL REAL ESTATE & BROKERAGE


 VALUATION & LISTING PROPOSAL
 1687 MONTREAL RD, OTTAWA, ON

GRAEME WEBSTER


 100 Gloucester St. Suite 502
 Ottawa, ON K2P 0A4

 T 613.237.0123 x203
 C 613.852.8664
 graeme@koble.ca

Professional Background

Prior to founding Koble, Graeme spent five years with District Realty Corporation in commercial real estate investment sales. He has worked with institutions and selling large commercial assets to high net-worth professionals and private investors, successfully finding the right properties to meet their passive-income and retirement objectives. In recent years, Graeme completed approximately 70% of his commercial investment deals for clients by sourcing unlisted properties. Graeme spent his initial five years in the industry with Colliers International. First, he managed the research department, then he transitioned into sales, working with clients such as Healthcare of Ontario Pension Plan on site selection for one of Ottawa's largest industrial developments, and Hydro Ottawa on site selection and the strategic planning of their future real estate portfolio.

Graeme's strong relationships with clients and involvement in the local community have led to his working with organizations such as ICSS Innovative Community Support Services (past Board member), and the Queensway Carleton Hospital Gift Giving Committee (current Board member). Graeme's dedication to these organizations has helped to raise and secure donations for the communities he serves.

For his leadership, business acumen and dedication to the community, Graeme was the recipient of the prestigious 2016 40 Under 40 Award. Graeme graduated with a Bachelor of Social Sciences degree with a Specialization in Economics from the University of Ottawa, Ottawa, Ontario, Canada.

MARC MORIN


 100 Gloucester St. Suite 502
 Ottawa, ON K2P 0A4

 T 613.237.0123 x202
 C 613.852.6181
 marc@koble.ca

Professional Background

Marc has spent more than 16 years building his knowledge and expertise in client relationship management, business development, market analysis, real estate and finance.

Prior to founding Koble, Marc spent five years with District Realty Corporation, achieving an exceptional record by helping his clients attain their goals in the acquisition and disposition of commercial real estate. Before joining District Realty, Marc spent five years with Colliers International as a Sales Representative where he was involved in some of the largest office leasing projects in the region, working with tenant clients such as Adobe Canada and Mitel, and with landlords such as Morguard Investments and Lasalle Investments. During those ten years, Marc was recognized as a top producer for his strong track record and his wholehearted commitment to his clients' success. Marc began his career working for Xerox Canada, serving in a number of sales roles in both Halifax and Calgary.

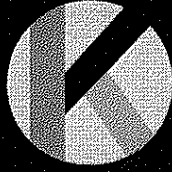
A natural extension of Marc's inherent ability to connect and guide people in the business world, are his community activities and volunteer work. He has spent many years working in various volunteer capacities for local organizations such as the Royal Ottawa Hospital Foundation, Finance Committee and Table Captain; The Ottawa Hospital Foundation, da Vinci Robot Fundraising Committee and Table Captain; the Ottawa Regional Cancer Foundation, Ultimate Race Committee; First Place Maternal Health Options, Board of Directors; Metropolitan Bible Church, various roles; as well as the Ottawa Real Estate Board, Commercial Services Division Council (Elected) and Disciplinary Committee.

Marc graduated with a Bachelor of Commerce degree from Dalhousie University, Halifax, Nova Scotia, Canada.



KOBLE

COMMERCIAL REAL ESTATE & BROKERAGE



VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

LISTING AGREEMENT

GRAEME WEBSTER | 613.237.0123 x203 | GRAEME@KOBLE.CA
MARC MORIN | 613.237.0123 x202 | MARC@KOBLE.CA



502 - 100 Gloucester Street
Ottawa, ON K2P 0A4

KOBLE CA

Listing Agreement – Commercial

Seller Representation Agreement

Authority to Offer for Sale



This is a Multiple Listing Service® Agreement

(Seller's Initials)

OR

This Listing is Exclusive

(Seller's Initials)

BETWEEN:

BROKERAGE: KOBLE COMMERCIAL REAL ESTATE & BROKERAGE

100 GLOUCESTER STREET, STE 502

OTTAWA

(the "Listing Brokerage")

SELLER(S): MNP LTD

(the "Seller")

In consideration of the Listing Brokerage listing the real property **for sale** known as 1687 Montreal Rd

Ottawa

K1J 6N6

(the "Property")

the Seller hereby gives the Listing Brokerage the **exclusive and irrevocable** right to act as the Seller's agent,

commencing at 12:01 a.m. on the 26 day of June, 2017

until 11:59 p.m. on the 24 day of December, 2017 (the "Listing Period"),

{ Seller acknowledges that the length of the Listing Period is negotiable between the Seller and the Listing Brokerage and, if an MLS® listing, may be subject to minimum requirements of the real estate board, however, in accordance with the Real Estate and Business Brokers Act of Ontario (2002), **if the Listing Period exceeds six months, the Listing Brokerage must obtain the Seller's initials.** }

(Seller's Initials)

to offer the Property **for sale** at a price of:

..... Dollars (\$Cdn

and upon the terms particularly set out herein, or at such other price and/or terms acceptable to the Seller. It is understood that the price and/or terms set out herein are at the Seller's personal request, after full discussion with the Listing Brokerage's representative regarding potential market value of the Property.

The Seller hereby represents and warrants that the Seller is not a party to any other listing agreement for the Property or agreement to pay commission to any other real estate brokerage for the sale of the property.

1. DEFINITIONS AND INTERPRETATIONS: For the purposes of this Agreement ("Authority" or "Agreement"):

"Seller" includes vendor and a "buyer" includes a purchaser or a prospective purchaser. A purchase shall be deemed to include the entering into of any agreement to exchange, or the obtaining of an option to purchase which is subsequently exercised, or the causing of a First Right of Refusal to be exercised, or an agreement to sell or transfer shares or assets. "Real property" includes real estate as defined in the Real Estate and Business Brokers Act (2002). The "Property" shall be deemed to include any part thereof or interest therein. A "real estate board" includes a real estate association. Commission shall be deemed to include other remuneration. This Agreement shall be read with all changes of gender or number required by the context. For purposes of this Agreement, anyone introduced to or shown the Property shall be deemed to include any spouse, heirs, executors, administrators, successors, assigns, related corporations and affiliated corporations. Related corporations or affiliated corporations shall include any corporation where one half or a majority of the shareholders, directors or officers of the related or affiliated corporation are the same person(s) as the shareholders, directors, or officers of the corporation introduced to or shown the Property.

2. COMMISSION: In consideration of the Listing Brokerage listing the Property for sale, the Seller agrees to pay the Listing Brokerage a commission

of 5%+HST % of the sale price of the Property or

for any valid offer to purchase the Property from any source whatsoever obtained during the Listing Period and on the terms and conditions set out in this Agreement **OR** such other terms and conditions as the Seller may accept.

INITIALS OF LISTING BROKERAGE:

INITIALS OF SELLER(S):

The Seller authorizes the Listing Brokerage to co-operate with any other registered real estate brokerage (co-operating brokerage), and to offer to pay the co-operating brokerage a commission of 2%+ % of the sale price of the Property or

..... out of the commission the Seller pays the Listing Brokerage. The Seller further agrees to pay such commission as calculated above if an agreement to purchase is agreed to or accepted by the Seller or anyone on

the Seller's behalf within 90 days after the expiration of the Listing Period (**Holdover Period**), so long as such agreement is with anyone who was introduced to the Property from any source whatsoever during the Listing Period or shown the Property during the Listing Period. If, however, the offer for the purchase of the Property is pursuant to a new agreement in writing to pay commission to another registered real estate brokerage, the Seller's liability for commission shall be reduced by the amount paid by the Seller under the new agreement.

The Seller further agrees to pay such commission as calculated above even if the transaction contemplated by an agreement to purchase agreed to or accepted by the Seller or anyone on the Seller's behalf is not completed, if such non-completion is owing or attributable to the Seller's default or neglect, said commission to be payable on the date set for completion of the purchase of the Property.

Any deposit in respect of any agreement where the transaction has been completed shall first be applied to reduce the commission payable. Should such amounts paid to the Listing Brokerage from the deposit or by the Seller's solicitor not be sufficient, the Seller shall be liable to pay to the Listing Brokerage on demand, any deficiency in commission and taxes owing on such commission.

In the event the buyer fails to complete the purchase and the deposit or any part thereof becomes forfeited, awarded, directed or released to the Seller, the Seller then authorizes the Listing Brokerage to retain as commission for services rendered, fifty (50%) per cent of the amount of the said deposit forfeited, awarded, directed or released to the Seller (but not to exceed the commission payable had a sale been consummated) and to pay the balance of the deposit to the Seller.

All amounts set out as commission are to be paid plus applicable taxes on such commission.

3. REPRESENTATION: The Seller acknowledges that the Listing Brokerage has provided the Seller with written information explaining agency relationships, including information on Seller Representation, Sub-agency, Buyer Representation, Multiple Representation and Customer Service. The Seller understands that unless the Seller is otherwise informed, the co-operating brokerage is representing the interests of the buyer in the transaction. The Seller further acknowledges that the Listing Brokerage may be listing other properties that may be similar to the Seller's Property and the Seller hereby consents to the Listing Brokerage acting as an agent for more than one seller without any claim by the Seller of conflict of interest. Unless otherwise agreed in writing between Seller and Listing Brokerage, any commission payable to any other brokerage shall be paid out of the commission the Seller pays the Listing Brokerage.

The Seller hereby appoints the Listing Brokerage as the Seller's agent for the purpose of giving and receiving notices pursuant to any offer or agreement to purchase the Property.

MULTIPLE REPRESENTATION: The Seller hereby acknowledges that the Listing Brokerage may be entering into buyer representation agreements with buyers who may be interested in purchasing the Seller's Property. In the event that the Listing Brokerage has entered into or enters into a buyer representation agreement with a prospective buyer for the Seller's Property, the Listing Brokerage will obtain the Seller's written consent to represent both the Seller and the buyer for the transaction at the earliest practical opportunity and in all cases prior to any offer to purchase being submitted or presented.

The Seller understand and acknowledges that the Listing Brokerage must be impartial when representing both the Seller and the buyer and equally protect the interests of the Seller and buyer. The Seller understands and acknowledges that when representing both the Seller and the buyer, the Listing Brokerage shall have a duty of full disclosure to both the Seller and the buyer, including a requirement to disclose all factual information about the Property known to the Listing Brokerage.

However, the Seller further understands and acknowledges that the Listing Brokerage shall not disclose:

- that the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- that the buyer may or will pay more than the offered price, unless otherwise instructed in writing by the buyer;
- the motivation of or personal information about the Seller or buyer, unless otherwise instructed in writing by the party to which the information applies or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- the price the buyer should offer or the price the Seller should accept; and
- the Listing Brokerage shall not disclose to the buyer the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the Property will be disclosed to both Seller and buyer to assist them to come to their own conclusions.

Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be entitled or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.

MULTIPLE REPRESENTATION AND CUSTOMER SERVICE: The Seller understands and agrees that the Listing Brokerage also provides representation and customer service to other sellers and buyers. If the Listing Brokerage represents or provides customer service to more than one seller or buyer for the same trade, the Listing Brokerage shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all sellers and buyers of the nature of the Listing Brokerage's relationship to each seller and buyer.

INITIALS OF LISTING BROKERAGE:

INITIALS OF SELLER(S):

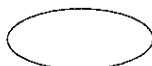


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4. **REFERRAL OF ENQUIRIES:** The Seller agrees that during the Listing Period, the Seller shall advise the Listing Brokerage immediately of all enquiries from any source whatsoever, and all offers to purchase submitted to the Seller shall be immediately submitted to the Listing Brokerage by the Seller before the Seller accepts or rejects the same. If any enquiry during the Listing Period results in the Seller's accepting a valid offer to purchase during the Listing Period or within the Holdover Period after the expiration of the Listing Period described above, the Seller agrees to pay the Listing Brokerage the amount of commission set out above, payable within five (5) days following the Listing Brokerage's written demand therefor.
5. **MARKETING:** The Seller agrees to allow the Listing Brokerage to show and permit prospective buyers to fully inspect the Property during reasonable hours and the Seller gives the Listing Brokerage the sole and exclusive right to place "For Sale" and "Sold" sign(s) upon the Property. The Seller consents to the Listing Brokerage including information in advertising that may identify the Property. The Seller further agrees that the Listing Brokerage shall have sole and exclusive authority to make all advertising decisions relating to the marketing of the Property during the Listing Period. The Seller agrees that the Listing Brokerage will not be held liable in any manner whatsoever for any acts or omissions with respect to advertising by the Listing Brokerage or any other party, other than by the Listing Brokerage's gross negligence or wilful act.
6. **WARRANTY:** The Seller represents and warrants that the Seller has the exclusive authority and power to execute this Authority to offer the Property for sale and that the Seller has informed the Listing Brokerage of any third party interests or claims on the Property such as rights of first refusal, options, easements, mortgages, encumbrances or otherwise concerning the Property, which may affect the sale of the Property.
7. **INDEMNIFICATION AND INSURANCE:** The Seller will not hold the Listing Brokerage and representatives of the Brokerage responsible for any loss or damage to the Property or contents occurring during the term of this Agreement caused by the Listing Brokerage or anyone else by any means, including theft, fire or vandalism, other than by the Listing Brokerage's gross negligence or wilful act. The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury, including but not limited to loss of the commission payable under this Agreement, caused or contributed to by the breach of any warranty or representation made by the Seller in this Agreement or the accompanying data form. The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury as a result of the Property being affected by any contaminants or environmental problems.
The Seller warrants the Property is insured, including personal liability insurance against any claims or lawsuits resulting from bodily injury or property damage to others caused in any way on or at the Property and the Seller indemnifies the Brokerage and all of its employees, representatives, salespersons and brokers (Listing Brokerage) and any co-operating brokerage and all of its employees, representatives, salespersons and brokers (co-operating brokerage) for and against any claims against the Listing Brokerage or co-operating brokerage made by anyone who attends or visits the Property.
8. **FAMILY LAW ACT:** The Seller hereby warrants that spousal consent is not necessary under the provisions of the Family Law Act, R.S.O. 1990, unless the spouse of the Seller has executed the consent hereinafter provided.
9. **FINDERS FEES:** The Seller acknowledges that the Brokerage may be receiving a finder's fee, reward and/or referral incentive, and the Seller consents to any such benefit being received and retained by the Brokerage in addition to the commission as described above.
10. **VERIFICATION OF INFORMATION:** The Seller authorizes the Listing Brokerage to obtain any information from any regulatory authorities, governments, mortgagees or others affecting the Property and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. The Seller hereby appoints the Listing Brokerage or the Listing Brokerage's authorized representative as the Seller's attorney to execute such documentation as may be necessary to effect obtaining any information as aforesaid. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage.
11. **USE AND DISTRIBUTION OF INFORMATION:** The Seller consents to the collection, use and disclosure of personal information by the Brokerage for the purpose of listing and marketing the Property including, but not limited to: listing and advertising the Property using any medium including the Internet; disclosing Property information to prospective buyers, brokerages, salespersons and others who may assist in the sale of the Property; such other use of the Seller's personal information as is consistent with listing and marketing of the Property. The Seller consents, if this is an MLS® Listing, to placement of the listing information and sales information by the Brokerage into the database(s) of the MLS® System of the appropriate Board, and to the posting of any documents and other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) provided by or on behalf of the Seller into the database(s) of the MLS® System of the appropriate Board. The Seller hereby indemnifies and saves harmless the Brokerage and/or any of its employees, servants, brokers or sales representatives from any and all claims, liabilities, suits, actions, losses, costs and legal fees caused by, or arising out of, or resulting from the posting of any documents or other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) as aforesaid.
The Seller acknowledges that the database, within the board's MLS® System is the property of the real estate board(s) and can be licensed, resold, or otherwise dealt with by the board(s). The Seller further acknowledges that the real estate board(s) may: during the term of the listing and thereafter, distribute the information in the database, within the board's MLS® System to any persons authorized to use such service which may include other brokerages, government departments, appraisers, municipal organizations and others; market the Property, at its option, in any medium, including electronic media; during the term of the listing and thereafter, compile, retain and publish any statistics including historical data within the board's MLS® System and retain, reproduce and display photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions which may be used by board members to conduct comparative analyses; and make such other use of the information as the Brokerage and/or real estate board(s) deem appropriate, in connection with the listing, marketing and

INITIALS OF LISTING BROKERAGE:



INITIALS OF SELLER(S):





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selling of real estate during the term of the listing and thereafter. The Seller acknowledges that the information, personal or otherwise ("information"), provided to the real estate board or association may be stored on databases located outside of Canada, in which case the information would be subject to the laws of the jurisdiction in which the information is located.

In the event that this Agreement expires or is cancelled or otherwise terminated and the Property is not sold, the Seller, by initialling:

(Does)

(Does Not)

consent to allow other real estate board members to contact the Seller after expiration or other termination of this Agreement to discuss listing or otherwise marketing the Property.

12. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.

13. CONFLICT OR DISCREPANCY: If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Authority from the Seller to the Brokerage. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein.

14. ELECTRONIC COMMUNICATION: This Agreement and any agreements, notices or other communications contemplated thereby may be transmitted by means of electronic systems, in which case signatures shall be deemed to be original. The transmission of this Agreement by the Seller by electronic means shall be deemed to confirm the Seller has retained a true copy of the Agreement.

15. ELECTRONIC SIGNATURES: If this Agreement has been signed with an electronic signature the parties hereto consent and agree to the use of such electronic signature with respect to this Agreement pursuant to the *Electronic Commerce Act 2000, S.O. 2000, c17* as amended from time to time.

16. SCHEDULE(S) A and data form attached hereto form(s) part of this Agreement.

THE LISTING BROKERAGE AGREES TO MARKET THE PROPERTY ON BEHALF OF THE SELLER AND REPRESENT THE SELLER IN AN ENDEAVOUR TO OBTAIN A VALID OFFER TO PURCHASE THE PROPERTY ON THE TERMS SET OUT IN THIS AGREEMENT OR ON SUCH OTHER TERMS SATISFACTORY TO THE SELLER.

..... DATE
(Authorized to bind the Listing Brokerage) (Name of Person Signing)

THIS AUTHORITY HAS BEEN READ AND FULLY UNDERSTOOD BY ME AND I ACKNOWLEDGE THIS DATE I HAVE SIGNED UNDER SEAL. Any representations contained herein or as shown on the accompanying data form respecting the Property are true to the best of my knowledge, information and belief.

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:

MNP LTD
(Name of Seller)

..... DATE
(Signature of Seller/Authorized Signing Officer) (Seal) (Tel. No.)

..... DATE
(Signature of Seller/Authorized Signing Officer) (Seal)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the listing of the Property herein pursuant to the provisions of the Family Law Act, R.S.O. 1990 and hereby agrees to execute all necessary or incidental documents to further any transaction provided for herein.

..... DATE
(Spouse) (Seal)

DECLARATION OF INSURANCE


The broker/salesperson MARC MORIN/GRAEME WEBSTER
(Name of Broker/Salesperson)
hereby declares that he/she is insured as required by the Real Estate and Business Brokers Act (REBBA) and Regulations.
.....
(Signature(s) of Broker/Salesperson)

ACKNOWLEDGEMENT

The Seller(s) hereby acknowledge that the Seller(s) fully understand the terms of this Agreement and have received a true copy of this Agreement on the day of, 20

..... Date:
(Signature of Seller)

..... Date:
(Signature of Seller)

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OTTAWA REAL ESTATE BOARD LISTING AGREEMENT

OREB Form 160A
August 2014

(Authority for Sale or Lease) Schedule "A" and Data Form (for use in the province of Ontario)



This schedule is attached to and forms part of the Listing Agreement (Authority for Sale or Lease).

BETWEEN:
BROKERAGE: Koble Commercial Real Estate & Brokerage (the "Listing Brokerage")

SELLER(S): MNP LTD. (the "Seller")

for listing property known as 1687 Montreal Rd Ottawa K1J 6N6 (the "Property")

Commencement date of Listing Agreement: 26 day of June 20 17

Is H.S.T applicable to this sale or lease? Yes No

LEGAL DESCRIPTION (Including easements): PT BLK 2, PL 118; PT LTS 1&2, PL 126, being part 2,3&4 on plan 5R2278, Except PT 1 ON Plan 5R369; Part of lot 2 plan 126, Being Part 2 on plan 4R-27383. City of Ottawa

PIN # 043730081 **ROLL #** 061460014519500

PROPERTY TAXES and YEAR: TBC

LISTING TERMS:

EXISTING FINANCING:

.....

POSSESSION:

WARRANTIES:

The Seller(s) warrant(s) that all appurtenances and fixtures relating to the real property are owned by them and are included in the sale price; and also included are:

And **excluded** are:

LEASES (Including Long Term) / RENTAL EQUIPMENT:

.....

.....

OTHER:

Condominium/Association/Common Fee: \$ Frequency:

Condominium/Association/Common Fee Includes:

Locker # Exclusive Use? Owned Parking Space # # Exclusive Use? Owned

Lock Box Authorization:

.....
INITIALS OF SELLER(S)

The seller does hereby authorize the Listing Brokerage to make use of a lock box on the property. The Seller fully understands the operation of the lock box and hereby releases the Listing Brokerage from any liability for its use.

.....
INITIALS OF SELLER(S)

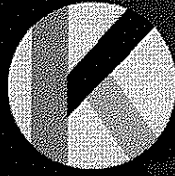
The Seller does not authorize the Listing Brokerage to place a lock box on the property.

INITIALS OF LISTING BROKERAGE:

INITIALS OF SELLER(S):

KOBLE

COMMERCIAL REAL ESTATE & BROKERAGE



VALUATION & LISTING PROPOSAL

1687 MONTREAL RD, OTTAWA, ON

Confidentiality & Disclaimer

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EACH PARTY SHALL CONDUCT ITS OWN INDEPENDENT INVESTIGATION AND DUE DILIGENCE.

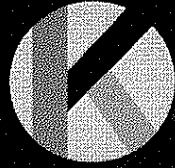
Any party contemplating or under contract or in escrow for a transaction is urged to verify all information and to conduct their own inspections and investigations including through appropriate third party independent professionals selected by such party. All financial data should be verified by the party including by obtaining and reading applicable documents and reports and consulting appropriate independent professionals. Koble Commercial Real Estate & Brokerage makes no warranties and/or representations regarding the veracity, completeness, or relevance of any financial data or assumptions. Koble Commercial Real Estate & Brokerage does not serve as a financial advisor to any party regarding any proposed transaction. All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Any estimates of market rents and/or projected rents that may be provided to a party do not necessarily mean that rents can be established at or increased to that level. Parties must evaluate any applicable contractual and governmental limitations as well as market conditions, vacancy factors and other issues in order to determine rents from or for the property.

Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by Koble Commercial Real Estate & Brokerage in compliance with all applicable fair housing and equal opportunity laws.



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VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

APPENDIX A -
PRE-MARKETING
DOCUMENTATION

GRAEME WEBSTER | 613.237.0123 x203 | GRAEME@KOBLE.CA
MARC MORIN | 613.237.0123 x202 | MARC@KOBLE.CA

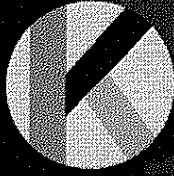


502 - 100 Gloucester Street
Ottawa, ON K2P 0A4

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VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

PRE-MARKETING DOCUMENTATION REQUIRED BY KOBLE COMMERCIAL

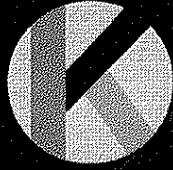
While the following list is rather exhaustive, the more thorough understanding of the property that we have up front, the better the sale process will unfold. These deliveries will be required by the buyer.

- A. Copies of any real property survey(s) of the Property;
- B. Information with respect to any third-party consents necessary for the transaction;
- C. All relevant information and documentation regarding any and all litigation which, to the best of the Seller's knowledge and belief, affects or may affect the Property;
- D. Copies of the previous two years' property tax assessment notices;
- E. Copies of previous two years' final property tax bills;
- F. Copies of any municipal work orders outstanding against the Property; and
- G. Copies of any environmental reports relating to the Property.



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VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON

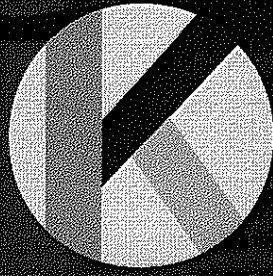
APPENDIX B - SAMPLE MARKETING PLAN

GRAEME WEBSTER | 613.237.0123 x203 | GRAEME@KOBLE.CA
MARC MORIN | 613.237.0123 x202 | MARC@KOBLE.CA



502 - 100 Gloucester Street
Ottawa, ON K2P 0A4

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MARKETING PLAN

123 MAIN ST . OTTAWA . ON . A1B 2C3



Description / Goal	Campaign Assets	Data Source	Delivery Method	Analytics	Hash Tags	Notes
<p>Koble Website Advertising</p> <p>Utilizing our state-of-the-art real estate listing platform we will display your listings, as well as create custom documents in real time—all designed to further market your properties with a highly targeted and unique approach.</p>	<ul style="list-style-type: none"> • Lease Listing 	TBD	<ul style="list-style-type: none"> • Twitter • Facebook • LinkedIn 	<ul style="list-style-type: none"> • Twitter Analytics • Facebook Analytics • LinkedIn Analytics • Bitly Analytics 	<p>The following hash tags have been created for social media marketing purposes.</p> <ul style="list-style-type: none"> • TBD 	<p>Each respective link will be sent multiple times per week at varying times to ensure maximum coverage.</p> <p>Distribution times are managed in real-time based on social interaction.</p>
	<ul style="list-style-type: none"> • Altus Insite 	NA				N/A
<p>Third-Party Website Advertising</p> <p>The following external websites showcase the property to the general public. These listings vastly increase coverage boost Search Engine Optimization leading to the Koble website listing platform.</p>	<ul style="list-style-type: none"> • ICX.ca / Realtor.ca 	TBD		<p>Analytics are captured in real time on each respective page's "Visit Counter".</p>		Created On: TBD
	<ul style="list-style-type: none"> • Kijiji 	TBD	<ul style="list-style-type: none"> • Google Search • Third Party Website Search 	<p>To view third-party site analytics in real time, simply click on the links in the Data Source column to the left where applicable.</p>	N/A	Created On: TBD
	<ul style="list-style-type: none"> • LoopNet 	NA				Created On: TBD
	<ul style="list-style-type: none"> • Spacelist 	TBD				Created On: TBD
	<ul style="list-style-type: none"> • Used Ottawa 	TBD				Created On: TBD
<p>Koble Monthly Listings Email</p> <p>Utilizing Koble's highly segmented database, we will send your property directly to selected individuals that match the profile interest of your building.</p>	<ul style="list-style-type: none"> • Custom Email 	TBD	<ul style="list-style-type: none"> • Email 	<ul style="list-style-type: none"> • Email Analytics 	N/A	Scheduled Dates: TBD
<p>Custom Print Materials</p> <p>For your property listing, custom print materials will be created including a comprehensive brochure, as well as additional real estate documents.</p>	<ul style="list-style-type: none"> • Custom Brochure • Additional Docs (as needed) 	TBD	<ul style="list-style-type: none"> • In person delivery 	N/A	N/A	Ongoing





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GRAEME WEBSTER | +1.613.237.0123 X 203 | GRAEME@KOBLE.CA
MARC MORIN | +1.613.237.0123 X 202 | MARC@KOBLE.CA



502 - 100 Gloucester Street
Ottawa, ON K2P 0A4

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MONTHLY MARKETING REPORT

123 Main St - July 2016

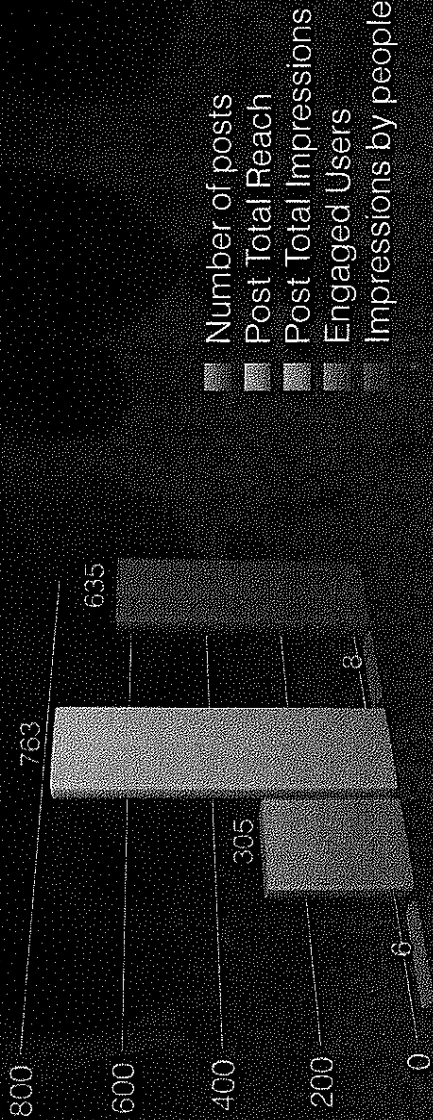


COMMERCIAL REAL ESTATE & BROKERAGE
123 MAIN ST - JULY 2016

COMMERCIAL REAL ESTATE & BROKERAGE | KOBLE.CA

Koble Website Advertising

Facebook Analysis



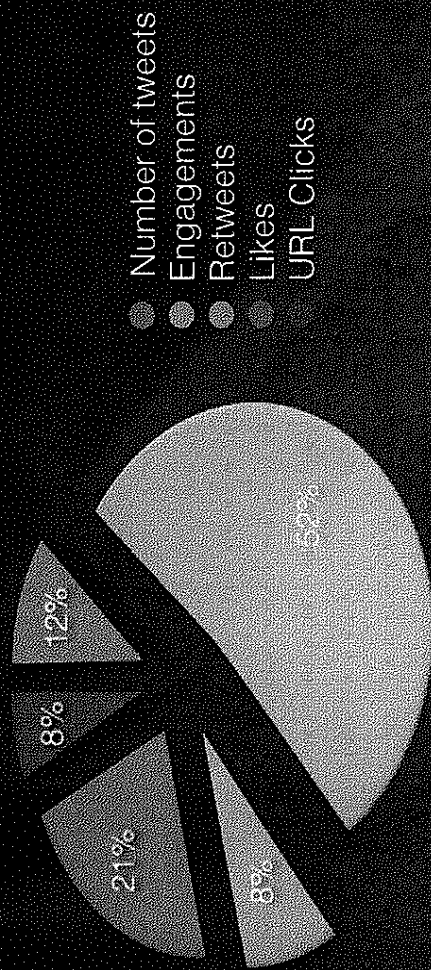
4800 THE VILLAGE GREEN • 1531 257025 K203 (MARIETTA) KOBLE CO.
P.O. BOX 50045 • 15235 257025 X 203 (MARIETTA) KOBLE CO.



15235 257025 X 203 (MARIETTA) KOBLE CO.
KOBLE CO.

Koble Website Advertising

Twitter Analysis



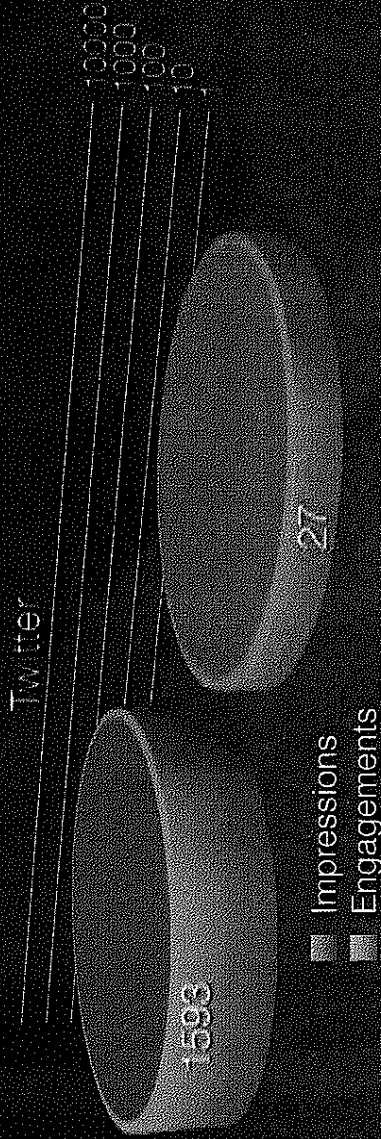
GRASIA SUAREZ | 111 WEST 42ND ST | 3RD FL | NEW YORK, NY 10018
PH: 212 512 5000 | WWW.KOBLE.COM



KOBLE | CA

Koble Website Advertising

Twitter Analysis



Koble Website Advertising

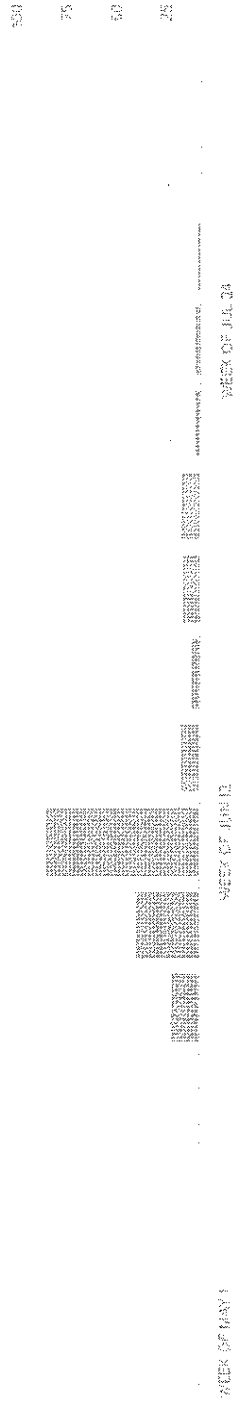
LinkedIn Analysis



Koble Website Advertising

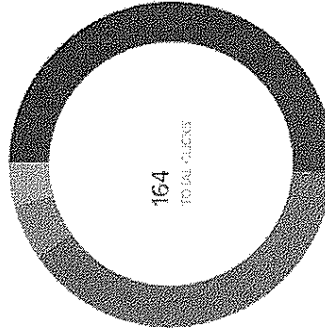
123 Main St – Billy Link Analysis

164 ^{Jul 04}
TOTAL CLICKS



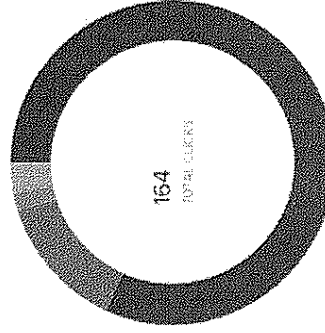
REFERRING CHANNELS

LinkedIn 84
DailK Traffic 64
iphones 9
+3 more 7



LOCATIONS

Canada 134
Germany 22
Australia 3
+4 more 5

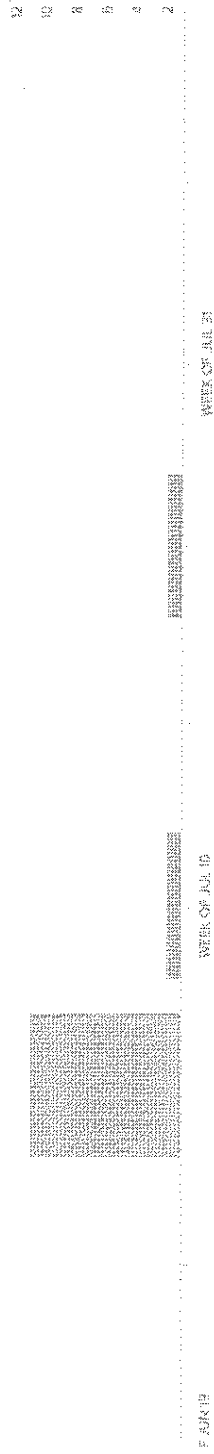


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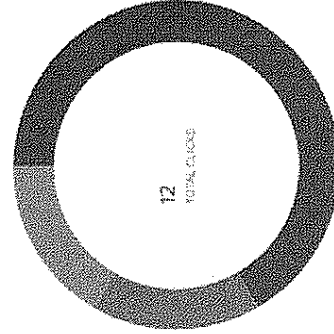
Koble Website Advertising

July Featured Listings – Bitly Link Analysis

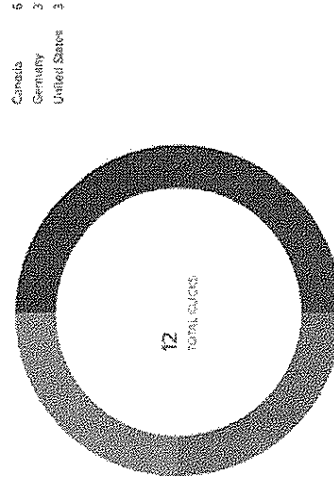
12 ^{Jul 14}
TOTAL CLICKS



REFERRING CHANNELS



LOCATIONS



Koble Website Advertising

Google Analytics

10 Jul 2016 - 9 Aug 2016

Pages

All Users
100.00% Page Views

Explorer

Page Views

20

10



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Koble Website Advertising

Google Analytics

This data was filtered with the following filter expression: 16Green

Page	Page Views	Unique Page Views	Avg. Time on Page	Entrances	Bounce Rate	% Exit
	56 % of Total: 7.53% (744)	50 % of Total: 6.73% (573)	00:13:23 Avg for View: 00:02:20 (474.97%)	37 % of Total: 9.44% (392)	0.00% Avg for View: 28.61% (-100.00%)	80.36% Avg for View: 52.69% (82.51%)
1. Listings page 1	29 (51.79%)	27 (54.00%)	00:27:46	25 (67.57%)	0.00%	89.66%
2. Listings page 2	24 (42.86%)	20 (40.00%)	00:08:32	9 (24.32%)	0.00%	70.83%
3. Listings page 3	2 (3.57%)	2 (4.00%)	00:00:00	2 (5.41%)	0.00%	100.00%
4. Listings page 4	1 (1.79%)	1 (2.00%)	00:00:07	1 (2.70%)	0.00%	0.00%



Third-Party Website Advertising

THIRD-PARTY SITE	LINK	VEWS
Allus Insite	NA	NA
ICX.ca / reallor.ca	TBD	20
Kijiji	TBD	76
LoopNet	NA	6
Spacelist	TBD	14
Used Ottawa	TBD	101



Koble Monthly Listings Email

Monthly Listings Email

Delivery Date/Time:
Mon, Jul 04, 2016 8:00 am

Total Recipients	145
Successful Deliveries	143
Bounces	2 (1.4%)
Recipients Who Opened	59 (41.3%)
Total Opens	191



SPRINT WEBSERVICES | 150476023X-002 | 00A9E9F9E-KOBLECA
KANG MOBILE | 0015540023A-001 | 0A9C940B-ECA

500 - Job Listings Email
© 2016 Koble, CA

KOBLE.CA

Custom Print Materials

DELIVERABLES	NUMBER
Custom Print Brochure	6



Showing and Feedback

DATE	SHOWING BROKERAGE	FEEDBACK
2016-07-12	TBD	
2016-07-14	TBD	

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COMMERCIAL REAL ESTATE & BROKERAGE

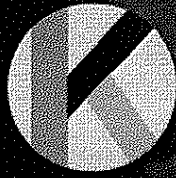


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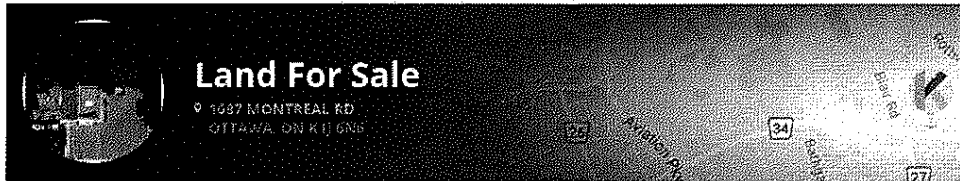
1000 W. GARDEN CITY AVENUE, SUITE 1000, GARDEN CITY, ONTARIO, CANADA M1V 1C7
TEL: (416) 491-1111 | FAX: (416) 491-1112

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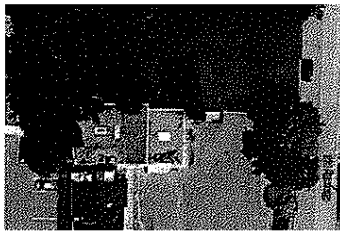


VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON



OVERVIEW

Sale Overview



VIEW ALL

1/5 PHOTOS

PRICE: Contact Agents
PROPERTY TYPE: Land
LOT SIZE: 0.89 Acres



Highlights

- Just under an acre of land for sale in prime location along busy Montreal Road
- Well located between Blair Road and Ogilvie Road, just minutes from Highway 417 and Highway 174
- This area of Ottawa is currently thriving amidst significant new investment
- Zoning is Arterial Mainstreet which allows for a wide variety of uses including retail, restaurant, office, place of worship, car dealership, hotel, drive-through facility, day care, community centre and many more

Description

Commercial Land for Sale

Located on the corner of Montreal Road & Clovelly Road, in between Blair Road and Ogilvie Road.

Contact Us



Graeme Webster
Broker
graeme@koble.ca
613.237.0123 x203
613.852.8664

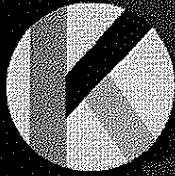


Marc Morin
marc@koble.ca
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613.852.6181




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VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON


For Sale | 1687 Montreal Rd | Koble Commercial Real Estate & Brokerage | Featured Listing



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Graeme Webster | graeme@koble.ca
 Marc Morin | marc@koble.ca

1687 Montreal Rd | Ottawa, ON K1J 6N6



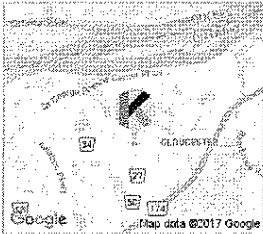
Price: Contact Agents

Lot Size: 0.89 Acres

[View Full Listing](#)

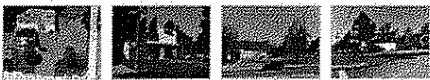
Highlights & Location


- ▶ Just under an acre of land for sale in prime location along busy Montreal Road
- ▶ Well located between Blair Road and Ogilvie Road, just minutes from Highway 417 and Highway 174
- ▶ This area of Ottawa is currently thriving amidst significant new investment
- ▶ Zoning is Arterial Mainstreet which allows for a wide variety of uses including retail, restaurant, office, place of worship, car dealership, hotel, drive-through facility, day care, community centre and many more




[View Full Map](#)

Additional Photos






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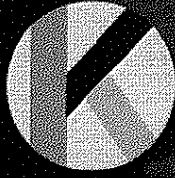
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VALUATION & LISTING PROPOSAL
1687 MONTREAL RD, OTTAWA, ON**1687 Montreal Rd, Ottawa, ON K1J 6N6**

- Price: Contact Agents
- Lot Size: 0.89 Acres

Commercial Land for Sale

Located on the corner of Montreal Road & Clovelly Road, in between Blair Road and Ogilvie Road.

- Just under an acre of land for sale in prime location along busy Montreal Road
- Well located between Blair Road and Ogilvie Road, just minutes from Highway 417 and Highway 174
- This area of Ottawa is currently thriving amidst significant new investment
- Zoning is Arterial Mainstreet which allows for a wide variety of uses including retail, restaurant, office, place of worship, car dealership, hotel, drive-through facility, day care, community centre and many more

For more information contact:

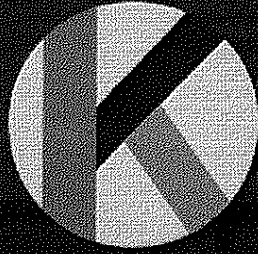
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Broker
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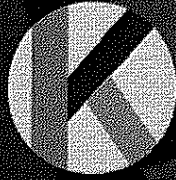
895 MONTREAL RD, OTTAWA, ON

VALUATION & LISTING PROPOSAL

PRESENTED BY

GRAEME WEBSTER
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GRAEME@KOBLE.CA

MARC MORIN
613.237.0123 x202
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June 26, 2017

Dear Mr. Haralovich

Thank you for the opportunity to discuss the real estate market and submit a valuation and proposal for commercial real estate brokerage listing services for 895 Montreal Rd.

As a team, we have been particularly active in this market and have spent the past number of years investing in our marketing system, with the express intent of delivering the most comprehensive and highly exposed and promoted listing services in Ottawa.

Our objective in working with you on this project, should you decide to move forward, is to sell 895 Montreal Rd. at the highest possible market price and to minimize time on market. The intention of this proposal is to provide the following:

1. A valuation and recommended pricing strategy, which is evidence based and competitively positioned in the current market; and
2. Our proposed marketing plan, designed to create maximum exposure for 895 Montreal Rd.
– within our personal database, the commercial brokerage community, online and with the general public.

We propose that the listing agreement is signed immediately upon making a decision to sell, and that pre-listing work is completed immediately. The listing will go live within days,

By completing the recommended pre-marketing initiatives, maximizing property exposure and pricing the property competitively, we expect that the property will be under contract within 120 days of the marketing launch.

Based on our market analysis detailed herein, we propose the following list price:

List price: \$2,500,000

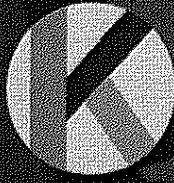
Once you've had the opportunity to review the proposal in detail, we look forward to discussing further.

Sincerely,

Graeme Webster

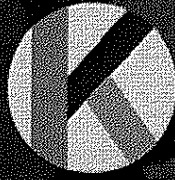
Marc Morin





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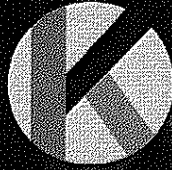
VALUATION & LISTING PROPOSAL
895 MONTREAL RD, OTTAWA, ON**VALUATION SUMMARY****Suggested List Price:** \$2,500,000**Suggested Price/SF:** \$52.27**Lot Size:** ~1.1 Acres**Zoning:** AM10[2199] -
Arterial Mainstreet
Zone**PROPERTY HIGHLIGHTS**

- Just under over 1 acre (47,828sf) of land for sale in prime location along busy Montreal Road
- Conveniently located between the Aviation Parkway and Blair Road, just minutes from Highway 417 and Highway 174
- This area of Ottawa is currently thriving amidst significant new investment
- Zoning is Arterial Mainstreet which allows for a wide variety of uses including retail, restaurant, office, place of worship, car dealership, hotel, drive-through facility, day care, community centre and many more



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VALUATION & LISTING PROPOSAL
895 MONTREAL RD, OTTAWA, ON

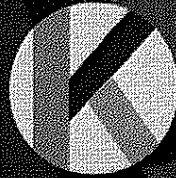
PROPERTY INFORMATION

GRAEME WEBSTER | 613.237.0123 x203 | GRAEME@KOBLE.CA
MARC MORIN | 613.237.0123 x202 | MARC@KOBLE.CA



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COMMERCIAL REAL ESTATE & BROKERAGE

VALUATION & LISTING PROPOSAL
895 MONTREAL RD, OTTAWA, ON

PROPERTY ADDRESS:	895 Montreal Rd Ottawa, ON K1K 4B9
NEIGHBOURHOOD:	Ottawa East
PIN:	042740036
ROLL:	061401040142200
LEGAL DESCRIPTION:	LTS 1, 2 & 3, PL 142, E/S MARY ST (AKA BRUNEL ST); LT A, PL 142, N/S MONTREAL RD; LTS 1, 2 & 3, PL 142, W/S FOXVIEW PL (FORMERLY ANN ST); ALL EXCEPT PART 10, 5R4761; OTTAWA/ GLOUCESTER
AREA:	47,828.2 SF
PERIMETER:	866.14 feet
MEASUREMENTS:	231.22ft. x 196.0ft. x 217.3ft. x 20.24ft. x 203.74ft.
FRONTAGE:	237.84 feet
DEPTH:	200.03 feet

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VALUATION & LISTING PROPOSAL
895 MONTREAL RD, OTTAWA, ON

LOCATION OVERVIEW

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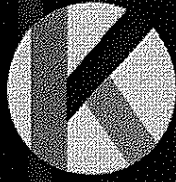


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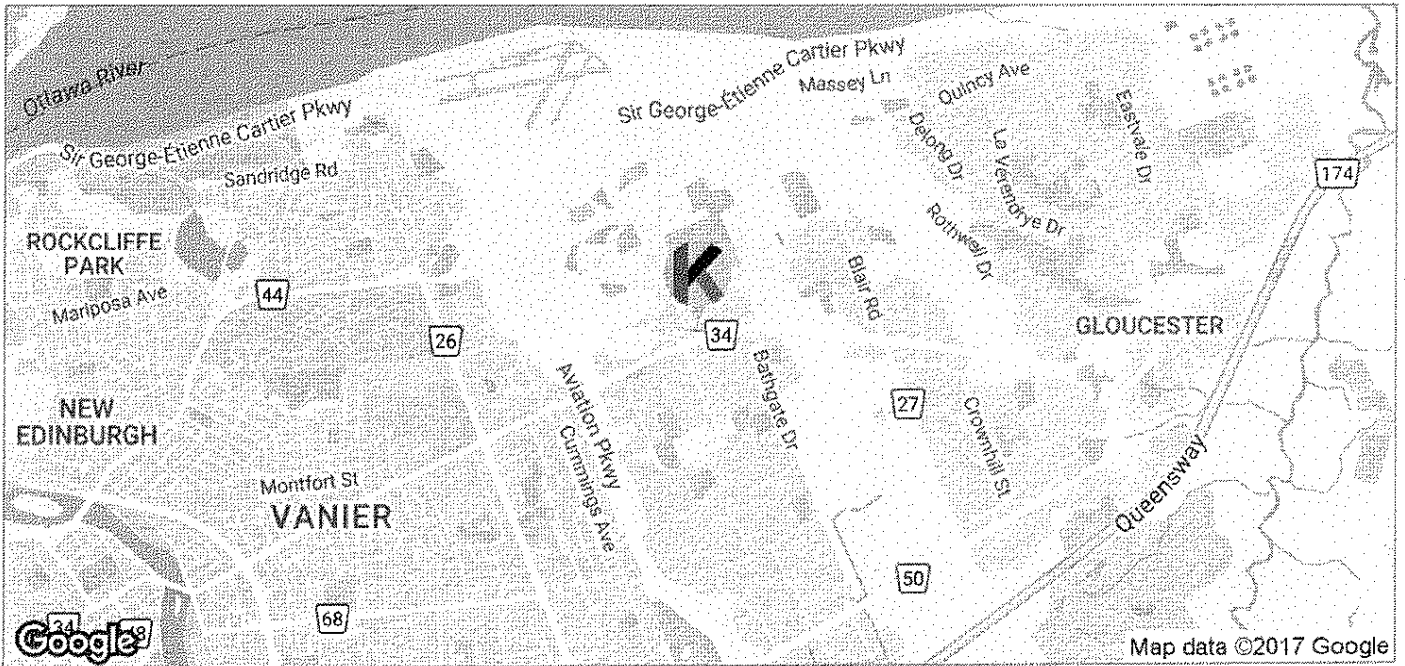
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COMMERCIAL OFFICE BUILDING
895 MONTREAL RD, OTTAWA, ON



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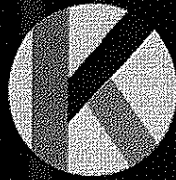


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A PROPOSAL FOR COMMERCIAL SERVICES
895 MONTREAL RD, OTTAWA, ON K1K 4B9



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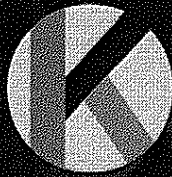


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VALUATION & LISTING PROPOSAL
895 MONTREAL RD, OTTAWA, ON

VALUATION & PRICING RECOMMENDATION

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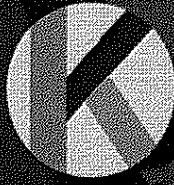


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VALUATION & LISTING PROPOSAL
895 MONTREAL RD, OTTAWA, ON

METHODOLOGY

Traditionally there are three accepted methods of analysis in valuing real estate.

1. Comparable Sales Approach;
2. Income Approach; and
3. Replacement Cost Approach.

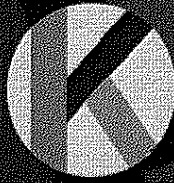
Methodology Selection

As the property is being sold as vacant land, it will most likely be purchased for a small business to build and occupy, or by a developer. For this reason, we will use Method 1, the comparable sales approach. We will look at similar comparable sales and make adjustments for any superior or inferior features including location. Because there is no income, using Method 2 will not merit the highest and best value and we will therefore omit this approach from the valuation. We will also eliminate Method 3, the replacement cost approach as it is usually only used for insurance purposes.



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COMMERCIAL REAL ESTATE & BROKERAGE

VALUATION & LISTING PROPOSAL
895 MONTREAL RD, OTTAWA, ON

COMPARABLE SALE APPROACH TO VALUE

In the following pages, we've listed 7 property sales from the past 4 years with similar attributes to the subject property at 895 Montreal Road, in that they are considered land sales. We use these recent transactions to derive an appropriate price per square foot that we will apply to the subject property's area. It should be noted that we are using the price per square foot on comparable vacant land, as this method will provide the highest and best market value, given the negligent value of the structures on the subject property

Our findings reveal:

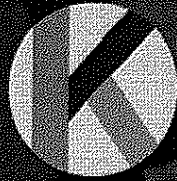
Average \$/SF:	\$50.69/SF
Comparable \$/SF Range:	\$21.02 – 76.74/SF

Based on our findings in the following analysis, there is very little evidence to suggest that the value of the subject property has increased since it was last purchased. Many the comparable properties are in the west-end and are located in stronger retail locations. In addition to this, the higher price per foot sales often included holding income. The lower price per square foot sales were generally much larger in area than the subject property. Smaller properties often trade at higher prices because of the absolute value. Due to the location on Montreal Road, which is close to both Vanier and the Montfort Hospital, we recommend pricing in the mid-section of the comparable range. While we do not believe that there has been a true increase in value since the last sale of the property, we recommend increasing the list price by 5% to account for some inflation and the recent activity in Vanier. Our recommendation is higher on this property vs. 1697 Montreal Rd., due to the proximity the commercial activity in Vanier.

Target Market Value:	\$2,152,269 - \$2,391,410 (\$45/sf - \$50/sf)
-----------------------------	---

Suggested List Price:	\$2,500,000 (\$52.27/sf)
------------------------------	--------------------------





Property Notables When Comparing to Comparable Sales:

In our assessment, prospective buyers will observe the following when comparing the subject property to closed deals:

Advantages:

- Relative proximity to the Montfort Hospital and Vanier commercial sector
- Dense residential population to support services
- Nearby condo developments show an interest in the area

Areas to be aware of:

- Challenged retail node
- Marketed for sale but not sold in years past

Comparable Sale

1. 1375 Clyde Ave	\$7,350,000	2.81 AC	\$2,615,658/AC	\$60.05/SF	03/31/2017
2. 665 Montreal Rd	\$1,700,000	0.5987 AC	\$2,839,485/AC	\$65.19/SF	06/15/2016
3. 2599 & 2583 Carling Ave	\$3,700,000	1.1068 AC	\$3,342,985/AC	\$76.74/SF	05/31/2016
4. 350 Cresthaven Dr	\$3,800,000	4.15 AC	\$915,662/AC	\$21.02/SF	12/15/2015
5. 1625-1629 Bank St	\$1,268,363	0.41834 AC	\$3,031,876/AC	\$69.60/SF	09/11/2015
6. 1179-1195 Hunt Club Rd	\$4,050,000	2.70 AC	\$1,500,000/AC	\$34.44/SF	06/01/2015
7. 1 Colonnade Rd	\$5,454,000	4.5 AC	\$1,212,000/AC	\$27.82/SF	12/30/2013

Sale 1 – 1375 Clyde Ave; \$2,615,658/AC or \$60.00/sf in March 2017

Location:	Nepean	Superior
Lot Size:	2.81 AC	Inferior
Zoning:	AM10[2199] - Arterial Mainstreet	Similar
Sale Date:	March 2017	Neutral
Include/Omit:	Include	Downward Adjustment

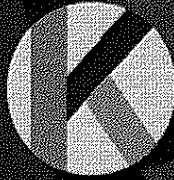
The property is located on the east side of Clyde Avenue and the south side of Baseline Road, in the north end of Nepean's Merivale Commercial Area, in the west end of the City of Ottawa. It is improved with a one-storey, 21,360 square foot retail building constructed in 1970 and renovated into a Value Village in 2001. Site had short term income at time of purchase. The site is provided with 129 paved surface parking spaces. The property was purchased for its redevelopment with a Dymon Self Storage facility. This site offers a superior retail opportunity than the subject.

Subject Property < \$60/sf



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VALUATION & LISTING PROPOSAL
895 MONTREAL RD, OTTAWA, ON

Sale 2 – 665 Montreal Rd; \$2,839,485/AC or \$65.18/sf in June 2016

Location:	Ottawa East	Superior
Lot Size:	0.5987 AC	Similar
Zoning:	AM10[2199] - Arterial Mainstreet	Similar
Sale Date:	June 2016	Neutral
Include/Omit:	Include	Downward Adjustment

The property is located on the northeast corner of Montreal Road and Thomson Street, just west of the Aviation Parkway and Montfort Hospital, in the east end of the City of Ottawa. It is improved with a motel consisting of 26 rooms, full kitchens and 30 parking spaces. It has been reported that the property was purchased for land value, and the purchaser will operate the hotel for approximately two years, before redeveloping. This property is far closer to the busy Vanier sector of Montreal Road and the in-place income enhances the value significantly.

Subject Property: < \$65.18 psf

Sale 3 – 2599 & 2583 Carling Ave; \$3,342,985/AC or \$76.74/sf in May 2016

Location:	Queensway Corridor West	Superior
Lot Size:	1.1068 AC	Similar
Zoning:	*_AM - Arterial Mainstreet	Similar
Sale Date:	May 2016	Neutral
Include/Omit:	Include	Downward adjustment

This property is located at Carling Avenue and Forest Street and also fronting onto the south side of Bond Street, just west of the Lincoln Fields Shopping Centre, in the Lincoln Heights neighbourhood, in the City of Ottawa. The assembled site is zoned Arterial Mainstreet, however, a zoning amendment is pending. The properties were purchased as an assembly for development of a self-storage facility.

Subject Property: < \$76.74

Sale 4 – 350 Cresthaven Dr; \$915,662/AC or \$21.02/sf in December 2015

Location:	Barrhaven	Inferior
Lot Size:	4.15 AC	Inferior
Zoning:	GM [450]	Similar
Sale Date:	December 2015	Neutral
Include/Omit:	Include	Upward Adjustment

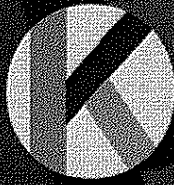
Relatively level site (slopes up modestly from Strandherd drive). Bought for short term commercial development of a 48,000-square foot grocery anchored shopping centre situated in the middle of a high-density residential neighbourhood. Subject property offers potential for higher density development and is more valuable on a psf basis.

Subject Property > \$21.02/sf



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COMMERCIAL REAL ESTATE & BROKERAGE

VALUATION & LISTING PROPOSAL
895 MONTREAL RD, OTTAWA, ON

Sale 5 – 1625-1629 Bank St; \$3,031,876/AC or \$69.60/sf in September 2015

Location:	Alta Vista	Superior
Lot Size:	0.41834 AC	Similar
Zoning:	AM1[1913] and R2F - Arterial Mainstreet and Residential Second Density	Similar
Sale Date:	September 2015	Inferior
Include/Omit:	Include	Downward Adjustment

The properties (3 parcels) are located on the southeast corner of Bank and Anoka Streets, in the Ridgemont neighbourhood, in the south end of the City of Ottawa. At the time of sale, the two properties fronting on Bank Street were improved and rented and the Anoka Street property was unimproved. The properties previously sold for \$1,010,000 in March 2012. Existing income supports a higher price.

Subject Property < \$69.60psf

Sale 6 – 1179-1195 Hunt Club Rd; \$1,500,000/AC or \$34.44/sf in June 2015

Location:	Hunt Club	Superior
Lot Size:	2.70 AC	Inferior
Zoning:	AM – Arterial Mainstreet	Similar
Sale Date:	June 2015	Inferior
Include/Omit:	Include	Neutral

A commercial site that was bought for re-development purposes. Two of the four existing building are to be demolished, and the retention of two older office buildings (3,000 and 9,000 square feet), both of which will be gutted and re-done. The purchaser intends to develop a new two storey 21,000 sf office building, as well as a one storey 10,000 sf or development of a two-storey office condominium as well as two retail plazas. All cash consideration.

Subject Property ~ \$34.44psf

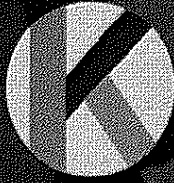
Sale 7 – 1 Colonnade Rd; \$1,212,000/AC or \$27.82/sf in December 2013

Location:	Merivale Corridor	Superior
Lot Size:	4.5 AC	Inferior
Zoning:	AM [1690] – Arterial Mainstreet	Similar
Sale Date:	December 2013	Inferior
Include/Omit:	Include	Upward Adjustment

Commercial development site situated at the northeast corner of Merivale Road and Colonnade Road. Relatively level site with a moderate rise up from the street. Bought for development of a Honda automotive dealership. Location is superior to the subject property and the market has improved considerably since 2013.

Subject Property > \$27.82/sf





LIST PRICE RECOMMENDATION

Based on the preceding valuation, we believe that a list price of \$2,500,000 is the right price to garner the attention of the market and to achieve the timelines outlined in the Marketing Plan.

Our pricing strategy and valuation are evidence based, having been substantiated with multiple lenders and appraisers prior to finalizing the Listing Proposal.

The importance of listing at the right price

1. Price certainty and velocity

The following tables show the pricing differential between properties priced by owners and properties priced by Koble.

Note that our evidence-based list prices demonstrate much more certainty in the value range, resulting in properties selling 65% faster than properties sold using non-evidence based list prices. In this case, it will mean the difference between closing in the third quarter of 2017 versus closing in fourth quarter or even the beginning of 2018.

List Price Recommended by Koble	
% of List Price	Days on Market before Accepted Offer
95.8%	37.67

List Price Chosen by Sellers	
% of List Price	Days on Market before Accepted Offer
81.4%	279.00

2. Buyer interest versus market fatigue

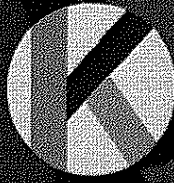
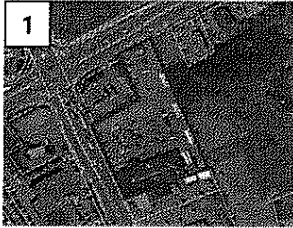
The listing price has a direct impact on buyer interest. When properties are listed with arbitrary pricing, the buyer could perceive the list price as overinflated and not reflecting the true value of the property. With such a perception, buyers will not submit an offer. Furthermore, if the property does not sell and is on the market too long, then buyers will be wary and will suspect that something is wrong with the property.

With evidence-based list prices buyers are more likely to put in an offer, and the property is more likely to sell—not only at the highest market price possible, but also in the shortest time possible.



