

**APPRAISAL OF**



**APARTMENT UNIT**

**LOCATED AT:**

UNIT 411-1545 PANDORA AVENUE  
VICTORIA, BC V8R 6R1

**FOR:**

GENERATION PROPERTIES INC.  
6777 BEAUMONT AVENUE  
MAPLE BAY, BC V9L 5X4

**BORROWER:**

BRUCE R. FINDLAY

**AS OF:**

FEBRUARY 10, 2015

**BY:**

MISHELLE MARTIN, CRA  
DR COELL AND ASSOCIATES

RESIDENTIAL APPRAISAL REPORT

FILE NO.: 26007-AP-V-MEM

REFERENCE:

CLIENT	CLIENT: <b>GENERATION PROPERTIES INC.</b>	APPRAISER	APPRAISER: <b>MISHELLE MARTIN, CRA</b>
	ATTENTION: <b>BRUCE R. FINDLAY</b>		COMPANY: <b>D.R. COELL &amp; ASSOCIATES INC.</b>
	ADDRESS: <b>6777 BEAUMONT AVENUE</b>		ADDRESS: <b>303-1001 CLOVERDALE AVENUE</b>
	<b>MAPLE BAY, BC V9L 5X4</b>		<b>VICTORIA BC V8X 4C9</b>
E-MAIL: <b>bruce@generationproperties.ca</b>		E-MAIL: <b>mishellemartin@drcoell.com</b>	
PHONE: <b>(250) 701-5460</b>	FAX: <b>(250) 746 8365</b>	PHONE: <b>(250) 388-6242</b>	FAX: <b>(250) 388-6290</b>

SUBJECT	NAME: <b>BRUCE R. FINDLAY</b>
	PROPERTY ADDRESS: <b>UNIT 411-1545 PANDORA AVENUE</b> CITY: <b>VICTORIA</b> PROVINCE: <b>BC</b> POSTAL CODE: <b>V8R 6R1</b>
	LEGAL DESCRIPTION: <b>STRATA LOT 98, SECTION 74, STRATA PLAN VIS569, VICTORIA DISTRICT (PID#000-713-759) TAX ROLL 7430099</b>
	PURPOSE OF THE APPRAISAL: To estimate market value or <input type="checkbox"/> Other
	INTENDED USE OF THE APPRAISAL: <b>ASSET EVALUATION</b>
	INTENDED USERS (by name or type): <b>NONE OTHER THAN CLIENT NAMED</b>
	REQUESTED BY: <input type="checkbox"/> Client above <input checked="" type="checkbox"/> Other
	THIS APPRAISAL REPORT REPRESENTS THE FOLLOWING VALUE: (if not current, see comments) <input checked="" type="checkbox"/> Current <input type="checkbox"/> Retrospective <input type="checkbox"/> Prospective
	<input type="checkbox"/> Update of original report completed on _____ with an effective date of _____ File No. _____
	PROPERTY RIGHTS APPRAISED: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Cooperative <input checked="" type="checkbox"/> Condominium <input checked="" type="checkbox"/> Strata Maintenance Fee: \$ <b>279.60/MONTH</b> <input checked="" type="checkbox"/> See comments
IS THIS SUBJECT A FRACTIONAL INTEREST, PHYSICAL SEGMENT OR PARTIAL HOLDING? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (if yes, see comments)	
MUNICIPALITY AND DISTRICT: <b>CITY OF VICTORIA</b>	
ASSESSMENT: Land \$ <b>180,000</b> Imps \$ <b>26,000</b> Total \$ <b>206,000</b> Assessment Date: <b>JULY 1, 2014</b> Taxes \$ <b>906</b> Year <b>2014</b>	
EXISTING USE: <b>STRATA APARTMENT UNIT</b> OCCUPIED BY: <b>TENANTED</b>	
HIGHEST AND BEST USE OF SUBJECT PROPERTY: <input type="checkbox"/> As Improved, or <input checked="" type="checkbox"/> Other <i>Note: If highest and best use is not the existing use, or not the use reflected in the report, see additional comments.</i>	

NEIGHBOURHOOD	NATURE OF DISTRICT: <input checked="" type="checkbox"/> Residential <input type="checkbox"/> Rural <input type="checkbox"/> Commercial <input type="checkbox"/> Industrial	AGE RANGE OF PROPERTIES: <b>20</b> to <b>50</b> years
	TREND OF DISTRICT: <input checked="" type="checkbox"/> Improving <input type="checkbox"/> Stable <input type="checkbox"/> Transition <input type="checkbox"/> Deteriorating	MARKET OVERVIEW: Supply: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor
	BUILT-UP: <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25 - 75% <input type="checkbox"/> Under 25%	Demand: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor
	CONFORMITY Age: <input type="checkbox"/> Newer <input checked="" type="checkbox"/> Similar <input type="checkbox"/> Older	PRICE TRENDS: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining
	Condition: <input type="checkbox"/> Superior <input checked="" type="checkbox"/> Similar <input type="checkbox"/> Inferior	PRICE RANGE OF PROPERTIES: \$ <b>150,000</b> to \$ <b>350,000</b>
	Size: <input type="checkbox"/> Larger <input checked="" type="checkbox"/> Similar <input type="checkbox"/> Smaller	<b>FOR PROPERTY TYPE</b>
	SUMMARY: INCLUDES VALUE TRENDS, MARKET APPEAL, PROXIMITY TO EMPLOYMENT AND AMENITIES, APPARENT ADVERSE INFLUENCES IN THE AREA, IF ANY (e.g. railroad tracks, unkempt properties, major traffic arteries, Hydro facilities, anticipated public or private improvements, commercial/industrial sites, landfill sites, etc.) <b>SEE ATTACHED ADDENDUM</b>	

SITE	SITE DIMENSION: <b>SITE SITE MAP</b>	UTILITIES: <input checked="" type="checkbox"/> Telephone <input checked="" type="checkbox"/> Sanitary Sewer <input type="checkbox"/> Septic System <input checked="" type="checkbox"/> Municipal Water <input type="checkbox"/> Well
	SITE AREA: <b>STRATA AREA</b> Source: <b>BC ASSESSMENT</b>	<input checked="" type="checkbox"/> Natural Gas <input checked="" type="checkbox"/> Storm Sewer <input type="checkbox"/> Open Ditch
	TOPOGRAPHY: <b>GENERALLY LEVEL AT STREET GRADE</b>	FEATURES: <input checked="" type="checkbox"/> Paved Road <input checked="" type="checkbox"/> Sidewalk <input checked="" type="checkbox"/> Street Lights <input type="checkbox"/> Gravel Road <input checked="" type="checkbox"/> Curbs
	CONFIGURATION: <b>RECTANGULAR SHAPED STRATA SITE</b>	<input checked="" type="checkbox"/> Cablevision <input type="checkbox"/> Lane
	ZONING: <b>C1-N (NEIGHBOURHOOD SHOPPING DISTRICT)</b>	ELECTRICAL: <input checked="" type="checkbox"/> Overhead <input type="checkbox"/> Underground
	DOES EXISTING USE CONFORM TO ZONING? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO (see comments)	DRIVEWAY: <input type="checkbox"/> Private <input checked="" type="checkbox"/> Mutual <input type="checkbox"/> None <input type="checkbox"/> Single <input checked="" type="checkbox"/> Double
	EASEMENTS: <input type="checkbox"/> Utility <input type="checkbox"/> Access <input checked="" type="checkbox"/> Other <b>TITLE NOT SEARCHED</b>	Surface: <b>ASPHALT</b>
	COMMENTS: (includes any positive and negative features such as conformity with zoning, effects of known easements, known restrictions on title, such as judgements or liens, effect of assemblage, any known documentation of environmental contamination, etc.) <b>SEE ATTACHED ADDENDUM</b>	PARKING: <input checked="" type="checkbox"/> Garage <input type="checkbox"/> Carport <input type="checkbox"/> Driveway <input checked="" type="checkbox"/> Street <b>1 STALL</b>
		LANDSCAPING: <input checked="" type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor <b>UPDATED</b>
		CURB APPEAL: <input type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor

CONSTRUCTION COMPLETE: <b>YES</b> PERCENTAGE COMPLETE: <b>100%</b>	EXISTING IMPROVEMENTS
YEAR BUILT (estimated): <b>1977-RENOVATED</b> EFFECTIVE AGE: <b>15 YEARS</b> years	REMAINING ECONOMIC LIFE (estimated): <b>50</b> years
FLOOR AREA <input type="checkbox"/> Sq. M. <input checked="" type="checkbox"/> Sq. Ft.	ROOFING: <b>TORCH-ON</b>
MAIN <b>1,057</b>	Condition: <input checked="" type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor
SECOND	EXTERIOR FINISH: <b>STUCCO/CONCRETE SIDING</b>
THIRD	Condition: <input checked="" type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor
FOURTH	<b>EXTERIOR APPEARS TO BE IN GOOD OVERALL</b>
TOTAL <b>1,057</b>	<b>CONDITION FOR IT'S AGE. - FULL REMEDIATION</b>
Source: <b>STRATA PLAN</b>	UFFI APPARENT: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Removed

IMPROVEMENTS	BEDROOMS(#): <b>2</b> Large <b>1</b> Average <b>1</b> Small	BATHROOMS(#): <b>1</b> 2-piece <b>XXX</b> 3-piece <b>1</b> 4-piece <b>1</b> 5-piece	INTERIOR FINISH Walls: <input checked="" type="checkbox"/> Drywall <input type="checkbox"/> Plaster <input type="checkbox"/> Panelling	Ceillings: <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	CLOSETS: <input checked="" type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor	INSULATION: <input checked="" type="checkbox"/> Ceiling <input checked="" type="checkbox"/> Walls <input type="checkbox"/> Basement <input type="checkbox"/> Crawl Space	Source: <b>ASSUMED COPPER/PLASTIC</b>
	DESIGN/STYLE: <b>2 BEDROOM</b>	CONSTRUCTION: <b>WOOD FRAME</b>	BASEMENT: <b>NONE</b>	BASEMENT AREA: <b>NONE</b> <input type="checkbox"/> Sq. M. <input checked="" type="checkbox"/> Sq. Ft. <b>N/A</b> % Finished	WINDOWS: <b>DOUBLE GLAZED, ALUMINUM SASH</b>	FOUNDATION WALLS: <b>CONCRETE FOUNDATION</b>	PLUMBING LINES: <b>MIXED - ASSUMED COPPER/PLASTIC</b>
	FLOORING: <b>MIXED: CARPET AND VINYL FLOORING</b>	ELECTRICAL: <input type="checkbox"/> Fuses <input checked="" type="checkbox"/> Breakers	HEATING SYSTEM: <b>BASEBOARD</b> Fuel type: <b>ELECTRIC</b>	WATER HEATER: Type: <b>COMMON</b>	BASEMENT FINISHES, UTILITY: <b>NOT APPLICABLE IN UNIT.</b>	OVERALL IN. COND: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor	FLOOR PLAN: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor
							BUILT-INS/EXTRAS: <input type="checkbox"/> Garbage Disposal <input type="checkbox"/> Central Air <input checked="" type="checkbox"/> Swimming Pool <input checked="" type="checkbox"/> Fireplace(s)
							<input type="checkbox"/> Oven <input type="checkbox"/> Air Cleaner <input type="checkbox"/> Sauna <input type="checkbox"/> Garage Opener <input checked="" type="checkbox"/> Dishwasher
							<input type="checkbox"/> Vacuum <input type="checkbox"/> Solarium <input type="checkbox"/> Security System <input type="checkbox"/> Stove <input type="checkbox"/> Whirlpool
							<input type="checkbox"/> Skylights <input type="checkbox"/> HR Ventilator

GARAGES/CARPORTS: <b>THE SUBJECT IS ASSIGNED 1 STALL LOCATED IN THE UNDERGROUND SECURED PARKING GARAGE.</b>
DECKS, PATIOS, OTHER IMPROVEMENTS: <b>A LARGE BALCONY LOCATED OFF THE LIVING AREA WITH FORT STREET VIEW EXPOSURE.</b>
COMMENTS: (Building, appearance, quality, condition, services, extras, anticipated public or private improvements, etc.) <b>THE SUBJECT IS A 38 YEAR OLD, 4TH FLOOR (TOP), INTERIOR APARTMENT UNIT. THE FLOORPLAN OFFERS 2 BEDROOMS, 1 FULL BATHROOM AND 1 PART BATHROOM, A LIVING ROOM, A DINING AREA AND A KITCHEN (PART UPDATED). THE UNIT HAS BEEN PARTIALLY UPDATED &amp; THE FINISHES THROUGHOUT THE UNIT INCLUDE: LAMINATE COUNTERTOPS IN THE KITCHEN AREA &amp; BATHROOM, W WHITE (UPGRADED) APPLIANCES IN THE KITCHEN WITH A DISHWASHER, PAINTED WOOD CABINETS &amp; CARPET &amp; VINYL FLOORING THROUGHOUT THE UNIT. THE SUBJECT UNIT APPEARS TO BE IN ABOVE AVERAGE OVERALL CONDITION UPON THE DATE OF THE INSPECTION WITH PARTIAL UPDATES APPARENT.</b>

RESIDENTIAL APPRAISAL REPORT

FILE NO.: 26007-AP-V-MEM

REFERENCE:

ROOM ALLOCATION	LEVEL:	MAIN	SECOND	THIRD	BASEMENT	COST APPROACH	
	ENTRANCE	X					SOURCE OF COST DATA: <input type="checkbox"/> MANUAL <input type="checkbox"/> CONTRACTOR <input type="checkbox"/> OTHER
	LIVING	1					LAND VALUE: <b>DIRECT COMPARISON APPROACH</b> \$
	DINING	1					BUILDING COST NEW DEPRECIATED COST
	KITCHEN	1					COST <b>1,057</b> @ \$ \$ <b>0</b> \$
	FULL BATH	1-4PCE					GARAGE \$ \$
	PART BATH	1-2PCE					BASEMENT FINISH \$ \$
	BEDROOM	2					OTHER EXTRAS \$ \$
	FAMILY						THE COST APPROACH IS NOT
	LAUNDRY						APPROPRIATE FOR STRATA \$ \$
	OTHER						\$ \$
		BALCONY					\$ \$
							\$ \$
							TOTAL REPLACEMENT COST \$ <b>0</b>
							LESS: ACCRUED DEPRECIATION % \$ <b>0</b> \$ <b>0</b>
							INDICATED VALUE \$ <b>0</b>
							VALUE BY THE COST APPROACH (rounded) \$ <b>0</b>
	TOTAL ROOMS	5			0		

NOTE: The construction cost estimates contained herein were not prepared for insurance purposes and are invalid for that use. The Cost Approach is not applicable when appraising individual strata/condominium type dwelling units.

