

THE TOWN OF FORT QU'APPELLE

REVISED FORENSIC AND INVESTIGATIVE REPORT

PREPARED FOR: **TOWN OF FORT QU'APPELLE**
160 COMPANY AVENUE SOUTH
PO BOX 306
FORT QU'APPELLE, SASKATCHEWAN, S0G 1S0

PREPARED BY: **MNP LLP**
1500, 640-5TH AVENUE SW
CALGARY, AB T2P 3G4

DATE: MARCH 25, 2018

TABLE OF CONTENTS

1.0	TERMS OF REFERENCE.....	2
2.0	BACKGROUND	3
	INTRODUCTION	3
	SCOPE OF ENGAGEMENT	3
	INDEPENDENCE AND OBJECTIVITY	3
	LIMITATIONS	4
	METHODOLOGY	4
	TOWN LISTING (SCHEDULE 1.1)	4
	COMPLETENESS TESTING (SCHEDULE 1.2)	5
	DOCUMENTS REVIEWED AND RELIED ON.....	6
	INTERVIEWS PERFORMED	7
3.0	SUMMARY OF FINDINGS.....	8
	FAIR MARKET VALUE	8
	LEGISLATION	8
4.0	DEFINITIONS, COMMUNITY PLANS AND LEGISLATION.....	11
	FAIR MARKET VALUE DEFINITION	11
	ENVIRONMENTAL ASSESSMENT ACT OF SASKATCHEWAN 2010 (EAA)	12
	ENVIRONMENTAL MANAGEMENT AND PROTECTION ACT 2010.....	12
	THE WATER SECURITY AGENCY ACT	13
	ADDITIONAL REGULATIONS	14
	FORT QU'APPELLE COMMUNITY PLAN.....	14
	MUNICIPALITIES ACT OF SASKATCHEWAN	18
	CRIMINAL CODE OF CANADA	20
5.0	DETAILED FINDINGS	22
	PARCELS V AND Q.....	22
	PARCEL Y	26
	PARCEL F (SOUTHWEST PORTION).....	28
	FORT SAN PROPERTY.....	32
	PARCEL F (PLAN 101377548 Ex 50) AND PARCEL C	32
	RESIDENTIAL LOTS	33
	NON-RESIDENTIAL LOTS	34
	TOWN PROCEDURES ON DISPOSITION OF LANDS	35
	BRIAN JANZ AND ABACO ENERGY	35
6.0	RESTRICTIONS AND LIMITATIONS	41
7.0	SCHEDULES	
8.0	APPENDICES	

1.0 TERMS OF REFERENCE

- 1.1 MNP LLP (“MNP”, “we”, “us” or “our”) was retained by the Town of Fort Qu’Appelle (“the Town”) to provide forensic accounting services in accordance with a response to a petition brought forward by the community. Section 140.1 of the Municipalities Act of Saskatchewan (2006) sets out the petition requirements as follows:

Section 140.1 of the Act sets out that a petition may be made for a “financial audit” or a “management audit”. *A financial audit means an audit to identify:*

- i) Any instance of fraud, theft or other misappropriation of funds;*
- ii) Any improper or unauthorized transactions; or,*
- iii) Any non-compliance with this Act, any other Act or any bylaw of the municipality.*

The Council, on determining that the petition was sufficient, shall pass a resolution to engage the services of an auditor, cause the financial audit to be conducted within 180 days after the receipt by the council of the petition and fully cooperate with the audit.

If the auditor’s report identifies instances mentioned in clause 1(a), the auditor shall forward the report to the Deputy Minister of Justice for further investigation, and the municipality must refrain from providing public notice required. (Section 140.1(12)).

- 1.2 The petition stated that:

“To determine whether any land transactions completed for other than fair market value between January 1, 2007 and December 2016, including but not limited to transactions with Abaco Energy Services Ltd. were completed in compliance with applicable laws and process, including but not limited to environmental legislation, public notice requirements for land sales and/or requirements for resolutions by council for land sales and procedures relating to conflicts of interest of councillors.”

- 1.3 The final Report was submitted on March 21, 2018. This revised report is submitted regarding a change to paragraph 3.11. We have considered whether land sales followed applicable legislation and indicated that parcels Q, V and Y required further review when development was requested. Parcel V is not part of the flood fringe or floodway and itself would not require consideration from any government agency unless part of a larger development as anticipated. Paragraph 3.11 has thusly been modified. Further, paragraphs within the final Report were not indexed which resulted in an error message in the PDF copy. Those errors have been rectified.
- 1.4 We understand that our Report is a response to the above referenced petition for a financial audit.

2.0 BACKGROUND

Introduction

- 2.1 MNP was engaged by the Town of Fort Qu'Appelle to perform an independent investigative and forensic review of land transactions performed by the Town to the period of January 1, 2007 to December 31, 2016. We further understand that a petition was brought forward by members of the Town to have an independent review performed to address allegations relating to lands not being sold at fair market value and allegations of conflicts of interest.
- 2.2 We understand there was particular concern around the sale of the land that housed the old Indian Hospital ("Hospital Property" also known as "Parcel V") and adjacent lands sold to Abaco Energy Services.

Scope of Engagement

- 2.3 MNP was engaged to perform the following
- 1) Conduct a review of land transactions occurring between January 1, 2007 and December 31, 2016;
 - 2) Determine if any of the land transactions were completed for other than fair market value;
 - 3) Determine if the land transactions were completed in compliance with applicable laws and process, including but not limited to environmental legislation, public notice requirements for land sales and/or requirements for resolutions by council for land sales and procedures relating to conflicts of interest of councilors.
- 2.4 Our period of review was from January 1, 2007 to December 31, 2016. At the time we were engaged we understood that the review would include 15-20 transactions. During the course of our review a total of 50 transactions were identified.
- 2.5 During this engagement, in accordance with the IFA standards for reliance on the work of others, MNP relied on the work of Greg Buchan, B. Admin, AACI, P. App, an Independent Appraiser with B R Gaffney & Associates. We understand Mr. Buchan to be a member in good standing with the Appraisal Institute of Canada as of the date of his appraisal reports attached in Appendix B, Appendix C, Appendix Y, Appendix AA, Appendix AB, Appendix AC, Appendix AD, and Appendix AE.

Independence and Objectivity

- 2.6 The engagement was performed in accordance with Standard Practices for Investigative and Forensic Accounting Engagements. These standard practices require that we conduct the investigation utilizing an investigative mindset in the identification, pursuit, analysis and evaluation of information relevant to each IFA engagement, contemplating that such information may be biased, false, unreliable and/or incomplete and that our findings and conclusions will be presented in an objective and unbiased manner.

Limitations

- 2.7 MNP did not interview the owners of Abaco Energy Services during this engagement. Mr. Janz is a shareholder of this organization and as such was able to provide information regarding the sale.
- 2.8 MNP did not consult with legal counsel during this engagement. MNP has provided legislation as it is available to the general public and has sought clarification from the Saskatchewan governmental departments responsible for those Acts. As such, we have not rendered a legal opinion with respect to compliance with any section of any Act referred to in this Report.
- 2.9 During the course of our work we requested the following documentation and interviews that we were unable to obtain:
- a) Interview with Cal Tulik, whom declined to be interviewed;
 - b) August 2013 Offer from Apex to purchase 20 acres of parcel F as per Town minutes August 22, 2013;
 - c) April 2012 offer to purchase "Parcel F" in the amount of \$30,000 as identified in the April 12, 2012 meeting minutes;
 - d) Jan 7, 2011 communication from Mayor Osika to Pellaway representative; and,
 - e) September 9, 2013 proposal letter from Abaco Group to purchase lots V and Q.

Methodology

- 2.10 MNP performed the following procedures in the course of the investigation:
- Perform a records search in ISC (Province of Saskatchewan Land Titles Registry) for all transaction identified by the Town to determine sale date, purchaser and if there were any quick subsequent sales;
 - Perform completeness testing for the land titles listing by conducting a search using ISC to identify titles owned by the Town during the period of review and identify titles that are no longer owned by the Town;
 - Review of Town council minutes from January 11, 2007 to December 22, 2016 to identify land transactions and other motions related to land sales;
 - Review documents obtained from the Town relating to the old Indian hospital property and adjacent lands sold to Abaco Energy Services;
 - Obtain independent appraisals for property sales made by the Town from 2007 to 2016;
 - Conduct interviews of relevant parties as identified below; and,
 - Review applicable laws and regulations around the sale of land by the Town.
- 2.11 Schedule 1 provides the full listing of land transactions identified by the Town and MNP during the course of the review. For each land transaction MNP performed a search in ISC to appropriately identify the parcel of land and gain an understanding of the transaction history of that parcel.

Town Listing (Schedule 1.1)

- 2.12 We were provided with a listing of land sales for the review period by the Town. From this listing MNP examined the transaction history of each transaction through ISC records. This listing was also provided to our independent appraiser for analysis.

Completeness Testing (Schedule 1.2)

2.13 To ensure MNP looked at all land sales made by the Town from January 1, 2007 to December 31, 2016 MNP performed the following additional procedures:

- 1) Review of Town council meeting minutes for the period of review.

MNP reviewed all minutes and made note of any approvals to sell land passed by council. Any transactions identified from this review were then searched for in the ISC database.

We note that there were two potential sales discussed that were ultimately excluded:

- a) Lots 8&9 Blk 8 Plan 1867 – When we searched these two parcels we noted that the Town of Fort Qu'Appelle still owns these lots and there has been no change in titles since 2002. No further work was completed on this item.
- b) Lots 5-7 Blk 19 – We did not have enough information from the meeting minutes to appropriately identify these parcels in ISC. The lots were supposedly sold to Power Pin for \$18,500 as was noted in the September 8, 2011 meeting minutes. MNP performed a search of Power Pin Inc and all titles currently owned by Power Pin had already been identified. No further work was performed on this item.

- 2) Search in ISC for title changes.

MNP performed a search in ISC for all client numbers assigned to the Town of Fort Qu'Appelle. This search identified 11 client numbers. There is no capability within the ISC database to search for transaction history for a particular client number. ISC can provide a listing of all active tiles under a client number as at a specific date and time. For all 11 of Fort Qu'Appelle's client numbers MNP pulled the title listings as at the following dates:

- January 1, 2007
- January 1, 2008
- January 1, 2009
- January 1, 2010
- January 1, 2011
- January 1, 2012
- January 1, 2013
- January 1, 2014
- January 1, 2015
- January 1, 2016
- January 1, 2017

MNP, using data analytics, identified all titles that were listed during the 2007 – 2016 period and no longer listed on the January 1, 2017 report. We then eliminated all titles that we had been provided on the Town listing. For any remaining titles that were no longer listed under a Town client number, we examined the transaction history of these titles in ISC. All sales identified in this testing and not originally included have been detailed in Schedule 1.2.

Documents Reviewed and Relied on

2.14 We reviewed and relied on the following documentation and information in preparing our report:

- Documents as described in **Appendix A**;
- Land Transaction listing provided by the Town on January 12, 2018;
- Various land titles and documents obtained from ISC (Saskatchewan Land Titles Registry);
- Appraisal report for Vacant Residential Lots as at April 1, 2008 – March 2, 2016, Prepared by B R Gaffney & Associates February 7, 2018;
- Appraisal report for 760 Broadway Street West as at January 27, 2014, Prepared by B R Gaffney & Associates February 5, 2018;
- Appraisal report for Block Y, Plan 85R64873 as at August 28, 2015, Prepared by B R Gaffney & Associates March 13, 2018;
- Appraisal report for Block A & E, Plan 101986320 as at May 10, 2010, Prepared by B R Gaffney & Associates March 15, 2018;
- Appraisal report for 298 2nd Street East as at December 13, 2012, Prepared by B R Gaffney & Associates March 15, 2018;
- Appraisal report for Block C & F, Plan 101377548 as at May 29, 2013, Prepared by B R Gaffney & Associates March 15, 2018;
- Appraisal report for Block 12R, Plan 101383703 as at January 8, 2009, Prepared by B R Gaffney & Associates March 15, 2018;
- Appraisal report for Block G, Plan FS4959 as at February 21, 2008, Prepared by B R Gaffney & Associates March 16, 2018;
- Town Council meeting minutes from January 11, 2007 to December 22, 2016;
- The Environmental Assessment Act;
- The Environmental Management and Protection Act, 2010;
- The Municipalities Act, Saskatchewan;
- The Planning and Development Act, 2007;
- The Town of Fort Qu'Appelle Community Plan;
- Various correspondence and agreements related to offers to purchase land and purchase agreements;
- Documents provided by the petitioners, Qu'Appelle Valley Environmental Association ("QVEA"), including:
 - A 16-page summary document and 7 appendices;
 - Newspaper articles;
 - Leaflets from Qu'Appelle Valley Environmental Association;
 - Request for documents dated October 24, 2017;
 - 10 pages of documents regarding conflict of interest;
 - 5 pages of documents regarding waste dumping;
 - 12 pages of documents regarding sale of Block Y;
 - 33 pages of documents regarding sale and development of Block N;
 - 12 pages of documents regarding demolition of the hospital;
 - 34 pages of documents regarding the fair market value of the Hospital;
 - 45 pages of documents titled QVEA "Protecting marshes, riverbanks, flood plains, hillsides and residents of Fort Qu'Appelle"; and,
 - 3-page Council minutes for sale of property to Tulik Holdings.

