

CONFIDENTIAL REPORT

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

ROYNAT INC.

Applicant

- and -

30 CEDAR HOLDINGS INC.

Respondent

CONFIDENTIAL REPORT OF THE RECEIVER

DATED JULY 27, 2023

Table of Contents

PURPOSE OF REPORT	3
BACKGROUND	3
MARKETING ACTIVITIES AND OFFERS RECEIVED	4
RECEIVER’S RECOMMENDATION	5

EXHIBITS

- A** Appraisal - Appraisals North Realty Inc.
- B** Appraisal - Boreal Appraisal Services
- C** Summary of Listing Proposals
- D** Summary of Offers
- E** Real Property Preliminary Development Budget
- F** Panoramic APS

PURPOSE OF REPORT

1. The purpose of this Confidential Report is to:
 - a. provide certain background information with respect to the Real Property¹;
 - b. provide details with respect to feedback received from the marketplace with respect to the Real Property; and
 - c. provide the Court with other commercially sensitive information relevant the Receiver's recommendation that the Court approve the sale of the Real Property as outlined in the First Report.

BACKGROUND

2. The Receiver obtained two (2) appraisals for the Real Property from Appraisals North Realty Inc. (“**APNR**”) and Boreal Appraisal Services (“**BAS**”), respectively.
3. APNR issued an appraisal report on January 19, 2023 with a valuation as of \$5.5M, a copy of which is attached hereto as **Exhibit A**, with the following main conclusions:
 - a. distressed value of \$5.2M; and
 - b. highest and best use as the continuation of existing office space due to the high costs associated with conversion which would likely preclude a reconfiguration to multi-family residential or mixed use.
4. BAS issued an appraisal report on February 1, 2023 with a valuation as of \$5M, a copy of which is attached hereto as **Exhibit B**, with the following main conclusions:
 - a. distressed value of \$4.25M; and
 - b. highest and best use as converted to some form or mixture of commercial/multi-residential use due to a diminishing demand for office space in the Sudbury area.

¹ All capitalized terms not defined in this Confidential Report are used as defined in the First Report of the Receiver dated July 27, 2023 (the “**First Report**”).

5. The Real Property was previously listed for sale at \$9,900,000 for a period of nine months prior to the Appointment Order. The property was marketed as “a unique redevelopment opportunity for those looking at conversion to condo or multi-unit residential, affordable housing...or a great opportunity for large owner/user with ability to create contiguous space spanning multiple floors”. The previous listing agent informed the Receiver that a dozen or so parties had shown some interest, but no written offers were received.
6. Prior to entering into the listing agreement with Royal LePage, the Receiver obtained listing proposals from MG, Royal LePage and Gentry Real Estate Services Limited, a summary of which is attached hereto as **Exhibit C**.

MARKETING ACTIVITIES AND OFFERS RECEIVED

7. Attached hereto as **Exhibit D** is a summary of the five (5) offers mentioned in paragraph 20 of the First Report.
8. As explained in the First Report, the Receiver accepted two (2) offers prior to signing the Panoramic Offer, but neither transaction was completed.
9. The first offer was conditional on financing. The purchaser was intending on using the Real Property as office space, however, the Receiver later discovered that the financing was conditional on the purchaser securing tenants for 80% of the space. Given the diminishing demand for office space as indicated by BAS, the purchaser was not able to fulfill this condition and could not complete the purchase transaction.
10. The second offer was conditional, among other conditions, on an inspection of the Real Property. The purchaser intended to convert the Real Property to a multiuse residential and commercial property. The purchaser incurred significant expense to assess the feasibility of the project but ultimately concluded that the project was not viable and did not complete the purchase transaction. A copy of the preliminary development budget prepared for this bidder and provided to the Receiver on a confidential basis is attached hereto as **Exhibit E**. This budget estimated the development costs for the conversion of the Real Property at approximately \$32.5M excluding the price to purchase the Real Property. The Receiver notified this bidder that it was prepared to lower the purchase price of the Real Property but was notified by this bidder that the conversion costs were simply too high to make the project viable.

11. The Receiver and Royal LePage discussed available options following the second failed transaction and ultimately decided to re-engage with Panoramic rather than wait for other offers for the following reasons:
 - a. Royal LePage advised that there has been no new serious interest in the Real Property since April 28, 2023 and that potential buyers are known given the amount of time the Real Property has been listed for sale;
 - b. based on information shared with the Receiver by potential purchasers, the Real Property, given its age and condition, requires a substantial financial investment to be converted to a multiuse residential and commercial property;
 - c. the quantum of the required financial investment is driving away potential purchasers; and
 - d. there has been no interest from any large institutional (government) party.
12. In light of the above, the Receiver re-engaged with Panoramic, who had initially submitted an offer on April 28, 2023 with no conditions. Following negotiations, the Receiver signed the Panoramic APS at a purchase price of \$3,750,000 on July 14, 2023. Attached as **Exhibit F** is a copy of the Panoramic APS.
13. The Receiver has kept the first ranking creditor, Roynat, informed throughout the sale process. Roynat is owed approximately \$6.4 million and has confirmed to the Receiver that it supports the sale transaction recommended by the Receiver despite the fact that it will incur a significant shortfall.


RECEIVER'S RECOMMENDATION

14. For the reasons set out above, the Receiver recommends that the Court grant the relief set out in Section 6(c) of the First Report.

All of which is respectfully submitted at Ottawa, Ontario this 27th day of July, 2023.

RAYMOND CHABOT INC.

Receiver of the assets, undertakings and property of
30 Cedar Holdings Limited
and not in its personal capacity.



Per:

Stanley Loiselle, CIRP, LIT

CONFIDENTIAL REPORT

EXHIBIT A

Appraisal - Appraisals North Realty Inc.



APPRAISALS NORTH
REALTY INC.



APPRAISAL REPORT
30 CEDAR STREET, SUDBURY, ON
JANUARY 2023

Prepared for:
Raymond Chabot Inc.
116 Albert Street, Suite 1000
Ottawa, ON K1P 5G3

Prepared by:
Eric Tworo, AACI, P.APP
APPRAISALS NORTH REALTY INC.
272 Cedar Street
Sudbury, ON P3B 1M7



APPRAISALS NORTH
REALTY INC.

Real Estate Appraisers & Consultants

272 Cedar Street, Sudbury, ON P3B 1M7

PHONE: (705) 688-9300 FAX: (705) 688-8883 www.appraisalsnorth.ca

January 19, 2023

Raymond Chabot Inc.
116 Albert Street, Suite 1000
Ottawa, ON K1P 5G3

Attention: Mr. Stanley Loiselle

Dear Sir:

Appraisal Report
30 Cedar Street
Sudbury, ON

Acting on your instructions, I have completed an appraisal on the above noted property. The purpose of this appraisal is to provide an estimate of current market value of the subject property to establish an asking price for marketing purposes. The intended user of this report is the Raymond Chabot Inc., in its capacity as court appointed receiver of 30 Cedar Holdings Inc.

Attached is my report giving a description of the property and other pertinent data gathered during my investigations, which have assisted in arriving at my conclusions. This report conforms with the Canadian Uniform Standards of Professional Appraisal Practice 2022 as adopted by the Appraisal Institute of Canada.

Based on the analysis of the data collected, it is my opinion that the current market value of the subject property, as of December 14, 2022, is:

FIVE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$5,500,000)

The indicated value assumes a cash to vendor sale and an exposure time of one to three months.

Respectfully submitted,

APPRAISALS NORTH REALTY INC.

Eric Tworo, AACI, P. App

GENERAL LOCATION MAP

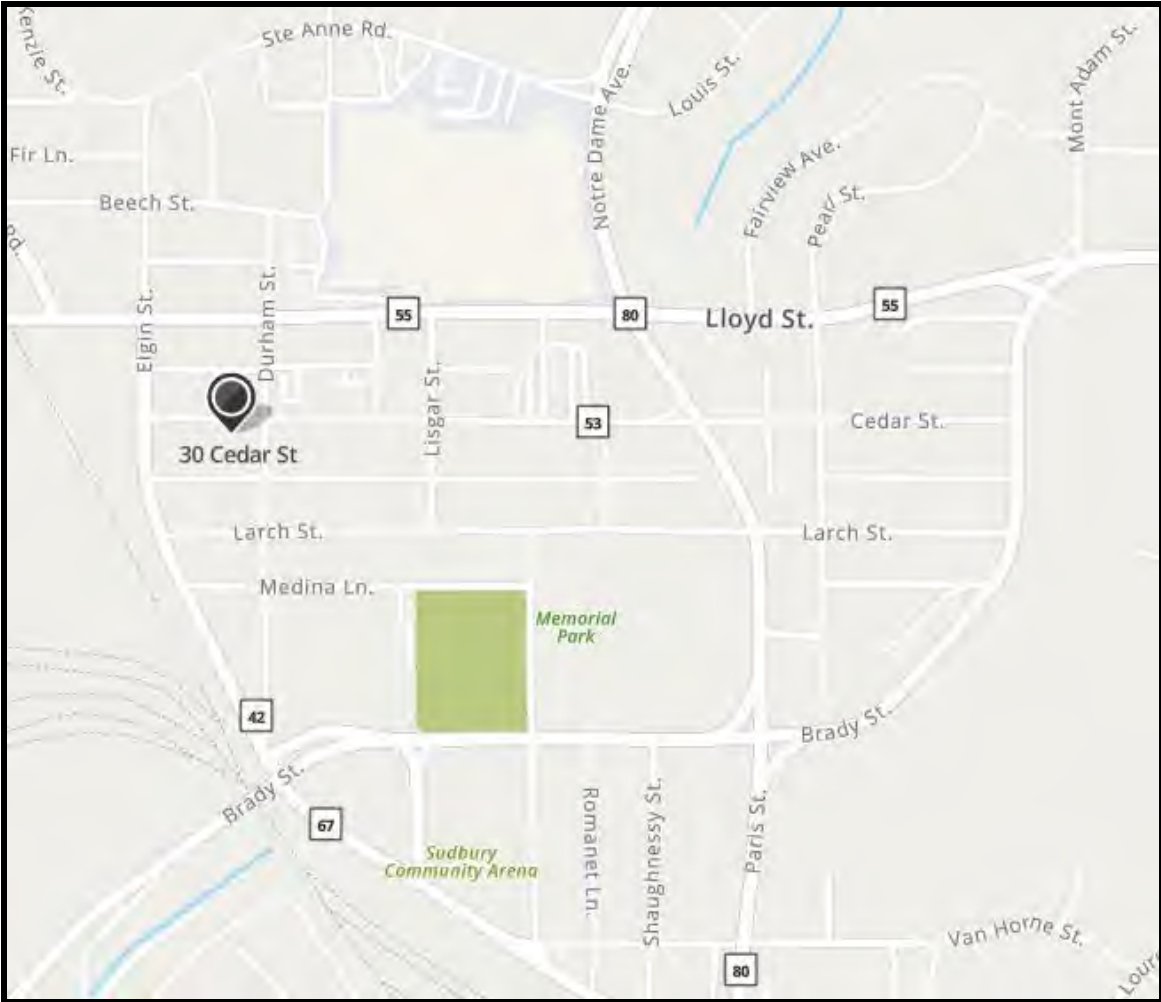


TABLE OF CONTENTS

INTRODUCTION

Letter of Transmittal
General Location Map

TABLE OF CONTENTS.....	1
Executive Summary.....	3
BASIS OF THE APPRAISAL.....	4
Intended Use of the Report.....	4
Purpose of the Appraisal.....	4
Property Rights Appraised.....	4
Definition of Value.....	5
Effective Date of Value.....	5
Scope of Work.....	6
Inspection.....	6
Type of Analysis.....	6
Data Research.....	6
Audits and Technical Investigations.....	7
Verification of Third Party Information.....	7
Assumptions and Limiting Condition.....	8
FACTUAL INFORMATION.....	13
Property Identification.....	13
Property Address.....	13
Legal Description.....	13
Area Description.....	14
Neighbourhood Description.....	22
Description of the Property.....	24
Site.....	24
Building.....	26
Assessment and Taxes.....	39
Land Use Controls.....	39

ANALYSIS AND CONCLUSIONS41
Highest and Best Use 41
 Introduction 41
 Analysis..... 41
 Conclusion 42
Method of Valuation 43
Estimate of Value – Income Approach 45
Estimate of Value – Direct Comparison Approach 48
Exposure Time 70
Reconciliation and Final Estimate of Value 72
Certification..... 73

ADDENDA

- Zoning Excerpts
- Official Plan Excerpts
- Qualifications of Eric Tworo, AACI, P. App

Executive Summary

Address of Property:	30 Cedar Street Sudbury, ON
Type of Property:	High rise office tower.
Legal Description:	Block A, Lots 96-98 and 101, Part of Lots 99 and 100, Plan 3S, Part 1, Plan SR-3594, McKim Township, City of Greater Sudbury, District of Sudbury, PIN 73584-0044 and 73584-0045.
Purpose of the Appraisal:	To estimate current market value.
Intended Use of the Appraisal:	To establish an asking price for marketing purposes.
Property Rights Appraised:	Fee simple interest.
Effective Date:	December 14, 2022
Inspection Date:	December 14, 2022
Size of Site:	120 feet x 300 feet – 36,000 square feet
Size of Building:	86,777 Sq. Ft.
Zoning:	C6 – Downtown Commercial
Official Plan Designation:	Downtown
Highest and Best Use:	Continuation of the existing office use.

Estimate of Current Market Value

Income Approach:	Discarded
Direct Comparison Approach:	\$5,500,000
Final Estimate of Value:	\$5,500,000
Distressed Value:	\$5,200,000

BASIS OF THE APPRAISAL

Intended Use of the Report

This report has been prepared to assist the client with determining current market value of the subject property to establish an asking price for marketing purposes.

Purpose of the Appraisal

The purpose of this appraisal is to estimate the current market value of the fee simple interest of the subject property, land and building only.

Property Rights Appraised

The property rights appraised are those in fee simple interest of the surface rights only. Fee simple is defined in *Real Estate Appraising in Canada*, published by the Appraisal Institute of Canada as:

“An absolute fee; a fee without limitations to any particular class of heirs and restrictions, but subject to the limitations of eminent domain, escheat, police power, and taxation. An inheritable estate.”

Definition of Value

Market Value is defined in the Canadian Uniform Standards of Professional Appraisal Practice, as adopted by the Appraisal Institute of Canada, as:

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

Implicit in this definition is the consummation of a sale at 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;
- 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.

Effective Date of Value

The effective date of this appraisal is December 14, 2022, which corresponds with the date of inspection. The report was prepared in the subsequent period.

Scope of Work

The scope of this appraisal covers the investigations and analysis required to prepare a report which serves the intended use and which is in accordance with the Canadian Uniform Standards of Professional Appraisal Practice 2022, as adopted by the Appraisal Institute of Canada. With respect to the subject property, the basic steps followed in preparing the appraisal report are outlined as follows:

Inspection

An inspection was completed on the interior and exterior of the subject property on December 14, 2022.

Type of Analysis

This current appraisal complies with the 2022 Standards of the Appraisal Institute of Canada. We are competent in this type of appraisal analysis and have appraised this type of property previously. This appraisal involves an analysis of the financial characteristics of the property as were available, as well as general market evidence that reflects both economic and physical attributes.

Data Research

I received my instructions from Mr. Stanley Loiselle of Raymond Chabot Inc., in its capacity as court appointed receiver of 30 Cedar Holdings Inc., who authorized the preparation of this report. Details regarding current zoning, assessment and taxes, etc. were obtained from the City of Greater Sudbury and other online sources. Additional information was also provided by an agent of the client.

Interviews and discussions were held with real estate brokers, appraisers and market participants including vendors and purchasers in an effort to gather real estate data. I have also reviewed information available from the Sudbury Real Estate Board data bank, land title records and the files of Appraisals North Realty Inc.

Audits and Technical Investigations

I 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 records with regard to operating expenses.

Verification of Third Party Information

The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, I did not verify client-supplied information, which I believed to be correct. The mandate for the appraisal did not require a report prepared to the standard appropriate for court purposes or for arbitration, so I did not fully document or confirm by reference to primary sources all information contained herein.

On the basis of investigations and analysis of information as outlined above, a final estimate of value was developed for the subject.

Assumptions and Limiting Condition

1. This report has been prepared at the request of **Raymond Chabot Inc.** for the purpose of providing an estimate of the current market value of **30 Cedar Street, Sudbury, Ontario**. It is not reasonable for any person other than the person or those to whom this report is addressed to rely upon this appraisal without first obtaining written authorization from **Raymond Chabot Inc.** and the author of this report. 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.
2. This report has been prepared at the request of **Raymond Chabot Inc.** and for the exclusive (and confidential) use of the recipient as named herein 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 **Raymond Chabot Inc.** Possession of this report, or a copy thereof, does not carry with it the right to 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 and approval of the author as to the purpose, form and content of any such disclosure, quotation or reference. Without limiting the generality of the foregoing, neither all nor any part of the contents of this report shall be disseminated or otherwise conveyed to the public in any manner whatsoever or through any media whatsoever or disclosed, quoted from or referred to in any report, financial statement, prospectus, or offering memorandum of the client, or in any documents filed with any governmental agency without the prior written consent and approval of the author as to the purpose, form and content of such dissemination, disclosure, quotation or reference.
3. 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. The property rights appraised herein exclude mineral rights, if any.
4. The concept of market value presumes reasonable exposure. The exposure period is the estimated length of time the asset being valued would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of valuation. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. The reasonable exposure period is a function not only of time and effort, but will depend on the type of asset being valued, the state of the market at the date of valuation and the level at which the asset is priced. (The estimated length of the exposure period needed to achieve the estimated market value is set forth in this report).
5. The estimate of value contained in this report is founded upon a thorough and diligent examination and analysis of information gathered and obtained from numerous sources. Certain information has been accepted at face value; especially if there was no reason to doubt its accuracy. Other empirical data required interpretative analysis pursuant to the objective of this appraisal. Certain inquiries were outside the scope of this mandate. For these reasons, the

analyses, opinions and conclusions contained in this report are subject to the following Contingent and Limiting conditions.

6. The property has been valued on the basis that title to the real estate herein appraised is good and marketable.
7. The author 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 our attention as the result of our investigation and analysis that certain problems may exist, a cautionary note has been entered in the body of the report.
8. The legal description of the property and the area of the site were obtained from online sources. Further, the plans and sketches contained in this report are included solely to aid the recipient in visualizing the location of the property, the configuration and boundaries of the site and the relative position of the improvements on the said lands.
9. The property has been valued on the basis that the real estate is free and clear of all value influencing encumbrances, encroachments, restrictions or covenants except as may be noted in this report and that there are no pledges, charges, liens or special assessments outstanding against the property other than as stated and described herein.
10. 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, pursuant to any contract or agreement pertaining to the ownership and operation of the real estate or pursuant to any lease or agreement to lease, which may affect the stated value or saleability of the subject property or any portion thereof.
11. The property has been valued on the basis that the real estate complies in all material respects with any restrictive covenants affecting the site and has been built and is occupied and being operated, in all material respects, in full compliance with all requirements of law, including all zoning, land use classification, building, planning, fire and health by-laws, rules, regulations, orders and codes of all federal, provincial, regional and municipal governmental authorities having jurisdiction with respect thereto. (It is recognized there may be work orders or other notices of violation of law outstanding with respect to the real estate and that there may be certain requirements of law preventing occupancy of the real estate as described in this report. However, such circumstances have not been accounted for in the appraisal process).
12. 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.

13. The property has been valued on the basis that there is no action, suit, proceeding or investigation pending or threatened against the real estate or affecting the titular owners of the property, at law or in equity or before or by any federal, provincial or municipal department, commission, board, bureau, agency or instrumentality which may adversely influence the value of the real estate herein appraised.
14. This appraisal report considers the market value of the real estate only. Any contribution of fixtures and equipment would be included only to the extent that such items contribute to the normal operation of the property, and are not separable as such. We are not experts in equipment valuation and any such equipment, when divorced from the ongoing operation would have a significantly lower value than its use in association with the subject property.
15. The data and statistical information contained herein were gathered from reliable sources and are believed to be correct. However, these data are not guaranteed for accuracy, even though an attempt has been made to verify the authenticity of this information.
16. The estimated market value of the property does not necessarily represent the value of the underlying shares, if the asset is so held, as the value of the share could be affected by other considerations. Further, the estimated market value does not include consideration of any extraordinary financing, rental or income guarantees, special tax considerations or any other atypical benefits which may influence the ordinary market value of the property, unless the effects of such special conditions, and the extent of any special value that may arise therefrom, have been described and measured in this report.
17. Should title to the real estate presently be held (or changed to a holding) by a partnership, in a joint venture, through a co-tenancy arrangement or by any other form of divisional ownership, the value of any fractional interest associated therewith may be more or less than the percentage of ownership appearing in the contractual agreement pertaining to the structure of such divisional ownership. For the purposes of our valuation, we have not made any adjustment for the value of a fractional interest.
18. In the event of syndication, the aggregate value of the limited partnership interests may be greater than the value of the freehold or fee simple interest in the real estate, by reason of the possible contributory value of non-realty interests or benefits such as provision for tax shelter, potential for capital appreciation, special investment privileges, particular occupancy and income guarantees, special financing or extraordinary agreements for management services.
19. Unless otherwise noted, the estimated market value of the property referred to herein is predicated upon the condition that it would be sold on a cash basis to the vendor subject to any contractual agreements and encumbrances as noted in this report as-is and where-is, without any contingent agreements or caveats.

Other financial arrangements, good or cumbersome, may affect the price at which this property might sell in the open market.

20. The property has been valued on the basis 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, agreements to lease or other contractual agreements. Further, it is assumed that all rents referred to in this report represent the rental arrangements stipulated in the leases, agreements to lease or other contractual agreements pertaining to the tenant's occupancy, to the extent that such rents have not been prepaid, abated or inflated to reflect extraordinary circumstances, unless such conditions have been identified and noted in this report.
21. Should the author of this report be required to give testimony or appear in court or at any administrative proceeding relating to this appraisal, prior arrangements shall be made therefore, including provisions for additional compensation to permit adequate time for preparation and for any appearances, which may be required. However, neither this nor any other of these assumptions and limiting conditions is an attempt to limit the use that might be made of this report should it properly become evidence in a judicial proceeding. In such a case, it is acknowledged that it is the judicial body which will decide the use of this report which best serves the administration of justice.
22. Because market conditions, including economic, social and political factors, change rapidly and, on occasion, without notice or warning, the estimate of market value expressed herein, as of the effective date of this appraisal, cannot necessarily be relied upon as of any other date without subsequent advice of the author of this report.
23. The value expressed herein is in Canadian dollars.
24. This report is only valid if it bears the original signature(s) of the author(s).
25. 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 property appraised.
26. These Assumptions and Limiting Conditions shall be read with all changes in number and gender as may be appropriate or required by the context or by the particulars of this mandate.

27. Values contained in this appraisal are based on market conditions as at the time of this report. This appraisal does not provide a prediction of future values. In the event of market instability and/or disruption, values may change rapidly and such potential future events have NOT been considered in this report. As this appraisal does not and cannot consider any changes to the property appraised or market conditions after the effective date, readers are cautioned in relying on the appraisal after the effective date noted herein.

FACTUAL INFORMATION

Property Identification

Property Address

30 Cedar Street
Sudbury, ON

Legal Description

The subject property is legally described as:

Block A, Lots 96-98 and 101, Part of Lots 99 and 100, Plan 3S, Part 1, Plan SR-3594, McKim Township, City of Greater Sudbury, District of Sudbury, PIN 73584-0044 and 73584-0045.

The subject complex has been held under long term ownership of 30 Cedar Holdings Inc. No recent sales activity noted. In 2022 the subject was offered for sale under an exclusive listing, asking \$9,900,000. Discussions with the listing agent indicate that they received no offers on the property.

Easements are unknown, as a title search has not been performed, nor has a plan of survey been provided to the appraiser. It is assumed that there are no encumbrances that would negatively affect the utility or marketability of the subject property.

Area Description

General Information

The City of Greater Sudbury was formed in 2001, representing an amalgamation of the municipalities which comprised the former Regional Municipality of Sudbury (Sudbury, Capreol, Nickel Centre, Onaping Falls, Rayside-Balfour, Valley East and Walden), as well as several unincorporated townships. Greater



Sudbury is the largest municipality in Ontario based on total area, encompassing more than 4,187 square kilometers. The area's population currently sits at 170,605 according to 2021 census information, an increase of 2.8% from 2016.

Transportation

Sudbury is accessible from Highway 69 from the south of the city, Highway 144 from the north and Trans Canada Highway 17 from the east and west. Transportation services to Sudbury include bus (Ontario Northland), limited passenger train (ViaRail) and the Greater Sudbury Airport. The airport is one of the busiest in Northern Ontario, having serviced over 286,000 commercial passengers in 2018; this number has decreased significantly in the past several years due in large part to the COVID-19 pandemic. Current airlines include Air Canada, Porter, Sunwing and Bearskin.

Economic Overview

For more than a century the City of Greater Sudbury has been known not only for its traditional stature as one of the world's largest sources of nickel and copper, but its reputation as a leader in applied mining research and proactive environmental practices. Vale, Glencore Canada, Canadian Mining Industry Research Organization (CAMIRO), MIRARCO, NORCAT and almost 300 other mining and supply services companies have contributed to make Greater Sudbury the largest integrated mining complex in the world. In addition to mining, Greater Sudbury's local economy has experienced significant growth and development in a number of other sectors.

The retail sector in Sudbury continues to diversify, expand, and prosper. The City of Greater Sudbury services a vast catchment area extending across Northeastern Ontario, encompassing 487,000 people within a 240 kilometre radius. Growth of the large-format retail sector is a significant contributing factor in Greater Sudbury's role as Northeastern Ontario premier shopping destination. The RioCan Centre on the Kingsway contains a number of national tenants, as does the New Sudbury Shopping Centre. The South End of the City is also home to a big box retail centre, including a 200,000 square foot Wal-Mart. The commercial resale market has been particularly active recently, and there appears to be something of a shortage of good investment product.

With regard to the office sector, there is generally an oversupply; however this pertains mostly to older, existing Class B office space. There are only a handful of Class A office buildings in the City and they tend to have much lower vacancy.

The industrial market in Sudbury continues to perform well, with considerable sales activity in recent years. The Walden Industrial Park, the largest in the area, has very little serviced vacant land remaining, however a new subdivision was recently brought on stream. The Valley East Industrial Park, which had been stagnant for many years, has seen significant new development and the City of Greater Sudbury is planning on expanding the park. Vacancy rates for industrial space remain low, while rental rates are increasing.

Several large municipal projects have been endorsed for the coming years. A new arena had been planned and a proposed site selected on the Kingsway. The draft plan of the complex included a hotel, casino and events centre, cumulatively called the Kingsway Entertainment District (KED). After a number of legal challenges over the years and ballooning costs due to inflation, the project has now been scrapped. Major projects are being targeted for the downtown core. A multi-use convention and performing arts centre, library and art gallery were initially proposed as separate projects, however, are now set to be a one site downtown facility known as “Junction East”. It is currently in the process of planning and receiving public input, with a preferred site chosen on Shaughnessy Street. Projected cost of the complex is currently \$98.5 million. Place Des Arts, a newly constructed multidisciplinary francophone arts centre located on the corner of Elgin and Larch Street opened on April 29, 2022. The estimated capital budget was \$30 million, with the majority of its funding coming from federal, provincial, and municipal governments.

With its abundance of lakes and forests, the Sudbury region has always had a strong tourism sector that continues to thrive. Outdoor recreation activities such as fishing,

hunting and snowmobiling are all major draws to the area. Sudbury also offers attractions typical of a larger city including Science North, a world-class science centre. Other attractions include the Big Nickel, Dynamic Earth, Sudbury Symphony Orchestra, and Art Gallery of Sudbury. Sudbury is also home to Canada's fourth largest film festival, Cinéfest Sudbury International Film Festival, as well as the Laugh Out Loud Comedy Festival and Northern Lights Festival Boréal. In response to increased business and leisure travel, several new hotels have been constructed in recent years and continue to be developed. Film is another industry that is currently experiencing success and growth in Sudbury. The region is attractive to filmmakers due to its affordability, infrastructure and incentives such as the Northern Ontario Heritage Fund Corporation's Emerging Technology Fund and provincial and federal tax credits. Sudbury is home to Northern Ontario Film Studio's 20,000 square foot facility, an attractive option for filmmakers' base of operations in Northern Ontario.

The health sector in Greater Sudbury employs over 8,500 people and Health Sciences North is a major employer, second only to Vale. Over the years, Sudbury's hospital system has become a regional resource and referral centre for more than 600,000 residents across Ontario. Already a hub for medical services in Northeastern Ontario, Greater Sudbury is home to a number of institutions that support health care. The Health Sciences North Research Institute (HSNRI), whose goal is to address health issues specific to Ontario's Northern and Indigenous communities, opened a 15,000 square foot research facility on Walford Road in 2017. In June 2018, construction began on two additions to HSN. The PET scan suite is a \$9 million facility that will contain a new PET scanner and which is estimated to save Northern Ontario patients over 477,000 kilometres in travel each year. The \$26 million, 28,000 square foot Learners' Centre will

benefit over 2,000 learners and is expected to be completed in 2019/2020. The Laurentian University campus of the Northern Ontario School of Medicine (NOSM) opened in 2005 and is comprised of a 65,000 square foot facility.

Greater Sudbury functions as the regional centre of learning and applied research for Northeastern Ontario. Laurentian University, Cambrian College, and Collège Boréal provide excellent educational services through a variety of full and part-time programs. Total enrolment stands at approximately 30,000, including both full and part-time students. The Sudbury Neutrino Observatory (SNOLAB) is a world-class lab focused primarily on neutrino and dark matter physics research. At two kilometres underground, it is the deepest clean room facility in the world.

In February 2021, Laurentian University entered creditor protection in an effort to avoid bankruptcy. This led to significant cuts through the CCAA process to both programs and staffing/faculty. In total, 69 programs were cut and 187 jobs were lost (110 faculty, 41 support staff and 36 administrators), with remaining staff agreeing to pay cuts. These drastic measures have been done in order to help the university reach financial stability, however these cuts will have a significant impact on the community. On September 14, 2022, creditors approved Laurentian's plan of arrangement and the University hopes to be able to exit creditor protection in the coming months.

Notwithstanding the effects COVID-19 has had in setting record highs and lows in various key drivers, largely due to the current and forecasted demand for base metals Sudbury's economy is the strongest it has been in decades with moderate but steady growth since 2016 with much of the same anticipated for 2022 and beyond. Sudbury's

mining industry is one of the oldest and most active in the world and will continue to be the most important source of economic activity in the region. Although base metal prices fluctuate and have fallen in the past due to a slowing world demand, nickel prices are fairly stable over the mid to long-term, and Sudbury is more likely to weather most downturns better than most other centres.

Real Estate Market Overview

Despite the socioeconomic impacts of COVID-19, rental market conditions improved in 2021 over the previous year. As per the most recent CMHC data, the overall multiple family residential vacancy rate for Greater Sudbury as of October 2021 was 1.8%, which is the lowest rate in ten years. The average rent in the City increased from \$1,053 per month in October 2020 to \$1,286 in October 2021. This translates to an increase of 8.4% across all unit types. Despite the Ontario Rent Increase Guideline for 2020 being 0%, average rents increased fairly significantly in part due to strong demand, low vacancy rates and high unit turnover after renovation. Demand increased due to several factors, including an increase in student renters (returning to campus after online learning for much of 2020), an increase in local full-time employment levels and fewer renters transitioning into homeownership (largely due to significant increases in average sale price in the area). There was only a modest increase to rental stock since the previous year's survey, however that is likely to change over the coming year.

As per the most recent CMHC data, total housing starts in 2022 (year-to-date) were 219 as of the end of June, which is down significantly from 358 over the same period in 2021. There has been a significant decrease in apartment unit starts, slight decrease in single homes but an increase in row units.

Housing Starts by Dwelling Type

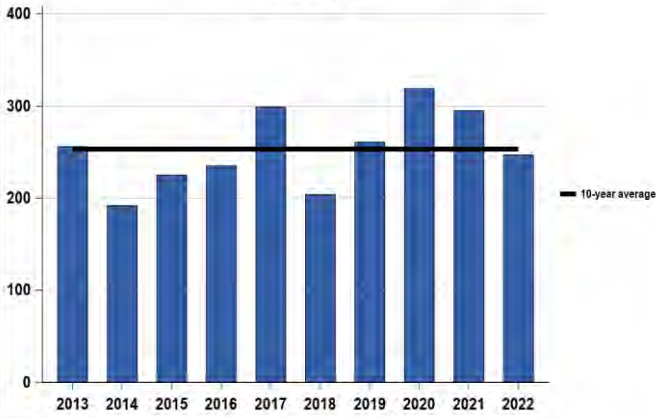
	SEP-22	SEP-21	YTD-22	YTD-21
Single	10	25	99	136
Semi-detached	6	10	49	49
Row	12	8	70	36
Apartment	0	137	1	137
All	28	180	219	358

Source: CMHC Housing Market Portal

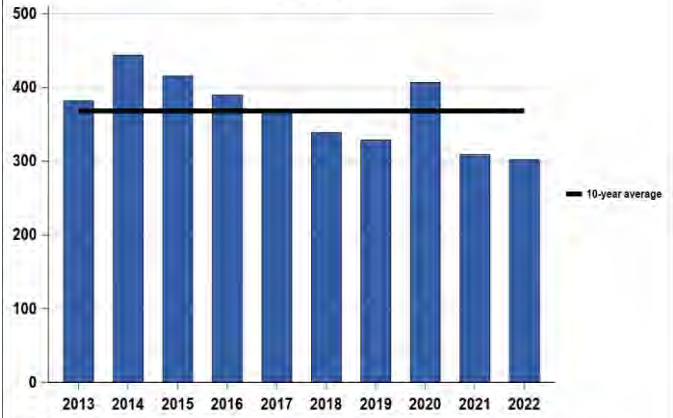
Referring to the Canadian Real Estate Association, 2021 and the first quarter of 2022 were a very active period for residential home sales. However, heading into the third quarter of 2022, home sales are beginning to decrease in response to the increases in interest rates, which is anticipated to continue throughout the year and into 2023. The comprehensive annual average MLS sale price for detached single-family dwellings in the City of Greater Sudbury was \$474,814 at the end of September 2022, an increase of 20.4% from the first nine months of 2021. Total home sales over this period of 2022 were 2,402, a decrease of 14.1% from 2021. Active residential listings numbered 506 units at the end of September 2022, an increase of 22.2% from the end of September 2021. Active listings are still 35.4% below the five year average for this time of year. Months of inventory as of September 2022 was at 2.0, up from 1.4 months at the same time last year.

HOUSING MARKET INDICATORS - Source: The Canadian Real Estate Association

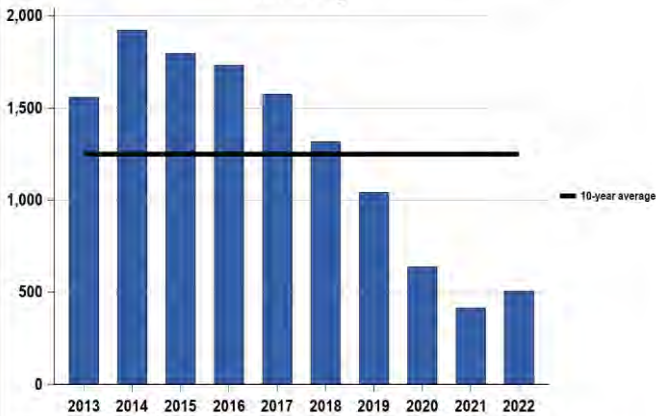
**Residential sales activity (September only)
Sudbury**



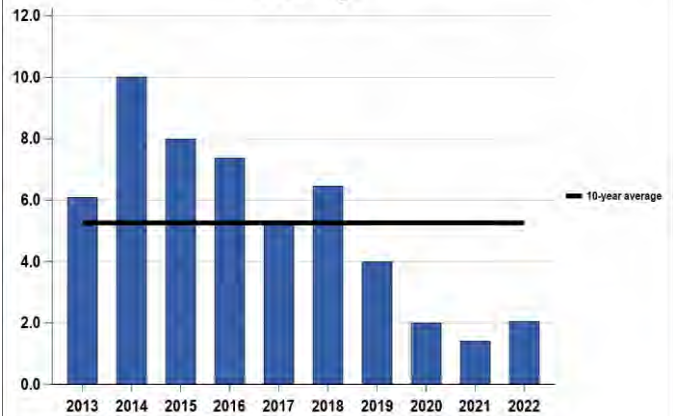
**Residential new listings (September only)
Sudbury**



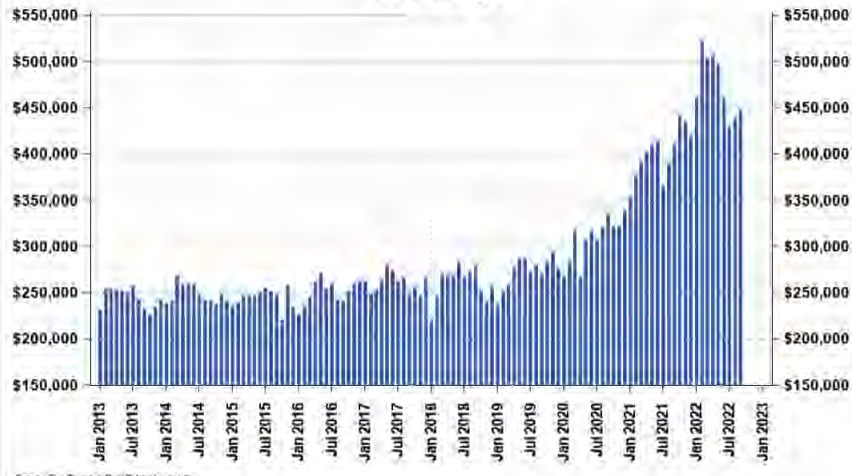
**Residential active listings (September only)
Sudbury**



**Residential months of inventory (September only)
Sudbury**



**Residential average price
Sudbury**



Neighbourhood Description

The subject property is located in Sudbury's downtown core. As is typical, the area provides a full range of services and facilities with a wide variety of property types and uses. The subject property is located on the corner of Durham and Cedar Streets, with the parking lot having additional frontage on Elgin Street. Development in the immediate area includes several office buildings, a medical centre, churches and several mixed-use properties. The Sudbury YMCA building lies south of the subject. The new French language performing arts centre, Place des Arts, is located nearby at the corner of Elgin and Larch Streets.

The downtown core has undergone something of a resurgence over the past decade. A 17,000 square foot Shoppers Drug Mart on Elm Street was the first significant addition to the downtown retail sector in a number of years. The Laurentian University School of Architecture was opened in 2013 and the second phase of the campus was completed in 2016. The downtown core remains a popular location for professional office space and specialty retail, however demand suffered during the height of the COVID-19 pandemic. An overview of the neighbourhood reveals some vacancies in the immediate area, with most buildings estimated to be in the range of 0% to 20%, or greater.



Cedar Street



Durham Street

Description of the Property

Site

The subject property has 120 feet of frontage on the west side of Durham Street by a uniform depth of 300 feet, for a total area of 36,000 square feet. The subject also has frontage on Cedar Street, Elgin Street and Massachusetts Lane. Exposure is considered to be very good, as this location Cedar, Elgin and Durham Streets are all busy roadways in the downtown core, generating significant vehicular and pedestrian traffic. The site is level and at road grade and those portions not occupied by the building are paved parking for approximately 66 vehicles. The parking lot is located at the west end of the site, with access from both Cedar Street and Elgin Street. There are several other covered parking spaces at the rear of the building, as well as a paved entrance off of Cedar Street to the basement level parking garage. All municipal services are available. This is an attractive section of the downtown core, with lockstone sidewalks, planter boxes, etc.



Garage Entrance



Parking Lot Entrance



Parking Lot



Parking Lot



Covered Parking

Building

The subject property is improved with an eight storey high rise office tower, originally constructed in 1980 according to available online records. Total rentable floor area is 86,777 square feet, according to provided building plans. Full poured concrete foundation with concrete and steel framing. Exterior is clad entirely in mirrored glass windows. Flat roof, modified bitumen membrane; according to available records, may have last been replaced in 2015. Visual inspection and discussions with on site management indicate that it is in good overall condition, with no recent leaks or issues noted. Heating and cooling is somewhat unique. Each upper level floor has a number of water source heat pumps, with heat provided by two natural gas fired hot water boilers; according to the property manager, a number of the heat pump units are not functional. There are also several natural gas fired HVAC units and there are a number of electric baseboard heaters along the outside walls of the upper level floors for supplementary heating. Electrical service is 1,600 ampere, 600 volts, three phase; some lighting throughout the complex has been converted to LED. There are three passenger elevators, servicing each floor except the basement/garage level. The subject has had new sump pumps installed recently and also has a sprinkler system in place.

In terms of layout, the basement level is configured as an underground parking garage and utility rooms. There is a single exterior overhead door and heated ramp for vehicle access, with roughly 25 parking spaces provided. The main floor is configured for two tenancies and also has a common side entrance off of Cedar Street to the elevator lobby. Scotiabank occupies 6,814 square feet of space, with a separate entrance off of Durham Street, open retail area, private offices, vault, ATM room, washrooms, lunchroom, etc. Good quality of finish throughout, typical of a modern, national bank

space. The remaining unit is a small space with separate entrance off of Cedar Street. Most recently utilized as a restaurant/café, with open dining area, small work space and small, fair quality two piece washroom. The seven upper level floors are all generally similar in terms of layout, however vary widely in terms of quality of finish. Each floor has roughly 11,851-11,888 square feet of rentable space, per the provided building plans.

The eighth floor has 5,029 square feet of occupied space (Scotia Capital and MD Financial Management Inc.), with the remainder being vacant. The occupied spaces are modern and in good condition, while the vacant space is older finish of average quality. This floor has two common washrooms, both of which have been updated in recent years and are in good condition. The fifth, sixth and seventh floors are all similar in terms of layout and condition. All were occupied by a single tenant and consist of a mix of private and open office space, washrooms (older fixtures and finish, average quality), board/lunch rooms, etc. Older style finish in generally average condition overall. Fourth floor is partly occupied by Roynat Inc. (2,848 sq. ft.), a modern, good quality office space. Remainder is vacant, with common washrooms. Part of this floor was formerly occupied by Scotiabank, this section is in generally good to average condition. Third floor is largely vacant, apart from the onsite property manager's office, which is very basic. Remainder is fully vacant, with a large portion being largely unfinished (concrete floors and missing ceiling tiles) and a small former dental office with average quality finish. Second floor is largely vacant, apart from 2,450 square feet leased to Scotiabank.

The building has been adequately maintained over the years and is in generally good to average condition, though interior finish ranges from good to fair/unfinished. The subject has a vacancy rate of almost 80% and has had ongoing issues with attracting and

retaining tenants over the years. This is in large part due to higher than average additional rent costs, specifically related to heating costs. This appears to be caused by a combination of the exterior cladding (mirrored glass windows) and heating plant. The exterior cladding, while attractive, is not conducive to the Northern Ontario climate. As such, the addition of a number of electric baseboard heaters was required on all upper level floors along the exterior walls. Discussions with the property manager indicate ongoing issues related to heating the building, which is evident by the number of different heating types and significant amount of heating equipment on site (boilers, heat pumps, HVACs, air handlers, baseboards, etc.). Neither of these issues will be easy or cost effective to rectify, but will need to be addressed in order to fix the long term vacancy issues experienced by the property.

Overall, this is a relatively modern building that has been well maintained over the years and is one of the few true office towers in Greater Sudbury. Despite being in overall good to average condition, there are underlying issues with the building exterior and heating plant that will need to be addressed. Marketability of the property is thought to be fairly limited, given the chronic vacancy issues and the costs associated with rectifying the underlying issues of the building.