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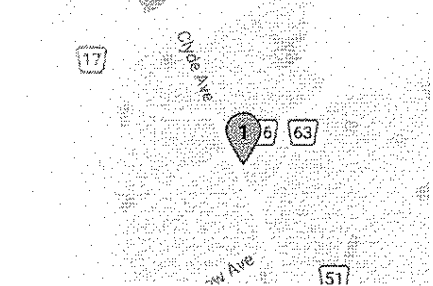
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VALUATION & LISTING PROPOSAL
895 MONTREAL RD, OTTAWA, ON**1375 CLYDE AVE**

1375 Clyde Ave | Ottawa, ON K2G 3H7

Sale Price: \$7,350,000 Lot Size: 2.81 AC
 Price PSF: \$60.05 Price / AC: \$2,615,658
 Closed: 03/31/2017

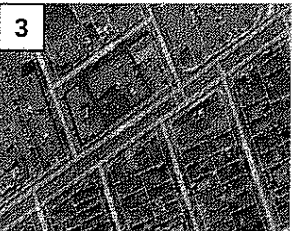
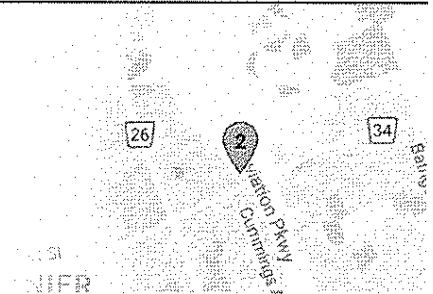
Zoning: AM10[2199] - Arterial Mainstreet

**665 MONTREAL RD**

665 Montreal Rd | Gloucester, ON K1K 0T1

Sale Price: \$1,700,000 Lot Size: 0.5987 AC
 Price PSF: \$65.19 Price / AC: \$2,839,485
 Closed: 06/15/2016

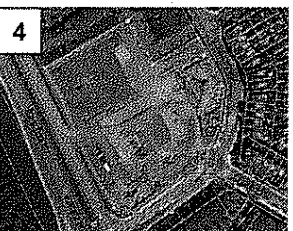
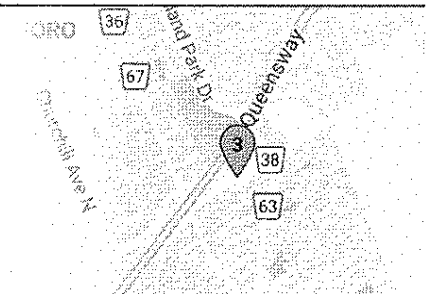
Zoning: AM10[2199] - Arterial Mainstreet

**2599 & 2583 CARLING AVE**

2599 & 2583 Carling Ave | Ottawa, ON K2B 7H7

Sale Price: \$3,700,000 Lot Size: 1.1068 AC
 Price PSF: \$76.74 Price / AC: \$3,342,970
 Closed: 03/31/2016

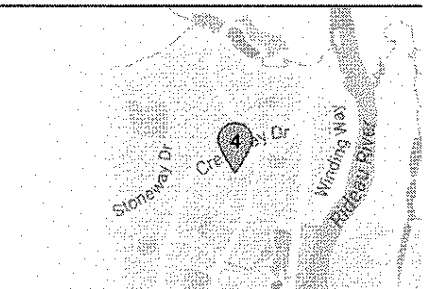
Zoning: *_AM - Arterial Mainstreet

**350 CRESTHAVEN DR**

350 Cresthaven Dr | Ottawa, ON K2G 4S4

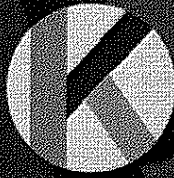
Sale Price: \$3,800,000 Lot Size: 4.15 AC
 Price PSF: \$21.02 Price / AC: \$915,662
 Closed: 12/15/2015

Zoning: GM [450] General Mixed - Use



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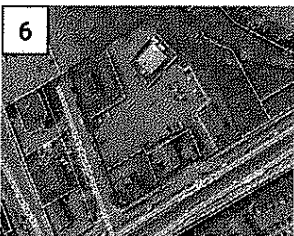
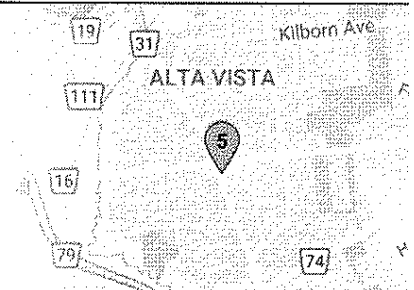
COMMERCIAL REAL ESTATE & BROKERAGE

VALUATION & LISTING PROPOSAL
895 MONTREAL RD, OTTAWA, ON**1625-1629 BANK ST**

1625-1629 Bank St | Ottawa, ON K1V 7Y9

Sale Price: \$1,268,363 Lot Size: 0.418343 AC
 Price PSF: \$69.60 Price / AC: \$3,031,873
 Closed: 09/11/2015

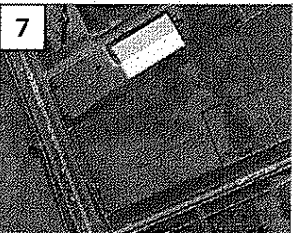
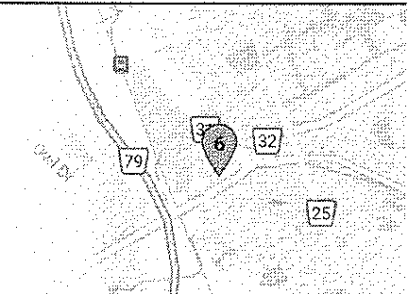
Zoning: AM1[1913] and R2F - Arterial Mainstreet and Residential Second Density

**1179-1195 HUNT CLUB RD**

1179-1195 Hunt Club Rd | Ottawa, ON K1V 8S4

Sale Price: \$4,050,000 Lot Size: 2.7 AC
 Price PSF: \$34.44 Price / AC: \$1,500,000
 Closed: 06/01/2015

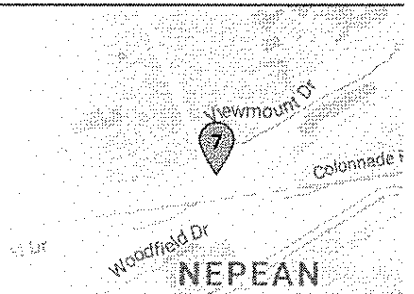
Zoning: AM - Arterial Mainstreet

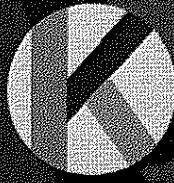
**1 COLONNADE RD**

1 Colonnade Rd | Ottawa, ON K2E 0C3

Sale Price: \$5,454,000 Lot Size: 4.5 AC
 Price PSF: \$27.82 Price / AC: \$1,212,000
 Closed: 12/30/2013

Zoning: AM [1690] - Arterial Mainstreet



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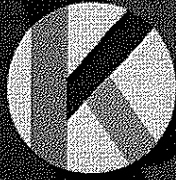
COMMERCIAL REAL ESTATE & BROKERAGE

VALUATION & LISTING PROPOSAL
895 MONTREAL RD, OTTAWA, ON

SALE COMPS	PRICE	LOT SIZE	PRICE/SF	PRICE/AC
1375 Clyde Ave				
1 1375 Clyde Ave Ottawa, ON K2G 3H7	\$7,350,000	2.81 AC	\$60.05	\$2,615,658
665 Montreal Rd				
2 665 Montreal Rd Gloucester, ON K1K 0T1	\$1,700,000	0.5,987 AC	\$65.19	\$2,839,485
2599 & 2583 Carling Ave				
3 2599 & 2583 Carling Ave Ottawa, ON K2B 7H7	\$3,700,000	1.1,068 AC	\$76.74	\$3,342,970
350 Cresthaven Dr				
4 350 Cresthaven Dr Ottawa, ON K2G 4S4	\$3,800,000	4.15 AC	\$21.02	\$915,662
1625-1629 Bank St				
5 1625-1629 Bank St Ottawa, ON K1V 7Y9	\$1,268,363	0.418,343 AC	\$69.60	\$3,031,873
1179-1195 Hunt Club Rd				
6 1179-1195 Hunt Club Rd Ottawa, ON K1V 8S4	\$4,050,000	2.7 AC	\$34.44	\$1,500,000
1 Colonnade Rd				
7 1 Colonnade Rd Ottawa, ON K2E 0C3	\$5,454,000	4.5 AC	\$27.82	\$1,212,000
	PRICE	LOT SIZE	PRICE/SF	PRICE/AC
TOTALS/AVERAGES	\$3,903,195	2.33 AC	\$50.69	\$2,208,235.43

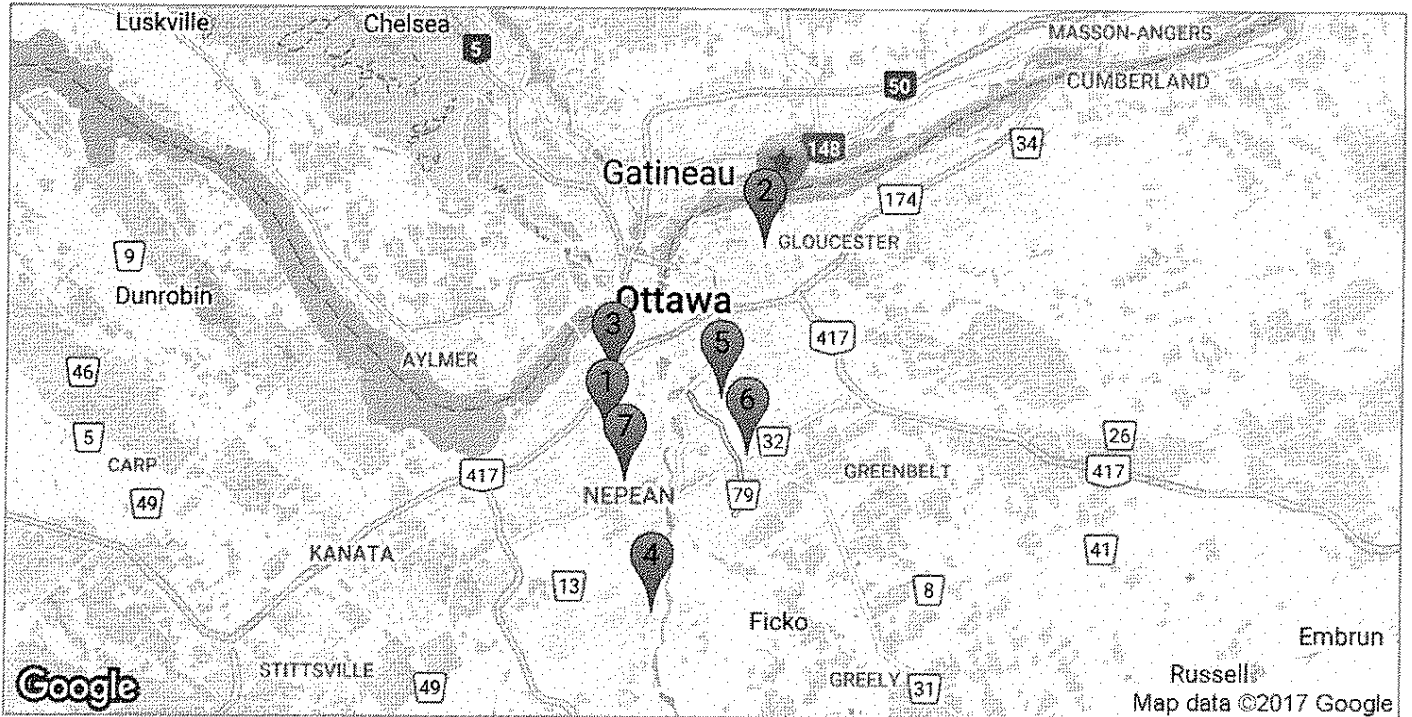


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COMMERCIAL REAL ESTATE & BROKERAGE

VALUATION & LISTING PROPOSAL
895 MONTREAL RD, OTTAWA, ON



SUBJECT PROPERTY
 895 Montreal Rd | Ottawa, ON K1K 4B9

1 1375 CLYDE AVE
 1375 Clyde Ave
 Ottawa, ON K2G 3H7

2 665 MONTREAL RD
 665 Montreal Rd
 Gloucester, ON K1K 0T1

3 2599 & 2583 CARLING AVE
 2599 & 2583 Carling Ave
 Ottawa, ON K2B 7H7

4 350 CRESTHAVEN DR
 350 Cresthaven Dr
 Ottawa, ON K2G 4S4

5 1625-1629 BANK ST
 1625-1629 Bank St
 Ottawa, ON K1V 7Y9

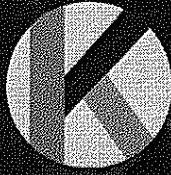
6 1179-1195 HUNT CLUB RD
 1179-1195 Hunt Club Rd
 Ottawa, ON K1V 8S4

7 1 COLONNADE RD
 1 Colonnade Rd
 Ottawa, ON K2E 0C3



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COMMERCIAL REAL ESTATE & BROKERAGE



VALUATION & LISTING PROPOSAL
895 MONTREAL RD, OTTAWA, ON

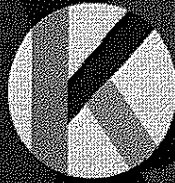
MARKETING PLAN

GRAEME WEBSTER | 613.237.0123 x203 | GRAEME@KOBLE.CA
MARC MORIN | 613.237.0123 x202 | MARC@KOBLE.CA



502 - 100 Gloucester Street
Ottawa, ON K2P 0A4

KOBLE CA



MARKETING SALES PLAN

DISCLOSURE AND EXPOSURE

Should you choose to proceed with a sale, Koble will sell 895 Montreal Road at the highest market price, with minimal time on market. We've designed our comprehensive marketing processes and plan around these two principles: complete disclosure and maximum exposure.

To keep you fully informed, each month you will receive a highly detailed Marketing Activity Report that delivers insight to everything from website traffic, social media impressions, face-to-face meetings, event statistics, and more. See Appendix B for samples of our Marketing Plan and Marketing Activity Report.

Disclosure

Through our custom designed CRM system, we provide you with access to live updates on all marketing and sales activity. You will receive a web link where you can review current activities and marketing initiatives as they are recorded. Once engaged in a project, we ensure full disclosure and open communication as we work together to execute the sale. By providing live access, we remain fully accountable. As part of our engagement, we expect full disclosure and open communication from you as well. At this stage, we operate "shoulder to shoulder" with clients to ensure a smooth and streamlined transaction.

Exposure

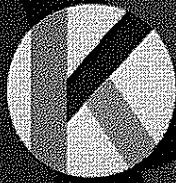
Through direct marketing to private investors and the brokerage community, as well as online via multiple property listing platforms and custom property web pages—we **deliver the best and most comprehensive property exposure in Ottawa.**

We are one of the few commercial groups that have joined the Ottawa Real Estate Board, which ensures the highest level of local, national and international exposure through the MLS/realtor.ca system. As members, we reach many new investors directly, achieving greater exposure for our clients: we can reach over 3,000 brokers who are members of the Board and their multiple clients, as well as hundreds of commercial real estate agents in our database who are not members.

As soon as a commercial property listing goes live, it is instantly broadcast to these agents and their clients. Greater exposure means more prospective buyers, creates greater competition, and most often results in a higher purchase price and less time on market. We have created a proposed marketing timeline in which we identify the "best case" timeline for the sale of your property.

By focusing on maximum exposure and full disclosure and accountability, we complete the sale and we sell it in the shortest time possible—at the highest market price possible.





PRE-LISTING RECOMMENDATIONS

- Listing terms understood and agreed to by the Seller
- Optional report to expedite process and minimize re-trade:
 - Environmental Phase 1

PRE-MARKETING ACTIVITIES

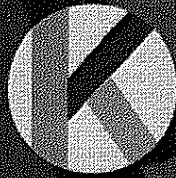
During the Pre-Marketing phase we also:

- Sign the Listing Agreement
- Order the Signage
- Receive and organize the due diligence deliveries
- Receive standard documents and information from your lawyer – Standard Agreement of Purchase and Sale used by all Buyers

Preparing Pre-marketing Collateral and Campaigns

1. **Photos and Video**
Our professional photographer will take photos of your property. These will be used in all marketing materials. For details and cost of video services see the Terms of Engagement section which follows.
2. **Website Advertising**
We create ads, banners, etc., as well as a full set of features including specialized and private login areas for specific property documents, proposals, and plans. Our real estate listing platform displays your listings while also creating custom documents in real time to further market your properties.
3. **Print Advertising**
We create professionally designed marketing brochures and e-materials as complementary assets.
4. **Social Media**
We will connect you into our social media network with ongoing features on Instagram, Twitter, LinkedIn, real estate forums, newsletters, and more—all managed full time by highly skilled social media experts.
5. **News and Events**
We prominently feature you throughout the web from posting articles on our website's news section, to professional PR services, to events coordination.





Approving Marketing Material

Prior to launch, you have the opportunity to approve every piece of the marketing collateral, including print and digital media, social media material, and online campaign components.

ONGOING MARKETING CAMPAIGN

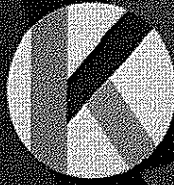
Our ten-point marketing commitment includes the following activities.

Marketing Campaign Activity		Marketing Campaign Activity	
1. Tours	Commence	6. Monthly Mailouts	Email featuring property sent to all brokers
2. Property Website	Launched and posted on MLS/realtor.ca	7. Customized Marketing Report	Marketing Plan statistics and a full breakdown of all listing activity each month
3. Social Media Campaign	Launched on LinkedIn, Twitter, Facebook and posted weekly	8. Proactive Solicitation	Includes investors and top commercial agents
4. Web Postings	Kijiji / UsedOttawa, SpaceList, LoopNet, Altus InSite, CoStar	9. Track Property Showings	We collect Showing feedback and provide you with live updates
5. Property Blast	To commercial brokerage community and to targeted prospect list from internal database	10. Review and Adjust Strategy	As required and customized according to feedback and market analysis



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COMMERCIAL REAL ESTATE & BROKERAGE



VALUATION & LISTING PROPOSAL
895 MONTREAL RD, OTTAWA, ON

NAVIGATING TO A CLOSE – OFFER, CONDITIONS, CLOSE

<p>Offer Stage Date</p>	<ul style="list-style-type: none"> • Provide prospective Buyer/Agent with standard Agreement of Purchase and Sale • Negotiate terms of the Agreement of Purchase and Sale with Buyer or Buyer's Agent using evidence from property deals completed and competing properties • Finalize the Agreement of Purchase and Sale
<p>Conditional Stage 30 to 60 Days</p>	<ul style="list-style-type: none"> • Receive 1st Deposit • Track and manage all conditions and condition dates, holding each side accountable to timelines • Coordinate all Buyer's engineer/appraisal inspections and answer any questions at the time of inspection—If not completed before marketing campaign add 15 to 30 days • Negotiate results from inspections or appraisals • Notify Seller that all inspections are complete with names of appraisers and engineers, as well as any questions they may have • Discuss fulfillment of conditions with Buyer and Buyer agent • Prepare waiver/notice of fulfillment and submit to Seller and lawyers
<p>Closing Stage 30 Days</p>	<ul style="list-style-type: none"> • Receive 2nd Deposit • Review and reconcile Statement of Adjustments with lawyer • Complete title search

SEE APPENDIX B – MARKETING PLAN & MARKETING ACTIVITY REPORT



6



June 20th, 2017

Mr. John Haralovich
Senior Vice President
MNP
1600 Carling Avenue
Suite 800
Ottawa, Ontario K1Z 1G

Email to: john.haralovich@mnp.ca

Re: RFP Listing Services 895 & 1687 Montreal Road, Ottawa, Ontario

Dear Mr. Haralovich:

We are happy to submit for your consideration the following information in regards to your "Request for Proposal(s)" for listing and marketing services for the properties located at 895 and 1687 Montreal Road in Ottawa, Ontario.

Terms of Agreement:

Listing Price: After a thorough on-site inspection of the subject properties, careful review of all available documentation, research based on current and long term market conditions, and historical and direct sales and marketing experience in the immediate vicinity, we believe the properties should be priced as follows:

1687 Montreal Road:

\$ 1,400,000

ONE MILLION FOUR HUNDRED THOUSAND DOLLARS (CDN)

895 Montreal Road:

\$ 2,550,000

TWO MILLION FIVE HUNDRED AND FIFTY-FIVE THOUSAND
DOLLARS (CDN)

Listing Term: Minimum 6 Month Period

Real Estate Commissions: 4.5% of the Selling Price (Full MLS/Service)
3.5% Exclusive (Sole Agent)

Basis for Listing Price:

The subject properties are situated within a kilometer of each other on a major east-west traffic corridor situated in the City of Ottawa's east end.

The property situated at 895 Montreal Road is located within two blocks of the Montfort Hospital while 1687 Montreal Road is located next to two Medical and a single retail plaza and is also within close proximity of an elder care facility. Both properties offer potential Buyer's with excellent redevelopment opportunities.

Historical sales within close proximity of the subject properties indicate a relatively broad per square foot range of between \$30.00 and \$50.00 per square foot. Based on location, and operating under the premise that properties situated both closer to the downtown core as well as to the Montfort Hospital will command a greater price per square foot, the calculation of value for each property would appear as follows:

895 Montreal Road: 1.098 Acres or 47,828 square feet (MPAC)

47,828 @ \$50.00

\$ 2,391,400

(For the purpose of marketing, this amount has been rounded upwards to \$2,550,000)

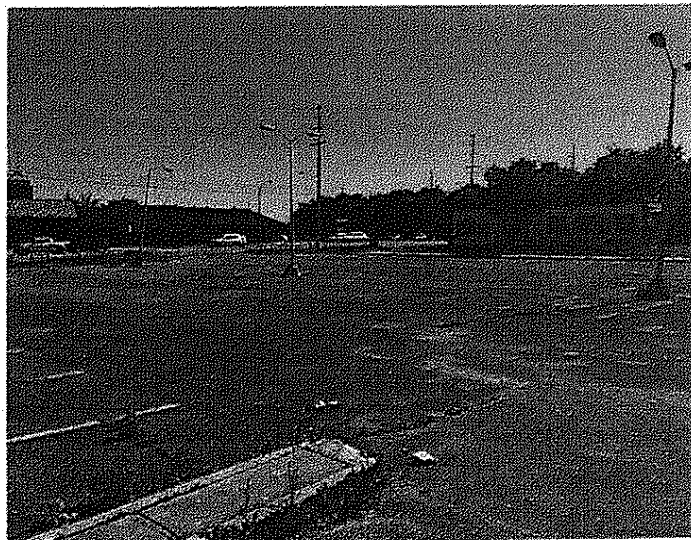
1687 Montreal Road: .8876 Acres or 38,649 square feet (MPAC)

38,649 @ \$35.00

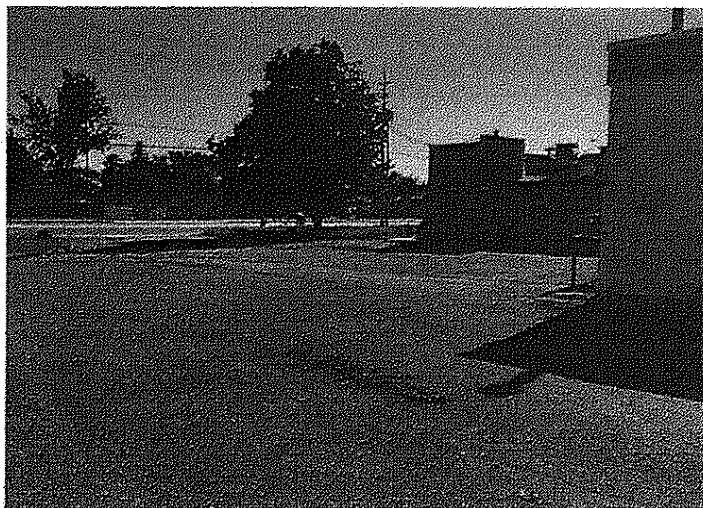
\$ 1,352,715

(For the purpose of marketing this amount has been rounded upwards to \$1,400,000)

Pictures:



895 Montreal Road
1.098 Acres – Unimproved Development Land



1687 Montreal Road
.8876 Acres – Improved (Obsolete) Development Land

Overview: History

Gentry Real Estate Services Limited is a full service real estate firm which specializes in the sale, recovery, and management of under-performing properties. For more than 30 years, Gentry Real Estate Services Limited has established itself as one of Ontario's premier brokers specializing in distressed properties on behalf of both Public and Private sector lenders. The recovery and sale of distressed properties in an effort to garner the greatest return for the lender is not a side-line – it is what we do – and well. Please visit our website at www.gentryres.com for more information and a complete overview of all Gentry Real Estate Services Limited can do to help you manage your portfolio.

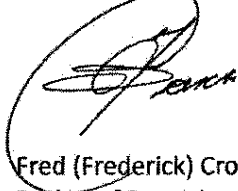
Overview: Marketing

Gentry Real Estate Services Limited is a member of the Commercial Services Division of the Ottawa Real Estate Board and as such has access and markets properties on the regional and national Multiple Listing Services (MLS) system. As a commercial and investment Broker, Gentry Real Estate Services Limited is proud to be part of a guarded community of commercial Realtors to whom fair and honest representation are first and foremost. Notwithstanding the excellent ***coast to coast marketing coverage*** offered by membership in any one of these inherent bodies, the primary reason for our success is the direct marketing programme that we utilize which exposes your property to pre-qualified and experienced investors and developers. In this as most things – *Experience is the Best Teacher!*

Gentry Real Estate Services Limited is a member in good standing of both the Ontario and Canadian Real Estate Association, and the Commercial Services Division of the Ottawa Real Estate Board.

Thank you very much for this opportunity to be of service. Should you require clarification or additional information, please do not hesitate to contact the undersigned at your convenience. References are available upon request.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Fred Crouch", is written over a circular stamp or seal that is partially obscured.

Fred (Frederick) Crouch

BROKER of Record

Professional Standards and Ethics Committee (OREB)

17 Time Sales Award Recipient

President CAIREB (Canadian Association of Independent Real Estate Brokers)

ATTACHEMENTS:

City of Ottawa Zoning Bylaw AM10 [2199]

TERANET GeoWarehouse Reports

Signage EPS Files

Part 10 – Mixed Use/Commercial Zones (Sections 185-198)

This part comprises the zones that are applied to the urban and suburban areas of the City in accordance with the mixed-use and commercial land use designations of the Official Plan, and includes the LC- Local Commercial, GM- General Mixed Use, TM- Traditional Mainstreet, AM-Arterial Mainstreet, MC- Mixed Use Centre and MD- Mixed-Use Downtown Zones.

The City of Ottawa Zoning By-law is made available on the web site for information, however confirmation on the zoning provisions should be sought through the City's development information officers (DIO), by contacting 311 and asking for the DIO for the geographic area in question.

AM – Arterial Mainstreet Zone (Sections 185-186)

Purpose of the Zone

The purpose of the AM – Arterial Mainstreet Zone is to:

- (1) *accommodate a broad range of uses including retail, service commercial, offices, residential and institutional uses in mixed-use buildings or side by side in separate buildings in areas designated **Arterial Mainstreet** in the Official Plan; and*
- (2) *impose development standards that will promote intensification while ensuring that they are compatible with the surrounding uses.*

185. In the AM Zone:

Permitted Non-Residential Uses

- (1) The following non-residential uses are permitted subject to:
 - (a) the provisions of subsections 185(3) to (5), and
 - (b) **amusement park** being located within a building;

amusement centre
amusement park
animal care establishment
animal hospital
artist studio
automobile dealership
automobile rental establishment
automobile service station
bank
bank machine
bar
broadcasting studio
car wash
catering establishment
cinema
click and collect facility (By-law 2016-289)
community centre
community garden, see Part 3, Section 82 (Subject to By-law 2017-148)
community health and resource centre
convenience store
day care
diplomatic mission, *see Part 3, Section 88*
drive-through facility
emergency service
funeral home
gas bar
hotel
instructional facility
library
medical facility
municipal service centre
museum
nightclub
office
park
parking garage
personal service business
place of assembly
place of worship
post office
production studio
recreational and athletic facility
research and development centre
residential care facility (By-law 2011-273)
restaurant
retail food store
retail store
school
service and repair shop
small batch brewery, *see Part 3, Section 89*
sports arena
technology industry
theatre
training center

Permitted Residential Uses

- (2) The following residential uses are permitted:
- apartment dwelling, low rise
 - apartment dwelling, mid-high rise (Subject to By-law 2014-292)**
 - bed and breakfast, see Part 5, Section 121
 - dwelling unit
 - group home, see Part 5, Section 126
 - home-based business, see Part 5, Section 127
 - home-based day care, see Part 5, Section 129
 - planned unit development, see Part 5, Section 131
 - retirement home
 - retirement home, converted, see Part 5, Section 122
 - rooming house
 - rooming house, converted, see Part 5, Section 122
 - rooming unit
 - stacked dwelling, see Part 5, Section 138 (By-law 2010-307)
 - townhouse dwelling, see Part 5, Section 138 (By-law 2012-334)(By-law 2010-307) (By-law 2014-189)

Zone Provisions

- (3) The zone provisions are set out in Table 185 below.

TABLE 185 - AM ZONE PROVISIONS

I ZONING MECHANISMS		II PROVISIONS	
(a) Minimum lot area			No minimum
(b) Minimum lot width			No minimum
(c) Front yard and corner side yard	(i) non-residential or mixed-use buildings	Minimum	No minimum
	(ii) residential use building	Minimum	3 m
(d) Minimum interior side yard	(i) abutting a residential zone		7.5 m
	(ii) all other cases		No minimum
(e) Minimum rear yard	(i) abutting a street		3 m
	(ii) rear lot line abutting a residential zone		7.5 m
	(iii) for a residential use building		7.5 m
	(iv) all other cases		No minimum
(f) Maximum building height	(i) in any area up to and including 20 metres from a property line abutting a R1, R2 or R3 residential zone (By-law 2011-124)		11 m
	(ii) in any area up to and including 20 metres from a property line abutting a R4 zone (By-law 2011-124)		15 m
	(iii) in any area over 20 metres and up to and including 30 metres from a property line abutting a R1, R2, R3 or R4 zone (By-law 2011-124)		20 metres, or as shown on the zoning map
	(iv) more than 30 metres from a property line abutting a R1 – R4 zone		30 metres but in no case greater than nine storeys, or as shown on the zoning map (By-law 2015-45)
	(v) in all other cases		30 metres but in no case greater than nine storeys, or as shown on the zoning map (By-law 2015-45)
(g) Maximum building height for AM, AM1, AM4 and AM5 zones, on specific street segments as noted below: (By-law 2015-45)			25 metres, or as shown on the zoning map

I ZONING MECHANISMS		II PROVISIONS	
Street Segments	(i) Baseline Road from St. Helen's Place to Merivale Road ii) Merivale Road from Baseline Road to Caldwell Avenue iii) Cyle Avenue from Dohoney Street to Highway 417 iv) Bronson Avenue from Carling Avenue to Kippewa Drive v) St. Laurent Blvd. from VIA Rail right-of-way to Queen Mary Street vi) Michael Street from Tremblay Road to Kenaston Street vii) Ogilvie Road from St. Laurent Blvd. to Cyrville Road viii) Brittany Drive from Montreal Road to Kristin Way ix) Montreal Road from Shefford Road to Regional Road 174 x) Innes Road from Page Road to Tenth Line Road xi) Bank Street from VIA Rail right-of-way to Walkley Road xii) Bank Street from Walkey Road to Rail right-of-way (South of Ledbury Ave.) xiii) Bank Street from Rail right-of-way (South of Ledbury Ave.) to Lester Road		
(h) Maximum floor space index (By-law 2015-45)	(i) for AM, AM1, AM4 and AM5 zones, on specific street segments as noted in clause (g) above	1. if 80% or more of the required parking is provided below grade	3.5
	(ii) in all other cases	2. in all other cases none	2. unless otherwise shown

(i) Minimum width of landscaped area around a parking lot *see Section 110 – Landscaping Provisions for Parking Lots*

- (4) Outdoor storage is permitted subject to:
- (a) being located in an interior side yard or rear yard;
 - (b) being completely enclosed and screened from a public street, and from residential or institutional zone; and
 - (c) the provisions of subsection 185(4) (b) above does not apply to **automobile dealership.**
- (5) For other applicable provisions, see Part 2 – General Provisions, Part 3 – Special Use provisions, and Part 4 – Parking and Loading Provisions.
- (6) *(Introduced by By-law 2014-292)*

AM Subzones

186. In the AM Zone, the following subzones apply:

AM1 Subzone

- (1) In the AM1 Subzone:

- (d) Clause (c) does not apply to a lot containing only an automobile dealership, automobile rental establishment, automobile service station, or gas bar, but a maximum front yard setback of 3 metres shall apply to any building containing these uses.
- (e) Despite (c) and (d), in the case of high voltage power lines present near the front lot line the distance of 3 metres set out within (c)(i) and (c)(ii) and the maximum front yard setback in (d) is increased to 5 metres with respect to that portion of the building wall affected by the high voltage power lines.
- (f) In the case of a phased development where all phases are shown on a site plan approved pursuant to Section 41 of the Planning Act, each phase itself does not have to comply with subsection (c) above, provided that those requirements are satisfied upon the completion of all phases of development.
- (g) For a lot containing a non-residential or mixed use building, the minimum required width of a landscaped area along a lot line is:
 - (i) where abutting a residential zone: 10 metres and an opaque screen with a minimum height of 1.5 metres must be provided between the residential zone and landscaped area;
 - (ii) where it is the rear lot line and it abuts a non-residential zone: 5 m
 - (iii) in all other cases: no minimum, except that where a yard is provided and not used for required driveways, aisles, parking, loading spaces or outdoor commercial patio, the whole yard must be landscaped.
- (h) outdoor storage accessory to the use on the lot,
 - (i) is prohibited in a front yard, and
 - (ii) Is permitted in all other yards provided it is concealed from view from abutting streets and non-commercial zones, and provided it does not cover more than 20% of the lot area.
- (i) the lot line abutting Hazeldean Road is considered to be the front lot line
- (j) the minimum number of parking spaces required for a shopping centre may be reduced by the number of on-street parking spaces that are located within 12 metres of the lot on which a shopping centre is located. (By-law 2014-27)

AM10 Subzone

- (10) In the AM10 Subzone:
 - (a) the lot line abutting the designated "Arterial Mainstreet", as per Schedule B of the Official Plan, is the front lot line, and in the case of a lot with more than one lot line abutting an arterial mainstreet the provisions applying to front lot line will apply to all of the lot lines abutting an arterial mainstreet regardless of it being a front or other lot line,
 - (b) despite Table 185(c), the following provisions apply:
 - (i) the minimum front and corner side yard setback for all buildings is 0 metres, and at least 50% of the frontage along the front lot line and corner side lot line must be occupied by building walls located within 4.5 metres of the frontage for a Residential use building, and within 3.0 metres for Non-residential and Mixed use buildings; and

- (ii) in the case of a phased development, all phases must be shown on a site plan approved pursuant to Section 41 of the Planning Act, and must satisfy the following:
 - 1) the first phase is required to satisfy (b)(i) prior to or concurrent with the construction of any building at the interior or rear of the lot for the portion of property shown in that phase; and
 - 2) all subsequent phases are not required to comply with (b)(i) independently, provided that (b)(i) is satisfied upon the completion of all phases; and
 - 3) the boundary of a phasing line will be determined through Site Plan Control, and each phase of development must comply with the zone requirements and incorporate the site plan elements required and provided to support the uses of land within that phase,
- (c) despite Table 185(d)(i), the minimum interior side yard setback from a lot line abutting a residential zone is:
 - (i) 3.0 metres for the first 20 metres back from the street,
 - (ii) 7.5 metres beyond 20 metres back from the street,
- (d) despite Table 185(e), sub clauses (ii) and (iii), the minimum rear yard setback is:
 - (i) 3.0 metres for any building wall within 20 metres of a lot line abutting a public street.
 - (ii) 7.5 metres in all other cases,
- (e) any portion of a building located within 10 metres a front lot line or corner lot line must satisfy the following minimum building heights:
 - (i) if the building is a non-residential or mixed-use building, the ground floor requires a minimum height of 4.5 metres; and
 - (ii) the minimum building height required is 7.5 metres, and must contain at least two storeys,
- (f) a building existing as of the day of the passing of the By-law may be expanded without having to comply with clause (b) above, provided the following:
 - (i) the addition does not exceed the greater of 600 m² or 20% of the gross floor area of the existing building,
 - (ii) subsequent additions are not permitted within 12 months of an issued building permit for expansion of the same building,
- (g) the ground floor façade facing a public street of a building located within 4.5 metres of the front lot line or corner side lot line must include:
 - (i) a minimum of one active entrance from each individual occupancy located immediately adjacent to the front lot line or corner side lot line in the case of non-residential uses; and
 - (ii) a minimum of one active entrance in the case of a residential use building; where an active entrance is angled on the corner of the building, such that it faces the intersection of the arterial mainstreet and a side street intersecting the arterial mainstreet, it is deemed to face both streets;

- (h) a minimum of 50% of the surface area of the ground floor façade, measured from the average grade up to a height of 4.5 metres, facing a public street must be comprised of transparent glazing and active customer or resident entrance access doors,
- (i) clauses (b) and (e) do not apply to a lot containing only an automobile dealership, automobile rental establishment, automobile service station, or gas bar, but the following must be satisfied;
 - (i) a maximum front yard setback of 3 metres is required to any building containing these uses; and
 - (ii) an automobile dealership and automobile rental establishment require a minimum building height of 7.5 metres,
- (j) despite Table 185(f) the following maximum building heights apply:
 - (i) In any area up to and including 20 metres from a rear lot line abutting a R1, R2 or R3 zone: 11 m
 - (ii) In any area up to and including 20 metres from a rear lot line abutting an R4 zone: 15 m
 - (iii) In any area over 20 metres and up to and including 30 metres from a rear lot line abutting a R1, R2, R3, or R4 zone: 20 m
 - (iv) In any area:
 - a. outside of the areas identified in (i) through (iii) above; and,
 - b. up to 7.5 metres from that part of a side lot line within 20 metres of a street and abutting a R1, R2, R3 or R4 zone: 15 m
 - (v) In all other cases: 30 m (By-law 2015-45)

AM11 Subzone (Introduced by By-law 2015-49)

AM12 Subzone

- (12) In the AM12 Subzone:
 - (a) Only the following uses are permitted:



**Gentry Real Estate
Services Ltd., Brokerage**
613.230.6050

GentryRES.com

FOR SALE

Commercial Development
.887 Acres 38,649 sqft
Zoning: AM10 (21991)

Fred (Frederick) Grouch
BROKER OF RECORD

Direct: 613.816.8306



**Gentry Real Estate
Services Ltd., Brokerage**
613.230.6050

GentryRES.com

FOR SALE

Commercial Development
1.098 Acres | 47,828 sqft
Zoning: AM10 (21991)

Fred (Frederick) Crouch
BROKER OF RECORD

Direct: 613.816.8306



895 MONTREAL RD
OTTAWA

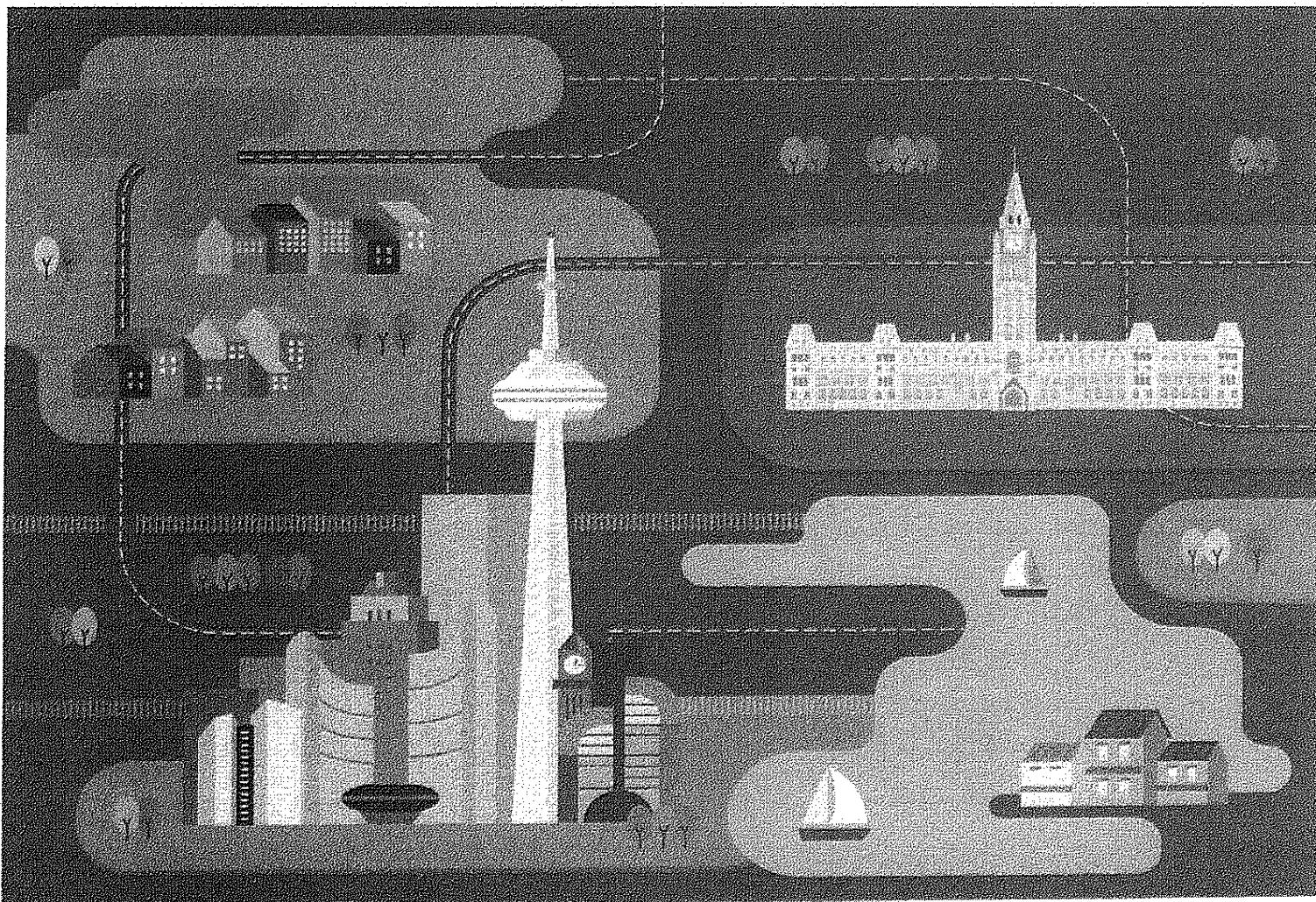
PIN 042740036

Report title

This report was prepared by:

Fred Crouch

fred@gentryres.com



Property Details

GeoWarehouse Address:

895 MONTREAL RD
OTTAWA
K1K4B9

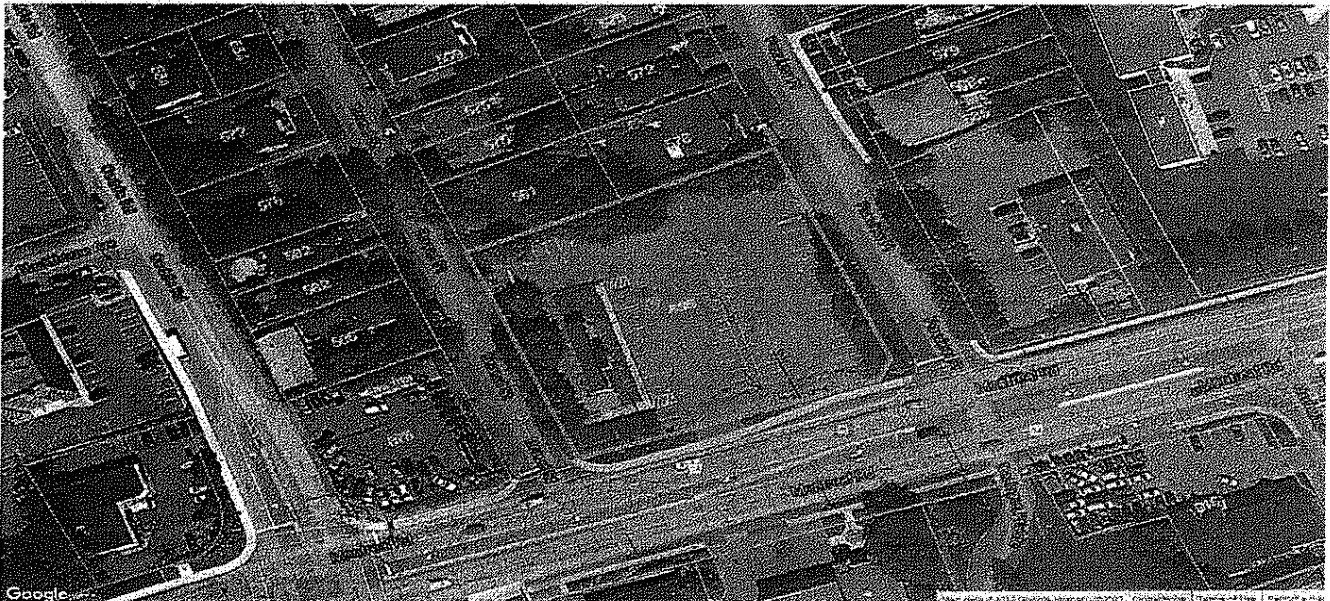
PIN: 042740036

Land Registry Office: OTTAWA-CARLETON (04)

Land Registry Status: Active

Registration Type: Certified (Land Titles)

Ownership Type: Freehold



Ownership

Owner Name:

VERTAMIN REAL ESTATE INC.

Legal Description

LTS 1, 2 & 3, PL 142, E/S MARY ST (AKA BRUNEL ST) ; LT A, PL 142 , N/S MONTREAL RD ; LTS 1, 2 & 3, PL 142 , W/S FOXVIEW PL (FORMERLY ANN ST) ; ALL EXCEPT PART 10, 5R4761 ; OTTAWA/GLOUCESTER

Lot Size

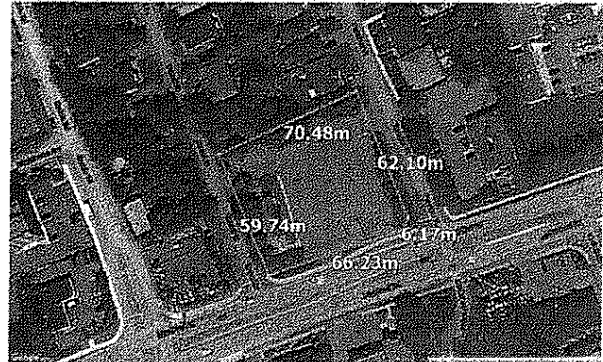
Area: 47828.2 sq.ft

Perimeter: 866.14 ft.

Measurements: 231.22ft. x 196.0ft. x 217.3ft. x 20.24ft. x 203.74ft.

Lot Measurement Accuracy : HIGH

Measurements are based on coordinate geometry, providing a high degree of confidence that the measurement calculations are within an acceptable variance of the registered plan dimensions.



Assessment Information

ARN

061401040142200

Assessed Value	Phased-In Value				
\$2,292,000	\$1,532,250	\$1,785,500	\$2,038,750	\$2,292,000	
Based on Jan 1, 2016	2017	2018	2019	2020	

Frontage: 237.84 ft. Description: Vacant commercial land

Depth: 200.03 ft. Property Code: 105

Sales History

Sale Date	Sale Amount	Party To	Instrument Type	Notes
Sep 26, 2013	\$2,400,000	VERTAMIN REAL ESTATE INC.;	Transfer	
Dec 08, 2000	\$53,250	BORINS, ANDREW EDWARD;	Transfer	
Dec 17, 1997	\$275,000	S.D.B. PROPERTIES INC.;	Transfer	
Oct 29, 1987	\$177,500	BORINS, PAUL MICHAEL; BORINS, ANDREW EDWARD;	Transfer	
Feb 05, 1970	\$2	BORINS, SAMUEL DAVID;	Transfer	
Oct 23, 1968	\$10,000	BORINS, SAMUEL DAVID; SCHWARTZ, MURRAY;	Transfer	
Oct 04, 1960	\$37,500	BORINS, SAMUEL DAVID; GREENSTEIN, JOHN DAVID; GREENSTEIN, MURRAY; SCHWARTZ, MURRAY;	Transfer	

Terms and Conditions

Reports Not the Official Record. Reports, other than the Parcel Register, obtained through GeoWarehouse are not the official government record and will not necessarily reflect the current status of interests in land.

Currency of Information. Data contained in the GeoWarehouse reports are not maintained real-time. Data contained in reports, other than the Parcel Register, may be out of date ten business days or more from data contained in POLARIS.

Coverage. Data, information and other products and services accessed through the Land Registry Information Services are limited to land registry offices in the areas identified on the coverage map.

Completeness of the Sales History Report. Some Sales History Reports may be incomplete due to the amount of data collected during POLARIS title automation. Subject properties may also show nominal consideration or sales price (e.g. \$2) in cases such as transfers between spouses or in tax exempt transfers.

Demographic Information. Demographic information is obtained from Environics Analytics. Environics Analytics acquires and distributes Statistics Canada files in accordance with the Government of Canada's Open Data Policy. No information on any individual or household was made available to Environics Analytics by Statistics Canada. PRIZM and selected PRIZMC2 nicknames are registered trademarks of The Nielsen Company (U.S.) and are used with permission.

The Property Information Services, reports and information are provided "as is" and your use is subject to the applicable Legal Terms and Conditions. Some information obtained from the Land Registry Information Services is not the official government record and will not reflect the current status of interests in land. Use of personal information contained herein shall relate directly to the purpose for which the data appears in land registry records and is subject to all applicable privacy legislation in respect of personal information. Such information shall not be used for marketing to a named individual.

Parcel Mapping shown on the site was compiled using plans and documents recorded in the Land Registry System and has been prepared for property indexing purposes only. It is not a Plan of Survey. For actual dimensions of property boundaries, see recorded plans and documents.



1687 MONTREAL RD
OTTAWA

PIN 043730081

Report title

This report was prepared by:

Fred Crouch

fred@gentryres.com



Property Details

GeoWarehouse Address:

1687 MONTREAL RD
OTTAWA
K1J6N6

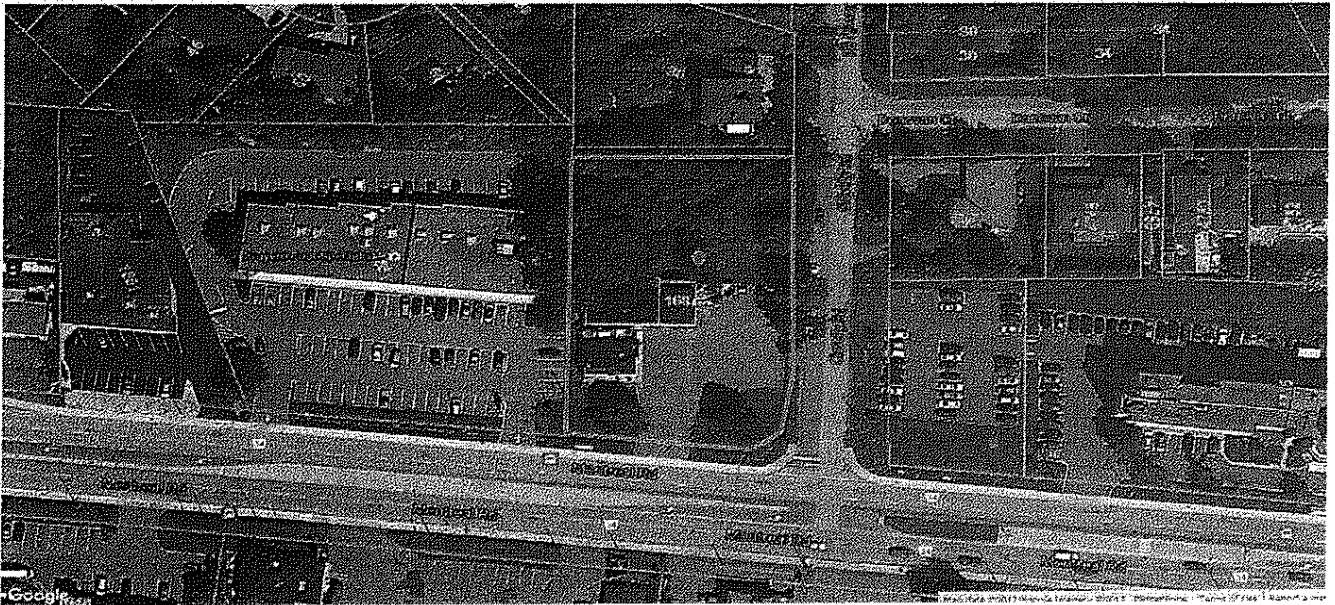
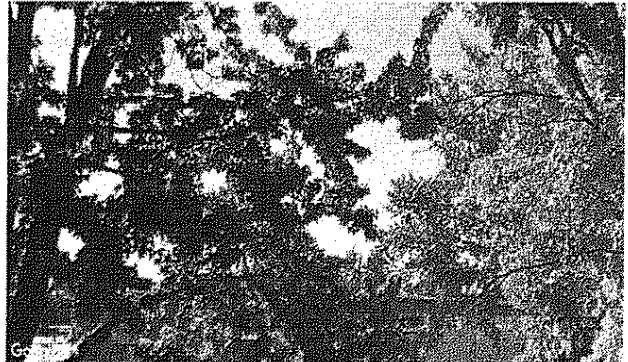
PIN: 043730081

Land Registry Office: OTTAWA-CARLETON (04)

Land Registry Status: Active

Registration Type: Certified (Land Titles)

Ownership Type: Freehold



Ownership

Owner Name:

VERTAMIN REAL ESTATE INC.

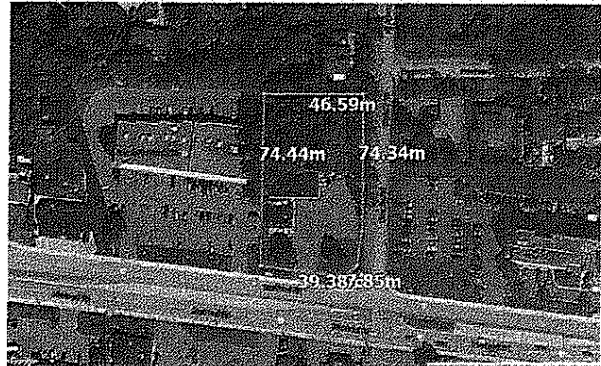
Legal Description

PT BLK 2, PL 118 ; PT LTS 1 & 2, PL 126 , BEING PART 2, 3 & 4 ON PLAN 5R2278 , EXCEPT PT 1 ON PLAN 5R369 ; PART OF LOT 2 PLAN 126, BEING PART 2 ON PLAN 4R-27383. CITY OF OTTAWA

Lot Size

Area: 38639.16 sq.ft
Perimeter: 793.96 ft.
Measurements: 152.85ft. x 244.23ft. x 129.2ft. x 25.76ft. x 243.9ft.

Lot Measurement Accuracy : HIGH
 Measurements are based on coordinate geometry, providing a high degree of confidence that the measurement calculations are within an acceptable variance of the registered plan dimensions.



Assessment Information

ARN

061460014519500

Assessed Value	Phased-In Value			
	2017	2018	2019	2020
\$1,088,000 <small>Based on Jan 1, 2016</small>	\$967,250	\$1,007,500	\$1,047,750	\$1,088,000

Frontage: 142.26 ft. Description: Restaurant - fast food, national chain
 Depth: N/A Property Code: 414

Sales History

Sale Date	Sale Amount	Party To	Instrument Type	Notes
Dec 11, 2013	\$41,500	VERTAMIN REAL ESTATE INC.;	Transfer	
Oct 31, 2012	\$1,200,000	VERTAMIN REAL ESTATE INC.;	Transfer	

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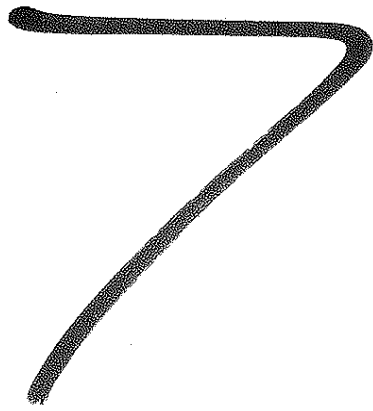
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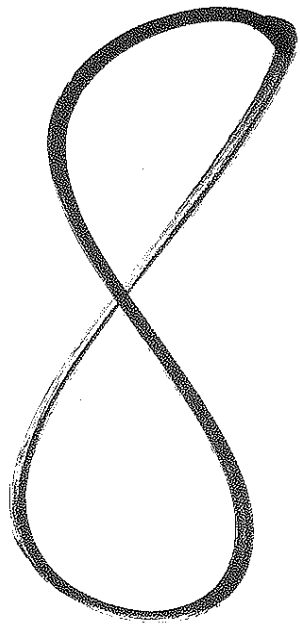
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Vertamin Real Estate Inc.

Summary of Real Estate Proposals and Appraisals

	Koble 895		Koble 1687		Gentry 895		Gentry 1687	
Listing price	<u>\$2,500,000</u>		<u>\$1,350,000</u>		<u>\$2,550,000</u>		<u>\$1,400,000</u>	
	High	Low	High	Low				
Target price	\$2,152,000	\$2,391,000	\$1,163,000	\$1,279,000	\$2,400,000 Purchase		\$1,200,000 Purchase	
Commission Rate	5%	5%	5%	5%	4.50%	4.50%	4.50%	4.50%
If sole source	3.75%	3.75%	3.75%	3.75%	3.50%		3.50%	
Potential Recovery	<u>\$2,375,000</u>		<u>\$1,282,500 \$3,657,500</u>		<u>\$2,435,250</u>		<u>\$1,337,000 \$3,772,250</u>	
	<u>\$2,406,250</u>		<u>\$1,299,375 \$3,705,625</u>		<u>\$2,460,750</u>		<u>\$1,351,000 \$3,811,750</u>	



Listing Agreement – Commercial

Seller Representation Agreement

Authority to Offer for Sale

Form 520
for use in the Province of Ontario



This is a Multiple Listing Service® Agreement

(Seller's Initials)

OR

This Listing is Exclusive

(Seller's Initials)

BETWEEN:

BROKERAGE: Gentry Real Estate Services Limited

1590 Dixie Street

Ottawa

(the "Listing Brokerage")

SELLER(S): MNP LTD. as Court Appointed Receiver for Vertamin Real Estate Inc.

(the "Seller")

In consideration of the Listing Brokerage listing the real property for sale known as 895 Montreal Road, Ottawa, Ontario K1K 0S7

the Seller hereby gives the Listing Brokerage the **exclusive and irrevocable** right to act as the Seller's agent,

commencing at 12:01 a.m. on the 13 day of July, 2017

until 11:59 p.m. on the 31 day of December, 2017 (the "Listing Period"),

Seller acknowledges that the length of the Listing Period is negotiable between the Seller and the Listing Brokerage and, if an MLS® listing, may be subject to minimum requirements of the real estate board, however, in accordance with the Real Estate and Business Brokers Act of Ontario (2002), **if the Listing Period exceeds six months, the Listing Brokerage must obtain the Seller's initials.**

(Seller's Initials)

to offer the Property for sale at a price of:

Two Million Five Hundred Fifty Thousand Dollars (\$Cdn. 2,550,000.00)

and upon the terms particularly set out herein, or at such other price and/or terms acceptable to the Seller. It is understood that the price and/or terms set out herein are at the Seller's personal request, after full discussion with the Listing Brokerage's representative regarding potential market value of the Property.

The Seller hereby represents and warrants that the Seller is not a party to any other listing agreement for the Property or agreement to pay commission to any other real estate brokerage for the sale of the property.

1. DEFINITIONS AND INTERPRETATIONS: For the purposes of this Agreement ("Authority" or "Agreement"):
"Seller" includes vendor and a "buyer" includes a purchaser or a prospective purchaser. A purchase shall be deemed to include the entering into of any agreement to exchange, or the obtaining of an option to purchase which is subsequently exercised, or the causing of a First Right of Refusal to be exercised, or an agreement to sell or transfer shares or assets. "Real property" includes real estate as defined in the Real Estate and Business Brokers Act (2002). The "Property" shall be deemed to include any part thereof or interest therein. A "real estate board" includes a real estate association. Commission shall be deemed to include other remuneration. This Agreement shall be read with all changes of gender or number required by the context. For purposes of this Agreement, anyone introduced to or shown the Property shall be deemed to include any spouse, heirs, executors, administrators, successors, assigns, related corporations and affiliated corporations. Related corporations or affiliated corporations shall include any corporation where one half or a majority of the shareholders, directors or officers of the related or affiliated corporation are the same person(s) as the shareholders, directors, or officers of the corporation introduced to or shown the Property.

2. COMMISSION: In consideration of the Listing Brokerage listing the Property for sale, the Seller agrees to pay the Listing Brokerage a commission of 4.5% % of the sale price of the Property or 3.5% If Sold Exclusively (As Sole Agent)

for any valid offer to purchase the Property from any source whatsoever obtained during the Listing Period and on the terms and conditions set out in this Agreement **OR** such other terms and conditions as the Seller may accept.

INITIALS OF LISTING BROKERAGE:

INITIALS OF SELLER(S):

The Seller authorizes the Listing Brokerage to co-operate with any other registered real estate brokerage (co-operating brokerage), and to offer to pay the co-operating brokerage a commission of 2 % of the sale price of the Property or

..... out of the commission the Seller pays the Listing Brokerage. The Seller further agrees to pay such commission as calculated above if an agreement to purchase is agreed to or accepted by the Seller or anyone on

the Seller's behalf within 60 days after the expiration of the Listing Period (**Holdover Period**), so long as such agreement is with anyone who was introduced to the Property from any source whatsoever during the Listing Period or shown the Property during the Listing Period. If, however, the offer for the purchase of the Property is pursuant to a new agreement in writing to pay commission to another registered real estate brokerage, the Seller's liability for commission shall be reduced by the amount paid by the Seller under the new agreement.

The Seller further agrees to pay such commission as calculated above even if the transaction contemplated by an agreement to purchase agreed to or accepted by the Seller or anyone on the Seller's behalf is not completed, if such non-completion is owing or attributable to the Seller's default or neglect, said commission to be payable on the date set for completion of the purchase of the Property.

Any deposit in respect of any agreement where the transaction has been completed shall first be applied to reduce the commission payable. Should such amounts paid to the Listing Brokerage from the deposit or by the Seller's solicitor not be sufficient, the Seller shall be liable to pay to the Listing Brokerage on demand, any deficiency in commission and taxes owing on such commission.

In the event the buyer fails to complete the purchase and the deposit or any part thereof becomes forfeited, awarded, directed or released to the Seller, the Seller then authorizes the Listing Brokerage to retain as commission for services rendered, fifty (50%) per cent of the amount of the said deposit forfeited, awarded, directed or released to the Seller (but not to exceed the commission payable had a sale been consummated) and to pay the balance of the deposit to the Seller.

All amounts set out as commission are to be paid plus applicable taxes on such commission.

3. REPRESENTATION: The Seller acknowledges that the Listing Brokerage has provided the Seller with written information explaining agency relationships, including information on Seller Representation, Sub-agency, Buyer Representation, Multiple Representation and Customer Service. The Seller understands that unless the Seller is otherwise informed, the co-operating brokerage is representing the interests of the buyer in the transaction. The Seller further acknowledges that the Listing Brokerage may be listing other properties that may be similar to the Seller's Property and the Seller hereby consents to the Listing Brokerage acting as an agent for more than one seller without any claim by the Seller of conflict of interest. Unless otherwise agreed in writing between Seller and Listing Brokerage, any commission payable to any other brokerage shall be paid out of the commission the Seller pays the Listing Brokerage.

The Seller hereby appoints the Listing Brokerage as the Seller's agent for the purpose of giving and receiving notices pursuant to any offer or agreement to purchase the Property.