SUBJECT	COMPARABLE NO. 1			COMPARABLE NO. 2			COMPARABLE NO. 3		
	Description	\$ Adjustment		Description	\$ Adjustment		Description	\$ Adjustment	
UNIT 411-1545 PANDORA AVENUE VICTORIA	417-1545 PANDORA AVENUE VICTORIA			303-1166 ROCKLAND AVENUE VICTORIA			109-1024 FAIRFIELD ROAD VICTORIA		
DATE OF SALE	REFINANCE	23-OCT-2014		02-FEB-201			14-NOV-2014		
SALE PRICE	\$	\$ 227,000		\$ 230,000			\$ 247,000		
D.O.M									
LOCATION	FERNWOOD	FERNWOOD		DOWNTOWN			FAIRFEILD WEST	-20,000	
SITE SIZE	STRATA AREA	SAME STRATA		STRATA AREA			STRATA AREA		
BUILDING TYPE	APARTMENT UNIT	APARTMENT UNIT		APARTMENT UNIT			APARTMENT UNIT		
DESIGN/STYLE	2 BEDROOM	1 BEDROOM		2 BEDROOM			2 BEDROOM		
AGE/CONDITION	38 YRS P.UP'D	38 YRS UP'D	-5,000	33 YRS UP'D	-5,000		39 YRS P.UP'D		
LIVEABLE FLOOR AREA	1,057 SQFT	899 SQFT	20,000	1,017 SQFT	5,000		1,069 SQFT		
ROOM-COUNT	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths			Total Bdrms Baths		
	5 2 1F 1H	4 1 1F	10,000	5 2 1F 1H			5 2 1F 1H		
BASEMENT	NONE	NONE		NONE			NONE		
PARKING	1 SECURED STALL	1 SECURED STALL		1 SECURED STALL			1 SECURED STALL		
UNIT. LOC.	INTERIOR UNIT	CORNER UNIT	-10,000	INTERIOR UNIT			INTERIOR UNIT		
FLOOR	4TH FLOOR (TOP)	4TH FLOOR (TOP)		3RD (TOP)			1ST FLOOR	10,000	
OUTDOOR	1 LARGE	COMPARABLE		INFERIOR-	5,000		INFERIOR-	5,000	
SPACE	BALCONY			STANDARD			STANDARD		
INFLUENCES	BUSY STREET	COMPARABLE		SUPERIOR	-10,000		SUPERIOR	-10,000	
	LOCATIONS			QUIET STREET LOC.					
BUILDING	FULLY UPGRADED	COMPARABLE-		COMPARABLE			COMPARABLE		
AMENITIES		SAME STRATA		INFERIOR	10,000		INFERIOR	10,000	
ADJUSTMENTS (Gross/Net)		19.8 % 6.6 % \$	15,000	15.2 % 2.2 % \$	5,000		22.3 % -2.0 % \$	5,000	
ADJUSTED VALUES		\$ <b>242,000</b>		\$ <b>235,000</b>			\$ <b>242,000</b>		

CONCLUSIONS: RECENT COMPARABLE SALES WITH ADJUSTMENTS TO REFLECT THE SUBJECT PROPERTY. THE COMPARABLES ARE SIMILAR STYLE 1 BEDROOM AND 1 BEDROOM AND DEN UNITS LOCATED IN THE "FERNWOOD" AND SURROUNDING AREAS OF VICTORIA. THE COMPARABLES PROVIDE GOOD EVIDENCE FOR THE VALUE ESTIMATE OF THE SUBJECT PROPERTY.

\*PLEASE SEE ADDITIONAL COMPARABLE PAGE FOR COMPARABLE SALES AND LISTINGS #4, #5 & #6. NOTE THAT #5 & #6 ARE ACTIVE LISTINGS AND HAVE BEEN INCLUDED IN THE REPORT FOR SUPPORTIVE WEIGHT ONLY.\*

\*PLEASE NOTE THAT TIME ADJUSTED SALE OF GOOD COMPARABLES ARE CONSIDERED BETTER INDICATORS THAN MORE RECENT SALES OF LESS COMPARABLE PROPERTIES\*

THE INDICATED VALUE IS WELL SUPPORTED.

SALES HISTORY -- ANALYSIS OF KNOWN CURRENT AGREEMENTS FOR SALE, PRIOR SALES, OPTIONS, LISTINGS OR MARKETING OF THE SUBJECT: (minimum of three years)  
IT IS NOTED FROM THE BRITISH COLUMBIA ASSESSMENT AUTHORITY VIA THE GREATER VICTORIA ESTATE COMPUTER INFORMATION SYSTEM THAT THE LAST TRANSFER ON THE SUBJECT PROPERTY OCCURRED MAY 2013 FOR A RECORDED AMOUNT OF \$70,000 (DOC#CA314485). THE SUBJECT PROPERTY HAS NOT BEEN LISTED OVER THE PAST FIVE (5) YEARS.

VALUE BY THE DIRECT COMPARISON APPROACH (rounded): \$ **240,000**

COMMENT ON REASONABLE EXPOSURE TIME: THE CURRENT MARKET HAS STABILIZED IN MOST LOCAL REGIONS AND PRICE RANGES WITH BALANCED SALES AND LISTING ACTIVITIES. THE VALUE REPORTED ASSUMES AN EXPOSURE TIME OF 1 TO 90 DAYS, WITH THE SERVICES OF A PROFESSIONAL REALTOR.

RECONCILIATION AND FINAL ESTIMATE OF VALUE: THE REPLACEMENT COST METHOD DOES NOT APPLY TO STRATA PROPERTIES, RELIANCE IS PLACED ON THE DIRECT COMPARISON APPROACH.

AS A RESULT OF MY APPRAISAL AND ANALYSIS OF ALL APPLICABLE DATA AND RELEVANT FACTORS, IT IS MY CONCLUSION THAT THE MARKET VALUE OF THE INTEREST IN THE SUBJECT PROPERTY AS AT **FEBRUARY 10, 2015** (Effective Date of the Appraisal) IS \$ **240,000**

THIS REPORT WAS COMPLETED ON: **FEBRUARY 10, 2015**

RESIDENTIAL APPRAISAL REPORT

FILE NO.: 26007-AP-V-MEM

REFERENCE:

**DEFINITIONS**  
**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: buyer and seller are typically motivated; both parties are well informed or well advised, and acting in what they consider their own best interests; a reasonable time is allowed for exposure in the open market; payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and the price represents the normal consideration for the property sold under special or creative financing or sales concessions granted by anyone associated with the sale.  
 (Source: Canadian Uniform Standards of Professional Appraisal Practice) Note: If other than market value is being appraised, see additional comments.  
**DEFINITION OF HIGHEST AND BEST USE:** The reasonably probable and legal use of the property, that is physically possible, appropriately supported, and financially feasible, and that results in the highest value.

**SCOPE**  
 The scope of the appraisal encompasses the due diligence undertaken by the appraiser (consistent with the terms of reference from the client, the purpose and intended use of the report) and the necessary research and analysis to prepare a report in accordance with the Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada. The following comments describe the extent of the process of collecting, confirming and reporting data and its analysis, describe relevant procedures and reasoning details supporting the analysis, and provide the reason for the exclusion of any usual valuation procedures.  
**THE SUBJECT WAS INSPECTED ON THE DATE NOTED. INFORMATION WAS ALSO COLLECTED FROM THE LOCAL REAL ESTATE BOARD AND THE BC ASSESSMENT AUTHORITY AS TO SALES HISTORY, ASSESSMENT AND TAX INFORMATION. TITLE TO THE PROPERTY HAS NOT BEEN SEARCHED AND NO SURVEY HAS BEEN MADE. IT IS NOTED THAT A PROFESSIONAL BUILDING INSPECTION WAS NOT CONDUCTED AND IS OUTSIDE BOTH THE SCOPE OF THE REPORT AND THE EXPERTISE OF THE APPRAISER. THE HOME IS ASSUMED TO BE STRUCTURALLY SOUND. THE REPORT IS PREPARED FOR THE CLIENT NAMED AND NO OTHERS WITHOUT WRITTEN CONSENT.**


**ASSUMPTIONS AND LIMITING CONDITIONS AND EXTRAORDINARY ITEMS**  
**ORDINARY ASSUMPTIONS & LIMITING CONDITIONS**  
 The certification that appears in this appraisal report is subject to the following conditions:  
 1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the author and any supervisory appraiser, subject to the qualification in paragraph 11 below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.  
 2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.  
 3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. No registry office search has been performed and the appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this report. The property is appraised on the basis of it being under responsible ownership.  
 4. The subject property is presumed to comply with government regulations including zoning, building codes and health regulations and, if it doesn't comply, its non-compliance may affect market value.  
 5. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property.  
 6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.  
 7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc.) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.  
 8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.  
 9. The appraiser obtained information, estimates and opinions that were used in the preparation of this report from sources considered to be reliable and accurate and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of items that were furnished by other parties.  
 10. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work.  
 11. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the Canadian Uniform Standards of Professional Appraisal Practice ("The Standards") and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the Canadian Uniform Standards of Professional Appraisal Practice (the "Standards") and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy.  
 12. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.  
 13. Written consent from the author and supervisory appraiser, if applicable, must be obtained before any part of the appraisal report can be used for any purpose by anyone except the client and other intended users identified in the report. Where the client is the mortgagee, liability is extended to its insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee. Written consent and approval must also be obtained before the appraisal (or any part of it) can be altered or conveyed to other parties, including mortgagees (other than the client) and the public through prospectus, offering memoranda, advertising, public relations, news, sales or other media.  
 14. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.  
 Other: \_\_\_\_\_  
**EXTRAORDINARY ASSUMPTIONS & LIMITING CONDITIONS**  
 An extraordinary assumption or limiting condition has been invoked in this appraisal report.  YES  NO If yes, see attached addendum. \_\_\_\_\_  
**HYPOTHETICAL CONDITIONS**  
 A hypothetical condition has been invoked in this appraisal report.  YES  NO If yes, see attached addendum. \_\_\_\_\_  
**JURISDICTIONAL EXCEPTION**  
 A jurisdictional exception has been invoked in this appraisal report.  YES  NO If yes, see attached addendum. \_\_\_\_\_