Front View



Side View



Side View



Rear View



HVAC



Main Floor Elevator Lobby



Elevators



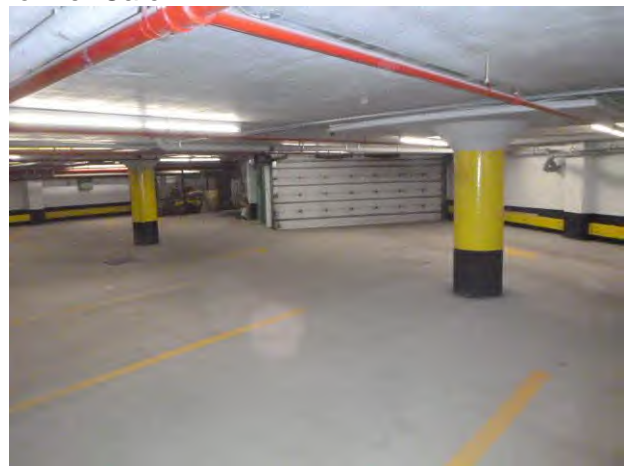
Scotiabank – Main Floor Unit



Main Floor – Former Café



HVAC



Parking Garage Entrance



Parking Garage



Fire Suppression System / Sump Pumps



Air Handlers / Air Conditioning Units



Electrical



Boilers



Elevator Equipment



Roofing



Roofing



HVAC



Heating Equipment



Heating Equipment



ScotiaWealth – Eighth Floor



Vacant Office Space

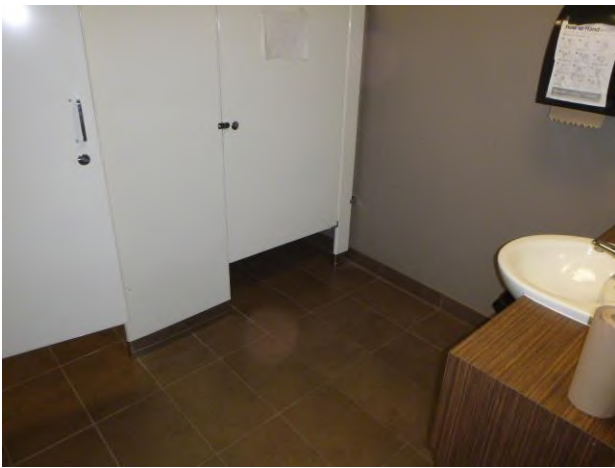


Vacant Office Space





Washrooms



Washroom



Vacant Office Space



Vacant Office Space



Heat Pump



Vacant Office Space



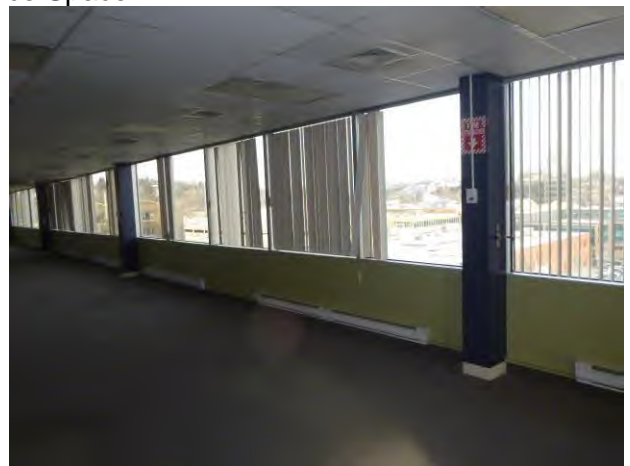
Washroom



Vacant Office Space



Vacant Office Space

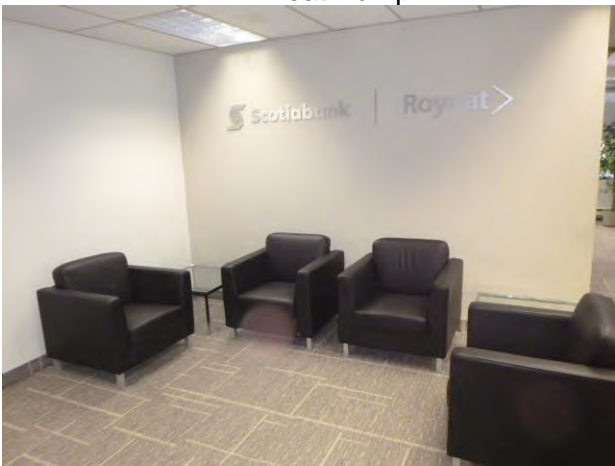




Heat Pump



Scotia Wealth – Office



Reception



Boardroom



Office



Vacant Office Space



Vacant Office Space



Vacant Office Space



Heat Pump



Washroom



Vacant Former Dental Office



Onsite Manager's Office



Vacant Office Space



Vacant Office Space



Assessment and Taxes

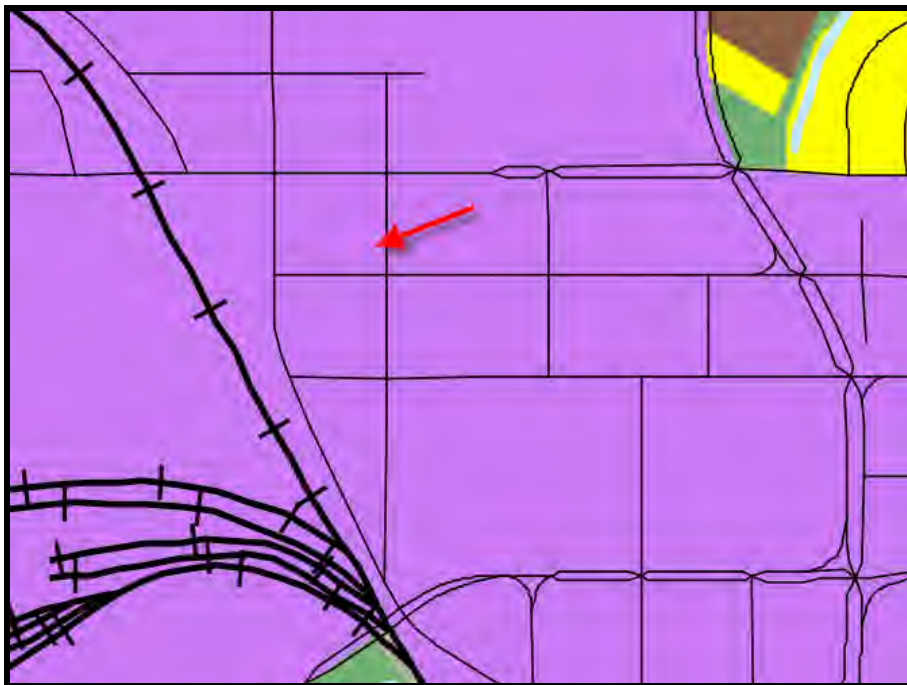
The current assessed value of the subject property totals \$8,222,000, based on a valuation date of January 1, 2016 (office tower and parking lot are assessed separately). Final 2022 realty taxes totalled \$346,616.18, based on the City of Greater Sudbury online tax calculator. This translates to roughly \$3.99 per square foot of rentable building area, which is fairly typical for commercial properties in the downtown core.

Land Use Controls

The subject property is zoned C6 – Downtown Commercial under By-Law No. 2010-100Z for the City of Greater Sudbury. Allowable uses under this designation are varied and are set out in the pertinent section of the by-law, included in the addenda of this report. A number of commercial uses are permitted, as well as multiple family and mixed uses.



The Official Plan for the City of Greater Sudbury designates the subject neighbourhood as Downtown. A wide variety of uses are permitted in the downtown, consistent with its function as the most diversified commercial centre in the city. All residential, commercial, institutional and entertainment uses are permitted, including offices and community facilities, provided that sewer and water capacities are adequate for the site. There are no height restrictions in the downtown. The current use of the subject property appears to conform with the Official Plan.



ANALYSIS AND CONCLUSIONS

Highest and Best Use

Introduction

Fundamental to the concept of value is the idea of “highest and best use”, which is defined in the 2022 Canadian Uniform Standards of Professional Appraisal Practice, as adopted by the Appraisal Institute of Canada, as follows:

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

In determining the highest and best use of the property, consideration has been given to the following:

Analysis

The subject property comprises a rectangular site with total area of 36,000 square feet, improved with a 86,777 square feet high rise office tower. It was originally constructed in 1980 and is in generally good to average overall condition, with an effective age of 20 to 25 years and remaining economic life estimated at 30 to 35 years.

Improvements on the subject affect a site coverage ratio of approximately 33%. This is well below the 100% permitted under the by-law. The subject is centrally located in Sudbury’s downtown core, with excellent exposure and frontage on three busy roadways, generating significant vehicular and pedestrian traffic. Adequate onsite parking is provided, particularly for the downtown core where parking is at a premium. Some additional spaces are available in the parking garage.

Property usage in the immediate vicinity is typical of the downtown, with a wide variety of services available, ranging from banking to retail and offices. The property has had long term issues with vacancies and the current vacancy rate stands at roughly 80%. Various branches of Scotiabank make up the majority of the existing tenant base, however they have already indicated that they will not be renewing for any further term and the building will be virtually fully vacant within the next 1-2 years, barring any new leasing within the complex. These ongoing vacancy issues are in part related to the exterior cladding and heating system of the complex, which appear to be inadequate and drive up additional rent costs within the building. Potential purchasers will need to take this into consideration, as these issues would need to be addressed in order to make the property more attractive to potential tenants over the long term.

Consideration was given to the underlying land value. In my opinion the value of existing improvements exceeds that of the underlying land value.

Conclusion

Based on the foregoing, it is my opinion that highest and best use of the subject property is continuation of the existing office use. Despite the ongoing issues with vacancy, it is thought that the high costs associated with conversion would likely preclude reconfiguration to multiple family residential or mixed use. A large institutional (government) user could be envisioned as a potential purchaser. Consideration was also given to the highest and best use of the site as if vacant. In my opinion, if the subject site were vacant, highest and best use would most probably be improvement with a new commercial or mixed use building, in accordance with current land use regulations. Use as a parking lot would also be considered feasible.

Method of Valuation

The theory upon which the estimate of Market Value is developed considers three basic and separate factors assumed to be part of the reasoning followed by a prudent purchaser, namely:

- A) The Replacement Cost of Improvements,
- B) The Income (or Potential Income) from the property,
- C) The recent sale price of, or current asking price of Sale properties.

This results in three basic approaches to value, namely:

- 1) The Cost Approach,
- 2) The Income Approach,
- 3) The Direct Comparison Approach.

The **Cost Approach** considers the investment required to construct improvements identical to those on the subject property, considering current market conditions and construction costs. The figure derived is decreased by the estimated loss in value due to the various forms of depreciation and increased by the estimated land value as if vacant.

The **Income Approach** is used to estimate value based on the income generating capabilities of a property, over its remaining economic life.

The **Direct Comparison Approach** involves the comparison of the subject property to similar properties, which have recently sold or are currently listed for sale, and is an application of the Principle of Substitution. This principle is based on the premise that when a property is replaceable, no prudent purchaser would pay more for the subject than the cost of acquiring an equally desirable substitute property, providing that there is no undue delay in acquiring it.

For the purpose of this appraisal, the Cost Approach will not be utilized. This method is generally employed only when the improvements are new and all forms of depreciation are measurable. In the Northern Ontario market, the Cost Approach has tended to set the upper limit of value, as such it is not considered relevant to this valuation.

Therefore, only the Income Approach and Direct Comparison Approach to value have been considered.

Estimate of Value – Income Approach

Methodology

The Income Approach is a method of converting the anticipated economic benefits of owning property into a value estimate through capitalization. The principle of “anticipation” underlies this approach in that investors recognize the relationship between an asset’s income and its value. In order to value the anticipated economic benefits of a particular property, potential income and expenses must be estimated, and the most appropriate capitalization method must be selected.

The two most common methods of converting net income into value are direct capitalization and discounted cash flow analysis. In direct capitalization, net operating income is divided by an overall rate extracted from market sales to indicate a value. In the discounted cash flow method, anticipated future net income streams and a reversionary value are discounted to an estimate of net present value at a chosen yield (internal rate of return).

The most appropriate method in the valuation of the subject property is the direct capitalization method.

Direct Capitalization

The Direct Capitalization Method involves five basic steps including:

- Estimating the total gross income which the property is capable of producing, less allowance for vacancies and collection losses.
- Estimating the total annual operating expenses necessary to maintain the flow of the gross income.
- Calculating the net operating income before depreciation.

- Selecting an appropriate capitalization rate and method of capitalization.
- Using the proper technique, converting the net operating income into an indication of capital value of the property.

The result of the capitalization process in the previous steps is the present worth, which if properly carried out, represents the capital amount which a prudent, typically informed investor would be prepared to pay, as at the effective date of valuation, for the right to receive the anticipated benefits. In this technique, an overall capitalization rate is applied directly to the estimate of net operating income per annum to arrive at an estimate of capital value.

Occupancy Status

The subject property presently has five spaces leased. They are summarized in the table below.

Unit	Tenant	Leasable Area (Sq. Ft.)	Rental Rate (Per Sq. Ft.)	Comments
100	Scotiabank	6,814	\$23.00, Net	Largest main floor space, mix of good quality office/retail. Long term tenant, current term expires September 30, 2024 and they will not be renewing.
200	Scotiabank	2,450	\$11.50, Net	Second floor office space. Term expires on the same date as Unit 100, tenant will not be renewing.
402	Roynat Inc.	2,848	\$13.00, Net	Good quality office space, tenant is a subsidiary of Scotiabank. Current term expires September 30, 2026. Tenant will not renew.
801	Scotia McLeod Inc. / Scotia Capital	3,765	\$11.00, Net	Good quality office space, tenant is a subsidiary of Scotiabank. Current terms expires September 30, 2023, will not be renewing.
804	MD Financial Management Inc.	1,264	\$30.00, Gross	Good quality office space, agreement expires on May 31, 2023. According to the property manager, tenant has indicated this is only a temporary location.

Vacancy and Bad Debt

While there are no published statistics for commercial space in Sudbury, discussions with local leasing agents and brokers indicate that a rate of 0% to 20% is realistic for the downtown core.

The current vacancy rate for the subject complex is roughly 80%. By October 2023, this could increase to 86% and by October 2024 will increase further to almost 97%, barring any new leasing in the building.

Vacancy in the downtown core has increased in recent years, in part due to a decrease in demand due to the COVID-19 pandemic. Between the subject property, the Elm Place office tower and a number of smaller buildings within the core, there is likely 150,000+ square feet of vacant space at present. Given the current and projected vacancy of the subject building, current state of the downtown office market and work required to make the subject complex more appealing to tenants, it is highly unlikely that the subject property would be purchased based on its financial metrics. Any attempt at generating market rental rates, stabilized vacancy rate and an appropriate capitalization rate would be highly speculative at best, resulting in an unreliable estimate of market value. As such, the Income Approach has been discarded.

Estimate of Value – Direct Comparison Approach

The Direct Comparison Approach is a method where a value indication is derived by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison. The Direct Comparison Approach may be used to value improved properties or vacant land and is the most common and preferred method of valuation when comparable sales data is available.

The basis of the Direct Comparison Approach is the Principle of Substitution, which stipulates that the value of a property tends to be set by the price that would be paid to acquire a substitute property of similar utility and desirability, within a reasonable amount of time.

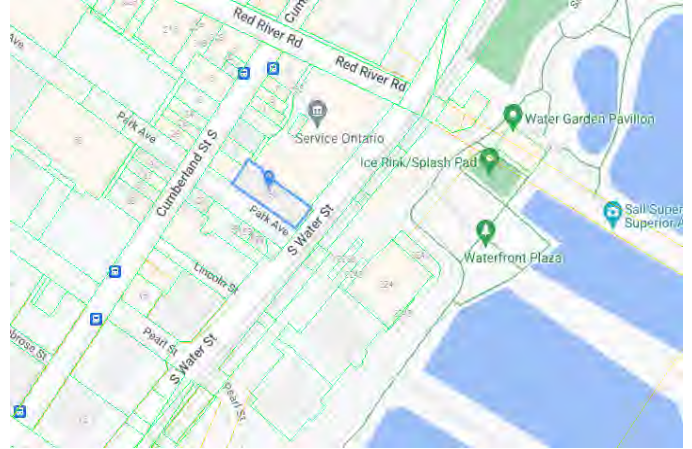
In arriving at an estimate of value, an appropriate unit of comparison must be found. Generally speaking, commercial properties are valued on the basis of a price per square foot of building area.

The Sale Rate is derived using the following formula:

$$\frac{\text{SALE PRICE}}{\text{BUILDING AREA (SQ.FT.)}} = \text{SALE RATE}$$

The data of most importance are presented on the following pages.

Comparable No.1



Transaction Details

Address:	180 Park Avenue Thunder Bay, ON	Sale Date:	December 21, 2022
PIN:	62143-0074	Sale Price:	\$2,640,000
Vendor:	Marina Park Commercial Centre Inc.	Days on Market:	N/A

Unit of Comparison \$84.70 per square foot

Property Details

Land Area:	±15,436 Sq.Ft.	Building Size:	±31,169 Sq.Ft.
Frontage:	±70.69 Feet	Date of Construction:	1989
Topography:	Level	Construction:	Structure: Masonry & Steel Exterior: Metal Roof: Flat; Unknown Material
Services:	Municipal Sewer and Water	Quality/Condition:	Good to Average
Zoning:	C5 - Central Business District	Site Coverage	100%
Use:	Offices		

Comments

Located in the downtown core of Thunder Bay, just west of the waterfront. Improved with a three storey multi tenant office building with lower level parking garage. Good tenant mix, building is relatively modern and has been well maintained, overall good to average condition at time of sale. Reportedly, the purchaser also had to acquire a nearby surface parking lot in a separate transaction in order to satisfy the parking requirements of the leases in place.

Comparable No.2



Transaction Details

Address:	602 Queen Street E. Sault Ste. Marie, ON	Sale Date:	October 21, 2022
PIN:	31541-0021	Sale Price:	\$625,000
Vendor:	Globe Realty Holdings Ltd.	Days on Market:	63

Unit of Comparison \$53.57 per square foot

Property Details

Land Area:	±9,148 Sq.Ft.	Building Size:	±11,668 Sq.Ft.
Frontage:	±70 Feet	Date of Construction:	1955
Topography:	Level	Construction:	Structure: Masonry & Steel Exterior: Marble & Brick Roof: Flat; Unknown Material
Services:	Municipal Sewer and Water	Quality/Condition:	Average
Zoning:	C2 - Central Commercial	Site Coverage	64%
Use:	Offices		

Comments

Located in the downtown core of Sault Ste. Marie, good exposure on a corner lot with limited onsite parking. Improved with an older two storey building with full, unfinished basement. Most recently occupied by an RBC bank branch, overall interior condition was average at time of sale. Older elevator in place, curb appeal considered average. Fully vacant at time of sale.

Comparable No.3



Transaction Details

Address:	2009 Long Lake Road & 65 Larch Street, Sudbury, ON	Sale Date:	September 23, 2022
PIN:	73595-0102, 73595-0174, 73595-0333, 73584-0077, 73584-0078, 73584-0097	Sale Price:	\$7,500,000
Vendor:	Ontario Superior Court of Justice	Days on Market:	Sold Under Receivership

Unit of Comparison \$69.81 per square foot

Property Details

Land Area:	±3.22 Acres	Building Size:	±107,429 Sq.Ft.
Frontage:	Various	Date of Construction:	1982, 1988, 1991
Topography:	Level	Construction:	Structure: Masonry & Steel Exterior: Concrete Panels, EIFS, Brick Roof: Flat; Unknown Material
Services:	Municipal Sewer and Water	Quality/Condition:	Good to Average
Zoning:	C2 – General Commercial & C6 – Downtown Commercial	Site Coverage	11% & 28%
Use:	Offices		

Comments

The sale of two medical office buildings under receivership to a single purchaser. 2009 Long Lake Rd. is well located in the South End of Sudbury, excellent exposure with a 2.04 acre site, ample parking. Improved with a 49,028 sq. ft. four storey office building with finished basement; overall good to average condition with an elevator. 65 Larch St. is located in the downtown core, good exposure with a 1.18 acre site (includes a non-contiguous parking lot to the rear of the building), good parking for the downtown core. Improved with a four storey 58,401 sq. ft. medical office building in generally good to average condition, finished basement area, elevator and newly installed EIFS siding. Sold with some vacancies in place, particularly in the Larch building.

Comparable No.4



Transaction Details

Address:	405 Queen Street E. Sault Ste. Marie, ON	Sale Date:	July 31, 2020
PIN:	31542-0061	Sale Price:	\$1,700,000
Vendor:	Children's Aid Society of Algoma	Days on Market:	Private Sale

Unit of Comparison \$75.17 per square foot

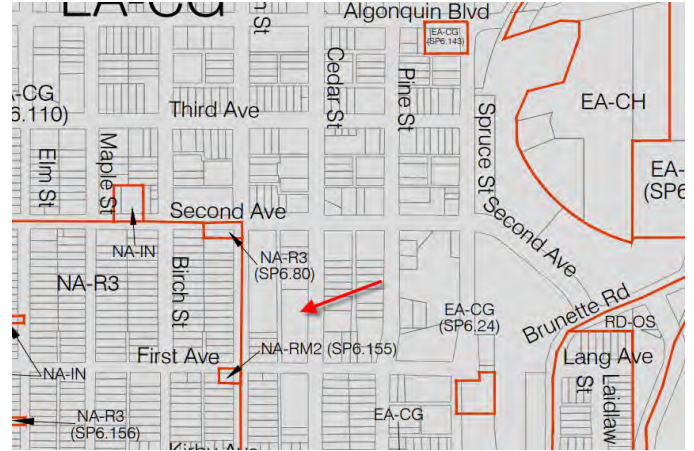
Property Details

Land Area:	±24,829 Sq.Ft.	Building Size:	±22,614 Sq.Ft.
Frontage:	±273.27 Feet	Date of Construction:	1980
Topography:	Level	Construction:	Structure: Masonry Exterior: Concrete Roof: Rubber Membrane
Services:	Municipal Sewer and Water	Quality/Condition:	Average
Zoning:	C2 - Central Commercial	Site Coverage	30%
Use:	Offices		

Comments

Located in the downtown core of Sault Ste. Marie, good exposure on a corner lot and with good adequate onsite parking provided. Improved with a three storey office building on slab. Mostly configured for office space, with some kitchens, boardrooms and common washrooms. Had been occupied by an institutional use, quality of finish was older and generally average at time of sale. Recent upgrades include roofing (2015), windows, elevator and heating equipment. Heating/cooling provided by roof mounted HVAC units, with supplementary hot water boiler.

Comparable No.5



Transaction Details

Address:	187 Cedar Street S. Timmins, ON	Sale Date:	April 1, 2022
PIN:	65404-0993	Sale Price:	\$625,000
Vendor:	1576626 Ontario Inc.	Days on Market:	253

Unit of Comparison \$45.16 per square foot

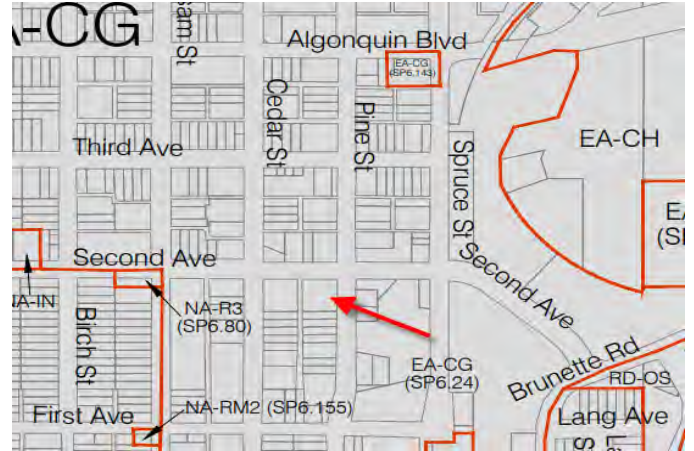
Property Details

Land Area:	±32,968 Sq.Ft.	Building Size:	±13,840 Sq.Ft.
Frontage:	±299.42 Feet	Date of Construction:	1984
Topography:	Level	Construction:	Structure: Masonry Exterior: Brick Roof: Flat; Unknown Material
Services:	Municipal Sewer and Water	Quality/Condition:	Average
Zoning:	EA-CG - Employment Area General Commercial	Site Coverage	42%
Use:	Warehouse / Offices		

Comments

Located in the downtown core of Timmins, with a fairly large site for the area and some onsite parking. Good exposure and access, site is improved with an older building containing a mix of office and warehouse space. Office finish is generally older and somewhat dated in terms of style, with the warehouse being fairly basic space but offering good utility. Roof mounted natural gas fired HVAC units.

Comparable No.6



Transaction Details

Address:	119-127 Pine Street S. Timmins, ON	Sale Date:	March 1, 2022
PIN:	65404-0979	Sale Price:	\$1,600,000
Vendor:	401731 Ontario Limited	Days on Market:	145

Unit of Comparison \$38.46 per square foot

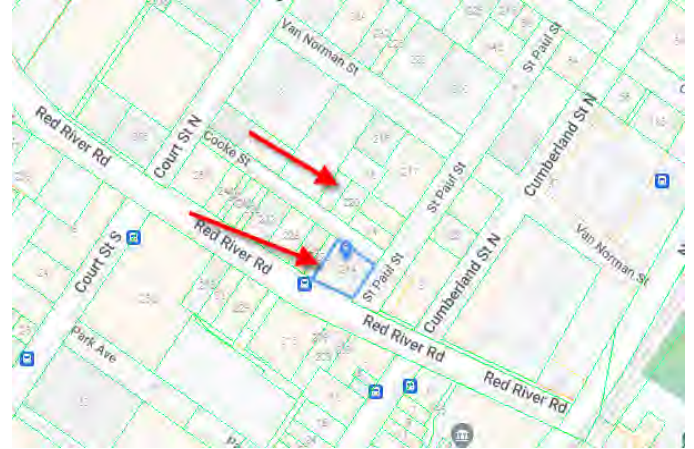
Property Details

Land Area:	±14,372 Sq.Ft.	Building Size:	±41,605 Sq.Ft.
Frontage:	±127.75 Feet	Date of Construction:	1980
Topography:	Level	Construction:	Structure: Masonry & Steel Exterior: Concrete Panels Roof: Tar and Gravel
Services:	Municipal Sewer and Water	Quality/Condition:	Average
Zoning:	EA-CG - Employment Area General Commercial	Site Coverage	100%
Use:	Office / Retail		

Comments

Located in the downtown core of Timmins, good exposure with no onsite parking. Improved with an older three storey commercial building with additional finished space in the full basement. Building is older and in generally average condition; main floor is mostly configured for retail, with the lower level and two upper floors containing office space. Common areas have older finish and require updating. Roofing is original and requires replacement, some exterior work required, as well as new elevators. Sold with some vacancies, mix of gross and net leases in the complex.

Comparable No.7



Transaction Details

Address:	214 Red River Road Thunder Bay, ON	Sale Date:	January 31, 2022
PIN:	62149-0038, 62149-0046, 62149-0047	Sale Price:	\$1,800,000
Vendor:	502007 Ontario Inc.	Days on Market:	N/A

Unit of Comparison \$62.34 per square foot

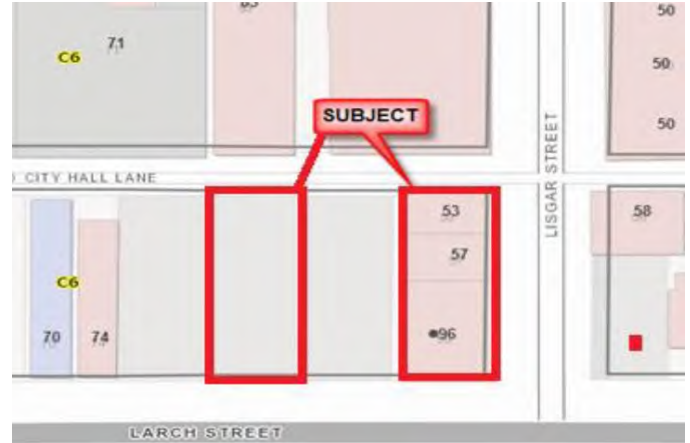
Property Details

Land Area:	±18,007 Sq.Ft.	Building Size:	±28,872 Sq.Ft.
Frontage:	±107.58 Feet	Date of Construction:	1989
Topography:	Level	Construction:	Structure: Masonry & Steel Exterior: Brick Roof: Flat; Unknown Material
Services:	Municipal Sewer and Water	Quality/Condition:	Average
Zoning:	C5 - Central Business District	Site Coverage	96%
Use:	Offices		

Comments

Located in the downtown core of Thunder Bay, good exposure on a corner lot. Building almost entirely covers the subject site, however two additional small vacant sites were included just north of the subject property along Cooke Street for parking. Improved with an older three storey building in generally average condition, with full, unfinished basement used for storage. Some vacancy in place at the time of sale.

Comparable No.8



Transaction Details

Address:	96 Larch Street Sudbury, ON	Sale Date:	January 28, 2022
PIN:	73584-0061, 73584-0059	Sale Price:	\$1,360,000
Vendor:	Dalron Leasing Limited	Days on Market:	79

Unit of Comparison \$56.95 per square foot

Property Details

Land Area:	±12,000 Sq.Ft.	Building Size:	±23,880 Sq.Ft.
Frontage:	±100 Feet	Date of Construction:	1962
Topography:	Level	Construction:	Structure: Masonry Exterior: Stucco, Block Roof: Rubber Membrane
Services:	Municipal Sewer and Water	Quality/Condition:	Average
Zoning:	C6 - Downtown Commercial	Site Coverage	50%
Use:	Office / Retail		

Comments

An older 4-storey building in the downtown core. Good exposure to vehicular and pedestrian traffic. The sale included a building site and addition 6,000 square foot parking site with 24 spaces. The main floor was mostly occupied with office, retail and restaurant uses, while the majority of the upper floor space was vacant and 1 floor was mostly gutted. Overall vacancy at the time of sale was just over 40%. Basement is full and generally unfinished storage and utility space. Main electrical service is 600 amp with 18 meters while heating and cooling are provided by a natural gas fired hot water boiler system and roof mounted chiller units. The building is generally in average overall condition.

Comparable No.9



Transaction Details

Address:	1265 Arthur Street E. Thunder Bay, ON	Sale Date:	April 7, 2021
PIN:	Multiple	Sale Price:	\$6,875,000
Vendor:	West Arthur Place Limited	Days on Market:	N/A

Unit of Comparison \$81.20 per square foot

Property Details

Land Area:	±2.22 Acres	Building Size:	±84,667 Sq.Ft.
Frontage:	±264.26 Feet	Date of Construction:	1974
Topography:	Level	Construction:	Structure: Masonry & Steel Exterior: Stucco Roof: Rubber Membrane
Services:	Municipal Sewer and Water	Quality/Condition:	Good to Average
Zoning:	C1 - Urban Village Zone	Site Coverage	N/A
Use:	Offices		

Comments

Located in a mixed use area in the south end of Thunder Bay. Good exposure, ample onsite parking, including a non-contiguous parking lot located on the opposite side of Marks Street from the subject building. Improved with an older but well maintained sever storey office building, with a mix of mostly medical office tenants.

Comparable No.10



Transaction Details

Address:	955 Queen Street E. Sault Ste. Marie, ON	Sale Date:	November 23, 2020
PIN:	31539-0085	Sale Price:	\$2,200,000
Vendor:	2612312 Ontario Ltd.	Days on Market:	Private Sale

Unit of Comparison \$60.34 per square foot

Property Details

Land Area:	±1.72 Acres	Building Size:	±36,460 Sq.Ft.
Frontage:	±218.96 Feet	Date of Construction:	1967
Topography:	Level	Construction:	Structure: Masonry & Steel Exterior: Brick, Block & Metal Roof: Tar and Gravel
Services:	Municipal Sewer and Water	Quality/Condition:	Good to Average
Zoning:	C3 - Riverfront	Site Coverage	16%
Use:	Office / Institutional		

Comments

Located on the easterly periphery of Sault Ste. Marie's downtown core. Typical site for the area, improved with an older medical office building in generally good to average overall condition. The regional hospital was formerly located on the site just west of this property, but it moved to a new location several years ago. Formerly a popular rental complex for doctors and associated healthcare tenants, it has had difficulty leasing since the hospital moved. Rear of the site is configured as a pay parking lot.

Comparable No.11



Transaction Details

Address:	76 Elm Street Sudbury, ON	Sale Date:	May 29, 2020
PIN:	02138-0118	Sale Price:	\$1,025,000
Vendor:	Place Balmoral Inc.	Days on Market:	Private Sale

Unit of Comparison \$54.18 per square foot

Property Details

Land Area:	±9,360 Sq.Ft.	Building Size:	±18,920 Sq.Ft.
Frontage:	±78 Feet	Date of Construction:	1960
Topography:	Level	Construction:	Structure: Masonry & Steel Exterior: Brick, Block & Metal Roof: Tar and Gravel
Services:	Municipal Sewer and Water	Quality/Condition:	Good to Average
Zoning:	C6 - Downtown Commercial	Site Coverage	100%
Use:	Offices		

Comments

Located at a high traffic corner in Sudbury's downtown core. Two storey office building in good overall condition, mix of medical and professional office space. There is also a full height basement, finished and with a separate entrance, but has been largely vacant in recent years. Building is serviced with both a passenger and freight elevator. No onsite parking available.

Comparable No.12



Transaction Details

Address:	7 Cedar Street Sudbury, ON	Sale Date:	September 4, 2018
PIN:	73584-0046	Sale Price:	\$1,390,000
Vendor:	2182316 Ontario Inc.	Days on Market:	42

Unit of Comparison \$66.22 per square foot

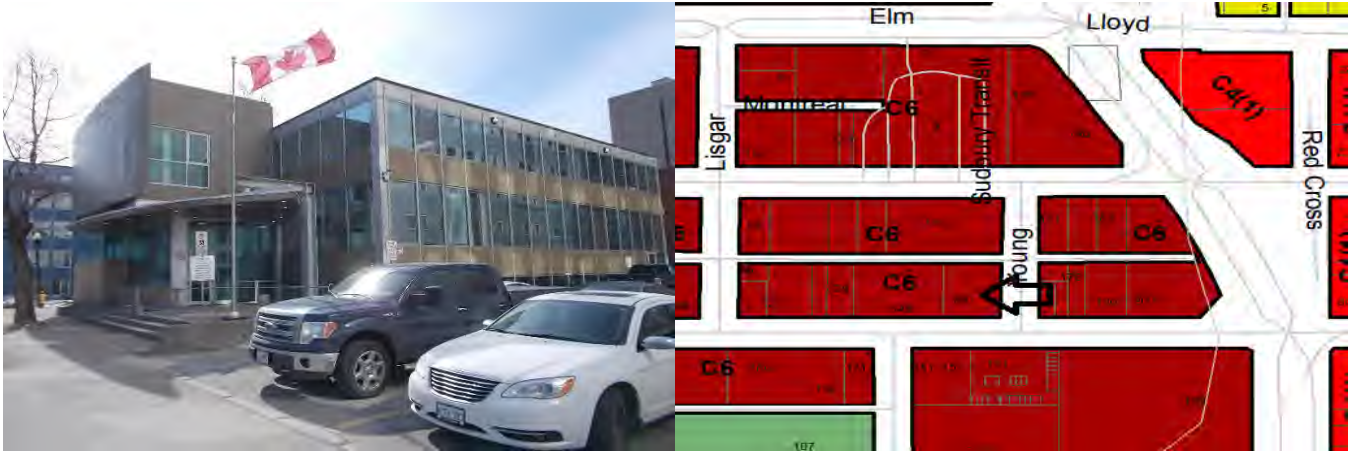
Property Details

Land Area:	± 15,600 Sq.Ft.	Building Size:	± 20,990 Sq.Ft.
Frontage:	± 130 Feet	Date of Construction:	1945
Topography:	Level	Construction:	Structure: Masonry Exterior: Brick and Block Roof: Rubber Membrane
Services:	Municipal Sewer and Water	Quality/Condition:	Good to Average
Zoning:	C6 - Downtown Commercial	Site Coverage	67%
Use:	Office / Retail		

Comments

Located in the downtown core at the corner of Cedar and Elgin Streets, good exposure with ample vehicular and pedestrian traffic. 17 onsite parking spaces, accessible from Cedar Street. Improved with an older two storey building with fully, mostly unfinished basement. Mix of office and retail space, building is in good to average condition overall. Sold with several vacancies.

Comparable No.13



Transaction Details

Address:	69 Young Street Sudbury, ON	Sale Date:	April 23, 2018
PIN:	73584-0120	Sale Price:	\$750,000
Vendor:	Rainbow District School Board	Days on Market:	84

Unit of Comparison \$70.75 per square foot

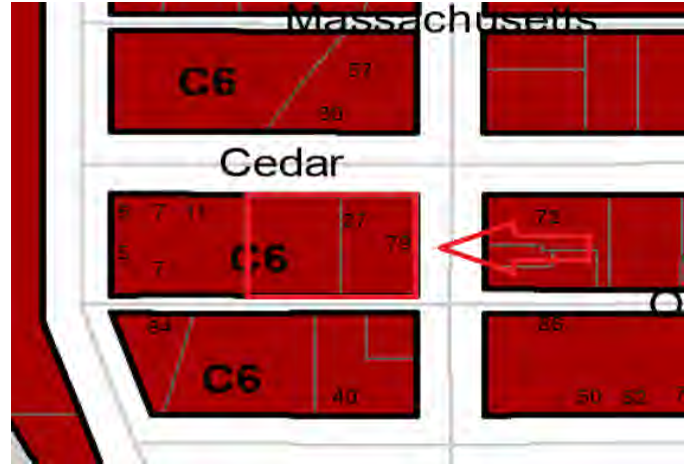
Property Details

Land Area:	±12,000 Sq.Ft.	Building Size:	±10,600 Sq. Ft.
Frontage:	±120 Feet	Date of Construction:	1957
Topography:	Level	Construction:	Structure: Masonry & Steel Exterior: Brick & Block Roof: Tar and Gravel
Services:	Municipal Sewer and Water	Quality/Condition:	Good to Average
Zoning:	C6 - Downtown Commercial	Site Coverage	45%
Use:	Offices		

Comments

A two storey office building with full, finished daylight basement, located in the downtown core. Good exposure on a corner lot, good onsite parking for the core with 14 paved spaces. Configured for a single user at time of sale, interior was in generally good overall condition, elevator serviced the basement and both above grade floors. Roof requires immediate replacement, among several other significant capital improvements required.

Comparable No.14



Transaction Details

Address:	79 Durham Street Sudbury, ON	Sale Date:	April 16, 2018
PIN:	73584-0047	Sale Price:	\$1,950,229
Vendor:	Riocan Holdings Inc.	Days on Market:	60

Unit of Comparison \$81.01 per Sq.Ft.

Property Details

Land Area:	±20,396 Sq.Ft.	Building Size:	±24,075 Sq.Ft.
Frontage:	±120 Feet	Date of Construction:	1991
Topography:	Level	Construction:	Structure: Masonry & Steel Exterior: Metal & Glass Roof: Unknown
Services:	Municipal Sewer and Water	Quality/Condition:	Good
Zoning:	C6 - Downtown Commercial	Site Coverage	38%
Use:	Offices		

Comments

A three storey office building located in the downtown core. Good exposure on a corner lot, good onsite parking for the core with 30 paved spaces. Single tenant occupancy under long term lease at well below market level. Interior was in generally good overall condition, elevator serviced.

COMPARABLE SALES SUMMARY

No.	Location	Sale Price	Building Area	Price / Sq. Ft.
1.	180 Park Ave., Thunder Bay	\$2,640,000	31,169 sq. ft.	\$84.70
2.	602 Queen St. E., Sault Ste. Marie	\$625,000	11,668 sq. ft.	\$53.57
3.	2009 Long Lake Rd. / 65 Larch St., Sudbury	\$7,500,000	107,429 sq. ft.	\$69.81
4.	405 Queen St. E., Sault Ste. Marie	\$1,700,000	22,614 sq. ft.	\$75.17
5.	187 Cedar St. S., Timmins	\$625,000	13,840 sq. ft.	\$45.16
6.	119-127 Pine St. S., Timmins	\$1,600,000	41,605 sq. ft.	\$38.46
7.	214 Red River Rd. Thunder Bay	\$1,800,000	28,872 sq. ft.	\$62.34
8.	96 Larch St., Sudbury	\$1,360,000	23,880 sq. ft.	\$56.95
9.	1265 Arthur St. E., Thunder Bay	\$6,875,000	84,667 sq. ft.	\$81.20
10.	955 Queen St. E., Sault Ste. Marie	\$2,200,000	36,460 sq. ft.	\$60.34
11.	76 Elm St., Sudbury	\$1,025,000	18,920 sq. ft.	\$54.18
12.	7 Cedar St., Sudbury	\$1,390,000	20,990 sq. ft.	\$66.22
13.	69 Young St., Sudbury	\$750,000	10,600 sq. ft.	\$70.75
14.	79 Durham St., Sudbury	\$1,950,229	24,075 sq. ft.	\$81.01
Subject			86,777 sq. ft.	

Our comparable analysis indicates a value range of between \$38.46 and \$84.70 per square foot of building area (unadjusted). Adjustments with respect to the valuation parameters include, but are not limited to, location, condition, age and quality. Those at the low end of the sale price range are typically characterized by inferior locations, condition and rents, whereas those with the best locations and ability to generate NOI are more sought after and thus achieve the highest price per square foot. A discussion of the required adjustments is presented below:

Property Rights Appraised

In each case the property rights appraised are those of the leased fee or fee simple interest, therefore no adjustment is required.

Financing

The comparable sales were acquired on an “all cash” basis or with market based financing, therefore no adjustment is considered necessary.

Sale Condition

To the best of our knowledge, most of the sales were open market transactions between willing sellers and willing buyers; the exception is Comparable No. 3, which was sold under receivership.

Date of Sale

The comparable sales occurred between April 2018 and December 2022. While values have generally been following an upward trend in Northern Ontario, this is less true for larger office buildings which have been relatively stagnant throughout the COVID-19 pandemic. Only minor adjustments were considered for the oldest sales.

Location

The comparable sales are located throughout Northern Ontario; adjustments for location were necessary.

Condition/Size

The subject property is an older office complex that is in generally good to average overall condition; comparable sales represent a range of properties in various conditions. Some adjustments were deemed necessary.

The comparable sales had buildings ranging in area from 10,600 square feet to 107,429 square feet. Generally, there is an inverse relationship between building size and price per square foot of building. Economies of scale dictate that the smaller the building, the higher the unit rate, therefore the smaller comparable buildings require a downward adjustment for size.

Occupancy/Tenancy

The subject property has had ongoing issues with vacancy. Some of the comparables are similar in this respect, while others have superior leasing in place, requiring adjustment.

Site Coverage

Often, a difference in site to building ratio will impact value, particularly if it is determined that a property has greater or lesser utility as a result. The subject has a fairly large site with ample parking for the downtown core. Some adjustments were required.

Utility

A property's value is impacted by its ability to offer utility to a potential user. Custom built or single use buildings are often difficult to convert to other uses and generally narrow the number of potential users. The subject property offers good utility, as do most of the comparable sales.

Comparable No. 1 has similar overall location in Thunder Bay's downtown core. Smaller site with no surface parking, but also has a lower level parking garage. Similar vintage building in overall superior condition, with superior leasing in place. Downward adjustment required for relative building size, considered superior to the subject property overall at \$84.70 per square foot.