MULTIPLE REPRESENTATION: The Seller hereby acknowledges that the Listing Brokerage may be entering into buyer representation agreements with buyers who may be interested in purchasing the Seller's Property. In the event that the Listing Brokerage has entered into or enters into a buyer representation agreement with a prospective buyer for the Seller's Property, the Listing Brokerage will obtain the Seller's written consent to represent both the Seller and the buyer for the transaction at the earliest practical opportunity and in all cases prior to any offer to purchase being submitted or presented.

The Seller understand and acknowledges that the Listing Brokerage must be impartial when representing both the Seller and the buyer and equally protect the interests of the Seller and buyer. The Seller understands and acknowledges that when representing both the Seller and the buyer, the Listing Brokerage shall have a duty of full disclosure to both the Seller and the buyer, including a requirement to disclose all factual information about the Property known to the Listing Brokerage.

However, the Seller further understands and acknowledges that the Listing Brokerage shall not disclose:


- that the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- that the buyer may or will pay more than the offered price, unless otherwise instructed in writing by the buyer;
- the motivation of or personal information about the Seller or buyer, unless otherwise instructed in writing by the party to which the information applies or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- the price the buyer should offer or the price the Seller should accept; and
- the Listing Brokerage shall not disclose to the buyer the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the Property will be disclosed to both Seller and buyer to assist them to come to their own conclusions.

Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be entitled or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.

MULTIPLE REPRESENTATION AND CUSTOMER SERVICE: The Seller understands and agrees that the Listing Brokerage also provides representation and customer service to other sellers and buyers. If the Listing Brokerage represents or provides customer service to more than one seller or buyer for the same trade, the Listing Brokerage shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all sellers and buyers of the nature of the Listing Brokerage's relationship to each seller and buyer.

INITIALS OF LISTING BROKERAGE: 

INITIALS OF SELLER(S): 

4. **REFERRAL OF ENQUIRIES:** The Seller agrees that during the Listing Period, the Seller shall advise the Listing Brokerage immediately of all enquiries from any source whatsoever, and all offers to purchase submitted to the Seller shall be immediately submitted to the Listing Brokerage by the Seller before the Seller accepts or rejects the same. If any enquiry during the Listing Period results in the Seller's accepting a valid offer to purchase during the Listing Period or within the Holdover Period after the expiration of the Listing Period described above, the Seller agrees to pay the Listing Brokerage the amount of commission set out above, payable within five (5) days following the Listing Brokerage's written demand therefor.
5. **MARKETING:** The Seller agrees to allow the Listing Brokerage to show and permit prospective buyers to fully inspect the Property during reasonable hours and the Seller gives the Listing Brokerage the sole and exclusive right to place "For Sale" and "Sold" sign(s) upon the Property. The Seller consents to the Listing Brokerage including information in advertising that may identify the Property. The Seller further agrees that the Listing Brokerage shall have sole and exclusive authority to make all advertising decisions relating to the marketing of the Property during the Listing Period. The Seller agrees that the Listing Brokerage will not be held liable in any manner whatsoever for any acts or omissions with respect to advertising by the Listing Brokerage or any other party, other than by the Listing Brokerage's gross negligence or wilful act.
6. **WARRANTY:** The Seller represents and warrants that the Seller has the exclusive authority and power to execute this Authority to offer the Property for sale and that the Seller has informed the Listing Brokerage of any third party interests or claims on the Property such as rights of first refusal, options, easements, mortgages, encumbrances or otherwise concerning the Property, which may affect the sale of the Property.
7. **INDEMNIFICATION AND INSURANCE:** The Seller will not hold the Listing Brokerage and representatives of the Brokerage responsible for any loss or damage to the Property or contents occurring during the term of this Agreement caused by the Listing Brokerage or anyone else by any means, including theft, fire or vandalism, other than by the Listing Brokerage's gross negligence or wilful act. The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury, including but not limited to loss of the commission payable under this Agreement, caused or contributed to by the breach of any warranty or representation made by the Seller in this Agreement or the accompanying data form. The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury as a result of the Property being affected by any contaminants or environmental problems.
The Seller warrants the Property is insured, including personal liability insurance against any claims or lawsuits resulting from bodily injury or property damage to others caused in any way on or at the Property and the Seller indemnifies the Brokerage and all of its employees, representatives, salespersons and brokers (Listing Brokerage) and any co-operating brokerage and all of its employees, representatives, salespersons and brokers (co-operating brokerage) for and against any claims against the Listing Brokerage or co-operating brokerage made by anyone who attends or visits the Property.
8. **FAMILY LAW ACT:** The Seller hereby warrants that spousal consent is not necessary under the provisions of the Family Law Act, R.S.O. 1990, unless the spouse of the Seller has executed the consent hereinafter provided.
9. **FINDERS FEES:** The Seller acknowledges that the Brokerage may be receiving a finder's fee, reward and/or referral incentive, and the Seller consents to any such benefit being received and retained by the Brokerage in addition to the commission as described above.
10. **VERIFICATION OF INFORMATION:** The Seller authorizes the Listing Brokerage to obtain any information from any regulatory authorities, governments, mortgagees or others affecting the Property and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. The Seller hereby appoints the Listing Brokerage or the Listing Brokerage's authorized representative as the Seller's attorney to execute such documentation as may be necessary to effect obtaining any information as aforesaid. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage.
11. **USE AND DISTRIBUTION OF INFORMATION:** The Seller consents to the collection, use and disclosure of personal information by the Brokerage for the purpose of listing and marketing the Property including, but not limited to: listing and advertising the Property using any medium including the Internet; disclosing Property information to prospective buyers, brokerages, salespersons and others who may assist in the sale of the Property; such other use of the Seller's personal information as is consistent with listing and marketing of the Property. The Seller consents, if this is an MLS® Listing, to placement of the listing information and sales information by the Brokerage into the database(s) of the MLS® System of the appropriate Board, and to the posting of any documents and other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) provided by or on behalf of the Seller into the database(s) of the MLS® System of the appropriate Board. The Seller hereby indemnifies and saves harmless the Brokerage and/or any of its employees, servants, brokers or sales representatives from any and all claims, liabilities, suits, actions, losses, costs and legal fees caused by, or arising out of, or resulting from the posting of any documents or other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) as aforesaid. The Seller acknowledges that the database, within the board's MLS® System is the property of the real estate board(s) and can be licensed, resold, or otherwise dealt with by the board(s). The Seller further acknowledges that the real estate board(s) may: during the term of the listing and thereafter, distribute the information in the database, within the board's MLS® System to any persons authorized to use such service which may include other brokerages, government departments, appraisers, municipal organizations and others; market the Property, at its option, in any medium, including electronic media; during the term of the listing and thereafter, compile, retain and publish any statistics including historical data within the board's MLS® System and retain, reproduce and display photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions which may be used by board members to conduct comparative analyses; and make such other use of the information as the Brokerage and/or real estate board(s) deem appropriate, in connection with the listing, marketing and

INITIALS OF LISTING BROKERAGE:



INITIALS OF SELLER(S):



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selling of real estate during the term of the listing and thereafter. The Seller acknowledges that the information, personal or otherwise ("information"), provided to the real estate board or association may be stored on databases located outside of Canada, in which case the information would be subject to the laws of the jurisdiction in which the information is located.

In the event that this Agreement expires or is cancelled or otherwise terminated and the Property is not sold, the Seller, by initialling:

consent to allow other real estate board members to contact the Seller after expiration or other termination of this Agreement to discuss listing or otherwise marketing the Property.


(Does)


(Does Not)

- 12. SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.
- 13. CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Authority from the Seller to the Brokerage. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein.
- 14. ELECTRONIC COMMUNICATION:** This Agreement and any agreements, notices or other communications contemplated thereby may be transmitted by means of electronic systems, in which case signatures shall be deemed to be original. The transmission of this Agreement by the Seller by electronic means shall be deemed to confirm the Seller has retained a true copy of the Agreement.
- 15. ELECTRONIC SIGNATURES:** If this Agreement has been signed with an electronic signature the parties hereto consent and agree to the use of such electronic signature with respect to this Agreement pursuant to the *Electronic Commerce Act 2000, S.O. 2000, c17* as amended from time to time.
- 16. SCHEDULE(S)** and data form attached hereto form(s) part of this Agreement.

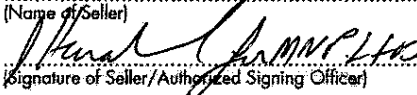
THE LISTING BROKERAGE AGREES TO MARKET THE PROPERTY ON BEHALF OF THE SELLER AND REPRESENT THE SELLER IN AN ENDEAVOUR TO OBTAIN A VALID OFFER TO PURCHASE THE PROPERTY ON THE TERMS SET OUT IN THIS AGREEMENT OR ON SUCH OTHER TERMS SATISFACTORY TO THE SELLER.

..... DATE July 13th, 2017 Frederick Crouch
(Authorized to bind the Listing Brokerage) (Name of Person Signing)

THIS AUTHORITY HAS BEEN READ AND FULLY UNDERSTOOD BY ME AND I ACKNOWLEDGE THIS DATE I HAVE SIGNED UNDER SEAL. Any representations contained herein or as shown on the accompanying data form respecting the Property are true to the best of my knowledge, information and belief.

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:

MNP LTD. as Court Appointed Receiver for V
(Name of Seller)

 DATE July 13th, 2017 613-691-4262
(Signature of Seller/Authorized Signing Officer) (Seal) (Tel. No.)

..... DATE
(Signature of Seller/Authorized Signing Officer) (Seal)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the listing of the Property herein pursuant to the provisions of the Family Law Act, R.S.O. 1990 and hereby agrees to execute all necessary or incidental documents to further any transaction provided for herein.

..... DATE
(Spouse) (Seal)

DECLARATION OF INSURANCE

The broker/salesperson FREDERICK CROUCH
(Name of Broker/Salesperson)

hereby declares that he/she is insured as required by the Real Estate and Business Brokers Act (REBBA) and Regulations.

.....
(Signature(s) of Broker/Salesperson)

ACKNOWLEDGEMENT

The Seller(s) hereby acknowledge that the Seller(s) fully understand the terms of this Agreement and have received a true copy of this Agreement on the 13 day of July, 20 17

..... Date: July 13th, 2017

MNP LTD. as Court Appointed Receiver for Vertamin Real Estate Inc. Date:

..... (Signature of Seller)

Listing Agreement – Commercial

Form 520

for use in the Province of Ontario

Seller Representation Agreement

Authority to Offer for Sale



[Handwritten initials]
(Seller's Initials)

OR

This Listing is Exclusive

[Empty oval]
(Seller's Initials)

This is a Multiple Listing Service® Agreement

BETWEEN:

BROKERAGE: Gentry Real Estate Services Limited

1590 Dixie Street

Ottawa

(the "Listing Brokerage")

SELLER(S): MNP LTD. as Court Appointed Receiver for Vertamin Real Estate Inc.

(the "Seller")

In consideration of the Listing Brokerage listing the real property for sale known as 1687 Montreal Road, Ottawa, Ontario K1J 6N6

(the "Property")

the Seller hereby gives the Listing Brokerage the **exclusive and irrevocable** right to act as the Seller's agent,

commencing at 12:01 a.m. on the 13 day of July, 2017

until 11:59 p.m. on the 31 day of December, 2017 (the "Listing Period"),

{ Seller acknowledges that the length of the Listing Period is negotiable between the Seller and the Listing Brokerage and, if an MLS® listing, may be subject to minimum requirements of the real estate board, however, in accordance with the Real Estate and Business Brokers Act of Ontario [2002], if the Listing Period exceeds six months, the Listing Brokerage must obtain the Seller's initials. }

[Empty oval]
(Seller's Initials)

to offer the Property for sale at a price of:

One Million Four Hundred Thousand Dollars (\$Cdn 1,400,000.00)

and upon the terms particularly set out herein, or at such other price and/or terms acceptable to the Seller. It is understood that the price and/or terms set out herein are at the Seller's personal request, after full discussion with the Listing Brokerage's representative regarding potential market value of the Property.

The Seller hereby represents and warrants that the Seller is not a party to any other listing agreement for the Property or agreement to pay commission to any other real estate brokerage for the sale of the property.

1. DEFINITIONS AND INTERPRETATIONS: For the purposes of this Agreement ("Authority" or "Agreement"):
"Seller" includes vendor and a "buyer" includes a purchaser or a prospective purchaser. A purchase shall be deemed to include the entering into of any agreement to exchange, or the obtaining of an option to purchase which is subsequently exercised, or the causing of a First Right of Refusal to be exercised, or an agreement to sell or transfer shares or assets. "Real property" includes real estate as defined in the Real Estate and Business Brokers Act (2002). The "Property" shall be deemed to include any part thereof or interest therein. A "real estate board" includes a real estate association. Commission shall be deemed to include other remuneration. This Agreement shall be read with all changes of gender or number required by the context. For purposes of this Agreement, anyone introduced to or shown the Property shall be deemed to include any spouse, heirs, executors, administrators, successors, assigns, related corporations and affiliated corporations. Related corporations or affiliated corporations shall include any corporation where one half or a majority of the shareholders, directors or officers of the related or affiliated corporation are the same person(s) as the shareholders, directors, or officers of the corporation introduced to or shown the Property.

2. COMMISSION: In consideration of the Listing Brokerage listing the Property for sale, the Seller agrees to pay the Listing Brokerage a commission of 4.5% % of the sale price of the Property or 3.5% If Sold Exclusively (As Sole Agent)

for any valid offer to purchase the Property from any source whatsoever obtained during the Listing Period and on the terms and conditions set out in this Agreement OR such other terms and conditions as the Seller may accept.

INITIALS OF LISTING BROKERAGE:

[Handwritten initials]

INITIALS OF SELLER(S):

[Handwritten initials]

The Seller authorizes the Listing Brokerage to co-operate with any other registered real estate brokerage (co-operating brokerage), and to offer to pay the co-operating brokerage a commission of 2 % of the sale price of the Property or out of the commission the Seller pays the Listing Brokerage. The Seller further agrees to pay such commission as calculated above if an agreement to purchase is agreed to or accepted by the Seller or anyone on

the Seller's behalf within 60 days after the expiration of the Listing Period (**Holdover Period**), so long as such agreement is with anyone who was introduced to the Property from any source whatsoever during the Listing Period or shown the Property during the Listing Period. If, however, the offer for the purchase of the Property is pursuant to a new agreement in writing to pay commission to another registered real estate brokerage, the Seller's liability for commission shall be reduced by the amount paid by the Seller under the new agreement.

The Seller further agrees to pay such commission as calculated above even if the transaction contemplated by an agreement to purchase agreed to or accepted by the Seller or anyone on the Seller's behalf is not completed, if such non-completion is owing or attributable to the Seller's default or neglect, said commission to be payable on the date set for completion of the purchase of the Property.

Any deposit in respect of any agreement where the transaction has been completed shall first be applied to reduce the commission payable. Should such amounts paid to the Listing Brokerage from the deposit or by the Seller's solicitor not be sufficient, the Seller shall be liable to pay to the Listing Brokerage on demand, any deficiency in commission and taxes owing on such commission.

In the event the buyer fails to complete the purchase and the deposit or any part thereof becomes forfeited, awarded, directed or released to the Seller, the Seller then authorizes the Listing Brokerage to retain as commission for services rendered, fifty (50%) per cent of the amount of the said deposit forfeited, awarded, directed or released to the Seller (but not to exceed the commission payable had a sale been consummated) and to pay the balance of the deposit to the Seller.

All amounts set out as commission are to be paid plus applicable taxes on such commission.

3. REPRESENTATION: The Seller acknowledges that the Listing Brokerage has provided the Seller with written information explaining agency relationships, including information on Seller Representation, Sub-agency, Buyer Representation, Multiple Representation and Customer Service. The Seller understands that unless the Seller is otherwise informed, the co-operating brokerage is representing the interests of the buyer in the transaction. The Seller further acknowledges that the Listing Brokerage may be listing other properties that may be similar to the Seller's Property and the Seller hereby consents to the Listing Brokerage acting as an agent for more than one seller without any claim by the Seller of conflict of interest. Unless otherwise agreed in writing between Seller and Listing Brokerage, any commission payable to any other brokerage shall be paid out of the commission the Seller pays the Listing Brokerage.

The Seller hereby appoints the Listing Brokerage as the Seller's agent for the purpose of giving and receiving notices pursuant to any offer or agreement to purchase the Property.

MULTIPLE REPRESENTATION: The Seller hereby acknowledges that the Listing Brokerage may be entering into buyer representation agreements with buyers who may be interested in purchasing the Seller's Property. In the event that the Listing Brokerage has entered into or enters into a buyer representation agreement with a prospective buyer for the Seller's Property, the Listing Brokerage will obtain the Seller's written consent to represent both the Seller and the buyer for the transaction at the earliest practical opportunity and in all cases prior to any offer to purchase being submitted or presented.

The Seller understand and acknowledges that the Listing Brokerage must be impartial when representing both the Seller and the buyer and equally protect the interests of the Seller and buyer. The Seller understands and acknowledges that when representing both the Seller and the buyer, the Listing Brokerage shall have a duty of full disclosure to both the Seller and the buyer, including a requirement to disclose all factual information about the Property known to the Listing Brokerage.

However, the Seller further understands and acknowledges that the Listing Brokerage shall not disclose:

- that the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- that the buyer may or will pay more than the offered price, unless otherwise instructed in writing by the buyer;
- the motivation of or personal information about the Seller or buyer, unless otherwise instructed in writing by the party to which the information applies or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- the price the buyer should offer or the price the Seller should accept; and
- the Listing Brokerage shall not disclose to the buyer the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the Property will be disclosed to both Seller and buyer to assist them to come to their own conclusions.


Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be entitled or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.

MULTIPLE REPRESENTATION AND CUSTOMER SERVICE: The Seller understands and agrees that the Listing Brokerage also provides representation and customer service to other sellers and buyers. If the Listing Brokerage represents or provides customer service to more than one seller or buyer for the same trade, the Listing Brokerage shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all sellers and buyers of the nature of the Listing Brokerage's relationship to each seller and buyer.

INITIALS OF LISTING BROKERAGE:



INITIALS OF SELLER(S):



4. **REFERRAL OF ENQUIRIES:** The Seller agrees that during the Listing Period, the Seller shall advise the Listing Brokerage immediately of all enquiries from any source whatsoever, and all offers to purchase submitted to the Seller shall be immediately submitted to the Listing Brokerage by the Seller before the Seller accepts or rejects the same. If any enquiry during the Listing Period results in the Seller's accepting a valid offer to purchase during the Listing Period or within the Holdover Period after the expiration of the Listing Period described above, the Seller agrees to pay the Listing Brokerage the amount of commission set out above, payable within five (5) days following the Listing Brokerage's written demand therefor.
5. **MARKETING:** The Seller agrees to allow the Listing Brokerage to show and permit prospective buyers to fully inspect the Property during reasonable hours and the Seller gives the Listing Brokerage the sole and exclusive right to place "For Sale" and "Sold" sign(s) upon the Property. The Seller consents to the Listing Brokerage including information in advertising that may identify the Property. The Seller further agrees that the Listing Brokerage shall have sole and exclusive authority to make all advertising decisions relating to the marketing of the Property during the Listing Period. The Seller agrees that the Listing Brokerage will not be held liable in any manner whatsoever for any acts or omissions with respect to advertising by the Listing Brokerage or any other party, other than by the Listing Brokerage's gross negligence or wilful act.
6. **WARRANTY:** The Seller represents and warrants that the Seller has the exclusive authority and power to execute this Authority to offer the Property for sale and that the Seller has informed the Listing Brokerage of any third party interests or claims on the Property such as rights of first refusal, options, easements, mortgages, encumbrances or otherwise concerning the Property, which may affect the sale of the Property.
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INITIALS OF LISTING BROKERAGE:



INITIALS OF SELLER(S):



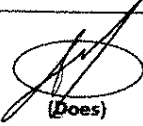


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In the event that this Agreement expires or is cancelled or otherwise terminated and the Property is not sold, the Seller, by initialling:

consent to allow other real estate board members to contact the Seller after expiration or other termination of this Agreement to discuss listing or otherwise marketing the Property.

 (Does)
  (Does Not)

- 12. SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.
- 13. CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Authority from the Seller to the Brokerage. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein.
- 14. ELECTRONIC COMMUNICATION:** This Agreement and any agreements, notices or other communications contemplated thereby may be transmitted by means of electronic systems, in which case signatures shall be deemed to be original. The transmission of this Agreement by the Seller by electronic means shall be deemed to confirm the Seller has retained a true copy of the Agreement.
- 15. ELECTRONIC SIGNATURES:** If this Agreement has been signed with an electronic signature the parties hereto consent and agree to the use of such electronic signature with respect to this Agreement pursuant to the *Electronic Commerce Act 2000, S.O. 2000, c.17* as amended from time to time.
- 16. SCHEDULE(S)** and data form attached hereto form(s) part of this Agreement.

THE LISTING BROKERAGE AGREES TO MARKET THE PROPERTY ON BEHALF OF THE SELLER AND REPRESENT THE SELLER IN AN ENDEAVOUR TO OBTAIN A VALID OFFER TO PURCHASE THE PROPERTY ON THE TERMS SET OUT IN THIS AGREEMENT OR ON SUCH OTHER TERMS SATISFACTORY TO THE SELLER.

..... DATE July 13th, 2017 Frederick Crouch
 (Authorized to bind the Listing Brokerage) (Name of Person Signing)

THIS AUTHORITY HAS BEEN READ AND FULLY UNDERSTOOD BY ME AND I ACKNOWLEDGE THIS DATE I HAVE SIGNED UNDER SEAL. Any representations contained herein or as shown on the accompanying data form respecting the Property are true to the best of my knowledge, information and belief.

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:

MNP LTD. as Court Appointed Receiver for \
 (Name of Seller)


 (Signature of Seller/Authorized Signing Officer)



DATE July 13th, 2017

613-691-4262
 (Tel. No.)

.....
 (Signature of Seller/Authorized Signing Officer)



DATE

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the listing of the Property herein pursuant to the provisions of the Family Law Act, R.S.O. 1990 and hereby agrees to execute all necessary or incidental documents to further any transaction provided for herein.

.....
 (Spouse)

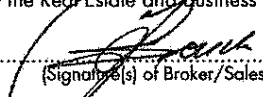


DATE

DECLARATION OF INSURANCE

The broker/salesperson FREDERICK CROUCH
 (Name of Broker/Salesperson)


hereby declares that he/she is insured as required by the Real Estate and Business Brokers Act (REBBA) and Regulations.


 (Signature(s) of Broker/Salesperson)

The Seller(s) hereby acknowledge that the Seller(s) fully understand the terms of this Agreement and have received a true copy of this Agreement on the 13 **day of** July **, 20** 17

..... Date: July 13th, 2017
 (Signature of Seller)

MNP LTD. as Court Appointed Receiver for Vertamin Real Estate Inc. Date:


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9



Marketing Plan

Property Details

Front Elevation	Listing Status	
	Address	1687 Montreal Road
	MLS® #	1071684
	Date Listed	July 13 th , 2017
	Expiry Date	December 31 st , 2017

Overall Status

Item	Current Status	Future Action
Signs	Completed	Ongoing
Feature Sheets Prepared & Uploaded to Web Site	Completed	Ongoing
Multiple Listing Service Upload	Completed	Ongoing
ICX.ca	Completed	Ongoing
Dissemination to other Commercial REALTORS®	Completed	Ongoing
LoopNet Listing	Completed	Ongoing
CoStar Listing	Completed	Ongoing

Monthly Contact Report (July 2017)

Name	Contact Info	Comments
Sid Uppal	613-864-1254	General Inquiry
Joe May		General Inquiry
"Mohamed"	647-707-6302	General Inquiry
Reza Torabi		Submitted Offer
No Name	613-521-3000 (?)	General Inquiry
Gary Underwood (ReMax)	613-862-3420	Zoning Inquiry
Walleed	613-600-7777	Zoning Inquiry



GENTRY
 Real Estate Services Limited
 Brokerage
 1590 Dixie Street, Ottawa, Ontario
 K1G 0P3

Office: (613) 230-6050
 Fax: (613) 230-4418


www.gentryres.com





Marketing Plan

Property Details

Front Elevation	Listing Status	
	Address	1687 Montreal Road
	MLS® #	1071684
	Date Listed	July 13 th , 2017
	Expiry Date	December 31 st , 2017

Overall Status

Item	Current Status	Future Action
Signs	Completed	Ongoing
Feature Sheets Prepared & Uploaded to Web Site	Completed	Ongoing
Multiple Listing Service Upload	Completed	Ongoing
ICX.ca	Completed	Ongoing
Dissemination to other Commercial REALTORS®	Completed	Ongoing
LoopNet Listing	Completed	Ongoing
CoStar Listing	Completed	Ongoing

Monthly Contact Report (September 2017)

Name	Contact Info	Comments
Govindh Jayaraman	613-889-9900 govindhj@yahoo.com	General Inquiry
Richard Levesque	613-413-3871 Reliable5@hotmail.com	Asset Inquiry
Elie Skaff	613-986-3543	Property Inquiry
Joe May (Agent)	Email	Called to Complain About Pricing
Pierre	514-770-6156	Car Lot Inquiry
Jessie	613-322-9508 vqt@live.ca	Church Group
Mark Shepherd	613-769-2119	Pricing Inquiry
Danielle Labelle	613-291-5590	General Inquiry
George Haddad	613-296-8844	Gas Station Inquiry



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Brokerage

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K1G 0P3

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Fax: (613) 230-4418

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10



Marketing Plan

Property Details

Front Elevation



Listing Status

Address	895 Montreal Road
MLS® #	1071677
Date Listed	July 13 th , 2017
Expiry Date	December 31 st , 2017

Overall Status

Item	Current Status	Future Action
Signs	Completed	Ongoing
Feature Sheets Prepared & Uploaded to Web Site	Completed	Ongoing
Multiple Listing Service Upload	Completed	Ongoing
ICX.ca	Completed	Ongoing
Dissemination to other Commercial REALTORS®	Completed	Ongoing
LoopNet Listing	Completed	Ongoing
CoStar Listing	Completed	Ongoing

Monthly Contact Report (September 2017)

Name	Contact Info	Comments
No Name	613-720-0476	Leasing Inquiry
Alex Harden (Royal LePage Team Realty)	613-725-1171	General Inquiry
Pierre	514-770-6156	Car Lot Inquiry
Danielle Labelle	613-291-5590	General Inquiry
Robert Grant	613-869-3414	Wants to Lease Trailer
George Haddad	613-296-8844	Zoning Inquiry



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K1G 0P3

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Fax: (613) 230-4418


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Marketing Plan

Property Details

Front Elevation	Listing Status	
	Address	895 Montreal Road
	MLS® #	1071677
	Date Listed	July 13 th , 2017
	Expiry Date	December 31 st , 2017

Overall Status

Item	Current Status	Future Action
Signs	Completed	Ongoing
Feature Sheets Prepared & Uploaded to Web Site	Completed	Ongoing
Multiple Listing Service Upload ICX.ca	Completed	Ongoing
Dissemination to other Commercial REALTORS®	Completed	Ongoing
LoopNet Listing	Completed	Ongoing
CoStar Listing	Completed	Ongoing

Monthly Contact Report (August 2017)

Name	Contact Info	Comments
Jason Rumer (Mattamy Homes)	613-769-5316	Submitted Offer on July 24 th
Roy Barlick	613-291-8396 613-742-1818	General Inquiry
Achala Kurera		General Inquiry
"Mohamed"	647-707-6302	General Inquiry
Tn Ng	tn00988@gmail.com	General Inquiry
No Name	613-521-3000(?)	Pricing Inquiry
Zeinab Osman	613-866-9427	Pricing Inquiry
Collette	613-853-5943	Pricing Inquiry



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Brokerage
1590 Dixie Street, Ottawa, Ontario
K1G 0P3

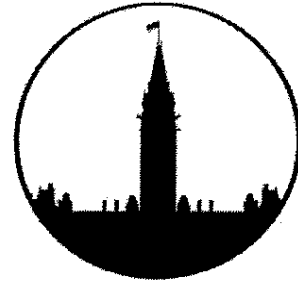
Office: (613) 230-6050
Fax: (613) 230-4418

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Robert A. Lewis Professional Corporation



John Haralovich
Senior Vice-President / Partner
MNP Ltd.
1600 Carling Avenue Suite 800
Ottawa, ON K1Z 1G3

25 October 2017

Our File: 02-252-002

Dear Mr. Haralovich,

**Re: Letter of Opinion: Vertamin Real Estate Inc. First Mortgages to
Business Development Bank of Canada**

The following is our opinion regarding the priority and the enforceability of a first mortgage by Business Development Bank of Canada over the real property located at 895 Montreal Road in Ottawa, Ontario, which mortgage was registered on September 26, 2013, and further real property located at 1687 Montreal Road which mortgage was registered on October 31, 2012. We have been informed that the borrower under said mortgages is in default, and that you have been appointed as Receiver. As such, you are seeking to liquidate the properties, and you wish to confirm that the mortgages are in fact in first priority.

In preparing this opinion we have reviewed the following documentation:

1. The subject mortgage in favour of **Business Development Bank of Canada** that was registered on the property located at 895 Montreal Road, Parcel Identification Number (PIN) 04274-0036 as Instrument Number OC1522421 (the "**First Mortgage**") by Stephen Gardner Tierney, Solicitor, acting for both the borrower;
2. The subject mortgage in favour of **Business Development Bank of Canada** that was registered on the property located at 1687 Montreal Road, Parcel Identification Number (PIN) 04373-0081 as Instrument Number OC1424850 (the "**First Mortgage**") by Stephen Gardner Tierney, Solicitor, acting for both the borrower;
3. Standard Charge Terms 20011;

4. The parcel registers for (PIN) Parcel Identification Number 04274-0036 and (PIN) 04373-0081 (**formerly PIN 04373-0063*), described above;
5. A Corporate Profile Report for Vertamin Real Estate Inc. dated May 2, 2015, which report has been provided by your office;
6. A Corporate Profile Report for Vertamin Inc. dated May 2, 2015, which report has been provided by your office;

As you will see by the parcel registers, a second mortgage was registered on the property municipally known as 1687 Montreal Road, but this mortgage was registered after Business Development Bank of Canada registered its mortgage, however this second mortgage was discharged on December 22, 2016 and has been completely deleted.

*PIN 04373-0081 (describing the property at 1687 Montreal Road) was created by amalgamation in September of 2014, after Vertamin Real Estate Inc. purchased a three-metre wide strip of land from the City of Ottawa for \$ 41,500, and the new strip of land was incorporated into the PIN for this property.

OPINION

We are pleased to provide our opinion that Business Development Bank of Canada has a valid and enforceable first charge on the property located at 1687 Montreal Road with a legal description of PT BLK 2, PL 118 ; PT LTS 1 & 2, PL 126 , BEING PART 2, 3 & 4 ON PLAN 5R2278 , EXCEPT PT 1 ON PLAN 5R369 ; PART OF LOT 2 PLAN 126, BEING PART 2 ON PLAN 4R-27383.; CITY OF OTTAWA; and

Business Development Bank of Canada also has a valid and enforceable first charge on the property located at 895 Montreal Road with a legal description, respectively, of LTS 1, 2 & 3, PL 142, E/S MARY ST (AKA BRUNEL ST) ; LT A, PL 142 , N/S MONTREAL RD ; LTS 1, 2 & 3, PL 142 , W/S FOXVIEW PL (FORMERLY ANN ST) ; ALL EXCEPT PART 10, 5R4761 ; OTTAWA/GLOUCESTER

subject to the following:

- 1 Appropriate Corporate authority, capacity and execution as set out above;
- 2 Any rule of equity which could be applied to set aside the priorities created by the registration;
- 3 The claim of any government authority arising out of any legislative rights to claims any priority in advance of secured creditors under the *BIA*.

Please note that in providing the above opinion, we are presuming that the appropriate corporate authority, authorization, and capacity existed at the time the mortgage documents

were executed. We also point out that, due to the specific nature of our limited retainer in regard to this matter, we have not conducted searches under either the Personal Property Security Act, or the Bank Act. Should these matters require an opinion, kindly advise the undersigned as soon as possible.

Finally, although we have not been asked for this opinion, we do point out that the **Business Development Bank of Canada** mortgage on both properties contains a personal guarantee from Raymond Kuate Konga. On 1687 Montreal Road, the personal guarantee is limited to 10% of the outstanding balance, and on 895 Montreal Road the personal guarantee is for \$500,000.00. It may still be possible for the lender to enforce the guarantee.

Since the Business Development Bank of Canada's first mortgage has not been postponed, nor partially nor completely discharged since the original registration date, **Business Development Bank of Canada has a valid first mortgage and is entitled to sell either or both of the subject properties or to avail itself of other lender remedies pursuant to the Standard Charge Terms of said instrument.**

I have enclosed for your reference:

- A current parcel register for 1687 Montreal Road;
- A PIN Map for 1687 Montreal Road;
- Registered Plan 4R-27383;
- A copy of the Instrument OC1621652 (the consolidation of parcels and resulted in the new PIN for 1687 Montreal Road); and
- A current parcel register for 895 Montreal Road.

As this concludes this matter, I would like to thank you for this opportunity to serve you. Please contact us if you have any further questions or concerns.

Yours sincerely,

ROBERT A. LEWIS PROFESSIONAL CORPORATION



Rob Lewis, B.A, LL.B.-JD MBA
Barrister & Solicitor
RAL
Encl.



PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND
REGISTRY
OFFICE #4

04274-0036 (LT)

PAGE 1 OF 3
PREPARED FOR WLeonard
ON 2017/10/24 AT 12:35:55

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: LOTS 1, 2 & 3, PL 142, E/S MARY ST (AKA BRUNEL ST) ; LT A, PL 142 , N/S MONTREAL RD ; LOTS 1, 2 & 3, PL 142 , W/S FOXVIEW PL (FORMERLY ANN ST) ; ALL EXCEPT PART 10, 5R4761 ; OTTAWA/GLOUCESTER

895 Montreal Road, Ottawa

PROPERTY REMARKS:
ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
FIRST CONVERSION FROM BOOK 142

PIN CREATION DATE:
1997/03/17

OWNERS' NAMES
VERTAMIN REAL ESTATE INC.
CAPACITY SHARE
RORW

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD	
		EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/03/17 ON THIS PIN					
		WAS REPLACED WITH THE "PIN CREATION DATE" OF 1997/03/17					
		** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1997/03/14 **					
		**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:					
		SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *					
		AND ESCHEATS OR FORFEITURE TO THE CROWN.					
		THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF					
		IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY					
		CONVENTION.					
		ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.					
		**DATE OF CONVERSION TO LAND TITLES: 1997/03/17 **					
OT41706	1960/10/04	TRANSFER		*** COMPLETELY DELETED ***	SCHWARTZ, MURRAY GREENSTEIN, MURRAY GREENSTEIN, JOHN DAVID BORINS, SAMUEL DAVID		
		REMARKS: DELETED BY LT1095457, 18 SEP 13. MW					
OT82068	1968/10/23	TRANSFER		*** COMPLETELY DELETED ***	SCHWARTZ, MURRAY BORINS, SAMUEL DAVID		
		REMARKS: DELETED BY LT1095457, 18 SEP 13. MW					
CT116279	1970/02/05	TRANSFER		*** COMPLETELY DELETED ***	BORINS, SAMUEL DAVID		
		REMARKS: DELETED BY LT1095457, 18 SEP 13. MW					

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES. IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



Ontario ServiceOntario

LAND
REGISTRY
OFFICE #4

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 2 OF 3
PREPARED FOR WLeonard
ON 2017/10/24 AT 12:35:55

04274-0036 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
CT180462	1973/09/26	NOTICE OF LEASE		*** COMPLETELY DELETED ***	FOODEX SYSTEMS LIMITED	
N327855	1986/03/04	NOTICE OF LEASE		*** COMPLETELY DELETED ***		
N413836	1987/10/29	TRANSFER		*** COMPLETELY DELETED ***	BORINS, ANDREW EDWARD BORINS, PAUL MICHAEL	
LT1095457	1997/12/17	TRANSFER		*** COMPLETELY DELETED *** BORINS, SAMUEL DAVID	S.D.B. PROPERTIES INC.	
LT1251512	1999/12/10	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** SUNRIDGE CONSTRUCTION CONSULTING LTD.		
LT1251513	1999/12/10	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** MACDONALD, DOUG C.O.B. AS DOUG MACDONALD FLOORING		
LT1259535	2000/01/24	CERTIFICATE		*** COMPLETELY DELETED *** SUNRIDGE CONSTRUCTION CONSULTING LTD.		
LT1259536	2000/01/24	CERTIFICATE		*** COMPLETELY DELETED *** DOUG MACDONALD FLOORING		
LT1282335	2000/05/12	APL (GENERAL)		*** COMPLETELY DELETED *** BORINS, ANDREW EDWARD BORINS, PAUL MICHAEL S.D.B. PROPERTIES INC		
LT1282336	2000/05/12	APL (GENERAL)	REMARKS: VACATING LT1251512 AND LT1259535	*** COMPLETELY DELETED *** BORINS, ANDREW EDWARD BORINS, PAUL MICHAEL S.D.B. PROPERTIES INC		
LT1347386	2000/12/08	TRANSFER	REMARKS: VACATING LT1251513 AND LT1259536	*** COMPLETELY DELETED *** BORINS, PAUL MICHAEL	BORINS, ANDREW EDWARD	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



Ontario ServiceOntario

LAND REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND REGISTRY OFFICE #4

PAGE 3 OF 3
PREPARED FOR WLeonard
ON 2017/10/24 AT 12:35:55

04274-0036 (LIT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
OC1520075	2013/09/18 REMARKS: AMENDS OWNERS' FIELDS	LR'S ORDER		LAND REGISTRAR IRO NO. 4		C
OC1522318	2013/09/25 REMARKS: CT1800482	APL (GENERAL)		*** COMPLETELY DELETED *** BORINS, ANDREW EDWARD S.D.B. PROPERTIES INC. BORINS, ANDREW EDWARD		
OC1522396	2013/09/26	TRANSFER	\$2,400,000	BORINS, ANDREW EDWARD S.D.B. PROPERTIES INC.	VERTAMIN REAL ESTATE INC.	C
OC1522421	2013/09/26	CHARGE	\$5,000,000	VERTAMIN REAL ESTATE INC.	BUSINESS DEVELOPMENT BANK OF CANADA	C
OC1522429	2013/09/26 REMARKS: OC1522421.	NO ASSGN RENT GEN		VERTAMIN REAL ESTATE INC.	BUSINESS DEVELOPMENT BANK OF CANADA	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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04373-0081 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PT BLK 2, PL 118 ; PT LTS 1 & 2, PL 126 , BEING PART 2, 3 & 4 ON PLAN 5R2278 , EXCEPT PT 1 ON PLAN 5R369 ; PART OF LOT 2 PLAN 126, BEING PART 2 ON PLAN 4R-27383.; CITY OF OTTAWA

1687 Montreal Road, Ottawa

RECENTLY:
CONSOLIDATION FROM 04373-0063, 04373-0080
PIN CREATION DATE:
2014/09/25

CAPACITY SHARE

INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2014/09/25 **			
REGISTRATION UNDER THE LAND TITLES ACT, TO			
N 44 (1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *			
ATS OR FORFEITURE TO THE CROWN.			
S OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF			
H LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY			
N.			
TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.			
TO LAND TITLES: 1995/11/27 **			
25 PLAN REFERENCE			
04 PLAN REFERENCE			
31 TRANSFER ANNING ACT STATEMENTS	\$1,200,000	ROUTEURN REALTY INC.	VERTAMIN REAL ESTATE INC.
31 CHARGE	\$1,200,000	VERTAMIN REAL ESTATE INC.	BUSINESS DEVELOPMENT BANK OF CANADA
31 NO ASSGN RENT GEN 1424850.		VERTAMIN REAL ESTATE INC.	BUSINESS DEVELOPMENT BANK OF CANADA
31 CHARGE		*** DELETED AGAINST THIS PROPERTY *** VERTAMIN REAL ESTATE INC.	ROUTEURN REALTY INC.
02 PLAN REFERENCE			
11 TRANSFER	\$41,500	CITY OF OTTAWA	VERTAMIN REAL ESTATE INC.

E: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
E: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

04373-0081 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
23 APL CONSOLIDATE	VERTAMIN REAL ESTATE INC.	VERTAMIN REAL ESTATE INC.	
17 DISCH OF CHARGE 1424856.	*** COMPLETELY DELETED *** ROUTEURN REALTY INC.	*** COMPLETELY DELETED *** ROUTEURN REALTY INC.	KRUTINA, ELIZABETH SHUGAR, FORTUNEE HOUSTON, SHIRLEY SDJ HOLDINGS INC.
17 CHARGE	*** COMPLETELY DELETED *** VERTAMIN REAL ESTATE INC.	*** COMPLETELY DELETED *** VERTAMIN REAL ESTATE INC.	ALEX WALKER DENTISTRY PROFESSIONAL CORP. CINNATEK CORPORATION LUNN FAMILY TRUST BATYAH HOLDINGS INC.
17 NO ASSGN RENT GEN	*** COMPLETELY DELETED *** VERTAMIN REAL ESTATE INC.	*** COMPLETELY DELETED *** VERTAMIN REAL ESTATE INC.	KRUTINA, ELIZABETH SHUGAR, FORTUNEE HOUSTON, SHIRLEY SDJ HOLDINGS INC.
1637701			ALEX WALKER DENTISTRY PROFESSIONAL CORP. CINNATEK CORPORATION LUNN FAMILY TRUST BATYAH HOLDINGS INC.
22 DISCH OF CHARGE	*** COMPLETELY DELETED *** KRUTINA, ELIZABETH SHUGAR, FORTUNEE HOUSTON, SHIRLEY SDJ HOLDINGS INC.	*** COMPLETELY DELETED *** KRUTINA, ELIZABETH SHUGAR, FORTUNEE HOUSTON, SHIRLEY SDJ HOLDINGS INC.	ALEX WALKER DENTISTRY PROFESSIONAL CORP. CINNATEK CORPORATION LUNN FAMILY TRUST BATYAH HOLDINGS INC.
1637701.			

3: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
5: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



PROPERTY INDEX MAP
OTTAWA-CARLETON(No. 04)

LEGEND

[Symbol]	FREEHOLD PROPERTY	0449
[Symbol]	LEASEHOLD PROPERTY	0449
[Symbol]	LIMITED INTEREST PROPERTY	0449
[Symbol]	CONDOMINIUM PROPERTY	0449
[Symbol]	RETIRED PIN (MAP UPDATE PENDING)	0449
[Symbol]	PROPERTY NUMBER	08050
[Symbol]	BLOCK NUMBER	08050
[Symbol]	GEOGRAPHIC FABRIC	08050
[Symbol]	EASEMENT	08050

THIS IS NOT A PLAN OF SURVEY

NOTES

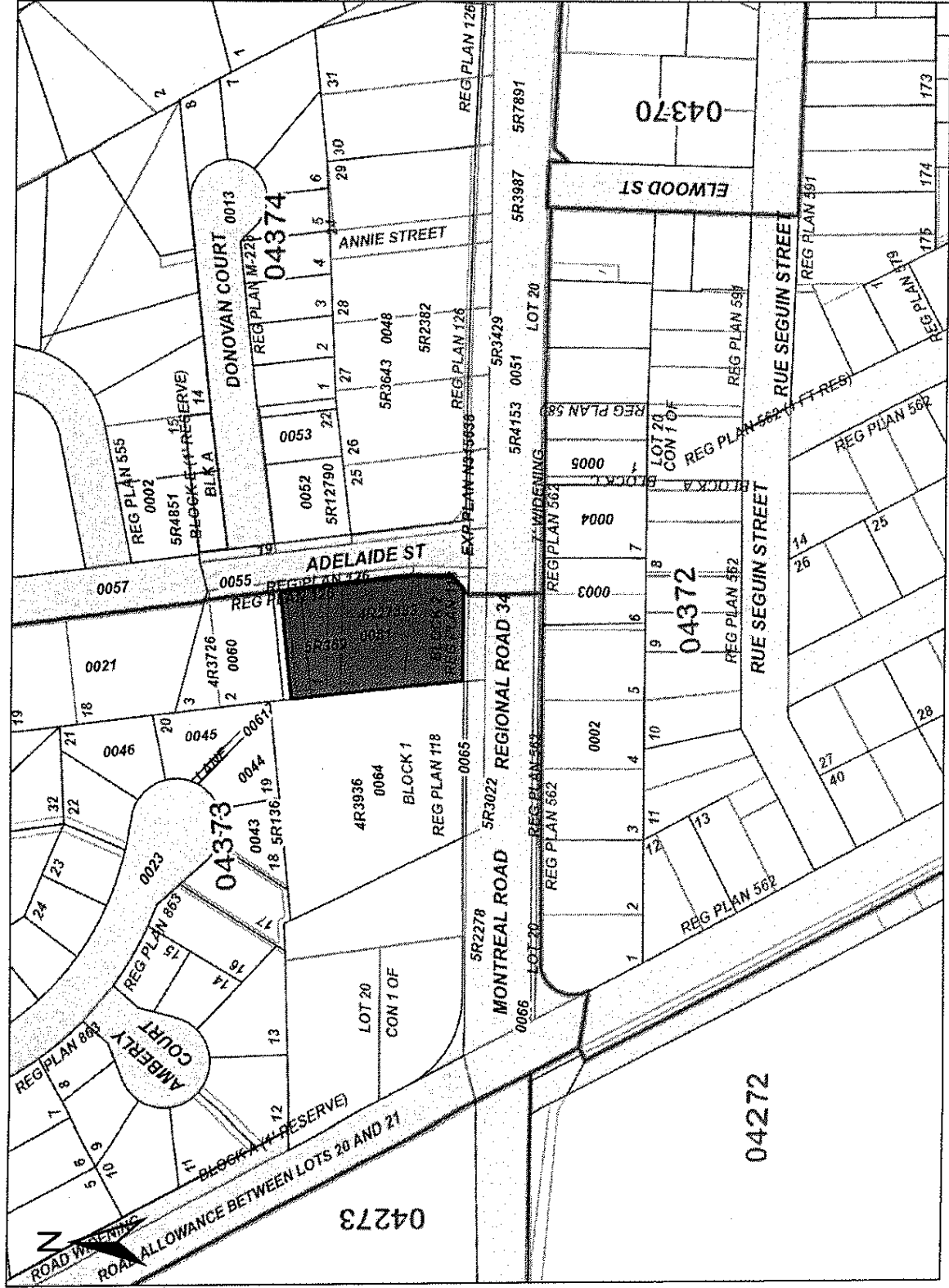
REVIEW THE TITLE RECORDS FOR COMPLETE PROPERTY INFORMATION AS THIS MAP MAY NOT REFLECT RECENT REGISTRATIONS

THIS MAP WAS COMPILED FROM PLANS AND DOCUMENTS RECORDED IN THE LAND REGISTRATION SYSTEM AND HAS BEEN PREPARED FOR PROPERTY INDEXING PURPOSES ONLY

FOR DIMENSIONS OF PROPERTIES BOUNDARIES SEE RECORDED PLANS AND DOCUMENTS

ONLY MAJOR EASEMENTS ARE SHOWN

REFERENCE PLANS UNDERLYING MORE RECENT REFERENCE PLANS ARE NOT ILLUSTRATED



SCHEDULE		
PART	LOT	PLAN
1	PART OF 2	100
2	PART OF 2	100
AREA (sq. m.)		142.7

PLAN 4R-27383...
RECEIVED AND DEPOSITED

DATE: Sept. 30, 2013

DATE: Oct 21/13

W.A. HANCOCK
LAND SURVEYOR FOR THE LAND TITLES
DIVISION OF OTTAWA-CARLETON No. 4

PLAN OF SURVEY OF
PART OF LOT 2
REGISTERED PLAN 126
CITY OF OTTAWA

SCALE - 1:300
(METRES)

METRIC
DISTANCES AND COORDINATES SHOWN ON THIS PLAN ARE IN METRES AND CAN BE CONVERTED TO FEET BY DIVIDING BY 0.3048

INTEGRATION DATA
COORDINATES WERE DERIVED FROM GPS OBSERVATIONS USING THE CANADIAN NATIONAL REFERENCE FRAME (CNRS) COORDINATE SYSTEM (P-MINUS) (NAD 83 ORIGINAL). COORDINATE VALUES HAVE BEEN DETERMINED TO URSPAN ACCURACY IN ACCORDANCE WITH SECTION 142 OF OREGS-21810.

CRP ID	NORTHING	EASTING
A	5048278	374243.78
B	5048248	374227.28

CAUTION
COORDINATES CANNOT, IN THEMSELVES, BE USED TO RE-ESTABLISH CORNERS OR BOUNDARIES SHOWN ON THIS PLAN.

NOTES AND LEGEND
BEARINGS SHOWN HEREON ARE GRID BEARINGS, DERIVED FROM OBSERVED REFERENCE POINTS (A) AND (B) AND ARE REFERRED TO THE CENTRAL MERIDIAN OF ZONE 18 OF THE OTTAWA COORDINATE SYSTEM, LONGITUDE 75° 29' WEST, (P-MINUS) (NAD 83 ORIGINAL). DISTANCES ARE GRID AND CAN BE CONVERTED TO FEET BY MULTIPLYING BY THE COMBINED SCALE FACTOR OF 0.99941

- DENOTES SURVEY MONUMENT FOUND
- DENOTES SURVEY MONUMENT PLANTED
- SB DENOTES STANDING IRON BAR
- SBP DENOTES STANDING IRON BAR WITH PLAIN END
- SBP DENOTES STANDING IRON BAR WITH PLAIN END AND IRON BAR
- SBP DENOTES STANDING IRON BAR WITH PLAIN END AND IRON BAR AND IRON BAR
- SBP DENOTES STANDING IRON BAR WITH PLAIN END AND IRON BAR AND IRON BAR AND IRON BAR
- WIT DENOTES WITNESSES
- SU DENOTES SOURCE UNKNOWN
- DENOTES MEASURED
- S DENOTES SET
- ACC DENOTES ACCEPTED
- C DENOTES CALCULATED
- DENOTES CONTROL POINT
- CRP (A) DENOTES OBSERVED REFERENCE POINT IDENTIFICATION NUMBER
- 126 DENOTES H.A. PARLEY, O.L.S.
- 127 DENOTES F.G. SMITH, O.L.S.
- ACC DENOTES ANNE OSULLIVAN, VOLLEBERG LIMITED
- ACC DENOTES ANNE OSULLIVAN, VOLLEBERG LIMITED
- P1 DENOTES PLAN 98279
- P2 DENOTES PLAN 98340
- P3 DENOTES PLAN 98340
- P4 DENOTES PLAN 46336
- P5 DENOTES PLAN 98306

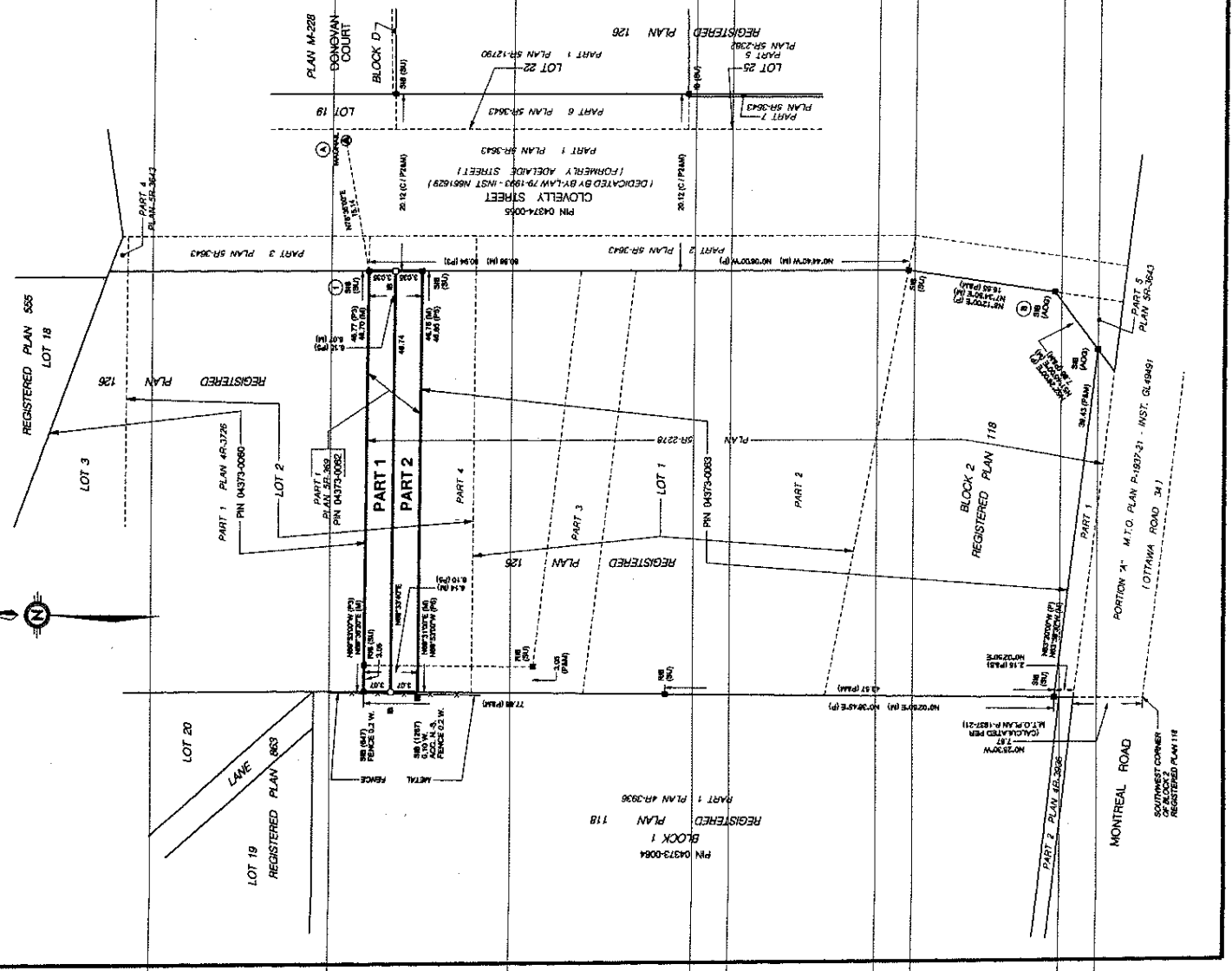
SURVEYOR'S CERTIFICATE

I CERTIFY THAT:
1. THIS SURVEY AND PLAN ARE CORRECT AND IN ACCORDANCE WITH THE SURVEYS ACT, THE SURVEYORS ACT AND THE LAND TITLES ACT AND THE REGULATIONS MADE UNDER THEM.
2. THIS SURVEY WAS COMPLETED ON THE 26th DAY OF SEPTEMBER, 2013.

Sept. 30, 2013
W.A. HANCOCK
LAND SURVEYOR

INFRASTRUCTURE SERVICES
DEPARTMENT
SURVEYS & MAPPING UNIT

PROJECT: 187 MONTREAL ROAD
CALCD BY: L. GURBOND
C.A.D. BY: L. GURBOND
CHECKED BY: G. HARTWICK
DRAWING NO. 1031
DATE: SEPTEMBER 18, 2013



Properties

PIN 04373 - 0063 LT
Description PT BLK 2, PL 118 ; PT LTS 1 & 2, PL 126 , PART 2, 3 & 4 , 5R2278 , EXCEPT PT 1, 5R369 ; GLOUCESTER
Address 1687 MONTREAL ROAD
 OTTAWA

PIN 04373 - 0080 LT
Description PART OF LOT 2 PLAN 126, BEING PART 2 ON PLAN 4R-27383.; CITY OF OTTAWA
Address OTTAWA

Applicant(s)

Name VERTAMIN REAL ESTATE INC.
Address for Service 1300-340 Albert St.
 Ottawa, Ontario
 K1R 7Y6

I, Raymond Kuate KONGA - President, have the authority to bind the corporation.
 This document is not authorized under Power of Attorney by this party.

Statements

The registered owner applies to consolidate the selected PINs and the proposed description for the parcels to be consolidated is PT BLK 2, PL 118 ; PT LTS 1 & 2, PL 126 , PART 2, 3 & 4 , 5R2278 , EXCEPT PT 1, 5R369; PT LT 2, PL 126, BEING PART 2 ON PLAN 4R-27383.; FORMERLY IN THE CITY OF GLOUCESTER, NOW IN THE CITY OF OTTAWA..

Signed By

Pascale Fournier	202-1173 Cyrville Rd. Gloucester K1J 7S6	acting for Applicant(s)	First Signed	2014 09 23
Tel 613-746-5700				
Fax 613-746-1783				
Pascale Fournier	202-1173 Cyrville Rd. Gloucester K1J 7S6	acting for Applicant(s)	Last Signed	2014 09 25
Tel 613-746-5700				
Fax 613-746-1783				

I have the authority to sign and register the document on behalf of the Applicant(s).

Submitted By

MAZEROLLE & LEMAY	202-1173 Cyrville Rd. Gloucester K1J 7S6	2014 09 25
Tel 613-746-5700		
Fax 613-746-1783		

Fees/Taxes/Payment

<i>Statutory Registration Fee</i>	\$60.00
<i>Total Paid</i>	\$60.00

12

RECEIVER CERTIFICATE

CERTIFICATE 1

AMOUNT \$ 50,000.00

1. THIS IS TO CERTIFY that MNP LTD. the receiver (the "Receiver") of all of the assets, undertakings and properties of Vertamin Real Estate Inc. (the "Debtors"), acquired for, or used in relation to the Property appointed by Order of the Ontario Superior Court of Justice (the "Court") dated November 8, 2016 (the "Order") made in an action having Court file number 16-70260, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$50,000 being part of the total principal sum of \$100,000 which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the Bankruptcy and Insolvency Act, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at 700 Silver Seven Road, Ottawa, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the

Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

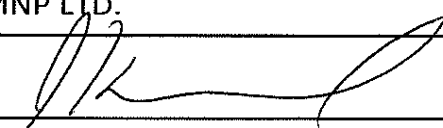
6. The charge securing this certificate shall operate to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the 16th day of June 2017.

MNP LTD.

By:


Name: John Haralovich, CPA, CA, CMA, CIRP, LIT
Title: Senior Vice President
Debtor/Firm: MNP LTD.

13



October 31, 2017

By email: John.Haralovich@mnp.ca

MNP Ltd.
800-1600 Carling Avenue
Ottawa, ON K1Z 1G3

Attention: Mr. John Haralovich, MNP LLP

Mr. Haralovich:

Subject: **Confirmation of Prepayment Amounts—Loan number 068434-01/04
Vertamin Inc. and Vertamin Real Estate Inc. (the “debtor”)**

As requested, Business Development Bank of Canada (“BDC”) has calculated the prepayment figures for the above mentioned loan, as at **October 31, 2017**, to be¹:

	<u>Loan no. 068434-01</u>	<u>Loan no. 068434-04</u>
Principal	\$1,120,000.00	\$2,090,046.57
Interest up to and including October 30, 2017	\$54,906.72	\$73,422.24
Protective Disbursements	\$69,396.73	\$2,937.60
Interest on Protective Disbursements	\$2,724.18	\$61.62
Annual Administration Fees	\$750.00	\$750.00
Total	\$1,247,777.63	\$2,167,218.03
Current Per Diem (subject to change)	\$189.60	\$323.46
Current Interest rate:		
01: floating base +0.25% variance	5.55%	
02: floating base + 0.15% variance		5.45%

The breakdowns of Protective Disbursements are as follows:

Environmental expenses	\$640.38
Appraisal expenses	\$2,441.93
Legal fees	\$51,648.68
Receiver expenses	\$50,000.00
Minus payments received & applied to Prot. Disb.	(\$32,396.66)
Total	\$72,334.33

Since this loan is on a floating interest rate, please contact this office one day prior to the date of payout and request the exact amount of accrued interest and Prepayment Indemnity required to retire the loan. The amounts will be confirmed to you by email. Funds and Per Diem Interest calculated up to and including the date prior to the payout must be received by BDC no later than 12:00 p.m. on the payout date. If the Funds and Per Diem Interest are not received by 12:00 p.m. of the fifth business day from the date of the letter, this payout letter is no longer valid and

¹ The above calculations are based on the assumption that all regularly scheduled payments due prior to the payout date are paid in full. It is your responsibility to ensure that this is the case.



may not be relied upon. If you are not able to deliver the payout prior to 12:00 p.m.. of the fifth business day, please contact this office one day prior to the new date of payout to reconfirm the exact amount of accrued interest, Prepayment Indemnity and Interest Differential and the new Per Diem Interest required to retire the loan.

Any subsequently produced prepayment figures will render the contents herein null and void.

Provided the payment is honoured including the Per Diem Interest, BDC hereby undertakes to execute and return discharges of all security taken with respect to the above loan, upon request. Please forward any draft discharges, where applicable, to this office for execution.

The executed discharges will be delivered to you in due course.

Any release and/or discharge granted by BDC is made on the basis that all source deductions, GST/HST/QST obligations and all other amounts, claims and demands owed by any party to the loan to the Canada Revenue Agency, Revenu Quebec or any other governmental agency that could give rise to a deemed trust claim by such agency in priority to any claim or security held by BDC in relation to the loan (collectively, "Deemed Trust Claims") have been paid in full. To the extent that BDC suffers a loss or is required to pay any amounts to any governmental agency in respect of any Deemed Trust Claims as a result of the failure of any loan party to meet its obligations to such governmental agency, then BDC shall be entitled to claim the full amount of any loss or payment required to be made by it in respect of any Deemed Trust Claim from the loan parties, or any of them, and the discharges shall not operate as a release of the loan parties to such extent.

Yours truly,

A handwritten signature in black ink, appearing to read "Marlene", written over a horizontal line.

Marlène RODRIGUE
Senior Account Manager, Special Accounts
T (613) 592-4118
E Marlene.RODRIGUE@bdc.ca

A handwritten signature in black ink, appearing to read "Christine", written over a horizontal line.