Interviews Performed

Name	Position	Date Interviewed
Lee Finishen	Councillor	February 2, 2018
Ron Osika	Former Mayor	February 7, 2018
Tanya Kulaway	Former Councillor	February 2, 2018
Kelly Schill	Former Chief Administrative Officer	February 2, 2018
Darrell Webster	Former Chief Administrative Officer	February 7, 2018
James Harding	Qu'appelle Valley Environmental Association	February 6, 2018
Michele Hahn	Petitioner	February 6, 2018
Darren Bird	Appraiser, Crown Appraisals	January 17, 2018
Jenny Melanson	Former Councillor	February 12, 2018
Jeff Brown	Former Councillor	February 15, 2018
Brian Janz	Former Councillor	March 6, 2018

3.0 SUMMARY OF FINDINGS

Fair Market Value

- 3.1 Were any land transactions completed between January 1, 2007 and December 2016 completed for other than fair market value (as defined in paragraphs 4.1 and 4.2)

Yes. As noted in this report, based on the independent appraisals obtained by MNP there were five properties noted that were sold below fair market value.

- 3.2 The parcels sold below fair market value are discussed in paragraphs 5.69 to 5.74 and 5.81 to 5.91.

- 3.3 Were the transactions involving Abaco Energy Services Ltd completed for other than fair market value?

No. As per the independent appraisal reports obtained by MNP the properties were sold at their fair market values.

- 3.4 Detailed analysis of sales to Abaco are found in paragraphs 5.2 to 5.39.

Legislation

- 3.5 Did land transactions completed between January 1, 2007 and December 2016 comply with environmental legislation including the Environmental Assessment and Management Act and the Environmental Impact Act?

Yes

- 3.6 There was a concern expressed by the petitioners surrounding if the Town performed environmental assessments or met environmental requirements before approving the filling of the lagoon with the hospital rubble. From a review of documents held by the Town and applicable legislation it appears that the Town had the appropriate approvals from the Saskatchewan Ministry of Environment and the Saskatchewan Watershed Authority.

- 3.7 See detailed analysis in paragraphs 5.63 to 5.68.

- 3.8 Did land transactions completed between January 1, 2007 and December 2016 comply with public notice requirements and other provisions of the Municipality Act of Saskatchewan?

Yes, with the exception of the commercial/industrial properties discussed in paragraphs 5.69 to 5.74 and 5.81 to 5.91.

- 3.9 As discussed in paragraphs 4.22 and 4.23 land cannot be sold at less than fair market value without a public offering and public notice must be given when considering such a transaction.

3.10 From our investigation we have determined that no public notices or offerings were performed in relation to the following parcels, which were sold below fair market value discussed in paragraphs **5.69 to 5.74** and **5.81 to 5.84**..

- 1) Notre Dame Avenue – Lot E, Block K
- 2) Blk A Plan 101986320
- 3) Lot G Blk K, 298 2nd Street E
- 4) Parcel C, Plan 101377548
- 5) Parcel F, Plan 101377548

3.11 Did land transactions completed between January 1, 2007 and December 2016 comply with other applicable legislation including the Planning and Development Act, 2007, municipal bylaws and Council resolutions?

Yes, with further review of parcels Q and Y required when development is requested.

3.12 As discussed in paragraphs **5.40 to 5.43**. Parcel Y is a floodway and the Council would have to re-zone this land and amend their by-laws to change the land usage before development could occur. We understand that part of parcel Q, is also considered a “floodway”, and development could affect the fish habitat and invoke the “duty to consult” with area First Nations.

Conflict of interest

3.13 Was any person in a conflict of interest, as defined by the Municipality Act of Saskatchewan or the Town of Fort Qu’Appelle Code of Conduct?

No

3.14 We understand that at the time of the sales to Abaco Energy, councilor Brian Janz was also a director of Abaco Energy services, though not a shareholder in the company. The petitioners are concerned about a possible conflict of interest as a result of Mr. Janz’s relationship with Abaco. MNP has received conflicting information from the interviews conducted of the councilors that were involved in the Abaco negotiations regarding when Mr. Janz’s involvement with Abaco was known and how involved Mr. Janz was in the negotiations. From a review of documents provided the first instance of documentation identifying an interest is an email exchange on December 13, 2013.

3.15 From the documentation reviewed, Mr. Janz did not participate in any meetings where there were approvals made regarding Abaco Group or Abaco Energy Services.

3.16 In MNP’s interview of Jeff Brown, Mr. Brown noted that he recalls Mr. Janz recusing himself after the first meeting with Abaco and that Mr. Janz was not involved in negotiations.

3.17 We understand from our interviews with Ron Osika, Darrell Webster and Lee Finishen that Mr. Janz was involved in committee meetings, meeting with Abaco and Council and was involved in the decision-making process until December when his interest was determined by Town legal counsel.

- 3.18 MNP requested all committee meetings between April and December 2013. There was no documented special meeting which involved the sale of the Hospital to Abaco.
- 3.19 We have found no corroborating documents that Mr. Janz acted in a conflict of interest.

4.0 DEFINITIONS, COMMUNITY PLANS AND LEGISLATION

Fair Market Value Definition

- 4.1 The Canadian Institute of Chartered Business Valuators define fair market value as “the price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms-length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts. {NOTE: In Canada, the term “price” should be replaced with the term “highest price”}¹
- 4.2 The Canadian Uniform Standards of Professional Appraisal (“CUSPAP”)² states the following are acceptable definitions of “Market Value”:

“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 seller each acting prudently, knowledgeably, and for self interest, and assuming that neither is under undue duress.

“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.”

The definition may be expanded by adding:

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

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

“Market value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion

¹ <file:///C:/Users/michael.mccormack/Downloads/Practice-Bulletin-No-2-E-2001.pdf>

² <https://www.aicanada.ca/wp-content/uploads/CUSPAP-2018-4.pdf>

- 4.3 The Saskatchewan Assessment Management Agency (“SAMA”) uses three appraisal techniques to value property in their Market Valuation Assessment system; cost approach, sales comparison approach and property income approach. It should be noted that the assessment conducted by SAMA may not be the same as a “fair market value”.
- 4.4 MNP conducted a review of applicable legislation for the sale of lands by a Municipality. We have relied on information provided to us by the Water Security Agency, the Saskatchewan Assessment Management Agency, the Saskatchewan Association of Rural Municipalities and Municipalities and Government Relations for the Saskatchewan government.

Environmental Assessment Act of Saskatchewan 2010 (EAA)³

- 4.5 The *EAA* puts the onus on the party which proposes or engages in an undertaking to apply to the Minister for a determination as to whether the proposed undertaking is a development. A development is defined to include “any project, operation or activity or any alteration or expansion of any project, operation or activity which is likely to:
- i) have an effect on any unique, rare or endangered feature of the environment;
 - ii) substantially utilize any provincial resource and in so doing pre-empt the use, or potential use, of that resource for any other purposes;
 - iii) cause the emission of any pollutants or create by-products, residual or waste products which require handling and disposal in a manner that is not regulated by any other Act or regulation;
 - iv) cause widespread public concern because of potential environmental changes;
 - v) involve new technology that is concerned with resource utilization and that may induce significant environmental change; or,
 - vi) have a significant impact on the environment or necessitate a further development which is likely to have a significant impact on the environment.
- 4.6 There are no provisions of the Environmental Assessment Act which pertain to municipalities conducting these duties if they are not party to the proposal.

Environmental Management and Protection Act 2010⁴

- 4.7 The EMPA indicates at section 13(1) that the minister may require a person who is or may be a person responsible to conduct a site assessment if the minister reasonably believes that a site may be an environmentally impacted site. It is the minister who determines where a site assessment is required and require that corrective action be taken. Section 22 and 23 of the Act set out that “the minister shall establish an environmentally impacted sites registry and municipalities are responsible for ensuring that building permits, licenses or other permits” contemplate the compatibility of the condition of the site.

³ <http://www.publications.gov.sk.ca/freelaw/documents/English/Statutes/Statutes/E10-1.pdf>

⁴ <http://www.qp.gov.sk.ca/documents/english/Chapters/2010/E10-22.pdf>

- 4.8 The Act allows that any resident of Saskatchewan may apply for an investigation under section 71(1). The application is made to the minister and indicates the nature of the allegations.

The Water Security Agency Act ⁵

- 4.9 The WSA Act enacted one government agency to manage water resources in Saskatchewan. The Act replaces the *Saskatchewan Watershed Authority Act* in September 2002. The mandates of the Water Security Agency as set out in section 5 are to:

“5. The mandate and purpose of the corporation are the following:

- (a) To manage, administer, develop, control and protect the water, watersheds and related land resources of Saskatchewan;*
- (b) To promote the economical and efficient use, distribution and conservation of the water, watersheds and related land resources of Saskatchewan;*
- (c) To maintain and enhance the quality and availability of the water, watersheds and related land resources of Saskatchewan for domestic, agricultural, industrial, recreational and other purposes;*
- (d) To promote and co-ordinate the management, administration, development, conservation, protection and control of the water, watersheds and related land resources of Saskatchewan;*
- (e) To promote, undertake and co-ordinate research, investigations, surveys, studies, programs and activities relating to the management, administration, development, conservation, protection and control of the water, watersheds and related land resources of Saskatchewan;*
- (f) To promote, undertake and co-ordinate conservation programs in Saskatchewan.”*

- 4.10 Section 62 of the Act sets out that the Water Security Agency has the discretion to approve or refuse applications for the construction, extension or alteration which would affect waterways and sets out the requirements of applications and licenses for the proposals. Section 80 of the Act sets out Water Security Agency's role in resolving issues surrounding drainage works. There is no duty imposed on municipalities to consult the WSA unless the municipality was going to undergo construction.

- 4.11 MNP inquired with the WSA as to “what responsibility a Municipality has, when it is selling land, to ensure that the WSA is upheld and if there are any requirements on a municipality to conduct an environmental assessment prior to the sale of lands which would abut a waterway”. MNP received the following response from Liana Turner, Executive Administrative Assistant, Legal Services, Lands & Aboriginal Affairs Division:

“In general, Water Security Agency does not need to be kept apprised of land sales where municipalities are divesting themselves of land that abuts a waterway.

The Ministry of Environment is responsible for environmental assessments. They would be better able to provide you with information on when an environmental assessment is required.

⁵ <http://www.qp.gov.sk.ca/documents/English/Statutes/Statutes/W8-1.pdf>

We note that municipalities must ensure that any land sales comply with The Planning and Development Act, 2007 and The Statements of Provincial Interest Regulations established thereunder (for subdivisions, for example, approval from Community Planning is required under such legislation)."

Additional Regulations

- 4.12 MNP contacted the Environmental Assessment and Stewardship Branch, Saskatchewan Ministry of Environment to obtain an understand on if there were any requirements to obtain an environmental assessment prior to the sale of lands. We received the following response:

*"Based on the description provided, it looks like you're looking for information on Environmental Site Assessment (ESA) rather than Environmental Impact Assessment (EIA). The two differ in that ESA looks into the past history of a structure, facility, and/or land area for past instances of spills or environmental impacts (Phase I, II, III). EIA is conducted prior to an activity, project, or facility being developed to identify and assess the potential for adverse environmental effects, and establish mitigation measures to minimize those effects. **EIA would not be involved in the sale of land.***

***An environmental impact assessment would not be required for demolish of a building on pre-disturbed land.** I recommend you look into the [Environmental Management and Protection Act](#) for information on environmental site assessments and how your demolish plans would apply. As requested, here is a link to [The Environmental Assessment Act](#). For more information on environmental site assessments please contact the Environmental Protection Branch."*

Fort Qu'appelle Community Plan

- 4.13 All land sales by a Municipality must comply with the *Planning and Development Act, 2007* of Saskatchewan. This *Act* indicates that Municipalities must adopt an Official Community Plan. The Fort Qu'appelle Official Community Plan is found on their website⁶.

⁶ <http://www.fortquappelle.com/public/Files/OfficialCommunityPlan.pdf>

LAKESHORE DEVELOPMENT POLICIES

.27 Beach and lake shore development shall be encouraged by the Town. The Town shall ensure all development is set back from natural hazard and eco-sensitive areas in order to protect the lakeshore. Development shall integrate into the natural surroundings and shall complement the surrounding landscape and vegetation.

.28 Communal boat launching facilities and the potential development of a public marina will be encouraged.