Comparable No. 2 has slightly inferior location in Sault Ste. Marie. Smaller site with limited parking, improved with a much older building, inferior physically and in terms of

overall condition. Significant downward adjustment for relative building size, sold fully vacant, considered inferior to the subject overall at \$53.57 per square foot.

Comparable No. 3 has similar location in Sudbury, though the Long Lake Road building has superior overall location/exposure. Both buildings have ample onsite parking. Both buildings are of similar vintage as the subject. Some vacancy issues at time of sale, but superior overall leasing to the subject. Upward adjustment for relative building size, considered similar to slightly superior overall at \$69.81 per square foot.

Comparable No. 4 has slightly inferior location in Sault Ste. Marie. Smaller site with ample onsite parking. Improved with a similar vintage building, slightly inferior physically and average in terms of interior condition, but has had some significant upgrades in recent years. Sold fully vacant, downward adjustment required for relative building size. Considered slightly superior to the subject property overall at \$75.17 per square foot.

Comparable No. 5 has inferior overall location in Timmins. Similar size site, improved with a similar vintage building that is inferior physically (mix of office and warehouse space) and in terms of condition. Significant downward adjustment for relative building size, sold fully vacant. Considered inferior to the subject property overall at \$45.16 per square foot.

Comparable No. 6 has inferior location in Timmins, with a smaller site and no onsite parking. Similar vintage building, but inferior physically and in terms of condition (required roof replacement, interior updating, etc.). Slight downward adjustment for relative building size, considered inferior overall at \$38.46 per square foot.

Comparable No. 7 has similar location in Thunder Bay, smaller site with surface parking at a nearby parking lot. Slightly more modern building, generally similar to slightly inferior condition overall. Downward adjustment required for relative building size, considered generally similar overall at \$62.34 per square foot.

Comparable No. 8 has similar location in Sudbury's downtown core. Smaller site with adequate onsite parking. Improved with an older building, inferior physically and in terms of overall condition. Similar issues with vacancy. Downward adjustment for relative building size, considered slightly inferior overall at \$56.95 per square foot.

Comparable No. 9 has similar location in Thunder Bay, larger site with ample parking, slightly inferior exposure. Slightly older complex, similar physically and in terms of condition. Superior history of tenancy, considered superior to the subject overall at \$81.20 per square foot.

Comparable No. 10 has slightly inferior location in Sault Ste. Marie, larger site with ample parking. Improved with an older building, inferior physically and in similar overall condition. Similar issues with vacancy in recent years. Slight downward adjustment for relative building size. Considered similar to slightly inferior overall at \$60.34 per square foot.

Comparable No. 11 has similar location and exposure in Sudbury's downtown core. Much smaller site with no onsite parking, improved with an older building that is inferior physically and similar in terms of overall condition. Downward adjustment for relative building size, considered slightly inferior overall at \$54.18 per square foot.

Comparable No. 12 has similar location and exposure, just southwest of the subject property. Smaller site with some onsite parking. Improved with an older building that is inferior physically. Sold with some vacancy in place. Downward adjustment for relative building size, partly offset by an upward adjustment for time of sale. Considered similar overall at \$66.22 per square foot.

Comparable No. 13 has similar location in the downtown core, smaller site but with adequate onsite parking. Improved with an older building, similar overall condition and also required some upgrading after purchase. Sold fully vacant, requires a significant downward adjustment for relative building size, considered similar to slightly superior overall at \$70.75 per square foot.

Comparable No. 14 is located just south of the subject, on the opposite side of Cedar Street. Most similar in terms of location/exposure, with good onsite parking. Building is more modern, similar physically but in superior overall condition. Sold with a tenant in place, but lease rates were below market levels. Downward adjustment for relative building size, partly offset by an upward adjustment for time of sale. Considered superior overall at \$81.01 per square foot.

After adjustment, the indicated value range for the subject property has been narrowed to between \$60.34 and \$70.75 per square foot of building area.

The subject is a high rise office tower in generally good to average overall condition, well located in Sudbury's downtown core. It has had ongoing issues with vacancy and will require upgrades to the exterior and/or heating system in order to rectify these issues.

The current market value of the subject property is estimated at between \$60.00 and \$70.00 per square foot, which translates to a value range of between:

\$60.00 per sq. ft. x 86,777 sq. ft. = \$5,206,620 and

\$70.00 per sq. ft. x 86,777 sq. ft. = \$6,074,390.

Given the above noted issues with the property, a final value slightly below the midpoint of this indicated range is considered appropriate. Final estimate of current market value is therefore \$5,500,000, which translates to roughly \$63.38 per square foot of building area.

FIVE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$5,500,000)

I have also been asked to provide an opinion of distressed value of the property assuming a market exposure of six months or more. It is thought that the distressed value of the subject property is best represented by the low end of the above indicated range. Utilizing a rate of \$60.00 per square foot, the estimated distressed value of the subject property is \$5,206,620, rounded to \$5,200,000.

FIVE MILLION TWO HUNDRED THOUSAND DOLLARS (\$5,200,000)*
***Subject to Extraordinary Assumptions**

Exposure Time

Exposure time has been defined in the Dictionary of Real Estate Appraisal (Third Edition, Chicago, Appraisal Institute, 1993) as: *“The time a property remains on the market”*.

The estimated length of time the property interest being appraised would have been offered on the market prior to a 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. Exposure time is always presumed to occur prior to the effective date of the appraisal. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient, and reasonable effort.

Estimated exposure time is usually expressed as a range and is based on statistical information where available, information gathered through sale verification and interviews with market participants. The exposure period is a function of price, time and use, not an isolated estimate of time alone. Exposure time is different for various types of real estate and under various market conditions. Some of the comparable sales utilized in this report were listed through the local Multiple Listing System at some point in time. However, it is sometimes difficult to obtain exposure times and listing times for other properties that are listed on an exclusive basis or sold by the owner.

Typically, properties of similar type and usage to the subject demonstrate a reasonable exposure time from 2 months to a year or more, however economic conditions may

dictate a shorter or longer exposure time depending on fluctuating interest rates and general market demand at any given point in time.

Based on the property type, price range and an analysis of relevant sales leading up to the effective date, reasonable exposure time for the subject is estimated to be 1 to 3 months.

Reconciliation and Final Estimate of Value

The purpose of this appraisal is to estimate the current market value of the property located at 30 Cedar Street, Sudbury, ON to establish an asking price for marketing purposes. The property rights are those of the fee simple interest and the effective date of this valuation is December 14, 2022.

In estimating the market value of the property, two approaches were considered and provided the following indications:

Income Approach:	Discarded
Direct Comparison Approach:	\$5,500,000

For reasons already noted, the Cost Approach was not considered relevant and the Income Approach was ultimately discarded.

The Direct Comparison Approach focuses on the physical characteristics of the asset, as opposed to its financial composition. Market data was plentiful and indicated a narrow value range.

In conclusion, placing full reliance on the Direct Comparison Approach, the estimated current market value of the subject property, as of December 14, 2022 is:

FIVE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$5,500,000)

Certification

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased, professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent 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.
- My analysis, opinions and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have the knowledge and experience to complete this assignment competently.
- As of the date of this report, the undersigned have fulfilled the requirements of the Appraisal Institute of Canada Continuing Professional Development Program for designated members and candidate members.
- I have made a personal inspection of the property that is the subject of this report on December 14, 2022.
- This report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice 2022, as adopted by the Appraisal Institute of Canada.
- Based upon the data, analyses and conclusions contained herein, the estimated current market value, as of December 14, 2022, is:

FIVE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$5,500,000)



Eric Tworo, AACI, P. App
Signed January 19, 2023

ADDENDA

ZONING EXCERPTS

OFFICIAL PLAN EXCERPTS

QUALIFICATIONS OF ERIC TWORO, AACI, P. APP

ZONING

PART 7 COMMERCIAL ZONES

7.1 GENERAL PROHIBITIONS

No person shall, within any Commercial Zone, use or permit the use of any land or erect, alter, enlarge, use or maintain any building or structure for any use other than as permitted in Tables 7.1 and 7.2, in accordance with the standards contained in Table 7.3 and General Provisions contained in Part 4 and the Parking and Loading provisions contained in Part 5 of this By-law.

7.2 PERMITTED USES

Uses permitted in a Commercial Zone are denoted by the symbol 'X' in the column adjacent to that zone and corresponding with the row for a specific permitted use in Tables 7.1 and 7.2 (a number(s) following each use).

The zone heading, or identified permitted use, indicates that one or more special provisions apply to the use listed with some cases of the entire zone. Special provisions are listed below the permitted use Tables 7.1 and 7.2 (see 1.6-10000-40).

Commercial Zones

Local Commercial	1.0
General Commercial	4.3
Limited General Commercial	4.3
Office Commercial	1.3
Shopping Centre Commercial	1.3
Downtown Commercial	4.3
Resort Commercial	1.1

Note: Wherever a zone symbol on the Schedule to this By-law is followed by a number, a letter, a number, and a number, please also refer to Section 2.2 of this By-law with respect to the maximum number of dwelling units permitted on a lot.

Table 7.1 – Permitted Residential Uses

BL-04-1004-1000 0004-1000,000 4-000 0004-1000-000-000

Use	01	02	03	04	05	06	07
Any dwelling containing not more than 2 dwelling units	(01)(15)	(02)(16)	(03)(17)	(04)(18)		(06)(19)	
Executive House (Dwelling or Shared Housing)						(06)(4)	
Group Home (Type 2)	(01)(57)		(03)(17)				
Long Term Care Facility		X	X	X	(04)(9)	X	
Multiplex Dwelling		(02)(10)	(03)(11)	(04)(1)	(05)(20)	(06)(11)	
Private Home (Daycare)	(01)	(02)	(03)	(04)		(06)	
Residential Home		X	X	X	(05)(13)	X	
Row Dwelling				(04)(1)			
Shared Housing		(02)(8)	(03)(18)	(04)(16)			
Street Townhouse Dwelling				(04)(1)			

Table 2.2 - Permitted Non-Residential Uses

(Determined and approved under Ordinance 2000-087)

	E1	E2	E3	E4	E5	E6	E7
Accessory							
Auto Body Shop		X	X		X	X	X
Animal Shelter		X					
Art Gallery		X		X		X	
Assembly Hall		X			X	X	X
Auditorium		X				X	
Establishment		X				X	
Automotive Detail		X			X	X	
Automotive							
leasing		X					
Establishment		X					
Automotive/Car Wash		X			X		
Automotive Repair Shop		X			X		
Automotive Sales		X					
Establishment		X					
Automotive Service Station		X			X		
Baker Shop		X			X	X	
Barber Shop		X			X		
Brewery		X	X	X	X	X	X
Bus Terminal		X			X	X	
Business Office		X	X	X	X	X	
Gaming Ground							X
Garage		X			X		
Golf Course					X	X	
Commercial or Public Storage		X					
Commercial Tourist Facility							X
Commercial School		X			X	X	
Conferences	X	X	X	X	X	X	X
Store		X	X	X	X	X	X
Customer Service		X		X	X	X	
Event Space		X		X	X	X	
Day Care Centre	X	X	X	X	X	X	
Dry Cleaning Establishment		X				X	

Financial Institution				X	X(5)	X	
Furniture Home				X			
Gas Bar					X		X(8)
Home Improvement Centre		X(8)			X		
Hotel				X	X(15)	X	X
Residential Use			X	X	X(5)	X	
Marina							X
Medical Office	X(5)	X	X	X	X(7)	X	
Mobile Home		X(8)					
Mobile Storage		X(8)					
Printing Unit				X		X	
Personal Service Shop	X(5)	X	X	X	X(7)	X	X(8)
Pet Grooming Establishment	X(5)	X		X		X	
Pharmacy	X(5)	X	X	X	X	X	
Place of Assembly		X(5)			X(5)	X	
Private Club				X	X(5)	X	X
Professional Office				X	X(5)	X	
Recreation Centre Commercial		X			X(5)	X	X
Recreation Vehicle Sales and Service Establishment		X			X(7)		X(7)(8)
Restaurant		X	X	X	X	X	X
Retail Store		X	X		X	X(14)	X(8)
Scientific or Medical Laboratory				X	X	X	
Service Shop				X	X	X	
Service Trade						X	
Single-Store Evening Retail		X	X	X	X	X	X
Tavern					X	X	X(8)
Tax Office							
Theatre					X	X	
Veterinary Office							
Winery			X	X	X	X	X

SPECIAL PROVISIONS FOR TABLES 7.1 AND 7.2

1. Maximum net floor area for non-residential uses – 150,000 sq. ft. per lot
2. If contained indoors and does not include retail site use or parking of commercial vehicles or construction equipment
3. If contained within a shopping centre
4. A temporary arrival necessary to a shopping centre
5. Provided that no principal arcade contains more than 20 game machines which located closer than 300 feet to an established public school
6. Only where such use constitutes a legal existing use
7. Restricted to small vehicles or vehicles only
8. Provided the use, building, or structure is incidental, subordinate, and accessory to and located on the same lot as the principal use, building or structure and, and in the case of a building or structure, may or may not be attached to the main building on the same lot
9. Subject to permit and parking standard on Table 5.4
10. Maximum 20 dwelling units per building and maximum net residential density of 40 units per acre with or without permitted non-residential uses provided that the lot is a fully serviced lot.
11. No dwelling unit shall be located within a portion of a building that is used for any of the following: automotive body shop, automotive repair shop, automotive service station, automotive sales establishment, recreational vehicle sales and service establishment, vehicle wash, shop, vehicle sales or rental establishment or veterinary clinic.
12. Access to outdoor storage is permitted subject to Section 4.2 of this By-law.
13. Any dwelling containing not more than 2 dwelling units or is (a) with or without non-residential uses provided that the lot is a fully serviced lot. Where the lot is not a fully serviced lot a maximum of 1 dwelling unit shall be permitted on a lot with or without non-residential uses. (By-law 2008-87)
14. Not including an automotive repair shop accessory to an automotive accessories store
15. Subject to permit and parking standard on Table 5.4
16. Any dwelling containing not more than 2 dwelling units, together with permitted non-residential uses as allowed on the ground floor, provided that the lot is a fully serviced lot. Where the lot is not a fully serviced lot a maximum of 1 dwelling unit shall be permitted together with permitted non-residential uses as a main use on the ground floor. (By-law 2008-87)
17. Only within a permitted single attached dwelling – Maximum number of beds – 10 (a) – (b) – (c) – (d)
18. Street housing is required to be on a lot abutting one of the following streets:
 - LaSalle Boulevard from Notre Dame Avenue to Falconbridge Road
 - The Ringway from Lloyd Street to Falconbridge Road
 - Berry Downs Road from the Ringway to Isabelle Boulevard
 - Notre Dame Avenue from Elm Street to LaSalle Boulevard
 - Regent Street from Lyme Street to Paris Street
 - Lyme Street from Elm Street to West/Lake Road
 - Paris Street from Elm Street to Regent Street. (By-law 2008-188)
19. Parking for Long Term Care Facility and Retirement Home in the C5 Zone shall be calculated using the residential parking requirements as set out in Table 5.5 Residential Parking Requirements For All Zones Except First Downtown Commercial (C4) Zone (a) – (b) – (c) – (d) – (e) – (f) – (g) – (h)
20. Parking for 7 Nucleus Dwelling Units (C5) Zone shall be calculated at the rate of 1 parking space per dwelling unit. (By-law 2008-87)

1.5 ZONE STANDARDS

No person shall within any Commercial Zone use or permit the use of any structure, or use any building or structure except in accordance with the following zone standards. A number(s) following the zone standard, zone heading or description of the standard indicates an additional zone (adjacent). These additional standards are listed as Special Provisions at the end of Table 7.3 below.

Table 7.3 – Standards for Commercial Zones (Ordinance 2012-010/2012-001)

Zone	Maximum Floor Area (sq. ft.)	Maximum Lot Area (sq. ft.)	Maximum Front Yard Setback (ft.)	Maximum Side Yard Setback (ft.)	Maximum Rear Yard Setback (ft.)	Maximum Height (ft.)	Maximum Floor Area Ratio (%)	Minimum Lot Coverage (%)	Minimum Open Space (%)	Other
C1 Full commercial use	65000 m ²	18.0 m	6.0 m (1)	7.5 m (4)	6.2 m (2)(3)	9.5 m (1)	50%	8.0 m	10% minimum (17)	(3)
C2 Retail or residential use	1,350.0 m ²	30.0 m	6.0 m (1)	7.5 m (4)	1.2 m (2)(3)	4.5 m (1)	30%	8.0 m	10% minimum (18)	(5)
C2	1,350.0 m ² (16)	30.0 m	6.0 m (1)	7.5 m (4)	(14)	4.5 m (1)	30% (8)	15.0 m	5%	(6)(14)
C3	8000 m ²	30.0 m	6.0 m (1)	7.5 m (4)	(14)	4.5 m (1)	50%	8.0 m	5%	(6)
C4	840.0 m ²	18.0 m	6.0 m	7.5 m	(4)(2)(3)	9.5 m (13)	50%	54.0 m (11)	10% minimum (17)	(10)(15)
C5	No minimum	180.0 m	10.0 m (1)(8)	10.0 m (1)(8)	30.0 m	10 m (1)(9)	No maximum	20.0 m	15%	(6)(7)
C6	No minimum	No minimum	No minimum	No minimum	(12)(15)	No minimum	100%	No minimum (11)	No minimum (17)	
C7	1.0 ha	45.0 (15)	10.0 m (1)	10.0 m (4)	10.0 m	10.0 m (4)	50%	15.0 m	No minimum (17)	(6)(8)

SPECIAL PROVISIONS FOR TABLE 7.3

1. (i) Abutting a primary arterial road – 15.0 metres;
(ii) Abutting a secondary or tertiary arterial road – 7.5 metres.
2. Where the *internal side* (or *front* or *rear*) abuts a Residential Zone – 1.8 metres.
3. Plus an additional 0.6 metres for each storey above the first storey abutting such road.
4. Abutting a primary arterial road – 15.0 metres.
5. (i) Maximum side main building setback
(ii) For non-residential uses – maximum setback max of 150.0 m per lot.
6. Building separation – 3.0 metres.
7. (i) Minimum required gross floor area – 0.000 m² per m² exclusive of parking structures or indoor parking areas.
(ii) Maximum ground floor area for Multiple Dwelling, Long-Term Care Facility and Retirement Home – 25% of the total ground floor area of the structures on the property by 2025-2026.
8. Maximum lot coverage where public services with a private sewage disposal system – 20%.
9. Maximum gross floor area – 50% of the lot area.
10. Maximum gross floor area of 2.5 times the lot area will apply.
11. A minimum driveway height of 5.0 metres applies.
12. (i) Exclusively for residential – 1.2 metres plus 0.6 metres for each additional storey above the first floor; but where there are no windows or verandahs facing such driveway, no setback shall be required.
(ii) Mixed use buildings of residential and non-residential uses – no setback shall be required for non-residential storey; however residential storeys shall require a setback from the *internal side* (or *front* or *rear*) of 1.8 metres plus 0.6 metres for each additional storey above the first, except that where there are no windows or verandahs facing such storey, no setback shall be required.
(iii) Uses other than those included in Special Provision 12(i) and 12(ii) – no minimum.
13. Abutting an arterial road – 9.0 metres.
14. (i) Exclusively for residential – 1.2 metres, plus 0.6 metres for each additional storey above the first.
(ii) Mixed use buildings containing residential and non-residential uses:
 - a) Where the *internal side* (or *front* or *rear*) abuts a Residential or Residential Zone – 3.0 metres, plus an additional 0.6 metres for each storey in excess of three; or
 - b) Where the *internal side* (or *front* or *rear*) does not abut a Residential or Residential Zone, no setback shall be required for non-residential storeys; however, residential storeys shall require a setback from the *internal side* (or *front* or *rear*) of 1.8 metres plus 0.6 metres for each additional residential storey.
(iii) Exclusively for non-residential purposes – where the *internal side* (or *front* or *rear*) abuts a Residential or Residential Zone, 2 metres plus an additional 0.6 metres for each storey in excess of three storeys, and no minimum in any other case.
15. No two adjacent groups of new dwellings shall be on one line at one minimum front yard setback (or minimum corner side yard setback, or in the case of a through lot) at the minimum rear yard setback. Furthermore, the minimum difference in setbacks for adjacent groups of new dwellings shall be 2.5 metres, and not more than *lot-to-lot* setback shall be permitted within a lot setback.
16. Maximum lot area where public services with a private sewage disposal system – 9,750.0 m².
17. Except as required by Section 4.3.3 of this Ordinance.

18. The minimum total *water frontage required* for all *shorelines* of a *waterfront lot* or any other *lot abutting a navigable waterbody* shall be 60.0 metres.
19. Minimum *court* required between opposing walls of one or more *multiple dwellings* on the same *lot* shall be *equivalent to 50 percent of the height of the higher of such walls, but not less than:*
- (i) 15.0 metres, where both walls contain balconies or windows into a *habitable room*;
 - (ii) 7.5 metres, where only one of such walls contains balconies or *habitable room* windows;
 - or,
 - (iii) 3.0 metres, where neither of such walls contains balconies or *habitable room* windows, or in the case of opposing *building corners*.

OFFICIAL PLAN

4.2 CENTRES

Centres essentially form nodes of retail, tourism, business, education and government services. Depending on their location, character and function, *Centres* may service a large regional market, or a smaller local neighbourhood. It is the intent of this Plan to provide sufficient lands in appropriate locations to ensure that all consumer and service needs can be addressed by the market.

4.2.1 Downtown

Downtown encompasses a 92.5 hectare area as shown on Schedules 1a and 1b, *Land Use Map*. This area contains the Central Business District and the “shoulders” of the *Downtown*. The Central Business District, which is generally bounded by Ste. Anne Road, Paris Street, Elgin Street and Froot Road, is generally characterized by a mix of higher density land uses. The shoulders are generally characterized by mixed land uses in low and mid-rise buildings.

Downtown is the heart of Greater Sudbury and a strategic core area in northern Ontario. It forms the historic core of the amalgamated City, retaining its important function as a local and regional centre of government services, business services, retail, sport and entertainment uses, arts and culture, and community and institutional uses. The *Downtown* services a large catchment area that extends beyond Greater Sudbury. It is also a place where people live. Compact, walkable and transit-supportive, the

Downtown possesses a distinct built form that sets it apart from other urban areas, offering unique opportunities to protect, develop and sustain its role as the vibrant hub of a dynamic city.

The City of Greater Sudbury and its partners have developed a new *Downtown Sudbury Master Plan* (the *Vision, Plan and Action Strategy*) for the *Downtown*, to guide revitalization by increasing the level of investment and activity, better connecting the *Downtown* into the surrounding urban fabric, rebalancing the *Downtown* street system and improving the *Downtown's* quality of place.

Policies

1. A wide variety of uses are permitted in the *Downtown*, consistent with its function as the most diversified commercial Centre in the City. Residential, commercial, institutional, entertainment uses and community facilities are permitted as set out in the Zoning By-law, provided that sewer and water capacities are adequate for the site. Drive-throughs are not permitted in the *Downtown*.
2. To encourage development in the Central Business District new development will be exempt from density and maximum height limits. However, taller buildings will be encouraged to locate along the periphery of the Central Business District consistent with the *Downtown Sudbury Master Plan* to protect the character of the historic core area and limit wind and shadow impacts. Development in the Central Business District will meet the minimum height limit established in the Zoning By-law. The Zoning By-law will establish minimum and maximum height limits for the shoulder areas of the Central Business District.
3. To encourage development in the Central Business District, new non-residential development will be exempt from parking. Parking will be required for residential uses in the Central Business District, except residential re-use projects in buildings that were originally constructed five or more years ago.

4. In order to encourage development in the *Downtown*, Council may:
 - a. allow parking requirements to be satisfied through off-street municipal or privately owned communal parking areas located elsewhere in the *Downtown*; and,
 - b. accept payment-in-lieu of parking where residential and non-residential development is in close proximity to and can be accommodated by a municipal or privately owned communal parking lot.

Programs

1. The City will continue to work with its partners to implement the *Downtown Sudbury Master Plan*, including the following projects:
 - a. Laurentian Architecture Laurentienne;
 - b. New Downtown Market
 - c. The Elgin Greenway
 - d. Franklin Carmichael Art Centre
 - e. Place des Arts
 - f. Inno-Tech Park
 - g. Residential Incentives
 - h. Multi-use Centre/Hotel/Parking Structure
 - i. N'Swakamok Native Friendship Centre Expansion
 - j. New Central Library
 - k. Expanded Cambrian College Presence
 - l. New Visitor Centre

- m. St. Anne Extension and College Underpass
 - n. Civic Core Improvements
 - o. Durham Shared Street
 - p. Streetscaping
 - q. Retail, Public Art and Heritage Strategies
2. The City may also work with its partners to pursue other projects that reinforce the *Downtown's* role as a local centre and a strategic core area in northeast Ontario.
 3. The City may consider establishing maximum height limits in parts of the Central Business District to protect the character of the historic core.
 4. The City will monitor and adjust, as appropriate, the *Downtown Sudbury Master Plan*.

4.2.1.1 Downtown Non-Residential Development

Attracting new non-residential uses such as office, retail, cultural uses and institutional uses is key to growing the level of activity in the *Downtown*. Office uses foster a strong business environment and provide a customer base for other uses. Retail uses and restaurants reinforce the *Downtown's* role as a destination for niche products and dining. Cultural and institutional uses augment the *Downtown's* role as an arts, culture, entertainment and event destination.

Policies

1. Non-residential development is a key priority for the *Downtown* as a means of stimulating increased investment and business activity and reinforcing the City's urban structure by achieving a more efficient pattern of development.
2. Significant new office developments will be encouraged to locate in the *Downtown*. Prestige office development will be encouraged along Paris Street, between Elm and Cedar Street.

3. New specialty based retailers that complement and reinforce the existing retail structure will be encouraged in the *Downtown*.
4. New destination attractions such as a new Multi-Use Facility, a new Hotel, the Franklin Carmichael Art Centre, Place des Arts, the Central Branch of the Greater Sudbury Public Library and additional postsecondary facilities will be encouraged in the *Downtown*.

Programs

1. The City will work with its partners to further plan and realize Inno-Tech Park on the lands generally bounded by Elm Street, the CP Rail Line and Rail Yards and Lorne Street. Council will encourage the protection of these lands for this purpose.
2. The City will work with its partners to develop the *Downtown* as a destination for hospitality, neighbourhood convenience and specialty shopping through projects such as marketing and a retail retention and recruitment strategy.
3. The City will work with its partners to develop the *Downtown* as a destination for arts, culture, entertainment and sporting events through projects such as Place des Arts, the N'Swakamok Native Friendship Centre Expansion, the Franklin Carmichael Art Centre, Market, new Visitor Centre and the new Central Library Branch.

4.2.1.2 Downtown Residential Development

Residential development in the *Downtown* is key to its future success and is consistent with residential intensification policies. In 2011, approximately 1,720 people lived in the *Downtown*. Increasing the number of people living *Downtown* will enhance the existing community dynamic and expand the residential constituency. A residential base also provides support for downtown businesses, acting as a stimulus for small business development.

Policies

1. Residential development is a key priority for the *Downtown* as a means of stimulating increased investment and business activity, reinforcing the City's urban structure and achieving more efficient pattern of development.
2. The City will aim to double the number of people living in *Downtown* during the lifetime of this Plan. The City may encourage additional residential growth and development through various means including, but not limited to, financial incentives.
3. All forms of residential development and residential intensification will be encouraged in the *Downtown*, provided adequate infrastructure and services are available. New development will respect the existing and planned context.
4. The conversion of vacant above-grade floor space to residential uses will be encouraged, where the building being converted was built prior to the year 2000.

Programs

1. The City will update the *Downtown Community Improvement Plan* to reflect the recommendations of the *Downtown Sudbury Master Plan*.
2. Amenities such as the Market, Sudbury Theatre Centre, Greater Sudbury Public Library, Sudbury Arena, and the Centre for Life contribute to the appeal of the *Downtown*. In order to make it more attractive as a place of residence, additional amenities necessary to enhance the livability of the *Downtown* will be identified.
3. Planning regulations will be reviewed to ensure that policies support the development of residential uses in the *Downtown*.
4. In order to enhance the feasibility of residential uses in the *Downtown*, other action programs may be pursued including the development of a profile of the residential target market, as well as a marketing plan to promote residential uses and *Downtown* living.

4.2.1.3 Downtown Urban Environment

The *Downtown* offers a unique urban environment that is characterized by its distinct built form, heritage resources, street configuration, pedestrian spaces, and linkages to neighbourhoods and amenities such as Bell Park. The *Downtown* plays a key role in defining the City's image and quality of place, perceptions that are essential to the success of a number of City initiatives.

Policies

1. It is policy of this Plan to preserve those aspects of the *Downtown* that contribute to the image, character and quality of life in the City, including natural features, landmarks, design attributes, heritage resources, linkages to existing trails, pedestrian walkways and other desirable elements of the built environment.
2. High quality urban design in the *Downtown* will be promoted, compatible with the existing character and scale. A special focus on public spaces is intended, utilizing such design elements as street trees, landscaping, street lighting and furnishings, public art, gateway entrances and playgrounds that are wheelchair and stroller accessible. Additional policies on *Urban Design* are found in Chapter 14.0.
3. Heritage buildings and structures in the *Downtown* will be protected, as supported by policies on *Heritage Resources* contained in Chapter 13.0.
4. In order to protect the existing built form, the rehabilitation and reuse of existing buildings that are well-suited and economically viable to adaptive reuse will be encouraged.

Programs

1. The City will work with its partners to connect the *Downtown* with adjacent neighbourhoods through projects such as the Elgin Greenway, Larch Street Extension and Ste. Anne Road Extension.
2. The City will work with its partners to create a more flexible and balanced street network in the *Downtown* through projects such as the Ste. Anne Cycle Route and provision of additional cycling infrastructure.

3. The City will work with its partners to invest in the infrastructure necessary to support growth in the *Downtown* through projects such as structured parking facilities and, in the long term, examining the feasibility of relocating the *Downtown* transit terminal.
4. The City will work with its partners to further plan and realize the Durham Shared Street concept and, in the long term, to rebuild Elm Street, beautify Paris Street and calm Brady Street.
5. The City will work with its partners to create green destinations in the *Downtown* through projects such as the Elgin Greenway, Civic Core Improvements, and the Minto Civic Corridor.
6. The City will work with its partners to celebrate the "Sudbury Story" in the *Downtown* through projects such as public art strategy, a heritage strategy and by delineating the built form and extending the experience of the creek system.
7. The City will continue its program of streetscape improvements and work towards improving pedestrian linkages to surrounding urban amenities and *Living Areas*.
8. The innovative use of new environmental technologies will be promoted, including the development of green buildings, the utilization of alternative heating and cooling methods, and the re-invention of public spaces utilizing recent advancements in eco-sensitive design.

Qualifications of Eric Tworo, AACI, P. App

- Accredited Appraiser Canadian Institute (AACI, P. App designation), Appraisal Institute of Canada
- Real Property Administration Diploma (Accelerated, with honours), Seneca College, Toronto
- Real Property Assessment Certificate, University of British Columbia
- Bachelor of Arts - Honours Specialization in Geography, University of Western Ontario
- Ongoing educational courses and seminars through the Appraisal Institute of Canada
- 2009 - Present - Real Estate Appraiser
- 2017 - Present - Real Estate Sales Representative
- 2016 - 2021 - Chair, Sudbury/Sault Ste. Marie Chapter, Appraisal Institute of Canada
- 2014-2017, 2019-Present - Director, Region 7 - Board of Directors, Appraisal Institute of Canada-Ontario
- 2022 - President Elect - Appraisal Institute of Canada-Ontario
- Member of the Ontario Expropriation Association

Appraisal Assignments Have Been Carried Out for the Following:

- Chartered Banks and Trust Companies
- Credit Unions and Caisse Populaires
- Finance Companies
- Law and Accounting Firms
- Mortgage Brokerage Firms
- Individuals and Corporations
- Various Levels of Government

CONFIDENTIAL REPORT

EXHIBIT B

Appraisal - Boreal Appraisal Services



APPRAISAL REPORT

Estimate of Current Market Value

Downtown Commercial Office Building
30 Cedar Street
Sudbury, Ontario

Owner: 30 CEDAR HOLDINGS INC.

Prepared for:

Stanley Loiselle
For Raymond Chabot Inc.
116 Albert Street, Suite 1000
Ottawa, ON K1P 5G3

Prepared by:

Boreal Appraisal Services Inc.
Philippe Hébert, MBA, AACI, P. App.
Stephanie Elliott, BBRE, AACI, P. App.
1314 Lasalle Blvd
Sudbury, Ontario
P3A 1Y8

FEBRUARY 2023

February 1st, 2023

Attention: Stanley Loiselle
For Raymond Chabot Inc.
116 Albert Street, Suite 1000, Ottawa, ON K1P 5G3

Re: Estimate of Current Market Value
PIN 73584-0044 & 73584-0045
30 Cedar Street
Sudbury, ON

Property Type: Downtown Commercial Office Building
Owner: 30 CEDAR HOLDINGS INC.

Acting on your instructions, we have completed an appraisal of the above-noted property. The purpose of the appraisal is to estimate the current market value of the leased fee interest of the subject property, land and improvements only. The intended use of the report is to provide *Raymond Chabot Inc.* with objective information in support of Power of Sale proceedings, only.

This *105-page* report provides a description of the subject property, the valuation process and other pertinent data gathered during our investigations, which has assisted us in arriving at our conclusions. This report conforms to the *Canadian Uniform Standards of Professional Appraisal Practice* adopted by the Appraisal Institute of Canada.

Based on the analysis of the data collected, it is our opinion that the estimated current market value of the subject property, as of the effective date of December 21st, 2022, was:

FIVE MILLION DOLLARS (\$5,000,000)

The indicated value assumes a cash to vendor sale and an exposure time of 6 to 12 months.

Distressed Sale Conditions

At the client's request, we have also been asked to provide a value of the property under distressed sale conditions. For that purpose, we assume a market exposure of 4 to 6 months, with an allowance of 15% of its market value deducted, in consideration of that shorter timeline. The indicated discounted value is **\$4,250,000.**

Respectfully submitted,
BOREAL APPRAISAL SERVICES INC.



Philippe Hébert, MBA, AACI, P. App.
Boreal Appraisal Services Inc. – President



Stephanie Elliott, BBRE, AACI, P. App.

All Copyright is Reserved to the Authors

This report has been prepared at the request of *Stanley Loisel* for *Raymond Chabot Inc.* and for the exclusive (and confidential) use of the recipient as named herein and for the specific purpose and function as stated herein. All copyright is reserved to the authors, and this report is considered confidential by the authors and *Raymond Chabot Inc.*

Possession of this report, or a copy thereof, does not carry with it the right to 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 and approval of the author as to the purpose, form and content of any such disclosure, quotation or reference.

Without limiting the generality of the foregoing, neither all nor any part of the contents of this report shall be disseminated or otherwise conveyed to the public in any manner whatsoever or through any media whatsoever or disclosed, quoted from or referred to in any report, financial statement, prospectus, or offering memorandum of the client, or in any documents filed with any governmental agency without the prior written consent and approval of the author as to the purpose, form and content of such dissemination, disclosure, quotation or reference.

See Assumptions and Limiting Conditions in the Addenda of this report.

SUBJECT PROPERTY PHOTOGRAPHS

FRONT VIEW



REAR VIEW



STREET VIEW – FACING EAST ON CEDAR STREET



STREET VIEW – FACING NORTH ON DURHAM STREET



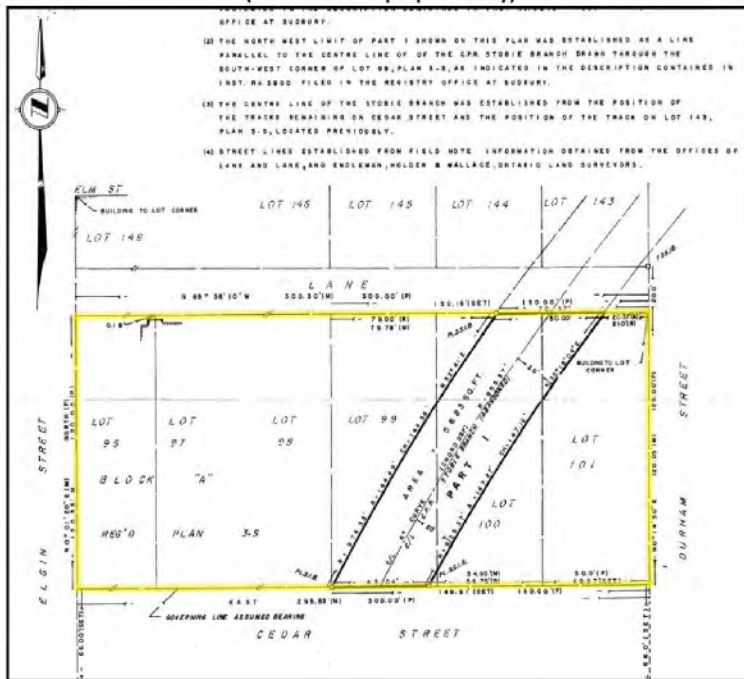
AREAL VIEW

(For illustrative purposes only)



SITE PLAN (SR-3594)

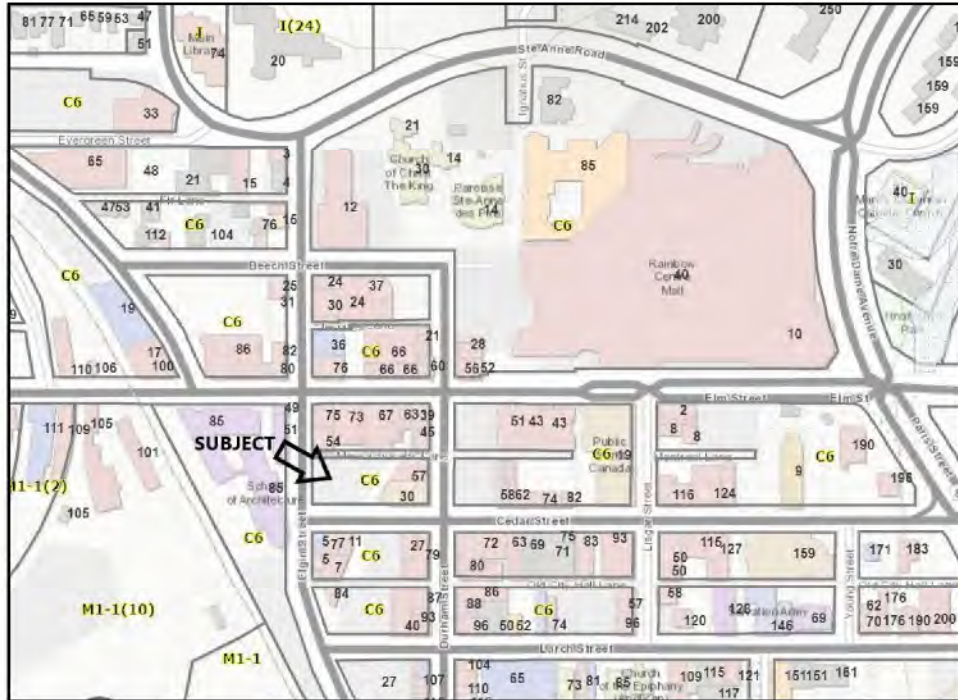
(For illustrative purposes only)



Site Size

±120 feet of frontage on Durham Street X ±300 feet of frontage on Cedar Street
 ±36,000 ft² (R-PLAN SR-3594)

LAND USE REGULATIONS
ZONING MAP
C6 – Downtown Commercial



OFFICIAL PLAN MAP
Downtown

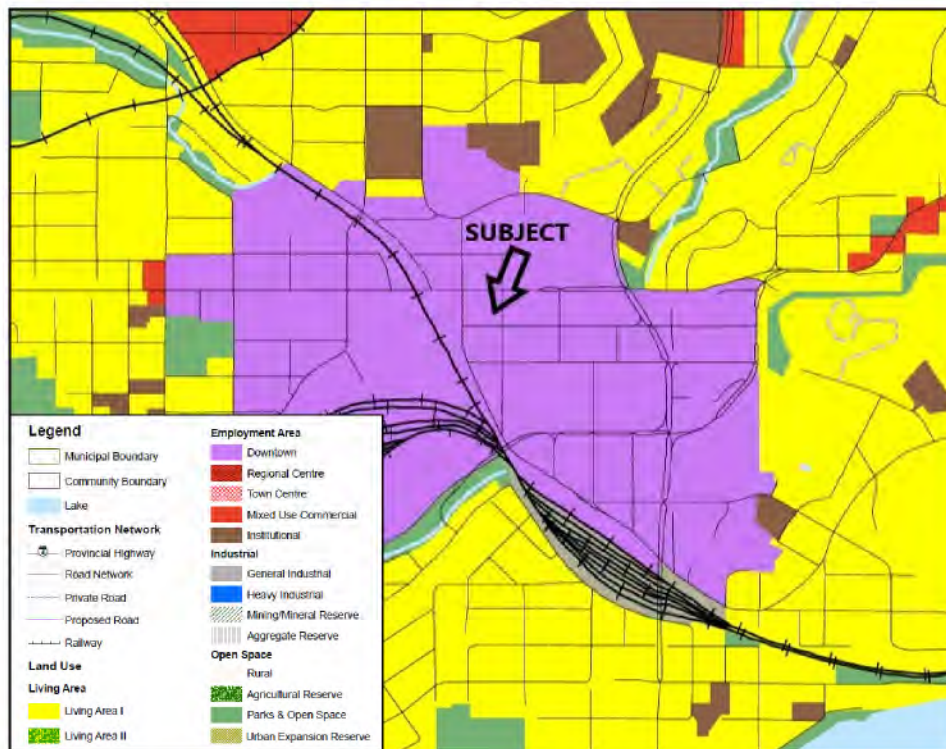


TABLE OF CONTENTS

INTRODUCTION

All Copyright Reserved to the Authors
 General Location Maps
 Subject Property Photographs
 Aerial View & Site Plan
 Land Use Regulations

TABLE OF CONTENTS	10
Executive Summary	11

BASIS OF THE APPRAISAL

Intended Use of the Report	13
Purpose of the Appraisal	13
Property Rights Appraised	13
Definition of Value	13
Scope of Work	14
Site Visit / Effective Date	14
Type of Analysis	14
Data Research.....	14
Audits and Technical Investigations	15
Verification of Third-Party Information	16
Assumptions and Limiting Condition	17

FACTUAL INFORMATION

Identification of the Property	18
Address of the Property.....	18
Partial Legal Description	18
Market Activity	19
Local and Regional Data.....	20
Land	26
Improvements	28
Assessment and Taxes	38
Land Use Regulations.....	39
Zoning	39
Official Plan.....	39

ANALYSIS AND CONCLUSIONS.....

Highest and Best Use	40
Property as If Vacant	40
Property as Improved	41

METHOD OF VALUATION

Estimate of Value – Income Approach.....	43
Estimate of Value – Direct Comparison Approach.....	50
Exposure Time	62
Reconciliation and Final Estimate of Value.....	63
Certification	65

ADDENDA

Assumptions and Limiting Conditions
 Floor Plans
 Abbreviated Parcel Registers
 Land Use Regulations Excerpts
 Economic Bulletin April 2021 / 2022 Q3 Bulletin – Greater Sudbury
 Qualifications of Philippe Hébert, MBA, AACI, P. App.
 Qualifications of Stephanie Elliott, BBRE, AACI, P. App.