I certify that, to the best of my knowledge and belief:  
 1. The statements of fact contained in this report are true and correct.  
 2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions and conclusions.  
 3. I have no past, present or prospective interest or bias with respect to the property that is the subject of this report and no personal interest or bias with respect to the parties involved with this assignment, except as specified herein.  
 4. My engagement in this assignment is not contingent upon developing or reporting a predetermined result, upon the amount of value estimate, upon a direction in value that favours the cause of the client, upon the attainment of a stipulated result or the occurrence of a subsequent event.  
 5. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice.  
 6. I have the knowledge and experience to complete this assignment competently. Except as herein disclosed, no other person has provided me with significant professional assistance in the completion of this appraisal assignment.  
 7. The Appraisal Institute of Canada has a mandatory Continuing Professional Development Program for all members. As at the date of this report, the requirements of this program have been fulfilled.  
**\*\*INTERIOR PHOTOGRAPHS WERE TAKEN WITH AUTHORIZATION FROM THE OCCUPANTS\*\***

**SUPERVISORY APPRAISER'S CERTIFICATION** If a supervisory appraiser has signed this appraisal report, he or she certifies and agrees that "I directly supervised the appraiser who prepared this appraisal report and, having reviewed the report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certification and am taking full responsibility for the appraisal and the appraisal report."

**PROPERTY IDENTIFICATION**  
 ADDRESS: UNIT 411-1545 PANDORA AVENUE CITY: VICTORIA PROVINCE: BC POSTAL CODE: V8R 6R1  
 LEGAL DESCRIPTION: STRATA LOT 98, SECTION 74, STRATA PLAN VIS569, VICTORIA DISTRICT (PID#000-713-759) TAX ROLL 7430099

**CERTIFICATION**  
 AS A RESULT OF MY APPRAISAL AND ANALYSIS OF ALL APPLICABLE DATA AND RELEVANT FACTORS, IT IS MY CONCLUSION THAT THE MARKET VALUE OF THE INTEREST IN THE SUBJECT PROPERTY AS AT FEBRUARY 10, 2015 (Effective Date of the Appraisal) IS \$ 240,000

**APPRAISER**  
 SIGNATURE:   
 NAME: MISHELLE MARTIN, CRA  
 DESIGNATION: CRA, RI  
 DATE SIGNED: FEBRUARY 10, 2015  
 DATE OF INSPECTION: FEBRUARY 6, 2015  
 LICENSE INFO: (where applicable) \_\_\_\_\_  
**SUPERVISORY APPRAISER (if applicable)**  
 SIGNATURE: \_\_\_\_\_  
 NAME: \_\_\_\_\_  
 DESIGNATION: \_\_\_\_\_  
 DATE SIGNED: \_\_\_\_\_  
 DATE OF INSPECTION: \_\_\_\_\_  
 LICENSE INFO: (where applicable) \_\_\_\_\_

NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.  
 ATTACHMENTS:  
 ADDITIONAL SALES  EXTRAORDINARY ITEMS ADDENDUM  NARRATIVE ADDENDUM  PHOTO ADDENDUM  SKETCH ADDENDUM  
 MAP ADDENDUM  PLOT MAP  AERIAL MAP  EXTRA PHOTOS  STRATA PLAN  
 COMPARABLE SALES

RESIDENTIAL APPRAISAL REPORT

FILE NO.: 26007-AP-V-MEM

REFERENCE:

<b>CLIENT</b>	CLIENT: <b>GENERATION PROPERTIES INC.</b>	<b>APPRAISER</b>	APPRAISER: <b>MISHELLE MARTIN, CRA</b>
	ATTENTION: <b>BRUCE R. FINDLAY</b>		COMPANY: <b>D.R. COELL &amp; ASSOCIATES INC.</b>
	ADDRESS: <b>6777 BEAUMONT AVENUE</b>		ADDRESS: <b>303-1001 CLOVERDALE AVENUE</b>
	<b>MAPLE BAY, BC V9L 5X4</b>		<b>VICTORIA BC V8X 4C9</b>
	E-MAIL: <b>bruce@generationproperties.ca</b>		E-MAIL: <b>mishellemartin@drcoell.com</b>
	PHONE: <b>(250) 701-5460</b> FAX: <b>(250) 746 8365</b>		PHONE: <b>(250) 388-6242</b> FAX: <b>(250) 388-6290</b>

**EXTRAORDINARY ASSUMPTIONS & LIMITING CONDITIONS**

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

NONE

**HYPOTHETICAL CONDITIONS**

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

NONE

**EXTRAORDINARY ITEMS ADDENDUM**

**JURISDICTIONAL EXCEPTION**

The Jurisdictional Exception permits the appraiser to disregard a part or parts of the Standards determined to be contrary to law or public policy in a given jurisdiction and only that part shall be void and of no force or effect in that jurisdiction. The following comments identify the part or parts disregarded, if any, and the legal authority justifying these actions.

NONE

**RESIDENTIAL APPRAISAL REPORT**

FILE NO.: 26007-AP-V-MEM

REFERENCE:

SUBJECT	COMPARABLE NO. 4			COMPARABLE NO. 5			COMPARABLE NO. 6		
	Description	\$ Adjustment		Description	\$ Adjustment		Description	\$ Adjustment	
UNIT 411-1545 PANDORA AVENUE VICTORIA	303-1110 OSCAR STREET VICTORIA			UNIT 214-1545 PANDORA AVE VICTORIA			UNIT 318-1545 PANDORA AVE VICTORIA		
DATE OF SALE	REFINANCE	31-OCT-2014		<b>ACTIVE LISTING</b>			<b>ACTIVE LISTING</b>		
SALE PRICE	\$	\$ 265,000		\$ 279,000			\$ 238,500		
D.O.M				11 DAYS			4 DAYS		
LOCATION	FERNWOOD	FAIRFEILD WEST -20,000		FERNWOOD			FERNWOOD		
SITE SIZE	STRATA AREA	STRATA AREA		<b>SAME STRATA</b>			<b>SAME STRATA</b>		
BUILDING TYPE	APARTMENT UNIT	APARTMENT UNIT		APARTMENT UNIT			APARTMENT UNIT		
DESIGN/STYLE	2 BEDROOM	2 BEDROOM		2 BEDROOM			1 BEDROOM		
AGE/CONDITION	38 YRS P.UP'D	39 YRS P.UP'D		38 YRS AVG.+	SIMILAR		38 YRS AVG.+	SIMILAR	
LIVEABLE FLOOR AREA	1,057 SQFT	1,294 SQFT -25,000		980 SQFT	INFERIOR		923 SQFT	INFERIOR	
ROOM-COUNT	Total Bdrms Baths 5 2 1F 1H	Total Bdrms Baths 5 2 2F	-2,500	Total Bdrms Baths 5 2 1F1P	SIMILAR		Total Bdrms Baths 4 1 1F	INFERIOR	
BASEMENT	NONE	NONE		NONE	0		NONE	0	
PARKING	1 SECURED STALL	1 SECURED STALL		1 SECURED STALL	SIMILAR		1 SECURED STALL	SIMILAR	
UNIT. LOC.	INTERIOR UNIT	INTERIOR UNIT		CORNER UNIT	SUPERIOR		CORNER UNIT	SUPERIOR	
FLOOR	4TH FLOOR (TOP)	3RD FLOOR 5,000		2ND FLOOR	INFERIOR		3RD FLOOR	INFERIOR	
OUTDOOR SPACE	1 LARGE BALCONY	INFERIOR- 5,000		STREET VIEWS	SIMILAR		COURTYARD VIEWS	SUPERIOR	
INFLUENCES	BUSY STREET	SUPERIOR -10,000		COMPARABLE	SIMILAR		COMPARABLE	SIMILAR	
BUILDING	FULLY UPGRADED	PART UPGRADES 10,000		<b>SAME STRATA</b>			<b>SAME STRATA</b>		
AMENITIES		INFERIOR 10,000							
ADJUSTMENTS (Gross/Net)		33.0 %	-10.4 % \$ 27,500	0.0 %	0.0 % \$	0	0.0 %	0.0 % \$	0
ADJUSTED VALUES	\$	<b>237,500</b>		\$	<b>ACTIVE LISTING</b>		\$	<b>ACTIVE LISTING</b>	

CONCLUSIONS:

DIRECT COMPARISON APPROACH

## ADDENDUM

Borrower: BRUCE R. FINDLAY

File No.: 26007-AP-V-MEM

Property Address: UNIT 411-1545 PANDORA AVENUE

Case No.:

City: VICTORIA

Province: BC

Postal Code: V8R 6R1

Lender: GENERATION PROPERTIES INC.