Christine Beauregard
Analyst, Special Accounts

14



TAX BILL /
RELEVÉ D'IMPOSITION
RE-PRINT / RÉIMPRIMER

FINAL 2017 TAXES /
TAXES FINALES 2017

City of Ottawa / Ville d'Ottawa
Tel. / Tél : 613-580-2444
Calls will be recorded. / Les appels seront enregistrés.
TTY / ATS : 613-580-2401

BILLING DATE / DATE DE FACTURATION
AUG/AOÛT 04, 2017

ROLL / RÔLE: 0614.010.401.42200.0000
ACCESS CODE / CODE D'ACCÈS: M4Z4DIG



VERTAMIN REAL ESTATE INC
C/O RAYMOND KUATE KONGA
895 MONTREAL RD
OTTAWA ON K1K 4B9

FTR 1

PROPERTY INFORMATION / INFORMATIONS FONCIÈRES
VERTAMIN REAL ESTATE INC

895 MONTREAL RD
PLAN 142 LOTS A 1-3 ES MARY
LOTS 1-3 W/S MARY LESS RP
5R4761 PART 10
47574.00SF 237.84FR 200.03D

ASSESSMENT / ÉVALUATION		MUNICIPAL / MUNICIPALE			EDUCATION / SCOLAIRE	
Tax Class / Catégorie d'impôts	Value / Valeur	Municipal Levies Prélèvements Municipal	Tax Rate % Taux d'imposition %	Amount Montant	Tax Rate % Taux d'imposition %	Amount Montant
CXN	1,532,250	CITYWIDE / VILLE ENTIÈRE	.640292	9,810.87	.614469	9,415.20
CX-T	1,532,250	URBAN TRANSIT / TRANSP URBAIN	.207720	3,182.79		
CX-POL	1,532,250	OTTAWA POLICE D'OTTAWA	.190422	2,917.74		
CX-FSU	1,532,250	FIRE/INCENDIE SERV	.108670	1,665.10		
CX-CAL	1,532,250	CONS AUTHORITY/AUT DE CONSERV	.008404	128.77		
SUB TOTALS / TOTALS PARTIELS:		Municipal Levy Impôts municipaux		\$17,705.27	Education Levy Impôts scolaires	\$9,415.20
SPECIAL CHARGES / CREDITS FRAIS SPÉCIAUX / CRÉDITS				SUMMARY SOMMAIRE		
				Tax Levy Sub-total (Municipal + Education) Total partiel des impôts (municipaux + scolaires) \$27,120.47		
				Special Charges / Credits Frais spéciaux / Crédits \$0.00		
				2017 Tax Cap Adjustment Redressement d'impôt de 2017 selon le plafonnement \$0.00		
				Final 2017 Taxes Impôts totaux de 2017 \$27,120.47		
				Less Interim Billing Moins facturation intermédiaire -\$10,980.29		
				Past Due/Credit (as of AUG 04, 2017) Arrages / Crédit (au AOU 04, 2017) \$46,222.16		
TOTAL:				\$0.00		
DUE DATE / DATE D'ÉCHÉANCE:		JUN/JUIN 15, 2017		TOTAL AMOUNT DUE/TOTAL DES IMPÔTS EXIGIBLES:		\$62,362.34
PENALTY RATE / TAUX DE PÉNALITÉ		1.25% Added 1st day of default and 1st day of each month thereafter. Appliqué le 1er jour de défaut de paiement et le 1er jour de chaque mois par la suite.				

Receipt portion to retain for your records.

SEE REVERSE / VOIR AU VERSO

Reçu - À conserver dans vos dossiers.

Detach and return this stub with your payment.

Veillez retourner cette partie avec votre paiement.
DUE DATE / DATE D'ÉCHÉANCE JUN/JUIN 15, 2017

AMOUNT DUE / SOLDE: \$62,362.34



ROLL NUMBER / NUMÉRO DU RÔLE 0614.010.401.42200.0000
Name / VERTAMIN REAL ESTATE INC
Nom

Amount Paid / Montant payé

01040142200000001000062362347





SCHEDULE 3 / ANNEXE 3
EXPLANATION OF TAX CALCULATIONS /
EXPLICATION DU MODE DE CALCUL DES IMPÔTS
 2017 Taxation Year / Année d'imposition 2017

Property Class(es) / Catégorie(s) de biens: Commercial Commercial	Municipality / Municipalité CITY OF OTTAWA / VILLE D'OTTAWA
Assessment Roll No. / Numéro du rôle 0614.010.401.42200.0000	Property Code / Code de propriété - 105

OWNER(S) INFORMATION DU PROPRIÉTAIRE(S) VERTAMIN REAL ESTATE INC	PROPERTY INFORMATION / INFORMATIONS FONCIÈRES 895 MONTREAL RD PLAN 142 LOTS A 1-3 ES MARY LOTS 1-3 W/S MARY LESS RP
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Total 2017 CVA Taxes Impôts totaux de 2017 selon l'ÉVA 27,120	2017 Adjusted Taxes Impôts redressés de 2017 27,120
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CALCULATION FOR ADJUSTED TAXES / CALCUL DES IMPÔTS REDRESSÉS

	Commercial / Commercial	Industrial / Industriel	MultiRes / Log. Multi
2017 CVA Taxes / impôts de 2017 selon l'ÉVA.			27,120
*2016 Annualized Taxes / Impôts annualisés de 2016.			21,961
2017 Tax Cap Amount / Montant du plafonnement des impôts de 2017.			4,619
2017 Provincial Education Levy Change / Modification des impôts scolaires provinciaux de 2017.			
2017 Municipal Levy Change / Modification des impôts municipaux de 2017.			540
** 2017 Adjusted Taxes / Impôts redressés de 2017.			27,120

* An annualized tax figure is used in this analysis to compensate for mid-year adjustments in tax treatment or assessment value.
 ** Adjusted tax amount applies only to the property or portion(s) of property referred to in this notice and may not include some special charges and credit amounts or levies that are not part of the capping calculation.
 * Les impôts annualisés servent ici à compenser les redressements en matière d'imposition ou d'évaluation qui ont été apportés au milieu de l'année.
 ** Ce chiffre ne s'applique qu'au bien ou à toute partie de celui-ci mentionné dans le présent avis et il se peut qu'il ne comprenne pas certains frais spéciaux ou certains crédits ou encore certains impôts qui n'entrent pas dans le calcul du plafonnement.

Tax Distribution by Service / Distribution des taxes par service

	Amount/Montant	%	
Provincial Education	\$9,415.20	34.72%	Éducation provinciale
Provincially Mandated Programs	\$1,839.54	6.78%	Programmes provinciaux obligatoires
Conservation Authorities	\$128.77	.47%	Office de protection de la nature
Transit & Para-Transpo	\$3,182.79	11.74%	Transport en commun et Para-Transpo
Police	\$2,917.74	10.76%	Police
Capital Financing	\$2,249.63	8.29%	Financement d'immobilisations
Roads & Traffic	\$1,726.71	6.37%	Routes et circulation
Fire	\$1,665.10	6.14%	Incendies
Parks/Recreation/Culture	\$1,501.06	5.53%	Parcs/Loisirs/Culture
Program Support	\$1,235.19	4.55%	Programmes de support
Library	\$430.70	1.59%	Bibliothèque
Paramedics	\$350.25	1.29%	Services paramédics
Planning/Economic Dev/Environment	\$294.33	1.09%	Urbanisme/Dével. économique/Environnement
Waste Diversion	\$183.46	.68%	Réacheminement des déchets
TOTAL TAXES *	\$27,120.47	100.00%	TOTAUX DES TAXES*

* Does not include special charges

* Ne comprend pas les redevances spéciales

TB.FNL.CAP.V.1.1.3

OTT-TAX-BILL-02-2016

2013016502

CITY OF OTTAWA - Property Taxes

Don't forget:
 send your tax bill stub with your payment.
 do not fold, staple, stamp
 or write on the payment stub.
 make cheque(s) payable to 'City of Ottawa'.
 write your property tax roll number
 on the front of the cheque.
 cheques dated for due date or earlier are accepted.
 so payable at most financial institutions.

Mail and Payments:
 City of Ottawa
 Revenue Branch
 PO Box 4647 Station A
 Toronto ON M5W 0E7

Par la poste et paiements :
 Ville d'Ottawa
 Direction des recettes
 CP 4647 succursale A
 Toronto ON M5W 0E7



Tel. / Tél. : 613-580-2444 TTY / ATS : 613-580-2401
 Fax / Télécopieur : 613-580-2457
 E-mail / Courriel : revenue@ottawa.ca

VILLE D'OTTAWA - Impôts fonciers

N'oubliez pas :
 • d'envoyer le talon de la facture avec votre paiement;
 • de ne pas plier, agraffer ou étamper le talon,
 ni écrire dessus;
 • de libeller votre chèque à l'ordre de la « Ville d'Ottawa »;
 • d'inscrire votre numéro du rôle d'impôts fonciers
 sur le devant de votre chèque;
 • de dater votre chèque à la date d'échéance
 ou d'une date antérieure.

Aussi, ils peuvent être payés dans la plupart
 des institutions financières.



TAX BILL /
RELEVÉ D'IMPOSITION
RE-PRINT / RÉIMPRIMER

FINAL 2017 TAXES /
TAXES FINALES 2017

City of Ottawa / Ville d'Ottawa
Tel. / Tél : 613-580-2444
Calls will be recorded. / Les appels seront enregistrés.
TTY / ATS : 613-580-2401

BILLING DATE / DATE DE FACTURATION
AUG/AOÛT 04, 2017

ROLL / RÔLE: 0614.600.145.19500.0000
ACCESS CODE / CODE D'ACCÈS: U203E1K

VERTAMIN REAL ESTATE INC
128 CAMELIA AVE
OTTAWA ON K1K 2X6

FTR 1

PROPERTY INFORMATION / INFORMATIONS FONCIÈRES
VERTAMIN REAL ESTATE INC

1687 MONTREAL RD
PLAN 118 PT BLK 2 PLAN 126
LOT 1 PT LOT 2 RP 5R227B
PARTS 2 AND 3 PT PART 4 RP
4R27383 PART 2 38852.49SF 142.26FR

ASSESSMENT / EVALUATION		MUNICIPAL / MUNICIPALE			EDUCATION / SCOLAIRE			
Tax Class / Catégorie d'impôts	Value / Valeur	Municipal Levies Prélèvements Municipal	Tax Rate % Taux d'imposition %	Amount Montant	Tax Rate % Taux d'imposition %	Amount Montant		
CTN	705,150	CITYWIDE / VILLE ENTIÈRE	.948616	6,689.17	1.140000	8,038.71		
CUN	262,100	CITYWIDE / VILLE ENTIÈRE	.664031	1,740.43	.798000	2,091.56		
CT-T	705,150	URBAN TRANSIT / TRANSP URBAIN	.307745	2,170.06				
CU-T	262,100	URBAN TRANSIT / TRANSP URBAIN	.215421	564.62				
CT-POL	705,150	OTTAWA POLICE D'OTTAWA	.282117	1,989.35				
CU-POL	262,100	OTTAWA POLICE D'OTTAWA	.197482	517.60				
CT-FSU	705,150	FIRE/INCENDIE SERV	.160998	1,135.26				
CU-FSU	262,100	FIRE/INCENDIE SERV	.112698	295.38				
CT-CAL	705,150	CONS AUTHORITY/AUT DE CONSERV	.012450	87.79				
CU-CAL	262,100	CONS AUTHORITY/AUT DE CONSERV	.008715	22.84				
SUB TOTALS / TOTAUX PARTIELS:		Municipal Levy Impôts municipaux		\$15,212.52	Education Levy Impôts scolaires	\$10,130.27		
SPECIAL CHARGES / CREDITS FRAIS SPÉCIAUX / CRÉDITS				SUMMARY SOMMAIRE				
TOTAL:				Tax Levy Sub-total (Municipal + Education)			\$25,342.79	
				Total partiel des impôts (municipaux + scolaires)				
				Special Charges / Credits				\$0.00
				Frais spéciaux / Crédits				
				2017 Tax Cap Adjustment				\$0.00
				Redressement d'impôt de 2017 selon le plafonnement				
				Final 2017 Taxes			\$25,342.79	
				Impôts totaux de 2017				
				Less Interim Billing			-\$12,190.45	
				Moins facturation intermédiaire				
				Past Due/Credit (as of AUG 04, 2017)			\$41,302.87	
				Arrérages / Crédit (au AOU 04, 2017)				
DUE DATE / DATE D'ÉCHÉANCE:				TOTAL AMOUNT DUE/TOTAL DES IMPÔTS EXIGIBLES:			\$54,455.21	
PENALTY RATE / TAUX DE PÉNALITÉ		1.25% Added 1st day of default and 1st day of each month thereafter. Appliqué le 1er jour de défaut de paiement et le 1er jour de chaque mois par la suite.						

Receipt portion to retain for your records.

SEE REVERSE / VOIR AU VERSO

Reçu - À conserver dans vos dossiers.

Detach and return this stub with your payment.

Veillez retourner cette partie avec votre paiement.

DUE DATE / DATE D'ÉCHÉANCE JUN/JUIN 15, 2017

AMOUNT DUE / SOLDE: \$54,455.21



ROLL NUMBER / NUMÉRO DU RÔLE 0614.600.145.19500.0000

Name / Vertamin Real Estate Inc
Nom

60014519500000001000054455217



04034 900



SCHEDULE 3 / ANNEXE 3
EXPLANATION OF TAX CALCULATIONS /
EXPLICATION DU MODE DE CALCUL DES IMPÔTS
 2017 Taxation Year / Année d'imposition 2017

Property Class(es) / Catégorie(s) de biens: Commercial Commercial	Municipality / Municipalité CITY OF OTTAWA / VILLE D'OTTAWA
Assessment Roll No. / Numéro du rôle 0614.600.145.19500.0000	Property Code / Code de propriété - 414

OWNER(S) INFORMATION DU PROPRIÉTAIRE(S) VERTAMIN REAL ESTATE INC	PROPERTY INFORMATION / INFORMATIONS FONCIÈRES 1687 MONTREAL RD PLAN 118 PT BLK 2 PLAN 126 LOT 1 PT LOT 2 RP 5R2278
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Total 2017 CVA Taxes Impôts totaux de 2017 selon l'ÉVA 25,343	2017 Adjusted Taxes Impôts redressés de 2017 25,343
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CALCULATION FOR ADJUSTED TAXES / CALCUL DES IMPÔTS REDRESSÉS

	Commercial / Commercial	Industrial / Industriel	MultiRes / Log. Multi
2017 CVA Taxes / Impôts de 2017 selon l'ÉVA.	25,343		
*2016 Annualized Taxes / Impôts annualisés de 2016.	24,381		
2017 Tax Cap Amount / Montant du plafonnement des impôts de 2017.	467		
2017 Provincial Education Levy Change / Modification des impôts scolaires provinciaux de 2017.			
2017 Municipal Levy Change / Modification des impôts municipaux de 2017.		505	
** 2017 Adjusted Taxes / Impôts redressés de 2017.	25,343		

* An annualized tax figure is used in this analysis to compensate for mid-year adjustments in tax treatment or assessment value.
 ** Adjusted tax amount applies only to the property or portion(s) of property referred to in this notice and may not include some special charges and credit amounts or levies that are not part of the capping calculation.
 * Les impôts annualisés servent ici à compenser les redressements en matière d'imposition ou d'évaluation qui ont été apportés au milieu de l'année.
 ** Ce chiffre ne s'applique qu'au bien ou à toute partie de celui-ci mentionné dans le présent avis et il se peut qu'il ne comprenne pas certains frais spéciaux ou certains crédits ou encore certains impôts qui n'entrent pas dans le calcul du plafonnement.

Tax Distribution by Service / Distribution des taxes par service

	Amount/Montant	%	
Provincial Education	\$10,130.27	39.97%	Éducation provinciale
Provincially Mandated Programs	\$1,580.55	6.24%	Programmes provinciaux obligatoires
Conservation Authorities	\$110.63	.44%	Office de protection de la nature
Transit & Para-Transpo	\$2,734.68	10.79%	Transport en commun et Para-Transpo
Police	\$2,506.95	9.89%	Police
Capital Financing	\$1,932.91	7.63%	Financement d'immobilisations
Roads & Traffic	\$1,483.61	5.85%	Routes et circulation
Fire	\$1,430.66	5.65%	Incendies
Parks/Recreation/Culture	\$1,289.73	5.09%	Parcs/Loisirs/Culture
Program Support	\$1,061.28	4.18%	Programmes de support
Library	\$370.06	1.46%	Bibliothèque
Paramedics	\$300.94	1.19%	Services paramédicaux
Planning/Economic Dev/Environment	\$252.89	1.00%	Urbanisme/Dével. économique/Environnement
Waste Diversion	\$157.63	.62%	Réacheminement des déchets
TOTAL TAXES *	\$25,342.79	100.00%	TOTAUX DES TAXES*

* Does not include special charges

* Ne comprend pas les redevances spéciales

TB.FNL.CAP.V.1.1.3

2013016032

OTT-TAX-BILL-02-2016

CITY OF OTTAWA - Property Taxes

- Don't forget:
- send your tax bill stub with your payment.
 - do not fold, staple, stamp or write on the payment stub.
 - make cheque(s) payable to "City of Ottawa".
 - write your property tax roll number on the front of the cheque.
 - cheques dated for due date or earlier are accepted.

Also payable at most financial institutions.

Mail and Payments:
 City of Ottawa
 Revenue Branch
 PO Box 4647 Station A
 Toronto ON M5W 0E7

Par la poste et paiements:
 Ville d'Ottawa
 Direction des recettes
 CP 4647 succursale A
 Toronto ON M5W 0E7



Tel. / Tél. : 613-580-2444 TTY / ATS : 613-580-2401
 Fax / Télécopieur : 613-580-2457
 E-mail / Courriel : revenue@ottawa.ca

VILLE D'OTTAWA - Impôts fonciers

- N'oubliez pas :
- d'envoyer le talon de la facture avec votre paiement;
 - de ne pas plier, agraffer ou étamper le talon, ni écrire dessus;
 - de libeller votre chèque à l'ordre de la « Ville d'Ottawa »;
 - d'inscrire votre numéro du rôle d'impôts fonciers sur le devant de votre chèque;
 - de dater votre chèque à la date d'échéance ou d'une date antérieure.

Aussi, ils peuvent être payés dans la plupart des institutions financières.

15

**MNP LTD., RECEIVER RE:
VERTAMIN REAL ESTATE INC.**

**INTERIM STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD JUNE 1#, 2017 TO OCTOBER 31, 2017**

Receipts:

Deposit on sale of 895 Montreal Road	\$ 250,000
Advance from secured creditor	50,000
Cash on hand	33
	<u>300,033</u>

Disbursements:

Filing fee	70
License fee	311
Insurance	999
Changing of locks	402
Site clean-up and garbage removal	13,922
Appraisal Fees	10,459
Payment to secured creditor	-
Legal fees - independent security review	1,741
Advance for Receiver fees and expenses	11,865
	<u>39,769</u>

Excess of Receipts over Disbursements **\$ 260,264**

A

**APPRAISAL REPORT
ON
1687 MONTREAL ROAD
OTTAWA, ONTARIO**

PREPARED FOR

MNP LTD.

PREPARED BY

**MCLEAN, SIMON & ASSOCIATES (OTTAWA)
*REAL ESTATE ADVISORY SERVICES***

JULY 2017



July 5, 2017

Reference No. 442N-17

MNP Ltd.
1600 Carling Avenue, Suite 800
Ottawa, Ontario
K1Z 1G3

Attention: Mr. John Haralovich, CIRP, LIT, CPA, CA, CMA
Senior Vice President

Dear Mr. Haralovich:

Re: Appraisal Report on 1687 Montreal Road, Ottawa, Ontario

In accordance with your instructions, we have inspected the above-referenced property and have undertaken a valuation investigation in order to provide you with an estimate of its current market value. The effective date of appraisal is June 27, 2017.

The property rights being appraised are those of the fee simple interest of the subject property. It is assumed that the subject property would be exposed for sale under its current physical state and occupancy status, based on the "as is" physical observations noted upon our on-site inspection of June 27, 2017.

The market value estimate assumes an "all cash" transaction, free and clear of any existing mortgages and/or other encumbrances, unless otherwise noted in this report. It is also assumed that the subject property is free and clear of any hazardous or toxic substances which may adversely affect its market value and/or highest and best use.

... / 2

- 2 -

Based on our investigations and analysis, it is our opinion that the current market value of the fee simple interest in the subject property, located at 1687 Montreal Road, Ottawa, Ontario, as of June 27, 2017, is:

ONE MILLION TWO HUNDRED AND FIFTY THOUSAND DOLLARS
(\$1,250,000)

Please find attached the details of the subject property and our valuation methodology. Should you require any further assistance in these or other matters, please let us know.

Yours truly,

MCLEAN, SIMON & ASSOCIATES (OTTAWA)

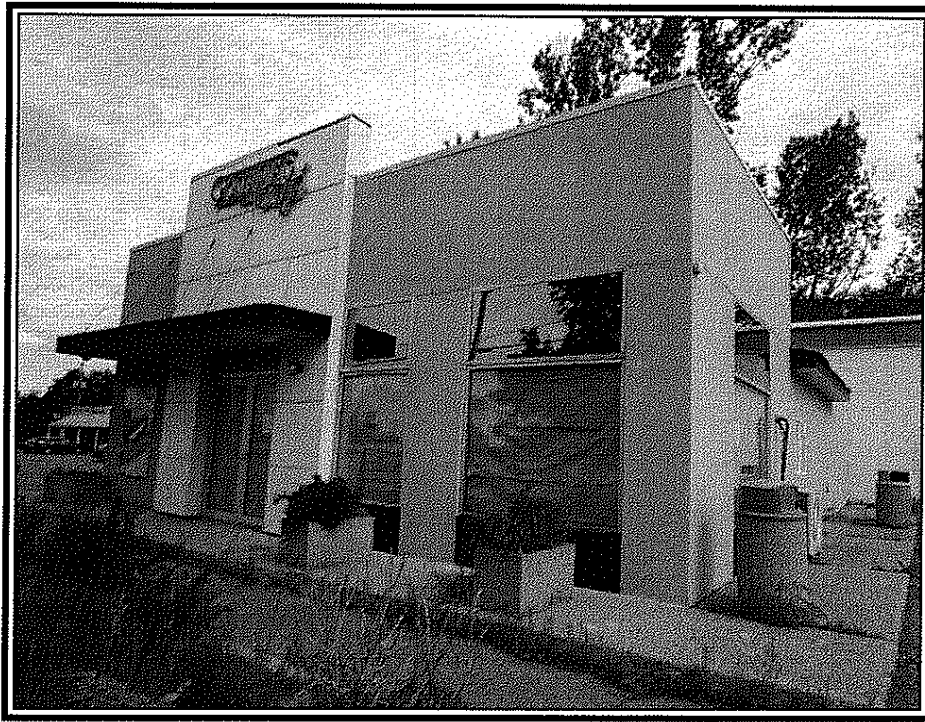


Robin Simon, B.Comm., PGCV
AIC Candidate Member



Michael Simon, B.Comm., AACI, P.App

PHOTOGRAPHS OF THE SUBJECT PROPERTY



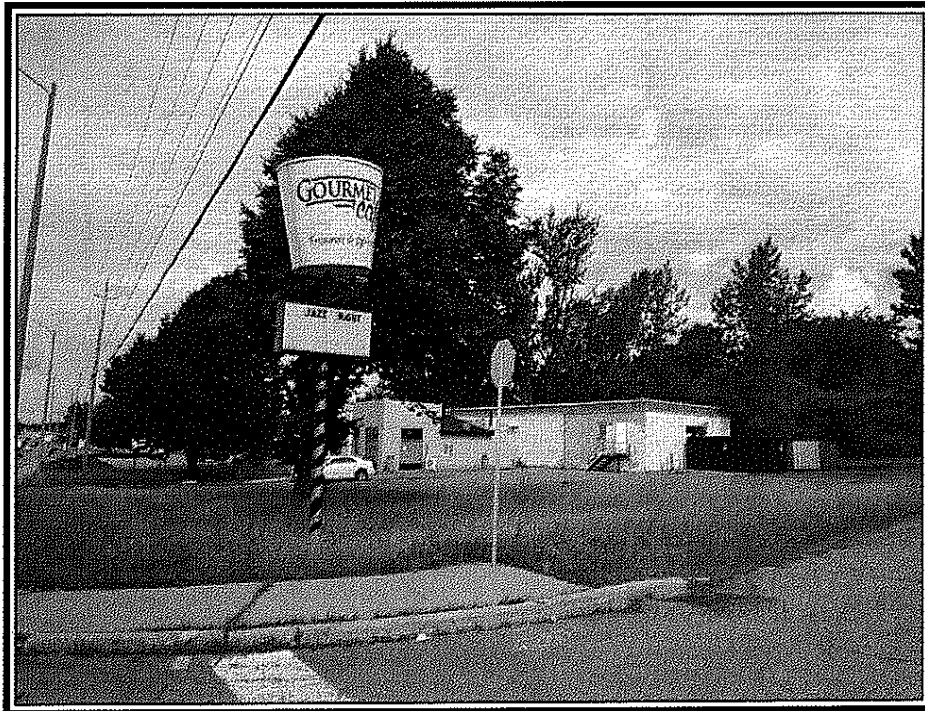
Retail Building



Warehouse Building



West Elevation



East Elevation

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SUMMARY OF SALIENT FACTS AND IMPORTANT CONCLUSIONS

Terms of Reference

Purpose of Report:	To estimate the current market value of the fee simple interest in the subject property
Effective Date of Appraisal:	June 27, 2017 (date of inspection)
Intended Use of Appraisal:	Loan administration

Property Data

Municipal Address:	1687 Montreal Road, Ottawa, Ontario
Location:	Northwest corner of Montreal Road and Clovelly Road, east of Blair Road, in the Rothwell Heights neighbourhood of the City of Ottawa
Legal Description:	Part of Block 2, Plan 118 and Part of Lots 1 & 2, Plan 126, City of Ottawa. Designated as Parts 2, 3 & 4 on Plan 5R-2278 and Part 2 on Plan 4R-27383, Except Part 1 on Plan 5R-369.
Site Area:	38,653 square feet (subject to survey)
Zoning Designation:	AM10 [2199] - Arterial Mainstreet Zone
Official Plan Designation:	General Urban Area (Arterial Mainstreet)
Description of Improvements:	One-storey retail building and one-storey warehouse building. Built circa 1972.
Total Gross Floor Area:	Retail Building: 1,499 square feet Warehouse Building: <u>3,046 square feet</u> Total: 4,545 square feet
Building-to-Site Coverage Ratio:	12%

Conclusions

Highest and Best Use: Continuation of existing use, with potential for expansion, or redevelop with a permitted use

FINAL ESTIMATE OF

CURRENT MARKET VALUE: \$1,250,000 - As of June 27, 2017

TERMS OF REFERENCE

Purpose of the Appraisal

The purpose of this appraisal is to estimate the current market value of the fee simple interest in the subject property.

Intended User and Use of the Report

This report is intended for use only by MNP Ltd. Use of this report by others is not intended by the appraiser, and any liability in this respect is strictly denied. The intended use of this appraisal is to assist in loan administration purposes and for no other use.

Definition of Market Value

For the purpose of this assignment, we have relied on the following definition of "market value":

The most probable price which a property should bring in a competitive and open market as of the specified date under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Property Rights Appraised

The property rights to be appraised are those of the undivided 100% fee simple interest in the subject property. Fee simple interest is that interest in land which is unencumbered by any contractual lease obligations and/or other restrictive covenants. Fee simple is the greatest interest in land that an owner may possess.

Effective Date of Appraisal

The effective date of this appraisal report is June 27, 2017, which coincides with the date of inspection. The completion date of this valuation assignment is July 5, 2017.

Scope of the Appraisal

The scope of the appraisal encompasses the necessary research and analysis to prepare a report in accordance with the intended use and the Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada. In regards to the subject property, this involved the following steps:

- 1) An inspection of the subject property and surrounding neighbourhood was conducted on June 27, 2017. We did not complete technical investigations such as: detailed inspections or engineering review of the structure, roof or mechanical systems; an environmental review of the property; a site or building survey; investigations into the bearing qualities of the soils; or audits of financial and legal arrangements regarding the leases, if any.
- 2) Municipal data, where included, was based on information available from the City of Ottawa and statistical organizations such as Statistics Canada. The neighbourhood section was based primarily on our inspection of the area.
- 3) Sales history data for the subject property was based on information obtained from the Geowarehouse Online Registry Service. A formal title search of the subject property was not undertaken. The legal description is assumed to be correct, but should not be relied upon without first obtaining a formal legal opinion.

- 4) Descriptive information regarding the subject property was compiled from our inspection and information provided by the property manager. The building areas were derived from the Municipal Property Assessment Corporation (MPAC), confirmed with our on-site measurements. The site area and site dimensions were obtained from Geowarehouse and Registered Plans.
- 5) Information relating to land use regulations was confirmed by reference to the applicable Zoning By-law and Official Plan.
- 6) The highest and best use conclusion was based on the location and physical aspects of the existing subject property, limitations imposed by land use regulations and on economic factors (i.e. market demand and supply).
- 7) In developing the relevant approaches to value, the market data used was collected from our office files, land registry office, real estate agents/brokers and market participants. The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable.
- 8) After assembling and analyzing the data defined in this scope of the appraisal, a final estimate of current market value was established.
- 9) The mandate of the appraisal did not require a report prepared to the standard appropriate for court purposes or for arbitration, so we did not fully document or confirm by reference to primary sources all information herein.

Reasonable Exposure Time

According to the Canadian Uniform Standards of Professional Appraisal Practice, reasonable exposure time is defined as follows:

"The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market."

Based on statistical information and market data gathered, it is our opinion that a reasonable amount of time required in order to consummate a sale of the subject property at the estimated market value would have been approximately six to twelve months.

Extraordinary Assumptions

There are no extraordinary assumptions pertaining to this appraisal report. The subject is being valued "as is" under highest and best use, with consideration given to its physical attributes and current land use regulations.

TITLE AND ASSESSMENT INFORMATION

Legal Description

The subject property is legally described as being composed of Part of Block 2, Plan 118 and Part of Lots 1 & 2, Plan 126, City of Ottawa. It is designated as Parts 2, 3 and 4 on Plan 5R-2278 and Part 2 on Plan 4R-27383, Except Part 1 on Plan 5R-369. PIN 04373-0081.

Ownership Information and Three Years Sales History

The current registered owner of the subject property is Vertamin Real Estate Inc. It was last purchased on October 31, 2012 with a purchase price of \$1,200,000.

There have been no registered arm's length transactions involving the subject property within the last three years preceding the effective date of appraisal.

Easements/Rights-of-Way

There are no known easements or rights-of-way for the subject property. A legal opinion should be sought regarding any registered or unregistered encumbrances that may exist.

Outstanding Mortgages

For the purpose of this appraisal and the estimate of market value, it is assumed that the subject property is free and clear of any existing mortgages and/or other encumbrances, unless otherwise stated. As a result, it is presumed that the property would be exposed for sale on an "all-cash" basis.

Property Assessment and Realty Tax Information

According to the Municipal Property Assessment Corporation (MPAC), the subject property is assessed as "restaurant - fast food, national chain". The assessed value based on January 1, 2016 is \$1,088,000. Realty tax information was not available.

DESCRIPTION AND ANALYSIS OF LOCATION

General Location

The subject property is located on the northwest corner of Montreal Road and Clovelly Road, east of Blair Road, in the Rothwell Heights neighbourhood, in the east end of the City of Ottawa.

A Location Map indicating the subject property is provided on the following page.

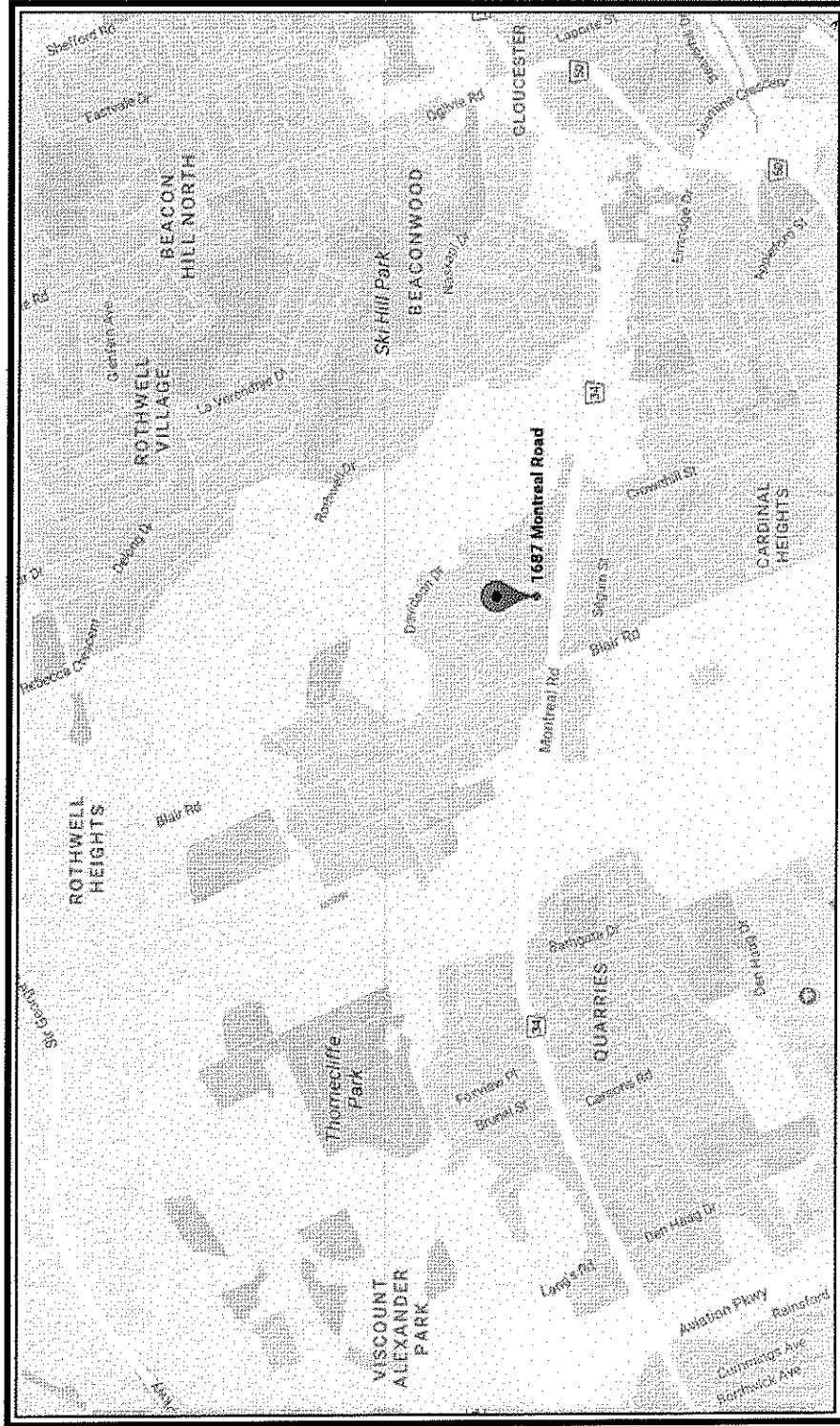
Neighbourhood Characteristics

The subject neighbourhood (Rothwell Heights) is located in the northeastern portion of the City of Ottawa. It is bounded by the Ottawa River to the north, Montreal Road to the south, Blair Road to the west and Ogilvie Road to the east.

The neighbourhood comprises is a primarily residential area. The north end of the neighbourhood is one of Ottawa's most prestigious neighbourhoods. Many of the homes in this community are custom built. The lots are generally large, designed to accommodate large estate homes. Commercial amenities to serve the neighbourhood are located along Montreal Road and St. Laurent Boulevard.

The most notable development in the general area is the new Wateridge Village residential development, currently under construction on the site of the former CFB Rockcliffe. The development comprises an area of 310 acres and is to be developed with a mix of residential, commercial, retail and institutional space. The first phase of the development is currently underway, led by the Canada Lands Company (Crown Corporation).

LOCATION MAP



Neighbourhood Access

Road access to the neighbourhood is provided via Montreal Road (east/west) and Blair Road and Ogilvie Road (north/south). Montreal Road is a major arterial leading to Ottawa's downtown core to the west and the eastern suburbs to the east.

The Queensway (Highway 174) is located south of the subject neighbourhood and is readily accessed via Blair Road. Public transit in the area is excellent with regular bus service provided along Montreal Road.

Immediate Land Use Patterns

The immediate neighbourhood of the subject property consists a mixture of uses. Commercial uses are located along Montreal Road. There is a long-term care seniors' residence and retirement residence located to the east of the subject property, east of Clovelly Road. There is a medical plaza located to the west of the subject site, on the north side of Montreal Road. There are additional commercial uses located on the south side of Montreal Road, including a motel, bank and restaurant. Residential uses (single-family dwellings) are located to the north of the subject site.

The Montreal Road campus of National Research Council Canada is located to the west of the subject site, at the intersection of Montreal Road and Blair Road. Other major employers in the area include the RCMP, CMHC and CSIS.

Neighbourhood Summary

In summary, the subject neighbourhood is situated approximately seven kilometres east of Ottawa's downtown core and has good transportation routes and commercial services. Employment opportunities in the area are also good due to the existing institutional and office facilities in the immediate vicinity.

SITE ANALYSIS

Site Area and Dimensions

The subject site comprises a site area of approximately 38,653 square feet and is roughly rectangular in configuration. The site comprises approximately 129 feet of frontage on the north side of Montreal Road and approximately 244 feet of frontage on the west side of Clovelly Road. The northern boundary measures roughly 153 feet and the western boundary measures roughly 245 feet.

The site area was obtained from Geowarehouse. The site dimensions were obtained from the Registered Plans 5R-2278, 4R-27383 and 5R-369. The site area is subject to survey by a qualified land surveyor. A property map of the subject property is provided at the end of this section.

Topography and Landscaping

The subject site is generally flat, level and even with the surrounding road grades. The site slopes slightly down to the south towards Montreal Road. The southern portion of the site is asphalt paved for vehicular movement and parking. The parking lot is older and needs repair or replacement. The northern portion of the site is heavily treed.

Availability of Services

Full services are presently available to the subject property, including municipal water, sanitary and storm sewers, hydro, telephone and gas.

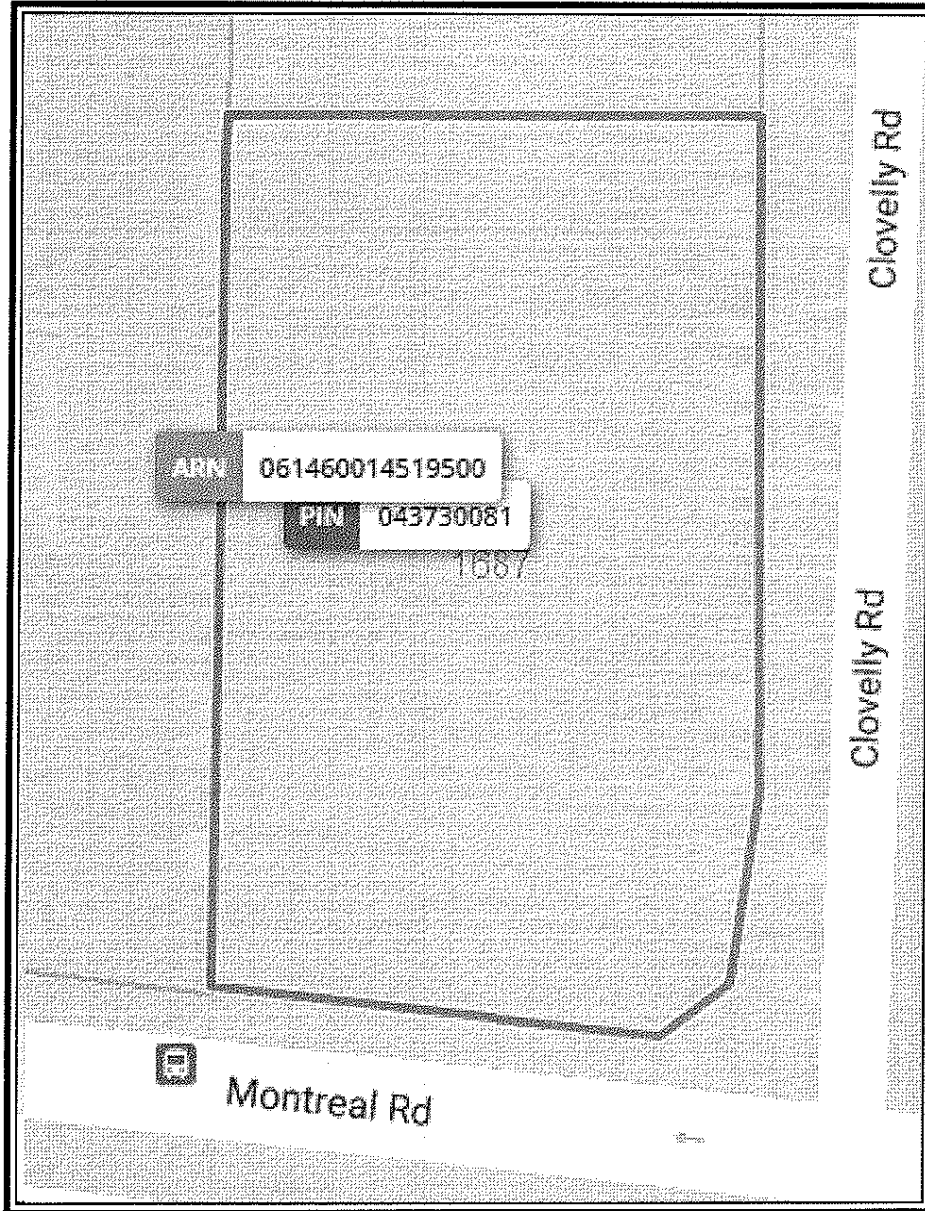
Access and Exposure

Vehicular access to the subject property is from one entrance off Montreal Road. There is currently no vehicular access from Clovelly Road. Exposure is deemed to be very good given the subject's corner frontage on Montreal Road, a major arterial in the City.

Soil Conditions

It is assumed that the subject property is free and clear of any hazardous or toxic substances which may adversely affect either its highest and best use or its market value.

PROPERTY MAP



DESCRIPTION OF IMPROVEMENTS

General Description

The subject site is currently improved with two one-storey free-standing commercial buildings. The buildings are currently vacant. They were previously used as a retail building (restaurant) and a warehouse building. Both buildings were reportedly built in 1972.

The total gross floor building area is approximately 4,545 square feet. The building areas were obtained from the Municipal Property Assessment Corporation (MPAC) and confirmed with our on-site measurements.

The following descriptive information has been taken from information gathered at the time of our inspection.

Retail Building

This building was formerly used as a KFC restaurant and more recently as a café. It comprises a gross floor area of roughly 1,499 square feet. It is a wood frame structure with a concrete foundation (no basement). The exterior of the building is stucco, with front metal panels and a canopy. It has a flat membrane roof at front and a pitched asphalt shingle roof at the back. The building is heated and cooled with a rooftop forced air HVAC unit and an air conditioning unit. The windows are double pane metal units.

The layout of the building contains a glass enclosed vestibule with double front glass doors, an open front customer area and a rear service area. There is one two-piece accessible washroom and a small food preparation area in the front of the building. The back of the building includes a two-piece washroom, a storage room and a dishwashing area.

The building is finished with ceramic tile and laminate flooring, drywall ceilings and walls and some acoustic tile ceilings.

Warehouse Building

This building was formerly used as a food preparation area for the KFC restaurant. It comprises a gross floor area of roughly 3,046 square feet. It is a concrete block building with a concrete foundation (no basement). The exterior of the building is concrete block. The roof is flat and appears to be tar and gravel. It was covered in water at the time of inspection. The roof drain and/or roof appear to need replacement. The building is roughly 17 feet high, with an interior height of approximately 11 feet. There is one 6'x8' high dock level overhead door. The building is heated with a ceiling-mounted gas space heater.

The building is demised into three sections. It is finished with ceramic tile flooring and walls and an open metal ceiling.

Site Improvements

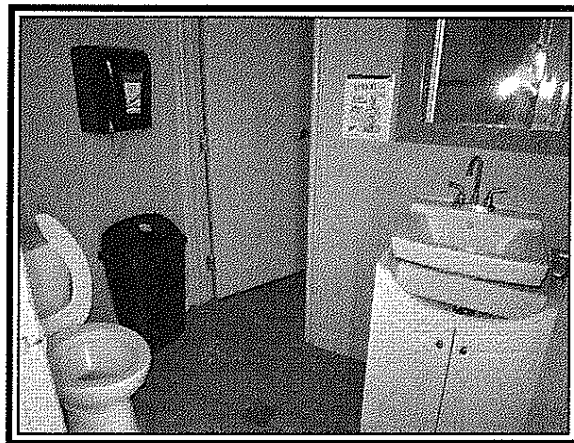
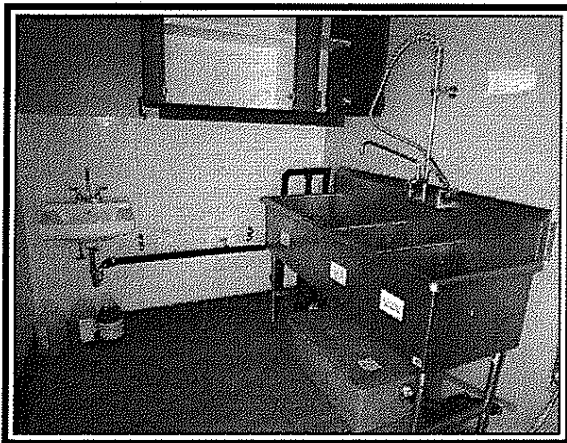
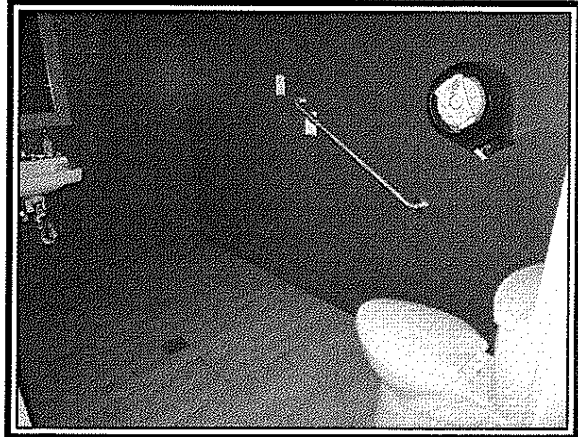
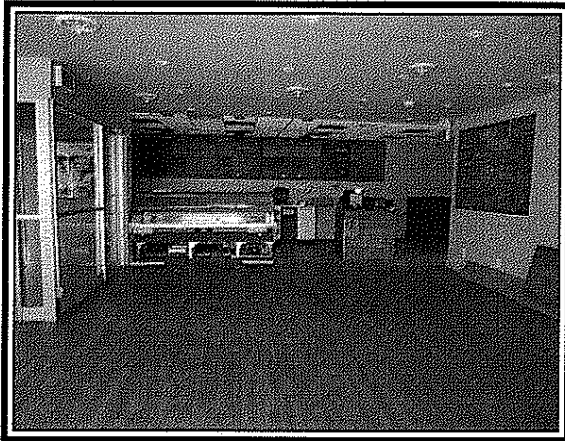
The front of the site comprises an asphalt paved parking area, with surface parking spots. The retail building is surrounded with a concrete block walkway. The building-to-site coverage ratio is approximately 12%.

Conclusions

The retail building appears to be in good condition and has been adequately maintained. The warehouse building is in below average condition with several items of deferred maintenance noted.

Interior photographs have been provided on the following pages.

INTERIOR PHOTOGRAPHS OF THE SUBJECT PROPERTY



Retail Building



Warehouse Building

LAND USE REGULATIONS

Municipal Zoning By-law

According to the City of Ottawa Comprehensive Zoning Bylaw 2008-250, the subject site is currently zoned *AM10 [2199]*, an Arterial Mainstreet Zone. The purpose of the *AM* zone is to accommodate a broad range of uses including retail, service commercial, offices, residential and institutional uses in mixed-use buildings or side by side in separate buildings. A wide variety of residential and commercial uses are permitted in this zone.

There is no minimum lot area or lot width for the *AM* zone. Yard setback and maximum building height requirements exist depending on the abutting uses.

The *AM10* subzone identifies specific yard setback and building height requirements. For the subject site, which abuts an *R1* zone to the rear, the maximum building height is dependent on the setbacks from the rear lot line. Notwithstanding, the maximum building height is 30 metres or 98 feet (approximately 10 stories).

Exception [2199] stipulates that an automobile dealership use requires a minimum lot area of 1,500 square metres (16,146 square feet).

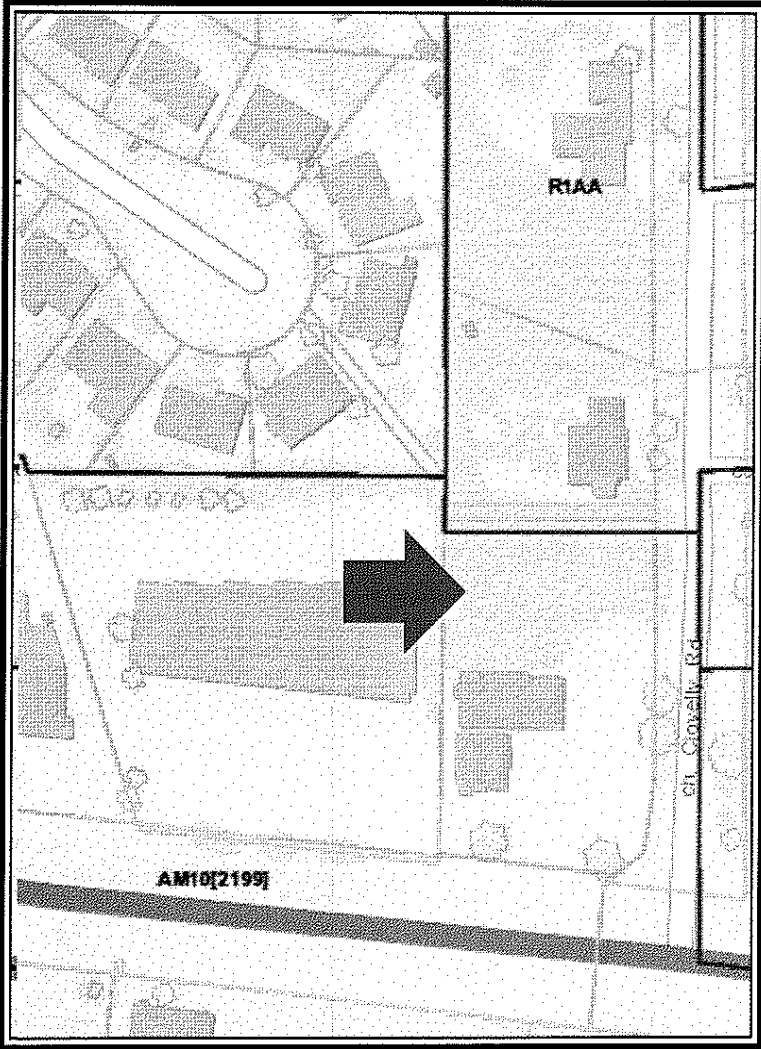
Ottawa Official Plan

According to the Official Plan for the City of Ottawa, the subject is designated as *General Urban Area* along an *Arterial Mainstreet*.

Conclusions

It is felt that the existing subject improvements for the property represent a legal conforming use of the site. Nevertheless, a formal legal opinion from the municipality should be sought regarding the land use compliance of the subject property. Excerpts from the Zoning By-law are presented in the Addendum to this report. A Zoning Map has been provided on the following page.

ZONING MAP



HIGHEST AND BEST USE

Introduction

The principle of Highest and Best Use is basically predicated on the principle of utility. An object must possess, or be capable of possessing, some form of beneficial utility. Highest and Best Use may be defined as:

"that reasonable and probable use that will support the highest present value, as the effective date of appraisal. Alternatively, that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible and which results in the highest land value."

When analyzing the highest and best use of a site, the existing use of the property as well as each alternative use being considered must be examined in light of all influencing factors. The following factors govern the determination of Highest and Best Use:

- Marketability;
- Profitability;
- Financial Constraints;
- Managerial Constraints;
- Societal Constraints;
- Statutory Limitations;
- Regulatory Controls;
- Titular Restrictions; and
- Physical and Functional Limitations.

Application to the Subject Property

The subject property comprises a 38,653 square foot site developed with two commercial/industrial buildings. The buildings are current vacant. The retail building appears to in good condition and has been adequately maintained. The warehouse building is in below average condition with several items of deferred maintenance.

The subject property is well located along a major arterial in the east end of Ottawa. The existing use is a legal conforming use according to current land use regulations. The improvements are judged to be generally compatible with surrounding uses.

The building-to-site coverage ratio for the subject property is approximately 12%. This is considered relatively low for properties of the subject type. As a result, there exists some additional development potential on the subject lands.

There is potential to renovate the subject buildings and utilize them for owner-occupancy or occupancy by a tenant(s). This would create market value for the subject property as a whole. The costs to renovate the subject buildings at this time are unknown.

Given the existing condition of the subject buildings, it is our opinion, that the highest and best use of the subject property is concluded to be the redevelopment of the site with permitted uses or the continuation of its existing use, with potential for expansion.

The *Canadian Uniform Standards of Professional Appraisal Practice* requires that the appraiser comment on the highest and best use of the property as if unimproved, vacant land and available for development. In our opinion, the highest and best use of the subject site would be to develop it with a product in conformity with the land use regulations. Development with a similar type of commercial use is consistent with this conclusion and reflects a development possibility for the site as vacant.

VALUATION

Introduction

The subject site consists of a parcel of land, improved with two vacant commercial buildings. The highest and best use of the property is its redevelopment with permitted uses or the continuation of its existing use, with potential for expansion. The property has thus been valued as vacant land as well as improved.

Valuation of Improved Real Property

There are three fundamental approaches to value which can be utilized in the valuation of improved real property. They are:

- 1) The Cost Approach;
- 2) The Direct Comparison Approach; and
- 3) The Income Approach to Value (either Direct Capitalization Method or Discounted Cash Flow Technique).

The type of property, the profile of the typical buyer/owner, general market conditions, availability of financing and the age of the improvements all have an impact upon which valuation method(s) is most applicable.

In the completion of this appraisal report, the Direct Comparison Approach has been utilized to estimate the market value of the subject property.

The Income Approach has not been used in this report given that this type of property is typically acquired for owner-occupancy. In addition, the current poor condition of the warehouse building renders this approach less valid.

The Cost Approach, which is based on adding the depreciated replacement cost of the improvements to the value of the land as vacant, has not been used. This means of estimating market value is seldom used by typical purchasers in the current market for two main reasons:

- Replacement cost tends to exceed market value even on new construction; and
- Estimates of the various components of depreciation (particularly economic depreciation) are difficult to quantify.

Land Valuation

There are six different methods to value land. These are:

- 1) Direct Comparison
- 2) Abstraction
- 3) Extraction
- 4) Subdivision Development
- 5) Land Residual
- 6) Ground Rent Capitalization

In the completion of this appraisal report, the Direct Comparison Approach has been utilized. This is the preferred approach where sufficient sales activity occurs.

The Abstraction and Extraction Methods are based on allocations between land and buildings and are not applicable in this case. The Subdivision Development Method is applicable to larger acreage parcels which will be subdivided into smaller saleable units and is also not applicable in this situation. The latter two approaches are seldom used.

DIRECT COMPARISON APPROACH

Introduction

The Direct Comparison Approach is a valuation method in which the subject property is compared with similar properties that have recently been sold or offered for sale. The sale/list prices of comparable properties are analyzed and adjusted in order to estimate the most probable sale price of the property being appraised. Adjustments to sale/list prices should reflect the impact of material, price-influencing differences which exist between the comparable properties and the subject property.

The basic analytical process can be summarized as follows:

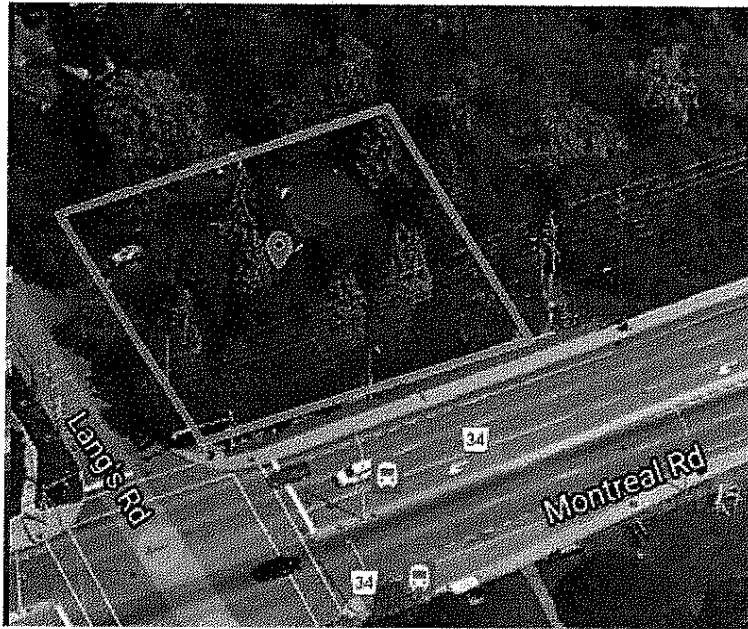
1. Survey the competitive area to locate comparable properties that have sold or are offered for sale.
2. Verify pertinent information on each sale used.
3. Compare the subject property in detail with each sale property making adjustments, where considered necessary, to equate differences.
4. Correlate the market data and reconcile it into an estimate of market value for the subject property.

Sales Indices

Research for sales of properties that are deemed comparable to the subject has been undertaken. Those sales retained in the comparative analysis are outlined on the following pages, followed by a Comparable Sales Map.

The first four sales are land sales. The following four sales are improved commercial properties. The parameter of comparison chosen for our analysis is the sale price per square foot of site area (for land sales) and sale price per square foot of building area (improved sales).

COMPARABLE SALE NUMBER ONE



765 Montreal Road, Ottawa

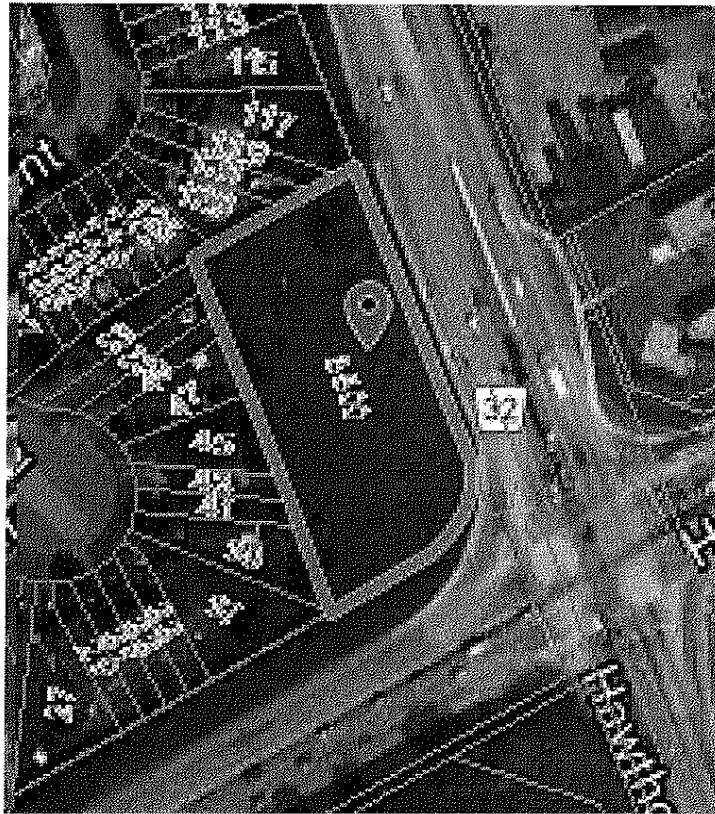
Legal Description: Part of Lot 6, Plan 486, City of Ottawa. Part 2 on Plan 4R-25842. PIN 04275-0071.

Sale Date: February 15, 2017	Sale Price: \$1,000,000
Vendor: Nicole Presentey	Purchaser: Shepherds of Good Hope
Site Area: 16,049 square feet	Zoning: AM10[2201] - Arterial Mainstreet Zone

Sale Price per Square Foot: \$62

Comments: Located on the northeast corner of Montreal Road and Lang's Road, in the Viscount Alexander Park neighbourhood of the City of Ottawa. Improved with a detached dwelling. Marketed as land sale only.

COMPARABLE SALE NUMBER TWO



3500 Hawthorne Road, Ottawa

Legal Description: Parcel 4-3, Section GL-5RF and Part of Lot 5, Concession 5, Rideau Front, City of Ottawa. Part 2 on Plan 4R-7805. PIN 04165-0539.

Sale Date: January 16, 2017	Sale Price: \$900,000
Vendor: Imperial Oil Limited	Purchaser: 2520333 Ontario Inc.
Site Area: 39,977 square feet	Zoning: GM1[50] F(0.25) - General Mixed-Use Zone

Sale Price per Square Foot: \$23

Comments: Located on the northwest corner of Hawthorne Road and Hunt Club Road (signalized intersection), in the Hunt Club Park neighbourhood of the City of Ottawa. Vacant land. Purchased for the development of a gas bar, convenience store and fast food restaurant with drive through.

COMPARABLE SALE NUMBER THREE



4347 Innes Road, Ottawa

Legal Description: Part of Lot A, Concession 11, City of Ottawa. PIN 14520-0223.

Sale Date: April 28, 2017

Sale Price: \$425,000

Vendor: Olga & Michael Ataman

Purchaser: M & H Holdings Inc.

Site Area: 14,951 square feet

Zoning: GM21[439] F(0.5) H(9) - General Mixed-Use

Sale Price per Square Foot: \$28

Comments: Located on the north side of Innes Road, west of Tenth Line Road, in the Orleans neighbourhood of the City of Ottawa. Improved with a detached dwelling. Marketed as land sale.

COMPARABLE SALE NUMBER FOUR



2583 & 2599 Carling Avenue, Ottawa

Legal Description: Part of Lot 33 and Lot 34, Plan 311 and Part of Lots 35, 36, 38, 43 & 44 and Lots 39, 41 & 42, Plan 348, City of Ottawa. PIN 03962-0349 & 03962-0350.

Sale Date: March 24 & May 31, 2016	Sale Price: \$3,700,000
Vendor: 778593 Ontario Inc. & 2583 Carling Avenue Ltd.	Purchaser: Carling/Richmond Storage GP Corporation
Site Area: 48,201 square feet	Zoning: AM10 - Arterial Mainstreet Zone

Sale Price per Square Foot: \$77

Comments: Located on the north side of Carling Avenue, east of Richmond Road, in the Britannia neighbourhood of the City of Ottawa. Land assembly of two adjacent parcels, each improved with a commercial building. To be redeveloped with a five-storey self storage facility, with ground floor retail space. A site-specific exception was added to the zoning to allow this use.

COMPARABLE SALE NUMBER FIVE



2094 Montreal Road, Ottawa

Building Description: One-storey freestanding commercial building. Built circa 1985. Former restaurant use, with drive-thru. 27 surface parking spaces. The site coverage is roughly 13%.

Sale Date: July 24, 2015	Sale Price: \$1,075,000
Vendor: Wendy's Restaurants of Canada Inc.	Purchaser: 2094 Montreal Rd. Holdings Inc.
Site Area: 26,618 square feet	Zoning: AM10[2199] - Arterial Mainstreet Zone
Building Area: 3,400 sq.ft.	Sale Price per Square Foot: \$316

Comments: Located on the southeast corner of Montreal Road and Laporte Street, in the Beacon Hill South neighbourhood of the City of Ottawa. Vacant at the time of sale. Formerly used as a Wendy's restaurant. Purchased for use as a Pizza Hut restaurant.

COMPARABLE SALE NUMBER SIX



548-550 Montreal Road, Ottawa

Building Description: One-storey, multi-tenant retail plaza. Built circa 1958. Part of a larger plaza known as Montreal Square Plaza. Shares common area with adjacent property (plaza). The site coverage is roughly 63%.

Sale Date: May 16, 2017	Sale Price: \$1,850,000
Vendor: Hopas Investments Limited	Purchaser: 550 Montreal Rd. Inc.
Site Area: 9,687 square feet	Zoning: AM10[2199] - Arterial Mainstreet Zone
Building Area: 6,100 sq.ft.	Sale Price per Square Foot: \$303

Comments: Located on the south side of Montreal Road, east of St. Laurent Boulevard, in the Cummings neighbourhood of the City of Ottawa. Fully leased to two long-term tenants at the time of sale (leases expire in 2018 & 2019). Purchased as an investment.