Executive Summary

Address of Property:	30 Cedar Street Sudbury, Ontario
Type of Property:	Downtown Commercial Office Building
Partial Legal Description:	PINs 73584-0044 & 73584-0045 Lots 96 to 101, Block A on Plan 3SA, McKim Township, City of Greater Sudbury.
Purpose of the Appraisal:	To estimate the current market value of the leased fee interest of the subject property, land, and improvements only.
Intended Use of the Appraisal:	To provide <i>Raymond Chabot Inc.</i> with objective information in support of Power of Sale proceedings, only.
Property Rights Appraised:	Lease Fee Interest
Effective Date:	December 21 st , 2022
Site Visit Date:	December 21 st , 2022
Site Size:	±120 ft of frontage on Durham Street ±300 ft of frontage on Cedar Street ±36,000 ft ² (MPAC)
Zoning / Official Plan:	C6-Downtown Commercial / Downtown

Building Size:

Floor	Size (±ft ²)
1	6,475
2	9,122
3	11,888
4	11,888
5	11,888
6	11,851
7	11,851
8	11,814
TOTAL	86,777

Highest and Best Use, as if Vacant:	<i>Highest and Best Use of the subject property, as if vacant, is considered to be any legally permitted use for which a demand exists and is economically viable to pursue, that would best take advantage of the site's locational elements, topography, and general market appeal.</i>
Highest and Best Use, as Improved:	<i>Highest and Best Use of the subject property, as improved, is considered to be its conversion to some form, or mixture of commercial / multi-residential use, that would best take</i>

advantage of the site's location and existing improvements, as permitted under land use regulations and site plan controls, and when economically viable to pursue.

Estimate of Current Market Value

Income Approach:	\$4,600,000
Direct Comparison Approach:	\$5,200,000
Final Estimate of Value:	\$5,000,000

Value under Distressed Sale Conditions: \$4,250,000

BASIS OF THE APPRAISAL

Intended Use of the Report

The intended use of the report is to provide *Raymond Chabot Inc.* with objective information in support of Power of Sale proceedings, only.

Purpose of the Appraisal

The purpose of the appraisal is to estimate the current market value of the leased fee interest of the subject property, land and improvements only.

Property Rights Appraised

The property rights appraised are those of the leased fee estate. Leased fee is defined as in Real Estate Appraising in Canada, published by the Appraisal Institute of Canada as:

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

Definition of Value

Market Value is defined in the Canadian Uniform Standards of Professional Appraisal Practice, as adopted by the Appraisal Institute of Canada, as:

“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 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 to be their best interests;
3. a reasonable time is allowed for exposure on the open market;
4. payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto;
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.

Scope of Work

The scope of this appraisal covers the investigations and analysis required to prepare a report which, serves the intended use and is in accordance with the *Canadian Uniform Standards of Professional Appraisal Practice*, as adopted by the Appraisal Institute of Canada. The following steps were taken in preparing this appraisal report:

Site Visit / Effective Date

A site visit of the subject property was completed by Philippe Hébert and Stephanie Elliott on December 21st, 2022, facilitated by Ray Penny, superintendent. This date also establishes the effective date of valuation and photographs, and measurements were taken at that time. Images from Google Maps, AgMaps, and others were also relied upon and used within this report, to better represent the site's topography and other notable physical features. Unless stated otherwise, all sketches and aerial photography within this report are *not to scale* and are *for illustrative purposes only*, and only those noted as *Subject Property Photographs* were taken on the date of the site visit.

Type of Analysis

This current value appraisal complies with the Standards of the Appraisal Institute of Canada. We are competent in this type of appraisal analysis and have appraised this type of property previously. This appraisal involves an analysis of the financial characteristics of the property as were available, as well as general market evidence that reflects both its economic and physical attributes.

Data Research

We received our instructions from Stanley Loiselle, of Raymond Chabot Inc. (appointed Receiver), who together with Justin Di Ciano, of Prime Real Estate Group Inc. (Property Manager), provided us with the following information regarding the subject property.

But for excerpts and summaries included within this report, note that all documents provided for valuation purposes will be kept in our working file. E-copies of documents provided may be made available upon request.

Documents and Information Provided for Valuation Purposes
• Final 2022 Property Tax bill.
• Current rent roll (as of January 1, 2022) .
• Lease Agreement with the Bank of Nova Scotia, dated October 1, 2004, as well as Addendum to Lease, dated April 22, 2014.
• Lease Extension and Amending Agreement with Scotia Capital Inc., dated July 1, 2007, as well as Addendum to Lease, dated April 22, 2021.
• Addendum to Lease for Roynt Inc., dated April 23, 2021.
• Floor plans, prepared by Prime Real Estate Group Inc., dated March 6, 2008.
• Unaudited Financial Statements for years ended December 2017 to 2021, prepared by Segal LLP, Chartered Professional Accountants.
• A list of substantial upgrades and renovations with related cost.
• Phase 1 Environmental Site Assessment Update, prepared by Amec Foster Wheeler Environment & Infrastructure, dated May 7, 2015.

Interviews and discussions are continuously also held with local and regional real estate brokers, appraisers and other market participants including vendors and purchasers in an effort to gather real estate data. We have also considered current and archived information available from various Northern Ontario Real Estate Boards, REALTOR.ca, MPAC, Geowarehouse and relied on market data and statistics generated within our own files. Details pertaining to land use regulations and property taxes were available electronically.

Audits and Technical Investigations

We did not complete technical investigations such as:

- Detailed inspection or engineering review of the structure, roof or mechanical systems;
- A site or building survey;
- Investigations into the bearing qualities of the soils;
- Audits of financial and legal data as supplied by others and used for valuation purposes; or
- A complete environmental review of the property inclusive of its improvements; this appraisal assumes that the property is clean environmentally in every respect and in full compliance with all relevant regulations and laws applicable to this size and type of operation.

On this subject, we were provided with a Phase I Environmental Site Assessment Update, dated March 7, 2015, authored by Amec Foster Wheeler Environment & Infrastructure. The following excerpt summarizes its findings (Page ii) – no further environmental assessment work recommended:

Based on the information provided above and in consideration that the Site is municipally serviced, with a ventilated sub-grade parking garage and no offices or continuously occupied rooms within the basement level of the Site building, it is Amec Foster Wheeler's opinion that the petroleum hydrocarbon impacted ground water issue with the western portion of the Site is not of concern.

Based on the findings of this Phase I ESA conducted on 30 March 2015, no further environmental assessment work is recommended at the Site at this time.

That said, the following recommendations were provided in the report to address potential operational / management issues.

To address potential operational / management issues, Amec Foster Wheeler offers the following recommendations:

- Due to the confirmed presence of ACM, an asbestos management plan will be required for any confirmed ACM which is not abated or has not been tested to be deemed non-asbestos.
- A DSS is required if future repair, renovation or demolition activities are planned which could affect materials not previously sampled within the 2009 ACM survey in the Site building. A DSS is required to fulfil the Owner's requirements under Section 30 of the *Ontario Occupational Health and Safety Act, Revised Statutes of Ontario 1990*, (as amended). The building owner must provide the DSS report to all contractors working on the Site. Subsequently, all contractors must furnish the DSS report to their subcontractors.
- Suspected lead based paint is present at the Site based on criteria outlined in the Canadian Hazardous Products Act – Surface Coating Materials Regulation dated April 2005. As enforced by the Ministry of Labour (MOL), all lead based paint in poor condition must be removed by a qualified lead abatement contractor as outlined in the MOL Guideline titled the "*The Control of Lead Exposures During the Removal of Lead on Construction Projects*".
- PCB in the form of older fluorescent light ballasts could possibly be present at the Site. In order to confirm or refute the presence of PCB a comparison of the equipment date code stamp with published reference lists and/or sampling is required. Ballasts confirmed to contain PCB should be removed by a licensed contractor.

Verification of Third-Party Information

The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify owner-supplied or client supplied information, or that provided by third parties, which we believe to be correct. Where possible, we endeavoured to fully document or confirmed by reference, the primary sources of all information relied upon in estimating the value of the subject property, as at the effective date of value.

Assumptions and Limiting Condition

The assumptions and limiting conditions pertaining to the valuation of the subject property and this report are presented in the *Addenda* of this report.

FACTUAL INFORMATION

Identification of the Property

Address of the Property

30 Cedar Street, City of Greater Sudbury, Ontario

Partial Legal Description

PINs 73584-0044 & 73584-0045
Lots 96 to 101, Block A on Plan 3SA,
McKim Township, City of Greater Sudbury.

Property Owners

30 CEDAR HOLDINGS INC.

The Abbreviated Parcel Registers, included in the Addenda of this report, and acquired for valuation purposes, indicates that the subject property is held in fee simple ownership, and other than noted below, does not indicate the existence of other apparent restrictions, that could potentially have a material impact on the marketability of the site. Note that our investigations were limited to the registers included, which is not intended to result in an expression of opinion as to the state of title itself, as we are not qualified in these matters and have not read all documents registered on title.

The following items were noted on title:

Instrument SD385811: A Notice of Security Interest for a consideration of \$336,429.15 in favour of DE Lage Landin Financial Services Canada Inc., dated October 29, 2019, is registered on title, and described as follows:

Under a notice of security agreement made between 30 CEDAR HOLDINGS INC., the debtor and the applicant, the secured party a security interest has been created in LED LIGHTING RETROFIT AS PER JUST ENERGY QUOTE #22519, DATED SEPTEMBER 17, 2019. The collateral is located or affixed or is to be affixed to the selected PIN

Instrument SD4115251: A Notice of Security Interest for a consideration of \$64,617.84 in favour of ADD Capital Corp, dated February 19, 2021, is registered on title, and described as follows:

Under a notice of security agreement made between 30 Cedar Holdings Inc., of 30 Cedar Street, Sudbury, Ontario, P3E 1A4, the debtor and the applicant, the secured party a security interest has been created in Equipment: (1)-N-Retrofit Lighting, (250)-N-T8 Tubes with Ballasts, (117)-N-PLL Lamps with Ballast, (8)-N- Canopy Fixtures, (14)-N- Fixture Accessories. The collateral is located or affixed or is to be affixed to the selected PIN

Instrument SD425029: A Construction Lien in the amount of \$336,429.23 in favour of EnerSavings Inc., dated June 28, 2021, is registered on title, and described as follows:

Name and Address of Owner 30 Cedar Holdings Inc. of Unit 201- 200 Ronson Drive, Toronto, ON M9W 5Z9 Name and address of person to whom lien claimant supplied services or materials Prime Real Estate Group Inc. of Unit 101-200 Ronson Drive, Toronto, ON M9W 5Z9 Time within which services or materials were supplied from 2020/06/09 to 2021/05/24 Short description of services or materials that have been supplied Supply and install of LED lighting equipment including but not limited to fixtures, controls, ballasts and lamps, and retrofitting services. Contract price or subcontract price \$336,429.23 Amount claimed as owing in respect of services or materials that have been supplied \$336,429.23 The lien claimant claims a lien against the interest of every person identified as an owner of the premises described in said PIN to this lien

As instructed, we have disregarded the noted lien of \$336,429.33 for the purpose of valuation.

Market Activity

The subject property has been under the ownership of the current owner, 30 CEDAR HOLDINGS INC. since July of 2011. A search revealed that the subject property was recently listed for sale exclusively with Mallette-Goring Inc. with an asking price of \$9,900,000. Discussions with Chris Tammi, Listing Agent, indicated that the listing price was set by the owner. The brokerage was marketing the property as *“a unique redevelopment opportunity for those looking at conversion to condo or multi-unit residential, affordable housing...or a great opportunity for large owner/user with ability to create contiguous space spanning multiple floors”*. Reportedly, a dozen or so parties showed some interest in the property; however, the consensus was that the asking price was high, and no written offers were made. Most acknowledged the amount of known, and unknown deferred maintenance, and the unknown cost of completing all the necessary repairs.

A review of the Northern Ontario Real Estate Boards, MPAC and GeoWarehouse websites indicate that the subject property has not otherwise been listed or sold within the past three years.

Local and Regional Data

The subject property is located within Sudbury's downtown core. As is typical, the area provides a full range of services and facilities with a wide variety of property types and uses.

The subject is located on the corner of Cedar Street, Durham Street, and Elgin Street. Property use in the area includes a mixture of commercial establishments



such as: retail stores, restaurants, financial institutions, personal service shops, multi-residential, etc. Institutional uses such as the Sudbury Theatre Centre and Arena are also nearby. The subject property is considered to be very well located with respect to Civic Square and the Provincial Tower, located at the intersection of Brady, Paris, and Larch Street.

With the construction of the new bus terminal, Place Des Arts two blocks south, and several developments in the downtown area, the neighbourhood has shown signs of improvement and modernization over the last several years. The Elm Place, a large, enclosed retail mall and office complex, just northeast of the subject, has converted most of its vacant retail space to office use, with both government and private sector tenants. The new school of architecture also has a positive impact on the city's core and has already spurred new residential and commercial development.

With regard to parking, there is a limited supply in the immediate area, both in terms of on street metered and monthly parking lots. Relative to its rentable space, the subject has an average amount of onsite parking available.

Overall, this is a good central downtown area, and most properties appear fully occupied and the area is expected to remain stable from a resale and rental standpoint for years to come. The site is fully serviced with municipal sewer and water lines, curbs, sidewalks, natural gas, and police and fire protection.

The **City of Greater Sudbury** is best known not only as the location of one of the world's largest sources of nickel ore, but its reputation as a leader in applied mining research, and proactive environmental practices. Companies such as Vale, Glencore, Canadian Mining Industry Research Organization, Atlas Copco, MIRARCO (Mining Innovation), NORCAT, the Sudbury Neutrino Observatory, and hundreds of other mining and supply service-related companies, both private and public, have contributed to make Greater Sudbury one of the largest integrated mining resource communities in the world.

There are many promising features in the local economy and the region has experienced considerable development activity in many sectors. The retail and Big Box sectors continue to grow, with many adding locations in Sudbury, contributing to the City's role as a regional shopping destination. Significant investments are also underway in the public sector, including the recently completed *Health Sciences North – Horizon Santé Nord* and the *Laurentian University McEwen School of Architecture*, which completed its first phase of development in 2013 with the final phase completed in 2016. The school welcomed its first cohort of 70 students in September 2013. The Greater Sudbury campus of the Northern School of Medicine is located on the Laurentian University Campus. The 65,000 ft² facility enrolled its first class of medical students in the fall of 2005 and the first group of doctors graduated in 2009.

In May 2012, Cliffs Natural Resources made public its intentions to build its chromite processing facility north of Capreol. In short, the company had selected Sudbury for the location of its \$1.8 billion ferrochrome smelter, which also moved forward the Ring of Fire project to the feasibility study stage. In November of 2012, the company acknowledged that it may have to delay commencement of the project until 2016/2017. In June of 2013, the company announced that it was suspending the environmental assessment on its northwestern Ontario chromite project in the James Bay lowlands' Ring of Fire. In January 2015, Cliffs notified the Canadian Environmental Assessment Agency that it wanted to halt the study process that began in September 2011, and the company was looking to sell its chromite properties in the James Bay lowlands, including its flagship Black Thor deposit. In March of 2015, Cliffs sold its chromite assets in the Ring of Fire mineral region to Noront Resources, and as of May 2019, the City of Sault Ste. Marie was selected as the location to build its ferrochrome smelter. Construction on the facility is expected to begin in 2025. Although the City of Greater Sudbury was not chosen for its location, it is the most populous region in Northern Ontario and essentially the hub of economic activity linking it to larger markets in the south, and the Ring of Fire will undoubtedly have a positive economic impact on the City of Greater Sudbury.

In February of 2014, Vale Canada opened Totten Mine, which is Vale's first new mine in the Sudbury Basin in over 40 years. It is dubbed the mine of our future, utilizing some of the best technology, automation, and environmental management in the industry. It was developed with industry leading environmental design features including three water treatment plants, enclosed material handling facilities and progressive closure planning. With a budget of \$760 million, it took 7 years to develop and employed over 500 people during peak construction periods. As the mine ramped up to full production in 2016, it employs approximately 200 people and produces 2,200 tons per day of copper, nickel, and precious metals. As of January 2017, the Life of Mine Plan (LOMP) for Totten Mine without further exploration, indicates sufficient reserves to continue operations until 2025. The mine is in Worthington, Ontario, which is ±40 kms west of Copper Cliff.

The City of Greater Sudbury functions as a regional shopping destination, servicing an area extending across Northeastern Ontario. The RioCan Centre on the Kingsway continues to expand, and already includes a Famous Players Silver City, Lowe's store, Best Buy, Chapters, Winners / Marshalls, Costco, many others, including several restaurants with an LCBO and Milestones, opening recently. Also, the Southridge Mall located in the south end of the city, more recently completed a 159,000 ft² expansion with other considerable commercial developments occurring in this area of city, including the recent expansion of 'big box' type developments, including the city's first Walmart Supercentre, LCBO, Bouclair, Mark's Work Warehouse, and others.

In the New Sudbury area, the New Sudbury Shopping Centre was reconfigured to include a Wal-Mart and standalone Future Shop (Now Dollarama – 2018), for a combined 165,000 ft² of new retail space for a total of ±531,000 ft². The Walmart location, which added ±32,000 ft² of retail space, has become the city's second Wal-Mart Supercentre. Tourism has always been a major draw in the Sudbury region, with its abundance of lakes and forests. Fishing, hunting, snowmobiling, etc. are all major draws to the area, while Science North is a world-class science centre. The tourism sector will be enhanced by Dynamic Earth Phase II, which will be home to Sudbury's second IMAX Theatre.

There are ±300,000 people living within a 100-mile radius, whereas The City of Greater Sudbury proper, has a population of 166,004 (2021 Census), up 2.8% from 161,531 in 2016. The city's population peaked in 1971 at 169,580 and has been declining since. Its lowest point was in 1986 with 152,470. However, the most recent trend indicates signs of stability and growth, and the city's population is expected to remain relatively stable over the short term, with slight gains anticipated over the mid to long-term.

Sudbury's market profile has strengthened considerably in the past decade by the continuing diversification of the City's retail environment, including the opening of the new Farmers Market in the downtown core, the redevelopment of the Rainbow Value Centre, as well as the ongoing expansion of the large format retail sector. Greater Sudbury's buying power compares favourably to other cities when measured by retail sales per capita, and personal income per capita. Based on retail sales per capita, the Greater Sudbury census metropolitan area is ranked 15th of 39 Canadian urban markets of 100,000, or more in population.

Efforts to diversify the local economy have sparked some exciting initiatives in recent years, as Greater Sudbury looks to the future and the potential for further transformation. Besides the development of a mining technologies sector, and the research and knowledge linked to the City's land reclamation projects, and the Sudbury Neutrino Observatory, many other innovative partnerships have been instituted through cooperation between the public, private and education sectors.

Notably, the City of Greater Sudbury was one of the first municipalities to establish an advanced telecommunications infrastructure based on a high-speed fibre optic network, a competitive advantage over many other Ontario cities. Harnessing the power of local institutions, businesses, community groups and citizens has become the next phase of transformation for the City of Greater Sudbury.

As it applies to Sudbury's housing real estate market and referring to historical and the most current *Economic Bulletin | April 2021 and Q3 of 2022*, as published by the Greater Sudbury Economic Development Corporation, and the Sudbury Real Estate Board, the average price of homes sold in November 2022 was \$439,158, up modestly by 1% from November 2021. The more comprehensive year-to-date average price was \$468,808, an increase of 16.8% from the first 11 months of 2021.

Nickel prices have ranged from \$9.40 to \$21.88 USD/lb. in the last year (January 2023), which is nearer the mid range of the ten-year price cycle for nickel. The lower Canadian dollar has mitigated to a modest extent, the impact of lower nickel prices. Despite weak demand, Vale, Sudbury's mining giant, is proceeding with production upgrades, but is extending the completion dates anticipating a continuing period of softness in commodity prices. Weak global demand has been the primary cause for base metal price weakness.

Also noteworthy, and with reference to articles dated January 2 and June 13, 2018, the price of nickel was on the rise, and had reached \$5.46/pound (U.S.) when the markets closed for the holidays in December

2017. This indicated an increase of 23%, or \$1.03/pound when compared to the average price of \$4.43/pound noted in the first half of the 2017. The price was forecasted to increase throughout 2018 and beyond and had exceeded \$7.00/pound until mid-July 2019 when it peaked at just over \$8.00/pound in August & September 2019. It slid to \$5.07 until August 2020 and has been steadily increasing since to its current price of \$12.51/pound (January 2023).

According to Stan Sudol, the owner/editor of *The Republic of Mining* website, the general increase in nickel prices is not a surprise, and states: "*Without a doubt, the world is heading towards an electric vehicle future and the batteries used to power these vehicles contain significant quantities of nickel, copper and cobalt – all of which are mined in the Sudbury Basin*". That being said, Greater Sudbury is well positioned to meet any increase in demand since the ore is mined, milled, smelted, and refined in the same geographical location, indicating an efficient / effective value chain, along with proven logistics.

(Source:<http://www.thesudburystar.com/2018/01/02/nickel-on-the-upswing>)

Manufacturing employment has been particularly soft over the last three years. Sudbury's unemployment rate has been on the rise given that the labour force has been rising faster than employment. The unemployment rate in Greater Sudbury was 4.4% as of May 2022, up 0.9% from the previous month. The unemployment rate stood 6% below the peak from December 2009 and is below the long-run average. Age group employment trends show that there has been no real growth in employment in over ten years for those aged 25-44, a key segment of the population that, if active, can really have a dramatic impact on local housing markets. Noticeable gains in employment over that last ten years have come in the health care services and public administration sector, which increases the demand for suitable office accommodation. An aging population contributes to the growth in health care, as has the nature of health care itself, with increased specialization, in part, to address the diverse needs that exist within the population. Employment is anticipated to increase in 2022, and the unemployment rate should remain slightly higher than the provincial average.

In June of 2017, an industrial / commercial parcel of vacant land on the Kingsway was approved for the proposed *Kingsway Entertainment District (KED)*, expected to feature a municipally funded arena / events centre, and a private hotel and casino. As of July 2022, the municipality effectively ceased its involvement, with a proposed new Arena/Event Centre at the *KED* location. As of the date of this report, a report wrapping up the project was not yet published. That said, the Kingsway Entertainment District's private hotel partner (Genesis Hospitality), casino partner (Gateway Casinos) and developer (Dario Zulich) have reaffirmed their commitments to the project.

The casino, a \$60-million facility, is intended to include 600 slot machines, 21 gaming tables, as well as a sports bar, steakhouse, and a buffet, would support a reported 250 new jobs. This property is anticipated to have commercial development options, as the project moves forward.

The project was originally planned to be completed by 2020 but has been pushed back to late 2025 pursuant to several appeals filed with the Local Planning Appeal Tribunal (LPAT) by local individuals and interest groups, and in the advent of COVID-19. As of the current date, one legal challenge remains yet the developer is prepared to start construction of the required services, and intersection improvements.

As of the date of this report, and other than typical market drivers, we have not uncovered any specific, existing, or pending legislative matters, major demographic changes, public transportation initiatives, community or other economic changes, that would have an acute, specific, and measurable effect on Sudbury's overall real estate market, and more specifically, the applicable subject markets.

Notwithstanding the effects of COVID-19 has had in setting record highs and lows in various key drivers, largely due to the current and forecasted demand for base metals, Sudbury's economy is the strongest it has been in decades with moderate but steady growth since 2016 with much of the same anticipated for 2023 and beyond (See Economic Bulletin | Q3 2022 in Addenda).

Sudbury's mining industry is one of the oldest and most active in the world and will continue to be the most important source of economic activity in the region. Although base metal prices fluctuate and have fallen in the past due to a slowing world demand, nickel prices are stable over the mid to long-term, and Sudbury is more likely to weather most downturns better than most other centres. Although some projects get temporarily delayed, other resource based planned developments, and other initiatives such as a full-service casino, and the greater demand for electric powered vehicles, help maintain and strengthen the City's mid to long term economic outlook.

Property Description

Land

Site Size:	±36,000 ft ²
Frontage on Durham Street:	±120 ft
Frontage on Cedar Street:	±300 ft

The subject property is located in the Downtown area, within the City of Sudbury on the corner of Cedar Street, Durham Street and Elgin Street. At this location, Cedar Street, Durham Street and Elgin Street are all paved two-lane roadways with the benefit of curbs, sidewalks, and street lighting.

This is a corner lot with very good visibility, exposure, and access. The site can be accessed by its frontage on all three streets, as well as a laneway abutting the subject property to the north. On-site parking can be accessed from Cedar Street and Elgin Street. Those areas not improved with the building generally consist of paved parking with the ability to accommodate ±66 vehicles, as well as an underground parking garage with the ability to accommodate ±26 vehicles, for a total of ±92 on-site parking stalls. Metered on-street parking is available along Cedar Street, Durham Street, and Elgin Street. There is also a municipal parking lot across from the subject site on the south side of Cedar Street.

The site is fully serviced with municipal water and sewer, hydro, telephone, and natural gas, together with all services normally provided by the City of Greater Sudbury.



View from Corner of Cedar St & Durham St



View Facing South along Durham St



View Facing Northeast from Cedar St



View Facing Northwest from Cedar St



View Facing East from Elgin St



View Facing East from Elgin St



Improvements

The subject property is improved with a ±86,777 ft², eight storey professional office building, also known as the “Scotia Tower”. The building is of concrete and steel frame construction with mirrored glass cladding. According to MPAC, the building was constructed in 1980, indicating a chronological age of ±42 years, as of the effective date of this report. Floor plans for the subject building can be found in the Addenda of this report.

The building is serviced by 3-12 passenger elevators with stops on all levels, except for the underground parking garage. The main lobby entrance is off Cedar Street, while the Bank of Nova Scotia main branch has a separate entrance off Durham Street. The lobby provides tenant signage and access to the three elevators, and is accessible from both the Cedar Street entrance, and rear entrance, as well as the Scotiabank main branch. Interior finishes include gyproc walls, acoustic tile ceilings, and a mixture of carpet and commercial tile flooring, with recessed fluorescent lighting, and each floor is improved with a set of men’s and women’s washrooms.

Front Views of Building



Rear Views of Building



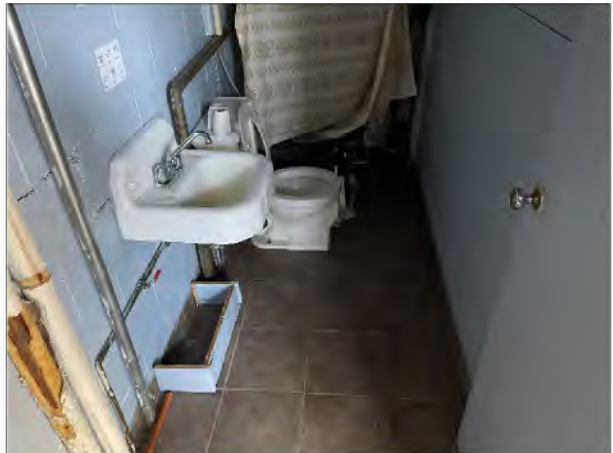
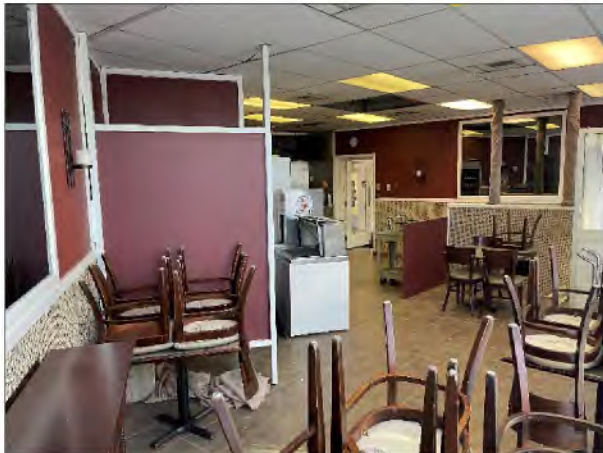
First Floor

The first floor has a total rentable area of $\pm 6,475 \text{ ft}^2$ and includes two commercial units, and the main lobby. One unit is currently occupied by the Bank of Nova Scotia, and the other previously operated as a café, but is currently vacant. It should be noted that the lease agreement with the Bank of Nova Scotia indicates a lease area of $\pm 6,814 \text{ ft}^2$; however, the floor plan stipulates this unit has a rentable area of $\pm 5,917 \text{ ft}^2$. For the purposes of the valuation, the agreed leased area of $\pm 6,814 \text{ ft}^2$ has been used in the Income Approach, with the rentable area of $\pm 5,917 \text{ ft}^2$ applied in the direct comparison approach.

Main Lobby / Common Area



Suite 101 - $\pm 558 \text{ ft}^2$



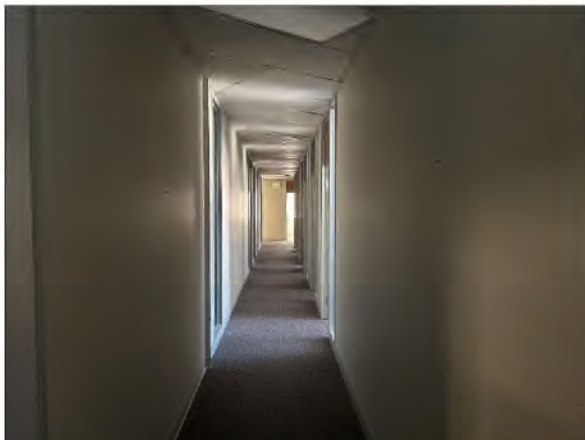
Second Floor

The first floor has a total area of $\pm 9,122 \text{ ft}^2$ and is currently configured to accommodate two commercial units. The Bank of Nova Scotia currently occupies Suite 200 with a rentable area of $\pm 2,642$ ($\pm 2,450 \text{ ft}^2$ per lease agreement). Suite 204, with an area of $\pm 6,480 \text{ ft}^2$, is currently vacant.

Common Area



Suite 204



Third Floor

The third floor has a total area of $\pm 11,888$ ft². Suite 303, with an area of ± 301 ft², is currently occupied by the Prime Real Estate Group Inc. (Building Operator) with the remainder of the space being vacant. At the time of site visit, portions of this 3rd Floor were missing flooring cover, ceiling tiles, and wall covering.

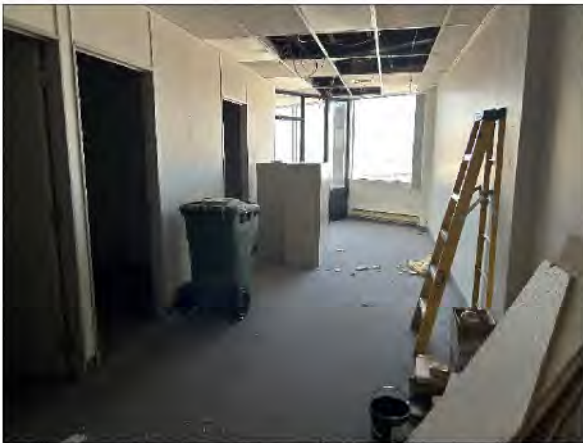
Common Area



Suite 301



Vacant Space



Fourth Floor

The fourth floor has a total area of $\pm 11,888 \text{ ft}^2$. Suite 403, with an area of $\pm 2,848 \text{ ft}^2$, is currently occupied by Roynat Inc. with the remainder of the space being vacant. At the time of site visit, portions of the 4th floor were missing flooring cover, ceiling tiles, and wall covering. It is our understanding that materials from vacant units, were historically utilized to effect repairs in occupied areas and units.

Common Area



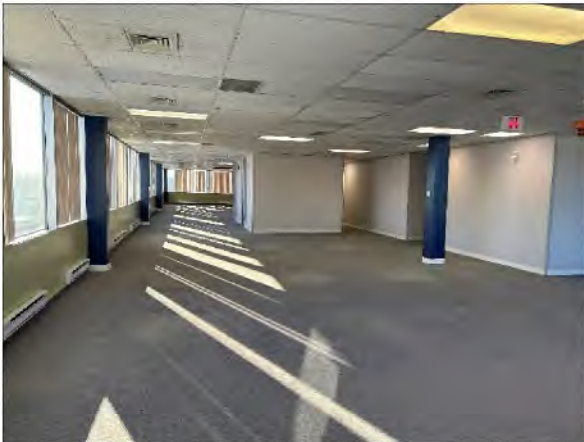
Vacant Space



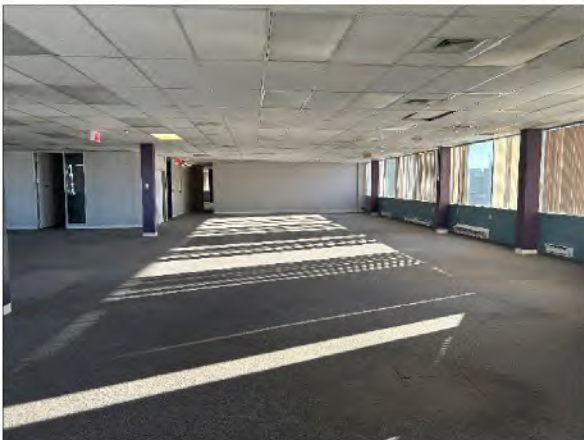
Fifth, Sixth, and Seventh Floor

The fifth floor has a total area of ±11,888 ft², with the sixth and seventh floor each having an area of ±11,851 ft². All three floors were previously occupied by the Workplace Safety and Insurance Board (WSIB) and have been vacant since June 2022.

Fifth Floor



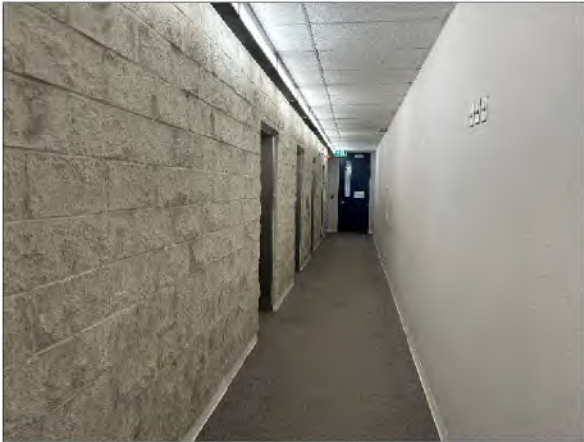
Sixth Floor



Sixth Floor continued



Seventh Floor



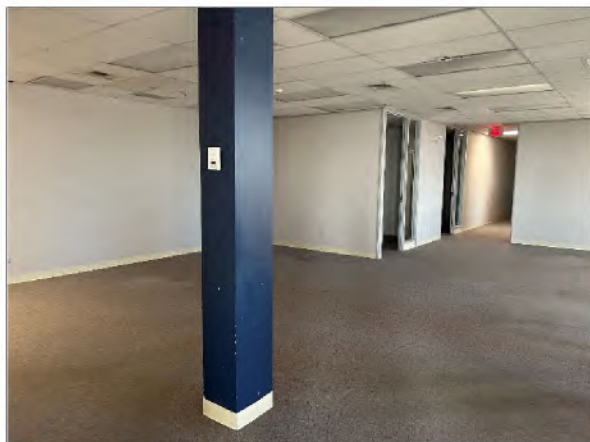
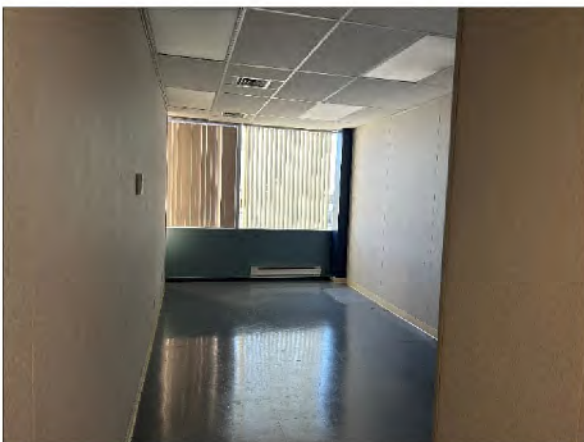
Eighth Floor

The eight floor has a total area of $\pm 11,814 \text{ ft}^2$ and is currently configured to accommodate four commercial units. Suite 801 is currently occupied by Scotia Capital with an agreed lease area of $\pm 3,765 \text{ ft}^2$. The remainder of the floor is vacant.

Common Area

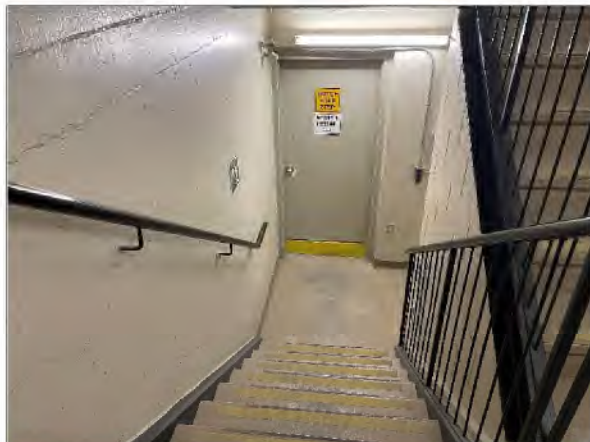
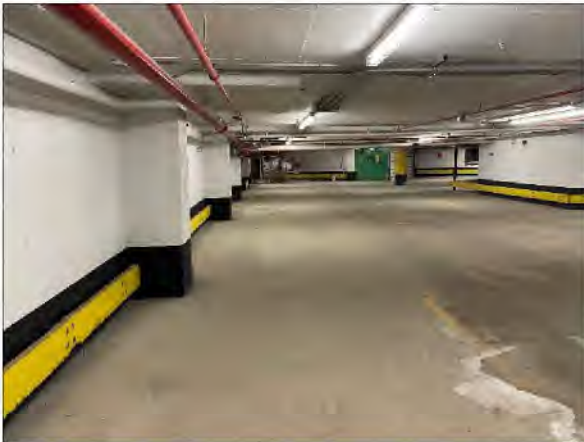


Vacant Space



Underground Parking Garage

The subject is also improved with an underground parking garage. The garage can be accessed from Cedar Street and provides ±26 parking stalls. The garage also contains a boiler room and storage room. There is an interior staircase from the parking garage to the main lobby on the first floor.



Basic construction details are as follows:

Foundation:	Concrete block
Framing:	Steel & concrete
Exterior Walls:	Mirrored glass cladding & precast accents
Roof:	Flat – membrane torched on surface
Windows/Doors:	Various commercial grade windows & doors
Floor Finish:	Mixture of carpet and commercial tile
Wall Finish:	Gyproc
Ceiling Finish:	Acoustic tile
Plumbing:	Cast Iron, Copper and ABS lines
Electrical:	1,600 amp, 600 volts, 3 phase
Heating and Cooling:	Individually zoned water source heat pumps, piped to 2 closed loop cooling towers. Supplementary electric baseboard heaters.

Overall, the level of maintenance and modernization appears fair to average for a building of this age with the overall aesthetic condition rated as fair and average as well.

Comments

Constructed in 1980, the building has a chronological age of ± 42 years. The building appears structurally sound with improvements considered to be in fair to average condition overall (relative to market standards), with some renovations, upgrades and repairs required to elevate the property's overall marketability. In consideration of its general condition, the structure has an estimated effective age of ± 25 years and a remaining economic life estimated at ± 35 years with continued maintenance and upgrades. Given its condition, location, utility and quality of construction, the subject property should prove leasable and saleable for a number of years to come but upgrades and repairs are required in the near future to elevate the property's overall marketability, and to prevent further depreciation of the asset.

Based on observation during the site visit, and discussions with Ray Penny, superintendent, who is knowledgeable of the subject property, the following items of deferred maintenance are noted. A comprehensive list of deferred maintenance items was requested, as were building inspection reports but none were made available. The following is not meant to be a comprehensive list of items.

- Glass cladding showing wear / cracks and will need to be repaired/replaced in the foreseeable future. Have not been washed in ± 3 years.
- Inefficient heating system (HVAC) – not properly maintained over the years and original, with multiple heat pumps nonoperational, with electric baseboards installed, and required throughout.
- Substantial unfinished space, with missing flooring, ceiling tiles, wall coverings (floors 3 & 4).
- Flooring finish showing wear on several floors.

Assessment and Taxes

The current 2016 assessment of the subject property is \$8,222,000 with a 2022 taxation year phased-in assessment of \$8,222,000. The property falls under the commercial occupied property tax class, which had a 2022 tax rate of 3.628135%. In addition, the property is subject to a BIA Charge (Business Improvement Area) of \$31,562.53, as well as a Tax Cap Adjustment of \$16,748.39, indicating a total annual tax obligation of \$346,616.18 for the year 2022. This is equivalent to \$3.97/ft² of leasable area (±87,482 ft²), which is somewhat consistent with similar commercial building in the area but notably, at the mid to upper end of the range.

Land Use Regulations

The pertinent sections of both the Zoning By-law and Official Plan are set out in the Addenda of the report.

Zoning

The subject site is designated *C6 – Downtown Commercial* under the City of Sudbury Zoning By-Law No. 2010-100Z, which came into effect on September 29, 2010. All former by-laws have now been repealed and are no longer in effect.

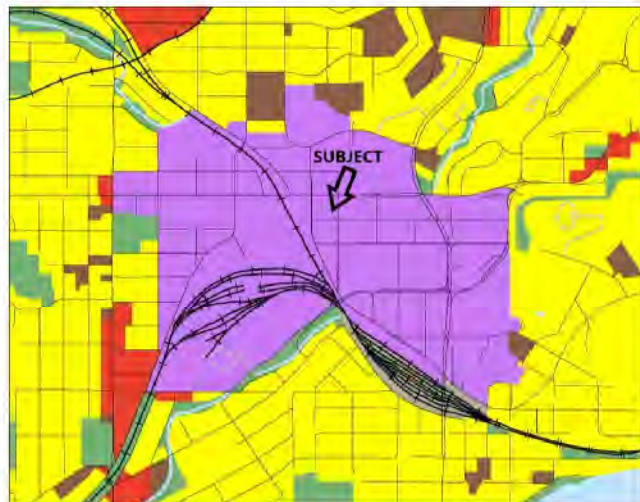
Permitted uses under this designation are varied and include among others: Financial Institutions, Hotel, Institutional Use, Medical Office, Retail, Service Shops, Restaurants, Business Office, Parking Lot, and Multiple Dwelling.



Official Plan

The Official Plan for the City of Greater Sudbury designates the subject neighbourhood as *Downtown*.

With respect to the development potential, the area designated *Downtown* is intended to promote a balance of mixed uses including commercial office, retail, various government, and business services and residential.



A wide variety of uses are permitted in the *Downtown*, consistent with its function as the most diversified commercial Centre in the City. All residential, commercial, institutional, and entertainment uses are permitted, including offices and community facilities, provided that sewer and water capacities are adequate for the site. There will be no height restrictions in the *Downtown*.

As such, the current use of the subject property, as commercial office building, appears to conform with land use regulations.

ANALYSIS AND CONCLUSIONS

Highest and Best Use

Fundamental to the concept of value is the principle of *Highest and Best Use*, which is defined in the Appraisal of Real Estate, Canadian Edition, published by the Appraisal Institute of Canada, as follows:

“The 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.”

The highest and best use of vacant and improved land must meet four criteria. It is defined as the use, which is ***legally permissible, physically possible, financially feasible and maximally productive***. These criteria are often considered sequentially with the tests of legal permissibility and physical possibility being applied before considering financial feasibility and maximal productivity. It is important to note that in determining the Highest and Best Use of a specific property, factors such as land use regulations, supply and demand, market conditions, balance, conformity to surrounding uses, may all become factors in that determination.

Property as If Vacant

If the subject site were vacant, it is likely to be developed in a way that best takes advantage of the property’s location, exposure, and visibility. The subject property is a fully serviced, ±36,000 ft² commercial site located on a main thoroughfare in the downtown core.

The area generally consists of a mixture of commercial, multi-residential, institutional, and mixed-used buildings, and several mixed-use or multi-residential uses could be envisioned. It has good visibility, exposure, and access along Cedar Street, Durham Street and Elgin Street, which provide good access to main roadways in the area. The site has proven physically adequate for commercial development and is large enough to accommodate a number of permitted uses.