### Neighbourhood Summary Comments

THE SUBJECT AREA IS REFERRED TO AS THE "JUNCTION", OR STADACONA PARK AREA OF FORT STREET AND PANDORA AVENUE, TWO MAJOR TRAFFIC ARTERIES WHICH MERGE JUST EAST OF THE SUBJECT SITE. THE AREA IS ALMOST TOTALLY DEVELOPED WITH CHARACTER CONVERSIONS, APARTMENT BUILDINGS, AND CONDOMINIUMS WITH SUPPORTING COMMERCIAL. THE DISTRICT IS CENTRALLY LOCATED WITH RESPECT TO THE PROXIMITY TO DOWNTOWN, THE JUBILEE HOSPITAL AND THE USUAL CITY SERVICES. STADACONA PARK, WHICH IS LOCATED JUST TO THE NORTH ACROSS PANDORA AVENUE FROM THE SUBJECT, IS POPULAR FOR ITS TENNIS COURTS AND GREEN SPACE ASPECT. STADACONA AVENUE BORDERING THE WEST SIDE IS A QUIET, BLOCK LONG SIDESTREET RUNNING NORTH/SOUTH BETWEEN FORT STREET AND PANDORA AVENUE. THE STREET HAS ATTRACTIVE TREE LINED BOULEVARDS. THE AREA ENJOYS EXCELLENT BUS SERVICE. PROXIMITY TO DOWNTOWN AND THE JUBILEE HOSPITAL MAKES THE LOCATION A PRIME MULTI-FAMILY NEIGHBOURHOOD. VEHICULAR TRAFFIC ALONG BOTH PANDORA AND FORT STREETS IS VERY HEAVY AND THERE IS ALSO A MEDIUM DEGREE OF PEDESTRIAN TRAFFIC.

THE SUBJECT UNIT HAS SOUTH-EAST EXPOSURE AND FACES ONTO FORT STREET. THE TRAFFIC FLOW AND NOISE WILL POSE AS A MINOR ADVERSE INFLUENCE FOR THIS UNIT.

### Site Comments

THE SUBJECT IS LOCATED IN A MIXED CONCRETE AND WOOD-FRAME, LOW-RISE RESIDENTIAL CONDOMINIUM BUILDING BUILT OVER A GROUND LEVEL COMMERCIAL AREA WITH COMMON UNDER-BUILDING PARKADE AND ROOF TOP INNER COURTYARD AREAS ABOVE THE PARKADE.

THE COMPLEX KNOWN AS "STADACONA CENTRE" WITH 28,976 SQUARE FEET OF GROUND FLOOR COMMERCIAL AND 106 CONDOMINIUM UNITS BETWEEN TWO BUILDINGS. THE SUBJECT'S UNIT BUILDING, BUILDING "B" IS COMPRISED OF 55 UNITS OVER 4 FLOORS. THE SUBJECT IS LOCATED ON THE 4TH FLOOR (TOP) AND IS AN INTERIOR UNIT WITH SOUTH-EAST EXPOSURE (STREET VIEWS). THE STRATA MINUTES HAVE NOT BEEN REVIEWED. THIS REPORT ASSUMES NO SPECIAL ASSESSMENTS.

THE SUBJECT PROPERTY HAS RECENTLY UNDERGONE A COMPLETE BUILDING ENVELOP REMEDIATION AT A COST OF 7.6 MILLION. ASSESSMENTS ON THE UNIT HAVE BEEN PAID IN FULL. PLEASE REFER TO THE ADDENDUM FOR A DETAILED LIST OF THE RECENT UPGRADES TO THE BUILDING.

THE SUBJECT APPEARS TO CONFORM TO THE C1-N ZONING. STRATA FEES ARE REPORTED TO BE +/-387.51 PER MONTH. THIS INCLUDES BUILDING INSURANCE, CARETAKER, GARBAGE, MANAGEMENT, RECREATION FACILITY, WATER AND YARD MAINTENANCE.

AMENITIES WITHIN THE BUILDING COMPLEX INCLUDE: SECURED UNDERGROUND PARKING GARAGE, IN-DOOR POOL, HOT TUB, SAUNA, GAMES ROOM AND HOBBY ROOM/WORKSHOP.

# ADDENDUM

Borrower: BRUCE R. FINDLAY

File No.: 26007-AP-V-MEM

Property Address: UNIT 411-1545 PANDORA AVENUE

Case No.:

City: VICTORIA

Province: BC

Postal Code: V8R 6R1

Lender: GENERATION PROPERTIES INC.

## Environmental Addendum

### DESCRIPTION OF IMPROVEMENTS

THE SUBJECT IS A FORTH (4) FLOOR, SOUTH-EAST FACING, INTERIOR UNIT. THE APPRAISED VALUE IS BASED ON CONDITION AS AT THE DATE OF INSPECTION, FEBRUARY 6, 2015. THE UNIT WAS IN ABOVE AVERAGE OVERALL CONDITION WITH PARTIAL UPDATES TO THE UNIT APPARENT.

### SALES ANALYSIS:

A WIDE VARIETY OF SALES, LISTINGS AND EXPIRED LISTINGS HAVE BEEN ANALYSED TO DETERMINE THE CURRENT MARKET VALUE OF THE SUBJECT PROPERTY. THE SALES USED WERE THE BEST POSSIBLE SALES, AND HAVE BEEN ANALYSED AND ADJUSTED APPROPRIATELY.

IN THE TIME BETWEEN THE DATES OF THESE TRANSACTIONS AND THE VALUATION DATE OF THE SUBJECT PROPERTY, THE MARKET FOR SIMILAR PROPERTIES LOCATED IN THE SUBJECTS AREA HAVE REMAINED STABLE AND NO MARKET CONDITION ADJUSTMENTS HAVE BEEN APPLIED.

COMPARABLE SALES NO.1, NO. 2, NO. 3 & NO. 4 HAVE BEEN ANALYSED TO ESTIMATE THE MARKET VALUE OF THE SUBJECT PROPERTY AS OF THE DATE, FEBRUARY 6, 2015. ALL SALES ARE SALES WITH IN THE 5 MONTHS OF THE EFFECTIVE DATE OF THE APPRAISAL AND ARE ALL LOCATED IN AND AROUND THE SUBJECT'S NEIGHBOURHOODS.

THE DIRECT COMPARISON APPROACH IS TO BE THE FAVORED METHOD OF VALUATION. INHERENT IN THIS APPROACH IS THE ASSUMPTION THAT A PRUDENT PURCHASER WILL NOT PURCHASE A PROPERTY AT A HIGHER PRICE THAN SIMILAR PROPERTIES WITH COMPARABLE LOCATION AND CHARACTERISTICS. THE APPROACH IS OFTEN GOOD EVIDENCE OF VALUE AS IT REPRESENTS THE ACTIONS OF THE BUYER IN THE MARKETPLACE.