COMPARABLE SALE NUMBER SEVEN



2150 Montreal Road, Ottawa

Building Description: One-storey commercial building, with partial second floor and full basement. Built in 2005. 45 surface parking spaces. The site coverage is roughly 11%.

Sale Date: January 17, 2017	Sale Price: \$1,200,000
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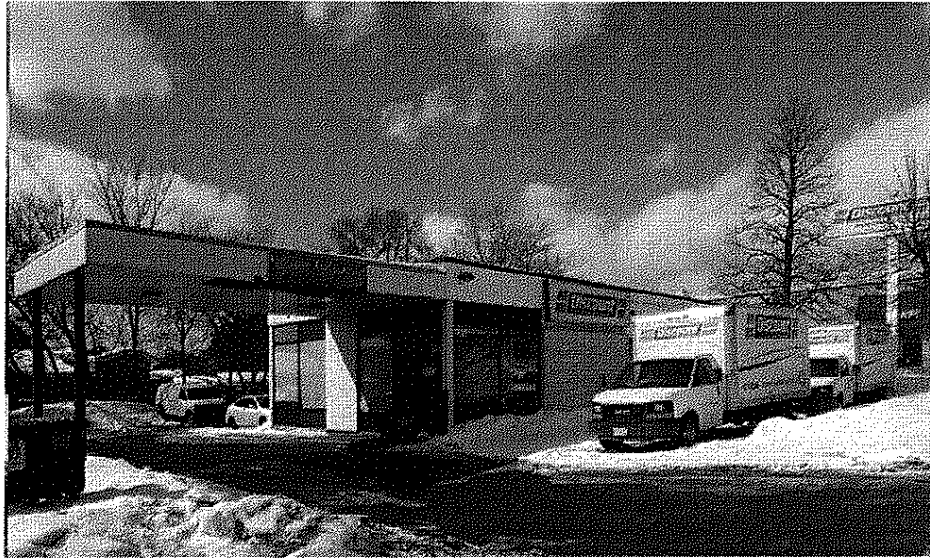
Vendor: 1562199 Ontario Inc.	Purchaser: Cordova Realty Ltd.
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Site Area: 34,724 square feet	Zoning: AM10[2199] - Arterial Mainstreet Zone
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Building Area: 4,941 sq.ft.	Sale Price per Square Foot: \$243
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Comments: Located on the southwest corner of Montreal Road and Sinclair Street, in the Beacon Hill South neighbourhood of the City of Ottawa. Sale leaseback transaction.

COMPARABLE SALE NUMBER EIGHT



938 St. Laurent Boulevard, Ottawa

Building Description: One-storey commercial building. Built circa 1982. 12 surface parking spaces. The site coverage is roughly 16%.

Sale Date: May 31, 2017

Sale Price: \$850,000

Vendor: A. Iny Holdings Ltd.

Purchaser: 3655954 Canada Inc.

Site Area: 12,766 square feet

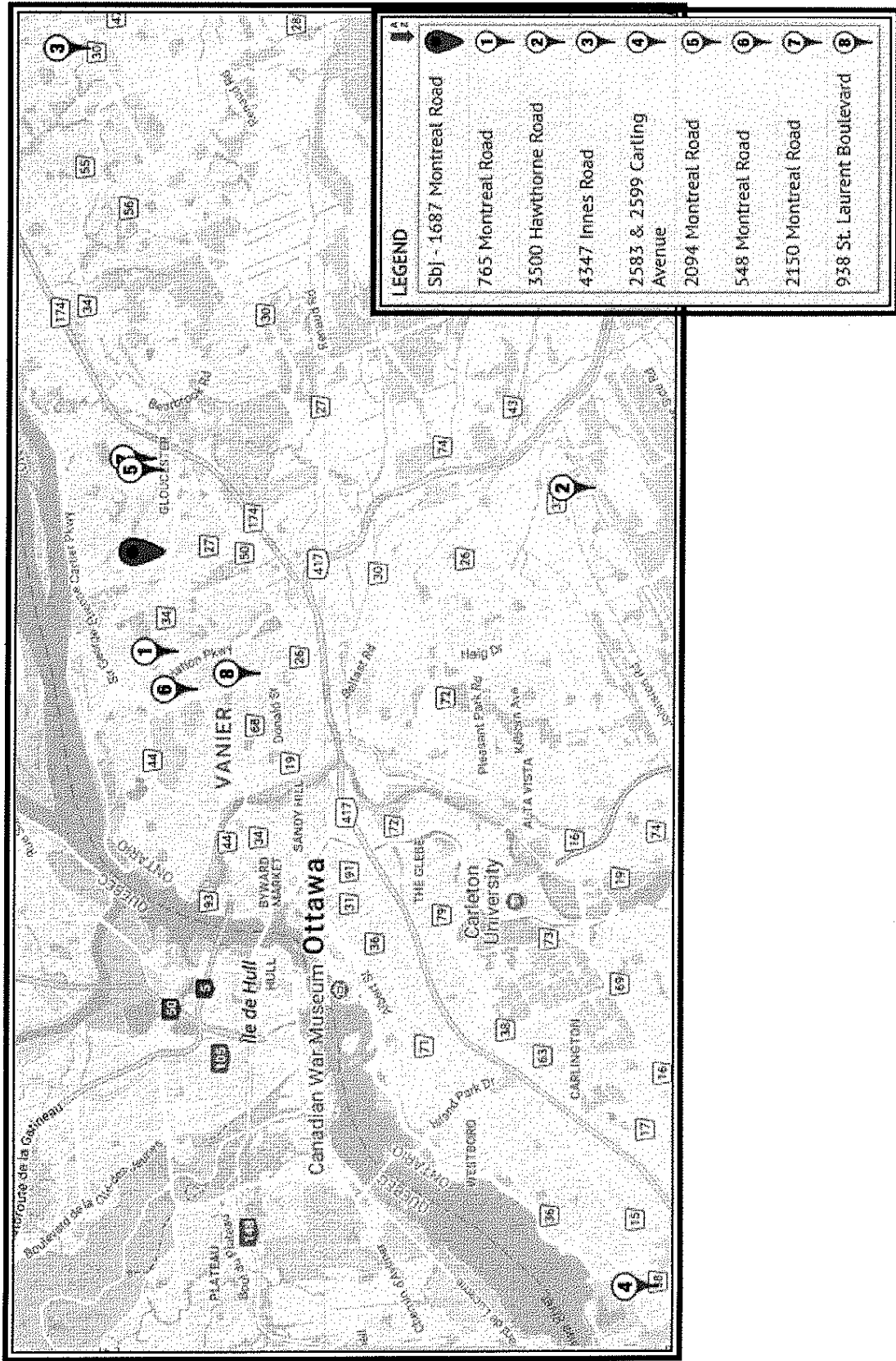
Zoning: AM10[2199] - Arterial Mainstreet Zone

Building Area: 2,064 sq.ft.

Sale Price per Square Foot: \$412

Comments: Located on the west side of St. Laurent Boulevard, north of Donald Street, in the McArthur neighbourhood of the City of Ottawa. Previously leased and used as a Discount Car and Truck Rental office. Purchased as an investment, reportedly to be leased and used as a Mr. Lube establishment.

COMPARABLE SALES MAP



Land Sales Analysis

The foregoing land sales have been selected in order to estimate the current market value of the subject property as vacant land. The range of sale prices per square foot of site area before adjustment is from \$23 to \$77. The relevant details of each sale are summarized in the following chart.

SUMMARY OF COMPARABLE LAND SALES					
No.	Location	Sale Date	Site Area Zoning	Sale Price	Price/ Sq.Ft.
1	765 Montreal Road, Ottawa	Feb/17	16,049 sq.ft. AM10[2201]	\$1,000,000	\$62
2	3500 Hawthorne Road, Ottawa	Jan/17	39,977 sq.ft. GM1[50]F(0.25)	\$900,000	\$23
3	4347 Innes Road, Ottawa	Apr/17	14,951 sq.ft. GM21[49] F(0.5) H(9)	\$425,000	\$28
4	2583 & 2599 Carling Avenue, Ottawa	Mar & May/16	48,201 sq.ft. AM10	\$3,700,000	\$77
Sbj.	1687 Montreal Road, Ottawa		38,653 sq.ft. AM10[2199]		

Regarding the sales analyzed, adjustments were performed in order to reconcile differences between the comparable sales and the subject property. Factors such as location, time of sale/market conditions, as well as financing terms and motivational factors were considered. Physical characteristics of each site was considered as well, such as size, configuration and zoning. The main adjustment factors that are applicable are analyzed below.

Site Area

Based on our investigations of the market, it was concluded that an inverse relationship generally exists between the site area and the sale price per unit of site area. As such, downward adjustments were applied to Sale Number One and Three.

Location

The subject is located along Montreal Road, in the east end of the City of Ottawa. This location is considered superior to that of Sale Numbers Two and Three and inferior to Sale Number Four. Sale Number One possesses a slightly superior location.

Zoning

The subject property is zoned to accommodate a variety of commercial and residential uses. However, it has some restrictions due to its adjacent residential land uses. Downward adjustments were applied to Sale Numbers One and Four for their superior zoning and upward adjustments were warranted to Sale Numbers Two and Three for the subject's superior zoning.

Improved Sales Analysis

The foregoing comparable building sales have been analyzed in order to estimate the market value of the subject property. The comparable sales selected featured a range in price paid from \$243 to \$412 per square foot of building area, before adjustments. The salient details for each sale are summarized in the following table.

SUMMARY OF COMPARABLE BUILDING SALES					
Sale No.	Location	Building Area	Date of Sale	Sale Price	Price/ Sq.Ft.
5	2094 Montreal Road, Ottawa	3,400 ft ²	July/15	\$1,075,000	\$316
6	548-550 Montreal Road, Ottawa	6,100 ft ²	May/17	\$1,850,000	\$303
7	2150 Montreal Road, Ottawa	4,941 ft ²	Jan/17	\$1,200,000	\$243
8	938 St. Laurent Boulevard, Ottawa	2,064 ft ²	May/17	\$850,000	\$412
Sbj.	1687 Montreal Road, Ottawa	4,545 ft²			

Regarding the sales analyzed, adjustments were performed in order to reconcile differences between the comparable sales and the subject property. Factors such as location, time of sale/market conditions, physical characteristics (i.e. building size, basement, age, condition, construction, quality, coverage ratio, parking, number of levels and site provisions) as well as financing terms and motivational factors were considered.

Building Area

Based on our investigations of the market, it was concluded that an inverse relationship generally exists between the size of a building and the sale price per square foot of building area. As such, downward adjustments were applied to Sale Number Five and Eight and an upward adjustment was applied to Sale Number Six. Sale Number Seven is slightly larger than the subject property, however a portion of the building area is on the second floor. In addition, Sale Number Seven has a full useable basement level.

Location

The subject is located along Montreal Road, in the east end of the City of Ottawa. This location is considered comparable to that of Sale Numbers Five and Seven and inferior to Sale Numbers Six and Eight.

Building Quality and Condition

The subject property comprises two commercial buildings. One of the buildings (representing 67% of the total building area) is in below average condition and requires substantial renovations. Each of the sale properties is superior to the subject property, warranting downward adjustments to each sale.

Site Coverage

The subject property has a 12% building-to-site coverage ratio, with sufficient parking and additional land for expansion. This is comparable to each of the sale properties, with the exception of Sale Number Six, for which an upward adjustment has been applied.

Zoning

The subject property is zoned to accommodate a variety of commercial and residential uses. Each of the sale properties has the same zoning as the subject. No adjustment for zoning was warranted.

Market Value Estimate

Based on the foregoing sales and analysis, and having regard to the particular attributes of the subject property, it is our opinion that a market value rate of between \$30 and \$35 per square foot of site area is applicable to the subject property, as vacant land.

This results in the following market value estimate:

38,653 square feet @ \$30 - \$35 per square foot of site area = \$1,250,000 (rounded)

This translates into a market value rate of approximately \$275 per square foot of building area, which is consistent with the unit prices of the improved comparable sales analyzed, after taking into account the adjustment factors.

Therefore, the estimated current market value of the subject property, located at 1687 Montreal Road, Ottawa, via the Direct Comparison Approach, as of June 27, 2017, is:

ONE MILLION TWO HUNDRED AND FIFTY THOUSAND DOLLARS

(\$1,250,000)

ASSUMPTIONS AND LIMITING CONDITIONS

This report has been prepared at the request of, and for the exclusive use of, the recipient named in the letter of transmittal and for the specific purpose and function as stated herein. All copyright is reserved to the author and this report is considered confidential by the author and the client.

Possession of this report, or a copy thereof, does not carry with it the right of reproduction or publication in any manner, in whole or in part, nor may it be disclosed, quoted from or referred to in any manner, in whole or in part, without the prior written consent of the author as to the purpose, form and content of any such disclosure.

It is not reasonable for any person other than those to whom this report is addressed to rely upon this appraisal without first obtaining written authorization from both the client to whom the report is addressed and the author(s). This report has been prepared on the assumption that no other person will rely on it for any other purpose and all liability to all such persons is denied.

The estimated market value of the real estate which is the object of this appraisal pertains to the value of the fee simple estate in the real property only, unless specifically stated otherwise in the body of the report. Where the property being appraised is subject to contract lease(s), the ownership interest being appraised may differ from the fee simple estate depending on the function and purpose of the appraisal. The property rights appraised herein exclude mineral rights, if any.

In order to arrive at an opinion of value, it was found necessary to utilize both documented and hearsay evidence of market data or transactions. A concerted effort has been put forth to verify the accuracy of the information contained herein. Accordingly, the information is believed to be reliable and correct, and has been gathered according to procedures which are recognized by the Appraisal Institute of Canada.

The property has been valued on the basis that the title to the real estate herein appraised is good and marketable.

The author(s) of this report cannot accept responsibility for legal matters, questions of survey, opinions of title, hidden or unapparent conditions of the property, toxic wastes or contaminated materials, soil or sub-soil conditions, environmental, engineering or other technical matters, which might render this property more or less valuable than as stated herein. If it came to the author's attention as the result of an investigation and analysis, that certain problems may exist, a cautionary note has been entered in the body of this report.

The property has been valued on the basis that the real estate is free and clear of all value influencing encumbrances (except as may be noted in this report) and that there are no pledges, charges, liens, unknown easements or special assessments outstanding against the property other than as stated and described herein. The property has been also valued free and clear of all mortgage charges registered (unless otherwise specified).

The property has been valued on the basis that there are no outstanding liabilities except as expressly noted herein, pursuant to any agreement with a municipal or other government authority, or pursuant to any contract or agreement pertaining to the ownership and operation of the real estate or any lease or agreement to lease, which may affect the value or saleability of the subject property or any portion thereof.

Unless otherwise specifically noted in the body of this report, it is assumed that the existing improvements on the property being appraised are structurally sound, seismically safe and code conforming and that all building systems are in good working order. It is further assumed that the bearing capacity of the soil of the property is adequate to support the existing and any proposed use.

Investigations have been undertaken in respect of matters which regulate the use of land. However, no inquiries have been placed with the fire department, the building inspector, the health department or any other government regulatory agency, unless such investigations are expressly represented to have been made in this report. The subject property must comply with such regulations and, if it does not comply, its non-compliance may affect the market value of this property. To be certain of such compliance, further investigations may be necessary.

The agreed upon compensation for services rendered in preparing this report does not include a fee for court preparation or court appearance. Should a court appearance be required in connection with this report, additional fees will have to be agreed upon.

Since market conditions change rapidly, the market value expressed as of the date of this appraisal cannot be relied upon to estimate the market value as of any other date, except with further advice of the appraiser.

Where the Income Approach to Value is included as one of the approaches to market value, it is assumed that all rents referred to in this report are being paid in full and when due and payable under the terms and conditions of the attendant leases. Further, it is assumed that all rents referred to in this report are legal and represent the rental arrangements stipulated in the leases of occupancy.

The value expressed herein is in Canadian dollars.

CERTIFICATION

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

- The statements of fact contained in this report are true and correct. All factors affecting the value estimate were considered in preparing this report.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions as well as the scope of the appraisal contained herein, and represent our objective and unbiased professional analyses, opinions, and conclusions.
- We have no past, present or prospective interest in the property that is the subject of this report, nor do we have a personal interest or bias with respect to the parties involved.
- Our compensation is not contingent in any way upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada.
- A personal inspection of the subject property was conducted on June 27, 2017 by Michael Simon.
- No one provided significant professional assistance to the person(s) signing this report.
- As of the date of this report, the undersigned have fulfilled the requirements of the Appraisal Institute of Canada's Continuing Professional Development Program for designated and candidate members.
- The undersigned are members in good standing of the Appraisal Institute of Canada.

It is our professional opinion that the current market value estimate of the fee simple interest in the subject property, located at 1687 Montreal Road, Ottawa, as of June 27, 2017, is:

ONE MILLION TWO HUNDRED AND FIFTY THOUSAND DOLLARS
(\$1,250,000)

DATED: July 5, 2017

McLEAN, SIMON & ASSOCIATES (OTTAWA)



Robin Simon, B.Comm., PGCV
AIC Candidate Member



Michael Simon, B.Comm., AACI, P.App

**ADDENDUM
ZONING EXCERPTS**

AM - Arterial Mainstreet Zone

Purpose of the Zone

The purpose of the AM – Arterial Mainstreet Zone is to:

- (1) accommodate a broad range of uses including retail, service commercial, offices, residential and institutional uses in mixed-use buildings or side by side in separate buildings in areas designated Arterial Mainstreet in the Official Plan; and
- (2) impose development standards that will promote intensification while ensuring that they are compatible with the surrounding uses.

Permitted Non-Residential Uses

(1) The following non-residential uses are permitted subject to:

- (a) the provisions of subsections 185(3) to (5), and
- (b) amusement park being located within a building;

amusement centre
amusement park
animal care establishment
animal hospital
artist studio
automobile dealership
automobile rental establishment
automobile service station
bank
bank machine
bar
broadcasting studio
car wash
catering establishment
cinema
click and collect facility (By-law 2016-289)
community centre
community health and resource centre
convenience store
day care
diplomatic mission, see Part 3, Section 88
drive-through facility
emergency service
funeral home
gas bar
hotel
instructional facility
library
medical facility
municipal service centre
museum
nightclub
office
park
parking garage
personal service business
place of assembly
place of worship
post office

production studio
recreational and athletic facility
research and development centre
residential care facility (By-law 2011-273)
restaurant
retail food store
retail store
school
service and repair shop
small batch brewery, see Part 3, Section 89
sports arena
technology industry
theatre
training center
urban agriculture, see Part 3, Section 82 (By-law 2017-148)

Permitted Residential Uses

(2) The following residential uses are permitted:

apartment dwelling, low rise
apartment dwelling, mid-high rise (Subject to By-law 2014-292)
bed and breakfast, see Part 5, Section 121
dwelling unit
group home, see Part 5, Section 126
home-based business, see Part 5, Section 127
home-based day care, see Part 5, Section 129
planned unit development, see Part 5, Section 131
retirement home
retirement home, converted, see Part 5, Section 122
rooming house
rooming house, converted, see Part 5, Section 122
rooming unit
stacked dwelling, see Part 5, Section 138 (By-law 2010-307)
townhouse dwelling, see Part 5, Section 138 (By-law 2012-334) (By-law 2010-307) (By-law 2014-189)

AM10 Subzone

(10) In the AM10 Subzone:

(a) the lot line abutting the designated "Arterial Mainstreet", as per Schedule B of the Official Plan, is the front lot line, and in the case of a lot with more than one lot line abutting an arterial mainstreet the provisions applying to front lot line will apply to all of the lot lines abutting an arterial mainstreet regardless of it being a front or other lot line,

(b) despite Table 185(c), the following provisions apply;

(i) the minimum front and corner side yard setback for all buildings is 0 metres, and at least 50% of the frontage along the front lot line and corner side lot line must be occupied by building walls located within 4.5 metres of the frontage for a Residential use building, and within 3.0 metres for Non-residential and Mixed use buildings; and

(ii) in the case of a phased development, all phases must be shown on a site plan approved pursuant to Section 41 of the Planning Act, and must satisfy the following;

1) the first phase is required to satisfy (b)(i) prior to or concurrent with the construction of any building at the interior or rear of the lot for the portion of property shown in that phase; and

2) all subsequent phases are not required to comply with (b)(i) independently, provided that (b)(i) is satisfied upon the completion of all phases; and

3) the boundary of a phasing line will be determined through Site Plan Control, and each phase of development must comply with the zone requirements and incorporate the site plan elements required and provided to support the uses of land within that phase,

- (c) despite Table 185(d)(i), the minimum interior side yard setback from a lot line abutting a residential zone is;
 - (i) 3.0 metres for the first 20 metres back from the street,
 - (ii) 7.5 metres beyond 20 metres back from the street,
- (d) despite Table 185(e), sub clauses (ii) and (iii), the minimum rear yard setback is;
 - (i) 3.0 metres for any building wall within 20 metres of a lot line abutting a public street.
 - (ii) 7.5 metres in all other cases,
- (e) any portion of a building located within 10 metres a front lot line or corner lot line must satisfy the following minimum building heights:
 - (i) if the building is a non-residential or mixed-use building, the ground floor requires a minimum height of 4.5 metres; and
 - (ii) the minimum building height required is 7.5 metres, and must contain at least two storeys,
- (f) a building existing as of the day of the passing of the By-law may be expanded without having to comply with clause (b) above, provided the following;
 - (i) the addition does not exceed the greater of 600 m² or 20% of the gross floor area of the existing building,
 - (ii) subsequent additions are not permitted within 12 months of an issued building permit for expansion of the same building,
- (g) the ground floor façade facing a public street of a building located within 4.5 metres of the front lot line or corner side lot line must include:
 - (I) a minimum of one active entrance from each individual occupancy located immediately adjacent to the front lot line or corner side lot line in the case of non-residential uses; and
 - (ii) a minimum of one active entrance in the case of a residential use building;where an active entrance is angled on the corner of the building, such that it faces the intersection of the arterial mainstreet and a side street intersecting the arterial mainstreet, it is deemed to face both streets;
- (h) a minimum of 50% of the surface area of the ground floor façade, measured from the average grade up to a height of 4.5 metres, facing a public street must be comprised of transparent glazing and active customer or resident entrance access doors,
- (I) clauses (b) and (e) do not apply to a lot containing only an automobile dealership, automobile rental establishment, automobile service station, or gas bar, but the following must be satisfied;
 - (I) a maximum front yard setback of 3 metres is required to any building containing these uses; and
 - (ii) an automobile dealership and automobile rental establishment require a minimum building height of 7.5 metres,
- (j) despite Table 185(f) the following maximum building heights apply:
 - (I) In any area up to and including 20 metres from a rear lot line abutting a R1, R2 or R3 zone: 11 m
 - (ii) In any area up to and including 20 metres from a rear lot line abutting an R4 zone: 15 m
 - (iii) In any area over 20 metres and up to and including 30 metres from a rear lot line abutting a R1, R2, R3, or R4 zone: 20 m
 - (iv) In any area:
 - (a) outside of the areas identified in (I) through (iii) above; and,
 - (b) up to 7.5 metres from that part of a side lot line within 20 metres of a street and abutting a R1, R2, R3 or R4 zone: 15 m
 - (v) In all other cases: 30 m (By-law 2015-45)

Exception Number: 2199 (By-law 2015-45)

Applicable Zones: AM10[2199], AM10[2199] H(15)

Exception Provisions: an automobile dealership use requires a minimum lot area of 1500 m²

B

SHORE•TANNER & ASSOCIATES

FULL NARRATIVE APPRAISAL REPORT
COMMERCIAL DEVELOPMENT SITE
1687 MONTREAL ROAD
OTTAWA, ONTARIO

PREPARED FOR

MNP Ltd.

Submitted to: Mr. John Haralovich CIRP, LIT, CPA, CA, CMA
Senior Vice President
MNP Ltd.
1600 Carling Avenue, Suite 800
Ottawa, Ontario
K1Z 1G3

Submitted by: Brian Bennett B.A., AIC Candidate Member
Mark Shore M.A., AACI
Shore•Tanner & Associates
Real Estate Appraisers and Consultants
148 Colonnade Road South, Suite 202
Ottawa, Ontario
K2E 7R4

SHORE·TANNER & ASSOCIATES
REAL ESTATE APPRAISERS AND CONSULTANTS
148 COLONNADE ROAD SOUTH, SUITE 202, OTTAWA, ONTARIO K2E 7R4

July 10, 2017

MNP LTD.

1600 Carling Avenue, Suite 800
Ottawa, Ontario
K1Z 1G3

Attention: Mr. John Haralovich CIRP, LIT, CPA, CA, CMA
Senior Vice President

Dear Sir:

**Re: Full Narrative Appraisal Report - Commercial Development Site
1687 Montreal Road, Ottawa
Our Reference No. B2694-17**

In accordance with your request, I have completed a Full Narrative appraisal of the commercial development site known municipally as 1687 Montreal Road, Ottawa.

The purpose of this appraisal is to estimate the Market Value of the above-noted property as at June 26, 2017 which represents the date of inspection and the effective date of the report.

The property rights appraised are those of the Fee Simple interest. It is understood that this appraisal is being used for sale purposes.

It is noted that Highest & Best Use is determined to lie in the future development of the subject property with a use permitted by its AM10[2199], Arterial Mainstreet sub-zone and the Official Plan Arterial Mainstreet designation (ie. land value only). Because of their current poor physical condition, no contributory value is attributed to the existing buildings on the site.

I certify that I have inspected the above-noted property and have analysed all available information considered pertinent to the valuation thereof. Based on my inspection of the above-noted property and having completed a comprehensive market analysis, Market Value as at June 26, 2017, is estimated to be:

\$1,165,000.00

(ONE MILLION ONE HUNDRED & SIXTY FIVE THOUSAND DOLLARS)


No Environmental Site Assessment ("ESA") was provided/reviewed by the Appraiser. As a result, soil and groundwater conditions are assumed to be in compliance with MOECC criteria. The Appraiser reserves the right to amend the Final Estimate of Value should exceedances exist. Furthermore, soil conditions are assumed stable and of a suitable load bearing condition to support development envisioned under Highest & Best Use. No Geotechnical reporting was provided/reviewed. Land area is subject to up-to-date survey.

Respectfully submitted,

SHORE·TANNER & ASSOCIATES
REAL ESTATE APPRAISERS AND CONSULTANTS

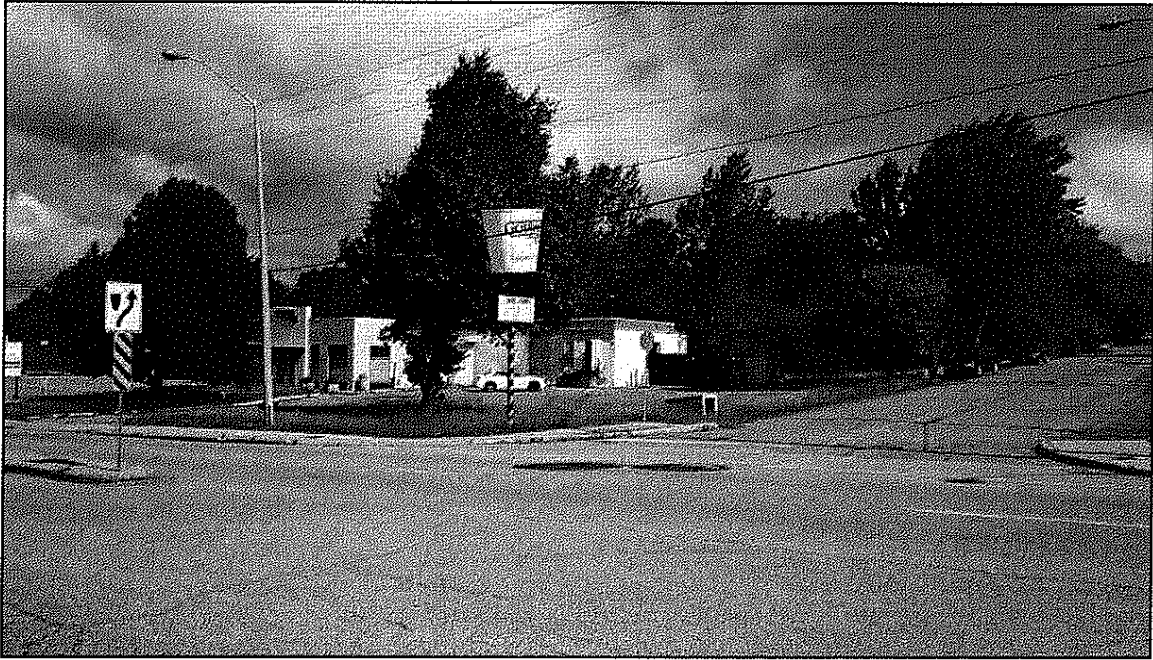


Brian Bennett B.A. AIC Candidate Member
Real Property Valuator



Mark Shore M.A., AACI
Accredited Appraiser

1687 MONTREAL ROAD, OTTAWA



Intersection of Montreal Road and Clovelly Road - Southeast Corner of Subject Property



Aerial Photograph of Subject Property

EXECUTIVE SUMMARY

Location of Property:	1687 Montreal Road, Ottawa.
Type of Property Appraised:	Commercial development site.
Registered Owner:	Vertamin Real Estate Inc.
Effective Date of Appraisal:	June 26, 2017
Date of Inspection:	June 26, 2017
Purpose of Appraisal:	To estimate the Market Value of the subject property as at the effective date.
Interest Appraised:	Fee Simple
Highest and Best Use:	Future development (no contributory value attributed to existing buildings - land value only).
Summary of Subject Property:	<i>Dimensions:</i> 142.26' (Montreal) x 244.7'(Clovelly) <i>Total Site Area:</i> 38,853 sq.ft.(0.89 acres) <i>Configuration:</i> Rectangular <i>Services:</i> Full Municipal services <i>Zoning:</i> AM10[2199], Arterial Mainstreet Sub-zone <i>Official Plan:</i> Arterial Mainstreet
Value by:	
Direct Comparison Approach:	\$30.00/sq.ft. of site area
Final Estimate of Value:	\$1,165,000.00 (rounded)*

* No Environmental Site Assessment ("ESA") was provided/reviewed by the Appraiser. As a result, soil and groundwater conditions are assumed to be in compliance with MOECC criteria. The Appraiser reserves the right to amend the Final Estimate of Value should exceedances exist. Furthermore, soil conditions are assumed stable and of a suitable load bearing condition to support development envisioned under Highest & Best Use. No Geotechnical reporting was provided/reviewed. Land area is subject to up-to-date survey.

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ASSUMPTIONS AND LIMITING CONDITIONS

1. This report was prepared by Shore•Tanner & Associates, Real Estate Appraisers and Consultants for Mr. John Haralovich of MNP Ltd., who intends to use the report for sale purposes.
2. The legal description of the subject property as stated herein is that recorded by the relevant Registrar of the Land Titles Office or Registry Office, and is assumed to be correct. No Title Search was undertaken/reviewed.
3. In order to arrive at a supportable opinion of value it was found necessary to utilize both documented and hearsay evidence of market transactions. A concerted effort has been put forth to verify the accuracy of the information herein contained. Accordingly, the information is believed to be reliable and correct, and has been gathered according to the procedures which are recognized by the Appraisal Institute of Canada.
4. Sketches, drawings, diagrams, photographs, etc. presented in the report are included for the sole purpose of illustration.
5. No survey was provided/reviewed. Land area is subject to an up-to-date survey.
6. The property rights appraised exclude mineral rights, if any.
7. The agreed upon compensation for services rendered in preparing this report does not include a fee for court preparation or court appearance. Should a court appearance be required in connection with this report, additional fees would have to be agreed upon.
8. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected) shall be disseminated to the public by any means without prior written consent and approval of the appraiser.
9. The opinion of value applies only as of the date specified.
10. No Environmental Site Assessment (“ESA”) was provided/reviewed by the Appraiser. As a result, soil and groundwater conditions are assumed to be in compliance with MOECC criteria. The Appraiser reserves the right to amend the Final Estimate of Value should exceedances exist. Furthermore, soil conditions are assumed stable and of a suitable load bearing condition to support development envisioned under Highest & Best Use. No Geotechnical reporting was provided/reviewed.
11. Highest & Best Use is determined to lie in the future development of the subject property with a use permitted by its AM10[2199], Arterial Mainstreet sub-zone and the Official Plan Arterial Mainstreet designation (ie. land value only). Because of their current poor physical condition, no contributory value is attributed to the existing buildings on the site.

SCOPE OF THE APPRAISAL

The Scope of the Appraisal encompasses the necessary research and analysis to prepare a report in accordance with the 2016 Edition of the Canadian Uniform Standards of Professional Appraisal Practice (“CUSPAP”) originally adopted by the Appraisal Institute of Canada on January 1, 2001. With regard to the valuation of the subject property, this involved the following process.

1. This appraisal report shall take the Full Narrative format as recognized by the Appraisal Standard Rules within the Canadian Uniform Standards of Professional Appraisal Practice.
2. Zoning information was based on a review of the comprehensive zoning by-law for the City of Ottawa (By-law No. 2008-250). The City of Ottawa Official Plan was also reviewed.
3. Site and ownership data was received from MPAC. No survey was provided/reviewed. Land area is subject to an up-to-date survey.
4. Comparable sales data was received from RealTrack, an internet based comparable sale database.
5. No Environmental Site Assessment (“ESA”) was provided/reviewed by the Appraiser. As a result, soil and groundwater conditions are assumed to be in compliance with MOECC criteria. The Appraiser reserves the right to amend the Final Estimate of Value should exceedances exist.
6. Soil conditions are assumed stable and of a suitable load bearing condition to support development envisioned under Highest & Best Use. No Geotechnical reporting was provided/reviewed.
7. Because of their current poor physical condition, no contributory value is attributed to the existing buildings on the site. An interior inspection of the buildings was not completed.
8. The following documentation was not available for review: Environmental Site Assessment, Geotechnical Reporting, Up-to-date Site Survey, Zoning Compliance Report, Adequacy of Servicing Report, Title Search.

DEFINITION OF THE APPRAISAL PROBLEM

Registered Owner, Type of Property Appraised, Municipal Address and Legal Description

Registered Owner: Vertamin Real Estate Inc.

Type of Property Appraised: Commercial development site.

Municipal Address: 1687 Montreal Road, Ottawa

Legal Description: Part of Block 2, Registered Plan 118; Part of Lots 1 & 2, Registered Plan 126; Being Parts 2, 3 & 4 on Reference Plan 5R-2278; Except Part 1 on Reference Plan 5R-369; Part of Lot 2, Registered Plan 126; Being Part 2 on Reference Plan 4R-27383; Ottawa (PIN: 04373-0081).

Purpose of the Appraisal

To estimate the Market Value of the subject property as at the effective date. *It is noted that Highest & Best Use is determined to lie in the future development of the subject property with a use permitted by its AM10[2199], Arterial Mainstreet sub-zone and the Official Plan Arterial Mainstreet designation (ie. land value only). Because of their current poor physical condition, no contributory value is attributed to the existing buildings on the site.*

Effective Date of Appraisal

The effective date of this appraisal is June 26, 2017.

Date of Inspection

The subject property was inspected on June 26, 2017. Photographs were taken on the same date.

Intended Use of Appraisal

It is understood that this appraisal report is being used for sale purposes by the Addressee.

Property Rights Appraised

The property rights appraised are those of the Fee Simple interest.

Sales History of Subject Property

The subject last transferred on September 26, 2013 to Vertamin Real Estate Inc. for \$1,200,000.00 representing the equivalent of \$30.89/sq.ft. of site area.

Listing History of Subject Property

The subject property is not listed for sale on the OREB MLS as of the effective date.

Definition of Market Value

Market Value, as per the Appraisal Institute of Canada, is defined as follows¹:

“The most probable price which a property should bring in a competitive and open market as of the specified date under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition 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;*
- ▶ *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”.*

¹ Canadian Uniform Standards of Professional Appraisal Practice, 2016 Edition, AIC.

Exposure Time

A definition of Market Value is not complete without an indication as to the estimate of exposure time linked to the value estimate. Exposure time is the estimated period the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at Market Value on the effective date. Exposure time is always presumed to precede the effective date of the value estimate and is based upon an analysis of past market events and trends as they apply to the type of real property under consideration. It is noted that the overall concept of exposure time encompasses not only an adequate, sufficient and reasonable time, but also an adequate, sufficient and reasonable marketing effort. Assuming that the exposure was reflective of the Market Value as herein estimated, a typical and reasonable exposure period would be 90 days.

NEIGHBOURHOOD CONTEXT

The subject property is located on the northwest corner of the intersection of Montreal Road and Clovelly Road, in the east end of Ottawa. More specifically, it is a parcel of land with two former commercial use buildings on-site (noted to be in poor condition) known municipally as 1687 Montreal Road, Ottawa. The location of the subject is indicated (red star) on the map below.



Montreal Road extends from Rideau Street in the west to Highway 174 and St. Joseph Boulevard in the east, traversing the northern sector of the east-end of Ottawa. Development on the corridor includes retail uses near the intersections with major arterials, such as the Vanier Parkway, St. Laurent Boulevard and Ogilvie Road. The subject property lies on that segment of Montreal Road between Blair Road and Ogilvie Road. Land uses in the immediate vicinity of the subject property range from former residential dwellings that have been converted into retail and office uses, to institutional use in the form of the

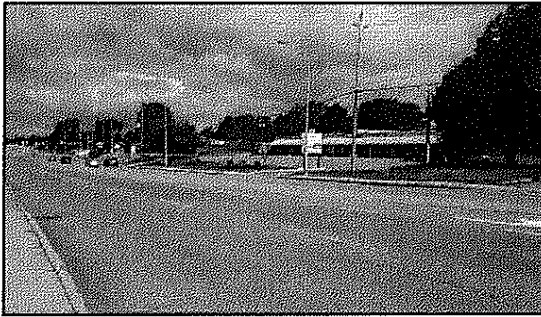


Development on Montreal Road Looking West



Development on Montreal Road Looking East

Montfort Hospital, CMHC's campus at the Aviation Parkway and Montreal Road, and the National Research Council of Canada's compound that extends on either side of Montreal Road, along the west side of Blair Road. A former retail strip plaza (now dedicated to medical related use) flanks the subject to the west and a nursing home flanks the subject to the east. A restaurant and the Beacon Hill Motel lie to the south of the subject, across Montreal Road. Other development nearby includes an automotive service garage, small plaza, retirement homes, extended care facilities and several high-rise apartment buildings to the east and west on Montreal Road.

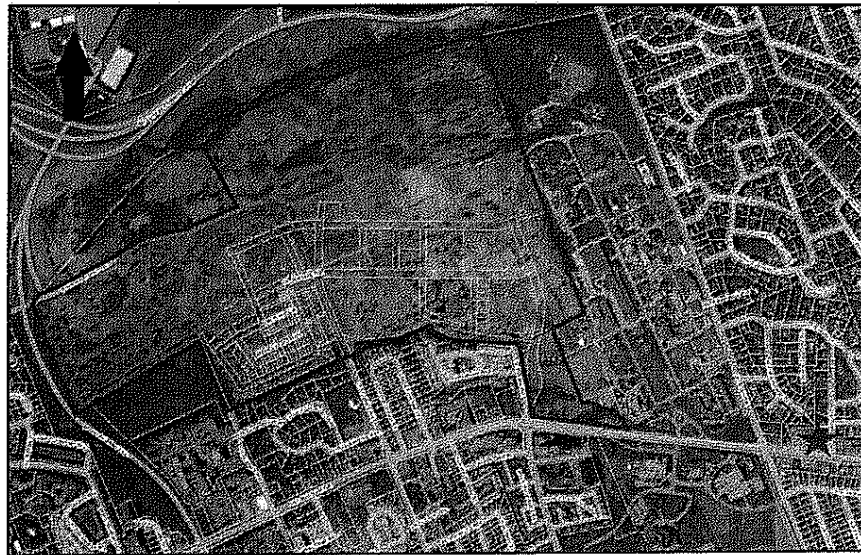


Former Plaza Flanking Subject to West



Nursing Home Flanking Subject to East

New development in the area is limited to the former Rockcliffe Airport lands, promoted and sold by Canada Lands Company as Wateridge Village at Rockcliffe. Developers Claridge Homes, Uniform Urban Developments, Tartan Homes and most recently

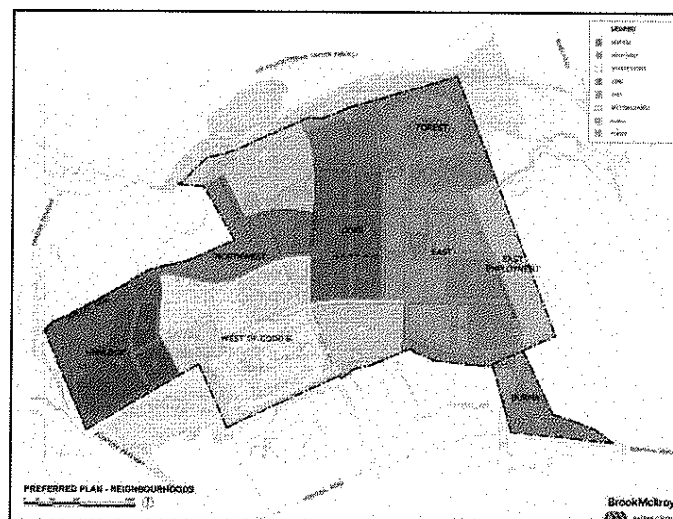


Wateridge Village

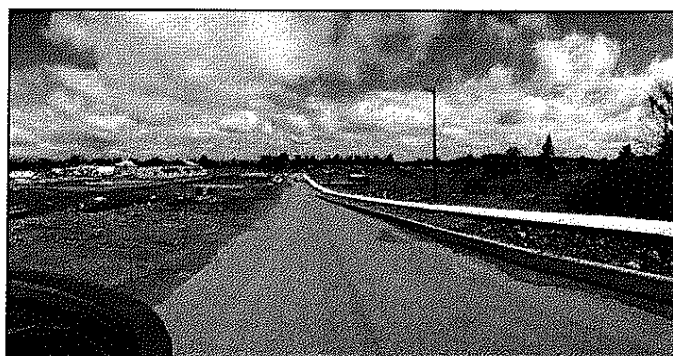
Mattamy Homes have purchased blocks of land and construction has commenced. This 310 acre site lies to the northwest of the subject property (red star).

Wateridge Village

Canada Lands Company's concept for Wateridge Village is a planned community of mixed residential, commercial and retail space in 8-neighbourhoods identified in the Community Design Plan reproduced to the right. Build-out is estimated to take 15-20 years and is to include 5,350 residential units comprised of low-rise residential, low to mid-rise residential and low to mid-rise, mid-rise and high-rise mixed use buildings. The East Employment neighbourhood is to include a mix of low to high-rise office buildings, the Core is to include mixed residential and employment uses and the Burma neighbourhood is to include ground level shops and services in high-rise buildings. There are also to be ten



Wateridge Village Neighbourhoods



Phase I - Wateridge Village

Construction of Phase I has begun in the West of Codd's neighbourhood with Claridge Homes and Uniform Urban Developments marketing single family dwellings and townhomes.

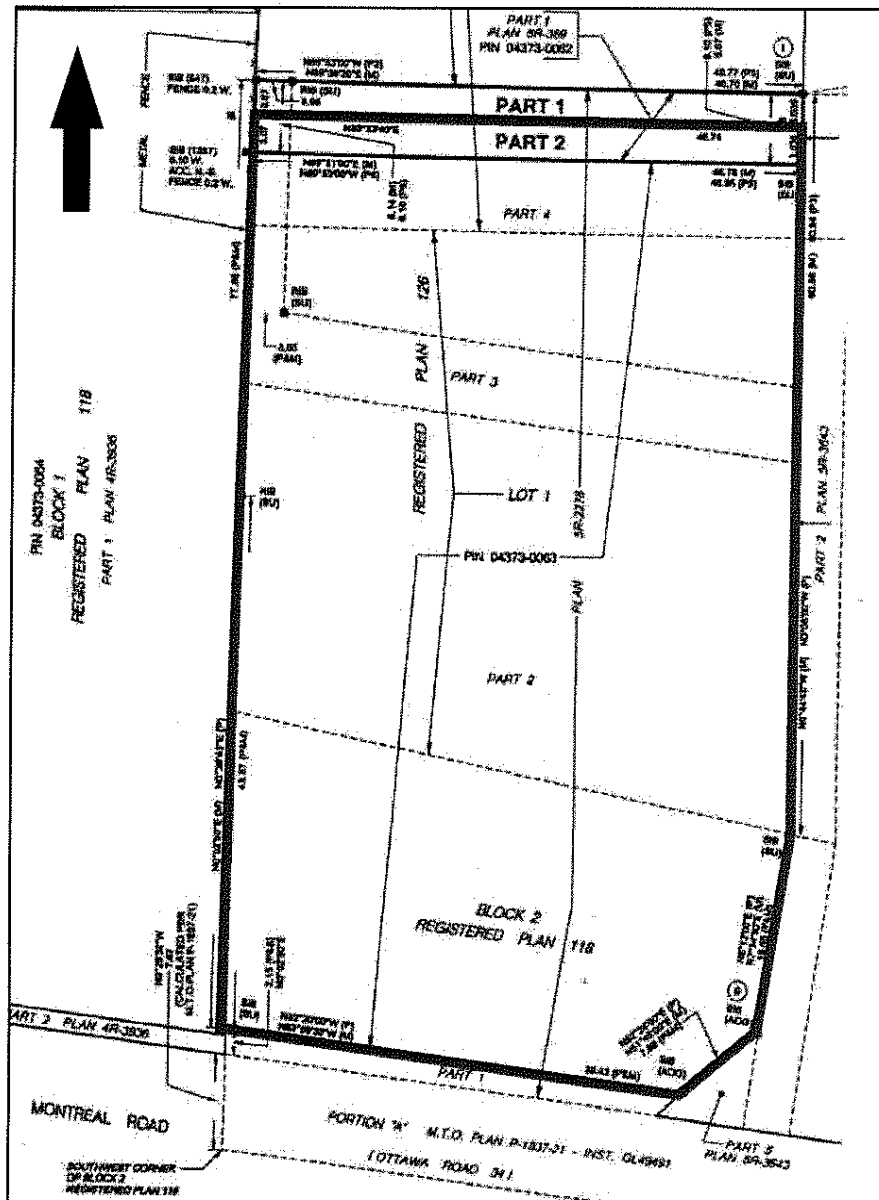
To summarize, the subject neighbourhood is improving and will be significantly expanded over the next 15-20 years with the build-out of Wateridge Village. That said, presently that stretch of Montreal Road that includes the subject property is characterized as being dominated by older spot development in former residential buildings, limited commercial development and high-rise apartment buildings. No new commercial-retail or office development has occurred in the immediate vicinity within the past 5-10 years.

DESCRIPTION AND ANALYSIS OF SITE

Configuration, Dimensions and Size

As indicated in the site plan reproduced below, the subject property is rectangular in configuration situated on the north side of Montreal Road at the southern terminus of Clovelly Road. Based on information provided by MPAC the subject site has 142.6' of frontage on Montreal Road and a depth of 244.7'. Total site area is 38,853 sq.ft. (0.89 acres - subject to an up-to-date survey).

Site Plan



Municipal Services

The subject property has access to a full complement of municipal services. Regularly scheduled public transportation is available on Montreal Road. It is assumed that there exists sufficient servicing capacity (municipal water and sanitary sewer) to support development of the subject site as envisioned under the Highest & Best Use. No Adequacy of Servicing reporting was reviewed.

Topography and Vehicular Access

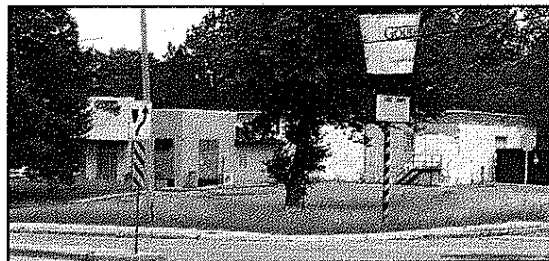
The subject property is noted to be more or less level along the Montreal Road frontage and the Clovelly Road flankage. A single point of access is noted, from the north side of Montreal Road.

Soil Considerations

No Environmental Site Assessment (“ESA”) was provided/reviewed by the Appraiser. As a result, soil and groundwater conditions are assumed to be in compliance with MOECC criteria. The Appraiser reserves the right to amend the Final Estimate of Value should exceedances exist. Furthermore, soil conditions are assumed stable and of a suitable load bearing condition to support development envisioned under Highest & Best Use. No Geotechnical reporting was provided/reviewed.

Site Improvements

The subject property is level and partially stabilized with asphalt pavement (noted to be in poor condition), with small grass covered areas and mature trees along the street frontage and tree and bush covering the rear of the site. Two former commercial structures remain on-site. Owing to the age of these structures and the configuration of the buildings on site, combined with the current land value for commercial land as evidenced by numerous comparable sales, the value of the land underlying the improvements significantly exceeds the improved value of the subject property. Inasmuch, no contributory value is attributed to the existing structures.



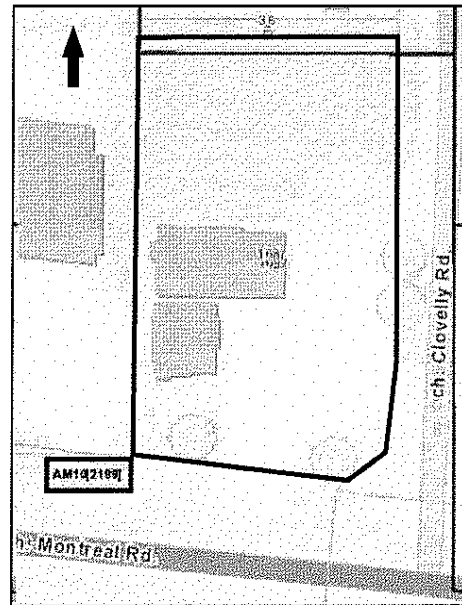
Building Improvements

Easements and Rights-of-Way

There would not appear to be any atypical rights-of-way nor easements that would otherwise affect Market Value. No title search was completed.

City of Ottawa Zoning

The Comprehensive Zoning By-law is a set of regulations to control development in Ottawa, they are intended to replace the 41 existing zoning by-laws in the 11 former local municipalities amalgamated in 2001. Based on the comprehensive zoning by-law for the City of Ottawa, By-law 2008-250 that was adopted on June 25, 2008, the subject property is zoned AM10[2199], Arterial Mainstreet sub-zone. There are a total of 54 permitted uses under the broader AM, Arterial Mainstreet sub-zone including bank, drive-through facility, retail store, retail food store, restaurant, office and medical facility to name but a few. The AM10, Arterial Mainstreet sub-zone indicates required set-backs. The [2199] suffix requires a minimum lot area of 1,500 m² (0.37 acres) for an automotive dealership use. Future development will have to comply with the provisions of the existing AM10, Arterial Mainstreet sub-zone.



City of Ottawa Official Plan

The Planning Act of Ontario requires municipalities to prepare, and regularly review, an Official Plan in order to manage and direct physical change. According to the City of Ottawa Official Plan, the subject property lies within an area designated as “Arterial Mainstreet”. The redevelopment of the subject property will have to comply with the provisions of the AM10[2199], Arterial Mainstreet sub-zone along with the general direction of the Arterial Mainstreet Official Plan designation.

HIGHEST AND BEST USE

As defined by the Appraisal Institute of Canada, Highest and Best Use is²,

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

² Canadian Uniform Standards of Professional Appraisal Practice, 2016 Edition, AIC.

In determining the Highest and Best Use of a vacant or improved site, it becomes necessary to satisfy the following four criteria. In other words, the use must be legally permitted, physically possible, economically feasible, and provide the greatest net return or value to the site.

Legally Permitted

A use may not be considered as a site's Highest and Best Use unless it is a legally permissible with respect to the present zoning by-law. Statutory regulations stipulate permissible uses within the overall framework of the community detailing the uses of land deemed most appropriate for the general public at large. A legally permitted use is not necessarily sufficient to dictate Highest and Best Use nor does it reflect market preferences.

Physically Possible

A proposed use for a site cannot be considered its Highest and Best Use unless that use is physically and functionally adaptable to the characteristics of the site. A site's physical characteristics that are readily discernible and which influence the determination of its Highest and Best Use include size, shape, topography, frontage, access and natural drainage. There are other physical features that may come into play however these often require expert analysis especially in consideration of a site's serviceability and the load bearing capacity of its soils.

Economically Feasible

A use cannot be considered as a site's Highest and Best Use if it is observed that there will be no apparent demand for the proposed use within a reasonable period of time following its development. While it is important that the use satisfy the first two criteria, sufficient demand for the use must exist making the project economically feasible. Aspects of marketability, especially with regards to the anticipated demand for a product, are the most critical determinant of Highest and Best Use.

Most Profitable

Finally, a use cannot be considered for a site's Highest and Best Use unless its anticipated earnings ability is sufficient to generate a reasonable return on its costs of acquisition or its cost of development. This aspect of Highest and Best Use inherently involves a cost-benefit analysis whereby the use of that generates the highest profitability index, or greatest net return in dollars on original cost, is naturally concluded to represent the Highest and Best Use.

Conclusion - Highest and Best Use

Given the fact that:

1. The subject property is located on Montreal Road, between Rothwell Heights and Beacon Hill South neighbourhoods, in what was formerly identified as the east end of the City of Ottawa. While the general vicinity of the subject neighbourhood is improving and will be significantly expanded over the next 15-20 years with the build-out of Wateridge Village, that stretch of Montreal Road that includes the subject property is characterized as being dominated by older spot development in former residential buildings, limited commercial development, high-rise apartment buildings, retirement and nursing homes. No new commercial-retail or office development has occurred within the past 5-10 years;
2. The subject property is rectangular in configuration possessing a total of 142.26' of frontage along the north side of Montreal Road, with 244.7' of flankage on Clovelly Street. Total site area is 38,853 sq.ft. (subject to verification by an up-to-date survey);
3. The subject buildings are advanced in age and poorly configured on the site. As such no contributory value is attributed to the buildings on the site (land value only);
4. Based on the Comprehensive Zoning By-law 2008-250, the subject property is zoned AM10[2199], Arterial Mainstreet sub-zone. Future development would have to comply with the provisions of the zoning designation;
5. According to the City of Ottawa Official Plan, the subject property lies within an area designated as Arterial Mainstreet which is the primary Official Plan designation along this stretch of Montreal Road.

Conclusion - Highest and Best Use

Highest and Best Use is determined to lie in the future development of the subject property with a use permitted by its AM10[2199], Arterial Mainstreet sub-zone and the Arterial Mainstreet Official Plan designation (ie. land value only). Because of their current poor physical condition, no contributory value is attributed to the existing buildings on the site.

ESTIMATE OF LAND VALUE

Appraisal Methodology

The purpose of this appraisal is to estimate the Market Value of the subject property as at June 26, 2017. In this regard, the Direct Comparison Approach is viewed as the most applicable approach and will be used to estimate the Market Value of the subject property under Highest & Best Use (land value only).


Direct Comparison Approach to Value

The Direct Comparison Approach is a valuation technique where the subject property is compared to similar properties that have recently sold with adjustments made to compensate for the various points of difference. This Approach is based on the "Principle of Substitution" which affirms that a prudent purchaser will pay no more for a property than the cost of acquiring an equally desirable substitute property provided there is no undue delay in making the acquisition. The basic steps in the Direct Comparison Approach include:

1. Survey the City of Ottawa to locate comparable properties:
 - a) that have recently sold,
 - b) that are offered for sale,
 - c) on which offers have been made.
2. Locate and check pertinent information on each.
3. Analyse the data regarding differences both in time of sale and other factors between each comparable and the subject property.
4. Select an appropriate method of comparison, in this case selling price/sq.ft. of site area.
5. Compare each sale to the subject property making the necessary adjustments.
6. Reconcile the data and arrive at a Final Estimate of Value.

Selection of Comparable Land Sales

Ten comparable land sales of commercial development sites were located and reviewed. The details of each transaction are summarized on the following pages in chronological order (oldest to most recent), with the selected unit of comparison being selling price/sq.ft. of site area.

COMPARABLE LAND SALE NO. 1	
2628 St. Joseph Boulevard, Ottawa	
	
Legal Description: Part of Lots 26 & 27, Registered Plan 86; Being Parts 4 & 6 on Reference Plan 5R-8252; South Side St. Joseph Boulevard; Ottawa	
Sale Date: January 30, 2014	PIN: 04422-0046
Selling Price: \$775,000.00	Financing Terms: Cash to the Vendor
Vendor: 830399 Ontario Inc.	
Purchaser: 2399153 Ontario Ltd.	
Zoning: AM3, Arterial Mainstreet Sub-zone	Site Area: 37,897 sq.ft. (0.87acres)
Selling Price/Sq.Ft.: \$20.45	
<p>Remarks: This is the early-2014 sale of the commercial development site on the south side of St. Joseph Boulevard, just west of Belcourt Boulevard in Orleans. Appraised by Shore-Tanner for the sale and subsequent development, this site purchased for the development of two 2-storey office buildings. The owner-occupied professional office building on the front of the site is completed and the second on the rear of the site is presently under construction. Overall comparability is fair.</p>	

COMPARABLE LAND SALE NO. 2

1900 St. Joseph Boulevard, Ottawa



Legal Description: Parcel 7-4, Section GL-10F; Being Part of Lot 7, Concession 1 (O.F.); Designated as Part 5 on Reference Plan 4R-3298; Subject to an Easement as in OC1822167; Ottawa

Sale Date: July 9, 2014	PIN: 04414-0461
Selling Price: \$585,000.00	Financing Terms: Cash to the Vendor
Vendor: 1135125 Ontario Inc.	
Purchaser: Montfort Renaissance Inc.	
Zoning: AM3, Arterial Mainstreet Sub-zone	Site Area: 34,412 sq.ft. (0.79 acres)
Selling Price/Sq.Ft.: \$17.00	

Remarks: This is the mid-2014 sale of the commercial development site on the south side of St. Joseph Boulevard, at the intersection with Grey Nuns Way in Orleans. The site incorporates a substantial slope from north to south. It was subsequently developed with a 4-storey 48-unit apartment building providing affordable housing for homeless persons in Ottawa. Overall comparability is fair.

COMPARABLE LAND SALE NO. 3

2174 St. Joseph Boulevard, Ottawa



Legal Description: Part of Lot 4 & 5, Concession 1 (O.F.); Being Part 1 on Reference Plan 5R-9987; Except Part 1 on Reference Plan 5R-12773; Ottawa

Sale Date: July 25, 2014	PIN: 04417-0131
Selling Price: \$800,000.00	Financing Terms: Cash to the Vendor
Vendor: Mr. Gas Limited	
Purchaser: 2411650 Ontario Inc.	
Zoning: AM3, Arterial Mainstreet Sub-zone	Site Area: 28,449 sq.ft. (0.65 acres)
Selling Price/Sq.Ft.: \$28.12	
Remarks: This is the mid-2014 sale of the commercial development site on the south side of St. Joseph Boulevard, at the corner of Boyer Road in Orleans. The site remains vacant. Overall comparability is fair.	

COMPARABLE LAND SALE NO. 4

920 Watters Road, Ottawa



Legal Description: First: Parcel 90-1, Section 4M-844; Being Block 90 on Registered Plan 4M-844; Ottawa. Second: Parcel 89-1, Section 4M-844; Being Part of Block 89 on Registered Plan 4M-844; Being Part 2 on Reference Plan 4R-14167; Subject to an Easement in Favour of Bell Canada as in LT815818; Subject to an Easement in favour of the Corporation of the Township of Cumberland as in LT816820; Ottawa

Sale Date: October 22, 2014

PIN: 14563-0511

Selling Price: \$1,585,100.00

Financing Terms: Cash to the Vendor

Vendor: Imperial Oil Limited

Purchaser: Trim Road Land Holdings Ltd.; Canada Mortgage and Housing Corporation

Zoning: GM15 H(8), General Mixed Use Sub-zone

Site Area: 79,279 sq.ft. (1.82 acres)

Selling Price/Sq.Ft.: \$19.99

Remarks: This is the late-2014 sale of the commercial development site flanking 900 Watters Road, zoned for commercial mixed use development. Located in Orleans, the site was listed for sale by DTZ Barnicke with a list price of \$1,800,000.00. The listing indicates a restrictive covenant runs with the land that prohibits fuel sales. Purchased by the flanking property owner (900 Watters Road, Ottawa), application was made subsequent to sale to expand the existing 71,056 sq.ft. neighbourhood plaza by 35,000 sq.ft. Overall comparability is fair.

COMPARABLE LAND SALE NO. 5

2322 Tenth Line Road, Ottawa



Legal Description: First: Part of Lot 3, Concession 11 Cumberland; as in RR18933B; Except part 2 on Reference Plan 4R-22001; Ottawa. Second: Part of Lot 3, Concession 11 Cumberland; Being Parts 4, 5 & 6 on Reference Plan 4R-19262; Except Part 3 on Reference Plan 4R-22001; Ottawa

Sale Date: November 21, 2014

PIN: First: 14531-0093 Second: 14531-1187

Selling Price: \$1,000,000.00

Financing Terms: Cash to the Vendor

Vendor: Imperial Oil Limited

Purchaser: Trim Road Land Holdings Ltd.; Canada Mortgage and Housing Corporation

Zoning: GM15 H(8), General Mixed Use Sub-zone

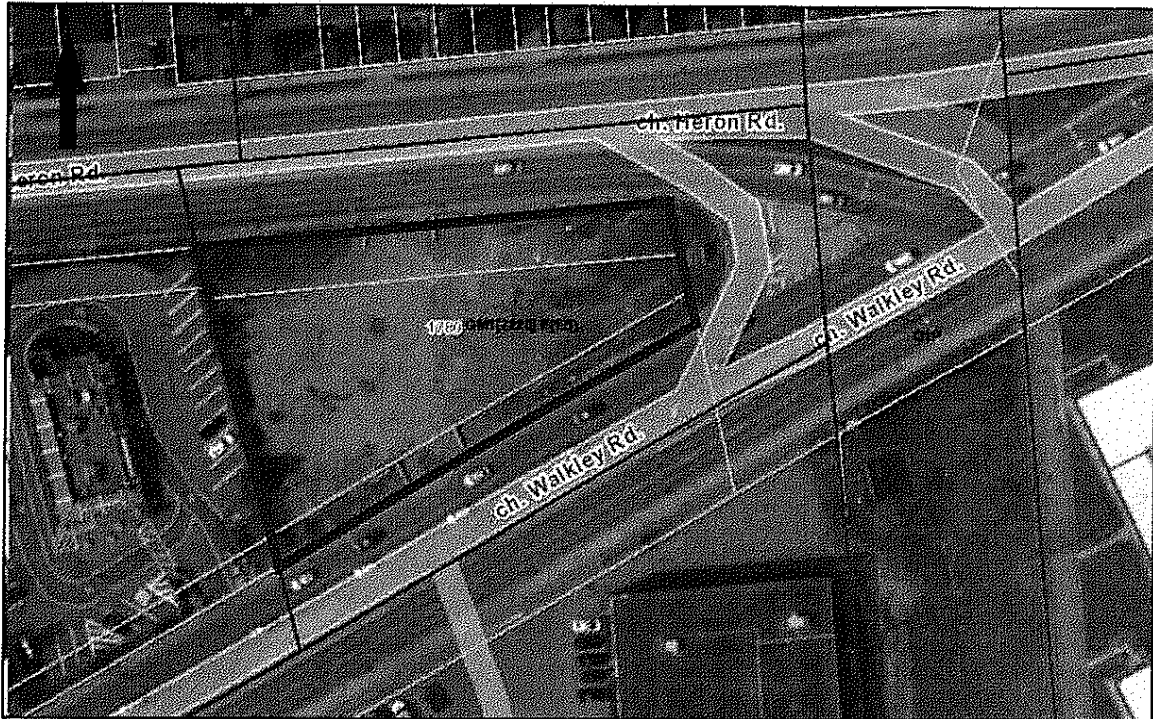
Site Area: 70,132 sq.ft. (1.61 acres)

Selling Price/Sq.Ft.: \$14.26

Remarks: This is the late-2014 sale of the commercial development site on the west side of 10th Line Road at Brian Coburn Boulevard in Orleans. A gas station and retail development lies across Brian Coburn Road to the north. The site remains vacant, but is presently pre-leasing retail space. Overall comparability is fair.