.29 In keeping with sustainable and environmentally responsible development, the Town of Fort Qu'Appelle shall:

a. Require all development adjacent to the lakeshore and the Municipal and Environmental Reserves to be reviewed by the Town Council, and if required, the Ministry of Environment and Department of Fisheries and Oceans should Council feel that development in these areas would have potential adverse impact on the shoreline and habitat;

b. Identify areas that work with all levels of government and developers to ensure that any impacts are minimized;

c. Recommend buffering of the shoreline where possible to promote retention and stability of the shore line;

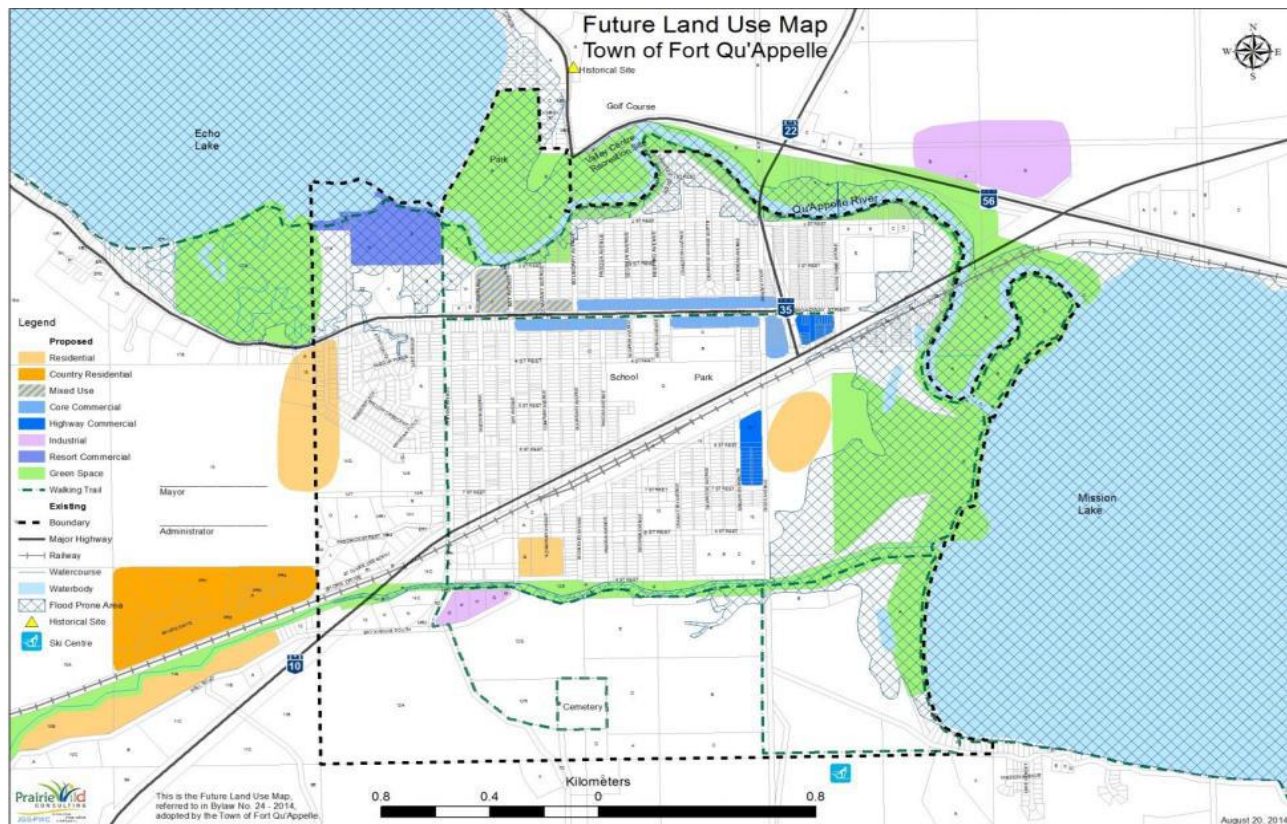
d. Take a lead role in educating all residents and visitors of the best management practices available to insure the quality of water and the importance of maintaining a balance between natural habitat and recreational use;

e. When the opportunity for infill or re-development occurs, apply these best management practices and encourage existing uses to apply these standards when landscaping or rebuilding adjacent to the lakeshore and other riparian areas.

.30 Opportunities to explore the development of uses that serve the public and users of the Lake such as a marina and a beach store may be pursued. Suitable potential locations for this type of development are identified on the Future Land Use Map (Appendix "A"). Regulations around marinas or developments of this nature will be provided in the Zoning Bylaw

- 4.14 The following diagram, which is found in Appendix "A" of the Official Community Plan indicates that a resort/commercial space was recognized for Blocks W and Z (which should be noted were the property of the Federal Government at that time. Block Y was identified as green space.⁷

⁷ It is noted that the Community Plan foresees that changes to the Community Plan may occur from time to time.



4.15 The Fort Qu'Appelle zoning map is found on their website⁸. The zoning map indicates that Blocks W and Z were to be considered for resort/commercial property and Block Y was designated as "green space".

4.16 The purpose of the *Planning and Development Act, 2007* is to:

- "provide a community planning framework that promotes economic growth, environmental sustainability, social and cultural development, and sustainable communities;
- provide the legislative authority to create and implement the Statements of Provincial Interest;
- strengthen communities by providing municipalities with clear, consistent and effective tools for community planning;
- foster cooperation and partnerships among municipalities, governments, First Nations and Métis communities, entrepreneurs and all citizens so that they can invest in and build communities;

⁸ http://www.fortquappelle.com/public/images/Zoning_Map.pdf

- *respond to requests from municipalities for more local autonomy and authority, streamlined planning processes, and clearer and more flexible ways to administer planning bylaws; and*
- *ensure that the public has meaningful input before planning decisions are made, and that decision-makers are accountable”.*⁹

4.17 MNP contacted the Community Planning, Land Use and Development department of the Government of Saskatchewan. Ralph Leibel, the Executive Director of the Department told MNP that:

- A. For a municipal council to develop land, they must consult the *Statement of Provincial Interest Regulations*, the *Planning and Development Act*, their Official Community Plan and their Municipal Zoning By-law;
- B. Mr. Leibel reviewed the zoning map for the Town of Fort Qu’appelle and told MNP that Block Q and Block Y were considered floodways and as such there could be no development of those lands¹⁰;
- C. As these lands were floodways, any development which may affect the fish habitat invoked the Duty to Consult with First Nations in the area;
- D. Council must determine their compliance with the legislation prior to the sale and development of lands;
- E. The lands were not municipal reserve or environmental reserve lands according the *Planning and Development Act, 2007*; and,
- F. Council would need to re-zone the lands and amend their zoning by-laws to allow for changes to the use from their Official Community Plan.

4.18 The following excerpt from section 1 of the *Statements of Provincial Interest Regulations* to the *Planning and Development Act, 2007* clearly defines the role of councils in the sale of lands:

“Land use planning facilitates the orderly development of land, resources, infrastructure and services, with a view to securing the economic, environmental, social and cultural well-being of urban and rural communities. The driving force in planning is often the need for change, the need for improved management or the need for a different pattern of land use, dictated by changing investment circumstances.

The Planning and Development Act, 2007 authorizes the Lieutenant Governor in Council to adopt Statements of Provincial Interest. These Statements of Provincial Interest link provincial and municipal objectives for land use planning and, as a result, directly affect the use of land

⁹ <https://www.saskatchewan.ca/government/municipal-administration/community-planning-land-use-and-development/planning-and-development-act>

¹⁰ MNP was provided with an overview map of the floodways as was experienced by the flooding in 2011 by the Department which is attached at **Appendix X**.

and impact community development, economic growth and environmental stewardship. These Statements of Provincial Interest reflect the diversity of issues affecting Saskatchewan's communities and regions, recognizing that wise management of development involves facilitating, promoting and sustaining growth, based on cooperative planning principles.

Municipalities are authorized under the Act to set policies governing the development of their communities by preparing and adopting:

- *official community plans and district plans containing policies to guide land use and community development;*
- *zoning bylaws establishing permitted, prohibited or discretionary land uses, development standards and permit requirements; and*
- *subdivision bylaws.*

These planning documents express community priorities and goals and allow developers, business owners and homeowners to make informed decisions about purchasing and developing property in the community. The Statements of Provincial Interest provide guidance to municipalities on a complex series of land use and development issues for municipalities, enabling them to facilitate the development of vibrant, safe, self-reliant and sustainable municipalities.

Provincial oversight to ensure consistency with the Statements of Provincial Interest occurs through the approval of new official community plans, district plans, zoning bylaws and subdivision bylaws. Subdivision approving authorities, including the province, are responsible for ensuring consistency with the Statements of Provincial Interest during the subdivision approval process”

Municipalities Act of Saskatchewan

4.19 The *Municipalities Act of Saskatchewan (2006)* provides the basic legislative framework for the good governance of municipalities. Section 4(2) of the Act specifies *that municipalities have the following purposes:*

- *To provide good government;*
- *To provide services, facilities and other things that, in the opinion of council, are necessary or desirable for all or a part of the municipality;*
- *To develop and maintain a safe and viable community;*
- *To foster economic, social and environmental well-being; and*
- *To provide wise stewardship of public assets.¹¹*

¹¹ <https://www.saskatchewan.ca/government/government-structure/local-federal-and-other-governments/your-local-government/about-the-saskatchewan-municipal-system>

4.20 Council members must know and comply with federal and provincial legislation, laws and codes. Council's responsibility is to make decisions about municipal services, establish policies and provide direction for the operation of the municipality in a manner which encourages participation in the governance process. Councils have numerous powers, duties and responsibilities. For the purposes of this Report, the following duties are noted from the Municipalities Act;

4.21 As per the Municipalities Act of Saskatchewan (2006):

"Disposition of municipal lands or buildings

48(1) The decision of a council as to the time when, the manner in which, the price for which or the person to whom any land or buildings of the municipality that the council may lawfully sell should be sold, and the decision of a council as to whether or not the purchase price is fair market value, is not open to question, review or control by any court if the purchaser is a person who may lawfully purchase and the council acts in good faith.

(2) Subject to subsection (3), if a council wishes to dispose of municipal lands used for park purposes, the council must give public notice of its intention to so do before authorizing the disposal.

(3) Any municipal lands that are used for park purposes and that are dedicated lands within the meaning of The Planning and Development Act, 2007 may only be disposed of in accordance with that Act.

4.22 Further section 127 of the Municipalities Act sets out:

No Council shall delegate:

j) the sale or lease of land for less than fair market value and without a public offering

4.23 As per the Municipalities Act of Saskatchewan (2006):

128(1) A council shall ensure that public notice is given before initially considering any report respecting a matter listed in clause 127(b), (e), (i), (j), (m), (o), (p) or (s).

(2) If a council is required pursuant to this Act to give public notice of a matter, the council shall provide notice:

(a) in the manner required in its public notice policy adopted pursuant to subsection (3); and

(b) subject to subsection (4), at the time specified pursuant to its public notice policy.

(3) Subject to the regulations, a council shall, by law, adopt a public notice policy that sets out, with respect to any class or subclass of matters with respect to which public notice is, by this Act, to be given pursuant to this section:

(a) the minimum notice requirements;

(b) the methods of notice to be followed;

(c) and prescribed matters.

(4) Unless a longer time is specified, public notice must be given at least seven days before the council meeting at which the matter for which public notice is required is to be considered.

(5) The Lieutenant Governor in Council may make regulations respecting the required contents of a bylaw to be passed pursuant to this section.

4.24 The Municipalities Act of Saskatchewan (2006) sets out the provisions of the conflict of interest policy:

"141.1(1) A member of council has a conflict of interest if the member makes a decision or participates in making a decision in the execution of his or her office and at the same time

knows or ought reasonably to know that in the making of the decision there is the opportunity to further his or her private interests or the private interest of a closely connected person.

(2) A financial interest as described in subsection 143(1) always constitutes a conflict of interest.

(3) Every member of council shall comply with any prescribed standards, procedures and rules in relation to a conflict of interest or a declaration of a conflict of interest.

(4) Nothing in this Part is to be interpreted as affecting any other rights given by, or the application of other requirements, duties or responsibilities imposed by, any other Act or law in relation to the matters covered by this Part.

(5) For the purposes of this section, the Lieutenant Governor in Council may make regulations respecting the standards, procedures and rules in relation to a conflict of interest.