COMPARABLE #1: THIS COMPARABLE IS LOCATED WITHIN THE SUBJECT'S BUILDING AND IS SIMILAR IN LOCATION, AGE & CONDITION, OUTDOOR SPACE, PARKING, FLOOR LOCATION AND SITE INFLUENCES. NO ADJUSTMENTS WILL BE WARRANTED. INFERIOR IN LIVABLE SQFT, CONDITION (THIS UNIT FULLY UPDATED), UNIT LOCATION AND BEDROOMS & BATHROOMS. UPWARD ADJUSTMENTS WILL BE WARRANTED. UNADJUSTED, THIS COMPARABLE IS SLIGHTLY INFERIOR TO THE SUBJECT.

COMPARABLE #2: THIS COMPARABLE IS INFERIOR IN LIVABLE SQFT, OUTDOOR SPACE AND BUILDING AMENITIES. UPWARD ADJUSTMENTS WILL BE WARRANTED. THIS COMPARABLE IS SIMILAR IN AGE BEDROOMS & BATHROOMS, FLOOR LOCATION UNIT LOCATION, AND BUILDING LOCATION (FULLY REMEDIATED). NO ADJUSTMENTS WILL BE WARRANTED. SUPERIOR IN CONDITION (THIS UNIT FULLY UPDATED) AND SITE INFLUENCES. DOWNWARD ADJUSTMENTS WILL BE WARRANTED. UNADJUSTED, THIS COMPARABLE IS SLIGHTLY INFERIOR TO THE SUBJECT.

COMPARABLE #3: THIS COMPARABLE IS INFERIOR IN FLOOR LOCATION, OUTDOOR SPACE AND BUILDING AMENITIES. UPWARD ADJUSTMENTS WILL BE WARRANTED. THIS COMPARABLE IS SIMILAR IN BEDROOMS & BATHROOMS, AGE & CONDITION, UNIT LOCATION, PARKING, AND BUILDING CONDITION (FULLY REMEDIATED). NO ADJUSTMENTS WILL BE WARRANTED. SUPERIOR IN LOCATION AND SITE INFLUENCES. DOWNWARD ADJUSTMENTS WILL BE WARRANTED. UNADJUSTED, THIS COMPARABLE IS SLIGHTLY SUPERIOR TO THE SUBJECT.

COMPARABLE #4: THIS COMPARABLE IS INFERIOR IN FLOOR LOCATION, OUTDOOR SPACE, BUILDING CONDITION (PART UPGRADES) AND BUILDING AMENITIES. UPWARD ADJUSTMENTS WILL BE WARRANTED. THIS COMPARABLE IS SIMILAR IN BEDROOMS, CONDITION, AGE, UNIT LOCATION AND PARKING. NO ADJUSTMENTS WILL BE WARRANTED. SUPERIOR IN LOCATION, LIVABLE SQFT, BATHROOM AND SITE INFLUENCES. DOWNWARD ADJUSTMENTS WILL BE WARRANTED. UNADJUSTED, THIS COMPARABLE IS SUPERIOR TO THE SUBJECT MOSTLY IN TERMS OF THE SUPERIOR LOCATION AND LIVABLE SQFT.

COMPARABLE #5 & #6 ARE ACTIVE LISTING WITHIN THE SUBJECT'S DEVELOPMENT. BOTH OF THESE ACTIVE LISTINGS HAVE INFERIOR ATTRIBUTES TO THE SUBJECT AND THE SUBJECT UNIT IS VIEWED AS OVERALL SUPERIOR. THIS ACTIVE LISTING SALES HAVE BEEN INCLUDED FOR SUPPORTIVE WEIGHT ONLY AND HAVE NOT BEEN INCLUDED IN THE FULL ANALYSIS.

WITHIN THE DIRECT COMPARISON APPROACH THE FOUR COMPARABLES PROVIDE AN ADJUSTED RANGE BETWEEN \$237,500 TO \$242,000.

BASED ON THE PENDING ANALYSIS, TAKING IN THE CONSIDERATION OF THE UPWARDS AND DOWNWARDS QUANTITATIVE AND QUALITATIVE ADJUSTMENTS, AN APPROPRIATE VALUE FOR THE SUBJECT PROPERTY WILL BE SLIGHTLY HIGHER THAN THE UNADJUSTED COMPARABLE NO. 1 (\$227,000); SLIGHTLY HIGHER THAN THE UNADJUSTED COMPARABLE NO. 2 (\$230,000); SLIGHTLY LOWER THAT THE UNADJUSTED COMPARABLE NO. 3 (\$247,000), AND LOWER TO THE UNADJUSTED COMPARABLE NO. 3 (\$265,000). CONSIDERING THE FOREGOING, \$240,000 IS CONSIDERED AN APPROPRIATE VALUE FOR THE SUBJECT PROPERTY.



SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: BRUCE R. FINDLAY	File No.: 26007-AP-V-MEM
Address: UNIT 411-1545 PANDORA AVENUE	Case No.:
City: VICTORIA ProBC	P.C.: V8R 6R1 Lender: GENERATION PROPERTIES INC.



FRONT VIEW OF SUBJECT PROPERTY

Date: February 10, 2015  
Appraised Value: \$ 240,000



REAR VIEW OF SUBJECT PROPERTY



STREET SCENE

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: BRUCE R. FINDLAY

File No.: 26007-AP-V-MEM

Address: UNIT 411-1545 PANDORA AVENUE

Case No.:

City: VICTORIA

ProBC

P.C.: V8R 6R1

Lender: GENERATION PROPERTIES INC.



COMPARABLE SALE #1

417-1545 PANDORA AVENUE  
VICTORIA  
Sale Date: 23-OCT-2014  
Sale Price: \$ 227,000



COMPARABLE SALE #2

303-1166 ROCKLAND AVENUE  
VICTORIA  
Sale Date: 02-FEB-2011  
Sale Price: \$ 230,000



COMPARABLE SALE #3

109-1024 FAIRFIELD ROAD  
VICTORIA  
Sale Date: 14-NOV-2014  
Sale Price: \$ 247,000

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: BRUCE R. FINDLAY

File No.: 26007-AP-V-MEM

Address: UNIT 411-1545 PANDORA AVENUE

Case No.:

City: VICTORIA

ProBC

P.C.: V8R 6R1

Lender: GENERATION PROPERTIES INC.



COMPARABLE SALE #4

303-1110 OSCAR STREET  
VICTORIA  
Sale Date: 31-OCT-2014  
Sale Price: \$ 265,000



COMPARABLE SALE #5

UNIT 214-1545 PANDORA AVE  
VICTORIA  
Sale Date: ACTIVE LISTING  
Sale Price: \$ 279,000



COMPARABLE SALE #6

UNIT 318-1545 PANDORA AVE  
VICTORIA  
Sale Date: ACTIVE LISTING  
Sale Price: \$ 238,500



PHOTOGRAPH ADDENDUM

Borrower: BRUCE R. FINDLAY

File No.: 26007-AP-V-MEM

Address: UNIT 411-1545 PANDORA AVENUE

Case No.:

City: VICTORIA

ProBC

P.C.: V8R 6R1

Lender: GENERATION PROPERTIES INC.



LIVING ROOM VIEW



DINING ROOM



KITCHEN

PHOTOGRAPH ADDENDUM

Borrower: BRUCE R. FINDLAY	File No.: 26007-AP-V-MEM
Address: UNIT 411-1545 PANDORA AVENUE	Case No.:
City: VICTORIA ProBC	P.C.: V8R 6R1 Lender: GENERATION PROPERTIES INC.



BEDROOM



BEDROOM



4 PIECE BATHROOM



PHOTOGRAPH ADDENDUM

Borrower: BRUCE R. FINDLAY

File No.: 26007-AP-V-MEM

Address: UNIT 411-1545 PANDORA AVENUE

Case No.:

City: VICTORIA

ProBC

P.C.: V8R 6R1

Lender: GENERATION PROPERTIES INC.