COMPARABLE LAND SALE NO. 6

1780 Heron Road, Ottawa



Legal Description: Part of Lot 21, Junction Gore; Designated as Part 2 on Reference Plan 4R-28825; Ottawa.

Sale Date: September 15, 2015

PIN: 04151-0081

Selling Price: \$850,000.00

Financing Terms: Cash to the Vendor

Vendor: Murlee Holdings Ltd. *Leon's Furniture*

Purchaser: Lamy Holdings Limited

Zoning: GM1[2220], General Mixed Use Sub-zone

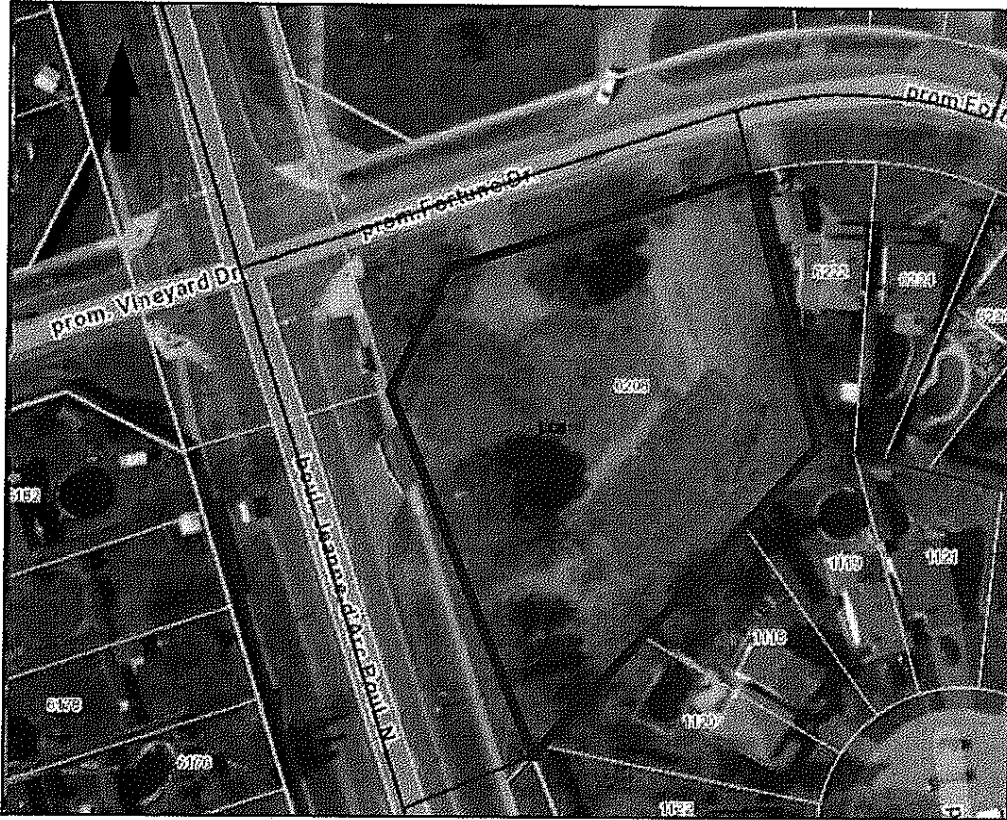
Site Area: 28,314 sq.ft. (0.65 acres)

Selling Price/Sq.Ft.: \$30.02

Remarks: This is the late-2015 sale of a commercial development site. Located in Heron Gate, the triangular shaped site has corner exposure at two arterials and is flanked by the Heron Gate retail site. The site was purchased for the development of an Ultramar gas bar and Quickie convenience store. Appraised by Shore-Tanner & Associates, construction was completed in 2016. Overall comparability is fair.

COMPARABLE LAND SALE NO. 7

6208 Jeanne D'Arc Boulevard, Ottawa



Legal Description: Parcel C-1, Section 4M-171; Being Block C on Registered Plan 4M-171; Subject to LT143231, LT143232, LT143233; Gloucester; Subject to an Easement in Gross as in OC1838627; Ottawa

Sale Date: October 27, 2015

PIN: 04389-0012

Selling Price: \$500,000.00

Financing Terms: Cash to the Vendor

Vendor: Mac's Convenience Stores Inc.

Purchaser: Habitat for Humanity National Capital Region

Zoning: LC6, Local Commercial Sub-zone

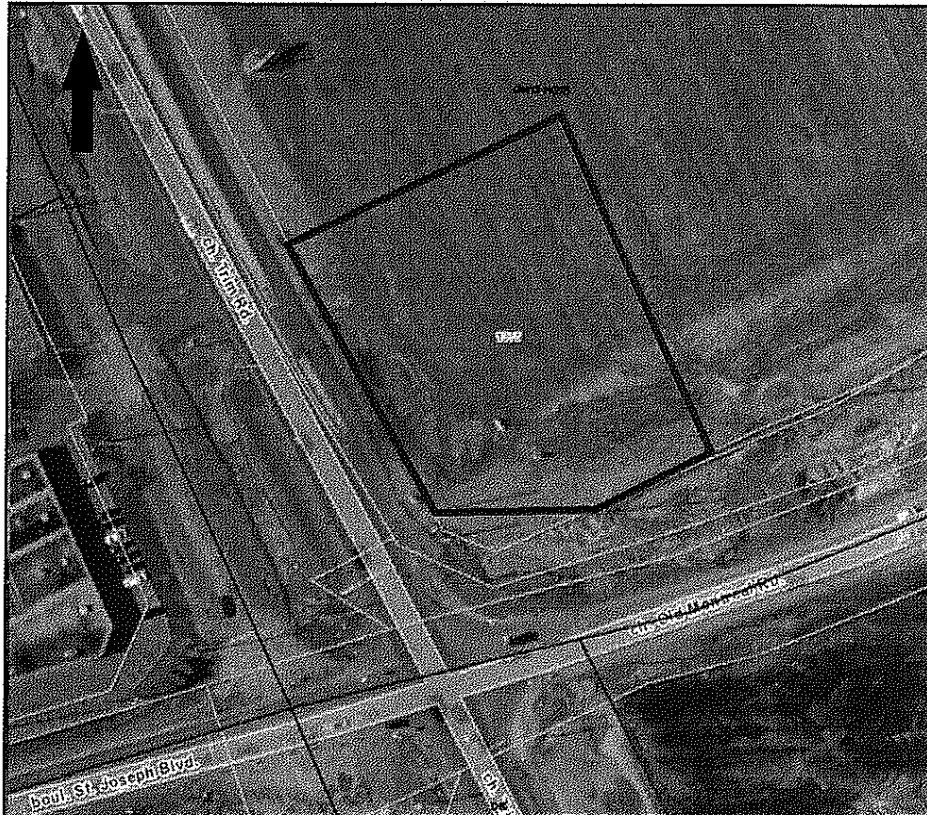
Site Area: 38,768 sq.ft. (0.89 acres)

Selling Price/Sq.Ft.: \$12.90

Remarks: This is the late-2015 sale of the commercial development site on the east side of Jeanne D'Arc Boulevard, at the intersection of Fortune Drive in Orleans. This site was purchased by a non-profit organization who provides housing. Application for Site Plan Control was made to build 16 townhomes and a private road. The site is presently under construction. Overall comparability is fair.

COMPARABLE LAND SALE NO. 8

1375 Trim Road, Ottawa



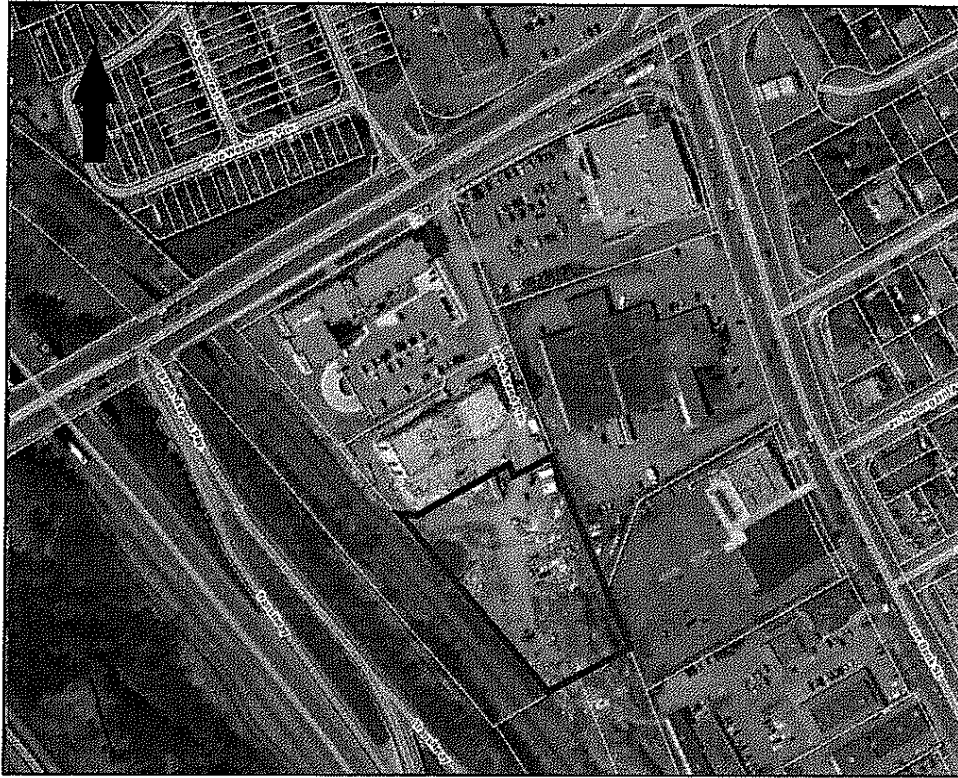
Legal Description: Part of Lot 30, Concession 1 (O.F.); Being Parts 5, 6, 7 & 9 on Reference Plan 4R-18175; Save and Except parts 4 & 5 on Reference Plan 4R26970; Ottawa

Sale Date: November 18, 2015	PIN: 14530-0441
Selling Price: \$660,000.00	Financing Terms: Cash to the Vendor
Vendor: Petro-Canada	
Purchaser: 4368517 Canada Inc.	
Zoning: GM15 H(20), General Mixed Use Sub-zone	Site Area: 50,530 sq.ft. (1.16 acres)
Selling Price/Sq.Ft.: \$13.06	

Remarks: This is the late-2015 sale of the commercial development site flanking on the east side of Trim Road at St. Joseph Boulevard/Old Montreal Road in Orleans. The site is presently being marketed as Trim Social, a multi-tenant retail development that is pre-leasing space. Overall comparability is fair..

COMPARABLE LAND SALE NO. 9

1172 Walkley Road, Ottawa



Legal Description: Part of Lot A, Concession 3 (R.F.); Being Parts 13, 14, 15 & 16 on Reference Plan 4R-28055: Ottawa.

Sale Date: December 24, 2015	PIN: 04065-0119
Selling Price: \$1,250,000.00	Financing Terms: \$250,000.00 Cash to the Vendor \$1,000,000.00 VTB
Vendor: 1686864 Ontario Inc.	
Purchaser: 2497414 Ontario Inc.	
Zoning: GM1[1404] F(2.0) H(50), General Mixed Use Sub-zone	Site Area: 68,389 sq.ft. (1.57 acres)
Selling Price/Sq.Ft.: \$18.28	

Remarks: This is the late-2015 sale of a commercial development site on the east side of the Airport Parkway, south of Walkley Road, in South Ottawa. Site Plan application was made to develop the site with 2-16 storey apartment buildings comprising 250 units. Overall comparability is fair.

COMPARABLE LAND SALE NO. 10

3500 Hawthorne Road, Ottawa



Legal Description: Parcel 4-3, Section GL-5RF; Part of Lot 5, Concession 5 (R.F.); Being Part 2 on Reference Plan 4R-7805; Ottawa.

Sale Date: January 16, 2017

PIN: 04165-0539

Selling Price: \$900,000.00

Financing Terms: Cash to the Vendor

Vendor: Imperial Oil Limited

Purchaser: 2520333 Ontario Inc.

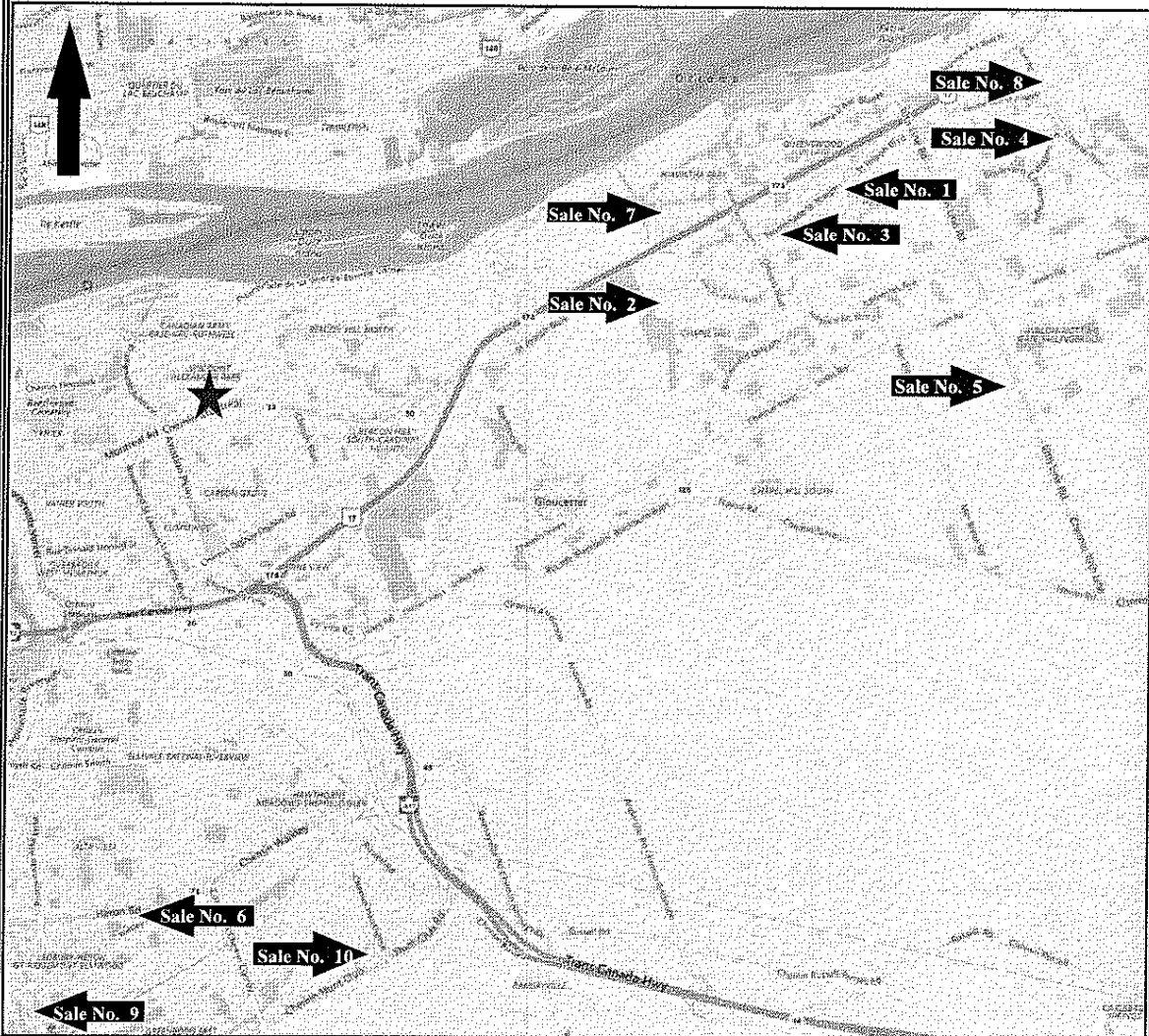
Zoning: GM1[50] F(0.25), General Mixed-use Sub-zone

Site Area: 39,956 sq.ft. (0.92 acres)

Selling Price/Sq.Ft.: \$22.52

Remarks: This is the early-2017 sale of a commercial development site located on the west side of Hawthorne Road at Hunt Club Road in the Hawthorne Industrial Area. Site Plan application has been filed for development of a gas bar, convenience store, restaurant and drive-through on the site. Overall comparability is fair.

**TABLE 1: SUMMARY OF COMPARABLE LAND SALES
COMMERCIAL DEVELOPMENT SITES - OTTAWA, 2014-17**

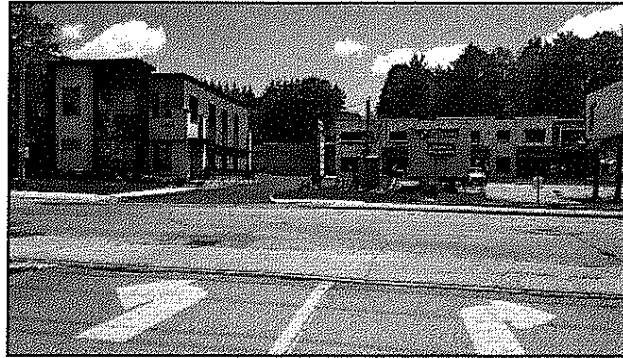


No.	Municipal Address	Date of Sale	Selling Price	Site Area	Zoning	\$/Sq.Ft.
1	2628 St. Joseph Boulevard	Jan.30/14	\$775,000.00	37,897 sq.ft.	AM3	\$20.45
2	1900 St. Joseph Boulevard	Jul.09/14	\$585,000.00	34,412 sq.ft.	AM3	\$17.00
3	2174 St. Joseph Boulevard, Ottawa	Jul.25/14	\$800,000.00	28,449 sq.ft.	AM3	\$28.12
4	920 Watters Road, Ottawa	Oct.22/14	\$1,585,100.00	79,279 sq.ft.	GM15	\$19.99
5	2322 Tenth Line Road, Ottawa	Nov.21/14	\$1,000,000.00	70,132 sq.ft.	GM15	\$14.26
6	1780 Heron Road, Ottawa	Sep.15/15	\$850,000.00	28,314 sq.ft.	GM1	\$30.02
7	6208 Jeanne D'Arc Boulevard, Ottawa	Oct.27/15	\$500,000.00	38,768 sq.ft.	LC6	\$12.90
8	1375 Trim Road, Ottawa	Nov.18/15	\$660,000.00	50,530 sq.ft.	GM15	\$13.06
9	1172 Walkely Road, Ottawa	Dec.24/15	\$1,250,000.00	68,389 sq.ft.	GM1	\$18.28
10	3500 Hawthorne Road, Ottawa	Jan.16/17	\$900,000.00	39,956 sq.ft.	GM1	\$22.52
Subject Property: 1687 Montreal Road, Ottawa				38,853 sq.ft.	AM10 2198 	---

SUMMARY OF MARKET DATA

The preceding ten comparable land sales were registered between January 30, 2014 and January 16, 2017 and represent the most recent sales of vacant commercial development sites in the east-end of Ottawa over the past 3.5-years. In order to provide a consistent method of comparison and analysis, the selling price in each sale was expressed in terms of a selling price/sq.ft. of site area. On this basis, a range of value was developed from \$13.04-\$30.02/sq.ft., subject to adjustments. The sale properties ranged in size from 28,314-79,279 sq.ft. Recall the subject property measures 38,853 sq.ft.

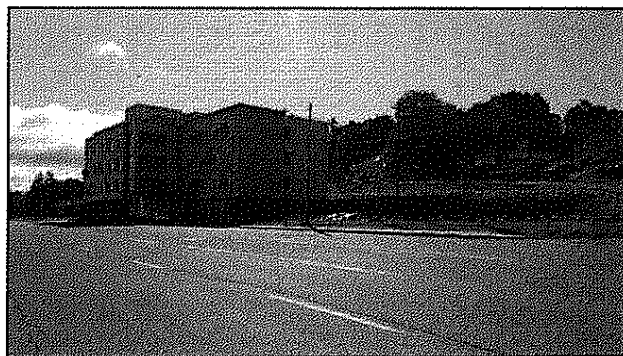
Comparable sale no. 1 represents the early-2014 sale of a commercial development site on the south side of St. Joseph Boulevard, just west of Belcourt Boulevard in Orleans. Appraised by Shore-Tanner for the sale and subsequent development, this site was developed with two 2-storey office buildings, the second on the rear of the site is presently



Sale no. 1 - 2628 St. Joseph Boulevard, Ottawa

under construction. Comprising 37,897 sq.ft. and selling for \$20.45/sq.ft. of site area, positive adjustments are required for time/change in market conditions.

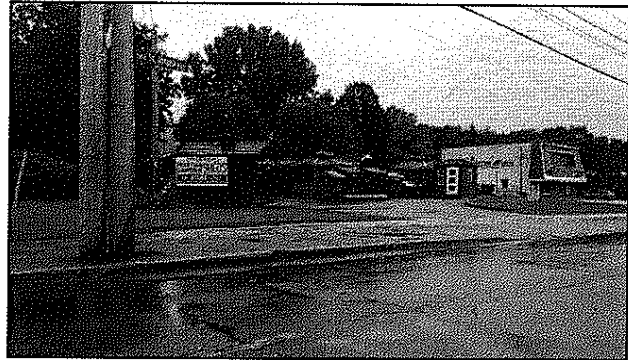
Comparable sale no. 2 represents the mid-2014 sale of a commercial development site on the south side of St. Joseph Boulevard at Grey Nuns Way in Orleans. The site was subsequently developed with a 4-storey 48-unit apartment building providing affordable housing for homeless persons in Ottawa. Positive adjustments for time/change in



Sale no. 2 - 1900 St. Joseph Boulevard, Ottawa

market conditions are required to the \$17.00/sq.ft. of site area paid for this 34,412 sq.ft. site.

Comparable sale no. 3 represents the mid-2014 sale of a commercial development site on St. Joseph Boulevard at Boyer Road in Orleans. The 28,449 sq.ft. site remains vacant to date. Positive adjustment to the sale price of \$28.12/sq.ft. of site area is required for time/change in market conditions.



Sale no. 3 - 2174 St. Joseph Boulevard, Ottawa

Comparable sale no. 4 represents the late-2014 sale of a 79,279 sq.ft. commercial development site on the southwest corner of the intersection of Trim and Watters Road in Orleans. Selling for \$19.99/sq.ft. of site area, positive adjustment is required for time/change in market conditions.



Sale no. 4 - 920 Watters Road, Ottawa

Comparable sale no. 5 represents the late-2014 sale of the 70,132 sq.ft. commercial development site located on the west side of 10th Line Road at Brian Coburn Boulevard in Orleans that sold for \$14.26/sq.ft. of site area. A gas station and retail development lies across Brian Coburn Road to the north. The site remains vacant, but is presently pre-leasing retail space in the proposed "Tenth Line Square" plaza. Positive adjustment is required for time/change in market conditions.



Sale no. 5 - 2322 Tenth Line Road, Ottawa



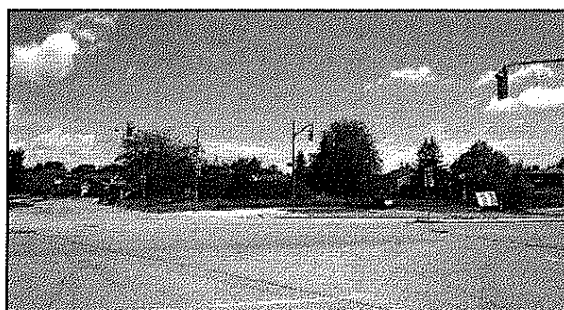
Sale no. 5 - Proposed Tenth Line Square Plaza

Comparable sale no. 6 represents the late-2015 sale of a commercial development site located in Heron Gate. The triangular shaped site has corner exposure at two arterials. The site was purchased for the development of an Ultramar gas bar and Quickie convenience store. Appraised by Shore-Tanner & Associates, construction was completed in 2016. This 28,314 sq.ft. site sold for \$30.02/sq.ft. of site area and requires positive adjustment for time/change in market conditions.



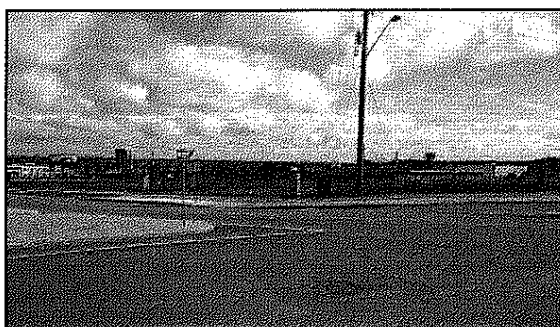
Sale no. 6 - 1780 Heron Road, Ottawa

Comparable sale no. 7 represents the late-2015 sale of a commercial development site at Jeanne D'Arc Boulevard and Fortune Drive in Orleans. This 38,768 sq.ft. site was purchased for \$13.04/sq.ft. of site area, by a non-profit organization who provides housing for the underprivileged. Construction of 16 townhomes and a private road is presently on-going. Positive adjustment is required for time/change in market conditions.



Sale no. 7 - 6208 Jeanne D'Arc Boulevard, Ottawa

Comparable sale no. 8 represents the late-2015 sale of the 50,530 sq.ft. commercial development site on Trim Road at the St. Joseph Boulevard/Old Montreal Road in Orleans. The site is presently being marketed as Trim Social, a multi-tenant retail development that is pre-leasing space. Positive adjustment to the sale price of \$13.06/sq.ft. of site area is required for time/change in market conditions.

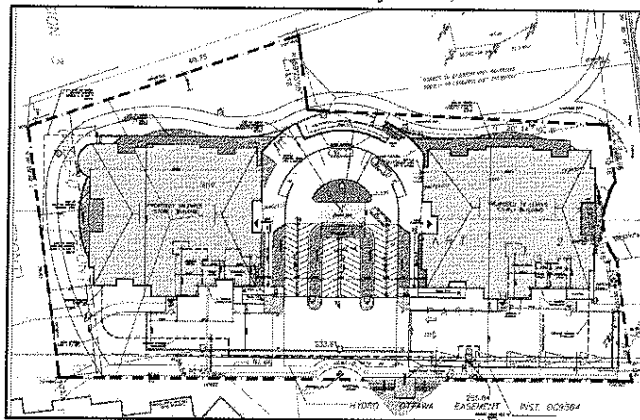


Sale no. 8 - 1375 Trim Road, Ottawa

Comparable sale no. 9 represents the late-2015 sale of a 68,389 sq.ft. commercial development site on the east side of the Airport Parkway, south of Walkley Road on Anand Private in Ottawa South. This site lies on the western periphery of the O-Train tracks and the Airport Parkway. Application for site plan approval was made to develop the site with 2-16 storey apartment buildings comprising 250 units. Positive adjustment to the sale price of \$18.28/sq.ft. of site area is required for time/change in market conditions.

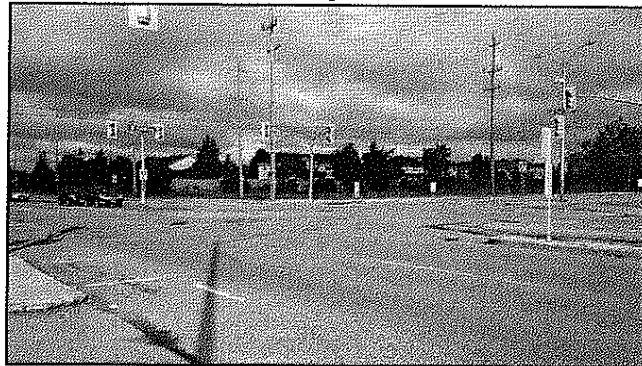


Sale no. 9 - 1172 Walkley Road, Ottawa

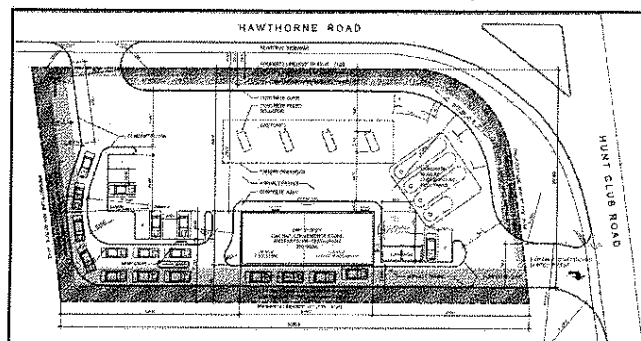


Sale no. 9 - Proposed Site Plan

Sale no. 10 represents the early-2017 sale of a 39,956 sq.ft. commercial development site on the west side of Hawthorne Road at Hunt Club Road in the Hawthorne Industrial Area. Application for Site Plan approval has been filed for development of a gas bar, convenience store, restaurant and drive-through on the site. Selling for \$22.52/sq.ft. of site area, no adjustment is required for time/change in market conditions given its sale date in 2017.



Sale no. 10 - 3500 Hawthorne Road, Ottawa



Sale no. 10 - Proposed Site Plan

LISTINGS OF COMMERCIAL LAND FOR SALE - MONTREAL ROAD

875 Montreal Road, Ottawa

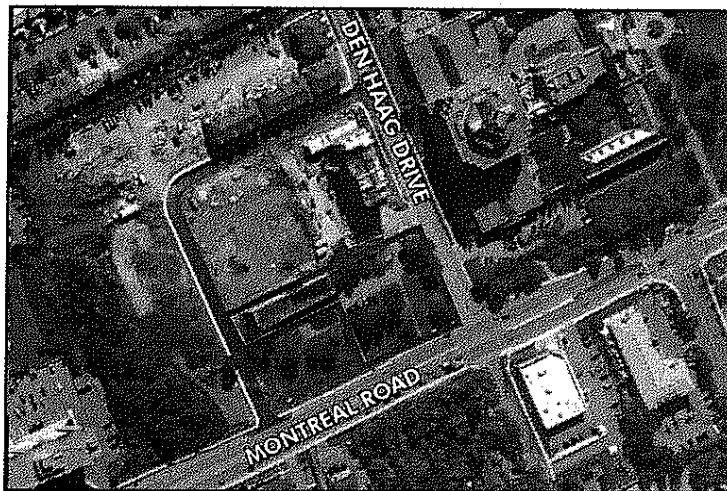
875 Montreal Road is presently listed for sale. This 13,939 sq.ft. site lies at the intersection of Codd's Road and Montreal Road and is zoned AM10[2199], Arterial Mainstreet. It lies to the east of the subject property. The Realtor reports the property has been listed for just over 1-week for \$1.465 Million or \$105.00/sq.ft. of site area. There has been no interest reported in the listing to date.



Listing - 879 Montreal Road, Ottawa

120 Den Hagen Drive

A 64,034 sq.ft. site on the southeast corner of Den Hagen Drive and Montreal Road has been listed for sale for the past 2-3 years. Part of a Canada Lands Company concept, this remnant parcel is "L" shaped and is zoned AM5[1779], Arterial Mainstreet. As part of the purchase, development proposals must be submitted to and accepted by Canada Lands Company. The



Listing - 120 Den Hagen Drive, Ottawa

The Realtor reports that the site has been under contract several times over the past 2-3 years, but to-date all sales have failed to close. The property remains on the market with the asking price of \$2.5 Million or \$39.00/sq.ft. of site area, unchanged since originally listed.

CONCLUSION

Ten comparable land sales were reviewed in the east-end of Ottawa, including one sale in Ottawa South, representing a comprehensive list of transactions for commercial development sites over the past 3.5-years. Prior to adjustments, a range in value was developed extending from \$13.04-\$30.02/sq.ft. of site area, with most of the transactions occurring between 2014-15. Recognizing that the dominant adjustment is positive to reflect changes in market conditions since 2014-15, the overall direction of adjustments is mostly positive in these earlier transactions. That said, the highest sale price is \$30.02/sq.ft. of site area for a commercial development site, since developed with an Ultramar gas-bar and Quickie convenience store at the very busy apex of Walkley and Heron Road.

Clearly, the subject property is challenged given its location along a stretch of Montreal Road that has not seen new commercial retail nor office development for 5-10 years. Having reviewed the sales data, and recognizing its challenges, Market Value as at the effective date is estimated to be at the top-end of the range or **\$30.00/sq.ft.** of site area. Total Market Value as at June 26, 2017 is therefore estimated to be: \$30.00/sq.ft. of site area x 38,853 sq.ft. = \$1,165,590.00, Rounded to:

\$1,165,000.00

(ONE MILLION ONE HUNDRED & SIXTY FIVE THOUSAND DOLLARS)

No Environmental Site Assessment ("ESA") was provided/reviewed by the Appraiser. As a result, soil and groundwater conditions are assumed to be in compliance with MOECC criteria. The Appraiser reserves the right to amend the Final Estimate of Value should exceedances exist. Furthermore, soil conditions are assumed stable and of a suitable load bearing condition to support development envisioned under Highest & Best Use. No Geotechnical reporting was provided/reviewed. Land area is subject to up-to-date survey.

APPRAISER CERTIFICATION

**Re: Full Narrative Appraisal Report - Commercial Development Site
1687 Montreal Road, Ottawa
Our Reference No. B2694-17**

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

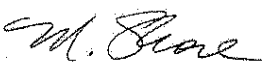
1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal impartial, and unbiased professional analyses, opinions, and conclusions;
3. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermined results, the amount of the value estimate, or a conclusion favouring the client;
6. My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Canadian Uniform Standards;
7. I have the knowledge and experience to complete the assignment competently;
8. No one provided significant professional assistance to the person signing this report;
9. As of the date of this report the undersigned has fulfilled the requirements of The Appraisal Institute of Canada Continuing Professional Development Program for members;
10. The undersigned are all members in good standing of the Appraisal Institute of Canada;
11. I inspected the subject property of the report;
12. Market Value as at June 26, 2017 is estimated to be: **\$1,165,000.00**;
13. No Environmental Site Assessment ("ESA") was provided/reviewed by the Appraiser. As a result, soil and groundwater conditions are assumed to be in compliance with MOECC criteria. The Appraiser reserves the right to amend the Final Estimate of Value should exceedances exist. Furthermore, soil conditions are assumed stable and of a suitable load bearing condition to support development envisioned under Highest & Best Use. No Geotechnical reporting was provided/reviewed. Land area is subject to up-to-date survey.

July 10, 2017
Date of Signature



Brian Bennett B.A. AIC Candidate Member

July 10, 2017
Date of Signature



Mark Shore M.A., AACI

C

**APPRAISAL REPORT
ON
895 MONTREAL ROAD
OTTAWA, ONTARIO**

PREPARED FOR

MNP LTD.

PREPARED BY

**MCLEAN, SIMON & ASSOCIATES (OTTAWA)
*REAL ESTATE ADVISORY SERVICES***

JULY 2017



July 5, 2017

Reference No. 241N-17

MNP Ltd.
1600 Carling Avenue, Suite 800
Ottawa, Ontario
K1Z 1G3

Attention: Mr. John Haralovich, CIRP, LIT, CPA, CA, CMA
Senior Vice President

Dear Mr. Haralovich:

Re: Appraisal Report on 895 Montreal Road, Ottawa, Ontario

In accordance with your instructions, we have inspected the above-referenced property and have undertaken a valuation investigation in order to provide you with an estimate of its current market value. The effective date of appraisal is June 28, 2017.

The property rights being appraised are those of the fee simple interest in the subject property. The market value estimate assumes an "all cash" transaction, free and clear of any existing mortgages and/or other encumbrances, unless otherwise noted in this report. It is also assumed that the subject property is free and clear of any hazardous or toxic substances which may adversely affect its market value and/or highest and best use.

... / 2

- 2 -

Based on our investigations and analysis, it is our opinion that the current market value estimate of the fee simple interest in the subject property, located at 895 Montreal Road, Ottawa, Ontario, as of June 28, 2017, is:

**ONE MILLION EIGHT HUNDRED THOUSAND DOLLARS
(\$1,800,000)**

Please find attached the details of the subject property and our valuation methodology. Should you require any further assistance in these or other matters, please let us know.

Yours truly,

McLEAN, SIMON & ASSOCIATES (OTTAWA)

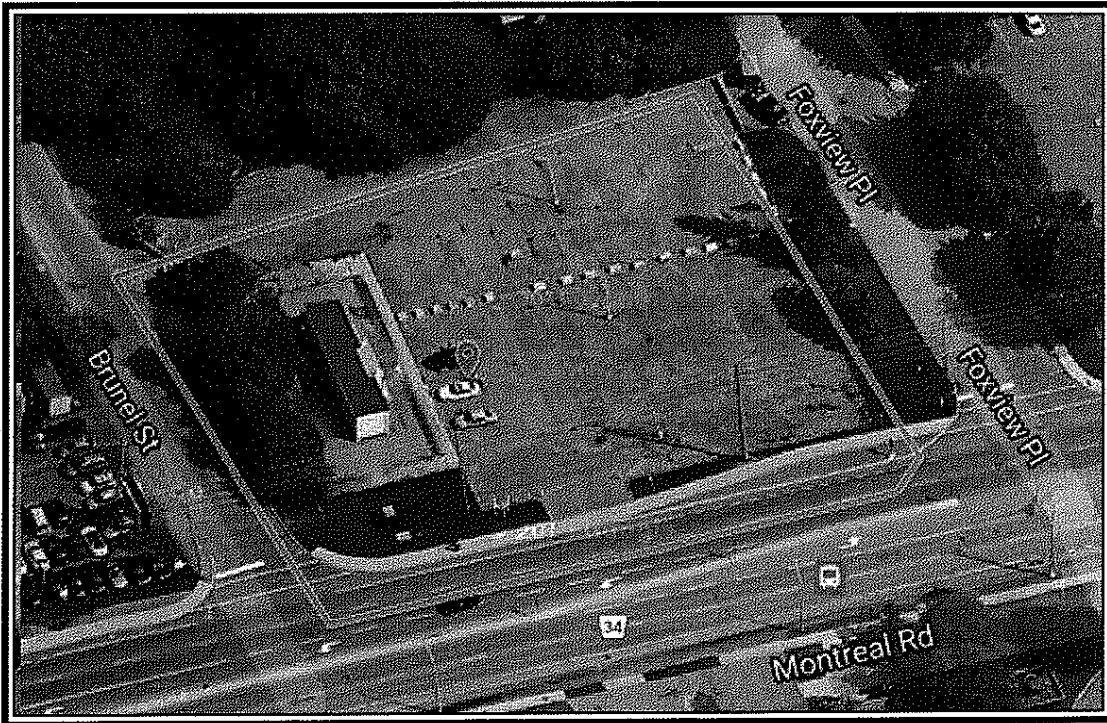


Robin Simon, B.Comm., PGCV
AIC Candidate Member



Michael Simon, B.Comm., AACI, P.App

PHOTOGRAPHS OF THE SUBJECT PROPERTY



Aerial Photograph



View from Montreal Road





View from Foxview Place



View from Brunel Street

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SUMMARY OF SALIENT FACTS AND IMPORTANT CONCLUSIONS

Terms of Reference

Purpose of Report:	To estimate the current market value of the fee simple interest in the subject property.
Effective Date of Appraisal:	June 28, 2017 (date of inspection)
Intended Use of Appraisal:	Loan administration

Property Data

Municipal Address:	895 Montreal Road, Ottawa, Ontario
Location:	North side of Montreal Road, east side of Brunel Street and west side of Foxview Place, in the Viscount Alexander Park neighbourhood of the City of Ottawa
Legal Description:	Lots 1, 2 & 3, Plan 142, East Side Mary Street (AKA Brunel Street) and West Side Foxview Place (formerly Ann Street), Lot A, Plan 142, North Side Montreal Road, all Except Part 10 on Plan 5R-4761, City of Ottawa
Site Area:	47,846 square feet (1.1 acres) - subject to survey
Zoning Designation:	AM10 [2199] - Arterial Mainstreet Zone
Official Plan Designation:	General Urban Area (Arterial Mainstreet)

Conclusions

Highest and Best Use:	Development with a permitted use
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FINAL ESTIMATE OF MARKET VALUE:	\$1,800,000 - As of June 28, 2017
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TERMS OF REFERENCE

Purpose of the Appraisal

The purpose of this appraisal report is to estimate the current market value of the fee simple interest in the subject property.

Intended User and Use of the Report

This report is intended for use only by MNP Ltd. Use of this report by others is not intended by the appraiser, and any liability in this respect is strictly denied. The intended use of this appraisal is to assist in loan administration purposes and for no other use.

Definition of Market Value

For the purpose of this assignment, we have relied on the following definition of "market value" as established by the Canadian Uniform Standards of Professional Appraisal Practice:

The most probable price which a property should bring in a competitive and open market as of the specified date under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Property Rights Appraised

The property rights to be appraised are those of the undivided 100% fee simple interest in the subject property. Fee simple interest is that interest in land which is unencumbered by any contractual lease obligations and/or other restrictive covenants. Fee simple is the greatest interest in land that an owner may possess.

Effective Date of Appraisal

The effective date of this appraisal report is June 28, 2017, which coincides with the date of inspection. The completion date of this valuation assignment is July 5, 2017.

Scope of the Appraisal

The scope of the appraisal encompasses the necessary research and analysis to prepare a report in accordance with the intended use and the Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada. In regards to the subject property, this involved the following steps:

- 1) An inspection of the subject property and surrounding neighbourhood was conducted on June 28, 2017.
- 2) Municipal data, where included, was based on information available from the City of Ottawa and statistical organizations such as Statistics Canada. The neighbourhood section was based primarily on our inspection of the area.
- 3) Title history data for the subject property was based on information obtained from the Geowarehouse on-line registry system. A formal title search of the subject property was not undertaken. The legal description is assumed to be correct, but should not be relied upon without first obtaining a formal legal opinion.
- 4) Descriptive information regarding the subject property was compiled from our inspection and information provided by the property manager. The subject site area and dimensions were obtained from Geowarehouse and the Municipal Property Assessment Corporation (MPAC). The site area is subject to survey by a qualified land surveyor.
- 5) Information relating to land use regulations was obtained from the City of Ottawa.

- 6) The highest and best use conclusion was based on the location and physical aspects of the subject property, limitations imposed by land use regulations and on economic factors (i.e. market demand and supply).
- 7) In developing the relevant approaches to value, the market data used was collected from our office files, land registry office, real estate agents/brokers and market participants.
- 8) After assembling and analyzing the data defined in this scope of the appraisal, a final estimate of market value was established.
- 9) The mandate of the appraisal did not require a report prepared to the standard appropriate for court purposes or for arbitration, so we did not fully document or confirm by reference to primary sources all information herein.

Reasonable Exposure Time

According to the Canadian Uniform Standards of Professional Appraisal Practice, reasonable exposure time is defined as follows:

"The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market."

Based on statistical information and market data gathered, it is our opinion that a reasonable amount of time required in order to consummate a sale of the subject property at the estimated market value would have been six to twelve months.

Extraordinary Assumptions

There are no extraordinary assumptions pertaining to this appraisal report. The subject property is being valued "as is" under highest and best use, with consideration given to its physical attributes and current land use regulations.

TITLE AND ASSESSMENT INFORMATION

Legal Description

The subject property is legally described as being composed of Lots 1, 2 & 3, Plan 142, East Side Mary Street (AKA Brunel Street) and West Side Foxview Place (formerly Ann Street), Lot A, Plan 142, North Side Montreal Road, all Except Part 10 on Plan 5R-4761, City of Ottawa. PIN 04274-0036.

The legal description was obtained from the Geowarehouse on-line registry system. It is assumed to be correct and should not be relied upon without obtaining a qualified legal opinion.

Ownership Information and Three Years Sales History

The current registered owner of the subject property is Vertamin Real Estate Inc. It was purchased on September 26, 2013, with the adjacent property to the north (581 Brunel Street), for a purchase price of \$2,400,000.

There have been no other registered arm's length transactions involving the subject property within the last three years preceding the effective date of appraisal.

Easements/Rights-of-Way

There are no known easements or rights-of-way for the subject property. A legal opinion should be sought regarding any registered or unregistered encumbrances that may exist.

Outstanding Mortgages

For the purpose of this appraisal and the estimate of market value, it is assumed that the subject property is free and clear of any existing mortgages. As a result, it is presumed that the property would be exposed for sale on an "all-cash" basis.

Assessment and Realty Tax Information

According to the Municipal Property Assessment Corporation (MPAC), the subject property is assessed as vacant commercial land. The assessed value based on January 1, 2016 is \$2,292,000. Realty tax information was not available.

DESCRIPTION AND ANALYSIS OF LOCATION

General Location

The subject property is located on the north side of Montreal Road, east side of Brunel Street and west side of Foxview Place, in the Viscount Alexander Park neighbourhood in the east end of the City of Ottawa.

A Location Map indicating the subject property is provided on the following page.

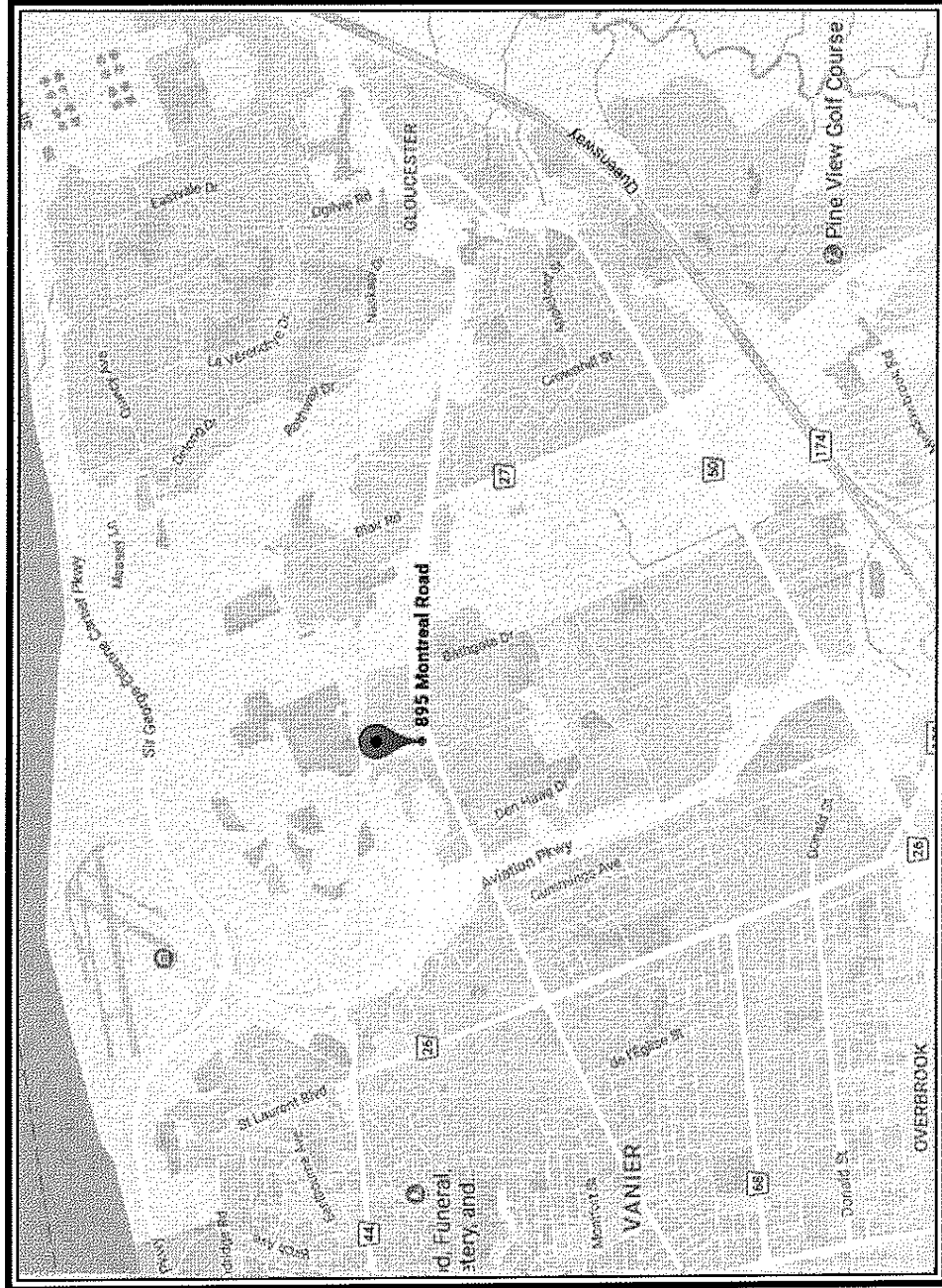
Neighbourhood Characteristics

The subject neighbourhood (Viscount Alexander Park) is located in the northeastern portion of the City of Ottawa. It is bounded by the Ottawa River to the north, Montreal Road to the south, Blair Road to the east and St. Laurent Boulevard, Hemlock Road and the Aviation Parkway to the west.

The neighbourhood comprises a mixture of low to high density residential housing, institutional uses and commercial uses. The neighbourhood includes much of the Rockcliffe Airport (home to the Canada Aviation and Space Museum) and the former CFB Rockcliffe. It also includes the Montfort Hospital. Commercial amenities to serve the neighbourhood are located along Montreal Road and St. Laurent Boulevard.

The most notable development in the neighbourhood is the new Wateridge Village residential development, currently under construction on the site of the former CFB Rockcliffe. The development comprises an area of 310 acres and is to be developed with a mix of residential, commercial, retail and institutional space. The first phase of the development is currently underway, led by the Canada Lands Company (Crown Corporation).

LOCATION MAP



Neighbourhood Access

Road access to the neighbourhood is provided via Montreal Road (east/west) and St. Laurent Boulevard and the Aviation Parkway (north/south). Montreal Road is a major arterial leading to Ottawa's downtown core to the west and the eastern suburbs to the east.

The Queensway (Highway 174) is located south of the subject neighbourhood and is readily accessed via the Aviation Parkway. Public transit in the area is excellent with regular bus service provided along Montreal Road.

Immediate Land Use Patterns

The immediate neighbourhood of the subject property consists a mixture of uses. Commercial uses are located along Montreal Road. There is a vacant lot located to the west of the subject site, on the northwest corner of Montreal Road and Brunel Street. The site is used as a used car sales lot, with a trailer. There is a restaurant located to the east of the site at the intersection of Montreal Road and Foxview Place. There are additional commercial uses located on the south side of Montreal Road, including a restaurant, a fire station, a retail plaza and a car dealership.

Low density residential uses are located on Brunel Street and Foxview Place to the north of the subject site. The residential dwellings are primarily single-family and semi-detached dwellings.

The Montfort Hospital is located in close proximity to the subject property, at the northeast corner of Montreal Road and the Aviation Parkway. The Montreal Road campus of National Research Council Canada is located to the east of the subject site, at the intersection of Montreal Road and Blair Road. Other major employers in the area include the RCMP, CMHC and CSIS.

Neighbourhood Summary

In summary, the subject neighbourhood is situated approximately five kilometres east of Ottawa's downtown core and has good transportation routes and commercial services. Employment opportunities in the area are also good due to the existing institutional and office facilities in the immediate vicinity.

SITE DESCRIPTION

Site Area and Dimensions

The subject property comprises a site area of approximately 47,846 square feet (1.1 acres) and is roughly rectangular in configuration. It has the following approximate frontages: ±217 feet on the north side of Montreal Road, ±196 feet on the east side of Brunel Street and ±204 feet on the west side of Foxview Place. The rear (northern) boundary measures roughly 231 feet.

The site area and dimensions were obtained from Geowarehouse and MPAC. The site area is subject to survey by a qualified land surveyor. A property map for the site has been provided at the end of this section.

Topography and Landscaping

The subject site is generally flat and level and even with the surrounding road grades. The majority of the site is asphalt paved with demarcated parking spaces. However, the asphalt is in rough shape and needs repair. The site features night lighting.

The site is improved with a mobile trailer, previously used for the rental of luxury vehicles. This is a moveable object and has not been taken into consideration in our valuation.

Availability of Services

Full services are presently available to the subject neighbourhood, including municipal water, sanitary and storm sewers, hydro, telephone and gas.

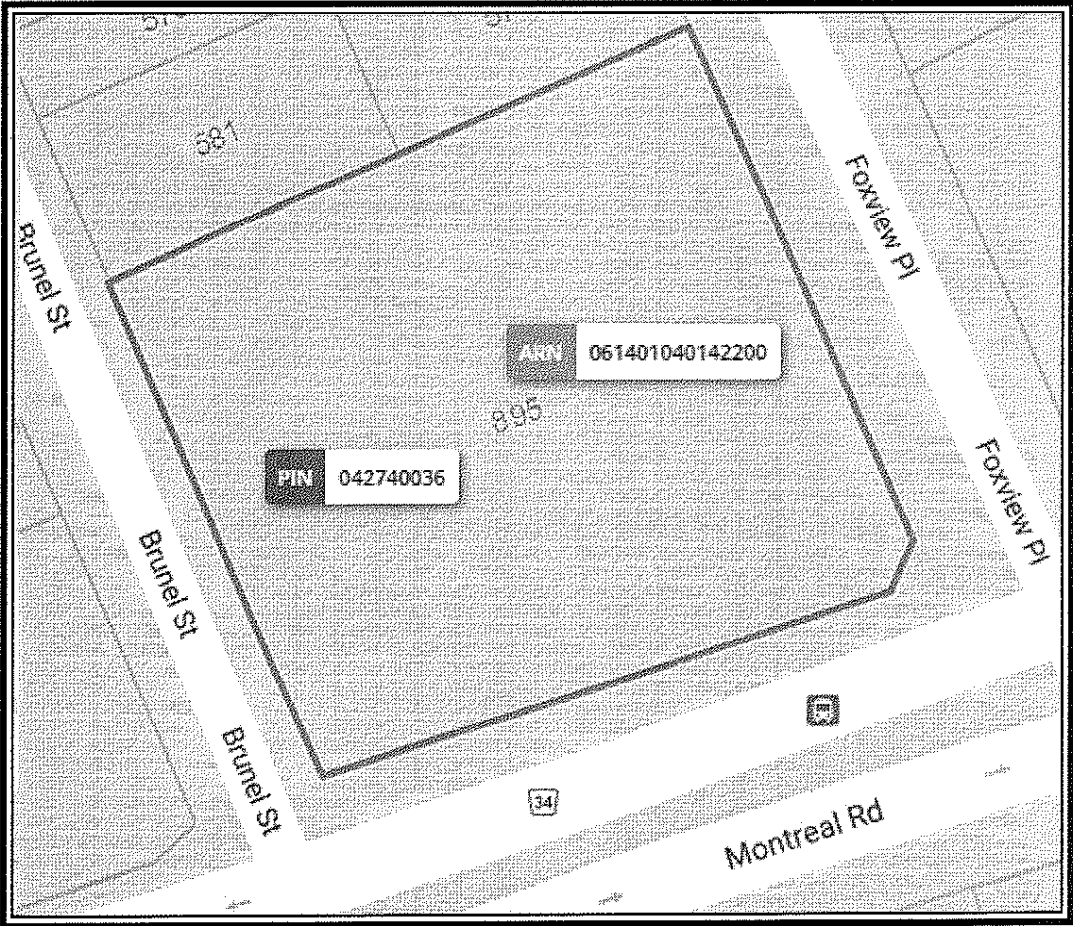
Accessibility and Exposure

Vehicular access to the site is presently available from one access off Montreal Road, one access off Brunel Street and one access off Foxtail Place. Exposure is deemed to be very good given the subject's frontage on Montreal Road, a well travelled arterial.

Soil Conditions

It is assumed that the subject property is free and clear of any hazardous or toxic substances which may adversely affect either its highest and best use or market value.

PROPERTY MAP



LAND USE REGULATIONS

Municipal Zoning By-law

According to the City of Ottawa Comprehensive Zoning Bylaw 2008-250, the subject site is currently zoned *AM10 [2199]*, an Arterial Mainstreet Zone. The purpose of the *AM* zone is to accommodate a broad range of uses including retail, service commercial, offices, residential and institutional uses in mixed-use buildings or side by side in separate buildings. A wide variety of residential and commercial uses are permitted in this zone.

There is no minimum lot area or lot width for the *AM* zone. Yard setback and maximum building height requirements exist depending on the abutting uses.

The *AM10* subzone identifies specific yard setback and building height requirements. For the subject site, which abuts an *R2* zone to the rear, the maximum building height is dependent on the setbacks from the rear lot line. Notwithstanding, the maximum building height is 30 metres or 98 feet (approximately 10 stories).

Exception [2199] stipulates that an automobile dealership use requires a minimum lot area of 1,500 square metres (16,146 square feet).

Ottawa Official Plan

According to the Official Plan for the City of Ottawa, the subject is designated as *General Urban Area* along an *Arterial Mainstreet*.

Conclusions

Any proposed development on the subject site would require approval from the City of Ottawa regarding the land use compliance of the subject property. Excerpts from the Zoning By-law are presented in the Addendum to this report. A Zoning Map has been provided on the following page.

ZONING MAP



HIGHEST AND BEST USE

Introduction

The principle of Highest and Best Use is basically predicated on the principle of utility. An object must possess, or be capable of possessing, some form of beneficial utility. Highest and Best Use may be defined as:

"that reasonable and probable use that will support the highest present value, as the effective date of appraisal. Alternatively, that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible and which results in the highest land value."

When analyzing the highest and best use of a site, the existing use of the property as well as each alternative use being considered must be examined in light of all influencing factors. The following factors govern the determination of Highest and Best Use:

- Marketability;
- Profitability;
- Financial Constraints;
- Managerial Constraints;
- Societal Constraints;
- Statutory Limitations;
- Regulatory Controls;
- Titular Restrictions; and
- Physical and Functional Limitations.

Application to the Subject Property

The subject property consists of a parcel of land measuring approximately 1.1 acres. The property is located in along a major commercial arterial in the east end of the City of Ottawa, along a designated Arterial Mainstreet. The subject site is zoned to accommodate several commercial or residential uses.

The subject property is currently vacant land, which has been cleared. The subject site is of an adequate size and configuration to support development.

Based on the foregoing analysis, it is our opinion that the highest and best use of the subject property is the development with a permitted use.

VALUATION

Introduction

The subject site consists of a 1.1 acre parcel of land. The highest and best use of the property is its development with a permitted use. The property has thus been valued as vacant land.

Land Valuation

There are six different methods to value land. These are:

- 1) Direct Comparison
- 2) Abstraction
- 3) Extraction
- 4) Subdivision Development
- 5) Land Residual
- 6) Ground Rent Capitalization

In the completion of this appraisal report, the Direct Comparison Approach has been utilized. This is the preferred approach where sufficient sales activity occurs.

The Abstraction and Extraction Methods are based on allocations between land and buildings and are not applicable in this case. The Subdivision Development Method is applicable to larger acreage parcels which will be subdivided into smaller saleable units and is also not applicable in this situation. The latter two approaches are seldom used.

DIRECT COMPARISON APPROACH

Introduction

The Direct Comparison Approach is a valuation method in which the subject property is compared with similar properties that have recently been sold or offered for sale. The sale/list prices of comparable properties are analyzed and adjusted in order to estimate the most probable sale price of the property being appraised. Adjustments to sale/list prices should reflect the impact of material, price-influencing differences which exist between the comparable properties and the subject property.

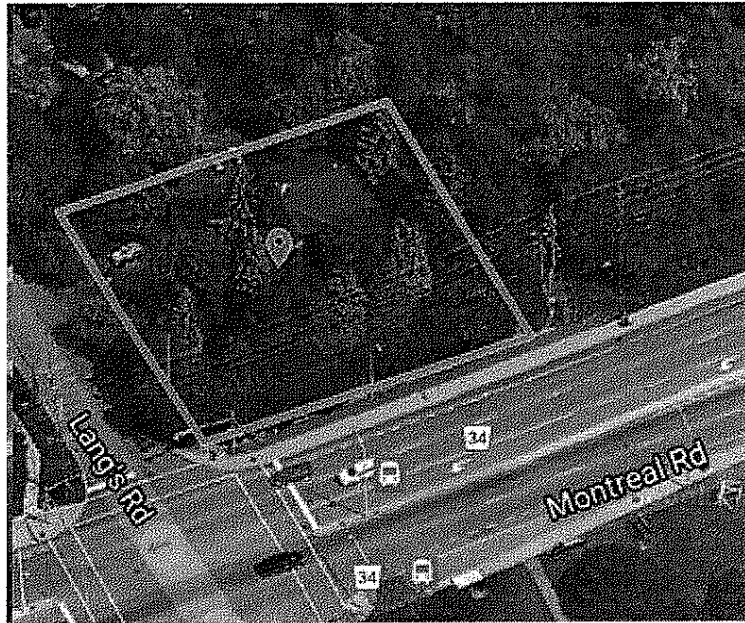
The basic analytical process can be summarized as follows:

1. Survey the competitive area to locate comparable properties that have sold or are offered for sale.
2. Verify pertinent information on each sale used.
3. Compare the subject property in detail with each sale property making adjustments, where considered necessary, to equate differences.
4. Correlate the market data and reconcile it into an estimate of market value for the subject property.

Sales Indices

We have made a search for comparable land sales in the immediate and competing areas of the subject property. Those found and considered to be most comparable are presented on the following pages followed by a Comparable Sales map. The parameter of comparison chosen for our analysis is the sale price per square foot of site area, with consideration given to the absolute sale price.

COMPARABLE SALE NUMBER ONE



765 Montreal Road, Ottawa

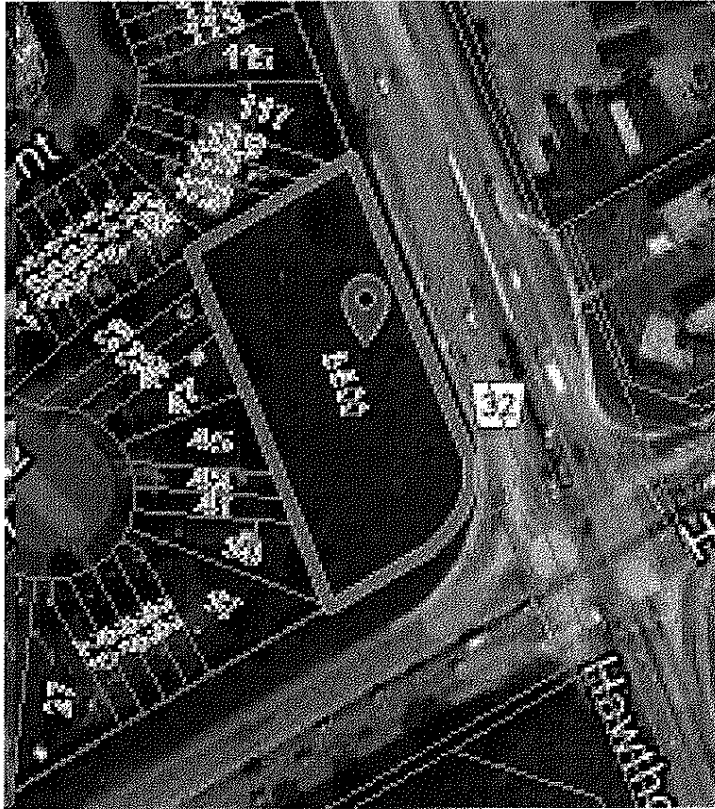
Legal Description: Part of Lot 6, Plan 486, City of Ottawa. Part 2 on Plan 4R-25842. PIN 04275-0071.