Given its size, location and surrounding uses, it seems reasonable to presume the site is best suited for some form of commercial or mixed-use development that would best take advantage of its locational factors.

That said, it is felt that the *Highest and Best Use* of the subject property, *as if vacant*, is considered to be any legally permitted use for which a demand exists and is economically viable to pursue, that would best take advantage of the site’s locational elements, topography, and general market appeal.

Property as Improved

The subject is in a good central location within the downtown core, in a mixed-use neighbourhood close to many amenities, and access to the site is considered good. The property is improved with a ±86,777 ft² commercial office building. It is considered in fair to average condition overall relative to market standards, with an estimated effective age of ±25 years, and a remaining economic life estimated at ±35 years, with some required repairs and upgrading in order to elevate the property's overall marketability.

Since construction, the building has operated as a multi-tenant office building. However, based on discussions with the property superintendent, in the last ±15 years the building has had a vacancy rate of ±25 to 35%, which has substantially increased to 82% since the WSIB vacated in June 2022. Notably, the subject property is not the only large downtown office building with a substantial vacancy rate. As of the current date, 40 Elm Street (*Elm Place*), with ±260,000 ft² of office space has ±50 active listings, with a reported ±50% vacancy rate. The asking base rent for all space, is \$9/ft², with a reported tax obligation of \$3.30/ft², with an Operating & Maintenance expense of \$10/ft², indicating total occupancy costs in the range of \$22.30/ft², fully gross, with most negotiated below asking.

It is noted that the City of Greater Sudbury has implemented at Downtown Community Improvement Program (CIP Program) which *"aims to address challenges facing Downtown Sudbury by using financial mechanisms (grants and loans) to reduce to cost of development and redevelopment in Downtown Sudbury."* Six financial incentive programs are available and include 1) Tax Increment Equivalent Grant Program 2) Façade Improvement Program 3) Planning and Building Fee Rebate Program 4) Residential Incentive Program (Per-door grant) 5) Feasibility Grant Program, and 6) Downtown Sudbury Multi-Residential Interest-Free Loan Program.

In consideration of the above, including the diminishing demand for office space, and continued demand for good quality multi-residential units in Greater Sudbury, it is felt that the *Highest and Best Use* of the subject property, *as improved*, is considered to be its conversion to some form, or mixture of commercial / multi-residential use, that would best take advantage of the site's location and existing improvements, as permitted under land use regulations and site plan controls, and when economically viable to pursue.

METHOD OF VALUATION

The theory upon which the estimate of Market Value is developed considers three basic and separate factors, which are assumed to be critical factors by any prudent purchaser, namely:

- A) The Replacement Cost of the Improvements,
- B) The Income (or Potential Income) generated from the property, and
- C) The recent sale price of, or current asking price of comparable properties.

The three basic approaches to value are:

- 1) The Cost Approach,
- 2) The Income Approach, and
- 3) The Direct Comparison Approach.

The **Cost Approach** considers the investment required to construct improvements identical to those on the subject property, considering current market conditions and construction costs. The figure derived is decreased by the estimated loss in value due to various forms of depreciation and increased by the estimated land value, as if vacant.

The **Income Approach** considers the projected income producing ability of the subject property, reduced by the cost to produce the income, leading to the application of rates of return and recapture.

The **Direct Comparison Approach** requires the comparison of the subject property with similar properties, which have recently been sold or are currently listed for sale and is an application of the Principle of Substitution. This principle affirms that when a property is replaceable, no prudent buyer would pay more for the subject than the cost of acquiring an equally desirable substitute property, providing that there is not undue delay in acquiring the substitution.

The **Cost Approach** has tended to set the extreme upper limit of value in the marketplace for a number of years, as supply and demand have not been in balance. The Appraisal Institute of Canada recommends that, unless the property is new or relatively new, the Cost Approach should not be employed, due to the difficulty in estimating land value, replacement cost and the various forms of depreciation. For these reasons, the Cost Approach was not employed.

For the purpose of this appraisal, only the Income Approach and Direct Comparison Approach to value were utilized.

Estimate of Value – Income Approach

Methodology

The Income Approach is a method of converting the anticipated economic benefits of an asset into a value estimate through capitalization. The principle of *Anticipation* lies beneath the approach, as investors recognize the relationship between an asset's income and value. To estimate value, potential income and related expenses must be determined, and the most appropriate capitalization method must be selected.

The two most common methods of converting income to value are *Direct Capitalization* and the *Discounted Cash Flow* method. In direct capitalization, a value estimate is indicated when net operating income is divided by an appropriate *Cap Rate* derived from market sales.

In the discounted cash flow method, anticipated cash flows and a reversionary value are discounted using an appropriate *Internal Rate of Return*, resulting in an estimate of the net present value of the asset. The most appropriate method in the valuation of the subject property is the direct capitalization method.

Direct Capitalization

The Direct Capitalization Method involves five basic steps:

1. Estimating annual gross potential income that the property is capable of producing, less an allowance for vacancies and collections. Alternatively, actual historical revenues are considered and normalized for appraisal purposes.
2. Estimating total operating expenses required to maintain annual gross potential income. Alternatively, actual historical expenses are considered and normalized for appraisal purposes.
3. Calculating net operating income before depreciation and debt servicing.
4. Selecting the method of capitalization and the appropriate capitalization rate/yield rate.
5. Using the proper technique, converting net operating income into an indication of the estimated market value.

The result of the capitalization process is the present value, which if properly carried out, represents the amount that a prudent, typically knowledgeable investor would be prepared to pay for the asset, as at the effective date of valuation. Note that the Direct Capitalization method does not consider individual cash flows beyond the first year. Therefore, lease-up periods do not apply as they would in yield capitalization, which estimates the present value of changing cash flows over time. To account for these varying occupancies, the Direct Capitalization method requires a deduction for the potential of vacancy and/or credit loss over the term of the investment.

Occupancy Status

There are currently four leased suites within the subject building, for a total leased area of $\pm 15,877$ ft², plus ± 301 ft² occupied by the Building Operator. The remainder of the building is currently vacant. Based on discussions with the superintendent, in the last ± 15 years the building has had a vacancy rate of ± 25 to 35% , which has substantially increased to 82% ($(\pm 87,482$ ft² - $\pm 16,178$ ft² = $\pm 71,304$ ft²) / $\pm 87,482$ ft²) since the WSIB vacated in June 2022. According to the rent roll, the WSIB occupied the entire fifth, sixth, and seventh floor of the subject building, as well as some additional space on the eighth floor, for a total of $\pm 40,918$ ft², from October 1, 1999, to June 30, 2022.

The rent roll applied for valuation purposes is as follows:

Current Leasing and Occupancy Details												
30 Cedar Street, Sudbury												
Floor	Suite No.	Tenant	Leasable Area ft ²	Term	Extensions	Term	Per ft ²			Potential Annual Income	Notes	
							Base Rent	CAMTs	Equivalent Gross Rent			
1	100	The Bank of Nova Scotia	6,814	5-Year	5-year options	Oct 1, 2019 - Sep 30, 2024	\$23.00	\$11.09	\$34.09	\$232,276	Fully Net	
2	200	The Bank of Nova Scotia	1,450	5-Year	5-year options	Oct 1, 2019 - Sep 30, 2024	\$11.50	\$11.09	\$22.59	\$55,341	Fully Net	
3*	301	Prime Real Estate Group Inc.	301	Building Operator / Maintenance				\$9.00	\$11.09	\$20.09	\$6,046	Market Rent
4	403	Roynat Inc.	2,848	5-Year	5-year options	Oct 1, 2021 - Sep 30, 2026	\$13.00	\$11.09	\$24.09	\$68,613	Fully Net	
8	801	Scotia McLeod/Scotia Capital	3,765	2-Year	2-year options	Oct 1, 2021 - Sep 30, 2023	\$11.00	\$11.09	\$22.09	\$83,161	Fully Net	
1*		Vacant	558			N/A	\$12.00	\$11.09	\$23.09	\$12,883	Market Rent	
2*		Vacant	6,480			N/A	\$9.00	\$11.09	\$20.09	\$130,170	Market Rent	
3*		Vacant	11,587			N/A	\$5.00	\$11.09	\$16.09	\$186,412	Market Rent	
4*		Vacant	9,040			N/A	\$7.00	\$11.09	\$18.09	\$163,515	Market Rent	
5*		Vacant	11,888			N/A	\$9.00	\$11.09	\$20.09	\$238,806	Market Rent	
6*		Vacant	11,851			N/A	\$9.00	\$11.09	\$20.09	\$238,063	Market Rent	
7*		Vacant	11,851			N/A	\$9.00	\$11.09	\$20.09	\$238,063	Market Rent	
8*		Vacant	3,049			N/A	\$9.00	\$11.09	\$20.09	\$161,688	Market Rent	
TOTAL			87,482							\$1,815,027		

*Market Rent Applied

100 - 200: The Bank of Nova Scotia occupies two suites – one on the main floor and one on the second floor. The original lease commenced on October 1, 2004, for a ten-year term, with the option to extend three further terms of ten years. The current term ends September 30, 2024.

403: Roynat Inc. occupies space on the fourth floor. The original lease commenced on January 1, 2005, for a one-year term, later amended to a 5-year term ending December 31, 2010. The current term ends September 30, 2026, with the option to extend three further terms of five years.

801: Scotia McLeod / Scotia Capital leases space on the eighth floor. The original lease commenced July 1, 2002, for a 5-year term, with the option to extend five further terms of five years. In 2021 the lease was extended for a 2-year term ending September 30, 2023, with the option to extend two further terms of two years, plus four further terms of five years.

Market Rent

In order to verify if the existing rents are at market levels, and to estimate a market or economic rent that could be attracted by the subject owner-occupied space and vacant space, it is necessary to analyze the local downtown commercial rental market. Rental rates for commercial space within the subject locale are typically quoted on a price per square foot per annum basis, fully net, however, some properties also quote on a gross, or semi-gross basis, largely due to non-separated utility meters. For the purpose of valuation, we have utilized net rents, or base rents as a measure of comparison, and have investigated and analyzed recent leases and current listings involving comparable properties located within the downtown core. Specific emphasis has been placed on similar size and use buildings located in comparable locations.

The comparable lease data indicates rents for the existing stock of commercial office buildings within the downtown core and considered most similar to the subject space, typically range from \$8.00 to \$17.00 per square foot, fully net. With the general decrease in demand for this type of commercial space at present but with increased construction costs considered, negotiated rental rates for older buildings currently range from \$8.00 to \$15.00+ per square foot and newer buildings from \$15.00 to \$20.00+ per square foot. The ranges refer to the rent payable under leases that range in length from 1 to 10 years. The range in rates is primarily due to differences in relative size, the overall condition and utility of the accommodation, its location, exposure, and visibility. Those at the higher end of the range tend to reflect smaller properties in superior locations with above average accommodation. Those at the lower end are typically reflective of larger average accommodation in inferior locations.

Leased Space

Based on the preceding lease information, general market evidence from the area and the subject property improvements, condition, location, and tenancy, it would appear that the existing net rental rates for Suite 200, 403 & 801 of \$11.50, \$13.00, and \$11.00/ft², respectively, are considered appropriate and supportable by market evidence and were used for valuation purposes. With regards to Suite 100, this unit was completely renovated and upgraded to accommodate the Bank of Nova Scotia, and as such, the base rent of \$23.00/ft² is considered appropriate and was used for valuation purposes.

Owner Occupied / Vacant Space

As it applies to the owner occupied and vacant space, with consideration of the current condition of the space, as well as current economic conditions, a rate nearer the lower end of the range applicable to the existing stock of older commercial buildings, or \$9.00/ft², fully net, was considered appropriate for the

vacant space on Floors 2, 5, 6, 7 & 8, as well as the owner occupied unit on Floor 3. With regards to the retail space on the Main Floor, a rate of \$12/ft² was considered appropriate, and a discounted rate of \$5 and \$7/ft² were applied to Floor 3 & 4, respectively, in consideration of the required leasehold improvements.

Gross Potential Income

Potential gross annual income for the subject property based on the current rent roll and market rents is **\$1,815,027** per annum.

The subject property also generates parking revenue. Based on the current rent roll, The Bank of Nova Scotia pays a yearly fee of \$18,000, Roynat Inc. pays a yearly fee of \$1,008.84, and Scotia McLeod / Scotia Capital pays a yearly fee of \$2,017.68, for total yearly parking revenues of \$21,027 (rounded).

Therefore, total gross potential annual income for the subject property, inclusive of all parking revenue is $\$1,865,447 + \$21,027 = \mathbf{\$1,836,054}$ per annum.

Vacancy and Collection Loss Allowance

In accordance with normal appraisal practice, an allowance is required to account for potential vacancy and/or credit loss over the term of the investment. The subject property is assumed fully occupied for the purpose of estimating potential annual income. While there are no published statistics for commercial space in Sudbury, discussions with local leasing agents and a review of similar properties, currently support a rate of 5% to 25%. Given the subject's history of occupancy/tenancy, location, size, condition, and relative demand for this size and type of space at present, it is felt that an appropriate rate at this time, for the leased space is 5.0%, and 25% for the vacant space. These figures are subtracted from the potential gross income to arrive at the effective gross income.

Operating Expenses

Based on available and confirmed operating expense data, property taxes are equivalent to \$3.97/ft² per year, while utilities, inclusive of common hydro, water/sewer, and natural gas equate to \$3.72/ft² per year, repairs and maintenance at \$2.11/ft², with wages and benefits, administration, landscaping and snow removal, and insurance contributing \$1.29/ft², indicating total occupancy costs of \$11.09/ft² per year, which is considered at the upper end of the range for this size and type of downtown commercial building.

In addition, there are some non-recoverable expenses which are thought to accrue to an owner of this type of property. We have therefore made an allowance of 4% of effective gross annual income for Management, which is derived from industry standards charged by professional management companies. Structural reserves and reserves for replacement for short life items are estimated at 3% of effective gross annual income with an allowance of 2% for miscellaneous items.

A detailed calculation of the stabilized net operating income for the subject is set out in the table below.

Potential Annual Gross Income			
Rent Revenue	Gross Rent	Area	Gross Revenue
Suite 100 (Contract Rent)	\$34.09 /ft ² x	6,814 ft ²	\$232,276
Suite 200 (Contract Rent)	\$22.59 /ft ² x	2,450 ft ²	\$55,341
Suite 301 (Market Rent)	\$20.09 /ft ² x	301 ft ²	\$6,046
Suite 403 (Contract Rent)	\$24.09 /ft ² x	2,848 ft ²	\$68,603
Suite 801 (Contract Rent)	\$22.09 /ft ² x	3,765 ft ²	\$83,161
Floor 1 (Market Rent)	\$23.09 /ft ² x	558 ft ²	\$12,883
Floor 2 (Market Rent)	\$20.09 /ft ² x	6,480 ft ²	\$130,170
Floor 3 (Market Rent)	\$16.09 /ft ² x	11,587 ft ²	\$186,412
Floor 4 (Market Rent)	\$18.09 /ft ² x	9,040 ft ²	\$163,515
Floor 5 (Market Rent)	\$20.09 /ft ² x	11,888 ft ²	\$238,806
Floor 6 (Market Rent)	\$20.09 /ft ² x	11,851 ft ²	\$238,063
Floor 7 (Market Rent)	\$20.09 /ft ² x	11,851 ft ²	\$238,063
Floor 8 (Market Rent)	\$20.09 /ft ² x	8,049 ft ²	\$161,688
Total		87,482 ft²	\$1,815,027
Plus Parking Revenue			\$21,027
Total Potential Gross Income			\$1,836,054
Less Vacancy and Bad Debt			
Leased Space / Parking	\$466,454 x	5.0%	\$23,323
Vacant Space	\$1,369,600 x	25.0%	\$342,400
Total Vacancy and Bad Debt			\$365,723
Effective Gross Income			\$1,470,331
Less Non-Recoverable and Recoverable Expenses			
Utilities			\$325,000
Property tax			\$347,000
Repairs & Maintenance			\$185,000
Wages and benefits / Janitorial			\$65,000
Administration			\$12,000
Landscaping & snow removal			\$20,000
Insurance			\$16,000
Management		4.0%	\$58,813
Structural Reserve		3.0%	\$44,110
Miscellaneous		2.0%	\$29,407
Total			\$1,102,330
Annual Net Operating Income:			\$368,001

Choosing an Overall Capitalization Rate

The estimated net operating income must now be capitalized into an expression of value. The overall rate that is chosen comes from analysis of similar properties, which have sold or are available for sale. In order to estimate an appropriate capitalization rate, we continuously conduct surveys of sales of similar real estate assets in Northern Ontario. The rate chosen is modified to consider expectations of the subject property's future performance, and consideration is given to the quality and durability of the subject's income stream, as well as its physical condition, and location.

The majority of investment properties purchased in the City of Sudbury, and other larger centres in Northern Ontario including North Bay, Timmins, and Sault Ste. Marie, over the past several years have been by end users, and net operating incomes are generally difficult to obtain, or calculate with any degree of accuracy. In a market where properties are selling for just their income earning capabilities, overall capitalization rates can be more easily obtained.

Based on confirmed market data, which for reasons of confidentiality will be kept in our working file, and discussions with commercial realtors and appraisers active in the industry, capitalization rates for similar, good quality commercial assets in Greater Sudbury, typically range from a low of 6.0% to 9.0%, with a mid-point of 7.5%, depending on condition, locational factors, existing vacancy / tenancy, and local economic factors. The lower end of the range is primarily reflective of superior quality buildings, which are fully leased on a long-term basis with little risk involved. Those at the upper end are typically older properties in inferior locations with a history of notable vacancy.

As a matter of comparison and referring to a recent report published by *CBRE Research – “Q3 2022 Canadian Capitalization Rates & Investment Insights”*, the above midpoint of 7.5% seems realistic, given that traditional *Downtown Office* in much larger markets such as Toronto, generally indicate capitalization rates from 4.75% to 6%, for Kitchener-Waterloo from 5.75% to 7.0%, and for London-Windsor from 6.75% to 8.75%. As it applies to the level risk associated with the subject cashflows relative to the above noted ranges applicable to larger and superior markets, an overall average capitalization rate of 7.5%, based on a range of 6.0% to 9.0% for good quality office properties in the City of Sudbury with a 2021 population of 166,004, seems reasonable and supported by market data.

In our opinion, primarily due to its locational factors, range of overall utility, overall marketability, configuration, existing condition, and history of vacancy, it seems a rate just above the midpoint of the range is most appropriate.

Taking the foregoing into consideration, it is our opinion that an appropriate capitalization rate for the subject property, is 8%. Based on the foregoing, the estimated current market value by the Income Approach is as follows:

$$\begin{aligned} \text{Indicated Value} &= \frac{\text{Net Operating Income}}{\text{Overall Capitalization Rate}} \\ &= \frac{\$368,001}{8\%} \\ &= \$4,600,013 \text{ rounded to } \$4,600,000 \end{aligned}$$

Taking all factors into consideration, it is our opinion that the current market value of the subject property, using the Income Approach, was \$4,600,000.

FOUR MILLION SIX HUNDRED THOUSAND DOLLARS (\$4,600,000)

Estimate of Value – Direct Comparison Approach

The Direct Comparison Approach is a method where the estimate of value is derived by comparing the Subject Property to similar properties that have been sold recently and applying appropriate units of comparison. The Direct Comparison Approach may be used to estimate value of improved and vacant property and is the most common and preferred method of valuation when comparable sales data is available.

Based on the *Principle of Substitution*, the approach requires the comparison of the Subject Property to similar properties, which have recently sold, or are currently listed for sale.

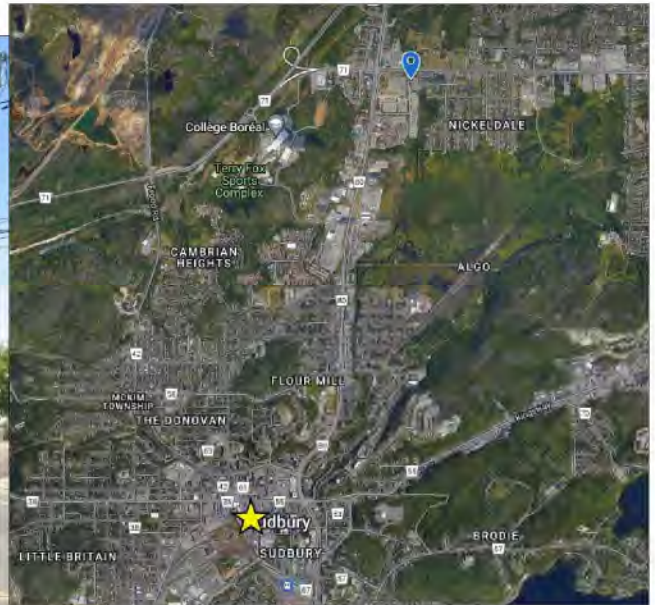
In order to estimate the market value of the subject property using the Direct Comparison Approach, we have investigated, and analysed recent sales and listings of commercial properties considered most similar to the subject in locational characteristics, condition and utility.

In estimating value, an appropriate unit of comparison must be found. With properties such as the subject, they can be valued on the basis of sales price per foot. The sale rate is derived using the following formula.

The Sale Rate is derived using the following formula:

$$\frac{\text{SALE PRICE}}{\text{AREA in ft}^2} = \text{SALE RATE / ft}^2$$

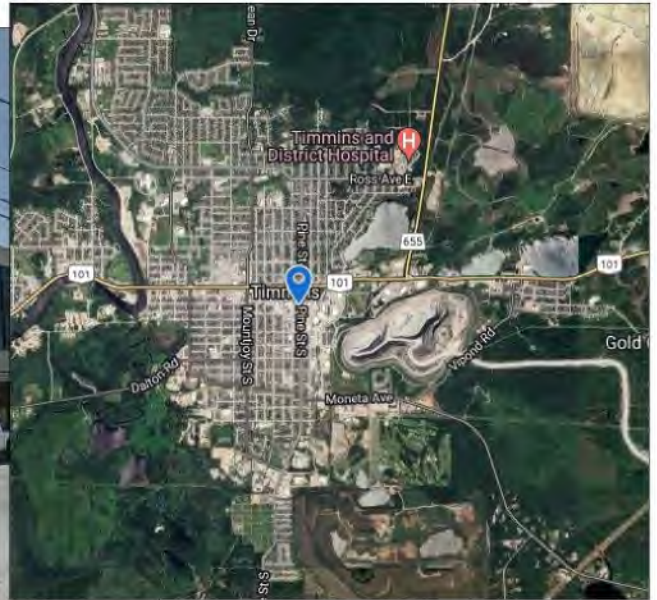
The sales of most importance are presented on the following pages.

Index 1

Location:	319 Lasalle Boulevard, Sudbury
PIN #s:	02123-0431 & 02123-0415
Sale Date:	May 2022
Sale Price:	\$5,000,000
Zoning / Official Plan:	C3 & C3(13) – Limited General Commercial / Secondary Community Node (<i>partially falls within floodplain</i>)
Site Size:	±91,040 ft ² (per MPAC), ±210.3 ft of frontage x Irregular depth
Building Size:	±52,020 ft ² (per MPAC)
Sale Price / ft ² :	\$96.12

Comments:

Constructed in 1993, this is a 3-storey concrete and steel frame office building with a long history of occupancy by the Children's Aid Society. The property is located along Lasalle Boulevard, in the New Sudbury area, just east of its intersection with Notre Dame Avenue. The property is well located in a commercial area with good visibility, access, and exposure. The site is fully serviced and slopes slightly downwards from street grade with paved parking along the front of the site, as well as a large parking lot at the rear of the site with the ability to accommodate a total of ±160 vehicles. The site is zoned C3 – Limited General Commercial, with a portion of the rear site zoned C3(13), where the only permitted use is a parking lot. The building was considered in good to average condition overall at the time of sale. The property was reportedly purchased with the intention of renovating into a 36-bed rehabilitation facility.

Index 2

Location:	119-127 Pine Street S, Timmins
PIN #s:	65404-0979
Sale Date:	March 2022
Sale Price:	\$1,600,000
Zoning / Official Plan:	EA-CG – General Commercial / Employment Area
Site Size:	±127.8 ft of frontage x ±112.5 ft of frontage ±14,372 ft ² (per MPAC)
Building Size:	±51,532 ft ² (per MLS) <i>Includes Lower Level</i>
Sale Price / ft ² :	\$31.05

Comments:

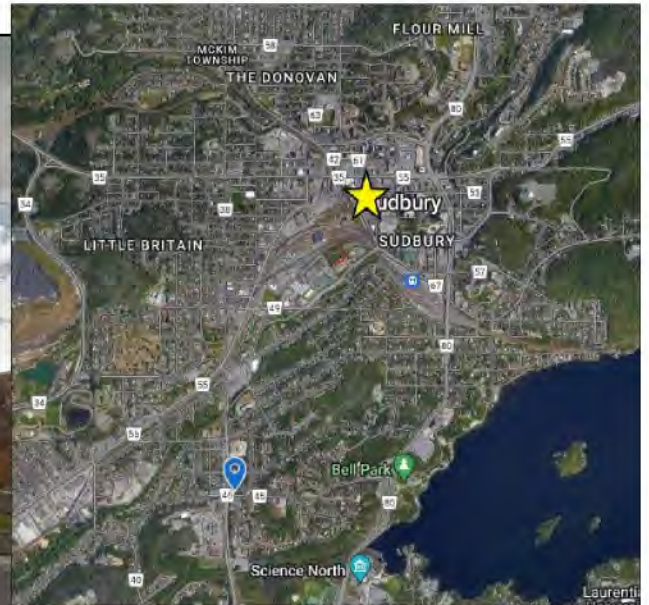
Constructed in 1980, this is a 3-storey (plus finished lower level) concrete and steel frame office building known as the "Pine Plaza". The property is located in the downtown core of Timmins, on the southwest corner of Second Avenue and Pine Street South. The property is well located in a commercial area with good visibility, access, and exposure. The site is fully serviced and level with street grade, with no on-site parking available. Metered parking is available along both Pine Street South and Second Avenue, as well as a public parking lot just south of the subject on the east side of Pine St South. The property has a good history of tenancy with several corporate leases including KL Gold, Bayshore Health Center, and Rexall Pharmacy, and the building was considered in good to average condition overall at the time of sale. The property was listed for sale on MLS (TM212246) for \$1,950,000 in October 2021 and sold within 5 months. Note that the square footage rate includes the basement level.

Index 3

Location:	96 & 84 Larch Street, Sudbury
PIN #s:	73584-0059 & 73584-0061
Sale Date:	January 2022
Sale Price:	\$1,360,000
Zoning / Official Plan:	C6 –Downtown Commercial / Downtown
Site Size:	±12,000 ft ² (per MPAC), ±50 ft of frontage x 120 ft of depth, two lots (as per GeoWarehouse)
Building Size:	±21,796 ft ² (per MLS)
Sale Price / ft ² :	\$62.40

Comments:

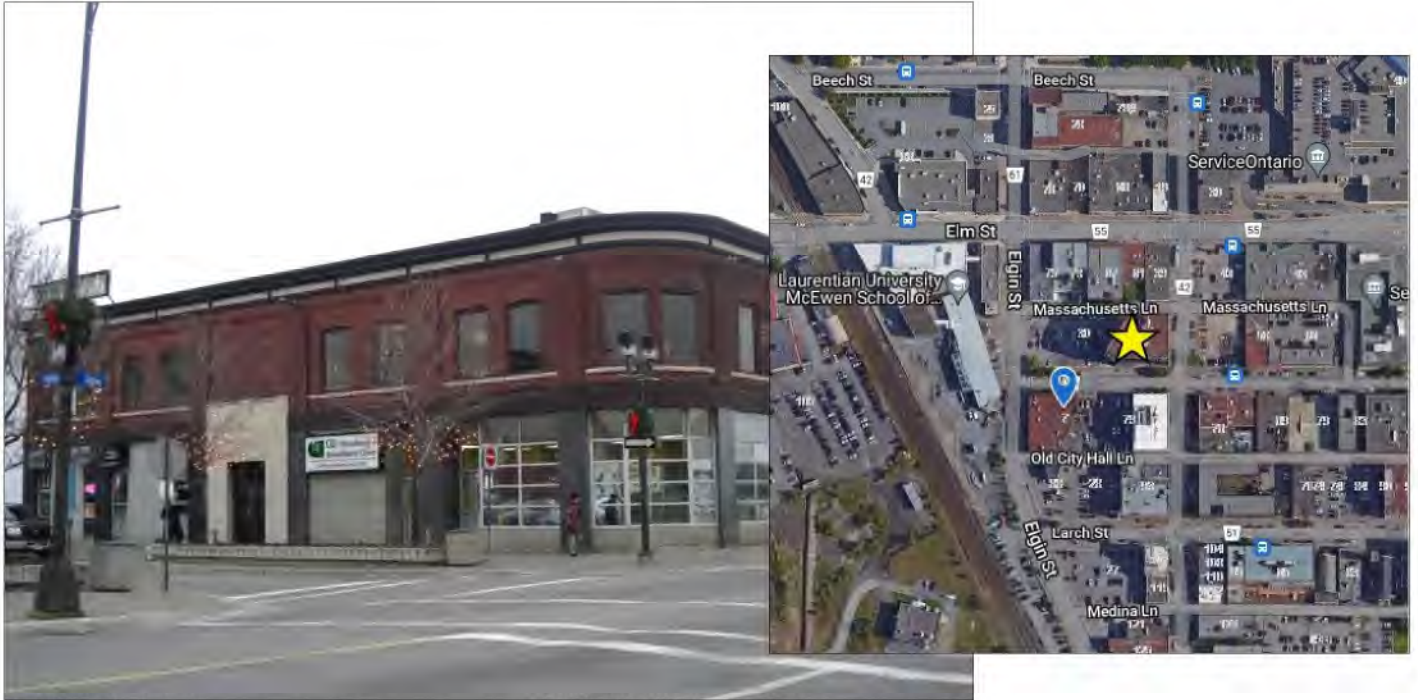
Built circa 1965, this is a 4-storey concrete block and wood frame building constructed on a concrete block foundation. It can accommodate 18 commercial units. The property is located along Larch Street, within downtown Sudbury. The property is well located in a commercial area with good visibility, access, and exposure. The site is fully serviced and generally level, with paved parking, and an additional parking lot suitable to accommodate ±24 vehicles. The building has a history of vacancy and was considered in good to average condition overall at the time of sale.

Index 4

Location:	303 York Street, Sudbury
PIN #'s:	73590-0341 & 73590-0569
Sale Date:	July 2020
Sale Price:	\$1,115,000
Zoning / Official Plan:	I – Institutional / Institutional
Site Size:	±39,204 ft ² (MPAC)
Building Area:	±25,505 ft ² (MLS Listing)
Sale Price / ft ² :	\$43.72

Comments:

Built in 1961 (MPAC), this sale is a freestanding two storey concrete block office building located in the Hospital area of Sudbury on a ±0.9-acre site. The property has very good exposure and visibility in a high traffic location with frontage along Regent Street, York Street, and Prete Street. Access to the site is considered good. The building is suitable for a variety of commercial only uses, or mixed-uses, and could reasonably be demised to accommodate multiple tenants, and rezoned to allow a number of possible uses, including multi-residential. The site has plenty of asphalt parking along its frontage. Based on discussions with the listing agent, the building was in good to average condition and was vacant at the time of sale. Property was listed for \$910,000 in June 2020 and sold above asking within a month.

Index 5

Location:	1-11 Cedar Street, Sudbury
PIN #:	73584-0046
Sale Date:	September 2018
Sale Price:	\$1,390,000
Zoning / Official Plan:	C6 – Downtown Commercial/ Downtown
Site Size:	±15,600 ft ² (MPAC)
Building Area:	±21,000 ft ² (Market Data)
Sale Price / ft ² :	\$66.19
Comments:	

Built in 1945 (MPAC), this is a freestanding ±21,000 ft² two storey concrete block office building located in downtown Sudbury on a ±15,600 ft² site. The property has very good exposure and visibility in a high traffic location. Access to the site is considered good. Zoning allows for several possible uses. The building is demised to accommodate 13 units. The listing agent reports the interior of the property to be in fair to average condition overall at the time of sale and parking is considered good with the ability to accommodate ±17 vehicles. Property was listed for \$1,600,000 in July 2018 and sold within 2 months.

COMPARABLE SALES SUMMARY

Index	Location	Sale Price	Sale Date	Building Area (ft ²)	Sale Price Per (ft ²)	Site Size (ft ²)	Comparability
1	319 Lasalle Boulevard, Sudbury	\$5,000,000	May-22	52,020	\$96.12	91,040	Superior
2	119-127 Pine Street S, Timmins	\$1,600,000	Mar-22	51,532	\$31.05	14,372	Inferior
3	96 & 84 Larch Street, Sudbury	\$1,360,000	Jan-22	21,796	\$62.40	12,000	Superior
4	303 York Street, Sudbury	\$1,115,000	Jul-20	25,505	\$43.72	39,204	Inferior
5	1-11 Cedar Street, Sudbury	\$1,390,000	Sep-18	21,000	\$66.19	15,600	Superior
	SUBJECT			86,777		36,000	

Our comparable sales analysis indicates a range of between \$31 and \$96/ft² (rounded), prior to adjustments, for properties considered most similar to the subject. The range reflects differences in the level of accommodations, building size, utility, construction, location, condition, etc. The mid-point of this range is \$64/ft².

Given the lack of sufficient sales data capable of supporting quantitative adjustments, a discussion of the required qualitative adjustments, relative to the price / ft² is presented below. It should be noted that in this case, a quantitative approach was not undertaken, as it requires *Paired Data Analysis* where 2 or more market sales are compared to each other in order to quantify the amount of one element of comparison. This process is best suited in larger markets where sufficient data exists, as its reliability is directly related to the sample size and the ability to isolate one element of comparison from all others.

Due to the scarcity of similar properties sold locally and regionally, a qualitative approach was taken. This qualitative technique or Relative Comparative Analysis is commonly used as it reflects the inherent imperfect nature of real estate markets. Adjustments are noted as *Upward* for inferior elements and *Downward* for superior elements.

ELEMENTS OF COMPARISON

Market Conditions (Time)

The various sales occurred over a period of time from September 2018 to May 2022. Our analysis suggests that property values have increased somewhat during this period, however, no reliable percentage adjustment can be obtained from the marketplace. Suffice it to say, the sales occurring in 2018 & 2020 require an upward adjustment for time of sale.

Property Rights Appraised

In each case the property rights are those of the fee simple or leased fee interest, therefore no adjustment is required.

Financing

The comparable sales were acquired on an “all cash” basis or with market-based financing, therefore no adjustment is considered necessary.

Condition of Sale

To the best of our knowledge, each of the sales were open market transactions between willing sellers and willing buyers, therefore no adjustments were required.

Building Construction / Condition

With respect to building construction and overall condition, our investigations indicate that the subject building appears structurally sound with improvements considered to be in fair to average condition overall (relative to market standards), with some renovations, upgrades and repairs required to elevate the property’s overall marketability, and to prevent further depreciation of the asset. In consideration of its general condition, the structure has an estimated effective age of ± 25 years and a remaining economic life estimated at ± 35 years with continued maintenance and upgrades. Adjustments for overall building construction / condition were considered appropriate.

Building Size

Our comparable sales had buildings ranging in area from $\pm 21,000$ ft² to $\pm 52,020$ ft², whereas the subject property building contains $\pm 86,777$ ft². Generally, there is an inverse relationship between building size and price per square foot of building. The principle of *Economies of Scale* dictate that the smaller the building, the higher the unit rate, therefore smaller comparable buildings require a downward adjustment for size. Note that this principle is less influential the larger the asset, as basic costs of construction help

maintain a minimum per unit value. As can be appreciated, the subject building is unique in many respects, but its building size sets it apart from all similar use buildings in the City of Greater Sudbury that have sold in the recent past, or other similar Northern Ontario community. As such, our investigations indicate that truly comparable properties of this size in similar markets are virtually non-existent. In all cases, downward adjustments for relative building size were applied.

Site Size / Coverage

Often, a difference in site to building ratio will impact value, particularly if it is determined that a property has greater or lesser development potential as a result. Adjustments were considered in all cases.

Locational Factors

Due to the scarcity of properties similar to the subject sold locally, comparable sales were researched in various Northern Ontario communities, and focused on similarly improved properties located in similar markets. Four sales are located within the City of Greater Sudbury, with one sale located in the City of Timmins.

Index 3 & 5 are located in the downtown core of Sudbury, with good visibility and exposure, and are considered similar to the subject overall in terms of locational factors. **Index 1 & 4** are located in more desirable commercial areas, along major thoroughfares in the City of Greater Sudbury, and as such, are considered slightly superior in terms of locational factors. With respect of **Index 2**, which is located in the downtown core of the City of Timmins, an upward adjustment to reflect the micro-economic climate is often considered reasonable and appropriate. With a population of 166,004 (2021), Greater Sudbury has a more diversified economy compared to Timmins. As such, an upward adjustment for location was considered for Index 2.

Occupancy / Tenancy

The subject property has a history of vacancy. Based on discussions with the property superintendent, in the last ±15 years the building has had a vacancy rate of ±25 to 35%, which has substantially increased to 82% since the WSIB vacated in June 2022. **Indices 3 & 4** are considered similar in this regard. **Indices 1, 2 & 5** have a relatively good history of occupancy / tenancy and are considered superior to the subject in this regard.

Utility / Parking

A property's value is impacted by its ability to offer utility to a potential user. Irregularly shaped parcels or those which are physically challenged generally sell for lower rates. Also, custom built, or single use buildings are often difficult to convert to other uses and generally narrow the number of potential users. The subject property offers average utility overall, with the ability to convert the space to other uses, including mixed-use commercial or multi-residential type uses. All indexes, except for Index 2, are considered similar to the subject in terms of utility. With regard to **Index 2**, the square footage includes below grade finished areas, which are generally considered less desirable and tend to lease at lower rates, compared to above grade space; therefore, **Index 2** is considered inferior in terms of utility.

With respect to parking, the ability to accommodate tenant requirements with onsite parking and access to public parking was considered.

Land Use Regulations

The subject is zoned *C6 – Downtown Commercial*, permitting a variety of uses. **Indices 2, 3, & 5** are considered similar in terms of land use regulations. **Index 1** is zoned (C3) – Limited General Commercial, with a portion of the site designated C3(13) allowing for a parking lot use only; therefore, **Index 1** is considered inferior in terms of land use regulations. **Index 4** is zoned (I) – Institutional, which offers fewer potential uses, and as such, is considered inferior to the subject in this regard.

A summary of the Elements of Comparison is presented in the table below. Please note that each element does not exert the same upward or downward pressure on the unit rate and do not equally offset each other.

Element of Comparison	Index 1	Index 2	Index 3	Index 4	Index 5
Sale Price	\$5,000,000	\$1,600,000	\$1,360,000	\$1,115,000	\$1,390,000
Building Area (ft ²)	52,020	51,532	21,796	25,505	21,000
Sale Price Per (ft ²)	\$96.12	\$31.05	\$62.40	\$43.72	\$66.19
Site Size (ft ²)	91,040	14,372	12,000	39,204	15,600
Market Conditions (Time)	=	=	=	↑	↑
Property Rights	Similar	Similar	Similar	Similar	Similar
Financing	Similar	Similar	Similar	Similar	Similar
Condition of Sale	=	=	=	=	=
Building Construction	Similar	Similar	Inferior	Inferior	Inferior
Building Condition	Superior	Superior	Superior	Superior	Similar
Building Size	↓	↓	↓	↓	↓
Site Size / Coverage	Superior	Inferior	Inferior	Slightly Superior	Inferior
Locational Factors	Slightly Superior	Inferior	Similar	Slightly Superior	Similar
Occupancy / Tenancy	Superior	Superior	Similar	Similar	Superior
Utility	Similar	Inferior	Similar	Similar	Similar
Parking	Superior	Inferior	Similar	Similar	Similar
Land Use Regulations	Inferior	Similar	Similar	Inferior	Similar
Overall Indication	Superior	Inferior	Superior	Inferior	Superior
Primarily Due To:	Building condition, site size, locational factors, occupancy, parking, and a required downward adjustment for relative building size.	Site size, locational factors, utility, and parking.	Building condition, and a required downward adjustment for relative building size.	Building construction, land use regulations, and a required upward adjustment for relative time of sale.	Occupancy / tenancy, and a required downward adjustment for relative building size.

After considering the elements of comparison, the approximate value range for the subject property has narrowed to between \$44 and \$62/ft² (rounded), with the upper end indicated. The midpoint of the range is \$53/ft².

Index 3, at \$62/ft² (rounded), establishes the upper end of the range, and is the sale of a smaller size building (±21,796 ft² vs. ±86,777 ft²) located on a smaller site (±12,000 ft² vs. ±36,000 ft²) along Larch Street in the downtown core of Sudbury. It is considered similar to the subject in some respects including locational factors, occupancy / tenancy, utility, parking, and land use regulations, but inferior in terms of building construction, and site size. However, on a value per unit basis, this sale is considered superior to the subject overall, primarily due to its superior building condition, and a required downward adjustment for relative building size, indicating a value less than \$62/ft² for the subject.

Index 4, at \$44/ft² (rounded), establishes the lower end of the range, and is the sale of a smaller size building (±25,505 ft² vs. **±86,777 ft²**) located on a slightly larger size site (±39,204 ft² vs. **±36,000 ft²**) along Regent Street, south of the downtown core. It is considered similar to the subject in some respects including occupancy / tenancy, utility, and parking, but superior in terms of building condition, site size, locational factors, and requires a downward adjustment for relative building size. However, on a value per unit basis, this sale is considered inferior to the subject overall, primarily due to its inferior building construction, land use regulations, and a required upward adjustment for relative time of sale, indicating a value greater than \$44/ft² for the subject.

Taking all pertinent factors into consideration, it is our opinion that the estimated current market value of the subject property using the Direct Comparison Approach to value, is \$60/ft² x 86,777 ft² = \$5,206,620 rounded to \$5,200,000.

FIVE MILLION TWO HUNDRED THOUSAND DOLLARS (\$5,200,000)

Exposure Time

Exposure time has been defined in the Dictionary of Real Estate Appraisal (Third Edition, Chicago, Appraisal Institute, (1993) as *"The time a property remains on the market."*

Hypothetically, exposure time is the estimated length of time the subject property would have been offered on the market, prior to its sale at market value on the effective date of the appraisal. Exposure time is always presumed to occur prior to the effective date of the appraisal. The concept of reasonable exposure encompasses not only adequate, sufficient, and reasonable time, but also effort.

Estimated exposure time is usually expressed as a range and is based on statistical information where available, information gathered through sale verification and interviews with market participants. The exposure period is a function of price, time and use, not an isolated estimate of time alone. Exposure time is different for various types of real estate and under various market conditions. The comparable sales utilized in this report were listed through the local Multiple Listing System at some point in time. However, it is sometimes difficult to obtain exposure times and listing times for other properties that are listed on an exclusive basis or sold by the owner.

Typically, properties of similar type and usage to the subject demonstrate a reasonable exposure time from 6 months to a year and more, however economic conditions may dictate a shorter or even longer exposure time depending on fluctuating interest rates and general market demand at any given point in time.

Based on the property type, its location and price range and an analysis of relevant sales leading up to the effective date, reasonable exposure time for the subject is estimated to be 6 to 12 months.

Reconciliation and Final Estimate of Value

The purpose of the appraisal is to estimate the current market value of the leased fee interest of the subject property, land and improvements only. The intended use of the report is to provide objective information in support of Power of Sale proceedings, only. The property rights are those of the leased fee interest, and the effective date of this valuation is December 21st, 2022.