2 PIECE BATHROOM



BALCONY



VIEWS FROM BALCONY

FLOORPLAN

Borrower: BRUCE R. FINDLAY

File No.: 26007-AP-V-MEM

Property Address: UNIT 411-1545 PANDORA AVENUE

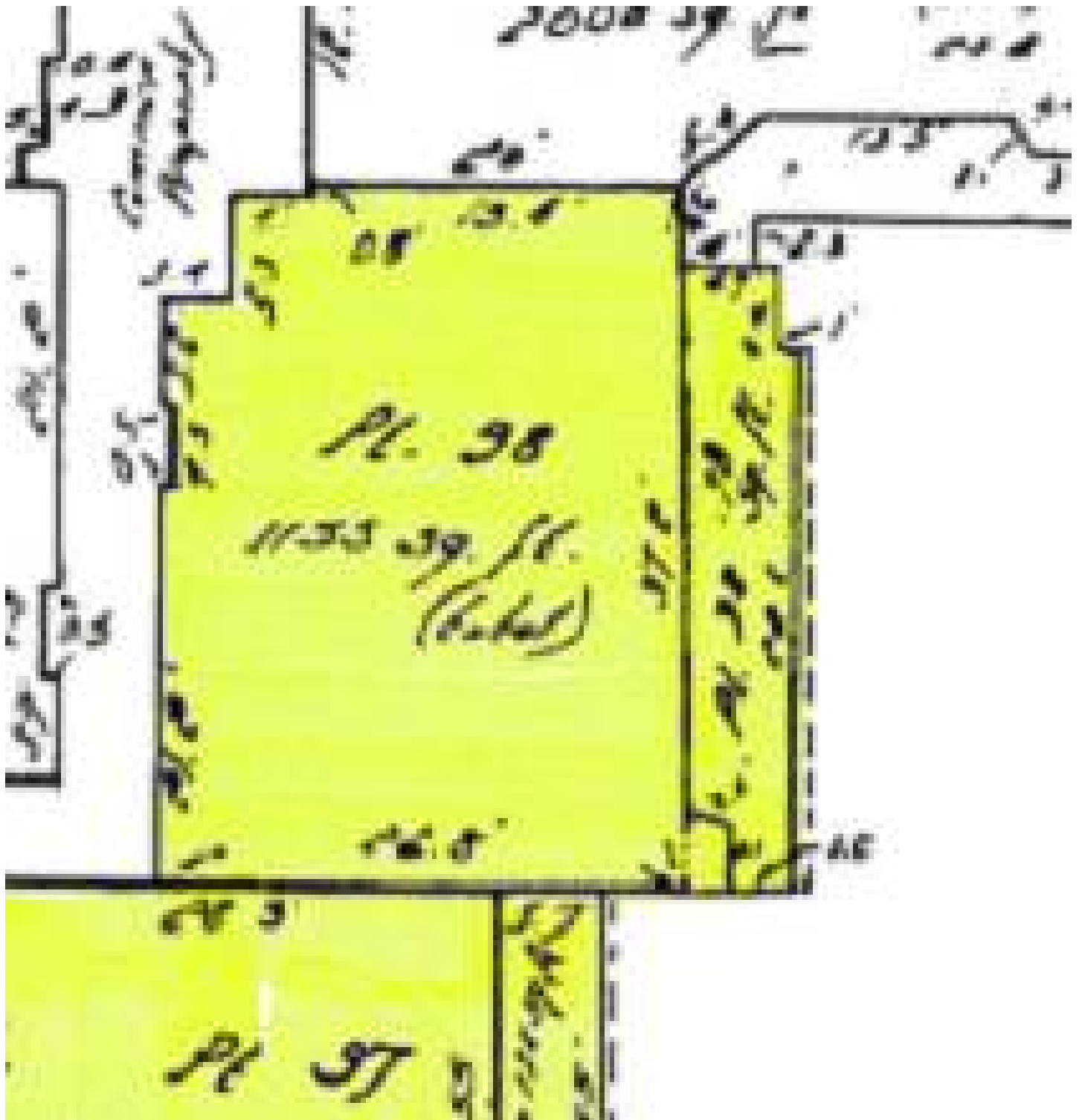
Case No.:

City: VICTORIA

Prov.: BC

P.C.: V8R 6R1

Lender: GENERATION PROPERTIES INC.



PLOT MAP

Borrower: BRUCE R. FINDLAY

File No.: 26007-AP-V-MEM

Property Address: UNIT 411-1545 PANDORA AVENUE

Case No.:

City: VICTORIA

Prov.: BC

P.C.: V8R 6R1

Lender: GENERATION PROPERTIES INC.

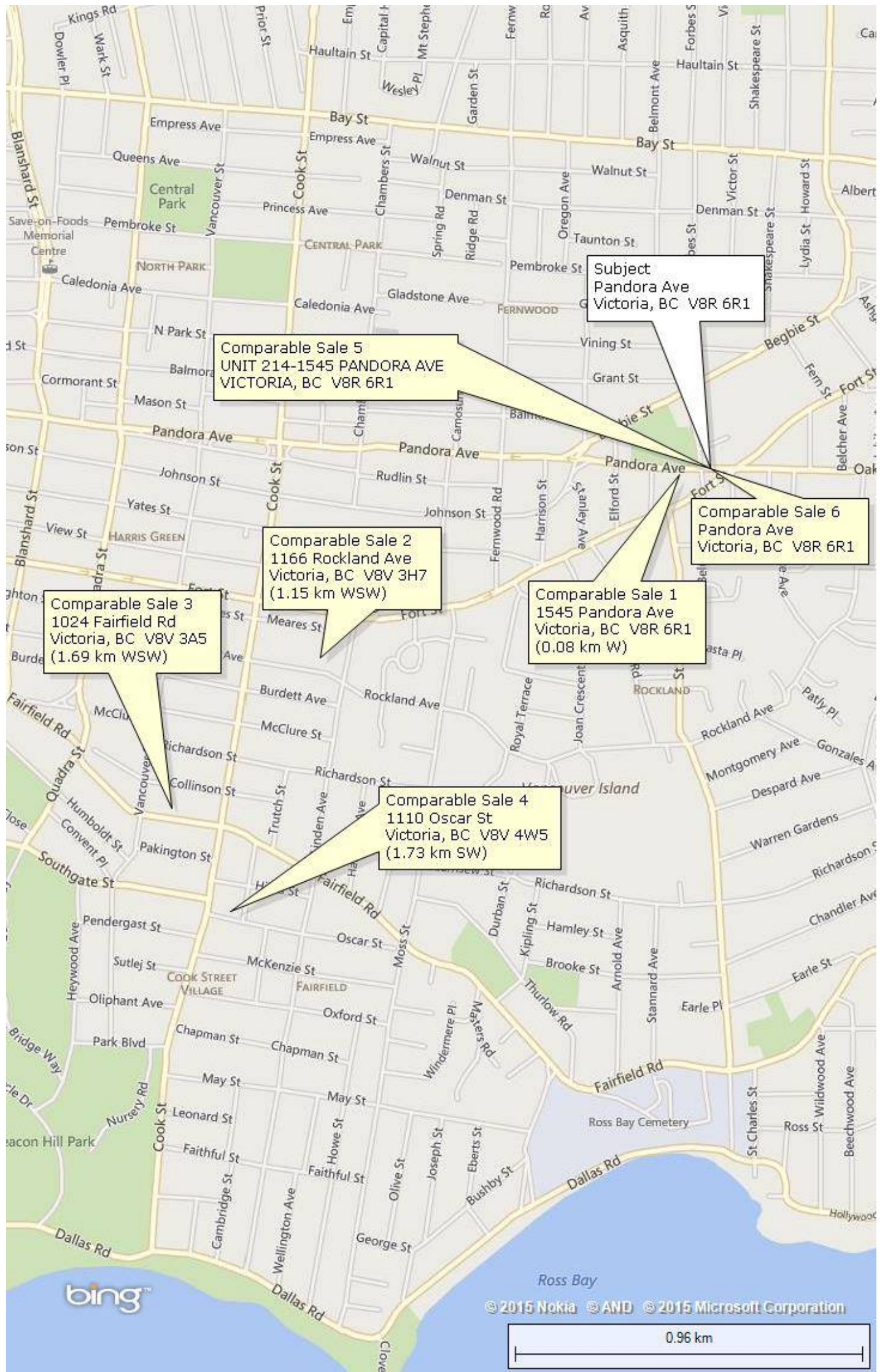




LOCATION MAP

Borrower: BRUCE R. FINDLAY  
Property Address: UNIT 411-1545 PANDORA AVENUE  
City: VICTORIA  
Lender: GENERATION PROPERTIES INC.