Sale Date: February 15, 2017	Sale Price: \$1,000,000
Vendor: Nicole Presentey	Purchaser: Shepherds of Good Hope
Site Area: 16,049 square feet	Zoning: AM10[2201] - Arterial Mainstreet Zone

Sale Price per Square Foot: \$62

Comments: Located on the northeast corner of Montreal Road and Lang's Road, in the Viscount Alexander Park neighbourhood of the City of Ottawa. Improved with a detached dwelling. Marketed as land sale only.

COMPARABLE SALE NUMBER TWO



3500 Hawthorne Road, Ottawa

Legal Description: Parcel 4-3, Section GL-5RF and Part of Lot 5, Concession 5, Rideau Front, City of Ottawa. Part 2 on Plan 4R-7805. PIN 04165-0539.

Sale Date: January 16, 2017	Sale Price: \$900,000
Vendor: Imperial Oil Limited	Purchaser: 2520333 Ontario Inc.
Site Area: 39,977 square feet	Zoning: GM1[50] F(0.25) - General Mixed-Use Zone

Sale Price per Square Foot: \$23

Comments: Located on the northwest corner of Hawthorne Road and Hunt Club Road (signalized intersection), in the Hunt Club Park neighbourhood of the City of Ottawa. Vacant land. Purchased for the development of a gas bar, convenience store and fast food restaurant with drive through.

COMPARABLE SALE NUMBER THREE



4347 Innes Road, Ottawa

Legal Description: Part of Lot A, Concession 11, City of Ottawa. PIN 14520-0223.

Sale Date: April 28, 2017

Sale Price: \$425,000

Vendor: Olga & Michael Ataman

Purchaser: M & H Holdings Inc.

Site Area: 14,951 square feet

Zoning: GM21[439] F(0.5) H(9) - General Mixed-Use

Sale Price per Square Foot: \$28

Comments: Located on the north side of Innes Road, west of Tenth Line Road, in the Orleans neighbourhood of the City of Ottawa. Improved with a detached dwelling. Marketed as land sale.

COMPARABLE SALE NUMBER FOUR



2583 & 2599 Carling Avenue, Ottawa

Legal Description: Part of Lot 33 and Lot 34, Plan 311 and Part of Lots 35, 36, 38, 43 & 44 and Lots 39, 41 & 42, Plan 348, City of Ottawa. PIN 03962-0349 & 03962-0350.

Sale Date: March 24 & May 31, 2016

Sale Price: \$3,700,000

Vendor: 778593 Ontario Inc. & 2583 Carling Avenue Ltd.

Purchaser: Carling/Richmond Storage GP Corporation

Site Area: 48,201 square feet

Zoning: AM10 - Arterial Mainstreet Zone

Sale Price per Square Foot: \$77

Comments: Located on the north side of Carling Avenue, east of Richmond Road, in the Britania neighbourhood of the City of Ottawa. Land assembly of two adjacent parcels, each improved with a commercial building. To be redeveloped with a five-storey self storage facility, with ground floor retail space. A site-specific exception was added to the zoning to allow this use.

COMPARABLE SALE NUMBER FIVE



3162 Woodroffe Avenue, Ottawa

Legal Description: Part of Lot 15, Concession 2 Rideau Front, City of Ottawa. Part 2 on Plan 5R-5676. PIN 04732-0009.

Sale Date: December 1, 2016

Sale Price: \$1,520,000

Vendor: Anna & Giuseppe Crupi

Purchaser: XTP Holdings Inc.

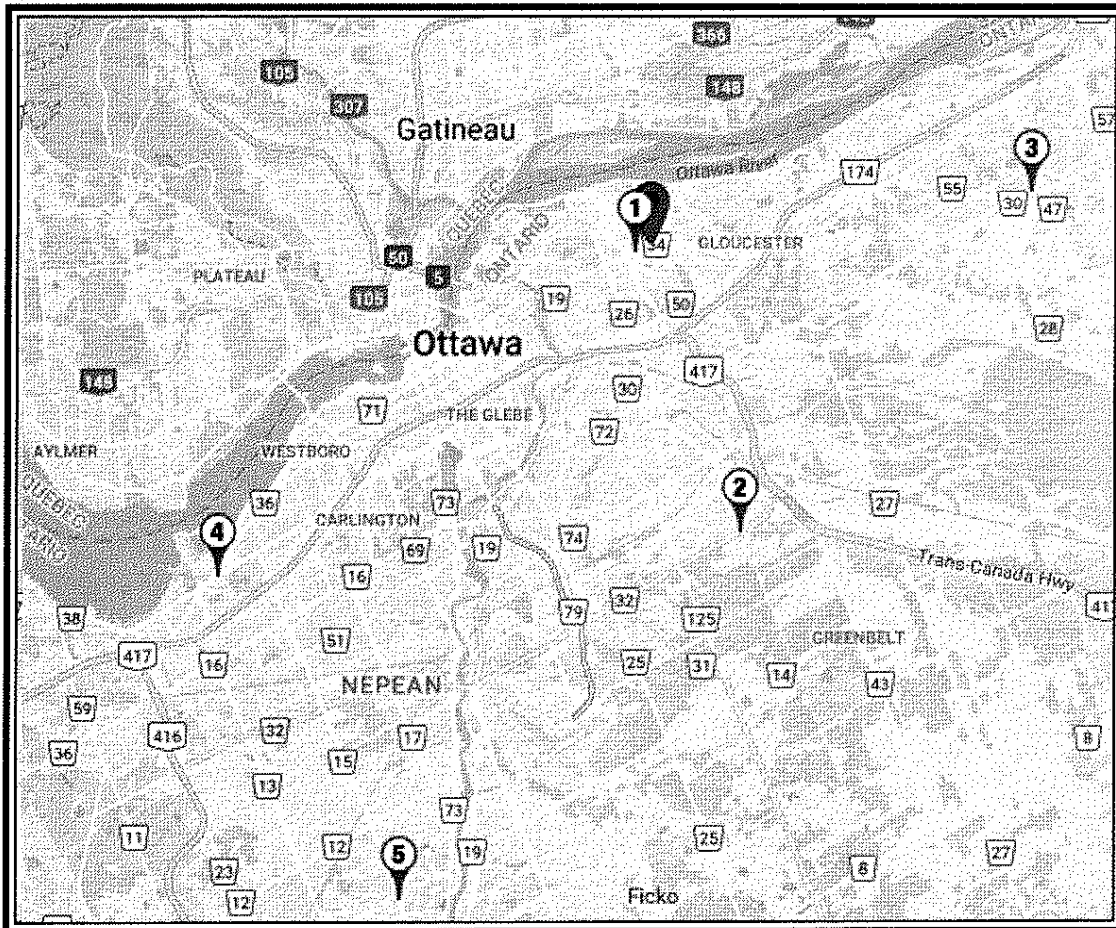
Site Area: 55,391 square feet

Zoning: LC8[2050] H(11) - Local Commercial Zone

Sale Price per Square Foot: \$27

Comments: Located on the west side of Woodroffe Avenue, north of Strandherd Drive, in the Barrhaven neighbourhood of the City of Ottawa. Improved with a detached dwelling on private services. Purchased as an investment with potential for future development. Zoning has a holding symbol. Property cannot be redeveloped until holding symbol is lifted.

COMPARABLE SALES MAP



LEGEND	
Sbj - 895 Montreal Road, Ottawa	
765 Montreal Road, Ottawa	
3500 Hawthorne Road, Ottawa	
4347 Innes Road, Ottawa	
2583 & 2599 Carling Avenue, Ottawa	
3162 Woodroffe Avenue, Ottawa	

Sales Summary

The foregoing land sales have been selected in order to estimate the current market value of the subject property as vacant land. The range of sale prices per square foot of site area before adjustment is from \$23 to \$77. The relevant details of each sale are summarized in the following chart.

SUMMARY OF COMPARABLE LAND SALES					
NO.	LOCATION	SALE DATE	SITE AREA ZONING	SALE PRICE	PRICE/SQ.FT.
1	765 Montreal Road, Ottawa	Feb/17	16,049 sq.ft. AM10[2201]	\$1,000,000	\$62
2	3500 Hawthorne Road, Ottawa	Jan/17	39,977 sq.ft. GM1[50]F(0.25)	\$900,000	\$23
3	4347 Innes Road, Ottawa	Apr/17	14,951 sq.ft. GM21[49] F(0.5) H(9)	\$425,000	\$28
4	2583 & 2599 Carling Avenue, Ottawa	Mar & May/16	48,201 sq.ft. AM10	\$3,700,000	\$77
5	3162 Woodroffe Avenue, Ottawa	Dec/16	55,391 sq.ft. LC8[2050] H(11)	\$1,520,000	\$27
Sbj.	895 Montreal Road, Ottawa		47,846 sq.ft. AM10[2199]		

Sales Analysis

Regarding the sales analyzed, adjustments were performed in order to reconcile differences between the comparable sales and the subject property. Factors such as location, time of sale/market conditions, as well as financing terms and motivational factors were considered.

Physical characteristics of each site was considered as well, such as size, configuration and zoning. Based on our investigations of the market, it was concluded that an inverse relationship generally exists between the site area and the sale price per unit of site area.

Comparable Sales Number One (765 Montreal Road - \$62 per square foot) is the sale of a much smaller parcel of land located in close proximity to the subject property. A substantial downward adjustment for size was applied to the unit price indicated by this sale. This property has a comparable zoning as the subject property. However, given the adjacent land uses to the sale property, the zoning permits a higher overall height limit than that of the subject property, which is restricted by its adjacent residential uses. Therefore, an additional downward adjustment was applied to this sale.

Comparable Sale Number Two (3500 Hawthorne Road - \$23 per square foot) represents the sale of a slightly smaller parcel of land located in the south end of Ottawa. A size adjustment was not warranted for this sale. However, an upward adjustment was applied for the superior location afforded the subject property, which is located in a more central area. An additional upward adjustment was applied for the superior zoning afforded the subject property. The site specific zoning for the sale property (Exception 50) limits the permitted uses on the site to the following uses: gas bar, car wash, retail food, retail store and small batch brewery.

Comparable Sale Number Three (4347 Innes Road - \$28 per square foot) is the sale of a smaller parcel of land located to the east of the subject property. A downward adjustment for size was applied to this sale. However, upward adjustments were warranted for the superior location and zoning afforded the subject property.

Comparable Sale Number Four (2583 & 2599 Carling Avenue - \$77 per square foot) represents the sale of a two adjacent redevelopment parcels of land located in the west end of Ottawa. The combined site area is comparable to that of the subject property. A significant downward adjustment was applied to this sale for the superior location of the sale property. This property has a comparable zoning as the subject property. However, given the adjacent land uses to the sale property, the zoning permits a higher overall height limit than that of the subject property, which is restricted by its adjacent residential uses. Therefore, an additional downward adjustment was applied to this sale.

Comparable Sale Number Five (3162 Woodroffe Avenue - \$27 per square foot) consists of a sale of a slightly larger parcel of land located in the Barrhaven area of the City. An upward adjustment was applied to this sale for location. Additional upward adjustments were applied for the superior zoning and immediate municipal services afforded the subject property.

Active Listings

In addition to the land sales analyzed, we have reviewed active listings in the subject area. These sales are summarized below:

- **875 Montreal Road** is a parcel of land located across the street from the subject property, on the northwest corner of Montreal Road and Brunel Street. This parcel has a site area of 13,939 square feet and is used as a car sales lot, with a portable trailer on-site. The asking price for this site is \$1,465,000 (\$105 per square foot of site area). The property has been listed several times over the past three years.
- **120 Den Haag Drive** is a parcel of land located at the southeast corner of Montreal Road and Den Haag Drive, in close proximity to the subject site. It is a 64,069 square foot site (1.47 acres) that is improved with a two-storey office building that is vacant and in poor condition. The asking price for this property is \$2,500,000 (\$39 per square foot of site area). The property has been listed several times over the past four years.

Market Value Estimate

In estimating the market value for the subject property, consideration must be given to the following factors:

- The subject site possesses frontage and access from three arterials.
- The subject will benefit from the new mixed-use development known as Wateridge Village in the immediate neighbourhood (former CFB Rockcliffe).

Based on the foregoing sales and analysis and the particular attributes of the subject site, it is our opinion that the subject property warrants a market value unit rate of between \$35 and \$40 per square foot of site area.

Therefore, it is our professional opinion that the current market value estimate of the fee simple interest in the subject property located at 895 Montreal Road, Ottawa, Ontario, as of June 28, 2017, is:

47,846 square feet @ \$35 - \$40 per square foot of site area = \$1,800,000 (rounded)

**ONE MILLION EIGHT HUNDRED THOUSAND DOLLARS
(\$1,800,000)**

ASSUMPTIONS AND LIMITING CONDITIONS

This report has been prepared at the request of, and for the exclusive use of, the recipient named in the letter of transmittal and for the specific purpose and function as stated herein. All copyright is reserved to the author and this report is considered confidential by the author and the client.

Possession of this report, or a copy thereof, does not carry with it the right of reproduction or publication in any manner, in whole or in part, nor may it be disclosed, quoted from or referred to in any manner, in whole or in part, without the prior written consent of the author as to the purpose, form and content of any such disclosure.

It is not reasonable for any person other than those to whom this report is addressed to rely upon this appraisal without first obtaining written authorization from both the client to whom the report is addressed and the author(s). This report has been prepared on the assumption that no other person will rely on it for any other purpose and all liability to all such persons is denied.

The estimated market value of the real estate which is the object of this appraisal pertains to the value of the fee simple estate in the real property only, unless specifically stated otherwise in the body of the report. Where the property being appraised is subject to contract lease(s), the ownership interest being appraised may differ from the fee simple estate depending on the function and purpose of the appraisal. The property rights appraised herein exclude mineral rights, if any.

In order to arrive at an opinion of value, it was found necessary to utilize both documented and hearsay evidence of market data or transactions. A concerted effort has been put forth to verify the accuracy of the information contained herein. Accordingly, the information is believed to be reliable and correct, and has been gathered according to procedures which are recognized by the Appraisal Institute of Canada.

The property has been valued on the basis that the title to the real estate herein appraised is good and marketable.

The author(s) of this report cannot accept responsibility for legal matters, questions of survey, opinions of title, hidden or unapparent conditions of the property, toxic wastes or contaminated materials, soil or sub-soil conditions, environmental, engineering or other technical matters, which might render this property more or less valuable than as stated herein. If it came to the author's attention as the result of an investigation and analysis, that certain problems may exist, a cautionary note has been entered in the body of this report.

The property has been valued on the basis that the real estate is free and clear of all value influencing encumbrances (except as may be noted in this report) and that there are no pledges, charges, liens, unknown easements or special assessments outstanding against the property other than as stated and described herein. The property has been also valued free and clear of all mortgage charges registered (unless otherwise specified).

The property has been valued on the basis that there are no outstanding liabilities except as expressly noted herein, pursuant to any agreement with a municipal or other government authority, or pursuant to any contract or agreement pertaining to the ownership and operation of the real estate or any lease or agreement to lease, which may affect the value or saleability of the subject property or any portion thereof.

Unless otherwise specifically noted in the body of this report, it is assumed that the existing improvements on the property being appraised are structurally sound, seismically safe and code conforming and that all building systems are in good working order. It is further assumed that the bearing capacity of the soil of the property is adequate to support the existing and any proposed use.

Investigations have been undertaken in respect of matters which regulate the use of land. However, no inquiries have been placed with the fire department, the building inspector, the health department or any other government regulatory agency, unless such investigations are expressly represented to have been made in this report. The subject property must comply with such regulations and, if it does not comply, its non-compliance may affect the market value of this property. To be certain of such compliance, further investigations may be necessary.

The agreed upon compensation for services rendered in preparing this report does not include a fee for court preparation or court appearance. Should a court appearance be required in connection with this report, additional fees will have to be agreed upon.

Since market conditions change rapidly, the market value expressed as of the date of this appraisal cannot be relied upon to estimate the market value as of any other date, except with further advice of the appraiser.

Where the Income Approach to Value is included as one of the approaches to market value, it is assumed that all rents referred to in this report are being paid in full and when due and payable under the terms and conditions of the attendant leases. Further, it is assumed that all rents referred to in this report are legal and represent the rental arrangements stipulated in the leases of occupancy.

The value expressed herein is in Canadian dollars.

CERTIFICATION

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

- The statements of fact contained in this report are true and correct. All factors affecting the value estimate were considered in preparing this report.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions as well as the scope of the appraisal contained herein, and represent our objective and unbiased professional analyses, opinions, and conclusions.
- We have no past, present or prospective interest in the property that is the subject of this report, nor do we have a personal interest or bias with respect to the parties involved.
- Our compensation is not contingent in any way upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada.
- A personal inspection of the subject property was conducted on June 28, 2017 by Michael Simon and Robin Simon.
- No one provided significant professional assistance to the person(s) signing this report.
- As of the date of this report, the undersigned have fulfilled the requirements of the Appraisal Institute of Canada's Continuing Professional Development Program for designated and candidate members.
- The undersigned are members in good standing of the Appraisal Institute of Canada.

It is our professional opinion that the current market value estimate of the fee simple interest in the subject property located at 895 Montreal Road, Ottawa, Ontario, as of June 28, 2017, is:

ONE MILLION EIGHT HUNDRED THOUSAND DOLLARS
(\$1,800,000)

DATED: June 5, 2017

MCLEAN, SIMON & ASSOCIATES (OTTAWA)



Robin Simon, B.Comm., PGCV



Michael Simon, B.Comm., AACI, P.App

ADDENDUM

ZONING EXCERPTS

AM - Arterial Mainstreet Zone

Purpose of the Zone

The purpose of the AM – Arterial Mainstreet Zone is to:

- (1) accommodate a broad range of uses including retail, service commercial, offices, residential and institutional uses in mixed-use buildings or side by side in separate buildings in areas designated Arterial Mainstreet in the Official Plan; and
- (2) impose development standards that will promote intensification while ensuring that they are compatible with the surrounding uses.

Permitted Non-Residential Uses

- (1) The following non-residential uses are permitted subject to:
 - (a) the provisions of subsections 185(3) to (5), and
 - (b) amusement park being located within a building;

amusement centre
amusement park
animal care establishment
animal hospital
artist studio
automobile dealership
automobile rental establishment
automobile service station
bank
bank machine
bar
broadcasting studio
car wash
catering establishment
cinema
click and collect facility (By-law 2016-289)
community centre
community health and resource centre
convenience store
day care
diplomatic mission, see Part 3, Section 88
drive-through facility
emergency service
funeral home
gas bar
hotel
instructional facility
library
medical facility
municipal service centre
museum
nightclub
office
park
parking garage
personal service business
place of assembly
place of worship
post office

production studio
recreational and athletic facility
research and development centre
residential care facility (By-law 2011-273)
restaurant
retail food store
retail store
school
service and repair shop
small batch brewery, see Part 3, Section 89
sports arena
technology industry
theatre
training center
urban agriculture, see Part 3, Section 82 (By-law 2017-148)

Permitted Residential Uses

(2) The following residential uses are permitted:

apartment dwelling, low rise
apartment dwelling, mid-high rise (Subject to By-law 2014-292)
bed and breakfast, see Part 5, Section 121
dwelling unit
group home, see Part 5, Section 126
home-based business, see Part 5, Section 127
home-based day care, see Part 5, Section 129
planned unit development, see Part 5, Section 131
retirement home
retirement home, converted, see Part 5, Section 122
rooming house
rooming house, converted, see Part 5, Section 122
rooming unit
stacked dwelling, see Part 5, Section 138 (By-law 2010-307)
townhouse dwelling, see Part 5, Section 138 (By-law 2012-334) (By-law 2010-307) (By-law 2014-189)

AM10 Subzone

(10) In the AM10 Subzone:

(a) the lot line abutting the designated "Arterial Mainstreet", as per Schedule B of the Official Plan, is the front lot line, and in the case of a lot with more than one lot line abutting an arterial mainstreet the provisions applying to front lot line will apply to all of the lot lines abutting an arterial mainstreet regardless of it being a front or other lot line,

(b) despite Table 185©, the following provisions apply:

(I) the minimum front and corner side yard setback for all buildings is 0 metres, and at least 50% of the frontage along the front lot line and corner side lot line must be occupied by building walls located within 4.5 metres of the frontage for a Residential use building, and within 3.0 metres for Non-residential and Mixed use buildings; and

(ii) in the case of a phased development, all phases must be shown on a site plan approved pursuant to Section 41 of the Planning Act, and must satisfy the following;

1) the first phase is required to satisfy (b)(I) prior to or concurrent with the construction of any building at the interior or rear of the lot for the portion of property shown in that phase; and

2) all subsequent phases are not required to comply with (b)(I) independently, provided that (b)(I) is satisfied upon the completion of all phases; and

3) the boundary of a phasing line will be determined through Site Plan Control, and each phase of development must comply with the zone requirements and incorporate the site plan elements required and provided to support the uses of land within that phase,

- © despite Table 185(d)(I), the minimum interior side yard setback from a lot line abutting a residential zone is;
 - (I) 3.0 metres for the first 20 metres back from the street,
 - (ii) 7.5 metres beyond 20 metres back from the street,
- (d) despite Table 185(e), sub clauses (ii) and (iii), the minimum rear yard setback is;
 - (I) 3.0 metres for any building wall within 20 metres of a lot line abutting a public street.
 - (ii) 7.5 metres in all other cases,
- (e) any portion of a building located within 10 metres a front lot line or corner lot line must satisfy the following minimum building heights:
 - (I) if the building is a non-residential or mixed-use building, the ground floor requires a minimum height of 4.5 metres; and
 - (ii) the minimum building height required is 7.5 metres, and must contain at least two storeys,
- (f) a building existing as of the day of the passing of the By-law may be expanded without having to comply with clause (b) above, provided the following:
 - (I) the addition does not exceed the greater of 600 m² or 20% of the gross floor area of the existing building,
 - (ii) subsequent additions are not permitted within 12 months of an issued building permit for expansion of the same building,
- (g) the ground floor façade facing a public street of a building located within 4.5 metres of the front lot line or corner side lot line must include:
 - (I) a minimum of one active entrance from each individual occupancy located immediately adjacent to the front lot line or corner side lot line in the case of non-residential uses; and
 - (ii) a minimum of one active entrance in the case of a residential use building;where an active entrance is angled on the corner of the building, such that it faces the intersection of the arterial mainstreet and a side street intersecting the arterial mainstreet, it is deemed to face both streets;
- (h) a minimum of 50% of the surface area of the ground floor façade, measured from the average grade up to a height of 4.5 metres, facing a public street must be comprised of transparent glazing and active customer or resident entrance access doors,
- (I) clauses (b) and (e) do not apply to a lot containing only an automobile dealership, automobile rental establishment, automobile service station, or gas bar, but the following must be satisfied;
 - (I) a maximum front yard setback of 3 metres is required to any building containing these uses; and
 - (ii) an automobile dealership and automobile rental establishment require a minimum building height of 7.5 metres,
- (j) despite Table 185(f) the following maximum building heights apply:
 - (I) In any area up to and including 20 metres from a rear lot line abutting a R1, R2 or R3 zone: 11 m
 - (ii) In any area up to and including 20 metres from a rear lot line abutting an R4 zone: 15 m
 - (iii) In any area over 20 metres and up to and including 30 metres from a rear lot line abutting a R1, R2, R3, or R4 zone: 20 m
 - (iv) In any area:
 - (a) outside of the areas identified in (I) through (iii) above; and,
 - (b) up to 7.5 metres from that part of a side lot line within 20 metres of a street and abutting a R1, R2, R3 or R4 zone: 15 m
 - (v) In all other cases: 30 m (By-law 2015-45)

Exception Number: 2199 (By-law 2015-45)

Applicable Zones: AM10[2199], AM10[2199] H(15)

Exception Provisions: an automobile dealership use requires a minimum lot area of 1500 m²

D

SHORE•TANNER & ASSOCIATES

FULL NARRATIVE APPRAISAL REPORT
COMMERCIAL DEVELOPMENT SITE
895 MONTREAL ROAD
OTTAWA, ONTARIO

PREPARED FOR

MNP Ltd.

Submitted to: Mr. John Haralovich CIRP, LIT, CPA, CA, CMA
Senior Vice President
MNP Ltd.
1600 Carling Avenue, Suite 800
Ottawa, Ontario
K1Z 1G3

Submitted by: Brian Bennett B.A., AIC Candidate Member
Mark Shore M.A., AACI
Shore•Tanner & Associates
Real Estate Appraisers and Consultants
148 Colonnade Road South, Suite 202
Ottawa, Ontario
K2E 7R4

SHORE·TANNER & ASSOCIATES
REAL ESTATE APPRAISERS AND CONSULTANTS
148 COLONNADE ROAD SOUTH, SUITE 202, OTTAWA, ONTARIO K2E 7R4

July 10, 2017

MNP LTD.
1600 Carling Avenue, Suite 800
Ottawa , Ontario
K1Z 1G3

Attention: Mr. John Haralovich CIRP, LIT, CPA, CA, CMA
Senior Vice President

Dear Sir:

Re: Full Narrative Appraisal Report - Commercial Development Site
895 Montreal Road, Ottawa
Our Reference No. B2695-17

In accordance with your request, I have completed a Full Narrative appraisal of the commercial development site known municipally as 895 Montreal Road, Ottawa.

The purpose of this appraisal is to estimate the Market Value of the above-noted property as at June 26, 2017 which represents the date of inspection and the effective date of the report.

The property rights appraised are those of the Fee Simple interest. It is understood that this appraisal is being used for sale purposes by the Addressee.

It is noted that Highest and Best Use is determined to lie in the future development of the subject property with a use permitted by its AM10[2199], Arterial Mainstreet sub-zone and the Official Plan Arterial Mainstreet designation.

I certify that I have inspected the above-noted property and have analysed all available information considered pertinent to the valuation thereof. Based on my inspection of the above-noted property and having completed a comprehensive market analysis, Market Value as at June 26, 2017, is estimated to be:

\$1,450,000.00

(ONE MILLION FOUR HUNDRED & FIFTY THOUSAND DOLLARS)

No Environmental Site Assessment ("ESA") was provided/reviewed by the Appraiser. As a result, soil and groundwater conditions are assumed to be in compliance with MOECC criteria. The Appraiser reserves the right to amend the Final Estimate of Value should exceedances exist. Furthermore, soil conditions are assumed stable and of a suitable load bearing condition to support development envisioned under Highest & Best Use. No Geotechnical reporting was provided/reviewed. Land area is subject to up-to-date survey.

Respectfully submitted,
SHORE·TANNER & ASSOCIATES
REAL ESTATE APPRAISERS AND CONSULTANTS



Brian Bennett B.A. AIC Candidate Member
Real Property Valuator

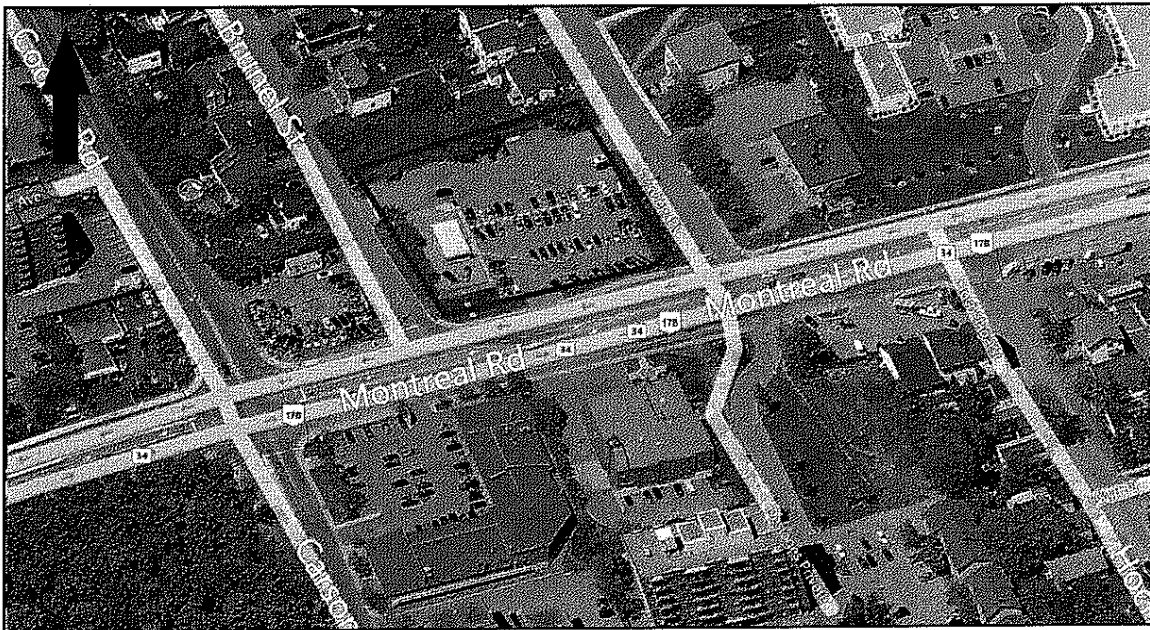


Mark Shore M.A., AACI
Accredited Appraiser

895 MONTREAL ROAD, OTTAWA



Intersection of Montreal Road & Foxview Place - Southeast Corner of Site



Aerial Photograph of Subject Property

EXECUTIVE SUMMARY

Location of Property:	895 Montreal Road, Ottawa.												
Type of Property Appraised:	Commercial development site.												
Registered Owner:	Vertamin Real Estate Inc.												
Effective Date of Appraisal:	June 26, 2017												
Date of Inspection:	June 26, 2017												
Purpose of Appraisal:	To estimate the Market Value of the subject property as at the effective date.												
Interest Appraised:	Fee Simple												
Highest and Best Use:	Future development												
Summary of Subject Property:	<table><tr><td><i>Dimensions:</i></td><td>237.84' (Montreal Road) 194.94' (Brunel Street) 203.07' (Foxview Place)</td></tr><tr><td><i>Site Area:</i></td><td>47,574 sq.ft. (1.09 acres)</td></tr><tr><td><i>Configuration:</i></td><td>Rectangular</td></tr><tr><td><i>Services:</i></td><td>Full Municipal services</td></tr><tr><td><i>Zoning:</i></td><td>AM10[2199], Arterial Mainstreet Sub-zone</td></tr><tr><td><i>Official Plan:</i></td><td>Arterial Mainstreet</td></tr></table>	<i>Dimensions:</i>	237.84' (Montreal Road) 194.94' (Brunel Street) 203.07' (Foxview Place)	<i>Site Area:</i>	47,574 sq.ft. (1.09 acres)	<i>Configuration:</i>	Rectangular	<i>Services:</i>	Full Municipal services	<i>Zoning:</i>	AM10[2199], Arterial Mainstreet Sub-zone	<i>Official Plan:</i>	Arterial Mainstreet
<i>Dimensions:</i>	237.84' (Montreal Road) 194.94' (Brunel Street) 203.07' (Foxview Place)												
<i>Site Area:</i>	47,574 sq.ft. (1.09 acres)												
<i>Configuration:</i>	Rectangular												
<i>Services:</i>	Full Municipal services												
<i>Zoning:</i>	AM10[2199], Arterial Mainstreet Sub-zone												
<i>Official Plan:</i>	Arterial Mainstreet												
Value by:													
Direct Comparison Approach:	\$30.00/sq.ft. of site area												
Final Estimate of Value:	\$1,450,000.00 (rounded)*												

* No Environmental Site Assessment ("ESA") was provided/reviewed by the Appraiser. As a result, soil and groundwater conditions are assumed to be in compliance with MOECC criteria. The Appraiser reserves the right to amend the Final Estimate of Value should exceedances exist. Furthermore, soil conditions are assumed stable and of a suitable load bearing condition to support development envisioned under Highest & Best Use. No Geotechnical reporting was provided/reviewed. Land area is subject to up-to-date survey.

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ASSUMPTIONS AND LIMITING CONDITIONS

1. This report was prepared by Shore•Tanner & Associates, Real Estate Appraisers and Consultants for Mr. John Haralovich of MNP Ltd., who intends to use the report for sale purposes.
2. The legal description of the subject property as stated herein is that recorded by the relevant Registrar of the Land Titles Office or Registry Office, and is assumed to be correct. No Title Search was undertaken/reviewed.
3. In order to arrive at a supportable opinion of value it was found necessary to utilize both documented and hearsay evidence of market transactions. A concerted effort has been put forth to verify the accuracy of the information herein contained. Accordingly, the information is believed to be reliable and correct, and has been gathered according to the procedures which are recognized by the Appraisal Institute of Canada.
4. Sketches, drawings, diagrams, photographs, etc. presented in the report are included for the sole purpose of illustration.
5. No survey was provided/reviewed. Land area is subject to an up-to-date survey.
6. The property rights appraised exclude mineral rights, if any.
7. The agreed upon compensation for services rendered in preparing this report does not include a fee for court preparation or court appearance. Should a court appearance be required in connection with this report, additional fees would have to be agreed upon.
8. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected) shall be disseminated to the public by any means without prior written consent and approval of the appraiser.
9. The opinion of value applies only as of the date specified.
10. No Environmental Site Assessment (“ESA”) was provided/reviewed by the Appraiser. As a result, soil and groundwater conditions are assumed to be in compliance with MOECC criteria. The Appraiser reserves the right to amend the Final Estimate of Value should exceedances exist. Furthermore, soil conditions are assumed stable and of a suitable load bearing condition to support development envisioned under Highest & Best Use. No Geotechnical reporting was provided/reviewed.
11. Highest & Best Use is determined to lie in the future development of the subject property with a use permitted by its AM10[2199], Arterial Mainstreet sub-zone and the Official Plan Arterial Mainstreet designation.

SCOPE OF THE APPRAISAL

The Scope of the Appraisal encompasses the necessary research and analysis to prepare a report in accordance with the 2016 Edition of the Canadian Uniform Standards of Professional Appraisal Practice (“CUSPAP”) originally adopted by the Appraisal Institute of Canada on January 1, 2001. With regard to the valuation of the subject property, this involved the following process.

1. This appraisal report shall take the Full Narrative format as recognized by the Appraisal Standard Rules within the Canadian Uniform Standards of Professional Appraisal Practice.
2. Zoning information was based on a review of the comprehensive zoning by-law for the City of Ottawa (By-law No. 2008-250). The City of Ottawa Official Plan was also reviewed.
3. Site and ownership data was received from MPAC. No survey was provided/reviewed. Land area is subject to an up-to-date survey.
4. Comparable sales data was received from RealTrack, an internet based comparable sale database.
5. No Environmental Site Assessment (“ESA”) was provided/reviewed by the Appraiser. As a result, soil and groundwater conditions are assumed to be in compliance with MOECC criteria. The Appraiser reserves the right to amend the Final Estimate of Value should exceedances exist.
6. Soil conditions are assumed stable and of a suitable load bearing condition to support development envisioned under Highest & Best Use. No Geotechnical reporting was provided/reviewed.
7. The following documentation was not available for review: Environmental Site Assessment, Geotechnical Reporting, Up-to-date Site Survey, Zoning Compliance Report, Adequacy of Servicing Reporting, Title Search.

DEFINITION OF THE APPRAISAL PROBLEM**Registered Owner, Type of Property Appraised, Municipal Address and Legal Description**

Registered Owner: Vertamin Real Estate Inc.

Type of Property Appraised: Commercial development site.

Municipal Address: 895 Montreal Road, Ottawa

Legal Description: Lots 1, 2 & 3, Registered Plan 142; East Side Mary Street (aka Brunel Street); Lot A, Registered Plan 142; North Side Montreal Road; Lots 1, 2 & 3, Registered Plan 142; West Side Foxview Place; All except Part 10 on Reference Plan 5R-4761; Ottawa (PIN: 04274-0036).

Purpose of the Appraisal

To estimate the Market Value of the subject property as at the effective date.

Effective Date of Appraisal

The effective date of this appraisal is June 26, 2017.

Date of Inspection

The subject property was inspected on June 26, 2017. Photographs were taken on the same date.

Intended Use of Appraisal

It is understood that this appraisal report is being used for sale purposes by the Addressee.

Property Rights Appraised

The property rights appraised are those of the Fee Simple interest.

Sales History of Subject Property

The subject property was last transferred on September 26, 2013 from Andrew Edward Borins (Vendor) to Vertamin Real Estate Inc. (Purchaser) for the sale price of \$2,400,000.00 representing the equivalent of \$50.45/sq.ft. of site area.

Listing History of Subject Property

The subject property is not listed for sale on the OREB MLS nor privately as of the effective date.

Definition of Market Value

Market Value, as per the Appraisal Institute of Canada, is defined as follows¹:

“The most probable price which a property should bring in a competitive and open market as of the specified date under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition 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;*
- ▶ *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”.*

¹ Canadian Uniform Standards of Professional Appraisal Practice, 2016 Edition, AIC.

Exposure Time

A definition of Market Value is not complete without an indication as to the estimate of exposure time linked to the value estimate. Exposure time is the estimated period the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at Market Value on the effective date. Exposure time is always presumed to precede the effective date of the value estimate and is based upon an analysis of past market events and trends as they apply to the type of real property under consideration. It is noted that the overall concept of exposure time encompasses not only an adequate, sufficient and reasonable time, but also an adequate, sufficient and reasonable marketing effort.

Assuming that the exposure was reflective of the Market Value as herein estimated, it is concluded that a typical and reasonable exposure period would be in the range of 90 days.

NEIGHBOURHOOD CONTEXT

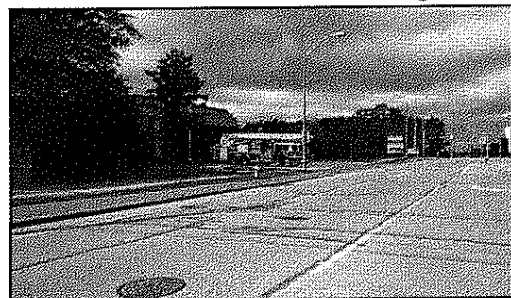
The subject property is located on the north side of Montreal Road, forming the end-block at Foxview Place and Brunel Street, in the east end of Ottawa. More specifically, it is a vacant commercial development site known municipally as 895 Montreal Road, Ottawa. The location of the subject is indicated (red star) on the map below.



Montreal Road extends from Rideau Street in the west to Highway 174 and St. Joseph Boulevard in the east, traversing the northern sector of the east-end of Ottawa. Development on the corridor includes predominantly retail uses near the intersections with major arterials, such as the Vanier Parkway, St. Laurent Boulevard, and Ogilvie Road. The subject property lies on that segment of Montreal Road between the Aviation Parkway and Bathgate Road. Land uses in the immediate vicinity of the subject property range from former residential dwellings that have been converted into retail and office uses, to



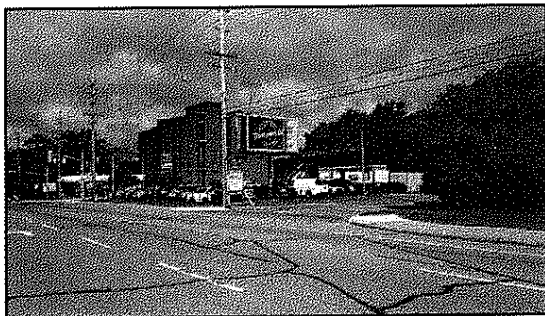
South Side of Montreal Road looking East



South Side of Montreal Road looking West

institutional use in the form of the Montfort Hospital, CMHC's campus at the Aviation Parkway and Montreal Road, and the National Research Council of Canada's compound that extends on either side of Montreal Road at Blair Road. A former used car sales lot flanks the subject to the west and a restaurant flanks the subject to the east. A municipal fire station and a used car lot lie to the south of the subject, across Montreal Road.

Other development nearby includes a 2-storey plaza on the southeast corner of Carson's Road and Montreal Road, with an automotive service garage on the northwest corner and several high-rise apartment buildings to the east and west on Montreal Road.

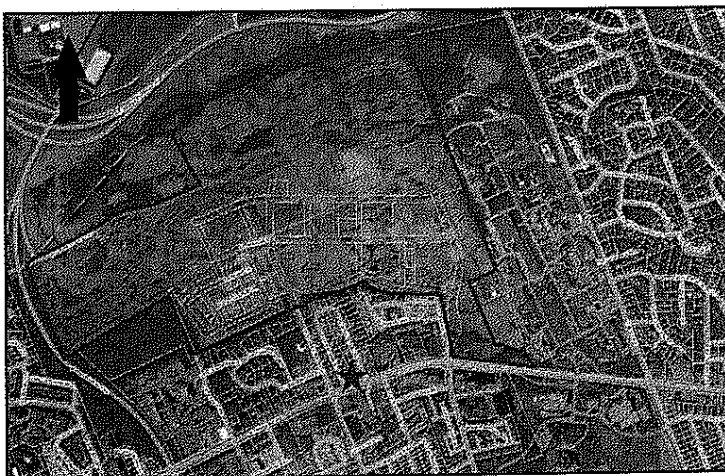


Used Car Lot Flanking Subject to West



Restaurant Flanking Subject to East

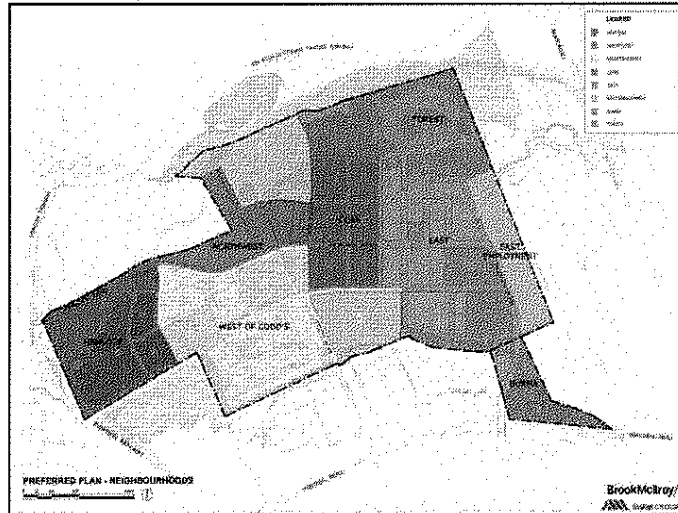
New development in the area is limited to the former Rockcliffe Airport lands, promoted and sold by Canada Lands Company as Wateridge Village at Rockcliffe. Developers Claridge Homes, Uniform Urban Developments, Tartan Homes and most recently Mattamy Homes have purchased blocks of land and construction has commenced. This 310 acre site lies to the immediate north of the subject property (red star).



Wateridge Village

Wateridge Village

Canada Lands Company's concept for Wateridge Village is a planned community of mixed residential, commercial and retail space in 8-neighbourhoods identified in the Community Design Plan reproduced to the right. Build-out is estimated to take 15-20 years and will comprise 5,350 residential units consisting of low-rise residential, low to mid-rise residential and low to mid-rise, mid-rise and high-rise mixed use buildings. The East Employment neighbourhood is to include a mix of low to high-rise office buildings, the Core is to include mixed residential and employment uses and the Burma neighbourhood is to include ground level shops and services in high-rise buildings. There are also to be ten



Wateridge Village Neighbourhoods



Phase I - Wateridge Village

parks in the development and three school sites. Construction of Phase I has begun in the West of Codd's neighbourhood with Claridge Homes and Uniform Urban Developments marketing single family dwellings and townhomes.

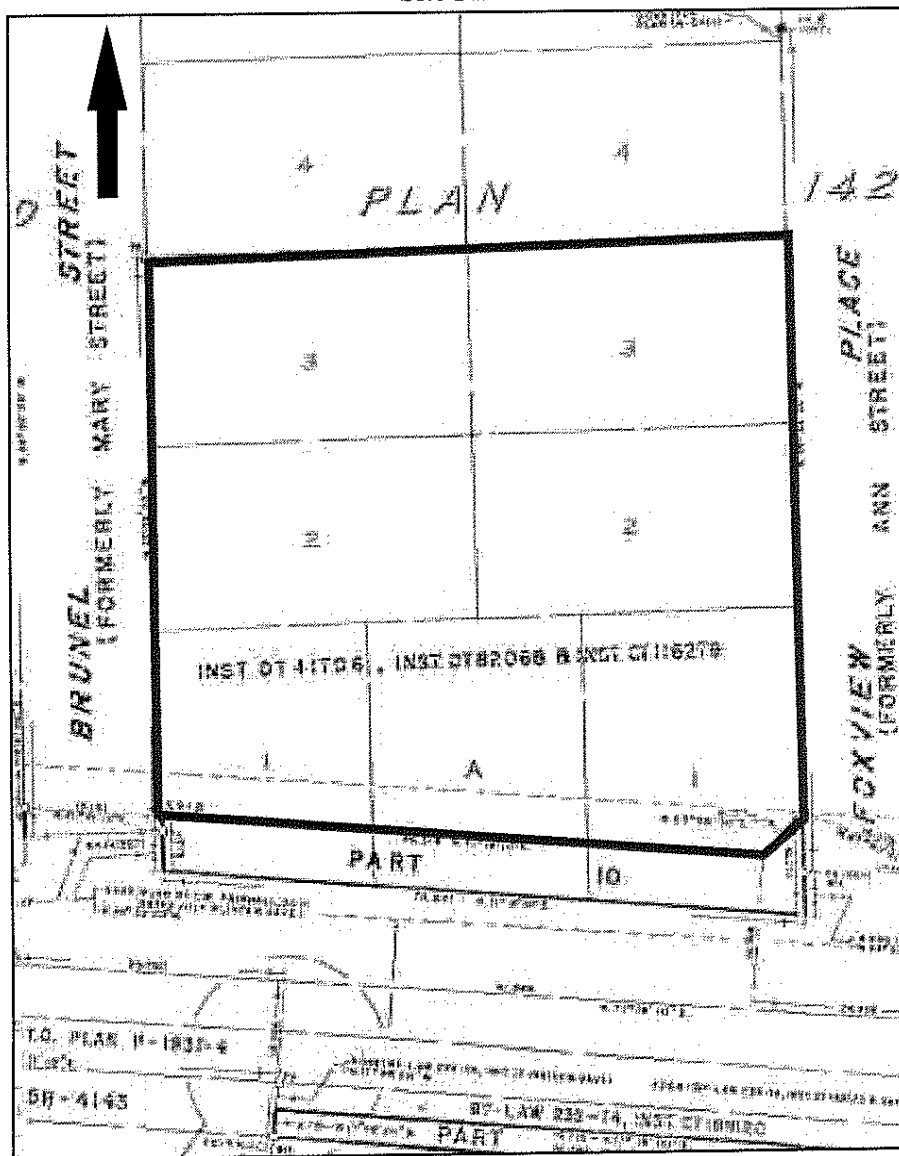
To summarize, the subject neighbourhood is improving and will be significantly expanded over the next 15-20 years with the build-out of Wateridge Village. That said, presently that stretch of Montreal Road that includes the subject property is characterized as being dominated by older spot development in former residential buildings, limited commercial development and high-rise apartment buildings. No new commercial-retail or office development has occurred in the immediate vicinity within the past 5-10 years.

DESCRIPTION AND ANALYSIS OF SITE

Configuration, Dimensions and Size

As indicated in the Site Plan reproduced below, the subject property is a rectangular shaped parcel of land, situated on the north side of Montreal Road at the southern terminus of Foxview Place and Brunel Street. Based on information provided by MPAC the subject has 237.84' of frontage on Montreal Road, 194.94' of flankage on Brunel Street and 203.07' of flankage on Foxview Place. Total site area is 47,574 sq.ft.(1.09 acres - subject to an up-to-date survey).

Site Plan



Municipal Services

The subject property has access to a full complement of municipal services. Regularly scheduled public transportation is available on Montreal Road. It is assumed that there exists sufficient servicing capacity in terms of municipal water and sanitary sewer to service the development envisioned under Highest & Best Use. No Adequacy of Servicing reporting was reviewed.

Topography and Vehicular Access

The subject property is more or less level along the Montreal Road frontage and the Brunel Street and Foxview Place flankage. Three points of access are noted, one from the north side of Montreal Road, one from the east side of Brunel Street and one from the west side of Foxview Place.

Soil Considerations

No Environmental Site Assessment (“ESA”) was provided/reviewed by the Appraiser. As a result, soil and groundwater conditions are assumed to be in compliance with MOECC criteria. The Appraiser reserves the right to amend the Final Estimate of Value should exceedances exist. Furthermore, soil conditions are assumed stable and of a suitable load bearing condition to support development envisioned under Highest & Best Use. No Geotechnical reporting was provided/reviewed.

Site Improvements

The subject property is level and stabilized with asphalt pavement (noted to be in poor condition), with small grass covered areas and mature trees around the perimeter of the site. Light fixtures mounted on poles are located on the site (operational status unconfirmed).



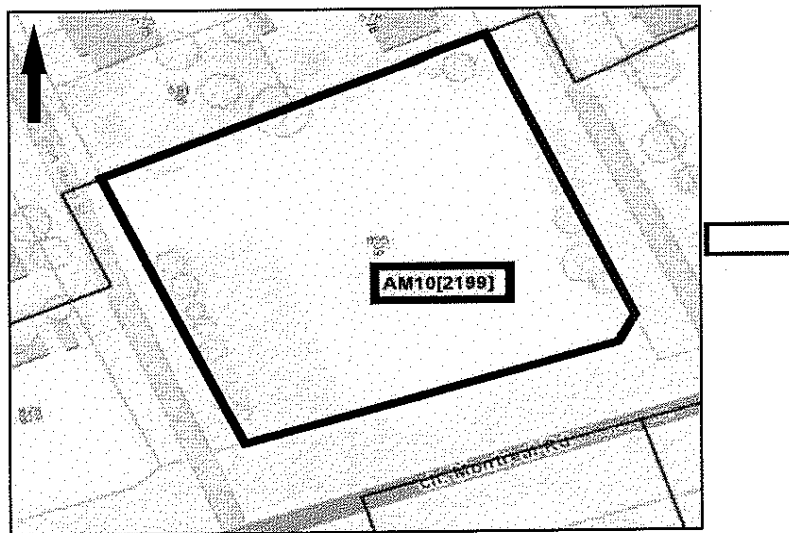
Subject Site - Pavement and Lights

Easements and Rights-of-Way

There would not appear to be any atypical rights-of-way nor easements that would otherwise affect Market Value. No title search was completed.

City of Ottawa Zoning

The Comprehensive Zoning By-law is a set of regulations to control development in Ottawa, they are intended to replace the 41 existing zoning by-laws in the 11 former local municipalities amalgamated in 2001. Based on the comprehensive zoning by-law for the City of Ottawa, By-law 2008-250 that was adopted on June 25, 2008, the subject property is zoned AM10[2199], Arterial Mainstreet sub-zone. There are a total of 54 permitted



Zoning Map

uses under the broader AM, Arterial Mainstreet zone including bank, drive-through facility, retail store, retail food store, restaurant, office and medical facility to name but a few. The AM10, Arterial Mainstreet sub-zone indicates required set-backs. The [2199] suffix requires a minimum lot area of 1,500 m² (0.37 acres) for an automotive dealership use. Future development will have to comply with the provisions of the existing AM10[2199], Arterial Mainstreet sub-zone.

City of Ottawa Official Plan

The Planning Act of Ontario requires municipalities to prepare, and regularly review, an Official Plan in order to manage and direct physical change. According to the City of Ottawa Official Plan, the subject property lies within an area designated as “Arterial Mainstreet”. Future development will have to comply with the provisions of the existing AM10[2199], Arterial Mainstreet sub-zone along with the general direction of the Official Plan.

HIGHEST AND BEST USE

As defined by the Appraisal Institute of Canada, Highest and Best Use is²,

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

² Canadian Uniform Standards of Professional Appraisal Practice, 2016 Edition, AIC.

In determining the Highest and Best Use of a vacant or improved site, it becomes necessary to satisfy the following four criteria. In other words, the use must be legally permitted, physically possible, economically feasible, and provide the greatest net return or value to the site.

Legally Permitted

A use may not be considered as a site's Highest and Best Use unless it is a legally permissible with respect to the present zoning by-law. Statutory regulations stipulate permissible uses within the overall framework of the community detailing the uses of land deemed most appropriate for the general public at large. A legally permitted use is not necessarily sufficient to dictate Highest and Best Use nor does it reflect market preferences.

Physically Possible

A proposed use for a site cannot be considered its Highest and Best Use unless that use is physically and functionally adaptable to the characteristics of the site. A site's physical characteristics that are readily discernible and which influence the determination of its Highest and Best Use include size, shape, topography, frontage, access and natural drainage. There are other physical features that may come into play however these often require expert analysis especially in consideration of a site's serviceability and the load bearing capacity of its soils.

Economically Feasible

A use cannot be considered as a site's Highest and Best Use if it is observed that there will be no apparent demand for the proposed use within a reasonable period of time following its development. While it is important that the use satisfy the first two criteria, sufficient demand for the use must exist making the project economically feasible. Aspects of marketability, especially with regards to the anticipated demand for a product, are the most critical determinant of Highest and Best Use.

Most Profitable

Finally, a use cannot be considered for a site's Highest and Best Use unless its anticipated earnings ability is sufficient to generate a reasonable return on its costs of acquisition or its cost of development. This aspect of Highest and Best Use inherently involves a cost-benefit analysis whereby the use of that generates the highest profitability index, or greatest net return in dollars on original cost, is naturally concluded to represent the Highest and Best Use.

Conclusion - Highest and Best Use

Given the fact that:

1. The subject property is located on Montreal Road, between Wateridge Village and Carson Grove neighbourhoods, in what was formerly identified as the east end of the City of Ottawa. While the subject neighbourhood is improving and will be significantly expanded over the next 15-20 years with the build-out of Wateridge Village, that stretch of Montreal Road that includes the subject property is characterized as being dominated by older spot development in former residential buildings, limited commercial development, high-rise apartment buildings, retirement and nursing homes. No new commercial-retail or office development has occurred within the past 5-10 years;
2. The subject property is rectangular in configuration possessing a total of 234.84' of frontage along the north side of Montreal Road, with 194.94' of flankage on Brunel Street and 203.07' on Foxview Place. Total site area is 47,574 sq.ft. (subject to verification by an up-to-date survey);
3. Based on the Comprehensive Zoning By-law 2008-250, the subject property is zoned AM10[2199], Arterial Mainstreet sub-zone. Future development would have to comply with the provisions of the zoning designation;
4. According to the City of Ottawa Official Plan, the subject property lies within an area designated as Arterial Mainstreet which is the primary Official Plan designation along this stretch of Montreal Road.

Conclusion - Highest and Best Use

Highest and Best Use is determined to lie in the future development of the subject property with a use permitted by its AM10[2199], Arterial Mainstreet sub-zone and the Arterial Mainstreet Official Plan designation.

ESTIMATE OF LAND VALUE

Appraisal Methodology

The purpose of this appraisal is to estimate the Market Value of the subject property as at June 26, 2017. The subject property represents a commercial development site. In this instance, Market Value will be estimated by the Direct Comparison Approach.


Direct Comparison Approach to Value

The Direct Comparison Approach is a valuation technique where the subject property is compared to similar properties that have recently sold with adjustments made to compensate for the various points of difference. This Approach is based on the "Principle of Substitution" which affirms that a prudent purchaser will pay no more for a property than the cost of acquiring an equally desirable substitute property provided there is no undue delay in making the acquisition. The basic steps in the Direct Comparison Approach include:

1. Survey the City of Ottawa to locate comparable properties:
 - a) that have recently sold,
 - b) that are offered for sale,
 - c) on which offers have been made.
2. Locate and check pertinent information on each.
3. Analyse the data regarding differences both in time of sale and other factors between each comparable and the subject property.
4. Select an appropriate method of comparison, in this case selling price/sq.ft. of site area.
5. Compare each sale to the subject property making the necessary adjustments.
6. Reconcile the data and arrive at a Final Estimate of Value.

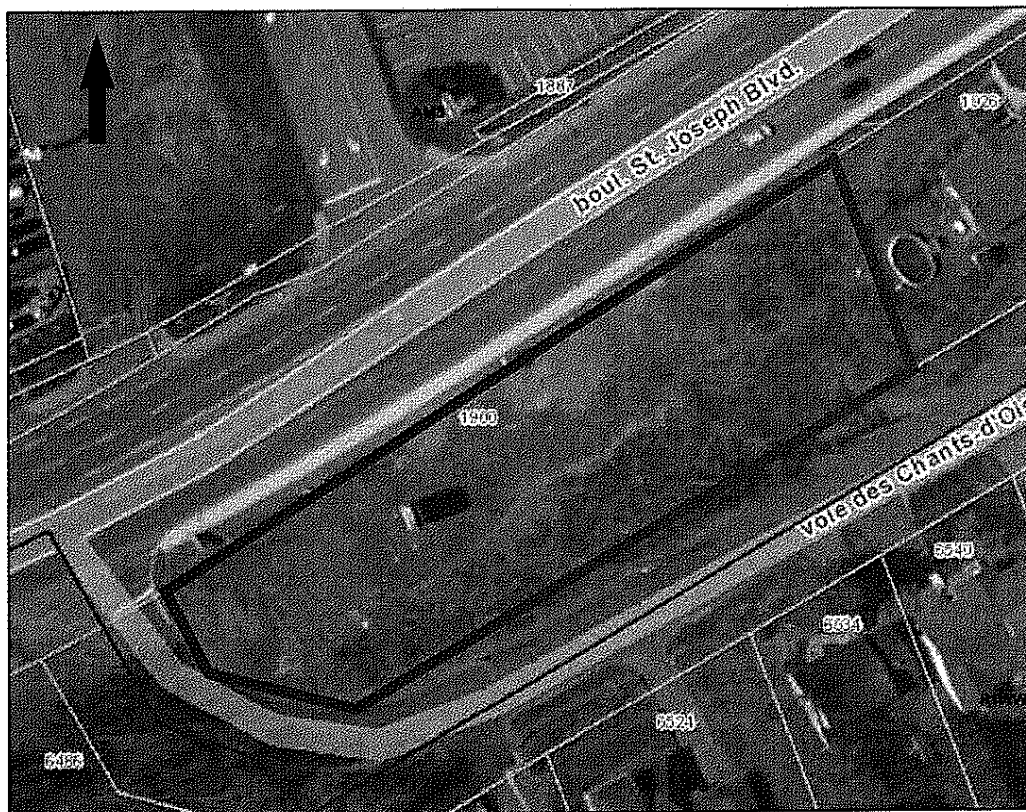
Selection of Comparable Land Sales

Ten comparable land sales of commercial development sites were located and reviewed. The details of each transaction are summarized on the following pages in chronological order (oldest to most recent), with the selected unit of comparison being selling price/sq.ft. of site area.

COMPARABLE LAND SALE NO. 1	
2628 St. Joseph Boulevard, Ottawa	
	
Legal Description: Part of Lots 26 & 27, Registered Plan 86; Being Parts 4 & 6 on Reference Plan 5R-8252; South Side St. Joseph Boulevard; Ottawa	
Sale Date: January 30, 2014	PIN: 04422-0046
Selling Price: \$775,000.00	Financing Terms: Cash to the Vendor
Vendor: 830399 Ontario Inc.	
Purchaser: 2399153 Ontario Ltd.	
Zoning: AM3, Arterial Mainstreet Sub-zone	Site Area: 37,897 sq.ft. (0.87acres)
Selling Price/Sq.Ft.: \$20.45	
<p>Remarks: This is the early-2014 sale of the commercial development site on the south side of St. Joseph Boulevard, just west of Belcourt Boulevard in Orleans. Appraised by Shore-Tanner for the sale and subsequent development, this site purchased for the development of two 2-storey office buildings. The owner-occupied professional office building on the front of the site is completed and the second on the rear of the site is presently under construction. Overall comparability is fair.</p>	

COMPARABLE LAND SALE NO. 2

1900 St. Joseph Boulevard, Ottawa



Legal Description: Parcel 7-4, Section GL-10F; Being Part of Lot 7, Concession 1 (O.F.); Designated as Part 5 on Reference Plan 4R-3298; Subject to an Easement as in OC1822167; Ottawa

Sale Date: July 9, 2014

PIN: 04414-0461

Selling Price: \$585,000.00

Financing Terms: Cash to the Vendor

Vendor: 1135125 Ontario Inc.

Purchaser: Montfort Renaissance Inc.

Zoning: AM3, Arterial Mainstreet Sub-zone

Site Area: 34,412 sq.ft. (0.79 acres)

Selling Price/Sq.Ft.: \$17.00

Remarks: This is the mid-2014 sale of the commercial development site on the south side of St. Joseph Boulevard, at the intersection with Grey Nuns Way in Orleans. The site incorporates a substantial slope from north to south. It was subsequently developed with a 4-storey 48-unit apartment building providing affordable housing for homeless persons in Ottawa. Overall comparability is fair.

COMPARABLE LAND SALE NO. 3

2174 St. Joseph Boulevard, Ottawa



Legal Description: Part of Lot 4 & 5, Concession 1 (O.F.); Being Part 1 on Reference Plan 5R-9987; Except Part 1 on Reference Plan 5R-12773; Ottawa

Sale Date: July 25, 2014	PIN: 04417-0131
Selling Price: \$800,000.00	Financing Terms: Cash to the Vendor
Vendor: Mr. Gas Limited	
Purchaser: 2411650 Ontario Inc.	
Zoning: AM3, Arterial Mainstreet Sub-zone	Site Area: 28,449 sq.ft. (0.65 acres)
Selling Price/Sq.Ft.: \$28.12	

Remarks: This is the mid-2014 sale of the commercial development site on the south side of St. Joseph Boulevard, at the corner of Boyer Road in Orleans. The site remains vacant. Overall comparability is fair.

COMPARABLE LAND SALE NO. 4

920 Watters Road, Ottawa



Legal Description: First: Parcel 90-1, Section 4M-844; Being Block 90 on Registered Plan 4M-844; Ottawa.
 Second: Parcel 89-1, Section 4M-844; Being Part of Block 89 on Registered Plan 4M-844; Being Part 2 on Reference Plan 4R-14167; Subject to an Easement in Favour of Bell Canada as in LT815818; Subject to an Easement in favour of the Corporation of the Township of Cumberland as in LT816820; Ottawa

Sale Date: October 22, 2014	PIN: 14563-0511
Selling Price: \$1,585,100.00	Financing Terms: Cash to the Vendor
Vendor: Imperial Oil Limited	
Purchaser: Trim Road Land Holdings Ltd.; Canada Mortgage and Housing Corporation	
Zoning: GM15 H(8), General Mixed Use Sub-zone	Site Area: 79,279 sq.ft. (1.82 acres)
Selling Price/Sq.Ft.: \$19.99	

Remarks: This is the late-2014 sale of the commercial development site flanking 900 Watters Road. Located in Orleans, the site was listed for sale by DTZ Barnicke with a list price of \$1,800,000.00. The listing indicates a restrictive covenant runs with the land that prohibits fuel sales. Purchased by the flanking property owner (900 Watters Road, Ottawa), application was made subsequent to sale to expand the existing 71,056 sq.ft. neighbourhood plaza by 35,000 sq.ft. Overall comparability is fair.