- 4.25 Section 142(1) of the *Act* sets out that councilors are required, within 30 days of election, to file a public disclosure statement with the administrator which contains “*each corporation in which the member or someone in the member’s family has a controlling interest or of which the member or someone in the member’s family is a director or a senior officer.*” It includes any corporation that the member directs, manages or operates that transacts business with the municipality.
- 4.26 A financial interest, as defined in section 143(1) of the *Act* is deemed to be where “the member has a controlling interest in, or is a director or senior officer of, a corporation that could make a financial profit from or be adversely affected financially by a decision of council...”.
- 4.27 It is a responsibility of the member of council to declare the interest, disclose the nature of the conflict of interest, abstain from voting, refrain from participating in discussion and leave the room while discussions are being held (section 144(1) of the *Act*).
- 4.28 The effect of a contravention of the conflict of interest guidelines stipulates that the resolution made by quorum would be invalidated within 3 years after the day of the resolution (section 145 of the *Act*).
- 4.29 However, no contravention of the *Act* may be commenced more than 2 years after the date of the alleged offence (section 386 of the *Act*)

Criminal Code of Canada

- 4.30 The Criminal Code of Canada¹² sets out at section 122, Every official who, in connection with the duties of his office, commits fraud or a breach of trust is guilty of an indictable offence and liable to imprisonment for a term not exceeding five years, whether or not the fraud or breach of trust would be an offence if it were committed in relation to a private person.

¹² <http://laws-lois.justice.gc.ca/eng/acts/C-46/FullText.html>

- 4.31 That “breach of trust” is generally defined as *acting with the intention to use his or her public office for a purpose other than the public good, for example, for a dishonest, partial, corrupt, or oppressive purpose.*

5.0 DETAILED FINDINGS

- 5.1 We understand that the transactions surrounding the Hospital Property was of concern to members of the community. We have created a timeline of events for these parcels in Schedule 2. There were a number of parcels involved as discussed below:

- Parcel V – Location of Hospital Building sold to Abaco
- Parcel Q – Adjacent to Hospital Building sold to Abaco
- Parcel Y – Lot along the lake that was also sold to Abaco
- Parcel F – Southwest portion - Old lagoon site where Hospital Building rubble was disposed of

Parcels V and Q

- 5.2 The Parcel referred to as Parcel V was the location of the Old Indian Hospital. Parcel V was initially acquired from the Federal Government in November 2007 for \$1. We understand that at the time it was acquired the hospital had been decommissioned for some time and the building was abandoned and deteriorating. We understand that prior to the transfer to the Town the Government had remediated asbestos found in the building.

- 5.3 After obtaining the property the Town began looking for a potential purchaser or developer to utilize this property. MNP was provided the following:
- May 28, 2008 Letter from Mayor Osika to Meesha Homes in Kelowna re: request for proposals on former Indian Hospital property
 - Dec 8, 2009 Letter from Mayor Osika to Saskatchewan Indian Gaming Authority re: possibility of opportunity for a gaming facility within boundaries of Fort Qu'Appelle
 - Dec 23, 2009 Response from Gaming Authority advising of moratorium in place in regards to expansion of gaming operations in the province;
 - April 15, 2010 offer letter from Adair Benaz to purchase the property for \$1.00. the offer also requested the Town provide a disposal site for the demolition and property tax discount until the property was sold.

- 5.4 In 2008 the Town began negotiations with Pellaway Bay Development Group regarding the potential development of a hotel/conference center and marina using Parcel V (**Appendix D**). The proposal would require the demolition of the hospital buildings so that a new structure could be built. The proposal was to have a joint venture between the Town and the Development Group. We further understand that after much negotiation and evaluation the Town determined that the financial responsibilities of the Town under such agreement would be too great and declined to move forward with the Joint venture and Development proposal with Pellaway Bay. These negotiations ended in 2011.

- 5.5 We understand that in 2010 the Town was considering demolishing the hospital buildings. The Town obtained two quotes on the demolition of the hospital buildings:

- 5.5.1. The first quote obtained was from North West Express Ltd. This demolition quote totaled \$379,106 before taxes and included the demolition of the hospital site and using the rubble from the site to reclaim the old lagoon site (**Appendix E**). There was also an option to have

the burn stack behind the power plant demolished. This was quoted at an additional \$19,850.

5.5.2. The second quote was from R.J Tulik & Sons and totaled \$374,000 before taxes and included the demolition of the hospital and hauling the debris to either the old lagoon or the old nuisance grounds (**Appendix F**).

5.6 On October 13, 2010 the Town obtained an appraisal report from Crown Appraisals for Parcel V (**Appendix J**). The appraisal determined that the fair market value of the lot (after consideration for disposal costs) was \$99,000 as at October 1, 2010. The report also recommends that the Town consider selling the property “as is”. The appraisal report notes the following:

“1. A potential developer for the subject property may or may not wish to incorporate some of the existing structures (or components thereof) on the subject property. If the Town proceeds with a premature demolition, this is no longer an option for a potential developer.

2. the cost of demolition represents a significant investment of resources, which may, or may not be completely recoverable by the Town. Given that the existing property produces no tax revenues for the Town, it may be difficult to rationalise such a large expenditure. In addition, to leave the property “as is” requires no additional resources, and no additional risk.”

5.7 We understand that based on the recommendations in the appraisal report the Town decided not to move forward with the demolition of the hospital at their own expense.

5.8 We understand that after the Town decided not to move forward with demolishing the buildings, the Town continued look for a potential purchaser for the property. We understand that the property was not publicly listed for sale at any time. From our interviews with former Mayor Osika and former Councilor Jeff brown, we understand that the hospital land was posted on the Town website for a number of years.

5.9 We understand that from January 2011 to June of 2013 the Town continued seeking potential purchasers and developers by reaching out to contacts. We understand those contacted included:

- Shanghai Real Estate Property Exchange Co, March 2, 2011;
- Remai Group, January 3, 2012; and,
- Garth Fredrickson, February 6, 2012.

5.10 From our discussions with former councilors and the former mayor we understand that by 2013 the land was becoming a liability and a danger to the public and council was looking for someone to take it over and develop the property. Council wanted a requirement to demolish the old buildings within a set time frame, from whomever was going to purchase the property.

5.11 In 2013 the Town met with representatives of the Abaco Group and began discussions regarding the hospital property and the development of a hotel/conference center and Marina.

5.12 On September 9, 2013 the Town received a proposal letter from Abaco Group to purchase Lots V and Q for \$1 and Abaco would be responsible for the demolition of the hospital.

- 5.13 On September 30, 2013, Town Council held a special meeting and accepted the offer from Abaco Group (**Appendix K**). We note that councilors Morton and Janz was not present at the meeting.
- 5.14 On October 18, 2013 legal counsel for the Town was asked by Kelly Shill, the Town CAO at the time, to prepare a purchase agreement for Parcels Q and V.
- 5.15 At a special meeting of Town Council held on December 21, 2013, a motion was made to change the purchase agreement with Abaco from Abaco Group to Abaco Energy Services Inc. (**Appendix K**). We note that Mr. Janz declared a pecuniary Interest as a director with zero shares in Abaco Energy and left the room for the vote.

Fair Market Value Analysis – Parcels V and Q

- 5.16 In October 2010 the Town obtained an independent appraisal on Lot V from Crown Appraisals. The appraisal determined a fair market value of \$99,000 as at October 1, 2010 (**Appendix J**).
- 5.17 From our discussions with both Darren Bird, (appraiser who prepared the Crown Appraisals report) and Greg Buchan (appraiser hired by MNP), appraisals are at a point in time and if the transaction occurs as a different date the market conditions may differ and a different value may be reasonable.
- 5.18 The agreement signed with Abaco for the purchase/sale of parcel V and Q is dated January 16, 2014 which is 3 years and 3 months after the date of the original appraisal. As so much time passed before the actual sale of the property the appraised value as of October 1, 2010 may no longer have been appropriate.
- 5.19 From our interview with Mr. Bird we understand that he was not contacted by anyone from the Town after the 2010 report was issued and he received no inquiries to update his 2010 appraisal.
- 5.20 MNP engaged the services of B R Gaffney & Associates to provide an independent appraisal of the Hospital property (Parcel V) and adjacent property (Parcel Q) (**Appendix C**). As per the report the appraised value as at January 27, 2014 was determined to be \$2,000. January 27, 2014 was the date that the title was transferred to Abaco and so has been selected as the appraisal date.
- 5.21 Both appraisers used the same approach in determining value. This approach was the Direct Comparison approach where sale of comparable properties in comparable areas are examined to determine value.
- 5.22 The appraisal report has determined that fair market value for the parcels to be \$50,000/acre providing a value before demolition costs of \$392,000. The appraisal estimates the demolition costs to be approximately \$390,000 leaving a value of \$2,000.
- 5.23 We understand from Mr. Buchan that the appraised value of the property would increase or decrease in accordance with the actual disposal costs; we further understand that if the demolition costs were higher the appraised value may be negative. Mr. Buchan contacted Cal Tulik to inquire as to actual disposal costs. Mr. Tulik did not provide the actual disposal costs.

- 5.24 From our interviews we understand that the Town was looking for a developer that would take on the project and create a development project that would be of an economic benefit to the Town. We understand that the cost to demolish the buildings was uncertain and that the Town did not want to take on the financial burden of the demolition costs when there may have been a chance that they would not be able to re-coup the costs through the sale of the land.
- 5.25 From our review of the regulations and policies and procedures listed in this report there appears to be no requirement for a municipality to obtain an opinion on fair market value prior to the sale of land.
- 5.26 As the fair market value was determined to be \$2,000 as at January 27, 2014 by MNP's independent appraiser it may have been reasonable for the Town to sell the property for \$1.
- 5.27 From our interviews with former councilors we understand that council felt that the sale was fair as they thought the cost of demolition would approximate the value of the land and they would get rid of the growing hazard in the community. The Town also anticipated economic benefits through the development of the property, as the Town would receive incremental taxes from the development of the lands.
- 5.28 The purchase and demolition agreement between Abaco Energy and the Town of Fort Qu'appelle (**Appendix L**) documented the conditions of the sale of Parcel V and Parcel Q. One of these conditions was to provide a performance bond for \$250,000 to secure the demolition. MNP was provided a copy of the performance bond as provided by Apex Enterprises, who conducted the demolition (**Appendix M**). The map of the parcels demonstrates the proximity of the adjoining properties (**Appendix N**), and gives reference to the reader regarding their location to Main St, Fort Qu'appelle.
- 5.29 Timeline summary:

Date	
November 2007	Town receives Parcel V from the Federal Government
September 2008	Letter of intent for a development involving Parcel V from Pellaway Bay
June 2010	Quote from North West Express Ltd. for demolition of the hospital totaling \$379,106
August 2010	Quote from Tulik & Son for demolition of the hospital totaling \$374,000
October 2010	Appraisal of Parcel V from Crown Appraisers – Appraised Value of \$99,000
October 2010	Town offers Parcel V to Pellaway Bay for \$302,000
May 2011	Negotiations with Pellaway Bay end with no deal made
September 2013	Offer from Abaco Group accepted for Parcel V and Parcel Q totaling \$1
October 2013	Town asks legal council to draft purchase agreement with Abaco
December 2013	Pecuniary interest Declared by Councilor Brian Janz; Change from Abaco Group to Abaco Energy Services
January 2014	Town receives \$1 and titles for Parcel V and Parcel Q are transferred to Abaco

Parcel Y

- 5.30 On March 5, 2015, the Town received a proposal to purchase Lot Y for \$1 from Abaco Energy Services (**Appendix O**).
- 5.31 A purchase agreement dated August 28, 2015 was executed between Abaco Energy Services and the Town (**Appendix P**) for parcel Y in the amount of \$1. We note that in this purchase agreement there is a requirement that Abaco and the Town are to enter into a service agreement prior to January 1, 2020 or the land will revert back to the Town.

Fair market Value Analysis – Parcel Y

- 5.32 The Town entered an agreement to sell Parcel Y to Abaco Energy services August 28, 2015 in the amount of \$1.
- 5.33 From documents obtained from the Qu'Appelle Valley Environmental Association ("QVEA") we understand that at the same time as the transaction with the Town, Abaco was working with the Water Security Agency ("WSA") to purchase two Parcels (W and Z) which are adjacent to Parcel Y.
- 5.34 MNP obtained a letter addressed from the WSA to Abaco Energy Services (**Appendix S**). This letter accepts Abaco's offer on the purchase of two parcels of land (blk/par 2 plan 1867 and blk/par W plan 82R01656) in the amount of \$100,000. We understand these two parcels to be adjacent to Parcel Y.
- 5.35 From a discussion with Greg Buchan, Appraiser with B R Gaffney & Associates, the appraisal for parcels W and Z may not be representative of the value of Parcel Y and should not be relied on to determine the fair market value of Parcel Y.
- 5.36 We understand from our interviews that Parcel Y is marshland and at the time council considered the value of having a completed project, including marina, as proposed by Abaco to be of greater value to the Town than the lot. We understand that council may have been focused on the future economic development benefits rather than the fair market value of the lot.
- 5.37 The independent appraisal report prepared by B R Gaffney & Associates on March 13, 2018 (**Appendix Y**) appraises the fair market value of Parcel Y, as at August 28, 2015, to be \$0. The report states:

"Due to the fact that the subject property is low lying land, in a flooded plain, located within the Ecologically Sensitive Area, and according to the Fort Qu'Appelle Official Community Plan, Environmentally sensitive lands in the Town of Fort Qu'Appelle should be protected as Environmental Reserve in accordance with the Planning and Development Act, 2007, the Environmental Assessment Act, and the Environmental Management and Protection Act, 2002; we are of the opinion that the subject property has no future development potential or potential land use beyond environmental reserve/greenspace. Therefore, the estimated value of the subject property by the Direct Comparison Approach is estimated at \$0.00."