In estimating the current market value of the property, two approaches were used and provided the following similar value indications. Note that the following value estimates *exclude* consideration for the noted construction lien registered on title.

Income Approach:	\$4,600,000
Direct Comparison Approach:	\$5,200,000

In light of the subject's current state of vacancy, rental revenues are considered somewhat subjective, but were based on actual data and current market evidence. Other factors considered in the Income Approach were also derived from market data from the general area and reasonable market rents were applied. This process measures the key elements of return on investment, weighed against a potential income stream, and is a common method used by investors in estimating value under various conditions. In this case, the Overall Capitalization Method was utilized, and is considered a good reflection of value for this type of asset.

The Direct Comparison Approach focuses on the physical characteristics of the asset, as opposed to its financial composition. It should be noted that this method is not generally relied upon when estimating the value of similar size income properties. However, given the current condition of the asset, its physical characteristics are considered relevant. In this case, market data was adequate for similar use buildings and indicated a narrow value range for the subject property. We do note that timely comparable sales of similar size buildings were not found locally or regionally, and although this may place a broader interpretation of the data, the indicated unit rate appears to be well within market norms and supportable with market data.

In conclusion, and while placing slightly more reliance on the Direct Comparison Method to value, the estimated current market value of the subject property, as of December 21st, 2022, was:

FIVE MILLION DOLLARS (\$5,000,000)

Distressed Sale Conditions

At the client's request, we have also been asked to provide a value of the property under distressed sale conditions. For that purpose, we assume a market exposure of 4 to 6 months, with an allowance of 15% of its market value deducted, in consideration of that shorter timeline. The indicated discounted value is **\$4,250,000.**

Certification

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased, professional analyses, opinions and conclusions.
- We have no past, present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- Our compensation is not contingent 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 analysis, opinions and conclusions were developed in keeping with the *Canadian Uniform Standards of Professional Appraisal Practice*.
- We have the knowledge and experience to complete this assignment competently.
- As of the date of this report, the undersigned had fulfilled the requirements of The Appraisal Institute of Canada Continuing Professional Development Program for designated members.
- Both the undersigned have made a personal inspection of the property that is the subject of this report on December 21st, 2022.
- This 105-page report has been prepared, in conformity with the *Canadian Uniform Standards of Professional Appraisal Practice*, as adopted by the Appraisal Institute of Canada.
- Based upon the data, analyses and conclusions contained herein the current market value of the subject property, as of December 21st, 2022, was:

FIVE MILLION DOLLARS (\$5,000,000)



Philippe Hébert, MBA, AACI, P. App.
Boreal Appraisal Services Inc. – President

Date: February 1st, 2023



Stephanie Elliott, BBRE, AACI, P. App.

Date: February 1st, 2023

A D D E N D A

ASSUMPTIONS AND LIMITING CONDITIONS

FLOOR PLANS

ABBREVIATED PARCEL REGISTER

LAND USE REGULATION EXCERPTS

ECONOMIC BULLETIN APRIL 2021 / Q3 2022 – Greater Sudbury

QUALIFICATIONS OF PHILIPPE HÉBERT, MBA, AACI. P. App.

QUALIFICATIONS OF STEPHANIE ELLIOTT, BBRE, AACI. P. App.

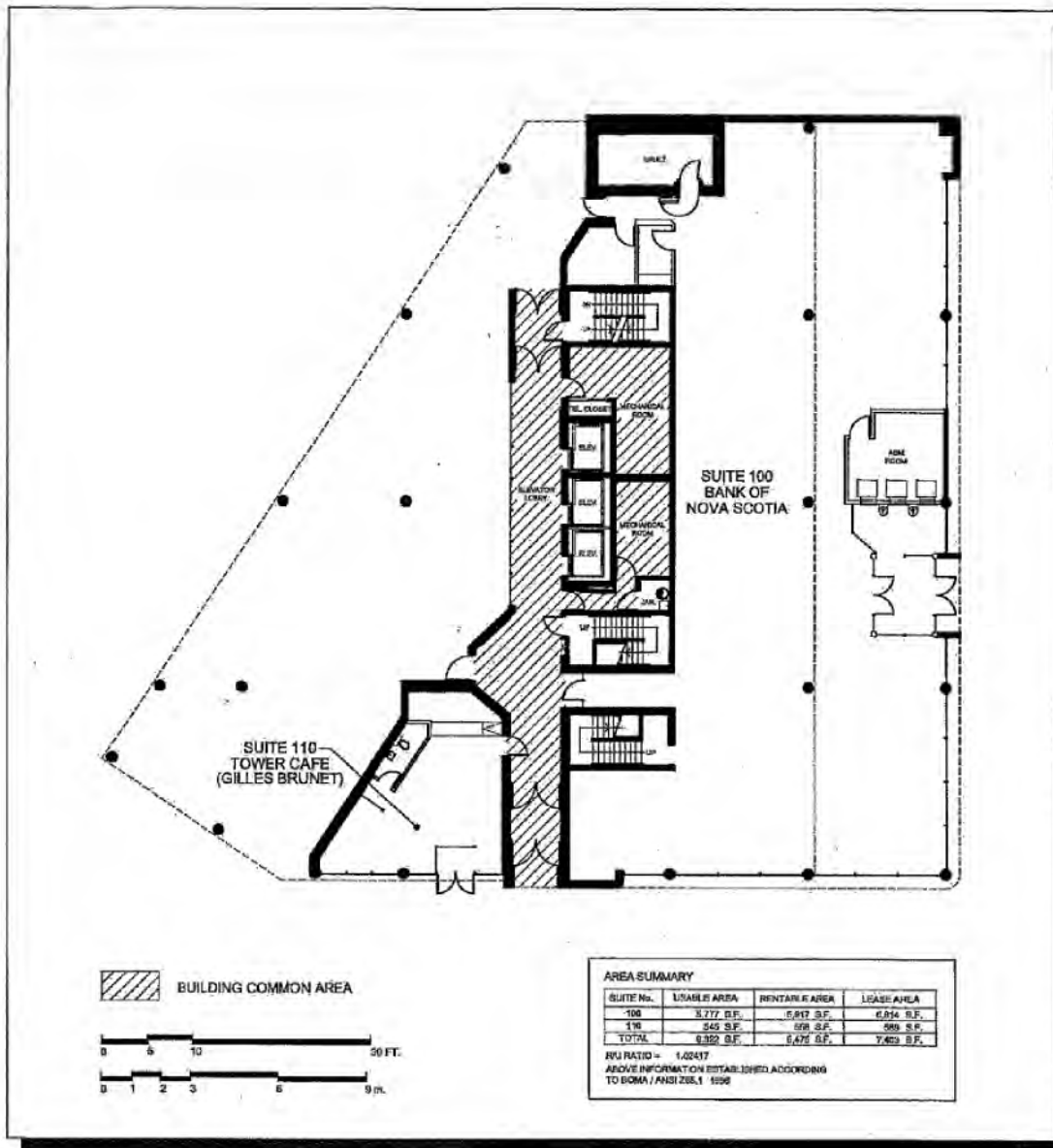
ASSUMPTIONS AND LIMITING CONDITIONS


1. This *105-Page* report has been prepared at the request of **Stanley Loiselle for Raymond Chabot Inc.**, for purpose of estimating the current market value of the leased fee interest of the subject property, land and improvements only, located at **30 Cedar Street in Sudbury, Ontario**. The intended use of the report is to provide *Raymond Chabot Inc.* with objective information in support of Power of Sale proceedings, only. It is not reasonable for any person other than the person to whom this report is addressed to rely upon this appraisal without first obtaining written authorization from **Raymond Chabot Inc.** and the author of this report. This report has been prepared on the assumption that no other persons or parties will rely on it for any other purpose and all liability to all such persons is denied.
2. This report has been prepared at the request of **Stanley Loiselle for Raymond Chabot Inc.** and for the exclusive (and confidential) use of the recipient as named herein 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 of **Raymond Chabot Inc.** Possession of this report, or a copy thereof, does not carry with it the right to 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 and approval of the author as to the purpose, form and content of any such disclosure, quotation or reference. Without limiting the generality of the foregoing, neither all nor any part of the contents of this report shall be disseminated or otherwise conveyed to the public in any manner whatsoever or through any media whatsoever or disclosed, quoted from or referred to in any report, financial statement, prospectus, or offering memorandum of the client, or in any documents filed with any governmental agency without the prior written consent and approval of the author as to the purpose, form and content of such dissemination, disclosure, quotation or reference.
3. The estimated market value of the real estate, which is the object of this appraisal, pertains to the value of **the leased fee interest** in the real property. The property rights appraised herein exclude mineral rights, if any.
4. The concept of market value presumes reasonable exposure. The exposure period is the estimated length of time the asset being valued would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of valuation. The overall concept of reasonable exposure encompasses not only adequate, sufficient, and reasonable time but also adequate, sufficient and reasonable effort. The reasonable exposure period is a function not only of time and effort, but will depend on the type of asset being valued, the state of the market at the date of valuation and the level at which the asset is priced. (The estimated length of the exposure period needed to achieve the estimated market value is set forth in this report).
5. The estimate of value contained in this report is founded upon a thorough and diligent examination and analysis of information gathered and obtained from numerous sources. Certain information has been accepted at face value; especially if there was no reason to doubt its accuracy. Other empirical data required interpretative analysis pursuant to the objective of this appraisal. Certain inquiries were outside the scope of this mandate. For these reasons, the analyses, opinions, and conclusions contained in this report are subject to the following Contingent and Limiting conditions.
6. The property has been valued on the basis that title to the real estate herein appraised is good and marketable.
7. The author 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 our attention as the result of our investigation and analysis that certain problems may exist, a cautionary note has been entered in the body of the report.
8. The legal description of the property and the area of the site were obtained from various sources. Further, the plans and sketches contained in this report are included solely to aid the recipient in visualizing the location of the property, the configuration and boundaries of the site and the relative position of the improvements on the said lands.
9. The property has been valued on the basis that the real estate is free and clear of all value influencing encumbrances, encroachments, restrictions or covenants except as may be noted in this report and that there are no pledges, charges, liens or special assessments outstanding against the property other than as stated and described herein.
10. 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, pursuant to any contract or agreement pertaining to the ownership and operation of the real estate or pursuant to any lease or agreement to lease, which may affect the stated value or saleability of the Subject Property or any portion thereof.

11. The property has been valued on the basis that the real estate complies in all material respects with any restrictive covenants affecting the site and has been built and is occupied and being operated, in all material respects, in full compliance with all requirements of law, including all zoning, land use classification, building, planning, fire and health by-laws, rules, regulations, orders and codes of all federal, provincial, regional and municipal governmental authorities having jurisdiction with respect thereto. (It is recognized there may be work orders or other notices of violation of law outstanding with respect to the real estate and that there may be certain requirements of law preventing occupancy of the real estate as described in this report. However, such circumstances have not been accounted for in the appraisal process).
12. 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.
13. The property has been valued on the basis that there is no action, suit, proceeding or investigation pending or threatened against the real estate or affecting the titular owners of the property, at law or in equity or before or by any federal, provincial or municipal department, commission, board, bureau, agency or instrumentality which may adversely influence the value of the real estate herein appraised.
14. This appraisal report considers the market value of the real estate only. Any contribution of fixtures and equipment would be included only to the extent that such items contribute to the normal operation of the property and are not separable as such. We are not experts in equipment valuation and any such equipment, when divorced from the ongoing operation would have a significantly lower value than its use in association with the Subject Property
15. The data and statistical information contained herein were gathered from reliable sources and are believed to be correct. However, these data are not guaranteed for accuracy, even though an attempt has been made to verify the authenticity of this information.
16. The estimated market value of the property does not necessarily represent the value of the underlying shares, if the asset is so held, as the value of the share could be affected by other considerations. Further, the estimated market value does not include consideration of any extraordinary financing, rental or income guarantees, special tax considerations or any other atypical benefits which may influence the ordinary market value of the property, unless the effects of such special conditions, and the extent of any special value that may arise therefrom, have been described and measured in this report.
17. Should title to the real estate presently be held (or changed to a holding) by a partnership, in a joint venture, through a co-tenancy arrangement or by any other form of divisional ownership, the value of any fractional interest associated therewith may be more or less than the percentage of ownership appearing in the contractual agreement pertaining to the structure of such divisional ownership. For the purposes of our valuation, we have not made any adjustment for the value of a fractional interest.
18. In the event of syndication, the aggregate value of the limited partnership interests may be greater than the value of the freehold or leased fee interest in the real estate, by reason of the possible contributory value of non-realty interests or benefits such as provision for tax shelter, potential for capital appreciation, special investment privileges, particular occupancy and income guarantees, special financing or extraordinary agreements for management services.
19. Unless otherwise noted, the estimated market value of the property referred to herein is predicated upon the condition that it would be sold on a cash basis to the vendor subject to any contractual agreements and encumbrances as noted in this report as-is and where-is, without any contingent agreements or caveats. Other financial arrangements, good or cumbersome, may affect the price at which this property might sell in the open market.
20. Should the author of this report be required to give testimony or appear in court or at any administrative proceeding relating to this appraisal, prior arrangements shall be made therefore, including provisions for additional compensation to permit adequate time for preparation and for any appearances, which may be required. However, neither this nor any other of these assumptions and limiting conditions is an attempt to limit the use that might be made of this report should it properly become evidence in a judicial proceeding. In such a case, it is acknowledged that it is the judicial body which will decide the use of this report which best serves the administration of justice.

21. Because market conditions, including economic, social and political factors, change rapidly and, on occasion, without notice or warning, the estimate of market value expressed herein, as of the effective date of this appraisal, cannot necessarily be relied upon as of any other date without subsequent advice of the author of this report.
22. The value expressed herein is in Canadian dollars.
23. This report is only valid if it bears the original signature(s) of the author(s).
24. 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 property appraised.
25. These Assumptions and Limiting Conditions shall be read with all changes in number and gender as may be appropriate or required by the context or by the particulars of this mandate.

FLOOR PLANS



 BUILDING COMMON AREA



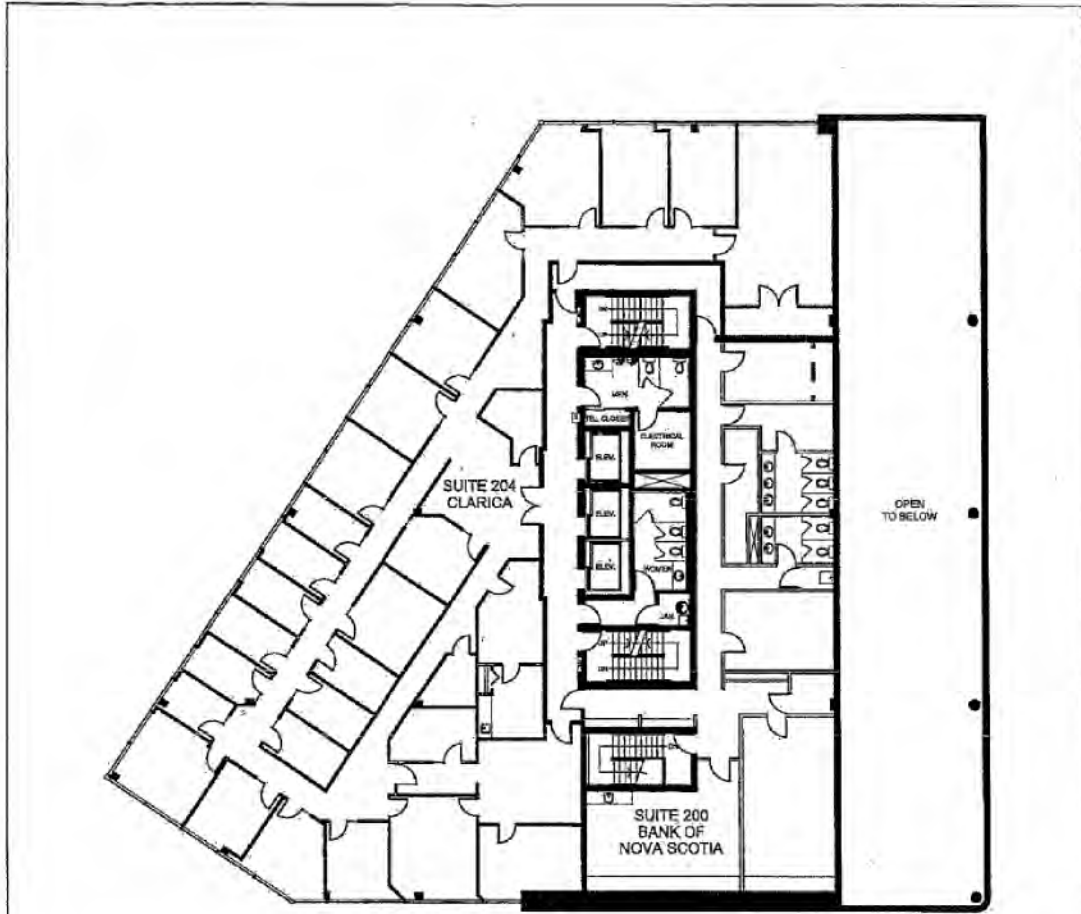
AREA SUMMARY

SUITE No.	USABLE AREA	RENTABLE AREA	LEASE AREA
100	3,277 S.F.	5,817 S.F.	6,514 S.F.
110	245 S.F.	578 S.F.	588 S.F.
TOTAL	3,522 S.F.	6,395 S.F.	7,102 S.F.

RVU RATIO = 1.02417
 ABOVE INFORMATION ESTABLISHED ACCORDING TO BOMA / ANSI 205.1 1996



SCOTIA BANK TOWER
 30 Cedar Street, Sudbury, Ontario.
 Ground Floor - Area Summary



Clarica is no longer a tenant.

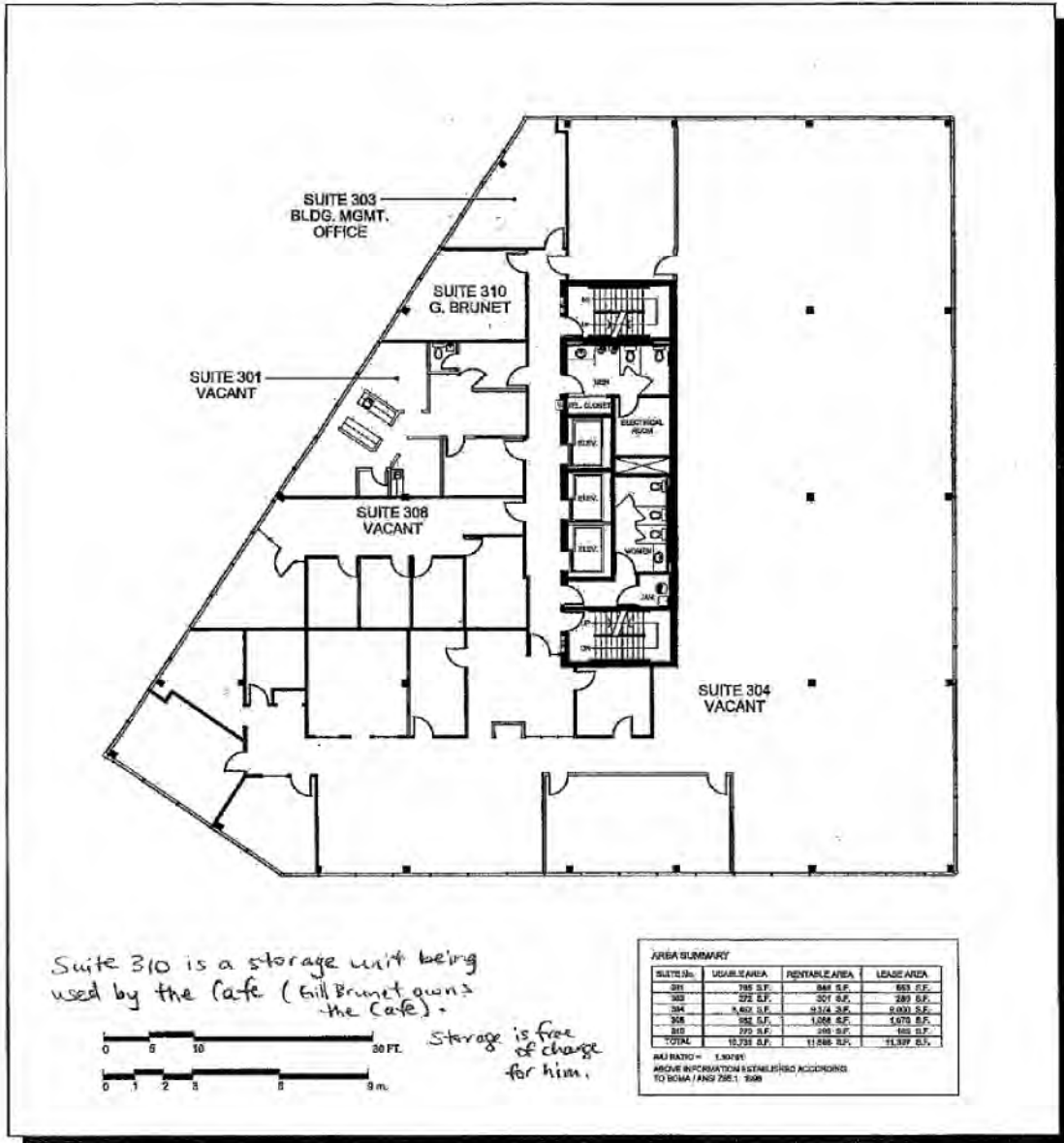



AREA SUMMARY			
SUITE No.	USABLE AREA	RENTABLE AREA	LEASE AREA
200	2,078 S.F.	2,042 S.F.	2,450 S.F.
204	6,678 S.F.	6,480 S.F.	6 S.F.
TOTAL	7,648 S.F.	5,122 S.F.	2,450 S.F.

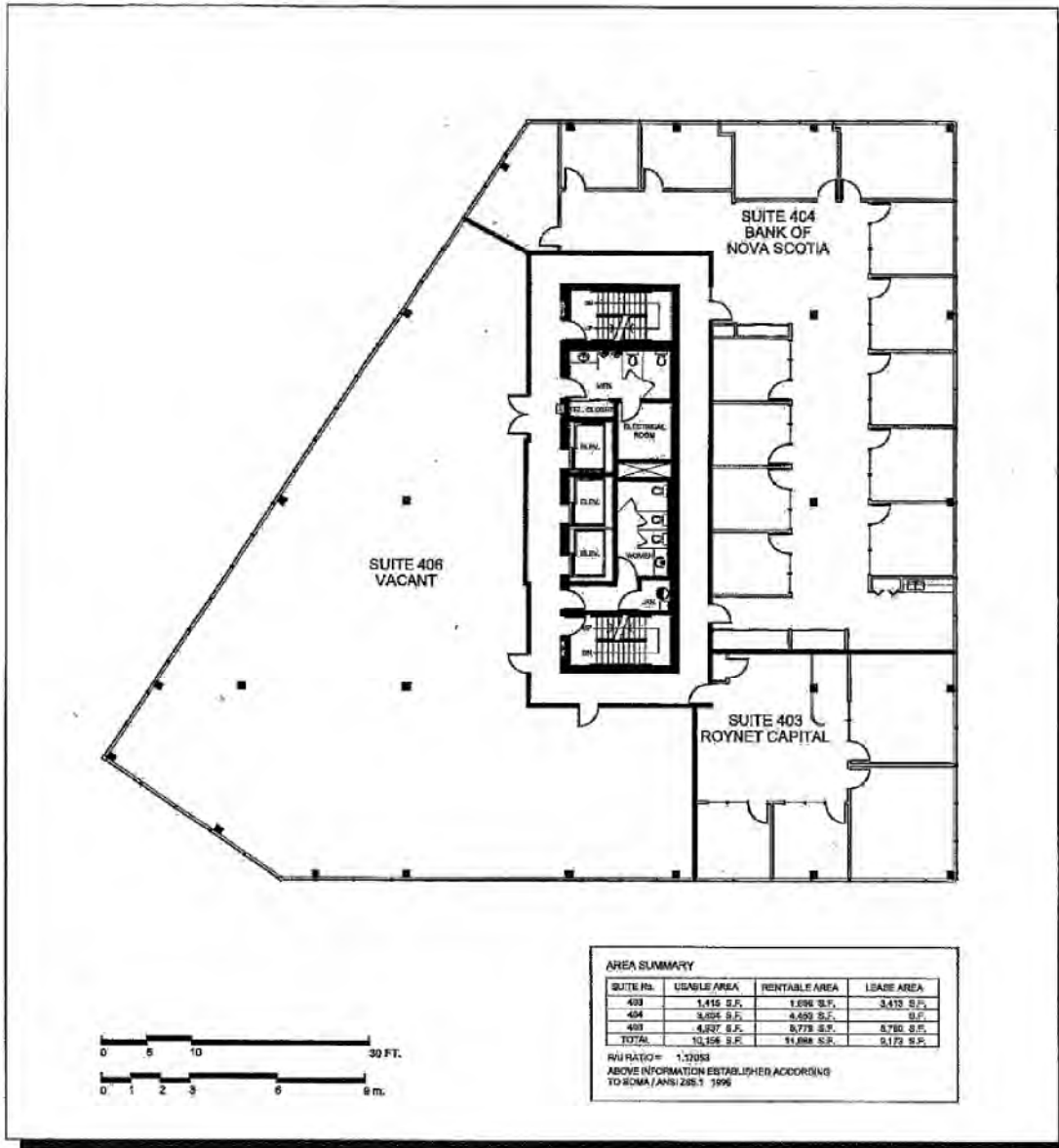
R/U RATIO = 1.4623
 ABOVE INFORMATION ESTABLISHED ACCORDING TO SCMA / AND 206.1 - 1594




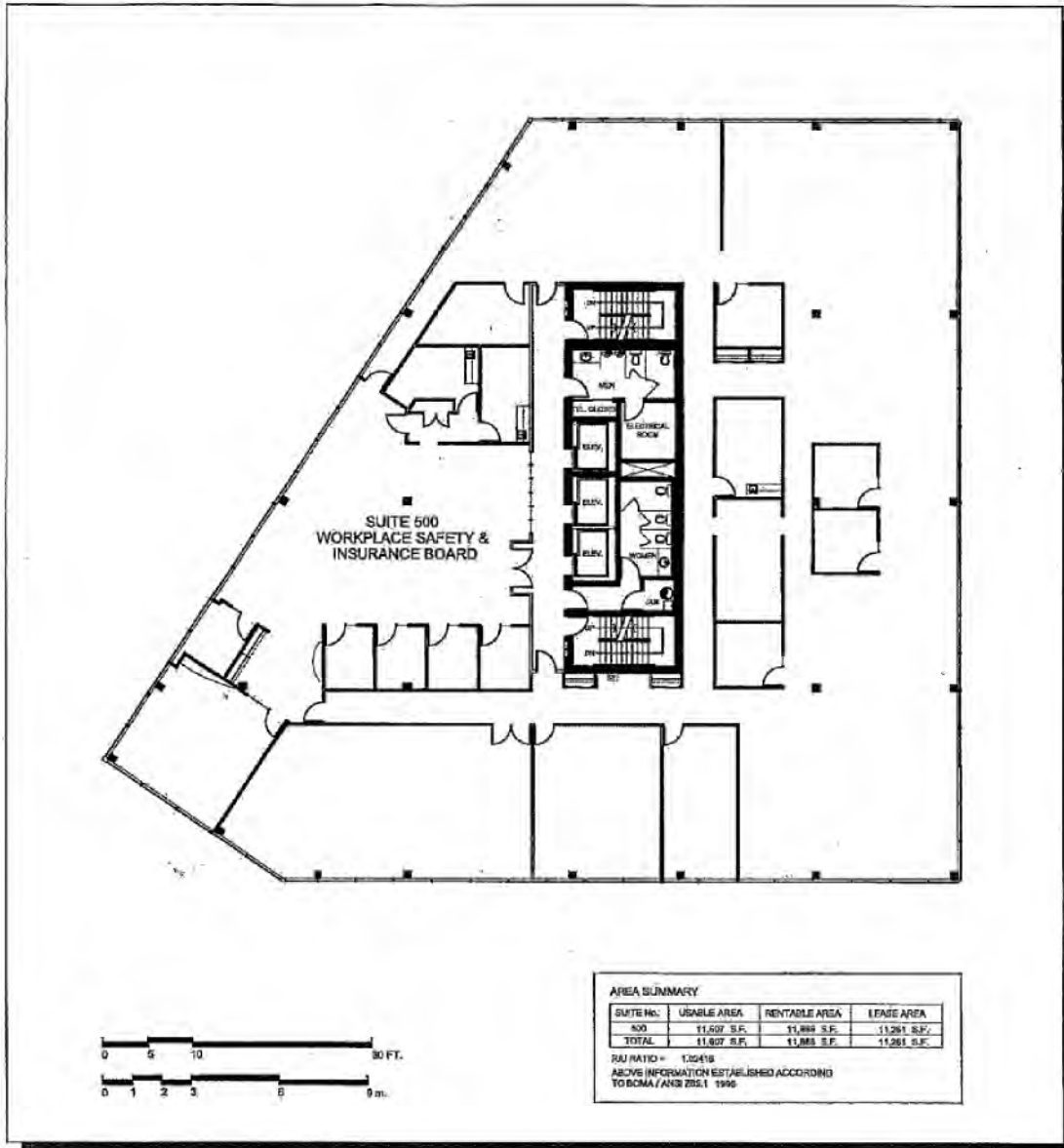
SCOTIA BANK TOWER
 30 Cedar Street, Sudbury, Ontario.
 2nd Floor - Area Summary




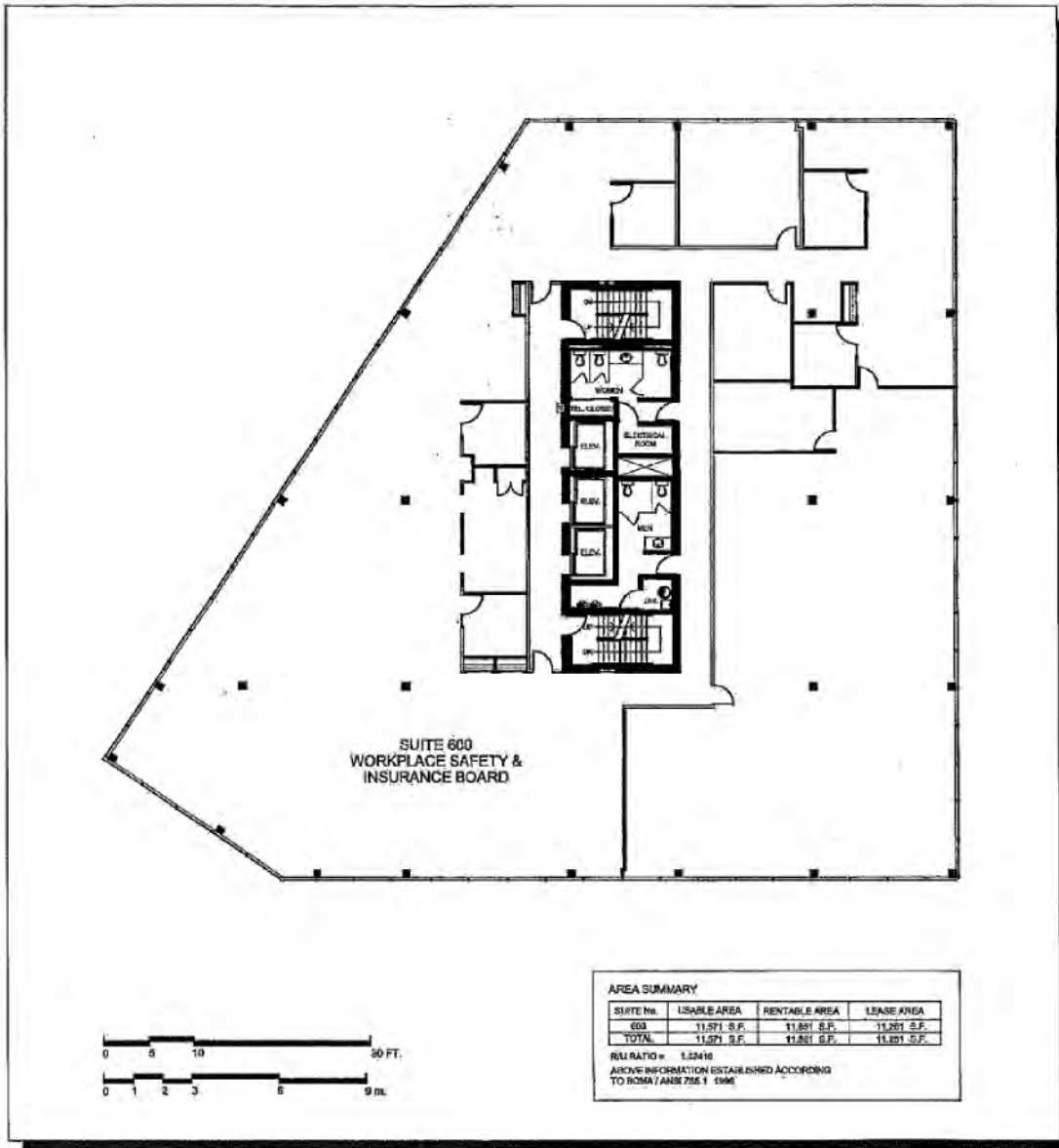

SCOTIA BANK TOWER
 30 Cedar Street, Sudbury, Ontario.
 3rd Floor - Area Summary




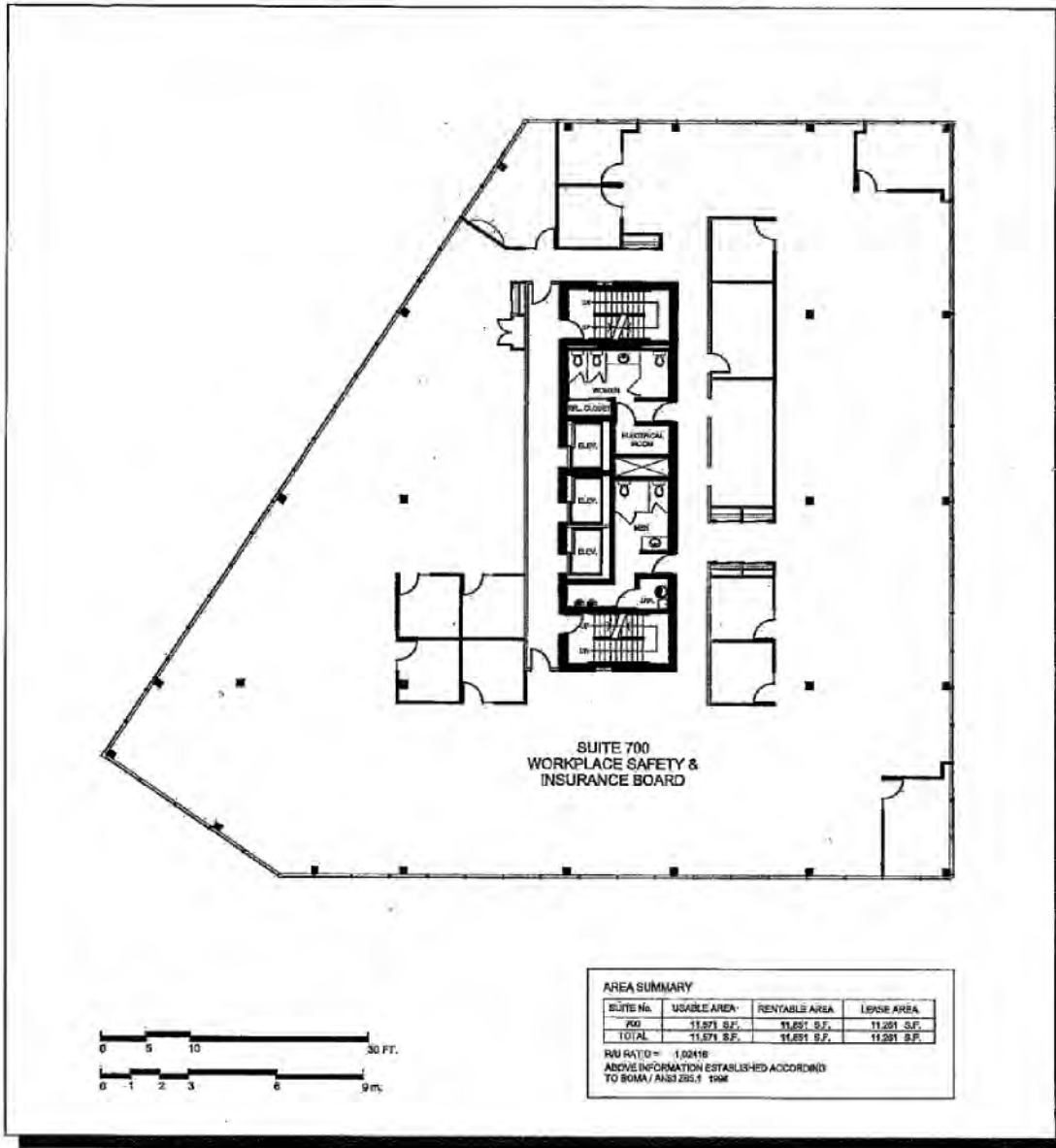

SCOTIA BANK TOWER
30 Cedar Street, Sudbury, Ontario.
4th Floor - Area Summary



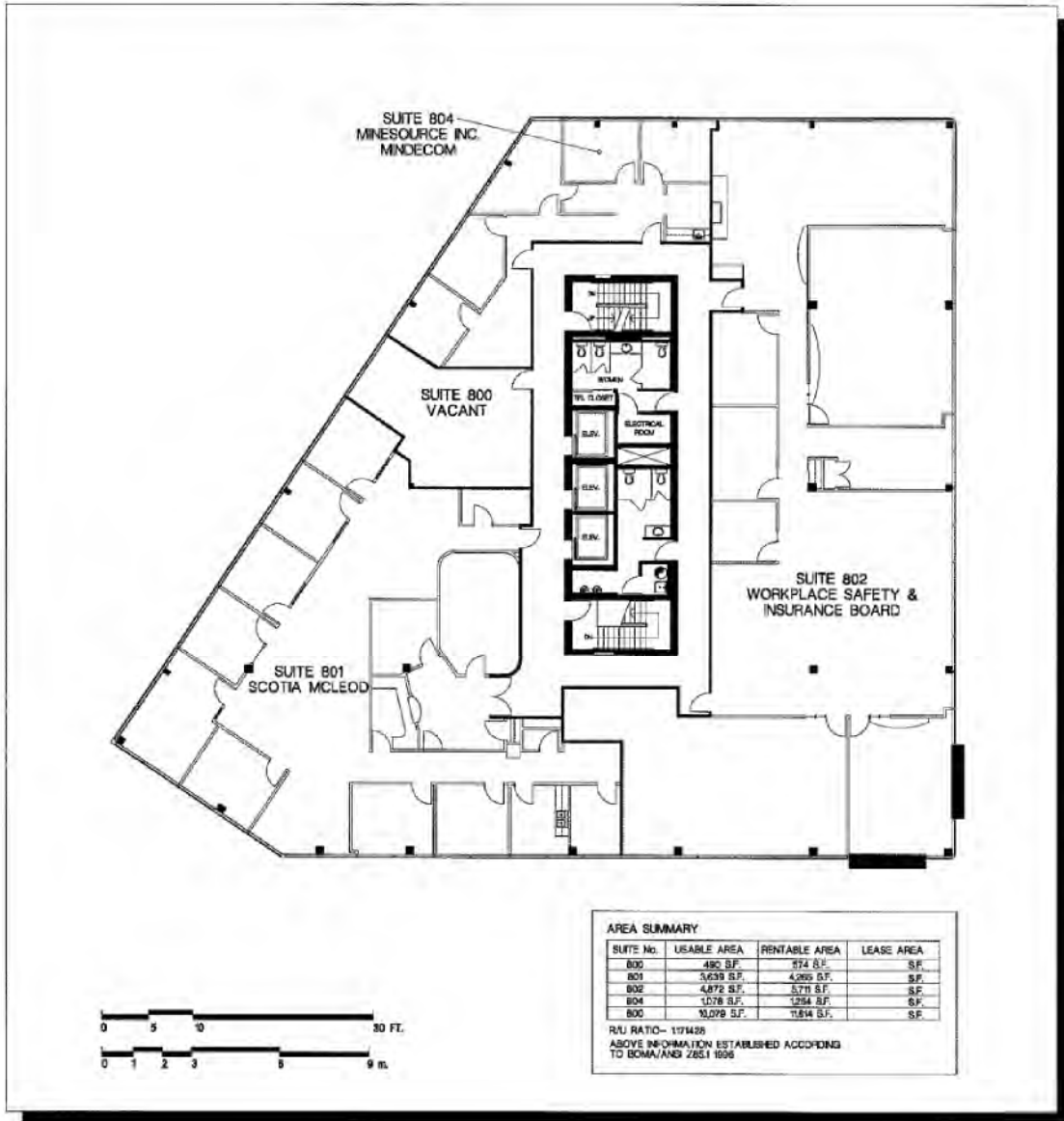

SCOTIA BANK TOWER
30 Cedar Street, Sudbury, Ontario.
 5th Floor - Area Summary





SCOTIA BANK TOWER
30 Cedar Street, Sudbury, Ontario.
 6th Floor - Area Summary




SCOTIA BANK TOWER
30 Cedar Street, Sudbury, Ontario.
7th Floor - Area Summary




SCOTIA BANK TOWER
30 Cedar Street, Sudbury, Ontario.
8th Floor-Area Summary

ABBREVIATED PARCEL REGISTERS

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHRG
<p>PROPERTY DESCRIPTION: LT 101 BLK A PL 35A MCKIM; PT LT 99-100 BLK A PL 35A MCKIM AS IN 5112718; S/T RESERVATIONS IN 5112719; GREATER SUDBURY</p> <p>PROPERTY ISSUES: ROYALTY; ESTATE/QUALIFIER; FEE SIMPLE; LT CONVERSION QUALIFIED; OWNERS' NAMES: 30 CEDAR HOLDINGS INC.</p> <p>RECENTLY: FIRST CONVERSION FROM BOOK; CAPACITY SHARE</p> <p>PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER: LAND; REGISTER; OFFICE #53; 73584-0044 (LT)</p> <p>PAGE 1 OF 2 PREPARED FOR Printert ON 2022/11/29 AT 07:48:47</p> <p>* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *</p> <p>EIN CREATION DATE: 2004/05/25</p>						
** PREVIOUS INCLUDES ALL DOCUMENT TYPES (SELECTED INSTRUMENTS NOT INCLUDED) **						
**		SUBJECT, IN FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO				
**		SUBSECTION #1(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *				
**		AND EQUITABLE OR PORTFOLIO 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: 2004/05/25 **				
SR3594	1970/10/09	PLAN REFERENCE				C
579032	1960/02/15	LEASE		ROYNAT INC.		C
580952	1981/05/26	NOTICE				C
		REMARKS: UNDERLEASE				
580954	1981/05/26	NOTICE				C
		REMARKS: LEASE CANCELLATION & OPTION				
5104511	1992/06/10	NOTICE				C
55814053	1992/06/25	PLAN REFERENCE				C
5114125	1999/01/14	AGREEMENT		THE REGIONAL MUNICIPALITY OF SUDBURY		C
5117258	2002/02/19	LEASE		WORKPLACE SAFETY AND INSURANCE BOARD		C
50166997	2010/03/05	NOTICE OF LEASE	\$2,125,017.00	ONTARIO LIMITED		C



LAND REGISTER OFFICE #53 73584-0044 (LT)

PAGE 1 OF 2 PREPARED FOR Printert ON 2022/11/29 AT 07:48:47





Ontario ServiceOntario

LAND REGISTRY OFFICE #53
 PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER
 73584-0044 (LT)
 * CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PAGE 2 OF 2
 PREPARED FOR PHABERT
 ON 2022/11/29 AT 07:48:47



REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CHRG / CHRG
SD204784	2011/07/28	TRANSFER REMARKS: PLANNING ACT STATEMENTS	\$8,370,000	1250172 ONTARIO LIMITED	30 CEDAR HOLDINGS INC.	C
SD292740	2015/04/28	NOTICE OF LEASE	\$2	30 CEDAR HOLDINGS INC.	THE BANK OF NOVA SCOTIA	C
SD292742	2015/04/28	NOTICE OF LEASE	\$2	30 CEDAR HOLDINGS INC.	THE BANK OF NOVA SCOTIA	C
SD293457	2015/05/08	CHARGE	\$7,800,000	30 CEDAR HOLDINGS INC.	ROYVAT INC.	C
SD293459	2015/05/08	NO ASSGN RENT SPEC REMARKS: SD292741.		30 CEDAR HOLDINGS INC.	ROYVAT INC.	C
SD293460	2015/05/08	NO ASSGN RENT SPEC REMARKS: SD292740.		30 CEDAR HOLDINGS INC.	ROYVAT INC.	C
SD293461	2015/05/08	NO ASSGN RENT SPEC REMARKS: SD166397.		30 CEDAR HOLDINGS INC.	ROYVAT INC.	C
SD293462	2015/05/08	NO ASSGN RENT GEN REMARKS: SD293457.		30 CEDAR HOLDINGS INC.	ROYVAT INC.	C
SD385811	2019/10/29	NO SEC INTEREST	\$316,429	DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.		C
SD415251	2021/02/19	NO SEC INTEREST	\$64,617	ADD CAPITAL CORP.		C
SD425029	2021/06/28	CONSTRUCTION LIEN	\$316,429	ENERRENTINGS INC.		C
SD433190	2021/09/30	CERTIFICATES REMARKS: SD425029		ENERRENTINGS INC.		C



Ontario ServiceOntario

LAND REGISTRY OFFICE #53
 PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

73584-0045 (LT)

PAGE 1 OF 2
 PREPARED FOR Prebort
 ON 2023/01/18 AT 09:14:50



PROPERTY DESCRIPTION: LT 96-98 BLK A PL 35A MCKIN; PT LT 99-100 BLK A PL 35A MCKIN AS IN S114642; GREATER SUDBURY

PROPERTY REMARKS:

ESTATE/QUALIFIER:
 FEE SIMPLE
 LT CONVERSION QUALIFIED
 OWNER'S NAMES
 30 CEDAR HOLDINGS INC.