File No.: 26007-AP-V-MEM  
Case No.:  
Prov.: BC  
P.C.: V8R 6R1





AERIAL MAP

Borrower: BRUCE R. FINDLAY

File No.: 26007-AP-V-MEM

Property Address: UNIT 411-1545 PANDORA AVENUE

Case No.:

City: VICTORIA

Prov.: BC

P.C.: V8R 6R1

Lender: GENERATION PROPERTIES INC.



Borrower: BRUCE R. FINDLAY

File No.: 26007-AP-V-MEM

Property Address: UNIT 411-1545 PANDORA AVENUE

Case No.:

City: VICTORIA

Prov.: BC

P.C.: V8R 6R1

Lender: GENERATION PROPERTIES INC.

**PLANACT/SEL COMMITTEE****MARCH 22, 12****SCOPE OF WORK HIGHLIGHTS (SEL ENGINEERING)****Residential:**

1. remove existing exterior finishes (stucco, railings, flashings etc.),
2. repair wood substrate and framing as required,
3. "rainscreen" on all vertical walls;
4. re-stucco where stucco currently is;
5. install all new windows, including those on north wall, and doors (windows and doors will be recommended to be low-E and will be more sound-deadening than originals;)
6. new balcony railings (glass and aluminum- no or almost no "upstand" walls);
7. new soffits throughout (underside of balconies);
8. new vents throughout;
9. new blocking where decks meet walls;
10. new plywood decks;
11. new flashings and membrane on wooden decks;
12. new SBS membrane and pavers on concrete decks on all elevations of the buildings (includes Stadacona and Belmont sides as well as interior courtyard;
13. new gutters, downspouts, scuppers, drains (this will result in a complete rationalisation of downspouts and no deck will deposit water to a deck below-it will be carried to ground or courtyard and drained away;)
14. all exterior wall areas will be either new stucco, new metal flashing or painted.

**Additional Notes:**

- Many of the vertical walls that separate units from each other are wood frame and only fire separation walls are concrete. Some of these vertical walls show significant signs of water penetration, especially where there are joints and railings connections. These vertical walls need to be repaired wherever there is a failure.
- Easiest repair is to remove all of the stucco on these wood framed walls. Expose what is behind repair, add rainscreen wall and then new finish coat of stucco.
- All windows must come out for this repair to happen. Cost of windows is quite low-below \$200. each. Waterproof paper wraps around window-new window installed. There is no point in putting old windows back.
- All sliding doors are coming out for deck repairs-to allow membrane to be wrapped up over sill. Replacement of doors recommended since they all have to come out and be –reinstalled in any case. This allows new style doors, Low E,

Borrower: BRUCE R. FINDLAY

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Lender: GENERATION PROPERTIES INC.

different colour frames, and greater sound protection. Note that doors **will not be raised** in almost all instances.

- New interior window surrounds will be required to install windows. Interior wood window surrounds and trim will be replaced with new, drywall repaired and window trims sanded and primed- final colour and paint application up to individual owners at their expense;
- Opaque glass is called for in document- this is more expensive than clear but is frequently used for privacy and to hide decks that have a lot of stuff on them- can be specified as clear. Recommendation is to specify one or the other but not permit a combination.

#### **Courtyard:**

1. All existing finishes will be removed;
2. Electrical and plumbing stubs will be protected where possible;
3. Existing asphalt membrane will be scoured off;
4. New drains installed where necessary;
5. Install new 2 ply torch on membrane over entire area (wall to wall;)
6. Install 24" x 24" pavers throughout;
7. Install new decks (for the 3 elevated wooden decks;)
8. New hand railings and opaque glass for all decks and balconies for units at this level as well as all fences in "public" spaces (that is -there will be no wood resulting in lower maintenance costs;)
9. Courtyard repair will include the elevated area of decks above commercial by Shine café and Sterling Accountants;
10. Wooden steps (or ramps) from central courtyard up to north elevated courtyard and wooden steps up to south elevated courtyard area;
11. No landscaping is included in SEL Scope of Work- this will be by separate budget and separate scope of work;
12. Existing covered walkway on central courtyard running north/south will not be replaced;
13. Existing "fake" wood loggia at rear of Fort St. commercial running east/west will not be replaced.

#### **Additional Notes:**

- All decks, other than the three elevated wooden decks) will be at same grade as courtyard. SEL is looking at making exit from B building to courtyard level with north upper courtyard.
- Other than ramp from central courtyard to north elevated courtyard, there will be no ramps.



Borrower: BRUCE R. FINDLAY

File No.: 26007-AP-V-MEM

Property Address: UNIT 411-1545 PANDORA AVENUE

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P.C.: V8R 6R1

Lender: GENERATION PROPERTIES INC.

- Budget for landscaping/furnishing/irrigation/lighting etc. of courtyard is yet to be determined. We will seek separate bids for landscaping materials and plants using the Cassidy plan as a guide. In the Cassidy report, landscaping was budgeted at \$500,000. (See attached extract from Cassidy budget.)

#### **Commercial Area Upgrades:**

1. Commercial Sign band will be clad in metal so that existing stucco wall is hidden and sign boxes are recessed into metal band;
2. The “upstand” wall that holds the signage is wood framed and will be repaired from the back side (leaving front alone so signs do not have to be removed ;)
3. New railing on “upstand” wall where exposed to courtyard areas to get required code height- these will be same kind of railing as residential balconies;
4. New sidewalk s on both Pandora and Fort St. plaza levels. This will be paver bricks or tiles- most likely paver bricks;
5. New membrane to edge of garage on Fort St. side.
6. New paved driveway on Fort St. side as existing driveway asphalt must come up to expose roof of garage below;
7. New stairwell railings to commercial spaces-same as residential style;
8. New soffit on Pandora Side;
9. Existing orange brick will be overlaid (vener) with new stacked stone veneer;
10. Existing cedar (or other finishes) will be overlaid with Hardi-panel cementious board with smooth finish and aluminum trims.
11. Pandora parking edge has continuous concrete curb stops to create edge to allow new paver application.

#### **Additional Notes:**

- Existing windows and window trims remain at commercial level.
- New lighting on both fort and Pandora levels will be installed- this is not part of SEL scope of work.
- Area under overhang on north side (Pandora) does not get any new treatment.

Borrower: BRUCE R. FINDLAY

File No.: 26007-AP-V-MEM

Property Address: UNIT 411-1545 PANDORA AVENUE

Case No.:

City: VICTORIA

Prov.: BC

P.C.: V8R 6R1

Lender: GENERATION PROPERTIES INC.

- Entrance to B Building could be specified in stone if so desired.
- All stores and commercial operations have to be able to operate throughout the construction period.

**Other issues:**

1. Contractor will require significant outdoor (and possibly indoor) parking areas for storage, marshalling equipment, storage of sand, lumber etc. This will be a matter that will require considerable co-ordination with commercial owner and commercial tenants.
2. All balcony enclosures will be removed for a fixed cost as part of the contract unless owner wants enclosure preserved in which case cost of removal (less fixed price in contract) will be at cost of owner. Enclosure will have to be removed from Stadacona forthwith as there is no place to store the material.
3. No on-site contractor staff parking.
4. SEL is suggesting a 30% contingency fund on all of SEL's scope of work. We are told by SEL the average contingency expenditure is 22—25% of contract.

**Planact Budget – Additional desired works to be included in overall scope of work:**

1. Conversion of Hot water system to gas. (approx. \$\$45,000. X 2 = \$90,000. + HST plus cost of building enclosures in parked, coring , etc. etc. say \$105,000.)
2. Residential hall way carpets- approx. \$145,000. + HST for both buildings.
3. Elevator upgrades- budget \$200,000. + HST for all three elevators, including interior cab upgrades.
4. Electrical room equipment- Unknown at this time.
5. Shower rooms adjacent to pool- re-tile throughout- no estimates have been obtained yet. Budget minimum \$7,500. per shower room.
6. Building "A" lower roof repair- will be part of 2012-13 operating budget.
7. Pedestal sign- Fort and Stadacona- Budget \$7,000. + HST.

**Possible Timing of Upcoming Meetings:**

1. Bids close April 4, 2012. Only three bidders- Heather Brae, Restruct and Knappett. No assurance all or any will bid.