5.38 This appraisal conclusion is consistent with MNP's discussions with the Planning and Development Ministry that the current zoning of this land would not allow for any development. For the Town to change the zoning of this land there would need to be further assessments performed.

5.39 Timeline summary:

Date	
March 2015	Proposal Letter from Abaco to purchase Parcel Y for \$1
August 2015	Town accepts \$1 offer on Parcel Y from Abaco
January 2016	Parcel Y title transferred to Abaco

Parcel Y – Environmental Analysis

5.40 On February 23, 2018, MNP contacted Ralph Leibel, Executive Director, Planning and Development Ministry of Government Relations regarding the duties of a municipal council. Mr. Leibel explained to MNP that the Fort Qu'appelle municipal council should have considered the following legislation prior to embarking on the sale of the property:

- a) The Statement of Provincial Interest Regulations of the Planning and Development Act
- b) The Planning and Development Act, 2007 and
- c) Their zoning by-laws and Community Plan.

5.41 Mr. Leibel indicated that the Town of Fort Qu'appelle's zoning by-law at 19.7 prohibits buildings within 1 m of a floodway. He stated that the Town Community Plan shows that the properties Y is floodway as demonstrated in the photograph provided to MNP. Parcel Y is zoned passive community service and the Council would need to re-zone this land and amend their by-laws to change the land usage. He told MNP that property Q was "flood prone". MNP was provided the following photograph demonstrating the 2011 flooding at Fort Qu'appelle was a floodway:



Photo date is May 3rd, 2011. Water level is approximately 480.89 m elevation.
1:100 year calm is 480.9 m & 1:500 year calm is 481.4 m.

- 5.42 He told MNP that the lands Q, V and Y are not environmental reserve nor municipal reserve lands and therefore “Council has to determine their compliance” with relevant legislation. He stated that since these lands were considered “floodways”, then development could affect the fish habitat and invoke the “duty to consult” with area First Nations:

The Government of Canada consults with First Nation, Métis and Inuit people for many reasons, including: statutory and contractual; policy and good governance; and the common law duty to consult. The Supreme Court of Canada affirmed, in a number of landmark decisions, such as Haida (2004), Taku River (2004) and Mikisew Cree (2005) that the Crown has a duty to consult when three elements are present:

- *Contemplated Crown conduct;*
- *Potential adverse impact; and*
- *Potential or established Aboriginal or Treaty rights recognized and affirmed under section 35 of the Constitution Act, 1982¹³*

- 5.43 Mr. Leibel told MNP that there is no requirement for the Municipality to create municipal or environmental reserves. He told MNP that the development of lands, for example parcel Y, may require consultation with Water Security Agency prior to development.
- 5.44 He told MNP that it is possible that the Federal Government passed along their requirements of a duty to consult to the Province and therefore the Municipality for development which may affect fish habitat. He told MNP that he is aware of a Municipality in Alberta that was required to consult with First Nations after development occurred.
- 5.45 In effect, the Town of Fort Qu'Appelle may be required to consult with the area First Nations prior to any development of lands which may have an adverse effect on their Treaty rights.
- 5.46 Mr. Leibel told MNP that the development plans he has seen for the marina utilize the Waterway's lands and therefore do not use Parcel Y for their development. He told MNP that Community Planning resources can be used to assist Municipalities when making decisions on development.

Parcel F (Southwest Portion)

- 5.47 We understand that Parcel F is the site of the old lagoon. We understand that the Town had been looking into reclaiming the lagoon to make the property commercially viable. We understand that since 2010 the Town had been considering using the old lagoon to dispose of debris from the old hospital upon demolition of the hospital.
- 5.48 On July 21, 2010 there was a letter from Blue Sky Management (the Town engineer) to Saskatchewan Environment - Environment Protection and Audit Division indicating the Towns

¹³ http://www.aadnc-aandc.gc.ca/eng/1100100014664/1100100014675#chp1_2

plan to demolish the old hospital and requesting a review of the proposed disposal sites of the old lagoon and the old nuisance grounds (**Appendix G**)

- 5.49 On July 26, 2010 the Town received a response from the Saskatchewan Ministry of Environment. The Ministry responded with two options for the disposal of hospital concrete:

“...First option would be to have the concrete crushed down to useable material and have a local contractor use for road bedding material....Ideally the ministry prefers this option as it makes use of the old material in an environmentally conscientious manner.

Second option is similar to what you had suggested by disposing the concrete at the abandoned lagoon site and once demolition is complete the ministry would like to have the abandoned lagoon site covered with soil to eliminate any voids.

*Should you decide to dispose of the concrete material by the second option we as a department suggest that a caveat is placed on the said property to eliminate and question as to the condition of the said property (previous lagoon/filled with concrete).” (**Appendix H**)*

- 5.50 On September 2, 2010 the Town received a letter from the Saskatchewan Watershed Authority regarding the development on the former lagoon site (**Appendix I**). The letter stated:

“as long as the ground level within the former lagoon to be developed is above 480.65 m or filled to an elevation of 480.65m, then Saskatchewan Watershed Authority would not be opposed to development of this site....this review is limited to the susceptibility to flooding for a new development, and does not address any potential environmental issued with respect to development on the former lagoon site. Questions regarding environmental issued should be addressed by the Ministry of Environment.”

- 5.51 The council meeting minutes of August 22, 2013 identify a motion to (**Appendix Q**):

“decline the offer to purchase 20 acres of property made by Apex Enterprises Ltd. And that we respond we will work with the company should the proposed demolition project proceed”

- 5.52 The Town was unable to locate the offer that was referred to in the minutes of August 22, 2013.

- 5.53 A proposal was received by the Town from Apex Enterprises to haul the rubble from the hospital site to the old lagoon to use as fill for the lagoon. We note that the letter is dated April 2, 2013 however, based on the content of the letter indicating that the hospital property demolition had started we believe this letter was actually April 2, 2014 and not 2013 (**Appendix R**). In the proposal Apex proposes to use the hospital rubble to fill the old lagoon as well as then complete the remediation of the lagoon by covering the lagoon with a 6” clay cap with the clay and labour to be provided at the expense of Apex. In exchange for this work Apex requests that when the job is completed they would receive 3 acres of this parcel of land.

- 5.54 From our discussions with the former Mayor and former councilors we understand that the Town was looking to have the old lagoon site filled so that it may be turned into commercial lots and sold.

- 5.55 At a special meeting on April 2, 2014 council discussed the proposal from Apex (**Appendix Q**).

- 5.56 In a letter dated April 2, 2014 the Town approves Apex to begin hauling to the lagoon site and accepts the proposal (**Appendix R**).
- 5.57 In the April 10, 2014 Council meeting minutes a motion is made to accept the proposal from Apex regarding hauling rubble to the old lagoon in exchange for 3 acres of parcel F (**Appendix Q**).

Fair Market Value Analysis – Parcel F (Southwest Portion)

- 5.58 From our interviews we understand that the Town was looking for fill for the old lagoon site in order to sell the parcel. The Town had been considering the lagoon site as a possible site for the disposal of the hospital concrete as early as 2010.
- 5.59 We understand that in addition to disposing of the concrete from the hospital site, Apex provided clean fill and topsoil to level the site and complete the project. There was no cost to the Town for this additional fill.
- 5.60 We understand that in exchange for the work to fill and appropriately level the land the Town felt that providing 3 acres of that parcel of land as compensation to APEX was an appropriate trade for the value of the services provided.
- 5.61 We understand that as of February 13, 2018 the 3-acre parcel has not yet been subdivided and transferred to Apex, however the Town is in the process of completing the transaction as the reclamation work on the lagoon has been completed.
- 5.62 Timeline summary:

Date	
July 2010	<p>July 21 - Letter from Blue Sky Management to Saskatchewan Environment - Environment Protection and Audit Division requesting a review of the proposed disposal sites of the old lagoon and the old nuisance grounds.</p> <p>July 26 - Response from Ministry of Environment: 2 options provided</p> <ol style="list-style-type: none"> 1. Crush into useable material for road bedding 2. Dispose of concrete in old lagoon and cover with soil to eliminate any voids
July 2010	Meeting with Sask Watershed Authority re: Lagoon site development
September 2010	<p>Letter from Sask Watershed Authority re: development on former Lagoon site stating:</p> <p>"As long as the ground level within the former lagoon to be developed is above 480.65M or filled to an elevation of 40.65M, then Saskatchewan Watershed Authority would not be opposed to development of this site."..."this review is limited to the susceptibility to flooding for a new development, and does not address any potential environmental issued with respect to development on the former lagoon site. Questions regarding environmental issued should be addressed by the Ministry of Environment."</p>
August 2013	Council decides to decline the offer to purchase 20 acres of property made by Apex Enterprises Ltd. And agree to work with the company should the proposed demolition project proceed.

Date	
April 2014	<p>April 2 - Apex Proposal to obtain 3 Acres of Parcel F</p> <ul style="list-style-type: none"> - Apex Proposal discussed at special council meeting - Letter from Town to Apex approving hauling rubble from the hospital site to Parcel F. And approval that the Town will give Apex 3 acres of Parcel F <p>April 10 – Motion approving Apex Proposal</p>

Parcel F (Southwest Portion) – Environmental Analysis

- 5.63 From our interview with the QVEA we understand that there was concern of using the old lagoon site as a disposal site for the concrete of the old hospital and concern over if the Town performed any due diligence. In relation to the environmental impact of the lagoon site we have identified the following correspondence:

July 10, 2010 – Letter to the Saskatchewan Environment, Environment Protection and Audit Division indicating the Towns plans to demolish the old hospital and requesting a review of the proposed disposal sites of the old lagoon and the old nuisance grounds.

July 26, 2010 – Reply letter from Saskatchewan Ministry of Environment identifying the following:

“...First option would be to have the concrete crushed down to useable material and have a local contractor use for road bedding material...Ideally the ministry prefers this option as it makes use of the old material in an environmentally conscientious manner.”

“Second option is similar to what you had suggested by disposing the concrete at the abandoned lagoon site and once demolition is complete the ministry would like to have the abandoned lagoon site covered with soil to eliminate any voids.

Should you decide to dispose of the concrete material by the second option we as a department suggest that a caveat is placed on the said property to eliminate and question as to the condition of the said property (previous lagoon/filled with concrete).”

- 5.64 From the above it appears that the Saskatchewan Ministry Environment did not oppose using the lagoon as a disposal site. Although it may not have been the Ministry's preferred method it was an option provided by the Ministry.

September 2, 2010 – Letter from the Saskatchewan Watershed Authority concludes:

“as long as the ground level within the former lagoon to be developed is above 480.65 m or filled to an elevation of 480.65m, then Saskatchewan Watershed Authority would not be opposed to development of this site....this review is limited to the susceptibility to flooding for a new development, and does not address any potential environmental issued with respect to development on the former lagoon site. Questions regarding environmental issued should be addressed by the Ministry of Environment.”

- 5.65 From the above correspondence there appears to be no opposition from the Saskatchewan Watershed Authority with regards to filling the lagoon with the concrete from the hospital site as long as stated elevations are met.

- 5.66 Based on the above correspondence it appears that a reasonable level of due diligence was taken by the Town for the filling of the lagoon and there were no objections to the proposed plan from the agencies consulted.

Fort San Property

- 5.67 During our interviews there was concern raised about a quarter of land that is located in the Resort Village of Fort San that had been originally owned by the Government and believed to have been owned at some time during 2007 by the Town of Fort Qu'Appelle. We understand that this quarter had a legal land location of NE 24-21-14 W2. From a review of available land title information we have confirmed that this land was not owned by the Town of Fort Qu'Appelle. The title of the land transferred as follows:

- Title 110964663, Issued July 14, 2002 – Owned by Her Majesty the Queen (Saskatchewan)
- Title 13427944 (Previous Title listed as 110964663), Issued August 27, 2007 – Owned by Echo Valley Resorts Ltd.
- Title 135696404 (previous title listed as 13427944), Issued May 22, 2008 – Owned by Echo Valley Resorts Ltd. This is the current title on this property.

- 5.68 Based on the above land title information it does not appear that the Town held title to this property at any time during our review period. No further work has been performed with regards to this land.