REGENTLY:
 FIRST CONVERSION FROM BOOK
 CAPACITY SHARE

PIN CREATION DATE:
 2004/05/25

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHRD
** PRINTOUT		INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **				
** SUBJECT,		ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:				
**		SUBSECTION 4(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *				
**		AND SECRETS 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: 2004/05/25 **				
SR3594	1970/10/09	PLAN REFERENCE				C
59R6263	1975/12/31	PLAN REFERENCE				C
SD208417	2011/09/09	TRANSFER	\$2 1349757	ONTARIO INC.	30 CEDAR HOLDINGS INC.	C
		REMARKS: PLANNING ACT STATEMENTS				
SD292740	2015/04/28	NOTICE OF LEASE	\$2	30 CEDAR HOLDINGS INC.	THE BANK OF NOVA SCOTIA	C
SD292741	2015/04/28	NOTICE OF LEASE	\$2	30 CEDAR HOLDINGS INC.	THE BANK OF NOVA SCOTIA	C
SD293457	2015/05/08	CHANGE	\$7,900,000	30 CEDAR HOLDINGS INC.	ROYNAT INC.	C
SD293459	2015/05/08	NO ASSSN RENT SPEC		30 CEDAR HOLDINGS INC.	ROYNAT INC.	C
		REMARKS: SD292741.				
SD293460	2015/05/08	NO ASSSN RENT SPEC		30 CEDAR HOLDINGS INC.	ROYNAT INC.	C
		REMARKS: SD292740.				



Ontario

ServiceOntario

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND
REGISTRY
OFFICE #53

73584-0045 (LT)

PAGE 2 OF 2
PREPARED FOR Pubert
ON 2023/01/18 AT 09:14:50



* 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/CHKO
SD293462	2015/05/08	NO ASSGN RENT GEN		30 CEDAR HOLDINGS INC.	ROYNAT INC.	C
	REMARKS: SD293462.					
SD385811	2019/10/29	NO SEC INTEREST	\$336,429	DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.		C
SD415251	2021/02/19	NO SEC INTEREST	\$64,617	ADD CAPITAL CORP.		C

LAND USE REGULATIONS
ZONING
C6 – Downtown Commercial

PART 7:
COMMERCIAL ZONES

7.1 GENERAL PROHIBITION

No *person* shall, within any Commercial Zone, *use* or permit the *use* of any land, or *erect, alter, enlarge, use* or maintain any *building* or *structure* for any *use* other than as permitted in Tables 7.1 and 7.2, in accordance with the standards contained in Table 7.3 the General Provisions contained in Part 4 and the Parking and Loading provisions contained in Part 5 of this By-law.

7.2 PERMITTED USES

Uses permitted in a Commercial Zone are denoted by the symbol 'X' in the column applicable to that *Zone* and corresponding with the row for a specific permitted *use* in Tables 7.1 and 7.2. A number(s) following the symbol 'X', *zone* heading, or identified permitted *use*, indicates that one or more special provisions apply to the *use* noted or, in some cases, to the entire *Zone*. Special Provisions are listed below the Permitted Use Tables 7.1 and 7.2 below: (By-law 2012-67Z)

Commercial Zones

Local Commercial	C1
General Commercial	C2
Limited General Commercial	C3
Office Commercial	C4
Shopping Centre Commercial	C5
Downtown Commercial	C6
Resort Commercial	C7

Table 7.1 – Permitted Residential Uses (By-law 2014-235Z) (By-law 2018-180Z)

USE	C1	C2	C3	C4	C5	C6	C7
Any dwelling containing not more than 2 dwelling units	X(11) (13)	X(11) (16)	X(11) (13)	X(11) (13)		X(11) (16)	
Boarding House Dwelling or Shared Housing						X(11)	
Group Home Type 1	X(17)		X(17)				
Multiple Dwelling		X (10)(11)	X (10)(11)	X (11)		X (11)	
Private Home Daycare	X	X	X	X		X	
Row Dwelling				X(11)			
Shared Housing		X (18)	X (18)	X (18)			
Street Townhouse Dwelling				X(11)			

Table 7.2 – Permitted Non-Residential Uses (By-law 2012-67Z) (By-law 2016-70Z)

USE	C1	C2	C3	C4	C5	C6	C7
Accessory Outdoor Display and Sales		X	X		X	X	X
Animal Shelter		X					
Art Gallery		X		X		X	
Assembly Hall		X			X	X	X
Auctioneer's Establishment		X				X	
Audio/Visual Studio		X			X	X	
Automotive Leasing Establishment		X					
Automotive Lube Shop		X			X		
Automotive Repair Shop		X			X		
Automotive Sales Establishment		X					
Automotive Service Station		X			X		
Bake Shop		X			X	X	
Banquet Hall		X			X(9)		
Bus Terminal		X			X	X	
Business Office		X	X	X	X (3)	X	
Camping Ground							X
Car Wash		X			X		
Carnival					X (4)		
Commercial or Public Garage		X(6)					
Commercial Tourist Facility							X
Commercial School		X (2)			X (2)(3)	X (2)	
Convenience Store	X (1)	X	X	X	X (3)	X	X
Custom Print or Copy Shop		X		X	X(3)	X	
Day Care Centre	X (1)	X	X	X	X	X	
Dry Cleaning Establishment		X				X	
Financial Institution		X	X	X	X(3)	X	

City of Greater Sudbury Zoning By-law 2010-100Z

Part 7 – COMMERCIAL ZONES

7-3

USE	C1	C2	C3	C4	C5	C6	C7
Funeral Home		X		X			
Gas Bar		X			X		X (8)
Home Improvement Centre		X (12)			X		
Hotel		X		X	X(15)	X	X
Institutional Use		X		X	X (3)	X	
Marina							X
Medical Office	X (1)	X	X	X	X (3)	X	
Mobile Home Dealership		X					
Modular Building Dealership		X					
Parking Lot		X		X		X	
Personal Service Shop	X (1)	X	X	X	X (3)	X	X (8)
Pet Grooming Establishment	X (1)	X		X		X	
Pharmacy	X (1)	X	X	X	X	X	
Place of Amusement		X (5)			X (3)	X	
Private Club		X		X	X (3)	X	X
Professional Office		X	X	X	X (3)	X	
Recreation Centre, Commercial		X			X (3)	X	X
Recreation Vehicle Sales and Service Establishment		X			X (7)		X (7)(8)
Restaurant		X	X	X	X	X	X
Retail Store		X	X		X	X(14)	X (8)
Scientific or Medical Laboratory		X		X	X	X	
Service Shop		X		X	X	X	
Service Trade		X				X	
Tavern		X			X	X	X (8)
Taxi Stand		X					
Theatre		X			X	X	
Veterinary Clinic		X					

SPECIAL PROVISIONS FOR TABLES 7.1 AND 7.2

1. Maximum *net floor area* for *non-residential uses* – 150.0 m² per lot.
2. If contained *indoors* and does not include the on-site use or parking of *commercial vehicles* or construction equipment.
3. If contained within a *shopping centre*.
4. A temporary *carnival accessory* to a *shopping centre*.
5. Provided that no pinball arcade contains more than 20 game machines or is located closer than 300.0 metres to an established *public school*.
6. Only where such use constitutes a *legal existing use*.
7. Restricted to *small recreation vehicles* only.
8. Provided the use, *building*, or *structure* is incidental, subordinate, exclusively devoted to and located on the same lot as the *principal use*, *building* or *structure* and, and in the case of a *building* or *structure*, may or may not be attached to the *main building* on the same lot.

9. Subject to banquet hall parking standard on Table 5.4.
10. Maximum 30 *dwelling units per building* and maximum net *residential density* of 60 units per hectare with or without permitted *non-residential uses* provided that the *lot* is a *fully serviced lot*.
11. No *dwelling unit* shall be located within a portion of a *building* that is used for an *animal shelter, automotive body shop, automotive repair shop, automotive service station, automotive sales establishment, recreation vehicle sales and service establishment, vehicle repair shop, vehicle sales or rental establishment or veterinary clinic*.
12. *Accessory outdoor storage* is permitted subject to Section 4.28 of this By-law.
13. Any *dwelling* containing not more than 2 *dwelling units* on a *lot* with or without *non-residential uses* provided that the *lot* is a *fully serviced lot*. Where the *lot* is not a *fully serviced lot* a maximum of 1 *dwelling unit* shall be permitted on a *lot* with or without *non-residential uses*. (By-law 2012-67Z)
14. Not including an *automotive repair shop accessory to an automotive accessories store*.
15. Subject to *hotel* parking standard on Table 5.4.
16. Any *dwelling* containing not more than 2 *dwelling units*, together with permitted *non-residential uses* as a *main use* on the ground floor provided that the *lot* is a *fully serviced lot*. Where the *lot* is not a *fully serviced lot* a maximum of 1 *dwelling unit* shall be permitted together with permitted *non-residential uses* as a *main use* on the ground floor. (By-law 2012-67Z)
17. Only within a permitted *single detached dwelling*. – Maximum number of beds – 10. (By-law 2014-235Z)
18. *Shared Housing* is required to be on a lot abutting one the following streets:
 LaSalle Boulevard from Notre Dame Avenue to Falconbridge Road
 The Kingsway from Lloyd Street to Falconbridge Road
 Barry Downe Road from the Kingsway to LaSalle Boulevard
 Notre Dame Avenue from Elm Street to LaSalle Boulevard
 Regent Street from Lorne Street to Paris Street
 Lorne Street from Elm Street to Kelly Lake Road
 Paris Street from Elm Street to Regent Street. (By-law 2018-180Z)

7.3 ZONE STANDARDS

No *person* shall within any Commercial Zone *use* or permit the *use* of any *lot* or *erect, alter, use any building or structure* except in accordance with the following *zone standards*. A number(s) following the *zone standard, zone heading or description* of the standard, indicates an additional *Zone requirement*. These additional standards are listed as Special Provisions at the end of Table 7.3 below:

Table 7.3 – Standards for Commercial Zones (By-law 2012-672)

Zone	Minimum Lot Area	Minimum Lot Frontage	Minimum Required Front Yard	Minimum Required Rear Yard	Minimum Required Interior Side Yard	Minimum Required Corner Side Yard	Maximum Lot Coverage	Maximum Height	Minimum Landscaped Open Space	Other Provisions
C1 (Fully serviced lots)	650.0 m ²	18.0 m	6.0 m (1)	7.5 m (4)	1.2 m (2)(3)	4.5 m (1)	50%	8.0 m	No minimum (17)	(5)
C1 (Partially or unserviced lots)	1,350.0 m ²	30.0 m	6.0 m (1)	7.5 m (4)	1.2 m (2)(3)	4.5 m (1)	30%	8.0m	No minimum (17)	(5)
C2	1,350.0 m ² (16)	30.0 m	6.0 m (1)	7.5 m (4)	(14)	4.5 m (1)	50% (8)	15.0 m	5%	(6)(10)
C3	900.0 m ²	30.0 m	6.0 m (1)	7.5 m (4)	(14)	4.5 m (1)	50%	8.0 m	5%	(6)
C4	540.0 m ²	18.0 m	6.0 m	7.5 m	(14)	4.5 m (13)	50%	34.0 m	No minimum (17)	(10)(15)
C5	No minimum	100.0 m	10.0 m (1)(5)	10.0 m (1)(5)	10.0 m	10 m (1)(5)	50%	20.0 m	15%	(6)(7)
C6	No minimum	No minimum	No minimum	No minimum	(12)(19)	No minimum	100%	No maximum (11)	No minimum (17)	
C7	1.0 ha	45.0 (18)	10.0 m (4)	10.0 m (4)	10.0 m	10.0 m (4)	30%	15.0m	No minimum (17)	(6)(9)

SPECIAL PROVISIONS FOR TABLE 7.3

1. (i) *Abutting a primary arterial road* – 15.0 metres.
(ii) *Abutting a secondary or tertiary arterial road* – 7.5 metres.
2. Where the *interior side lot line abuts a residential lot* or Residential Zone – 1.8 metres.
3. Plus an additional 0.6 metres for each full storey above the first storey *abutting such yard*.
4. *Abutting a primary arterial road* – 15.0 metres.
5. (i) Maximum one main building per lot
(ii) For non-residential uses – maximum net floor area of 150.0 m² per lot.

City of Greater Sudbury Zoning By-law 2010-100Z

Part 7 – COMMERCIAL ZONES

7-6

6. *Building separation* – 3.0 metres.
7. (i) *Maximum gross floor area* – 100% of the lot area.
(ii) *Minimum required gross floor area* – 10,000 m² per lot, exclusive of parking structures or indoor parking areas.
8. *Maximum lot coverage* where a lot is serviced with a private sewage disposal system – 30%.
9. *Maximum gross floor area* – 50% of the lot area.
10. A maximum gross floor area of 2.0 times the lot area will apply.
11. A minimum building height of 8.0 metres applies.
12. (i) Exclusively for residential – 1.2 metres plus 0.6 metres for each additional storey above the first, except that where there are no windows to habitable rooms facing such side yard, no setback shall be required;
(ii) Mixed use buildings of residential and non-residential uses – no side yard shall be required for non-residential storey, however, residential storey shall require a setback from the interior side lot line of 1.8 metres plus 0.6 metres for each additional storey above the first, except that where there are no windows to habitable rooms facing such side yard, no setback shall be required;
(iii) Uses other than those included in Special Provision 12(i) and 12(ii) – no minimum.
13. *Abutting an arterial road* – 9.0 metres.
14. (i) Exclusively for residential – 1.2 metres, plus 0.6 metres for each additional storey above the first.
(ii) Mixed use buildings containing residential and non-residential uses:
 - a) Where the interior side lot line abuts a residential lot or Residential Zone – 3.0 metres, plus an additional 0.6 metres for each storey in excess of 3 storeys; or
 - b) Where the interior side lot line does not abut a residential lot or Residential Zone, no side yard shall be required for non-residential storeys, however, residential storeys shall require a setback from the interior side lot line of 1.8 metres plus 0.6 metres for each additional residential storey.
- (iii) Exclusively for non-residential purposes – where the interior side lot line abuts a residential lot or Residential Zone, 3 metres plus an additional 0.6 metres for each storey in excess of three storeys, and no minimum in any other case.
15. No two adjacent groups of row dwellings shall be in one line at the minimum front yard setback, the minimum corner side yard setback, or, in the case of a through lot, at the minimum rear yard setback. Furthermore, the minimum difference in setbacks for adjacent groups of row dwellings shall be 1.5 metres, and not more than 8 dwelling units shall be permitted within a row dwelling.
16. Minimum lot area where a lot is serviced with a private sewage disposal system – 9,000.0 m².
17. Except as required by Section 4.15 of this By-law.

City of Greater Sudbury Zoning By-law 2010-100Z

Part 7 – COMMERCIAL ZONES

7-7

18. The minimum total water frontage required for all shorelines of a waterfront lot or any other lot abutting a navigable waterbody shall be 60.0 metres.
19. Minimum court required between opposing walls of one or more multiple dwellings on the same lot shall be equivalent to 50 percent of the height of the higher of such walls, but not less than:
 - (i) 15.0 metres, where both walls contain balconies or windows into a habitable room;
 - (ii) 7.5 metres, where only one of such walls contains balconies or habitable room windows; or,
 - (iii) 3.0 metres, where neither of such walls contains balconies or habitable room windows, or in the case of opposing building corners.

OFFICIAL PLAN**Downtown****4.2.1 Downtown**

Downtown Sudbury forms the historic core of the amalgamated City, retaining its important function as a centre of retail, arts & culture, government and business services. The *Downtown* services a large catchment area that extends beyond Greater

Sudbury. Compact and walkable, the *Downtown* possesses a distinct built form that sets it apart from other urban areas, offering unique opportunities to protect, develop and sustain its role as the vibrant hub of a dynamic city. The *Downtown* is shown on *Schedules 1a and 1b, Land Use Map*.

Policies

1. A wide variety of uses are permitted in the *Downtown*, consistent with its function as the most diversified commercial Centre in the City. All residential, commercial, institutional, and entertainment uses are permitted, including offices and community facilities, provided that sewer and water capacities are adequate for the site. There will be no height restrictions in the *Downtown*.
2. In order to encourage development in the *Downtown*, Council may:
 - a. reduce parking standards and development-related charges in recognition of existing municipal parking and infrastructure capacity;
 - b. allow parking requirements to be satisfied through off-street municipal or privately owned communal parking areas located elsewhere in the *Downtown*; and,
 - c. accept payment-in-lieu of parking where residential and non-residential development is in close proximity to and can be accommodated by a municipal or privately owned communal parking lot.

Programs

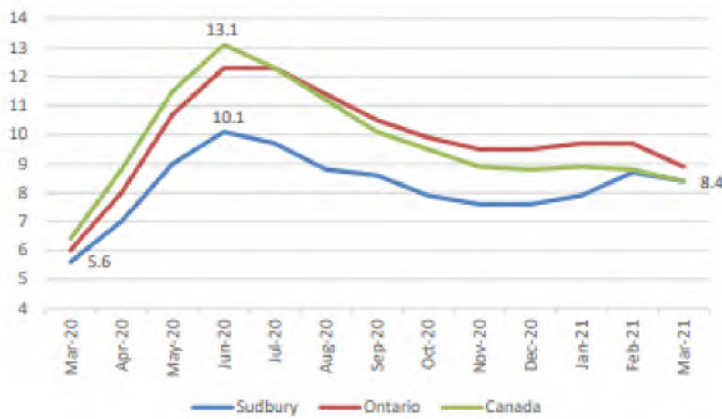
1. Council will develop the *Downtown* as a creative district by promoting arts & culture, encouraging public art initiatives, and partnering with the non-profit sector and other levels of government. The development of a performing arts facility in the *Downtown* core will be a key priority.
2. In addition to the Tax Increment Financing Scheme (TIFS), Council will consider other innovative financial incentives to encourage investment in the *Downtown*.

ECONOMIC BULLETIN APRIL 2021 / 2022 Q3 – GREATER SUDBURY

ECONOMIC BULLETIN April 2021					
Greater Grand Sudbury		sudbury canada's resourceful city / ville ingénieuse du Canada			
OVERVIEW					
	Geography	Most Recent Period	Last period (February 2021)	Same Period Last Year	Status
Unemployment Rate	Greater Sudbury	8.4%	8.7%	5.6%	R
March 2021 (3 Month Avg)	Ontario	8.9%	9.7%	6.0%	R
Total employment	Greater Sudbury	80,400	79,900	85,600	R
March 2021 (3 Month Avg)	Ontario	7,170,100	7,213,100	7,361,100	R
Participation Rate	Greater Sudbury	60.4%	60.1%	62.5%	R
March 2021 (3 Month Avg)	Ontario	64.4%	64.6%	64.4%	R
Employment Insurance Recipients	Greater Sudbury	n/a	n/a	2,030	
February 2020 (new data is not available)	Ontario	n/a	n/a	114,830	
GDP	Greater Sudbury	\$8,892	\$8,817	\$8,817	G
Forecast 2021 (millions \$)					
Average House Price	Greater Sudbury	\$372,641	n/a	\$248,012	G
March 2021	Ontario	\$864,159	n/a	\$652,440	G
Building Permits Issued	Greater Sudbury	\$15.59	\$6.14	\$19.28	R
March 2021 (millions \$)					
Retail Sales	Greater Sudbury	\$2,534	\$2,481	\$2,481	G
Forecast 2021 (millions \$)					
Consumer Price Index	Greater Sudbury	1.43	1.40	1.40	G
Forecast 2021 (2002 = 1.000)					
Business Bankruptcies	Greater Sudbury	3	n/a	2	Y
Q4 2020	Ontario	185		205	G

investsudbury.ca
greatersudbury.ca

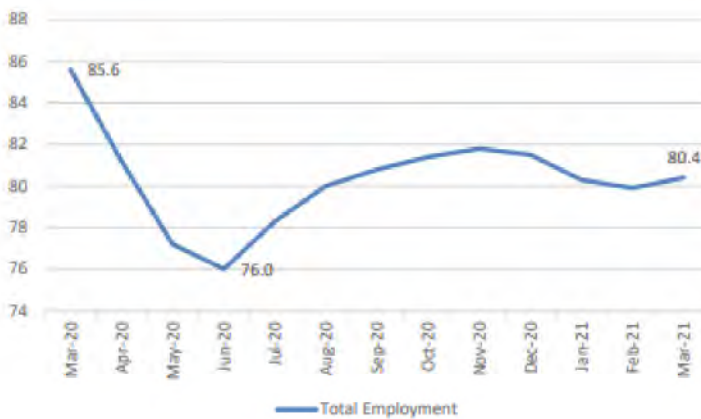
UNEMPLOYMENT RATE



The seasonally adjusted monthly unemployment rate for Greater Sudbury decreased from 8.7% in February 2021 to 8.4% in March 2021.

	March 2021	February 2021	March 2020
Greater Sudbury	8.4%	8.7%	5.6%
Ontario	8.9%	9.7%	6.0%
Canada	8.4%	8.8%	6.4%

EMPLOYMENT

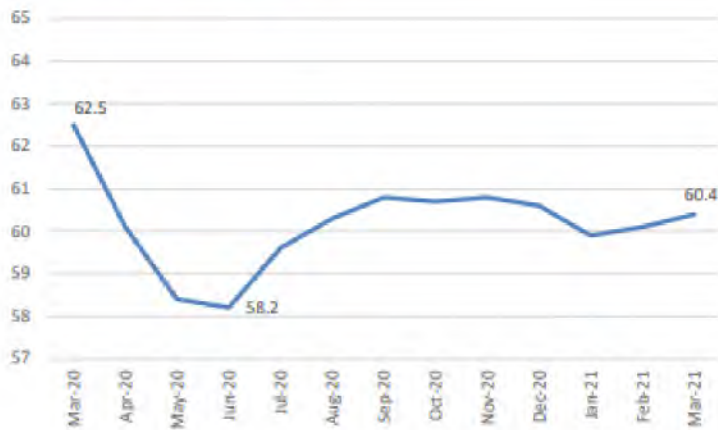


The total number of people employed in Greater Sudbury is 80,400. The number of people employed increased by 500 compared to February 2021.

Sudbury has recovered 38% (4,400) jobs since its lowest point during the COVID-19 shutdown in June 2020.

	March 2021	February 2021	March 2020
Greater Sudbury	80,400	79,900	85,600

PARTICIPATION RATE



The seasonally adjusted monthly participation rate for Greater Sudbury is 60.4% for March 2021 compared to 60.1% in February 2021.

	March 2021	February 2021	March 2020
Greater Sudbury	60.4%	60.1%	62.5%

Source: Statistics Canada, Labour Force Survey Table 14-10-0380-01

The Labour Force Survey (LFS) by Statistics Canada is seasonally adjusted monthly data. The results are presented as three-month moving averages, because the single month data is considered volatile. As per Statistics Canada recommendations, data should always be compared to the previous year.

EMPLOYMENT BY INDUSTRY

Year-Over-Year Change (000s) (NAICS)	Mar -20	Mar -21	Variance
Goods-producing sector	16.7	19.1	2.4
Forestry, fishing, mining, quarrying, oil and gas	7	9.1	2.1
Construction	6.2	6	-0.2
Manufacturing	2.4	3.2	0.8
Services-producing sector	67.6	59.9	-7.7
Wholesale and retail trade	12.7	9.4	-3.3
Transportation and warehousing	4.5	2.4	-2.1
Finance, insurance, real estate, rental and leasing	3.6	3.7	0.1
Professional, scientific and technical services	4.4	6.8	2.4
Business, building and other support services	3.3	2.2	-1.1
Educational services	6.8	6.7	-0.1
Health care and social assistance	13.6	13.7	0.1
Information, culture and recreation	3.1	2	-1.1
Accommodation and food services	4.5	2.3	-2.2
Other services (except public administration)	3.8	3.9	0.1
Public administration	7.3	6.7	-0.6
Total employed, all industries	84.3	79.0	-5.3

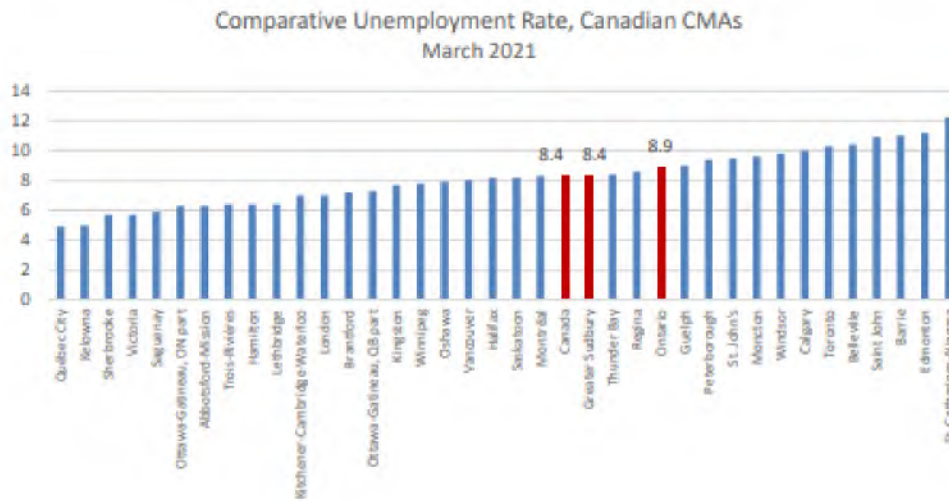
Source: Statistics Canada, Labour Force Survey, Table: 14-10-0379-01. NAICS – North American Industry Classification System

GROWING LABOUR FORCE

The March Labour Force Survey issued by Statistics Canada indicates that Sudbury has lost 5,300 jobs compared to March 2020, with growth occurring in the following sectors:

- Forestry, fishing, mining; professional, scientific and technical services

The City of Greater Sudbury unemployment rate is similar to the national one and sits at 8.4%. The unemployment rate in Sudbury has been consistently lower than the provincial level over the course of the pandemic.



HOUSING STARTS

According to the Canada Mortgage and Housing Corporation statement, housing starts for single homes have increased in February 2021 compared to February 2020.

	February 2021	YTD 2021	Change
Single	0	9	n/a
Semi-detached	2	2	n/a
Row	0	0	n/a
Apartment	0	0	n/a
Total	2	11	n/a

SUDBURY REAL ESTATE MARKET

The number of homes sold through the MLS® System of the Sudbury Real Estate Board totaled **199 units in February 2021**. This was an **increase of 20.6% from February 2020**. Residential sales haven't hit this level in the month of February in more than three decades.

On a year-to-date basis, home sales totaled **348 units over the first two months of the year**. This was a jump of **32.8%** from the same period in 2020.

The average price of homes sold in February 2021 rose by **33.8% year-over-year to a record \$372,641**. The more comprehensive year-to-date average price was \$365,787, an advance of 34.9% from the first two months of 2020.

The dollar value of all home sales in February 2021 was **\$74.2 million, up sharply by 61.4%** from the same month in 2020. This was also a new record for the month of February.

The number of new listings saw a decrease of **7.3%** from February 2020. There were 204 new residential listings in February 2021. Active residential listings numbered **167** on the market at the end of February, a big decline of **67.1%** from the end of February 2020. Active listings haven't been this low in the month of February in more than three decades.

Months of inventory numbered 0.8 at the end of February 2021, down from the 3.1 months recorded at the end of February 2020 and below the long-run average of 6.2 months for this time of year. The number of months of inventory is the number of months it would take to sell current inventories at the current rate of sales activity.

Source: The Canadian Real Estate Association <http://creastats.crea.ca>

RENTAL MARKET

VACANCY RATES (APARTMENT)

Primary Rental Market	October 2018	October 2019	October 2020
Bachelor	N/A	3.1%	N/A
1 Bedroom	2.4%	2.5%	3.3%
2 Bedroom	2.8%	1.9%	1.6%
3 Bedroom +	N/A	0.6%	5.8%
Total	2.6%	2.1%	2.5%

Source: Canada Mortgage and Housing Corporation (Rental Market Survey)

AVERAGE RENT (APARTMENT)

Apartment Type	October 2018	October 2019	October 2020
Bachelor	\$641	\$676	N/A
1 Bedroom	\$855	\$904	\$921
2 Bedroom	\$1,052	\$1,114	\$1,133
3 Bedroom +	\$1,204	\$1,183	N/A

Source: Canada Mortgage and Housing Corporation (Rental Market Survey).

BUILDING PERMITS

The City of Greater Sudbury issued 149 building permits with a combined value of \$15.59 million in March 2021, compared to 70 permits issued with a combined value of \$19.28 million in March 2020.

Source: Building Services, City of Greater Sudbury

TOTAL VALUE OF BUILDING PERMITS (millions \$)

	March 2021	March 2020	YoY
	YTD	YTD	
Value	\$51.91	\$49.93	G
Number of Permits	294	205	G

TOTAL VALUE ICI BUILDING PERMITS (millions \$)

Industrial, Commercial and Institutional Building

	March 2021	March 2020	YoY
	YTD	YTD	
Value	\$36.12	\$41.84	R
Number of Permits	76	58	G

VALUE OF BUILDING PERMITS – Greater Sudbury (millions \$)

	March 2021	March 2020	YoY
	YTD	YTD	
Residential	\$15.55	\$8.01	G
Commercial	\$5.23	\$15.13	R
Industrial	\$24.46	\$13.46	G
Institutional	\$6.43	\$13.25	R

FINANCIAL ACTIVITY

INSOLVENCIES

Greater Sudbury	Q4 2020	Q4 2019	%-change	YoY
Business Bankruptcies	3	2	50.0%	R
Consumer Bankruptcies	152	259	-41.3%	G

Ontario	Q4 2020	Q4 2019	%-change	YoY
Business Bankruptcies	185	205	-9.8%	G
Consumer Bankruptcies	8,244	11,588	-29.0%	G

Consumer bankruptcies decreased in Greater Sudbury by 41.3% in Q4 2020 comparing to Q4 2019.

Source: Office of the Superintendent of Bankruptcy Canada.

MAJOR FUNDING AND ANNOUNCEMENTS

- The Regional Business Centre's Next Step Small Business Support Program will provide local businesses with access to complimentary one-time professional services of up to \$1,500 for new projects or initiatives that will aid in business recovery, operation adjustments and/or establishment of new revenue streams. This program was developed, through funding provided to the Small Business COVID Recovery Network from the Ontario Government under the Ontario Together Fund initiative.
- Through a new program now in development, Downtown Sudbury BIA will provide funding relief for its retail and hospitality members by reimbursing them for up to 75% of their outdoor or patio expenditures to a maximum individual contribution of up to \$7,500, with the funding provided directly by the BIA.
- The Rural and Northern Immigration Pilot have approved 17 applicants for community recommendations for the 2021 year. Approximately 30 more candidates will be approved through the program in the coming months.
- The Export Marketing Assistance Program is currently in its second intake. The total number of approved EMA applications to date is 47, with 25 being from Sudbury. The total funding approved for Sudbury companies is \$340,000 to date.

Legend

R – Unfavourable **Y** – No/Small Change **G** – Favourable

investsudbury.ca
greatersudbury.ca

Third Quarter - 2022 Economic Bulletin

City of Greater Sudbury

November 24, 2022

The City of Greater Sudbury is pleased to provide insight into Greater Sudbury's economic growth, diversity and prosperity that supports development, entrepreneurship, business and assessment growth in our community.

The data in the pages to follow is an overview of the growth experiences in Greater Sudbury over the third quarter of 2022.

Highlights

- In accordance with City Council's strategic direction, City staff have worked to develop an Employment Land Strategy to ensure an adequate supply of serviced employment land and an incentive framework to stimulate investment, development and job creation. Eight strategic industrial areas were identified across the City and recommendations

for improvements to land use planning and infrastructure were created. In August, Council approved the Employment Land Strategy and directed staff to prepare an Implementation Plan which follows through on the recommendations from the Strategy and will help to strengthen Greater Sudbury's competitiveness and investment readiness.

- Council approved the direction to adopt the new Strategic Core Areas Community Improvement Plan (CIP) that would replace the existing Downtown Sudbury and Town Centre Community Improvement Plans. Highlights of the proposed new CIP include a new Commercial Vacancy Assistance Program for permanent leasehold improvements, a new Business Improvement Area Tenant Attraction Program in the form of an interest-free loan program, a new "Superstack" Tax Equivalent Grant Program and an expansion of the Façade Improvement Program.
- City staff submitted a Downtown Master Plan Update in September. Council approved the submission of a business case to update the Downtown Master Plan, which will be considered as part of the 2023 Budget Process.
- In the third quarter, permits for major projects across all sectors were issued with a total construction value of \$24.8 million dollars indicating positive economic growth and continued confidence for the Greater Sudbury economic future. Projects such as the construction of the Exploration Shaft Hoist House at Vale, the Intensification of a number of existing buildings creating multiple new residential units and the construction of the Cambrian College's Battery Electric Vehicle Lab located within the Glencore Centre for Innovation building will help shape and grow our city as well as increase employment and economic opportunities

in our community.

- In conjunction with the Tourism Development Fund (TDF), the Greater Sudbury Development Corporation (GSDC) approved \$14,925 in the third quarter to fund local programs and organizations to support tourism and culture initiatives across the community. To date, \$241,125 has been approved through TDF in 2022.
- The City of Greater Sudbury continues to implement the Economic Recovery Strategic Plan and focus its attention and resources on key actions that will support the community's efforts in recovery from the challenges of the COVID-19 pandemic. This will be done by continuing to develop Greater Sudbury's workforce, support local attractions and the downtown.

Growth By The Numbers

Over the third quarter, there was an increase in issued permits compared to the same period in 2021, contributing to economic growth in the community.



Building permits issued and value

The construction industry continues to show resilience despite ongoing challenges, including the increased cost of materials, disruptions to the supply chain and labour shortages. With

demands from developers locally and investors from southern Ontario looking to move to the north, it's expected that Greater Sudbury will see continued growth.

Industrial, Commercial and Institutional (ICI) building permits reflect development activity contributing to employment growth in the community. The number and value of ICI permits fluctuate year to year with contributing factors, including the number of large-scale or multi-year projects, with the five-year average indicating a move toward steady and consistent growth in these areas. In the third quarter of 2022, we saw an increase in ICI building permits compared to the same period in 2021, and this year's growth to date is slightly below the five-year average for the first time this year. The total value slightly increased in the third quarter of 2022 to \$32.3 million compared to \$20.9 million in the third quarter of 2021.



Building permits ICI issued and value

New gross floor area (GFA) reflects additional ICI development that contributes to increased employment and assessment growth. Overall, GFA values have remained relatively stable for the last five years, showing strong demand in the local industry. The value for institutional GFA in the first and second quarters of 2022 showed positive growth for the community. Due to the increase in development charges at the end of the second quarter, we saw a large increase in applications during that period which accounts for a decrease in applications in the third quarter.



New ICI gross floor area

Housing data and construction values show strength in the local residential construction industry with the creation of new housing development and continued interest in intensification of the existing housing stock. Trending growth overall this year in the areas of housing starts, secondary units registered and total residential units, combined with a significant increase in property transactions, demonstrates a strong investment interest in the local housing market. The third quarter of 2022 is lagging slightly behind previous quarters, but we are anticipating an upswing in the last quarter of the year. The reduction in values year over year can be attributed to the number of housing starts in the second quarter due to the development charge increase implemented on July 1, 2022.



New residential construction value and miscellaneous construction value



Housing starts, secondary units registered and residential units created

Housing starts decreased slightly in the third quarter due to the change to Development Charges effective July 1, 2022, in accordance with By-law 2019-100, there was an increase in applications in the second quarter, which attributed to a

decline in the number of applications in the third quarter for new commercials and new institutional gross floor area.

Secondary units registered and the new residential units created continue to increase throughout the year. 393 new residential units have been created, an increase of 17% from 2021, with a value of 103.3 million. Same time last year, a total of 296 units were created with a total value of \$88.5 million.

Over the third quarter, there was a large uptake in planning applications received. The number of applications indicates there is consistent development activity in the community. Planning application processing times reflect the time it takes to review applications and present them for decision, while ensuring municipal and provincial land use planning standards are met. Despite the increase in the number of Planning applications staff increased the number that were processed within the City benchmarks.



Planning Applications Received and Processing Times

Business Support

New businesses continue to start and expand with services offered through the City's Regional Business Centre. In the third quarter of 2022, 21 businesses startups and expansions were supported. This is above with what was experienced in 2021 with ten businesses startups and expansions supported during the same time period last year.

The Regional Business Centre continues to find innovative ways to work with its partners to support local business. The grand opening of the Downtown Business Incubator project, known as the Innovation Quarters/Quartier de l'innovation (IQ), took place in the second quarter of 2022. Innovation Quarters is a partnership between the City of Greater Sudbury, NORCAT and the Greater Sudbury Chamber of Commerce, under the coordination of the Regional Business Centre.

The Innovation Quarters started its 15-week Venture Bootcamps in October to help early-stage and prospective founders validate their business ideas and build roadmaps to launch or grow their businesses.

The goal of the incubator is to create a hub of economic activity in Greater Sudbury through resources and services that support early-stage, innovative, high-growth potential business startups across a spectrum of sectors and industries. This initiative focuses on assisting local entrepreneurs with a desire to grow their tech-enabled startups and will soon provide them with access to mentorship opportunities, office space and tailored programming through the establishment of the downtown space. The mentorship program is accepting applications until October 2022 for the first cohort. To learn more visit <https://innovationquarters.ca>.

Film Production

Greater Sudbury's film and television sector has been an important economic driver for our community for nearly a decade. The industry attracts incredibly talented and creative people to Greater Sudbury, resulting in jobs that help them stay in the north. Among the local productions filmed, Greater Sudbury will be the backdrop and play itself in *Shoresy*, a spinoff of Bell Media's Crave hit *Letterkenny*. In the third

quarter of 2022, eight productions were filmed in Greater Sudbury, of which three were feature films.



Film in Sudbury banner

Rural and Northern Immigration Pilot

The City of Greater Sudbury is one of 11 communities selected to participate in the Rural and Northern Immigration Pilot Program (RNIP), through Immigration, Refugees and Citizenship Canada. This program works to address local labour force shortages while encouraging immigration and population growth.

In the third quarter of 2022, there were 44 individuals approved through the RNIP to apply for permanent residency. This is an increase from 2021, during which 10 individuals were approved in the third quarter. Demand continues to be strong in 2022 with new applications coming in on a near-daily basis. In total, 243 candidates have been recommended since the program's inception, representing 501 new residents for our community when spouses and family members are included.

Qualifications of Philippe Hébert, MBA, AACI, P. App.

- Accredited Member– Appraisal Institute of Canada
- Bachelor of Commerce, Honours Degree, University of Guelph
- Master of Business Administration, Athabasca University
- Class P1 Licence - Paralegal

Appraisal Assignments Have Been Carried Out for the Following:

- Chartered Banks and Trust Companies
- Credit Unions and Caisse Populaires
- Municipal, Provincial and Federal Governments
- Finance Companies
- Law and Accounting Firms
- Mortgage Brokerage Firms
- The Business Development Bank of Canada (BDC)
- Individuals and Corporations
- Litigation Support – Expert Reports & Testimony

Qualifications of Stephanie Elliott, BBRE, AACI, P. App.

- Accredited Member– Appraisal Institute of Canada
- Bachelor of Business in Real Estate, Thompson River’s University
- Realtor Certificate, OREA Real Estate College

Appraisal Assignments Have Been Carried Out for the Following:

- Chartered Banks and Trust Companies
- Credit Unions and Caisse Populaires
- Finance Companies
- Law and Accounting Firms
- Mortgage Brokerage Firms
- Individuals and Corporations

CONFIDENTIAL REPORT

EXHIBIT C

Summary of Listing Proposals

Confidential Exhibit
Summary of listing proposals

Firm	Suggested list price	Commission	Listing Term	Comments
Mallette Goring	\$ 6,500,000	4.50% / 4.00%	5-6 months	Previously had the listing agreement from March to November 2022. Proposal discussed incentives for potential purchasers who would be interested, corporate profile overview, recent mandates, and proposed marketing approach. Valuation based on comparables from the past 5 years for an average \$ per SqFt.
Gentry Real Estate Services Limited	\$ 8,199,000	4.00% / 3.50 %	8 months	On-site inspection conducted, review of information from property manager. Proposal discussed incentives for potential purchasers who would be interested, a brief marketing plan, and the basis for the listing price. Valuation based on discounted cost income approach.
Royal LePage	\$ 5,150,000	4.00% / 3.00%	6 months	Advised best use would be residential. Property requires many upgrades. Proposal discussed incentives for potential purchasers who would be interested, corporate profile overview, and proposed marketing approach. Valuation based on comparables and market research. Expected sale price mid to high \$4M.

CONFIDENTIAL REPORT

EXHIBIT D

Summary of Offers

30 Cedar Holdings Limited
Summary of offers received
Exhibit to the Confidential Report

Buyer	Date offer received	Price	Deposit	Closing	Conditions	Comments
Bay 20 Inc.	21-Apr-23	\$ 4,500,000.00	\$ 50,000.00	August 31, 2023	- Financing - Insurance - Due Diligence (incl. environmental assessment)	
Urban Pro Development	21-Apr-23	\$ 3,000,000.00	\$ -	May 31, 2023	- None	Letter of Intent, not purchase agreement
FHR Construction	28-Apr-23	\$ 3,500,000.00	\$ 500,000.00	May 31, 2023	- None	
Panoramic Properties Inc. in trust	28-Apr-23	\$ 2,500,000.00	\$ 50,000.00	May 31, 2023	- None	
2745140 Ontario Inc.	28-Apr-23	\$ 6,100,000.00	\$ 100,000.00	July 30, 2023	- Review of offer by buyers solicitor - Property inspection	Entered into an agreement which ultimately failed as buyer did not waive conditions.