COMPARABLE LAND SALE NO. 5

2322 Tenth Line Road, Ottawa



Legal Description: First: Part of Lot 3, Concession 11 Cumberland; as in RR18933B; Except part 2 on Reference Plan 4R-22001; Ottawa. Second: Part of Lot 3, Concession 11 Cumberland; Being Parts 4, 5 & 6 on Reference Plan 4R-19262; Except Part 3 on Reference Plan 4R-22001; Ottawa

Sale Date: November 21, 2014

PIN: First: 14531-0093 Second: 14531-1187

Selling Price: \$1,000,000.00

Financing Terms: Cash to the Vendor

Vendor: Imperial Oil Limited

Purchaser: Trim Road Land Holdings Ltd.; Canada Mortgage and Housing Corporation

Zoning: GM15 H(8), General Mixed Use Sub-zone

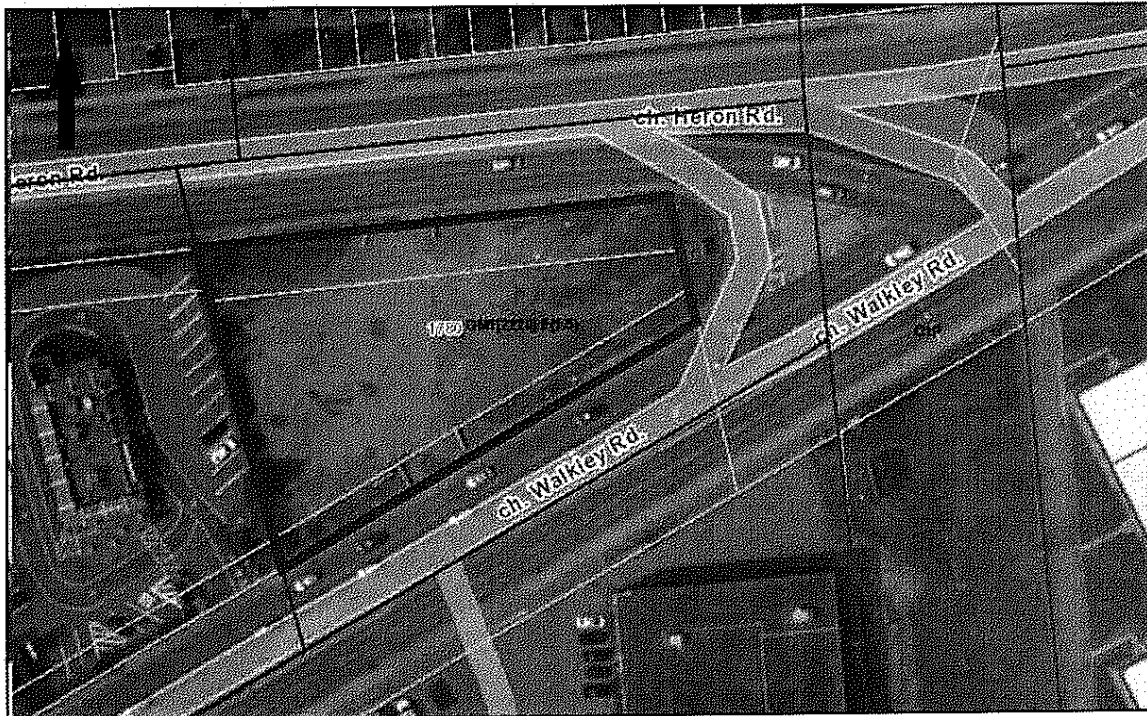
Site Area: 70,132 sq.ft. (1.61 acres)

Selling Price/Sq.Ft.: \$14.26

Remarks: This is the late-2014 sale of the commercial development site on the west side of 10th Line Road at Brian Coburn Boulevard in Orleans. A gas station and retail development lies across Brian Coburn Road to the north. The site remains vacant, but is presently pre-leasing retail space. Overall comparability is fair.

COMPARABLE LAND SALE NO. 6

1780 Heron Road, Ottawa



Legal Description: Part of Lot 21, Junction Gore; Designated as Part 2 on Reference Plan 4R-28825; Ottawa.

Sale Date: September 15, 2015

PIN: 04151-0081

Selling Price: \$850,000.00

Financing Terms: Cash to the Vendor

Vendor: Murlee Holdings Ltd. *Leon's Furniture*

Purchaser: Larny Holdings Limited

Zoning: GM1[2220], General Mixed Use Sub-zone

Site Area: 28,314 sq.ft. (0.65 acres)

Selling Price/Sq.Ft.: \$30.02

Remarks: This is the late-2015 sale of a commercial development site. Located in Heron Gate, the triangular shaped site has corner exposure at two arterials and is flanked by the Heron Gate retail site. The site was purchased for the development of an Ultramar gas bar and Quickie convenience store. Appraised by Shore-Tanner & Associates, construction was completed in 2016. Overall comparability is fair.

COMPARABLE LAND SALE NO. 7

6208 Jeanne D'Arc Boulevard, Ottawa



Legal Description: Parcel C-1, Section 4M-171; Being Block C on Registered Plan 4M-171; Subject to LT143231, LT143232, LT143233; Gloucester; Subject to an Easement in Gross as in OC1838627; Ottawa

Sale Date: October 27, 2015

PIN: 04389-0012

Selling Price: \$500,000.00

Financing Terms: Cash to the Vendor

Vendor: Mac's Convenience Stores Inc.

Purchaser: Habitat for Humanity National Capital Region

Zoning: LC6, Local Commercial Sub-zone

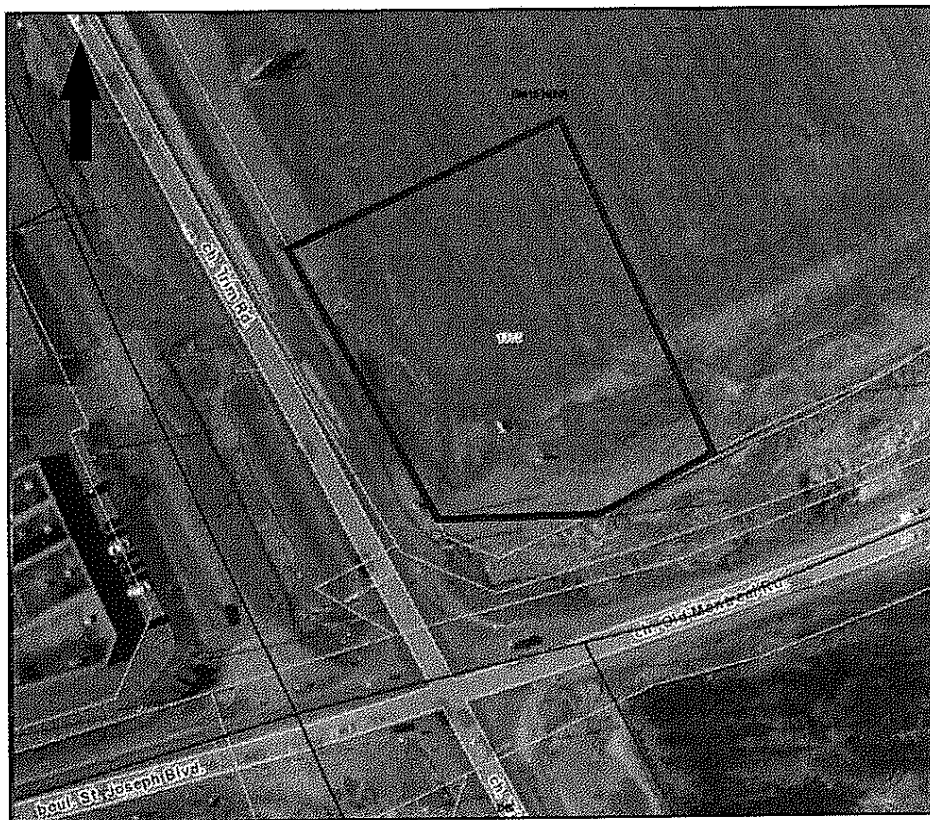
Site Area: 38,768 sq.ft. (0.89 acres)

Selling Price/Sq.Ft.: \$12.90

Remarks: This is the late-2015 sale of the commercial development site on the east side of Jeanne D'Arc Boulevard, at the intersection of Fortune Drive in Orleans. This site was purchased by a non-profit organization who provides housing. Application for Site Plan Control was made to build 16 townhomes and a private road. The site is presently under construction. Overall comparability is fair.

COMPARABLE LAND SALE NO. 8

1375 Trim Road, Ottawa



Legal Description: Part of Lot 30, Concession 1 (O.F.); Being Parts 5, 6, 7 & 9 on Reference Plan 4R-18175; Save and Except parts 4 & 5 on Reference Plan 4R26970; Ottawa

Sale Date: November 18, 2015	PIN: 14530-0441
Selling Price: \$660,000.00	Financing Terms: Cash to the Vendor
Vendor: Petro-Canada	
Purchaser: 4368517 Canada Inc.	
Zoning: GM15 H(20), General Mixed Use Sub-zone	Site Area: 50,530 sq.ft. (1.16 acres)
Selling Price/Sq.Ft.: \$13.06	

Remarks: This is the late-2015 sale of the commercial development site flanking on the east side of Trim Road at St. Joseph Boulevard/Old Montreal Road in Orleans. The site is presently being marketed as Trim Social, a multi-tenant retail development that is pre-leasing space. Overall comparability is fair.

COMPARABLE LAND SALE NO. 9

1172 Walkley Road, Ottawa



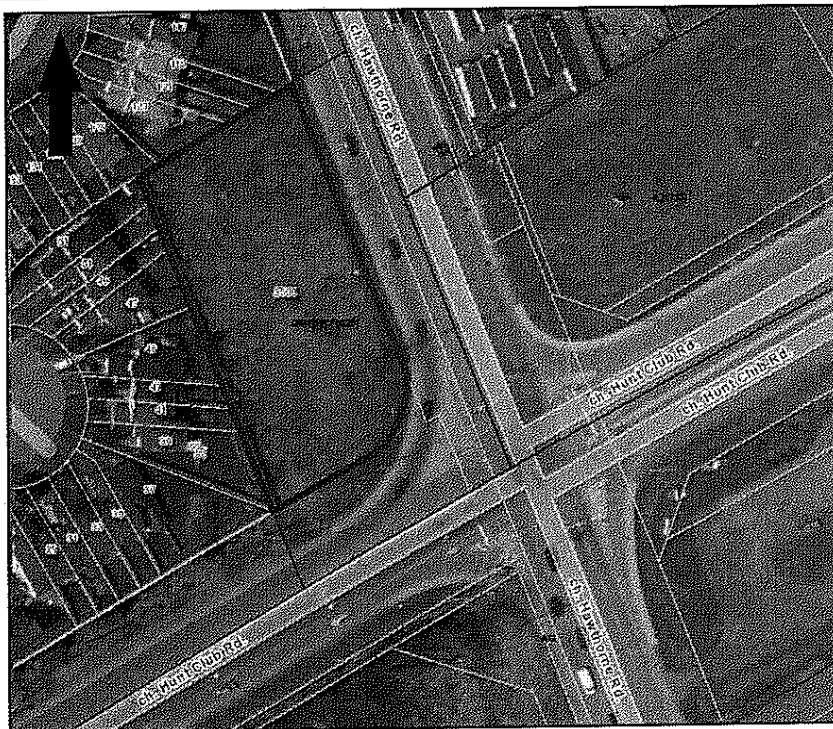
Legal Description: Part of Lot A, Concession 3 (R.F.); Being Parts 13, 14, 15 & 16 on Reference Plan 4R-28055: Ottawa.

Sale Date: December 24, 2015	PIN: 04065-0119
Selling Price: \$1,250,000.00	Financing Terms: \$250,000.00 Cash to the Vendor \$1,000,000.00 VTB
Vendor: 1686864 Ontario Inc.	
Purchaser: 2497414 Ontario Inc.	
Zoning: GM1[1404] F(2.0) H(50), General Mixed Use Sub-zone	Site Area: 68,389 sq.ft. (1.57 acres)
Selling Price/Sq.Ft.: \$18.28	

Remarks: This is the late-2015 sale of a commercial development site on the east side of the Airport Parkway, south of Walkley Road, in South Ottawa. Site Plan application was made to develop the site with 2-16 storey apartment buildings comprising 250 units. Overall comparability is fair.

COMPARABLE LAND SALE NO. 10

3500 Hawthorne Road, Ottawa



Legal Description: Parcel 4-3, Section GL-5RF; Part of Lot 5, Concession 5 (R.F.); Being Part 2 on Reference Plan 4R-7805; Ottawa.

Sale Date: January 16, 2017

PIN: 04165-0539

Selling Price: \$900,000.00

Financing Terms: Cash to the Vendor

Vendor: Imperial Oil Limited

Purchaser: 2520333 Ontario Inc.

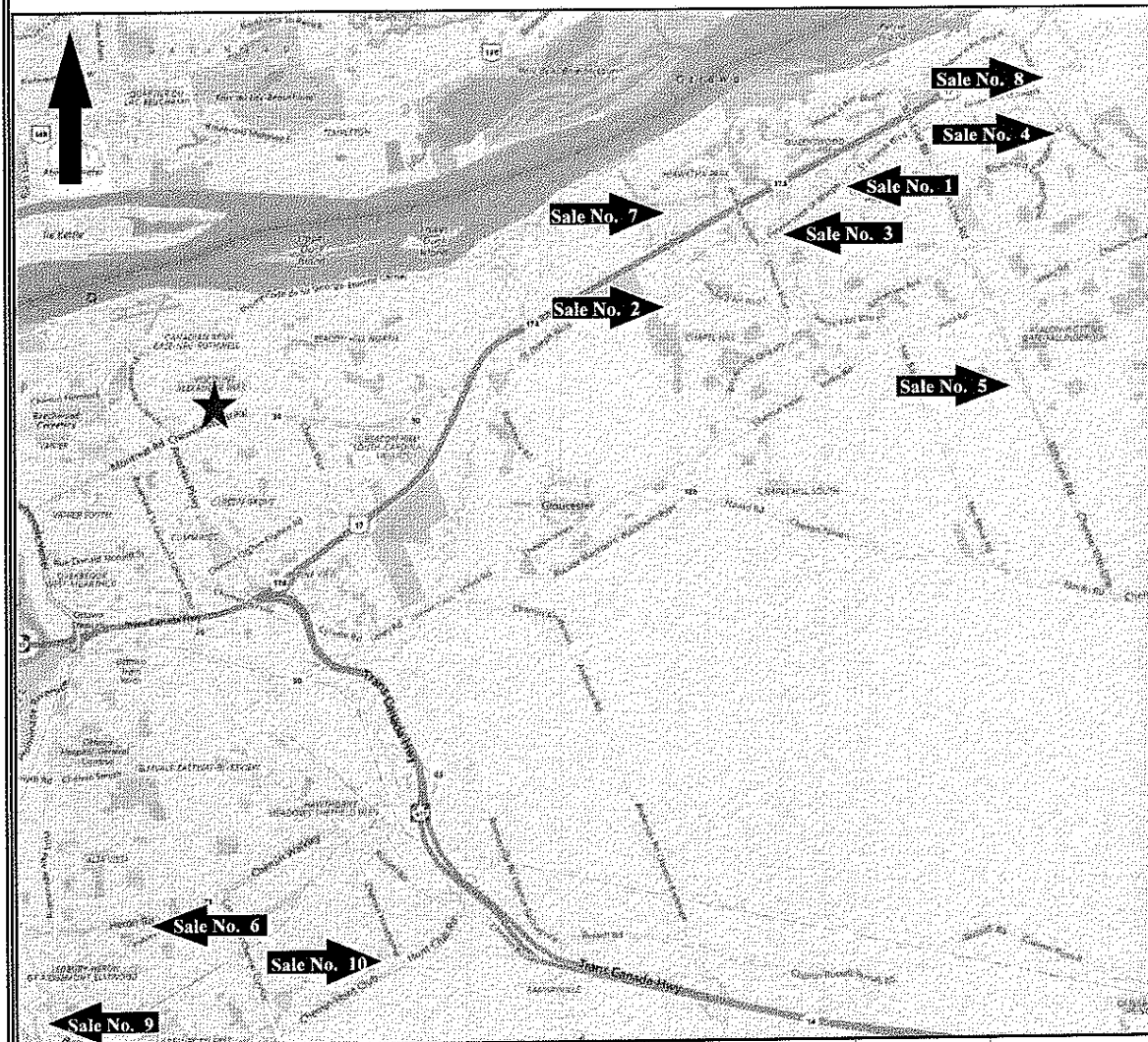
Zoning: GM1[50] F(0.25), General Mixed Use Sub-zone

Site Area: 39,956 sq.ft. (0.92 acres)

Selling Price/Sq.Ft.: \$22.52

Remarks: This is the early-2017 sale of a commercial development site located on the west side of Hawthorne Road at Hunt Club Road in the Hawthorne Industrial Area. Site Plan application has been filed for development of a gas bar, convenience store, restaurant and drive-through on the site. Overall comparability is fair.

**TABLE 1: SUMMARY OF COMPARABLE LAND SALES
COMMERCIAL DEVELOPMENT SITES - OTTAWA, 2014-17**

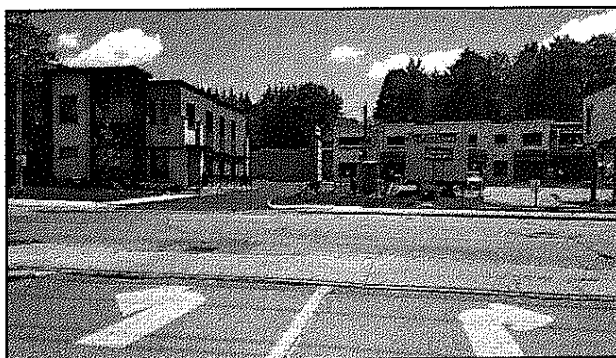


No.	Municipal Address	Date of Sale	Selling Price	Site Area	Zoning	\$/Sq.Ft.
1	2628 St. Joseph Boulevard	Jan.30/14	\$775,000.00	37,897 sq.ft.	AM3	\$20.45
2	1900 St. Joseph Boulevard	Jul.09/14	\$585,000.00	34,412 sq.ft.	AM3	\$17.00
3	2174 St. Joseph Boulevard, Ottawa	Jul.25/14	\$800,000.00	28,449 sq.ft.	AM3	\$28.12
4	920 Watters Road, Ottawa	Oct.22/14	\$1,585,100.00	79,279 sq.ft.	GM15	\$19.99
5	2322 Tenth Line Road, Ottawa	Nov.21/14	\$1,000,000.00	70,132 sq.ft.	GM15	\$14.26
6	1780 Heron Road, Ottawa	Sep.15/15	\$850,000.00	28,314 sq.ft.	GM1	\$30.02
7	6208 Jeanne D'Arc Boulevard, Ottawa	Oct.27/15	\$500,000.00	38,768 sq.ft.	LC6	\$12.90
8	1375 Trim Road, Ottawa	Nov.18/15	\$660,000.00	50,530 sq.ft.	GM15	\$13.06
9	1172 Walkely Road, Ottawa	Dec.24/15	\$1,250,000.00	68,389 sq.ft.	GM1	\$18.28
10	3500 Hawthorne Road, Ottawa	Jan.16/17	\$900,000.00	39,956sq.ft.	GM1	\$22.52
Subject Property: 895 Montreal Road, Ottawa				47,574 sq.ft.	AM10[2198]	---

SUMMARY OF MARKET DATA

The preceding ten comparable land sales were registered between January 30, 2014 and January 16, 2017 and represent the most recent sales of vacant commercial development sites in the east-end of Ottawa over the past 3.5-years. In order to provide a consistent method of comparison and analysis, the selling price in each sale was expressed in terms of a selling price/sq.ft. of site area. On this basis, a range of value was developed from \$13.04-\$30.02/sq.ft., subject to adjustments. The sale properties ranged in size from 28,314-79,279 sq.ft. Recall the subject property measures 47,574 sq.ft.

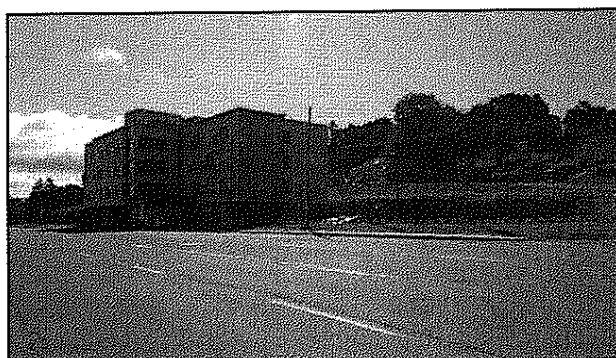
Comparable sale no. 1 represents the early-2014 sale of a commercial development site on the south side of St. Joseph Boulevard, just west of Belcourt Boulevard in Orleans. Appraised by Shore-Tanner for the sale and subsequent development, this site was developed with two 2-storey office buildings, the second on the rear of the site is presently



Sale no. 1 - 2628 St. Joseph Boulevard, Ottawa

under construction. Comprising 37,897 sq.ft. and selling for \$20.45/sq.ft. of site area, positive adjustments are required for time/change in market conditions.

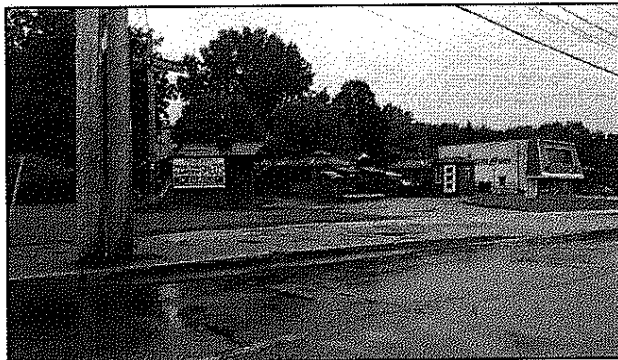
Comparable sale no. 2 represents the mid-2014 sale of a commercial development site on the south side of St. Joseph Boulevard at Grey Nuns Way in Orleans. The site was subsequently developed with a 4-storey 48-unit apartment building providing affordable housing for homeless persons in Ottawa. Positive adjustments for time/change in



Sale no. 2 - 1900 St. Joseph Boulevard, Ottawa

market conditions are required to the \$17.00/sq.ft. of site area paid for this 34,412 sq.ft. site.

Comparable sale no. 3 represents the mid-2014 sale of a commercial development site on St. Joseph Boulevard at Boyer Road in Orleans. The 28,449 sq.ft. site remains vacant to date. Positive adjustment to the sale price of \$28.12/sq.ft. of site area is required for time/change in market conditions.



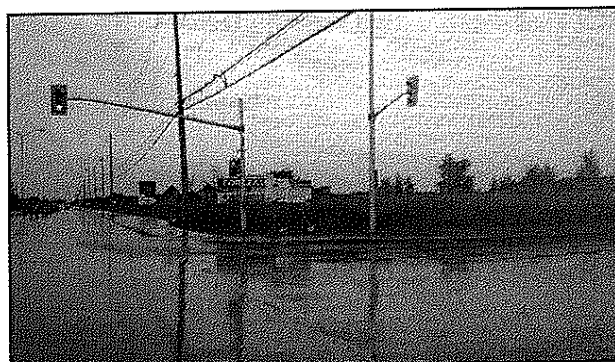
Sale no. 3 - 2174 St. Joseph Boulevard, Ottawa

Comparable sale no. 4 represents the late-2014 sale of a 79,279 sq.ft. commercial development site on the southwest corner of the intersection of Trim and Watters Road in Orleans. Selling for \$19.99/sq.ft. of site area, positive adjustment is required for time/change in market conditions.



Sale no. 4 - 920 Watters Road, Ottawa

Comparable sale no. 5 represents the late-2014 sale of the 70,132 sq.ft. commercial development site located on the west side of 10th Line Road at Brian Coburn Boulevard in Orleans that sold for \$14.26/sq.ft. of site area. A gas station and retail development lies across Brian Coburn Road to the north. The site remains vacant, but is presently pre-leasing retail space in the proposed "Tenth Line Square" plaza. Positive adjustment is required for time/change in market conditions.

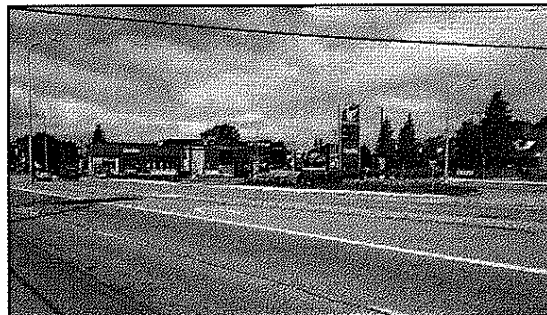


Sale no. 5 - 2322 Tenth Line Road, Ottawa



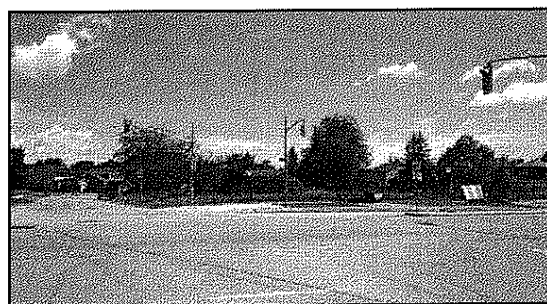
Sale no. 5 - Proposed Tenth Line Square Plaza

Comparable sale no. 6 represents the late-2015 sale of a commercial development site located in Heron Gate. The triangular shaped site has corner exposure at two arterials. The site was purchased for the development of an Ultramar gas bar and Quickie convenience store. Appraised by Shore-Tanner & Associates, construction was completed in 2016. This 28,314 sq.ft. site sold for \$30.02/sq.ft. of site area and requires positive adjustment for time/change in market conditions.



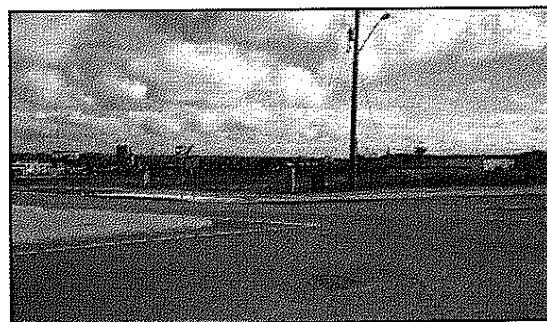
Sale no. 6 - 1780 Heron Road, Ottawa

Comparable sale no. 7 represents the late-2015 sale of a commercial development site at Jeanne D'Arc Boulevard and Fortune Drive in Orleans. This 38,768 sq.ft. site was purchased for \$13.04/sq.ft. of site area, by a non-profit organization who provides housing for the underprivileged. Construction of 16 townhomes and a private road is presently ongoing. Positive adjustment is required for time/change in market conditions.



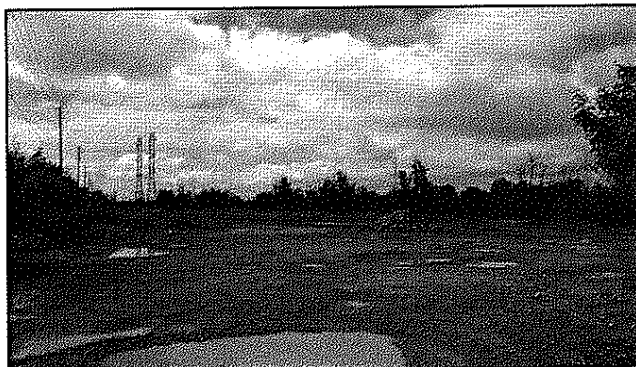
Sale no. 7 - 6208 Jeanne D'Arc Boulevard, Ottawa

Comparable sale no. 8 represents the late-2015 sale of the 50,530 sq.ft. commercial development site on Trim Road at the St. Joseph Boulevard/Old Montreal Road in Orleans. The site is presently being marketed as Trim Social, a multi-tenant retail development that is pre-leasing space. Positive adjustment to the sale price of \$13.06/sq.ft. of site area is required for time/change in market conditions.

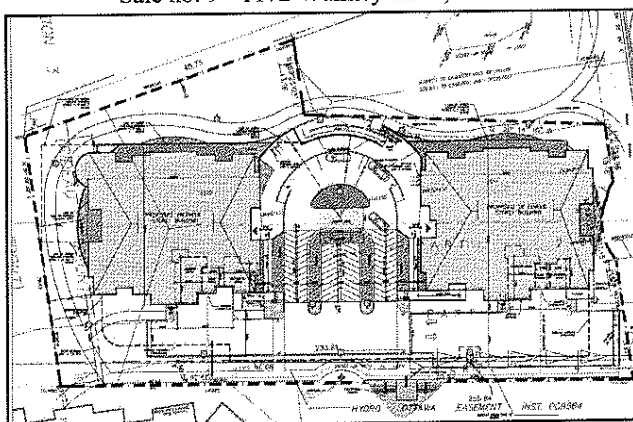


Sale no. 8 - 1375 Trim Road, Ottawa

Comparable sale no. 9 represents the late-2015 sale of a 68,389 sq.ft. commercial development site on the east side of the Airport Parkway, south of Walkley Road on Anand Private in Ottawa South. This site lies on the western periphery of the O-Train tracks and the Airport Parkway. Application for Site Plan approval was made to develop the site with 2-16 storey apartment buildings comprising 250 units. Positive adjustment to the sale price of \$18.28/sq.ft. of site area is required for time/change in market conditions.

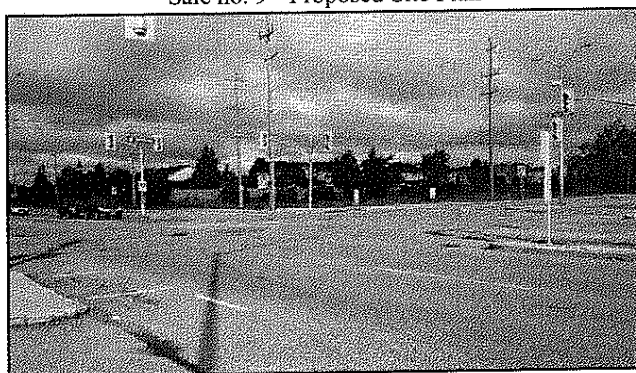


Sale no. 9 - 1172 Walkley Road, Ottawa

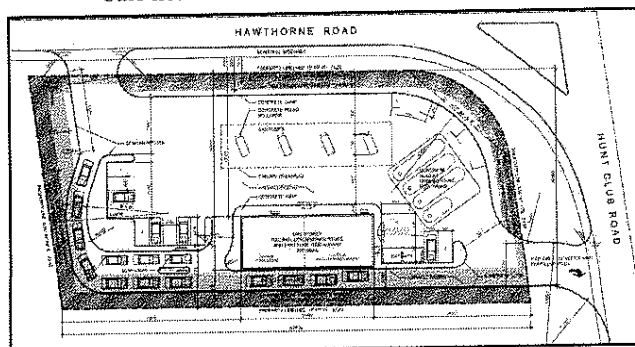


Sale no. 9 - Proposed Site Plan

Sale no. 10 represents the early-2017 sale of a 39,956 sq.ft. commercial development site on the west side of Hawthorne Road at Hunt Club Road in the Hawthorne Industrial Area. Application for Site Plan approval has been filed for development of a gas bar, convenience store, restaurant and drive-through on the site. Selling for \$22.52/sq.ft. of site area, no adjustment is required for time/change in market conditions given its date of sale in 2017.



Sale no. 10 - 3500 Hawthorne Road, Ottawa



Sale no. 10 - Proposed Site Plan

LISTINGS OF COMMERCIAL LAND FOR SALE - MONTREAL ROAD

875 Montreal Road, Ottawa

875 Montreal Road is presently listed for sale. This 13,939 sq.ft. site lies at the intersection of Codd's Road and Montreal Road and is zoned AM10[2199], Arterial Mainstreet. It flanks the subject property to the west across Brunel Street. The Realtor reports the property has been listed for just over 1-week for \$1.465 Million or \$105.00/sq.ft. of site area. There has been no interest reported in the listing to date.



Listing - 879 Montreal Road, Ottawa

120 Den Hagen Drive

A 1.47 acre site on the southeast corner of Den Hagen Drive and Montreal Road has been listed for sale for the past 2-3 years. Part of a Canada Lands Company concept, this remnant parcel is "L" shaped and is zoned AM5[1779], Arterial Mainstreet. As part of the purchase, development proposals must be submitted to and accepted by Canada Lands Company. The



Listing - 120 Den Hagen Drive, Ottawa

Realtor reports that the site has been under contract several times over the past 2-3 years, but to-date all sales have failed to close. The property remains on the market with the asking price of \$2.5 Million or \$39.00/sq.ft. of site area, unchanged since originally listed.

CONCLUSION

Ten comparable land sales were reviewed in the east-end of Ottawa, including one sale in Ottawa South, representing a comprehensive list of transactions for commercial development sites over the past 3.5-years. Prior to adjustments, a range in value was developed extending from \$13.04-\$30.02/sq.ft. of site area, with most of the transactions occurring between 2014-15. Recognizing that the dominant adjustment is positive to reflect changes in market conditions since 2014-15, the overall direction of adjustments is mostly positive in these earlier transactions. That said, the highest sale price is \$30.02/sq.ft. of site area for a commercial development site, since developed with an Ultramar gas-bar and Quickie convenience store at the very busy apex of Walkley and Heron Road.

Clearly, the subject property is challenged given its location along a stretch of Montreal Road that has not seen new commercial retail nor office development for 5-10 years. Having reviewed the sales data, and recognizing its challenges, Market Value as at the effective date is estimated to be at the top-end of the range or **\$30.00/sq.ft.** of site area. Total Market Value as at June 26, 2017 is therefore estimated to be: \$30.00/sq.ft. of site area x 47,574 sq.ft. = \$1,427,220.00, Rounded to:

\$1,450,000.00

(ONE MILLION FOUR HUNDRED & FIFTY THOUSAND DOLLARS)

No Environmental Site Assessment (“ESA”) was provided/reviewed by the Appraiser. As a result, soil and groundwater conditions are assumed to be in compliance with MOECC criteria. The Appraiser reserves the right to amend the Final Estimate of Value should exceedances exist. Furthermore, soil conditions are assumed stable and of a suitable load bearing condition to support development envisioned under Highest & Best Use. No Geotechnical reporting was provided/reviewed. Land area is subject to up-to-date survey.

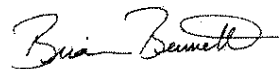
APPRAISER CERTIFICATION

**Re: Full Narrative Appraisal Report - *Commercial Development Site*
895 Montreal Road, Ottawa
Our Reference No. B2695-17**

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

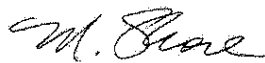
1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal impartial, and unbiased professional analyses, opinions, and conclusions;
3. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermined results, the amount of the value estimate, or a conclusion favouring the client;
6. My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Canadian Uniform Standards;
7. I have the knowledge and experience to complete the assignment competently;
8. No one provided significant professional assistance to the person signing this report;
9. As of the date of this report the undersigned has fulfilled the requirements of The Appraisal Institute of Canada Continuing Professional Development Program for members;
10. The undersigned are all members in good standing of the Appraisal Institute of Canada;
11. I inspected the subject property of the report;
12. Market Value as at June 26, 2017 is estimated to be: **\$1,450,000.00**;
13. No Environmental Site Assessment ("ESA") was provided/reviewed by the Appraiser. As a result, soil and groundwater conditions are assumed to be in compliance with MOECC criteria. The Appraiser reserves the right to amend the Final Estimate of Value should exceedances exist. Furthermore, soil conditions are assumed stable and of a suitable load bearing condition to support development envisioned under Highest & Best Use. No Geotechnical reporting was provided/reviewed. Land area is subject to up-to-date survey.

July 10, 2017
Date of Signature



Brian Bennett B.A. AIC Candidate Member

July 10, 2017
Date of Signature



Mark Shore M.A., AACI

E

AMENDING AGREEMENT

THIS AMENDING AGREEMENT made as of the 16 day of October, 2017.

BETWEEN:

MATTAMY (ROCKLIFFE) LIMITED

(the "Purchaser")

OF THE FIRST PART

AND:

MNP LTD., COURT APPOINTED RECEIVER FOR VERTAMIN REAL ESTATE
INC.

(the "Vendor")

OF THE SECOND PART

WHEREAS the parties entered into an Agreement of Purchase and Sale accepted the 15th day of August, 2017 with respect to Land more particularly described therein (the "Agreement");

AND WHEREAS the Purchaser has requested and the Vendor has agreed to the amendments herein;

NOW THEREFORE witnesseth that, in consideration of the sum of \$1.00 and other good and valuable consideration now paid by the Purchaser to the Vendor and the waiver by the Purchaser of the Purchaser's Conditions as hereinafter set out, the Vendor and Purchaser covenant and agree as follows:

1. (a) The Purchaser waives the condition set out in Section 5(a) of the Agreement.

(b) Section 2(b)(ii) of the Agreement shall be amended by deleting reference to Fifty Thousand Dollars (\$50,000.00) and inserting in place thereof "Two Hundred Thousand Dollars (\$200,000.00)".
2. The Agreement is amended by adding thereto the following:

"SIGNAGE, MODEL HOMES AND ACCESS TO LAND

25. (a) Forthwith following execution of this Amending Agreement, the Purchaser shall be entitled to enter onto the Land to erect such signage for directional purposes and/or

new home sale purposes on the Land, as the Purchaser considers necessary or appropriate, subject to compliance with bylaws and regulations of the Municipality respecting signage.

- (b) Forthwith following execution of this Amending Agreement, the Purchaser shall be entitled to enter onto the Land to install such services and construct such model homes, as the Purchaser considers necessary or appropriate, subject to compliance with bylaws and regulations of the Municipality respecting such services and model home construction.
- (c) To the extent that the Purchaser exercises any right of access to the Land, as described above or otherwise, the following provisions shall apply:
 - (i) Any access to the Land exercised by the Purchaser, its agents, employees or invitees shall be carried out at the sole and complete risk and expense of the Purchaser. The Vendor shall have no obligation to Purchaser, its agents, employees and invitees for any loss, damage or injury sustained by any such party while accessing the Land.
 - (ii) The Purchaser shall full indemnify and hold harmless the Vendor in relation to any loss, damage, injury, or claim arising from the Purchaser's (including the Purchaser's agents, employees and invitees) access to the Land or any activity of the Purchaser on the Land, including the erection of signage, or the installation of any services, or the construction of any model home (as described above).
 - (iii) The Purchaser shall not exercise any access rights to the Land until such time as it provides the Vendor with evidence of adequate insurance coverage, including general liability coverage and coverage for all of the Purchasers planned activities on the Land. The Purchaser's liability insurance policy will also name the Vendor as a co-insured.
 - (iv) Any use of the Land by the Purchaser, its agents, employees and invitees shall always be carried out in compliance with all laws, by-laws and regulations and the Purchaser shall not permit any unlawful activity on the Land.
 - (v) The Purchaser acknowledges that in the event that the transaction is not completed, the Purchaser shall be responsible, at the option of the Vendor, to re-instate the Land by removing any signage or improvements constructed by the Purchaser on the Land. The Purchaser shall also be responsible for the remediation of any environmental hazard or contamination that is on the Land as a result of the exercise of access rights by the Purchaser.

(d) The Vendor shall, forthwith upon request, execute such further and other documents and consent to such further and other actions of the Purchaser, acting reasonably, as may be necessary to give effect to this Agreement and to enable the Purchaser to carry out its Development on the Land, without delay, all at the expense of the Purchaser (but this shall not extend to the conveyancing of any interest in respect of the Land prior to the Closing Date, nor to the execution of any Plan of Subdivision or municipal agreement which shall not occur until after the Closing Date), including without limiting the generality of the foregoing:

(i) the Vendor shall concur in and, where necessary, consent to the filing of applications for subdivision or re-subdivision of the Land, and/or consent to severance, in respect of the Development of the Land;

(ii) the Vendor shall concur in and, where necessary, consent to the filing of an application for building permits for the installation of services and for the construction of model homes; and

(iii) the Vendor shall concur in and, where necessary, consent to an application for draft plan approval, application to amend the Official Plan, or to re-zone the Land for the Purchaser's proposed Development thereof;

and if necessary, these obligations of the Vendor shall include an obligation to file such applications in the name of the Vendor, it being understood that all of the above noted actions or activities and any other actions of the Purchaser shall be carried out at the complete and sole expense of the Purchaser, provided that as set out above, the Purchaser shall indemnify the Vendor in respect of any claims, demands, actions, costs, expenses, charges, losses or damages incurred or suffered by the Vendor as a result of or arising out of the matters set out in this section 25."

3. Any terms capitalized in this Amending Agreement that are not defined herein shall have the meaning ascribed to such terms as set out in the Agreement.
4. In all other respects, the Agreement shall continue in full force and effect.

5. This Amending Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall constitute one and the same Amending Agreement. Transmission by email or by fax of an executed counterpart of this Amending Agreement shall be deemed to constitute delivery of such counterpart.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the day and year first herein above written.

MATTAMY (ROCKLIFFE) LIMITED

Per: 
Jason Rumer, Vice President, Land Development

I have authority to bind the Corporation.

**MNP LTD., COURT APPOINTED RECEIVER
FOR VERTAMIN REAL ESTATE INC.**

Per: 
John Haralovich, Senior Vice President

I have authority to bind the Corporation.

AGREEMENT OF PURCHASE AND SALE

This Agreement made as of the 14th day of August, 2017

BETWEEN:

MATTAMY (ROCKLIFFE) LIMITED
(hereinafter called the "Purchaser")

OF THE FIRST PART

AND:

MNP LTD., COURT APPOINTED RECEIVER FOR VERTAMIN REAL ESTATE INC.
(hereinafter called the "Vendor")

OF THE SECOND PART

WHEREAS the Vendor is the registered owner of the Land.

AND WHEREAS the Vendor wishes to sell and the Purchaser wishes to purchase the Land upon the terms and conditions hereinafter set forth.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the parties hereto covenant and agree as follows:

DEFINITIONS

1. In this Agreement the following terms wherever used in this Agreement shall have the following meanings:

"Acceptance Date" means the date on which this Agreement is fully executed and delivered by the parties hereto;

"Agreement" means this agreement together with all schedules hereto;

"Authority" means any person, bureau, agency, board, tribunal, commission, branch or office of any Federal, Provincial, Regional, Municipal or other governmental department having jurisdiction over the whole or any part of the Land, this transaction, or the parties, and shall include a board or association of insurance underwriters;

"Closing Date" means the 15th day, excluding Saturdays, Sundays and statutory holidays, following satisfaction or waiver of the conditions in paragraph 5(b) of this Agreement, or such other date as may be agreed upon in writing by the parties;

"Deposit" means all monies paid by the Purchaser hereunder prior to the Closing Date to be held in trust pursuant to Paragraph 2 hereof until the Closing Date or other termination of this Agreement;

"Development" means the development or redevelopment of the Land, according to the Purchaser's plans or intent;

"Land" means:

- i) those lands described as Lots 1, 2 and 3 East Side of Mary Street (aka Brunel Street); Lot A Plan 142 North Side Montreal Road; Lots 1, 2 and 3 Plan 142 West Side Foxview Place

(formerly Ann Street) except Part 10 Plan 5R-4761, Ottawa/Gloucester as described in Property Identifier Number PIN 04274-0036 as shown on Schedule "A" attached and shall include all buildings, structures and improvements located thereon;

"Purchase Price" means the amount ascribed thereto in Paragraph 2 herein;

PURCHASE AND CONSIDERATION

2. The Purchaser hereby offers to purchase from the Vendor the Land upon the terms and conditions set out in this Agreement.

(a) The Purchase Price for the Land shall be the sum of Two Million Three Hundred fifty Thousand Dollars (\$2,350,000.00) in Canadian currency, upon and subject to the terms and conditions of this Agreement, calculated as follows:

(b) The Purchase Price shall be payable as follows:

(i) by a Deposit of fifty Thousand Dollars (\$50,000.00) (or irrevocable letter of credit in such amount) payable to the solicitor for the Vendor, within two (2) days, excluding Saturday, Sunday and statutory holidays, following the Acceptance Date, to be held in trust pending completion or other termination of the transaction contemplated hereby and to be credited together with interest, if any on account of the purchase price on the Closing Date;

(ii) by a further Deposit (or irrevocable letter of credit) within two (2) days, excluding Saturday, Sunday and statutory holidays, following the date on which the conditions contained in paragraph 5(a) hereof have been satisfied or waived, in the amount of fifty Thousand Dollars (\$50,000.00) payable to the Vendor's solicitor, in Trust, to be held pending completion or other termination of the transaction contemplated hereby and to be credited together with interest on account of the purchase price on the Closing Date;

(iii) the balance of the Purchase Price shall be payable on the Closing Date, subject to the usual adjustments.

3. The Deposit shall be held in trust in an interest-bearing account and the interest earned on the Deposit shall accrue to the Purchaser's benefit and shall be credited on account of the purchase price on the Closing Date, unless the Deposit is forfeited to the Vendor pursuant to the terms of this Agreement;

VENDOR'S OBLIGATIONS

4.(a) As soon as reasonably possible, but at least prior to five (5) days following acceptance of this Agreement the Vendor shall deliver to the Purchaser the following, but only to the extent that they are in the possession or under the control of the Vendor:

(i) Surveys of the Land;

(ii) Copy of all work orders, notices or violations issued or given by any governmental authority or agency or any utility in respect of the Land;

- (iii) Copy of the realty tax assessment notices for 2016 and 2017 and tax bills for 2016 and 2017 for the Land and full details of all outstanding tax appeals or reassessments;
- (iv) List of all outstanding litigation affecting the Land in respect of which the Vendor has received written notice;
- (v) Copy of all environmental reports and other reports pertaining to the Land;

CONDITIONS

5. (a) This Agreement is conditional for a period of thirty (30) days following the Acceptance Date upon the Purchaser satisfying each and every one of the following conditions:

that, the Purchaser shall be satisfied, in its sole and absolute discretion, with the following:

- (i) the economic feasibility of the Development on the Land; and
- (ii) the condition and suitability of the soils comprising the Land.

In the event that the Purchaser does not notify the Vendor that the Purchaser has satisfied each of the conditions set out above, within the time set out for satisfaction of such conditions, and the Purchaser does not, within such time, waive such conditions, this Agreement shall at the expiry of such time, be null and void and the Deposit shall be returned to the Purchaser with interest and without deduction.

The Purchaser shall be entitled to extend the date for satisfaction of this condition by written notice to the Vendor prior to the expiry of the said 30 days, provided the extension shall not exceed a further 30 days.

In the event, that at any time during the extended 30 day period referenced in this Section 5(a) the Vendor receives an offer to purchase the Land, that the Vendor wishes to accept, the Vendor shall notify the Purchaser in writing to that effect. The Purchaser shall have 2 days following receipt of such written notice to notify the Vendor that the Purchaser waives the conditions in this Section 5(a). If the Purchaser does not, within such time, waive such conditions, this Agreement at the expiry of such time, shall be null and void and the Deposit shall be returned to the Purchaser with interest and without deduction.

The Purchaser acknowledges and agrees that the Vendor shall have the ability to continue to market the Lands until such time as the Purchaser waives the conditions in this Section 5(a).

The conditions set out above are for the benefit of the Purchaser and may be waived by the Purchaser at any time prior to the expiry of the time period aforesaid.

(b)(i) This Agreement is conditional for a period of one hundred and twenty (120) days following the date upon which the Purchaser notifies the Vendor in writing that the conditions in Section 5(a) above have been satisfied or waived, upon the following:

A. no action or proceeding will be pending to restrain, enjoin or prohibit the purchase and sale of the Land; and

B. an order of the Court shall be obtained: (i) approving the sale of the Land by the Vendor to the Purchaser pursuant to the terms of this Agreement; and (ii) providing for the vesting of title in and to the Land in the Purchaser free and clear of all encumbrances except permitted encumbrances will have been granted by the Court and such Order will not have been stayed, varied, set aside or appealed;

(ii) In case any of the conditions in subclause A. or B. has not been performed or complied with at or prior to the expiry of the period referenced in paragraph (b)(i), the Vendor or Purchaser may rescind this Agreement by written notice to the other party and in such even the Deposit together with interest, if any, will be returned and other Purchaser and the parties will be released from all obligations under this Agreement.

6. (a) At any time after the Acceptance Date, the Purchaser, its employees, agents and contractors may enter upon the Land at its own expense and at its own risk for the purpose of carrying out such survey work, inspections, soil tests and other tests as the Purchaser may deem advisable;

(b) Should this Agreement become null and void, the Purchaser will, at its own expense, return the Land to the state in which it was before the commencement of such tests and inspections.

(c) Within five (5) days following the Acceptance Date, the Vendor will deliver to the Purchaser five (5) originally executed authorization letters (or such additional number as the Purchaser may request) to permit the Purchaser to obtain information about the Land from files of any Authority.

TITLE

7. Title to the Land shall be free and clear of all encumbrances, except as herein provided. The Purchaser may examine the title to the Land at the Purchaser's own expense and the Purchaser may not call for production of any title deed or abstract of title or to have furnished other copies thereof other than those in the Vendor's possession or under his control. The Purchaser is allowed until twenty (20) days after the Acceptance Date, to examine the title, and if within that time, the Purchaser furnishes the Vendor in writing with any valid objections to the title, which the Vendor is unable to remove, and which the Purchaser will not waive, this Agreement will be null and void, and the Deposits paid and interest accrued therein will be returned to the Purchaser, without deduction, and neither the Vendor nor the Purchaser will be liable for any costs or damages, but if no valid objection to the title is made within the said time, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Land; provided however that the Purchaser is not bound to accept possessory title to any part of the Land nor to any part of the Land having any encumbrance whatsoever, including easements, restrictions and covenants.

CLOSING

8. This transaction shall be completed on the Closing Date or on such other date as may be agreed upon in writing between the parties from time to time.

9. (a) On the Closing Date, the Vendor shall deliver to the Purchaser:

- (i) vacant possession of the Land;
 - (ii) a Vesting Order from a court having jurisdiction, in registrable form, vesting the Land in the Purchaser or its assignee, free and clear of encumbrances;
 - (iii) a statutory declaration from an officer of the Vendor confirming that Vertimin Real Estate Inc. is not a non-resident of Canada within the meaning of the Income Tax Act or the Certificate mentioned in Paragraph 13(a) below;
 - (iv) the statement of adjustments which shall also have been delivered to the Purchaser at least 7 days prior to the Closing Date;
 - (v) an undertaking to readjust taxes and local improvement rates and the statement of adjustments;
 - (vi) a certificate of the Vendor wherein the Vendor shall certify that its representations, warranties, covenants and agreements contained in this Agreement are true, correct and effective at Closing Date;
 - (vii) a Bill of Sale for the trailer and chattels in on or about the Land;
 - (viii) such further documents and assurances as the Purchaser or its solicitors shall reasonably require, as may be customary for the completion of a transaction of this nature.
- (b) On the Closing Date, the Purchaser shall deliver to the Vendor:
- (i) the balance of the purchase price;
 - (ii) an undertaking to readjust taxes and local improvement rates and the statement of adjustments;
 - (iv) such further documents and assurances as the Vendor or its solicitors shall reasonably require, as may be customary for the completion of a transaction of this nature.
 - (v) the HST Certificate contemplated by Paragraph 16 below.

The Purchaser in its sole discretion, may waive the requirement that the Vendor deliver any of the foregoing items in this paragraph.

ELECTRONIC REGISTRATION/TENDER

- 10.(a) If electronic registration of documentation is permitted on the Closing Date, the following terms and conditions shall form part of this Agreement:
- i) Prior to Closing, the Vendor and Purchaser shall each retain a solicitor in good standing with the Law Society of Upper Canada to represent the Vendor and the Purchaser with respect to this Agreement and notify the other party of the solicitor's contact information;
 - ii) The Vendor and Purchaser agree that this transaction will be closed in accordance with the terms of the Document Registration Agreement ("DRA") approved by the Law Society of Upper Canada as at the Date of Closing and that the solicitors for each of

the Vendor and the Purchaser by agreeing to represent their client in this transaction, shall be deemed to have entered into such DRA, which shall be effective without requirement of formal execution thereof and shall provide for the Purchaser's solicitor to be responsible for the registration of the electronic documents. In addition to the foregoing, the DRA shall be deemed to be amended to include the following:

- A. the "Release Deadline" shall be 5:00 p.m. on the Closing Date; and
- B. the Purchaser's solicitor shall deliver a copy of the registered Transfer immediately following registration which shall constitute notification entitling the Vendor's solicitor to release the Requisite Deliveries;

(b) Any tender of documents or money pursuant to this Agreement may be made upon or paid to the Vendor or the Purchaser or their respective solicitors and it shall be sufficient that a negotiable certified cheque or bank draft drawn on a Canadian chartered bank, or a Trust Company licensed to practice in the Province of Ontario, is tendered instead of cash.

(c) The parties agree that an effective tender shall be deemed to have been validly made by a party upon the other party when the tendering party's solicitor has:

- (i) delivered all required closing documents, money and keys contemplated by this Agreement to the other party's solicitor;
- (ii) advised the other party's solicitor, in writing, that the tendering party is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and
- (iii) has completed all steps required by the Teraview Electronic Registration System, in order to complete the transaction, that can be performed or undertaken by the tendering party's solicitor without the cooperation or participation of the other party's solicitor and, specifically, when the "completeness signatory" for the Transfer has been electronically signed by the tendering party's solicitor (unless the failure of the other party's solicitor to insert sufficient information prevents the Transfer from being signed for completeness), without the necessity of personally attending upon the other party or the other party's solicitor with the closing documents, money and keys, and without any requirement to have an independent witness evidence the foregoing.

(d) If closing cannot take place using the Teraview Electronic Registration System, the Seller and Buyer and/or their respective solicitors, shall meet at the offices of the Buyer's solicitors on the Closing Date at which time all documents, funds, deliveries and other items to be exchanged on closing shall be reviewed and exchanged, whereupon the solicitors shall attend to the registration of all documents requiring registration and thereafter all of the foregoing shall be released from escrow in accordance with the DRA.

AS IS WHERE IS

11. Notwithstanding any other provision of this Agreement, the Purchaser acknowledges that it is purchasing the Land on an "as is where is" basis and on the basis that the Purchaser will accept the same on the Closing Date in its then current state, condition and location and subject to any permitted encumbrances. Except as otherwise expressly provided in this Agreement, no representation, warranty or condition whether statutory, expressed or implied, oral or written, legal, equitable, conventional, collateral or otherwise will be given by the Vendor as to title, outstanding liens or encumbrances, description, fitness for purpose, merchantability, quantity, condition, quality, suitability, durability, assignability, or marketability thereof or any other matter or thing whatsoever, and all of the same are expressly excluded. The Purchaser acknowledges and agrees that it will inspect the Land and will rely on its own investigations as to the matters set out above in the determining to purchase the Land pursuant to this Agreement.

PLANNING ACT

12. This Agreement shall be effective to create an interest in the Land only if the subdivision control provisions of the Planning Act are complied with by the Vendor. The Vendor shall execute the transferor's statement and the Vendor shall direct its solicitor, to execute the statement of the solicitor for the transferor pursuant to Section 50 (22) of the Planning Act.

COVENANTS, WARRANTIES AND REPRESENTATIONS

13. The Vendor covenants, warrants and represents to the Purchaser that:
 - (a) The Vendor and Vertamin Real Estate Inc. are not non-residents of Canada within the meaning and intended purpose of Section 116 of the *Income Tax Act (Canada)* and that if this warranty and representation cannot be rendered current to the Closing Date, the Vendor shall then deliver a Certificate of Compliance to the Purchaser in the amount of the purchase price referred to in Article Two hereof issued, pursuant to Section 116 of the *Income Tax Act, (Canada)*.

The Vendor has no information about the environmental condition of the Land except as may be contained in any report delivered pursuant to Section 4(a)(v) above.

GENERAL

14. All documents referred to in paragraph 9 hereof except item 9(a)(iv) will be prepared by the Purchaser's solicitor at the Purchaser's sole expense.
15. All money other than the Deposit to be paid or tendered by the Purchaser to the Vendor must be paid or tendered by a solicitor's trust cheque certified by a chartered bank or a bank draft, unless otherwise specified in this Agreement, and payable to the Vendor or as the Vendor may otherwise direct in lawful money of Canada.
16. Provided that the party which takes title to the Lands on closing is a registrant under the Excise Tax Act for the purposes of Harmonized Sales Tax ("HST") the Vendor shall not collect HST on the Closing Date and such party shall be liable to self-assess and remit to the appropriate governmental authority all HST which may be payable in connection with the purchase of the Land. The Purchaser shall provide a Certificate confirming such registration and an

Indemnity to the Vendor with respect to assessment of HST in connection with the sale of the Land.

17. Time shall be of the essence of this Agreement.
18. Any notices which may be given under the provisions of this Agreement are sufficiently given if delivered personally or if mailed by registered mail, postage prepaid or if sent by telecopier or email, to the following addresses:

a) TO THE VENDOR:

800-1600 Carling Avenue
Ottawa, Ontario
K1Z 1G3

Attention:
Fax:
Email:

WITH A COPY TO THE VENDOR'S SOLICITORS:

b) TO THE PURCHASER:

50 Hines Road, Suite 100
Ottawa, Ontario
K2K 2M5

Attention: Jason Rumer
Fax: (613) 831-9060
Email: Jason.rumer@mattamycorp.com

WITH A COPY TO THE PURCHASER'S SOLICITORS:

MEROVITZ POTECHIN LLP
Suite 300, 1565 Carling Avenue
Ottawa, Ontario
K1Z 8R1

Attention: Bram S. Potechin
Fax: (613) 563-4577
Email: bram@mpottawa.com

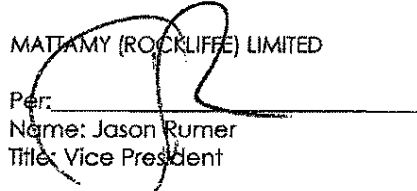
Any notice so mailed shall be deemed to conclusively have been given on the third day following the day of mailing, provided there is not then or at the time of mailing any interruption in postage service. Notices sent by telecopier or email shall be deemed to have been conclusively given on the day on which it was sent. Either party may change its address for notice by notice given in any of the aforesaid manners.

19. This Agreement enures to the benefit of and is binding upon the parties hereto, their heirs, executors, administrators, successors and permitted assigns.

20. This Agreement sets forth the entire agreement between the parties and there is no representation, warranty, collateral agreement or condition affecting this Agreement or the land other than as expressed herein in writing. All of the covenants and conditions of this Agreement survive the closing of the conveyance of the Land and do not blend or merge with the delivery of title to the Land by the Vendor to the Purchaser.
21. The headings in this Agreement are for reference only and do not affect the meaning of anything in the Agreement.
22. This Agreement is subject to the laws of the Province of Ontario and any interpretation under this Agreement will be made with all changes of gender and number as required by the context.
23. This Agreement is open for acceptance by the Vendor until 6:00 p.m. on the 16th day of August, 2017, after which time if not executed by the Vendor and delivered to the Purchaser, or its solicitors, it shall become null and void.
24. This Offer, any counter-offer, and acceptance may validly be made if sent by fax or email and shall be deemed to be made on the date so transmitted.

IN WITNESS WHEREOF the Purchaser has executed this Agreement by its authorized signing officers this 14th day of August, 2017.

SIGNED, SEALED AND DELIVERED
in the presence of


) MATTAMY (ROCKLIFF) LIMITED
)
) Per: 
) Name: Jason Rumer
) Title: Vice President
)
) I have authority to bind the Corporation

The Vendor hereby accepts this Agreement and its terms and covenants, and promises and agrees to and with the Purchaser to duly carry out the same on the terms and conditions above-mentioned.

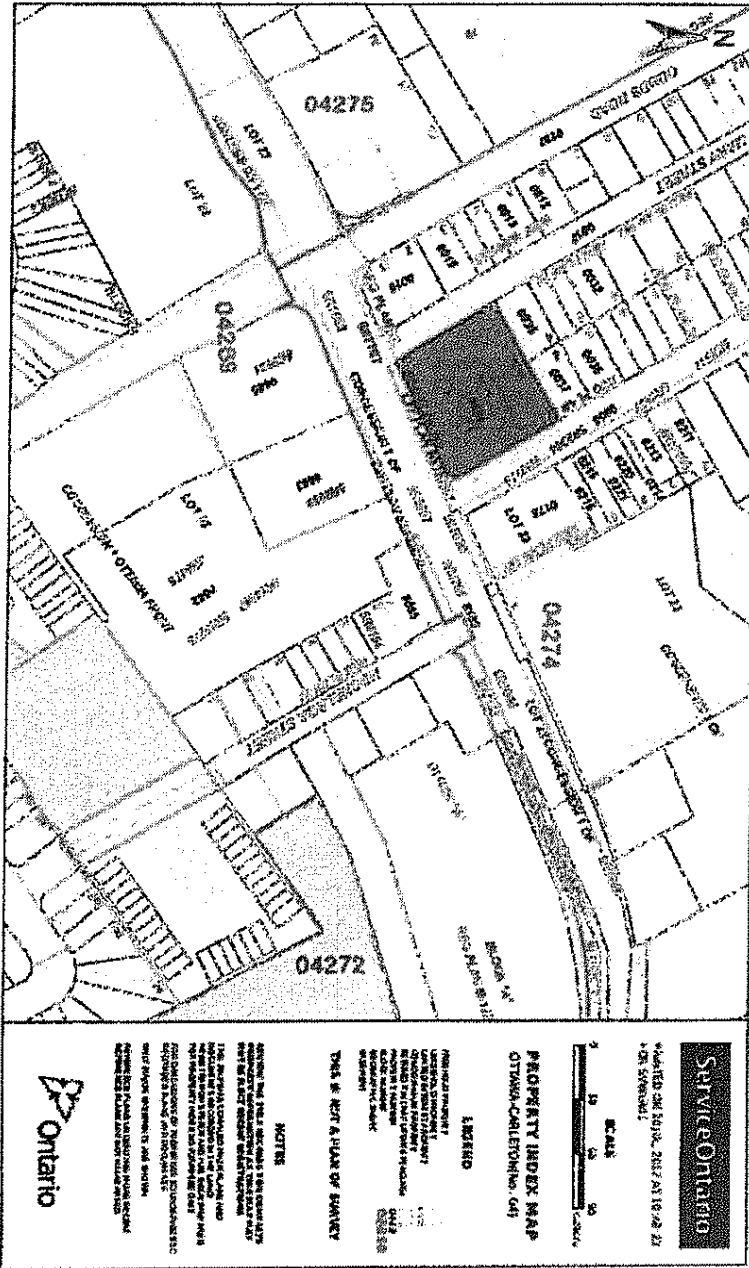
IN WITNESS WHEREOF the Vendor has executed this Agreement this 15 day of August, 2017.

SIGNED, SEALED AND DELIVERED
in the presence of



) MNP LTD., COURT APPOINTED RECEIVER
) FOR VERTAMIN REAL ESTATE INC.
)
) Per: 
) Name: John Haralovich
) Title: Senior Vice President
)
) I have authority to bind the Corporation

Schedule "A"



ServiceOntario

UPDATED ON: 2017-01-18 09:23
 1:25,000



PROPERTY INDEX MAP
 OTTAWA-CATALTON, 041

LEGEND

PROPERTY	---
STREET	---
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TOWN OF OTTAWA

NOTES

NOTES:
 1. THIS MAP IS FOR INFORMATIONAL PURPOSES ONLY. IT IS NOT TO BE USED AS A BASIS FOR ANY LEGAL OR FINANCIAL DECISIONS.
 2. THE MAP IS SUBJECT TO CHANGE WITHOUT NOTICE.
 3. THE MAP IS NOT TO BE USED AS A BASIS FOR ANY LEGAL OR FINANCIAL DECISIONS.
 4. THE MAP IS NOT TO BE USED AS A BASIS FOR ANY LEGAL OR FINANCIAL DECISIONS.
 5. THE MAP IS NOT TO BE USED AS A BASIS FOR ANY LEGAL OR FINANCIAL DECISIONS.