Parcel F (Plan 101377548 Ex 50) and Parcel C

- 5.69 On March 21, 2013 Ron Tulik provided an offer to the Town to purchase 4 parcels of land for a total of \$20,000:

- Block B Plan 65R07666
- Block D Plan 99SE00338
- Block F Plan 1019863620 Ext 1
- Block C Plan 101377548 Ext 49

- 5.70 On March 26, 2013 Ron Tulik was informed by the Town that parcels B and D were not available for sale as they formed part of the cemetery. Mr. Tulik provided a revised offer to purchase only parcels F and C for a total of \$10,000.

- 5.71 On March 28, 2013 the following motion was passed:

“THAT we accept the offer to purchase of Tulik Holdings for the purchase of Parcel C Plan 101377548 and Parcel F Plan 101986320 in the amount of \$10,000.00 subject to the following conditions;

- 1. All costs associated with the sale are the responsibility of the purchaser;*
- 2. A real property report is required at the cost of the purchaser;*
- 3. The land must be re-zoned to accommodate any development;*

4. Any development is subject to a servicing agreement being signed prior to commencing with development”

- 5.72 From a review of ISC records we understand the Parcel F that was sold in this transaction to be Parcel F Plan 101377548 as opposed to the above quoted Parcel F Plan 101986320. We further understand Parcel F Plan 101986320 to be the Parcel F with the old Lagoon where the hospital rubble was disposed of, discussed above.
- 5.73 From an interview with Jenny Melanson, former councilor, the price was discounted for Mr. Tulik as he did some reclamation on the site, as it used to be part of the old Town dump, at a cost of \$25,000. The Town Council considered this work to be part of the purchase price.
- 5.74 The independent appraisal report prepared by B R Gaffney & Associates on March 15, 2018 (**Appendix AC**) appraises the combined fair market value of Parcels C & F, as at May 29, 2013, to be \$15,000.

Residential Lots

- 5.75 From a review of the council meeting minutes we understand that the Town approved a standard price for residential lots of \$185/front foot.
- 5.76 MNP engaged the services of B R Gaffney & Associates to provide an independent appraisal of the vacant residential lots sold by the Town. The appraisal report appraised 26 residential lots sold by the Town between a period of April 1, 2008 to February 1, 2016 (**Appendix B**).
- 5.77 For all residential sales included in the appraisal report, the report concluded that the sale prices registered were a good indication of market value.
- 5.78 On August 26, 2009 Peter and Jean Flett Purchase Lot 8 blk 14A Parcel 164358300 from the Town for \$10,000. On October 8, 2009 the parcel was purchased by Harvey & Theresa Poloyko with a parcel value listed as \$35,000 (**Appendix V**). There is no indication as to whether any improvements were made to the land prior to resale to explain the higher purchase price. From a search of the lot on Google maps (search as of February 16, 2018) the lot is located at the intersection of 7th street and Frederick St/Central Ave and there appears to be no structures on the property. The initial sale to Peter & Jean Flett had been included in the B R Gaffney & Associates appraisal report and had been noted as in the range of other sales and a good indication of market value.
- 5.79 MNP identified 14 additional residential transactions during the completeness testing of land transactions. MNP prepared an additional analysis (Schedule 3) of the transactions compared to the appraisals already prepared by B R Gaffney & Associates and to available SAMA property appraisal reports and in comparison to other sales made in the same timeframe and area.
- 5.80 We also reviewed ISC documents to examine the transaction detail of the properties and noted no transactions that appeared to have a quick flip or quick profit. From this analysis MNP did not note any unusual transactions or transactions that may be below fair market value.

Non-residential Lots

5.81 During the course of the review MNP identified the following non-residential lot sales:

- 1) Block G Plan FS4959, 710 Bay Ave S as at February 21, 2008
- 2) Blk/par 12R Plan 101383703 Ext 26 as at Jan 8, 2009
- 3) Notre Dame Avenue – Lot E, Block K as at May 10, 2010
- 4) Blk A Plan 101986320 as at May 10, 2010
- 5) Lot G Blk K, 298 2nd Street E, as at December 13, 2012

Block G Plan FS 4959

5.82 Block G was sold on February 21, 2008 for \$17,800 by Chaplin Holdings Ltd.

5.83 The appraisal from B R Gaffney & Associates (**Appendix AD**) indicated that the fair market value of this parcel as of February 21, 2008 was \$18,000. Therefore, it appears that this parcel was sold for approximately fair market value.

Block 12R Plan 101383703

5.84 Block 12R was sold on January 8, 2009 for \$19,600 to Chaplin Holdings Ltd

5.85 The appraisal from B R Gaffney & Associates (**Appendix AE**) indicated that the fair market value of this parcel as of January 8, 2009 was \$18,000. Therefore, it appears that this parcel was sold for slightly higher than fair market value.

Notre Dame Avenue – Lot E, Block K and Blk A Plan 101986320

5.86 Lot E and Block A are adjacent to each other. On May 10, 2010 Lot E Block K was sold to the Saskatchewan Water Corporation for \$5,100. We understand that this related to SaskWater developing a holding pond.

5.87 The appraisal from B R Gaffney & Associates (**Appendix AA**) indicated that the fair market value of this parcel as of May 10, 2010 was \$36,000. Therefore, it appears that this parcel was sold below fair market value.

5.88 We understand that Block A was sold to Blair Walkington May 10, 2010, we did not have sale documents for this transaction from the town. As per the ISC title the value listed for this property when the title was transferred was \$5,100.

5.89 The appraisal from B R Gaffney & Associates (**Appendix AA**) indicated that the fair market value of this parcel as of May 10, 2010 was \$13,000. Therefore, it appears that this parcel was sold below fair market value.

Lot G Blk K, 298 2nd Street E

5.90 This parcel was sold on December 13, 2012 to Power Pin for \$10,000.

5.91 The appraisal from B R Gaffney & Associates (**Appendix AB**) indicated that the fair market value of this parcel as of December 13, 2012 was \$17,500. Therefore, it appears that this parcel was sold below fair market value.

Town procedures on disposition of lands

- 5.92 From our interview with Mr. Finishen, we understand that generally the Town does not advertise lands for sale. We further understand that there is a map in the office that anyone interested in property may get a copy.
- 5.93 From our interviews we understand that the Town CAO was given authorization to sell residential lots at the preset price of \$185/front foot as long as it was accompanied by a 10% deposit. For sales that were to be made at a price other than \$185/front foot the sale had to be approved by Council.
- 5.94 We further understand that for non-residential lots the sale was to be evaluated and approved by Council.

Brian Janz and Abaco Energy

- 5.95 Abaco Energy Ltd. was incorporated in 2008 in Saskatchewan. It is registered to 1329 Third Street, Estevan, Saskatchewan with a mailing address of 1825 Harbor Drive, Bismarck, North Dakota. The directors of the company are Stacy Tschider of 4024 Downing Street, Bismarck, ND, Jeffrey Jonson of 1825 Harbor Drive, Bismarck, ND, Deborah Johnson of 1825 Harbor Drive, Bismarck, ND and Brian Janz of 5 Pasqua Place, Fort Qu'appelle, Saskatchewan.
- 5.96 Mr. Tschider, Mr. Jonson, Ms. Jonson and Mr. Janz are 25% shareholders in the corporation. MNP reviewed the original incorporation record from 2008, however shareholders and directors are not named on this form.
- 5.97 MNP identified several corporations in the North Dakota Secretary of State business records searches¹⁴ which are owned/directed by Mr. Tschider or Mr. Jonson including:
- Abaco Aviation;
 - Abaco Capital;
 - Abaco Development;
 - Abaco Energy Services; and,
 - Abaco Energy.
- 5.98 None of the US incorporations include Mr. Janz as a shareholder or director.
- 5.99 We understand that Mr. Janz was elected to council in November 2012. We have no records of Mr. Janz declaring business interests at that time.
- 5.100 In 2012, Section 142(1) of the Municipalities Act read as follows:

¹⁴ <https://apps.nd.gov/sc/busnsrch/busnSearch.htm>

Public disclosure statement

142(1) A council may, by bylaw, require that every member of council, within 30 days after being elected, file a public disclosure statement with the administrator.

- 5.101 We understand that the town did not have a bylaw requiring this disclosure at the time.
- 5.102 We further understand that on November 19, 2015 there was an amendment to the municipalities act that amended Section 142(1) of the Municipalities Act to read as follows:

Public disclosure statement

142(1) Subject to the regulations, every member of council shall, within 30 days after being elected, file a public disclosure statement with the administrator in the form provided by the council.

- 5.103 From the April 2016 Information Bulletin, issued by the Government of Saskatchewan, we understand that the change in legislation impact was that previously municipal councils had the option of passing a bylaw requiring members to file public disclosure statements and the amendment made it mandatory for all members of council to file a public disclosure statement within 30 days of being elected to office.
- 5.104 On March 9, 2016 Mr. Janz filed a public disclosure statement listing his interest in Abaco Energy Services.
- 5.105 We understand that sometime during 2013 Abaco began discussions with the Town over the proposed project for Lots V and Q.
- 5.106 On September 30, 2013 council passed a motion as follows:
- “THAT we accept the offer of Abaco Group of \$1.00 for Block Q, Plan 77R09773 and Block V, Plan 82R01656, Ext 1 subject to the following conditions:
1. A negotiated servicing agreement must be in place prior to any construction
 2. 50% of the estimated cost of demolition of the buildings and structures on the property must be placed with the Town in the form of a letter of credit, bond or cash prior to the commencement of any demolition work.
 3. All demolition must be completed within one year of the sale of the property.
 4. All costs of the transfer of titles and rezoning are the responsibility of the purchaser.
 5. All costs associated with the building permit and any required inspections are the responsibility of the purchaser”
- 5.107 Mr. Janz was not present at the meeting that passed that motion. From our interviews with other Council members we understand that they were not aware of Janz's interest in Abaco Energy Services at the time this motion was passed.

5.108 On October 18, 2013 legal counsel for the Town was asked by Kelly Shill, the Town CAO at the time, to prepare a purchase agreement for Parcels Q and V.

5.109 At a March 6, 2018 interview, Mr. Janz told MNP that Stacey Tschider (Abaco shareholder) has been a personal friend of his for 30 years and that Mr. Tschider has been coming to the Fort Qu'appelle region for that period of time. He stated that Mr. Tschider had a business in Regina for a number of years as well. He said that he introduced Mr. Tschider and Jeff Johnson (Mr. Tschider's business partner) to the other Councillors and then did not get involved in any other meetings. He stated:

"At that time I said I can't have anything to do with voting or anything else because I'm gonna be their eyes, I'm gonna be their guy on the ground in Saskatchewan, I'm out. Everybody is yeah. Perfect we understand, everything else. Okay. Did I declare that I had an interest? No. If I did it would have been a lie. They were buying the hospital through Abaco Group which is a company in the USA. I have zero to do with that, absolutely nothing to do with it. But either way I was still out because I was gonna be helping them in Saskatchewan. Somewhere along the lines their lawyer, our lawyer, I still don't know said if you had a Canadian company it would be so much easier to do this land deal. I was actually in China and that's when I found out that I'm up for conflict of interest. Why? Well you never declared that you're the director of Abaco Energy Services. Why would I? It wasn't sold to Aberco, Abaco Energy Services. Oh no it got changed. Well who the hell changed it? Well our lawyer changed it. Well nobody told me it was changed because I had nothing to do with anything. Nobody told me nothing. Abaco Energy Services was started in two thousand and eight, we were gonna get into the oil tank rentals, started the company, needed somebody to, a Canadian to start the company. I started the company 'cause I'm here. I would be the guy that would oversee the things, zero interest, zero shares of Abaco Energy Services. I was a director, four partners in the States, twenty-five percent shares each. So I had nothing, never made a cent off of Abaco Energy Services, nothing. So once I found out that it was sold to Abaco Energy Services and there's this conflict, myself and Ron did not see eye to eye. It was a way to get rid of me, basically is what it was. He may not admit to that but a lot of people seen it. That's what it was is, I got him. And then I just came back and said well realistically how can you guys sell property to two different groups. You've already sold it to Abaco Group, now you sold it to Abaco Energy Services. What you guys just did is wrong. And so they had to make a motion to rescind the motion to sell it to Abaco Group, and then have a new vote to sell it to Abaco Energy Services. At that time I declared that I am the director with zero shares. I couldn't do it before, it would have been a lie. If I would have went there in the first whatever that started in September and said I can't vote I'm the director of Abaco, I'd be in trouble right now for lying because I was not the director of Abaco Group.

5.110 Mr. Janz stated that he declared his interest in December when he was aware of the change of the name of the owners. He told MNP that he did not attend any meetings where negotiations occurred.

5.111 On December 17, 2013 the Town received a letter (**Appendix W**) from Brian Janz outlining the following:

"1. I advised the Mayor & Council of my pecuniary interest prior to the Special meeting held on Monday, September 30, 2013 where the motion was made and passed to accept the Offer of Abaco Group to purchase Block Q, Plan 77R09773 and Block V Plan 82R01656, Ext. 1 (Old Hospital Property). I was incorrectly noted on the Minutes of this meeting as absent, when in fact I had recused myself and was abstaining from discussing and/or voting as I had a pecuniary interest...