CONFIDENTIAL REPORT

EXHIBIT E

Real Property Preliminary Development Budget



PRELIMINARY DEVELOPMENT PRO FORMA BUDGET
 30 Cedar Street, The City of Great Sudbury
 FOR PRELIMINARY DISCUSSION

ITEM CODE	ITEM DESCRIPTION	BUDGET	COMMENTS	COSTS ANALYSIS		% ANALYSIS	
				\$/Unit	\$/GFA	% of Construction	% of Total
				104.00	93,646.02	\$28,334,547	\$32,485,498
EXECUTIVE SUMMARY							
	LAND PURCHASE AND ACQUISITION COSTS	\$0		\$0	\$0	0%	0%
	HARD COSTS - CONSTRUCTION COSTS	\$28,334,547		\$272,448	\$303	100%	87%
	SOFT COSTS	\$4,150,952		\$39,913	\$44	15%	13%
	TOTAL	\$32,485,498		\$312,361	\$347	115%	100%
PROJECT BUDGET SUMMARY							
1.	LAND PURCHASE & ADQUISITION COSTS	\$0		\$0	\$0	0%	0%
2.	DEVELOPMENT APPROVALS AND MUNICIPAL COSTS	\$1,697,256		\$16,320	\$18	6%	5%
3.	CONSTRUCTION COSTS	\$28,334,547		\$272,448	\$303	100%	87%
4.	PROFESSIONAL FEES	\$0		\$0	\$0	0%	0%
5.	DEVELOPMENT GENERAL AND ADMINISTRATIONS COSTS	\$1,600,509		\$15,390	\$17	6%	5%
6.	FURNITURE, FIXTURE AND EQUIPMENT (FFE)	\$655,522		\$6,303	\$7	2%	2%
7.	MARKETING AND SALES	\$0		\$0	\$0	0%	0%
8.	FINANCING	\$0		\$0	\$0	0%	0%
9.	PRE-OPENING AND INTERIM OPERATIONS	\$0		\$0	\$0	0%	0%
10.	OPERATING TAXES AND OTHERS	\$0		\$0	\$0	0%	0%
11.	PROJECT CONTINGENCY	\$197,664		\$1,901	\$2	1%	1%
12.	INTERIM INCOME	\$0		\$0	\$0	0%	0%
	GROSS PROJECT BUDGET	\$32,485,498		\$312,361	\$347	115%	100%
1. LAND PURCHASE & ADQUISITION COSTS							
1.1.	Land Purchase Price	\$0	From Realtor.ca	\$0	\$0	0%	0%
1.2.	Land Closing Costs	\$0	Assumed included above	\$0	\$0	0%	0%
1.3.	Land Transfer Taxes	\$0	From Realtor.ca	\$0	\$0	0%	0%
1.4.	Property Taxes	\$0	Allowance until the end of construction	\$0	\$0	0%	0%
1.5.	Land Financing Costs	\$0	Assumed not required	\$0	\$0	0%	0%
	SUBTOTAL	\$0		\$0	\$0	0%	0%
2. DEVELOPMENT APPROVALS AND MUNICIPAL COSTS							
2.1.	Zoning By-Law Amendment Application Fee	\$0	Assumed not required	\$0	\$0	0%	0%
2.2.	Site Plan Approval Application Fee	\$0	Assumed not required	\$0	\$0	0%	0%
2.3.	Additional Density Fees	\$0	Assumed not required	\$0	\$0	0%	0%
2.4.	Building Permit Fees	\$275,000	Assumed \$25/m2 plus a 10% allowance GCA	\$2,644	\$3	1%	1%
2.5.	Development Charges - City	\$1,222,256	Based on DC Schedule and premiums reduction. Based on 104 units. See email from Denise for further information	\$11,752	\$13	4%	4%
2.6.	Development Charges - Education	\$0	Assumed included above	\$0	\$0	0%	0%
2.7.	Development Charges - Site Specific	\$0	Assumed included above	\$0	\$0	0%	0%
2.8.	Capital Contributions - Parkland - Cash in Lieu	\$0	Assumed not required	\$0	\$0	0%	0%
2.9.	Misc. Municipal Fees and Charges	\$200,000	Allowance	\$1,923	\$2	1%	1%
2.10.	Street Rental Permit Fees	\$0	Assumed not required	\$0	\$0	0%	0%
2.11.	Rezoning Consultant Expenses	\$0	Assumed not required	\$0	\$0	0%	0%
2.12.	Demolition Permit Fee	\$0	Assumed included above	\$0	\$0	0%	0%
2.13.	Plan of Condo Approval	\$0	Assumed not required	\$0	\$0	0%	0%
2.14.	Official Plan Amendment Application	\$0	Assumed not required	\$0	\$0	0%	0%
2.15.	Tarion Enrolment Fee	\$0	Assumed not required	\$0	\$0	0%	0%
	SUBTOTAL	\$1,697,256		\$16,320	\$18	6%	5%
3. CONSTRUCTION COSTS							
3.1.	Construction - Below and Above Grade Parking	\$0	Per Construction Budget	\$0	\$0	0%	0%
3.2.	Construction - Tower - 8 Levels (Ground floor Commercial)	\$21,911,130	Per Construction Budget	\$210,684	\$234	77%	67%

3.3.	Construction - Site Development	\$1,952,224	Per Construction Budget	\$18,771	\$21	7%	6%
3.4.	Construction - General Requirements and Fess	\$0	Per Construction Budget	\$0	\$0	0%	0%
3.5.	Construction & Design - Contingencies	\$2,181,452	Per Construction Budget	\$20,975	\$23	8%	7%
3.6.	Construction - Allowances	\$750,000	Per Construction Budget	\$7,212	\$8	3%	2%
3.7.	Construction Management Fees	\$1,339,740	5% Allowance of Construction Budget	\$12,882	\$14	5%	4%
3.8.	Utility Connections	\$200,000	Allowance	\$1,923	\$2	1%	1%
3.9.	Demolition	\$0	Assumed included in Construction Budget	\$0	\$0	0%	0%
3.10.	Site Remediation	\$0	Assumed not required	\$0	\$0	0%	0%
3.11.	Landlord Works	\$0	Assumed not required	\$0	\$0	0%	0%
3.12.	Purchaser Upgrade Cost	\$0	Assumed not required	\$0	\$0	0%	0%
3.13.	Bonding	\$0	Assumed not required	\$0	\$0	0%	0%
3.14.	Warranty and After Sales Services	\$0	Assumed not required	\$0	\$0	0%	0%
SUBTOTAL		\$28,334,547		\$272,448	\$303	100%	87%
4. PROFESSIONAL FEES							
4.1.	Architect	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.2.	Structural Engineer	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.3.	Mechanical Engineer	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.4.	Electrical Engineer	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.5.	Civil Engineer	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.6.	Landscape Architect	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.7.	Interior Designer	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.8.	Geotechnical Consultant	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.9.	Environmental Consultant	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.10.	Shoring Consultant	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.11.	Inspection and Testing	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.12.	LEED Consultant	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.13.	Planning Consultant	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.14.	Surveyor	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.15.	Cost Consultant	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.16.	Misc. Other Consultants	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.17.	Marketing	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
4.18.	Traffic	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
SUBTOTAL		\$0		\$0	\$0	0%	0%
5. DEVELOPMENT GENERAL AND ADMINISTRATIONS COSTS							
5.1.	Legal Fees - General	\$50,000	Allowance	\$481	\$1	0%	0%
5.2.	Legal Fees - Finance	\$50,000	Allowance	\$481	\$1	0%	0%
5.3.	Accounting and Audit	\$0	Assumed included in Development Management Fees	\$0	\$0	0%	0%
5.4.	Builder's Risk Insurance	\$160,769	Assumed \$6/\$1,000 of construction	\$1,546	\$2	1%	0%
5.5.	Development Management Fees	\$1,339,740	Assumed 5% of the Construction Budget	\$12,882	\$14	5%	4%
SUBTOTAL		\$1,600,509		\$15,390	\$17	6%	5%
6. FURNITURE, FIXTURE AND EQUIPMENT (FFE)							
6.1.	FFE	\$655,522	Assumed \$7/sqf of Total GFA	\$6,303	\$7	2%	2%
SUBTOTAL		\$655,522		\$6,303	\$7	2%	2%
7. MARKETING AND SALES							
7.1.	Marketing and Advertising	\$0	Allowance	\$0	\$0	0%	0%
7.2.	Sales Centre	\$0	Assumed included above	\$0	\$0	0%	0%
7.3.	Purchaser Incentive	\$0	Assumed included above	\$0	\$0	0%	0%
7.4.	Sales Commission - Lead Broker	\$0	Assumed included above	\$0	\$0	0%	0%
7.5.	Sales Commission - Lead Broker - Deferred	\$0	Assumed included above	\$0	\$0	0%	0%
7.6.	Sales Commission - Third Party	\$0	Assumed included above	\$0	\$0	0%	0%
7.7.	Sales Commission - Third Party - Deferred	\$0	Assumed included above	\$0	\$0	0%	0%
7.8.	Tenant Improvements - Retail	\$0	Assumed included above	\$0	\$0	0%	0%
7.9.	Leasing Commissions - Above Grade Retail	\$0	Assumed included above	\$0	\$0	0%	0%
7.10.	Leasing Commissions - Office	\$0	Assumed included above	\$0	\$0	0%	0%
SUBTOTAL		\$0		\$0	\$0	0%	0%
8. FINANCING							
8.1.	Loan Commitment Fee	\$0	Assumed included below	\$0	\$0	0%	0%
8.2.	Stand By Fee	\$0	Assumed included below	\$0	\$0	0%	0%
8.3.	Discharge Fee - Deferred	\$0	Assumed included below	\$0	\$0	0%	0%
8.4.	Project Monitor	\$0	Assumed included below	\$0	\$0	0%	0%
8.5.	Appraisal	\$0	Assumed included below	\$0	\$0	0%	0%

8.6.	Letter of Credit Fees	\$0	Assumed included below	\$0	\$0	0%	0%
8.7.	Misc. Finance Charges	\$0	Assumed included below	\$0	\$0	0%	0%
8.8.	Brokerage Fee	\$0	Assumed included below	\$0	\$0	0%	0%
8.9.	Tarion Bond Fee	\$0	Assumed included below	\$0	\$0	0%	0%
8.10.	Excess Deposit Insurance Fee	\$0	Assumed included below	\$0	\$0	0%	0%
8.11.	CMHC Mortgage Insurance Fee	\$0	Assumed included below	\$0	\$0	0%	0%
8.12.	CMHC Application Fee and Expenses	\$0	Assumed included below	\$0	\$0	0%	0%
8.13.	Construction Loan Interest	\$0	Allowance	\$0	\$0	0%	0%
SUBTOTAL		\$0		\$0	\$0	0%	0%
9. PRE-OPENING AND INTERIM OPERATIONS							
9.1.	Interim Operating Costs - Condo	\$0		\$0	\$0	0%	0%
SUBTOTAL		\$0		\$0	\$0	0%	0%
10. OPERATING TAXES AND OTHERS							
10.1.	VAT Payable on Value / Self Assessed Value (HST/GST/QST)	\$0		\$0	\$0	0%	0%
10.2.	VAT Payable on Value (HST/GST/QST)	\$0		\$0	\$0	0%	0%
10.3.	VAT Refundable (HST/GST/QST)	\$0		\$0	\$0	0%	0%
SUBTOTAL		\$0		\$0	\$0	0%	0%
11. PROJECT CONTINGENCY							
11.1.	Project Contingency	\$197,664	5% of the Project Budget (excl. Land and Construction Costs)	\$1,901	\$2	1%	1%
SUBTOTAL		\$197,664		\$1,901	\$2	1%	1%
12. INTERIM INCOME							
12.1.	Interim Operating Income - Condo	\$0		\$0	\$0	0%	0%
SUBTOTAL		\$0		\$0	\$0	0%	0%
NET PROJECT BUDGET		\$32,485,498		\$312,361	\$347	115%	100%

CONFIDENTIAL REPORT

EXHIBIT F

Panoramic APS



Agreement of Purchase and Sale

Form 500

for use in the Province of Ontario

Commercial

12th

SL

This Agreement of Purchase and Sale dated this 12th day of April, 2023

BUYER: Panoramic Properties Inc. in trust For a company to be incorporated, agrees to purchase from
(Full legal names of all Buyers)

SELLER: Raymond Chabot Inc. solely in its capacity as Receiver of the Roynat Inc., the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address 30 Cedar Street

fronting on the west side of Sudbury
in the City of Sudbury

and having a frontage of 270 more or less by a depth of Irregular more or less

and legally described as LT 101 BLK A PL 35A MCKIM; PT LT 99-100 BLK A PL 35A MCKIM AS IN S112718; S/T RESERVATIONS IN S112718; LT 96-98 BLK A PL 35A MCKIM; PT LT 99-100 BLK A PL 35A MCKIM AS IN S114642; GREATER SUDBURY

PURCHASE PRICE: Three Million Seven Hundred Fifty Thousand Dollars (CDN\$) 3,750,000.00

DEPOSIT: Buyer submits Five Hundred Thousand Dollars (CDN\$) 500,000.00 upon acceptance

by negotiable cheque payable to Royal LePage North Heritage Realty "Deposit Holder" to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached attached hereto form(s) part of this Agreement.

1. IRREVOCABILITY: This offer shall be irrevocable by Buyer until 6:00 p.m. on 14th day of July, 2023, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the 10th day of July, 2023 following Seller Court Approval. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): [Signature]

INITIALS OF SELLER(S): SL

The trademarks REALTOR®, REALTORSM, MLS®, Multiple Listing Services® and associated logos are owned or controlled by The Canadian Real Estate Association (CREA) and identify the real estate professionals who are members of CREA and the quality of services they provide. Used under license. © 2023, Ontario Real Estate Association ("OREA"). All rights reserved. This form was developed by OREA for the use and reproduction by its members and licensees only. Any other use or reproduction is prohibited except with prior written consent of OREA. Do not alter when printing or reproducing the standard pre-set portion, OREA bears no liability for your use of this form.

3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for hereto shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: (For delivery of Documents to Seller) FAX No.: (For delivery of Documents to Buyer)
Email Address: cassandrab@royallepagecommercial.com Email Address: alexduz@royallepage.ca
(for delivery of Documents to Seller) (for delivery of Documents to Buyer)

4. **CHATELS INCLUDED:**

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:**

None

6. **RENTAL ITEMS (Including Lease, Lease to Own):** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:


None

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 

 The trademarks REALTOR®, REALTOR®, REALTOR®, Multiple Listing Services® and associated logos are owned or controlled by The Canadian Real Estate Association (CREA) and identify the real estate professionals who are members of CREA and the quality of services they provide. Used under license.
© 2023, Ontario Real Estate Association ("OREA"). All rights reserved. This form was developed by OREA for the use and reproduction by its members and licensees only. Any other use or reproduction is prohibited except with prior written consent of OREA. Do not alter when printing or reproducing the standard pre-set portion. OREA bears no liability for your use of this form.

5 days before closing, 20

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the day of..... to examine the title to the property of his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there

are no outstanding work orders or deficiency notices affecting the property, that its present use (Retail Office Space) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telecommunication services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telecommunication lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (title insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such party and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement which is recommended from time to time by the Law Society of Ontario. Unless otherwise agreed to by the lawyers, such exchange of Requisite Deliveries shall occur by the delivery of the Requisite Deliveries of each party to the office of the lawyer for the other party or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

INITIALS OF BUYER(S):

[Handwritten initials]

INITIALS OF SELLER(S):

[Handwritten initials 'SL' in a circle]

- 15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
- 16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O. 1990.
- 17. **RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.
- 18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
- 19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
- 20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be reassessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
- 21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Lynx high value payment system as set out and prescribed by the Canadian Payments Act (R.S.C., 1985, c. C21), as amended from time to time.
- 22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless the spouse of the Seller has executed the consent hereinafter provided.
- 23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing urea formaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains urea formaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
- 24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
- 25. **CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
- 26. **AGREEMENT IN WRITING:** If there is 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 Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
- 27. **ELECTRONIC SIGNATURES:** The parties hereto consent and agree to the use of electronic signatures pursuant to the Electronic Commerce Act, 2000, S.O. 2000, c17 as amended from time to time with respect to this Agreement and any other documents respecting this transaction.
- 28. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

The trademarks REA(OR), REALTOR(S), MLS(S), Multiple Listing Service(S) and associated logos are owned or controlled by the Canadian Real Estate Association (CREA) and identify the real estate professionals who are members of CREA and the quality of services they provide. Used under license.
© 2023, Ontario Real Estate Association ("OREA"). All rights reserved. This form was developed by OREA for the use and reproduction by its members and licensees only. Any other use or reproduction is prohibited except with prior written consent of OREA. Do not alter when printing or reproducing the standard pre-set portion. OREA bears no liability for your use of this form.

29. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein. SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness)
(Witness)

[Handwritten signature]

Panoramic Properties Inc., TRUST

(Buyer/Authorized Signing Officer)
(Buyer/Authorized Signing Officer)

(Seal)
(Seal)

April 28/2023
(Date)

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer. SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness)
(Witness)

Raymond Chabot Inc.

Stanley Laiselle
(Seller/Authorized Signing Officer)
(Seller/Authorized Signing Officer)

(Seal)
(Seal)

07/05/23
(Date)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced 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 give full force and effect to the sale evidenced herein.

(Witness)

(Spouse)

(Seal)

(Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties of this day of 07/14/23 2023 at a.m./p.m.

Stanley Laiselle
(Signature of Seller or Buyer)

Table with 2 columns: Brokerage Name, Address, and Phone Number. Includes Listing Brokerage (ROYAL LEPAGE NORTH HERITAGE REALTY, BROKERAGE) and Co-op/Buyer Brokerage (ROYAL LEPAGE NORTH HERITAGE REALTY, BROKERAGE (SOUTH END)).

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Seller) Raymond Chabot Inc.
(Seller) or Receiver of the Funds
Address for Service
Seller's Lawyer
Address
Email

(Buyer) PANORAMIC PROPERTIES INC.
(Buyer) or a company or its representative
Address for Service
Buyer's Lawyer
Address
Email

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale; In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by: CASSANDRA BEACH (Authorized to bind the Listing Brokerage)

The trademarks REALTOR®, REALTOR®, MLS®, Multiple Listing Services® and associated logos are owned or controlled by The Canadian Real Estate Association (CREA) and identify the real estate professionals who are members of CREA and the quality of services they provide. Used under license. © 2023, Ontario Real Estate Association ("OREA"). All rights reserved. This form was developed by OREA for the use and reproduction by its members and licensees only. Any other use or reproduction is prohibited except with prior written consent of OREA. Do not alter when printing or reproducing the standard pre-print portion. OREA bears no liability for your use of this form.



Schedule A

Agreement of Purchase and Sale - Commercial

Form 500

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: Panoramic Properties Inc. in trust for a company to be incorporated, and

SELLER: Raymond Chabot Inc. solely in its capacity as Receiver of the Roynat Inc.

for the purchase and sale of 30 Cedar Street Sudbury

ON P3B1A4 dated the 21 day of April 2023

Buyer agrees to pay the balance as follows:

The Buyer agrees to pay the balance of the Purchase Price, subject to adjustments, to the Seller on completion of this transaction, with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Lynx high value payment system as set out and prescribed by the Canadian Payments Act (R.S.C., 1985, c. C-21) as amended from time to time.

The Buyer shall have the right at any time prior to closing, to assign the within Offer to any person, persons or corporation, either existing or to be incorporated, and upon delivery to the Seller of notice of such assignment, together with the assignee's covenant in favour of the Seller to be bound hereby as Buyer, the Buyer herein before named shall stand released from all further liability here under.

SELLER (continued) Raymond Chabot Inc. solely in its capacity as Receiver of the Roynat Inc. and not in its personal capacity.

LEGAL DESCRIPTION: (continued) Pin # 735840044 and Pin # 735840045

SCHEDULE B (10 pages) attached hereto forms part of this agreement of purchase and sale.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

The trademarks REALTOR®, REALTORSEN®, MLS®, Multiple Listing Service® and associated logos are owned or controlled by The Canadian Real Estate Association (CREA) and identify the real estate professionals who are members of CREA and the quality of services they provide. Used under license.
© 2023, Ontario Real Estate Association ("OREA"). All rights reserved. This form was developed by OREA for the use and reproduction by its members and licensees only. Any other use or reproduction is prohibited except with prior written consent of OREA. Do not alter when printing or reproducing the standard preset portion. OREA bears no liability for your use of this form.

SCHEDULE "B"

THIS SCHEDULE forms part of an agreement of purchase and sale between Panorama Properties Inc in trust as Buyer (the "Buyer") and Raymond Chabot Inc. solely in its capacity as court-appointed Receiver of 30 Cedar Holdings Inc. (the "Debtor") as vendor (the "Seller").

1. Authority for Sale

(a) Subject to what follows, it is understood and agreed that the Seller is selling the Property pursuant to an Order of the Superior Court of Justice (Ontario) dated November 24, 2022 (the "Appointment Order") which contain a provision entitling the Seller to sell all or any part of the property of Debtor, subject to the approval of the Court in certain circumstances.

2. Acceptance of Interest

~~After Waiver of the Due Diligence Conditions~~ *MS SC*

(a) The Buyer shall purchase the Property as it exists on the Acceptance Date without representation, warranty of condition with respect to the fitness, condition, zoning or lawful use of the Property or any portion thereof. The Buyer acknowledges that the Property is being purchased on an "as is, where is" basis and that it has or will inspect the Property and will accept the same in its state and condition as of the Acceptance Date. The Buyer acknowledges and agrees that the Seller has not made and will not be asked to make any representation or warranty and further acknowledges that there are no conditions or warranties whether express or implied, statutory or non-statutory, affecting or in any way relating to the Property or any portion thereof relating to any matter whatsoever, including the state of repair, degree of maintenance, description, quality, fitness for any present or intended purpose or use, physical condition, compliance or non-compliance with environmental rules, regulations or legislative provisions, zoning, location or any other matter whatsoever. The Buyer acknowledges that the Buyer has relied entirely upon the Buyer's own inspections and investigations with respect to all such issues and with respect to proceeding with the transactions contemplated in this Agreement. The implied covenants set forth in the *Land Registration Reform Act* otherwise operating in favour of the Buyer are hereby expressly excluded.

(b) The description of the Property is believed to be materially correct but if any statement, error or omission shall be found to or in the particulars thereof including the acreage of same, same shall not entitle the Buyer to be relieved of any obligation hereunder nor shall any compensation be allowed to either the Seller or the Buyer in respect thereof. Similarly loss of or damage to any portion of the Property, with the exception of the substantial destruction of the principal buildings, if any, on the Property shall not entitle the Buyer to be relieved of any obligation hereunder nor shall

1 *MS* *SC*

any compensation or abatement be allowed to the Buyer in respect thereof, save and except as provided herein and in Section 14 of the pre-printed form to which this schedule is attached. Notwithstanding anything to the contrary contained herein, if there is loss of or damage to the Property, or any portion thereof, which is not substantial damage, the Buyer shall complete the transaction and the Seller shall pay to the Buyer any proceeds of insurance received by the Seller in respect of such loss or damage.

3. Title

(a) The Buyer acknowledges that the title to the Property may be subject to the following (hereinafter referred to as the "Encumbrances"):

- i. any easements, rights of way or licences in favour of any governmental, municipal or other authority for the supply of utilities, gas, water, cable television and/or road widening, site triangles or for any other purpose whatsoever located on, around, over or upon the Property and required in connection therewith;
- ii. any site plan agreements, development agreements or subdivision agreements required by any governmental or municipal authority in connection with the Property and the subdivision of same whether registered on title or not;
- iii. any encroachments by the building located on the Property unto any adjoining property or street and any encroachments by any structure located on adjoining property unto the Property;
- iv. any by-law infractions, easements, encroachment or rights-of-way which might be revealed by an up-to-date survey of the Property;
- v. the reservations, exceptions, limitations, provisos and conditions contained in the original Crown grant or patent;
- vi. the exceptions, limitations and qualifications of the *Land Titles Act* and/or the *Registry Act* and any amendments thereto.

The Buyer covenants with the Seller and agrees that the Buyer shall complete the transaction notwithstanding the registration of the encumbrances and be bound by and comply with the terms and obligations of such encumbrances. Further, the Buyer covenants and agrees that he shall not call for or requisition the discharge/release/vacating of any Encumbrances registered subsequent to the Seller's mortgage. The Property shall be conveyed free and clear of all mortgages, charges, liens, security interests, writs, realty taxes;

(b) The Buyer shall not be required to accept a possessory title to any portion of the Property.

All realty taxes, rents, shall be adjusted to to the Date of Closing.

2
SM SC

4. Inspections

Closing Date

- (a) From and after the Acceptance Date until the expiry of the ~~XXXXXXXXXX~~ the Buyer and its agents and employees shall have access to the Property from time to time, upon reasonable prior notice to the Seller, at the Buyer's sole risk and expense, for the purpose of making any of the Buyer's inspections, including physical inspections, soil tests and environmental investigations. Any such tests and inspections shall be done in a manner to minimize disruption to the tenants of the Property and in compliance with the *Residential Tenancies Act*.
- (b) The Buyer shall be responsible for all damage caused by such access and all inspections, investigations and tests performed by or on its behalf as contemplated in this Paragraph 4 and agrees to restore and repair forthwith to its condition as at the date of this Agreement and in a good and workmanlike manner any damage to the Property arising from such access, inspections, investigations or tests at the Buyer's sole expense. The Buyer hereby indemnifies and saves harmless the Seller with respect to all claims sustained or incurred by the Seller as a result of the Buyer exercising the rights of access, inspection, investigations and tests granted under this Paragraph 4. The Buyer's obligations under this Paragraph 4 shall not merge on and shall survive the closing or termination of this Agreement.

5. Closing Documents

- (a) The Seller agrees to provide on closing to the Buyer and the Buyer acknowledges that it shall only have the right to require:
 - i. An Approval and Vesting Order;
 - ii. A Statement of Adjustments; with normal adjustments in transaction of the nature to pro-rated to Closing as per Schedule C.
 - iii. A direction as to the payee or payees of the balance of the purchase price; and
 - iv. All security pass cards, security codes and keys to the buildings on the Property, tagged (if necessary) for identification, to the extent in the Seller's possession or control.
- (b) The Buyer agrees to provide on closing, in addition to payment of the balance of the purchase price, an indemnity consistent with Paragraph 19 of this Schedule B and such other undertakings, certificates, releases, agreements and documents as the Seller's solicitors and the Buyer's solicitors, both acting reasonably, determine are necessary or required to complete the transactions contemplated herein.

6. Extension of Closing

- (a) In the event any issue is raised with respect to this Agreement which the Seller determines impairs the ability of the Seller to complete this Agreement or in the event that an injunction or other Court Order is obtained or sought preventing the Seller from completing this Agreement which the Seller is unable or unwilling to remove, unless the parties otherwise agree in writing, this Agreement shall be terminated and any deposit paid shall be returned to the Buyer without interest or deduction. In no event shall the Seller be otherwise responsible for any costs, expenses, loss or damages incurred or suffered by the Buyer in any way relating to this Agreement.

7. Approval and Vesting Order

- (a) The Seller covenants and agrees that on or before closing it will apply to the Court for an Order approving the transactions contemplated in this Agreement and vesting all the right, title and interest of Debtor in and to the Property in the Buyer free and clear of all liens, security interests and encumbrances. The Seller will diligently pursue such application and will promptly notify the Buyer of its disposition.

8. Covenants of the Buyer

- (a) The Buyer agrees that, on or before closing, it will cause the following to be done:
- i. Use reasonable efforts to ensure that the representations and warranties of the Buyer set forth herein are true and correct in all material respects at the time of closing; and
 - ii. The Buyer agrees not to register or cause to be registered on the title to the Property or Property this Agreement or notice thereof or a caution or any reference to this Agreement or a Certificate of Pending Litigation or any other encumbrance whatsoever. Any such registration in contravention of this paragraph shall entitle the Seller, at its option, to terminate this Agreement and retain the deposit and any interest thereon as its liquidated damages and pursue whatever additional remedies the Seller may have. This Agreement is personal to the Buyer and neither it nor any monies paid hereunder shall create any interest in the Property or the Property or any part thereof.

9. Representations and Warranties of the Seller

- (a) The Seller represents and warrants to the Buyer as follows:
- i. The Seller has been duly appointed by the Appointment Order as the Receiver and Manager of the Property of Debtor and has the requisite right, power and


SC

authority to enter into this Agreement and to complete the transactions contemplated herein;



- ii. The Seller is not aware of any proceedings pending or threatened to enjoin all or any portion of the transactions contemplated by this Agreement;
- iii. The Seller has not done any act to encumber the Property and that the Seller will not encumber the Property from the Acceptance Date to the date of closing;
- iv. The Seller is not a non-resident of Canada within the meaning of Section 11.6 of the Income Tax Act (Canada);
- v. The Seller has not previously sold and will not dispose of or sell the Property or any portion thereof between the Acceptance Date and the date of closing; and
- vi. The Seller shall furnish or produce only any abstract, deed, declaration or other document or evidence of its interest in the Property or any portion thereof that is in its possession or control.

10. Representations and Warranties of the Buyer

- (a) The Buyer represents and warrants to the Seller as follows and acknowledges that the Seller is relying thereon in entering into and completing this Agreement:
 - i. This Agreement and each of the other agreements, documents and instruments to be executed and delivered by the Buyer on or before closing have been or will be duly executed and delivered by, and when executed and delivered, will constitute the valid and binding obligations of the Buyer, enforceable against the Buyer in accordance with their respective terms; and
 - ii. The Buyer is registered under the *Excise Tax Act* (Canada).

11. Conditions for the Benefit of Seller and the Buyer

- (a) The following conditions are for the benefit of both the Seller and the Buyer and neither party will be obligated to complete the transactions contemplated by this Agreement unless such conditions have been satisfied:
 - i. At the time of closing, no order will have been issued by a court of competent jurisdiction which remains in effect, and no action or proceeding will have been instigated which remains pending before any court of competent jurisdiction to prevent or otherwise adversely affect the purchase and sale of the Property or any portion thereof pursuant to this Agreement; and

5 


- ii. At the time of closing, the Court will have issued the Approval and Vesting Order on notice to a service list satisfactory to the Buyer and the Seller, acting reasonably, and such Order(s) shall not have been stayed, vacated or varied.

In the event the conditions contained above are not satisfied on the applicable date referred to above, this Agreement shall terminate and the deposit shall be returned to the Buyer forthwith without deduction, all without prejudice to any other rights or remedies the parties may have at law or in equity. Notwithstanding the foregoing, the closing shall be deemed to be a waiver by each of the parties of its right to terminate the transaction of purchase and sale contemplated by this Agreement by reason of non-satisfaction of one or more of the conditions included for its benefit and not otherwise satisfied or waived on the Closing Date.

12. Environmental Condition


- (a) The Seller makes no representations or warranties, whatsoever, as to the existence or non-existence of urea formaldehyde insulation, asbestos, PCB's, radium, radon or radon daughters, or any other substances, liquids or materials, whether hazardous or toxic or not, which are or which may constitute on their own or together in combination with any other substance contaminants or pollutants of any environment, including the natural environment. The Seller specifically makes no representation regarding the compliance of the Property with any environmental regulation, whether federal, provincial or municipal or with respect to any rule, regulation, covenant or agreement whether statutory or non-statutory.

13. Governmental Approvals

- (a) It shall be the responsibility of the Buyer, at the Buyer's own expense to obtain any and all governmental, regulatory or other approvals necessary to utilize the Property and every portion thereof. In particular and without limiting the foregoing, the Buyer shall have full obligation to obtain all necessary approvals, licences, permits, authority, permission or other items (collectively the "approvals") whether required locally, provincially, federally or otherwise as may be required to use and enjoy the Property and/or to carry on business thereon and the obtaining of such approvals shall not, in any manner whatsoever be a precondition to completion of or affect or limit the Buyer's obligations to complete the within transaction.

14. Taxes

- (a) The Buyer shall pay on closing, in addition to the purchase price after usual adjustments only, all applicable federal and provincial taxes including any applicable Land Transfer Tax and Harmonized Sales Tax except to the extent that the Buyer provides on or before closing, where applicable, appropriate exemption certificates and the Buyer agrees to indemnify and save the Seller harmless from and against all

6  SL

claims and demands for payment made as a result of the failure by the Buyer to fulfill the requirements hereof and the Buyer acknowledges and agrees that such indemnity shall extend to and include any amounts assessed against the Seller on account of interest and/or penalties. The Buyer shall be permitted to self-assess for the applicable Harmonized Sales Tax provided the Buyer complies with section 221(2) of the *Excise Tax Act* as amended.

15. Unwanted Chattels

- (a) The Seller may but shall not be obligated, in its sole discretion, to remove from the Property and/or any buildings or other structures thereon, any chattel existing as of the Closing Date which is unwanted by the Buyer.

16. Fixtures/Chattels

- (a) Notwithstanding any other clauses set out in this Agreement, the purchase price herein shall include any chattels presently located on, upon around or forming part of the Property, and the Buyer acknowledges that the fixtures may have been installed by the registered owner of the Property on a rental basis, or have been financed by the registered owner, and be subject to a security interest, whether perfected or not.
- (b) The Seller, or anyone on its behalf, does not warrant the aforementioned items are owned, and does not guarantee title to the chattels and does not warrant the condition or state of repair of the chattels. The Buyer must satisfy itself in this regard, and accept the fixtures and chattels on an "as is, where is" basis. The Seller will not remove and shall not be responsible for the removal of any chattels found on the Property prior to or on the date of closing. The Seller shall have no obligation to remove any security interest in any chattels or fixtures that may be subject to a security interest, and the Buyer will complete the closing of this Agreement, whether or not any chattels or fixtures are subject to a security interest, perfected or otherwise, and whether or not notice of any such security interest has been registered or deposited on title to the Property.

17. Independent Advice

- (a) The Buyer acknowledges that the Buyer has had an opportunity to obtain independent advice including, without limitation, independent real estate, accounting and legal advice, prior to the execution of this Schedule, the pre-printed form to which it is attached and all other schedules referred to therein or herein.




18. Receipt of Information

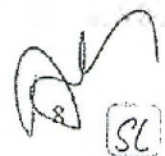
- (a) The Buyer acknowledges that no property owner's statement of disclosure will be delivered or requested and that any document supplied to the Buyer has been or will be delivered without any representation or warranty by or on behalf of the Seller of any nature or kind with respect to the accuracy, and in any other respect, thereof and without liability.
- (b) The Buyer acknowledges that any information supplied to the Buyer by the Seller or its agents or representatives is and was supplied without any representation or warranty, and that the responsibility for the verification of any such Information shall be wholly the responsibility of the Buyer.

19. Environmental Issues

- (a) The Buyer shall indemnify and save harmless the Seller and its directors, officers, employees and agents (collectively, call the "Indemnitees") from and against any and all liabilities, obligations, losses, damages, penalties, action, judgments, suits, claims, demands, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Indemnitees or any of them arising out of or in connection with any order, notices, directives or requirements under or breaches, violations or noncompliance with any Environmental Laws (as hereinafter defined) after the date of completion of the purchase and sale of the Property or Property or as a result of the disposal, storage, release or threat of release or spill on or about the Property or Property of any substance regulated under Environmental Laws both before and after the date of completion of the purchase and sale of the Property or Property. For the purpose of the foregoing, "Environmental Laws" shall mean all requirements under or prescribed by common law and all federal, provincial, regional, municipal, and local laws, rules, statutes, ordinances, regulations, guidelines, directives, notices and orders from time to time with respect to the discharge, generation, removal, transportation, storage or handling of any solid, liquid, gas, odour, radiation, waste or other substance. The obligation of the Buyer hereunder shall survive the dosing of the purchase and sale of the Property.

20. General Provisions

- (a) Acceptance of this offer by either party and communication of same by facsimile transmission or electronic mail shall be binding upon each party as if documents transmitted were originally executed documents.
- (b) Upon termination of this Agreement by reason of default of the Buyer, the deposit, together with all interest accrued thereon, shall be paid to the Seller, forthwith, without any further direction from the Buyer required.



- (c) Except as herein expressly stated no representation, statement understanding or agreement has been made or exists, either oral or in writing, which in any way affects the terms or the subject matter hereof.
- (d) Time will, in all respects be of the essence of this Agreement and no extension or variation of this Agreement or any obligation hereunder will operate as a waiver or implied waiver of this provision.
- (e) Where the provisions of this Schedule conflict with anything contained in the body of the pre-printed form of agreement of purchase and sale to which this Schedule is attached, the parties agree that the provisions of this Schedule shall govern. Otherwise the provisions of this Schedule shall supplement the provisions of the body of the pre-printed form of agreement of purchase and sale.
- (f) The Buyer may, upon prior written consent of the Seller, assign this Agreement to any individuals, trusts, partnerships or corporations, provided that any assignee(s) enter into an agreement with the Seller to observe and perform all of the Buyer's obligations hereunder.
- (g) This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns, as the case may be.
- (h) The Seller and the Buyer will each execute and deliver all such further documents and instruments and do all acts and things as the Buyer or the Seller may, either before or after closing reasonably require to carry out effectively the intent and meaning of this Agreement and to consummate the transactions hereby contemplated.
- (i) This Agreement may be executed in any number of counterparts, and each of such counterparts shall constitute an original of this Agreement and all such counterparts together shall constitute one and the same agreement. This Agreement or counterparts hereof may be executed and delivered by fax or email, and the parties adopt any signatures provided or received by fax or email as original signatures of the applicable party or parties, provided that any such party shall promptly forward to the other party the original signature forthwith after any such delivery.

IN WITNESS WHEREOF the parties hereto have duly executed this Schedule "B" on this ____
day of ~~2nd of March~~, 2023.

April 28th

NAME: Panoramic Properties Inc. In Trust to be assigned

Per: Angelo Butera

Title: President

I have the authority to bind the Corporation.

Raymond Chabot Inc., solely in its capacity as
Receiver of the Property of Debtor and not in its
personal capacity

Stanley Loiselle

Per: Stanley Loiselle, CIRP

I have the authority to bind Raymond Chabot Inc.

Certificate ID: F3404FAD-7E22-EE11-A9B9-6045BDD47FEA

Signing Information:

Signing Name: 30 Cedar Street, Sudbury - Offer Acceptance

ID: F3404FAD-7E22-EE11-A9B9-6045BDD47FEA

Start Date: Jul 14, 2023 03:43:27 PM EDT

End Date: Jul 14, 2023 03:50:35 PM EDT

Signers: 2

Reviewers: 0

CC: 0

Creator: CASSANDRA BEACH

Email: cassandrab@royallepagecommercial.com

Document Information:

Document Name: Buyer's Counter- July 13, 2023

ID: 7D464CB3-7E22-EE11-A9B9-6045BDD47FEA

Pages: 16

Signature Blocks: 3

Initial Blocks: 5

Participant Activity:

Name: RAYMOND CHABOT INC. INC

Type: Email

Email: Loiselle.Stanley@rcgt.com

TOS/STAESP/CCD: Accepted: Jul 14, 2023 03:49:11 PM EDT [4.204.198.168]

EULA/TOS Version: https://secure.authentisign.com/assets/files/Authentisign_TOS_202106.pdf

STAESP Version: https://secure.authentisign.com/assets/files/Authentisign_STAESP_202106.pdf

CCD Version: https://secure.authentisign.com/assets/files/Authentisign_CCD_202106.pdf

Document: Signed And Accepted: Jul 14, 2023 03:50:12 PM EDT [163.116.130.23]

Name: Alex Dumas

Type: Email

Email: alexdumas@royallepage.ca

TOS/STAESP/CCD: Skipped

Document: Skipped

Signature / Initials:

Signature:

 Stanley Loiselle

Initials:

 SL

7e22-ee11-a9b9-6045bdd47fea |
F3404FAD-7E22-EE11-A9B9-6045BDD47FEA

Certificate ID: F3404FAD-7E22-EE11-A9B9-6045BDD47FEA

Consumer Consent Disclosure

By proceeding and selecting the **"I Agree"** button corresponding to the Consumer Consent Disclosure section on the Authentisign Terms of Service window you are agreeing that you have reviewed the following consumer consent disclosure information and consent to transacting business electronically, to receive notices and disclosures electronically, and to utilize electronic signatures instead of using paper documents. This electronic signature service ("**Authentisign**") is provided on behalf of our client ("**Sender**") who is listed with their contact information at the bottom of the Authentisign Signing Participant email ("**Invitation**") you received. The **Sender** will be sending electronic documents, notices, disclosures to you or requesting electronic signatures from you.

You are not required to receive disclosures, notices or sign documents electronically. If you prefer not to do so, you can make a request to receive paper copies and withdraw your consent to conduct business electronically at any time as described below.

Scope of Consent

You agree to receive electronic notices, disclosures, and electronic signature documents with all related and identified documents and disclosures provided over the course of your relationship with the **Sender**. You may at any point withdraw your consent by following the procedures described below.

Hardware and Software Requirements

To receive the above information electronically, you will need all of the following:

- a computer or tablet device with internet access
- a working individual email address
- a supported operating system and browser from list table below

Operating System	Apple Safari	Mozilla® Firefox	Edge	Chrome
Windows 7/8/10	N/A	60 or higher	84 or higher	80 or higher
Mac OS X 10.9 or higher	13.1 or higher	60 or higher	N/A	80 or higher
Android 7.0 or higher	N/A	N/A	N/A	80 or higher
Apple - iOS 10.0 or higher	13.5 or higher	N/A	N/A	80 or higher

JavaScript and Cookies must be enabled in the browser.

Certificate ID: F3404FAD-7E22-EE11-A9B9-6045BDD47FEA

Requesting Paper Copies

You have the ability to download and print or download any disclosures, notices or signed documents made available to you through **Authentisign** using the document print options located within the service. **Authentisign** can also email you a copy of all documents you sign electronically. You are not required to receive disclosures, notices or sign documents electronically and may request paper copies of documents or disclosures if you prefer. If you do not wish to work with electronic documents and instead wish to receive paper copies you can contact the **Sender** through the **Authentisign** document signing interface or request paper copies by following the procedures described below. There could be fees associated to printing and delivering the paper documents.

Withdrawal of Consent to Conduct Business Electronically

Consent to receive electronic documents, notices or disclosures can be withdrawn at any time. In order to withdraw consent you must notify the **Sender**. You may withdraw consent to receive electronic notices and disclosures and optionally electronically signatures by following the procedures described below.

Requesting paper documents, withdrawing consent, and/or updating contact information

To request paper copies of documents, withdraw consent to conduct business electronically and receive documents, notices, or disclosures electronically or sign documents electronically please contact the **Sender** by sending an email to **Sender's** email address located at the bottom of the **Invitation** requesting your desired action. Use one of the following email subject lines and insert the associated text into the body of the email:

- Email Subject line: "Request for Paper Documents"
Include your full name, email address, telephone number, postal address and the signing name found in the **Invitation** in the body of the email.
*Note: There could be per page and delivery fees required by the **Sender** to send the paper documents.*
- Email Subject line: "Withdraw Consent to Conduct Business Electronically"
Include your full name, email address, telephone number, postal address and the signing name found in the **Invitation** in the body of the email.
- Email Subject line: "Update Contact Information"
Include your full name, email address, telephone number, postal address and the signing name found in the **Invitation** in the body of the email, along with the requested change(s) to your contact information