2. I did not disclose that I was a director of Abaco Energy Services Ltd. as Abaco Group was the company purchasing the property and not Abaco Energy Services Ltd.

3. I am not a Director or a Shareholder of Abaco Group and I never have been. When Abaco Group decided to make an offer to purchase the Old Hospital Property they asked me to be involved in this project and I agreed and immediately advised the Mayor and Council and abstained from all discussions and voting...”

- 5.112 On December 18, 2013 the Town received a letter from their legal counsel addressing the pecuniary interest (Appendix W). The letter outlines the considerations to be made by the remaining members of Council and advises that they can decide that either:
- adequate disclosure was made by Mr. Janz and proceed with the project with Mr. Janz refraining from any further discussions and voting relating to the project; or,
 - they can request Mr. Janz to tender his resignation and consider and vote on a new resolution relating to the Abaco proposal to replace the September 30, 2013 motion.
- 5.113 On December 21, 2013 the council made a motion to change the agreement to Abaco Energy Services, not Abaco Group. At this time Mr. Janz declared a pecuniary interest, as a director of Abaco Energy with zero shares, and left the room for the vote at 9:08 and returned 4 minutes later at 9:12. There is no indication in the meeting minutes if this interest was discussed among council prior to passing the motion.
- 5.114 From our interviews with former councilors and the former mayor we understand that the sale to Abaco was effectively complete when counsel became aware that Mr. Janz was involved in Abaco. The council was informed that Mr. Janz was a director and not a shareholder of the company at the time.
- 5.115 Mr. Janz told MNP that he felt that the hospital was sold for fair market value as the hospital needed to be demolished and they had received no other comparable offers. He stated that property Y was purchased as it would provide a water outlet for the marina and that property was not viable for any development. He told MNP that Abaco believes that property X and Z may still be sold by the Saskatchewan Water Authority for the project to be completed.
- 5.116 Mr. Janz told MNP that since Abaco Group was purchasing the property, he did not declare that he was a director of Abaco Energy Services, despite Mr. Tschider owning Abaco Energy.
- 5.117 Mr. Janz told MNP that he was told that all legislation was checked prior to the sale of the lands for the marina and the use of the demolished materials in the old lagoon site. Mr. Janz told MNP that he believes that this petition was motivated by Abaco's denial of access to Larry Schultz's property YY. Property YY is now landlocked and there is no access to the condominium's parking lot as a result of Abaco denying access to that property from Property V. Mr. Janz showed MNP the plans for the development of the marina, which are undated, which show that the development anticipated using the PFRA (Prairie Farm Rehabilitation Administration) lands, Property X and Z.
- 5.118 Mr. Janz told MNP that he is not a shareholder of Abaco Energy Services. He told MNP that Mr. Tschider's ex-wife asked him to buy her shares and he was advised to buy them by Mr. Tschider who in turn bought them from him. However as noted in **Appendix U**, Mr. Janz is listed as a 25% shareholder in the corporation.

- 5.119 In MNP's interview of Jeff Brown, Mr. Brown noted that he recalls Mr. Janz recusing himself after the first meeting with Abaco and that Mr. Janz was not involved in negotiations.
- 5.120 On February 15, 2018, Michael McCormack from MNP contacted Ron Osika, Darrell Webster and Lee Finishen with respect to the statement made by Mr. Brown that Mr. Janz recused himself immediately after introducing the Council to Abaco. Each person related that Mr. Janz was involved in committee meetings, meeting with Abaco and Council and was involved in the decision-making process until December when his interest was determined by Town legal counsel. Mr. Osika and Mr. Finishen recalled that Abaco was introduced to the Town in August 2013 and that there would have been presentations and meetings with them to discuss the purchase and development.
- 5.121 MNP requested all committee meetings between April and December 2013. There was no documented special meeting which involved the sale of the Hospital to Abaco.

Brian Janz and Apex Enterprizes

- 5.122 We also understand that Mr. Janz was believed to have an interest in Apex at some point in time. We note that Apex Enterprizes was incorporated in 2008 in Saskatchewan (**Appendix T**). It is registered to Cal Tulik of 400 – 9th St. W. Fort Qu'appelle, Saskatchewan. The shareholders of the company are Cal Tulik and Shauna Tulik. This company was previously known as Apex Restoration and Protective Coating until 2012. MNP was unable to access historical incorporation records.
- 5.123 On April 2, 2014 at a special council meeting, Administration presented a proposal from Apex Enterprizes regarding Parcel F. Discussions followed. We note that Mr. Janz was identified as present at the meeting.
- 5.124 On April 10, 2014 when the following motion was passed, Mr. Janz abstained from the vote:

"THAT we accept a proposal from Apex Enterprizes that allows them to haul rubble into the old lagoon site (south west portion of parcel F), place a 6" clay cap on top and level out to desired elevation at their own cost. In return, the Town will transfer 3 acres of said parcel to said company and retain remainder as industrial lots."

Access to Willow Court Condominiums

- 5.125 We understand that the Willow Court Condominiums are located on Parcel YY. This parcel is adjacent to Parcel Q (which is now owned by Abaco Energy Services).
- 5.126 From a search in ICS we understand that BlackTTY Enterprises Ltd. owned this parcel prior to our scope of review.
- 5.127 From our preliminary meeting with Town Council, we understand that sometime in 2016, Abaco blocked a driveway that was located on Parcel Q. We further understand that this driveway had been relied on by residents of Willow Court.
- 5.128 On March 6, 2018, Michael McCormack from MNP interviewed Brian Janz. Mr. Janz told MNP that he believed that the reason that this matter was sought by way of petition was a result of the

Willow Park construction. Mr. Janz told MNP (and provided documents from Town permits attached at **Appendix Z** that Mr. Schultz requested a permit to building townhomes on the property YY which were not in conformity with the ISC lot sizes. Mr. Janz pointed out that the permit information indicates that the lot width size is 86.84 feet along Broadway Road. In fact, according to an ISC site plan he provided, that the width is actually 73.52 feet long. This difference of 13 feet would have compensated for the driveway to the townhomes in the rear of the buildings facing Broadway.

- 5.129 We note that the permit was dated September 15, 2014. Abaco was already the owner of property Q at the time this permit was submitted.
- 5.130 Mr. Janz told MNP that Mr. Schultz built the homes within 2 feet of the property Q and expected to use property Q to access the townhomes in the rear. As a result of the dispute with Abaco, that access was taken away which essentially “land-locked” the townhomes from accessing Broadway with a vehicle. Mr. Janz pointed to a number of errors on the permit submitted by Mr. Schultz for construction. MNP has not reviewed the construction permits for this property and therefore cannot speculate as to whether the error was made by the developer or by the engineer from the Town approving the project.
- 5.131 MNP was not engaged to conduct a review of the development of properties and the appropriateness of those development plans with inspection documents and as such cannot comment on the litigation or comments made by Mr. Janz.

6.0 RESTRICTIONS AND LIMITATIONS

- 6.1 This report is not intended for general circulation or publication. We will not assume any responsibility or liability for losses suffered by any party as a result of circulation, distribution, publication, duplication, reproduction, or any use of this report contrary to the provisions of this paragraph.
- 6.2 We reserve the right, but will be under no obligation, to review all comments included in or referred to in this report and, if we consider it necessary, to revise our comments in light of any information existing at the date of this report that subsequently becomes known to us.
- 6.3 In arriving at our findings, we have relied on certain information outlined in the Scope of Work of our Forensic Report dated March 21, 2018 and information provided by the Town of Fort Qu'Appelle and other parties as noted in the report. Our report must be considered in its entirety by the reader. Selecting and relying on specific portions of the analyses or factors considered by us in isolation may be misleading. The procedures performed do not constitute an audit and an audit has not been performed on the financial information.
- 6.4 As noted throughout the report there were a number of transactions for which additional analysis is ongoing and was not able to be completed as of the date of this report. We are continuing our review of the transactions and will provide an updated analysis in an addendum to amended report at a later date.

Yours Truly,

MNP LLP

A handwritten signature in black ink that reads "MNP LLP". The letters are stylized and cursive.

Greg Draper, MBA, DIFA, FCPA, FCGA, CFF, ICD.D.
Investigative and Forensic Services

7.0 SCHEDULES

Town of Fort Qu'Appelle
Land Sales Listing
January 1, 2007 to December 31, 2016

Schedule 1

Land Description	Parcel #	Zoning	Date sold	Price	FMV	Schedule
					Assessment	
2008						
BLK G PLAN FS4959	109855435		21-Feb-08	\$ 17,800	Appendix AD	1.1
LOT 6 BLK 13 PLAN A02561	109810997	Residential	09-May-08	\$ 13,000	Appendix B	1.1
LOT 9 BLK 30 PLAN 66R27897	109816331	Residential	26-Aug-08	\$ 10,000	Appendix B	1.1
LOT 12 BLK 21 PLAN A02561	109811415	Residential	29-Sep-08	\$ 2,500	Appendix B	1.1
LOT 11 BLK 21 PLAN A02561	109811325	Residential	29-Sep-08	\$ 7,500	Appendix B	1.1
LOT 16 BLK 20 Plan AO2561	109834375	Residential	05-Nov-08	\$ 7,000	Appendix B	1.1
LOT 7 BLK 67 PLAN 75R40848	109819446	Residential	15-Dec-08	\$ 15,000	Appendix B	1.1
2009						
Blk/par 12R Plan 101383703 Ext 26	111494044	Non-civic	08-Jan-09	\$ 19,600	Appendix AE	1.1
LOT 8 Blk 14A Plan 68R27790	164358300	Residential	26-Aug-09	\$ 10,000	Appendix B	1.1
Lot 7, Blk 13, Plan AO2561	109812742	Residential	03-Sep-09	\$ 7,250	Shedule 3	1.2
LOT 5 BLK 11 PLAN A02561	109810964	Residential	03-Sep-09	\$ 14,000	Appendix B	1.1
Parcel G Plan 101377581	111759981		03-Sep-09	\$ 17,800	Shedule 3	1.2
2010						
lot A block 27 plan AN4277	114241025	Valley Ambulance	22-Apr-10	Donated	Appendix B	1.1
Lot 17, Block 27, Plan AN 4277	109814564	Valley Ambulance	22-Apr-10	Donated	Appendix B	1.1
lot 7 block 19 plan AO2561	109811516	Residential	23-Apr-10	\$ 9,250	Appendix B	1.1
LOT E BLK K PLAN PLA	164571374	Industrial	10-May-10	\$ 5,100	Appendix AA	1.1
Blk A Plan 101986320	164571419		10-May-10	\$ 5,100	Appendix AA	1.2
lot 11 block 19 plan AO2561	109811280	Residential	19-May-10	\$ 6,000	Appendix B	1.1
lot 12 block 19 plan AO2561	109811572	Residential	19-May-10	\$ 6,000	Appendix B	1.1
lot 13 block 19 plan AO2561	109811561	Residential	19-May-10	\$ 6,000	Appendix B	1.1
lot 14 block 19 plan AO2561	109811550	Residential	19-May-10	\$ 6,000	Appendix B	1.1
lot 15 block 19 plan AO2561	109811549	Residential	19-May-10	\$ 6,000	Appendix B	1.1
Lot 20, Blk 20, Pla AO2561	109811099		20-Sep-10	\$ 14,000	Shedule 3	1.2

Town of Fort Qu'Appelle
Land Sales Listing
January 1, 2007 to December 31, 2016

Town of Fort Qu'Appelle
Land Sales Listing
January 1, 2007 to December 31, 2016

Schedule 1

Land Description	Parcel #	Zoning	Date sold	Price	FMV	
					Assessment	Schedule
Lots 6, Blk 5 Plan AN4277	111448043		09-Nov-15	\$ 6,753	Shedule 3	1.2
Lots 7, Blk 5 Plan AN4277	111448065		09-Nov-15	\$ 6,753	Shedule 3	1.2
Lots 3, Blk 6, Plan AN4277	109812506		09-Nov-15	\$ 6,600	Shedule 3	1.2
Lots 4, Blk 6, Plan AN4277	109812494		09-Nov-15	\$ 6,600	Shedule 3	1.2
Lots 5, Blk 6, Plan AN4277	109812539		09-Nov-15	\$ 6,600	Shedule 3	1.2
Lots 15, Blk 45 Plan AN4277	109813787		16-Nov-15	Donation	Shedule 3	1.2
Lots 16, Blk 45 Plan AN4277	109813798		16-Nov-15	Donation	Shedule 3	1.2
2016						
Parcel Y, Plan 85R64873	120764561		04-Jan-16	\$ 1	Appendix Y	1.2
LOT 1 BLK 11 PLAN A02561	109823913	Residential	02-Mar-16	\$ 14,957	Appendix B	1.1

Town of Fort Qu'Appelle
Land Sales Listing - Provided by Town
January 1, 2007 to December 31, 2016

Schedule 1.1

Land Description	Civic Address	Parcel #	Classification	Date sold	Price
2008					
BLK G PLAN FS4959	710 Bay Ave S	109855435		21-Feb-08	\$ 17,800
LOT 6 BLK 13 PLAN A02561	425 8th Street E	109810997	Residential	09-May-08	\$ 13,000
LOT 9 BLK 30 PLAN 66R27897	527 Broadway St E	109816331	Residential	26-Aug-08	\$ 10,000
LOT 12 BLK 21 PLAN A02561	698 Pasqua Ave S	109811415	Residential	29-Sep-08	\$ 2,500
LOT 11 BLK 21 PLAN A02561	698 Pasqua Ave S	109811325	Residential	29-Sep-08	\$ 7,500
LOT 16 BLK 20 Plan A02561	644 Segwun Ave S	109834375	Residential	05-Nov-08	\$ 7,000
LOT 7 BLK 67 PLAN 75R40848	48 Qu'Appelle	109819446	Residential	15-Dec-08	\$ 15,000
2009					
Blk/par 12R Plan 101383703 Ext 26	No Civic - Chaplin Holdings	111494044	Non-civic	08-Jan-09	\$ 19,600
LOT 8 Blk 14A Plan 68R27790	498 Central Ave S	164358300	Residential	26-Aug-09	\$ 10,000
LOT 5 BLK 11 PLAN A02561	597 Pasqua Ave S	109810964	Residential	03-Sep-09	\$ 14,000
2010					
lot A block 27 plan AN4277	171 Boundary	114241025	Valley Ambulance	22-Apr-10	Donated
Lot 17, Block 27, Plan AN 4277	171 Boundary	109814564	Valley Ambulance	22-Apr-10	Donated
lot 7 block 19 plan AO2561	665 Segwun Ave S	109811516	Residential	23-Apr-10	\$ 9,250
LOT E BLK K PLAN PLA	Notre Dame Ave	164571374	Non civic -	10-May-10	\$ 5,100
lot 11 block 19 plan AO2561	698 Craigleith Ave S	109811280	Residential	19-May-10	\$ 6,000
lot 12 block 19 plan AO2561	686 Craigleith Ave S	109811572	Residential	19-May-10	\$ 6,000
lot 13 block 19 plan AO2561	676 Craigleith Ave S	109811561	Residential	19-May-10	\$ 6,000
lot 14 block 19 plan AO2561	666 Craigleith Ave S	109811550	Residential	19-May-10	\$ 6,000
lot 15 block 19 plan AO2561	656 Craigleith Ave S	109811549	Residential	19-May-10	\$ 6,000

Town of Fort Qu'Appelle
Land Sales Listing - Provided by Town
January 1, 2007 to December 31, 2016

Schedule 1.1

Land Description	Civic Address	Parcel #	Classification	Date sold	Price
2011					
LOT 9 BLK 67 PLAN 75R40848	52 Qu'Appelle	109819468	Residential	12-Jan-11	\$ 23,000
LOT 6 BLK 30 PLAN 66R27897	483 Broadway E	109816308	Residential	19-Jan-11	\$ 10,667
LOT 7 BLK 30 PLAN 66R27897	483 Broadway E	109816319	Residential	19-Jan-11	\$ 10,667
LOT 8 BLK 30 PLAN 66R27897	483 Broadway E	109816320	Residential	19-Jan-11	\$ 10,667
2012					
LOT G BLK K PLAN PLA	298 2nd Street E	202738798	Commercial	13-Dec-12	\$ 10,000
2013					
Lots 7, Block 10, Plan AO2561	586 Pasqua S	109812685	Residential	17-May-13	\$ 18,500
Lots 8, Block 10, Plan AO2561	576 Pasqua S	109812674	Residential	17-May-13	
			Future Urban		
Parcel C Plan 101377548	No Civic	111811643	Development	29-May-13	\$ 5,000
			Future Urban		
Parcel F, Plan 101986320	No Civic	111811665	Development	29-May-13	\$ 5,000
2014					
Lot 7, block 8, plan 1867,	534 Boundary	109817893	Residential	10-Jan-14	\$ 10,000
Lot 6, block 8, plan 1867,	534 Boundary	109817905	Residential	10-Jan-14	\$ 10,000
Lot V plan 82R01656, parcel 163531155	760 Broadway	163531155		27-Jan-14	\$ 1
Lot Q parcel 131772483	NO Civic	131772483		27-Jan-14	\$ 1
Lot 9 Blk/Par 44 Plan No AN4277	288 Craigleith Ave N	109817129	Residential	31-Jul-14	\$ 10,000
2016					
LOT 1 BLK 11 PLAN A02561	555 Pasqua Ave	109823913	Residential	02-Mar-16	\$ 14,957

Town of Fort Qu'Appelle

Schedule 1.2

Land Sales Listing - identified in MNP completeness testing

January 1, 2007 to December 31, 2016

Land Description	Parcel #	Date sold	Price	Party Sold to
2009				
Lot 7, Blk 13, Plan AO2561	109812742	03-Sep-09	\$ 7,250	Nick & Dorthy Nimchuk
Parcel G Plan 101377581	111759981	03-Sep-09	\$ 17,800	Jill & Tim Radwanski
2010				
Blk A Plan 101986320	164571419	10-May-10	\$ 5,100	Blair Walkington
Lot 20, Blk 20, Pla AO2561	109811099	20-Sep-10	\$ 14,000	Robert & Georgette Mondor
2011				
Lot 5, Blk 19 , Plan AO2561	109813079	15-Jun-11	\$ 9,250	Donald & Crystal Rokosh
Lot 11, Blk 26, Plan AN4277	109816296	14-Jul-11	\$ 10,000	William Lindsey
2014				
Lot 12, BLK 41 Plan AN4277	109617174	04-Jul-14	\$ 10,000	
Lot 10, BLK 44, Plan AN4277	109817242	31-Jul-14	Donation	Habitat for Humanity
2015				
Lots 6, Blk 5 Plan AN4277	111448043	09-Nov-15	\$ 6,753	Michael & Carla Patterson
Lots 7, Blk 5 Plan AN4277	111448065	09-Nov-15	\$ 6,753	Michael & Carla Patterson
Lots 3, Blk 6, Plan AN4277	109812506	09-Nov-15	\$ 6,600	Ivan & Lorraine Waltz
Lots 4, Blk 6, Plan AN4277	109812494	09-Nov-15	\$ 6,600	Ivan & Lorraine Waltz
Lots 5, Blk 6, Plan AN4277	109812539	09-Nov-15	\$ 6,600	Ivan & Lorraine Waltz
Lots 15, Blk 45 Plan AN4277	109813787	16-Nov-15	Donation	Habitat for Humanity
Lots 16, Blk 45 Plan AN4277	109813798	16-Nov-15	Donation	Habitat for Humanity
2016				
Parcel Y, Plan 85R64873	120764561	04-Jan-16	\$ 1	ABACO Energy Services

Town of Fort Qu'Appelle
Old Indian Hospital Property Timeline
January 1, 2007 to December 31, 2016

Schedule 2

Date	Details	Parcel of note
25-Oct-07	Council approves making an offer to purchase Parcel V from the Federal Government for \$1	Parcel V
26-Oct-07	Offer to Purchase Parcel V from Federal Government signed by Mayor and Town Administrator	Parcel V
22-Nov-07	Town receives Parcel V from the Federal Government for \$1	Parcel V
05-Dec-07	Title for Parcel V transferred to Town	Parcel V
14-Feb-08	Council deny access to the old hospital building by Ghost Hunters Research Team because of liability issues with the condition of the interior of the building	Parcel V
14-Aug-08	Motion that the town engage the services of Northwind Innovations Inc. to provide research and develop a Development Plan for the old hospital and area at a cost of \$35,000	Parcel V
19-Sep-08	Letter of intent from Pellaway Bay	Parcel V
29-Sep-08	Pellaway Bay letter of intent signed by council	Parcel V
08-Apr-10	Town accepts Mr. Benesocky's proposal for Airsoft at the Old Hospital, with proof of proper liability insurance, provision of a security plan and demonstration to Council within the next month.	Parcel V
22-Apr-10	the Town notifies Mr. Bednaz that we are not interested in his Old Hospital proposal at this time	Parcel V
	Quote from North West Express Ltd for Demo of Hospital	
	1) cost to Demo Hospital site - \$236,706 + GST, Tipping fees and Demo Permits	
	2) Cost to reclaim Lagoon \$142,400	
23-Jun-10	Total \$379,106	Parcel V
	Letter from Blue Sky Management to Saskatchewan Environment - Environment Protection and Audit Division indicating the towns plan to demolish the old hospital and requesting a review of the proposed disposal sites of the old lagoon and the old nuisance grounds	Parcel F
20-Jul-10	demolish the old hospital and requesting a review of the proposed disposal sites of the old lagoon and the old nuisance grounds	Parcel F
21-Jul-10	Meeting with Sask Watershed Authority re: Lagoon site development	Parcel F
	Response Letter from Ministry of Environment re: disposition of concrete from Hospital site. 2 options provided:	
	1. Crush into useable material for road bedding	
26-Jul-10	2. dispose of concrete in old lagoon and cover with soil to eliminate any voids	Parcel F
18-Aug-10	Quote from Tulik & Son on Demo of Hospital site \$374,000	Parcel V
01-Sep-10	Motion for an independent appraisal of the 6.2 acre Old Hospital site property be obtained, as soon as possible.	Parcel V
	Letter from Sask Watershed Authority re: development on former Lagoon site stating:	
	"As long as the ground level within the former lagoon to be developed is above 480.65M or filled to an elevation of 480.65M, then Saskatchewan Watershed Authority would not be opposed to development of this site."..."this review is limited to the susceptibility to flooding for a new development, and does not address any potential environmental issued with respect to development on the former lagoon site. Questions regarding environmental issued should be addressed by the Ministry of Environment."	Parcel F
02-Sep-10	lagoon site. Questions regarding environmental issued should be addressed by the Ministry of Environment."	Parcel F
09-Sep-10	the Crown Appraisals fee of \$2500.00 plus disbursements plus GST from Darren Bird be accepted as presented	Parcel V

Town of Fort Qu'Appelle
Old Indian Hospital Property Timeline
January 1, 2007 to December 31, 2016

Schedule 2

Date	Details	Parcel of note
13-Oct-10	Crown Appraisals report to Town on Parcel V - Value of \$99,000	Parcel V
18-Oct-10	THAT the Town offer to Pellaway Bay Resorts Ltd. Parcel V. for the amount of \$302,000.00, in an "as-is" condition, subject to compliance with all Town Bylaws and regulations	Parcel V
12-May-11	THAT the Pellaway proposal of April 28, 2011 be rejected and Councils proposal of October 18, 2010 be withdrawn	Parcel V
12-Jan-12	THAT the Town of Fort Qu'Appelle issue a request for tenders for the demolition of the former Indian Hospital, power plant, burn stack, tunnels and any standing buildings located on that property site. Rubble/material is to be crushed and hauled away (or stock piled for future use). All debris to be removed and the site left in a state acceptable to the Town of Fort Qu'Appelle. All salvage material to be the property of the successful bidder. Work to be completed by May 31, 2012	Parcel V
01-Oct-12	THAT we grant permission to Casey Markus to rent the old hospital building for an airsoft competition	Parcel V
22-Aug-13	THAT We decline the offer to purchase 20 acres of property made by Apex Enterprises Ltd. And that we respond we will work with the company should the proposed demolition project proceed	Parcel F
	THAT we accept the offer of ABACO Group of \$1.00 for Block Q, Plan 77R09773 and Block V, Plan 82R01656, Ext 1 subject to the following conditions:	
	1. A negotiated servicing agreement must be in place prior to any construction	
	2. 50% of the estimated cost of demolition of the buildings and structures on the property must be placed with the town in the form of a letter of credit, bond or cash prior to the commencement of any demolition work.	
	3. All demolition must be completed within one year of the sale of the property.	
	4. All costs of the transfer of titles and rezoning are the responsibility of the purchaser.	Parcel V and
30-Sep-13	5. All costs associated with the building permit and any required inspections are the responsibility of the purchaser	Parcel Q
		Parcel V and
18-Oct-13	Town requests legal council draft Purchase agreement with ABACO	Parcel Q
		Parcel V and
21-Dec-13	THAT we change Motion 185/13 to read ABACO Energy Services Inc, not ABACO Group	Parcel Q
21-Dec-13	Brian Janz declared a pecuniary Interest and left the room at 9:08 a.m. as he is the director with zero shares in ABACO Energy Services Inc	
		Parcel V and
16-Jan-14	Purchase agreement between Abaco and Town for Parcel V and Parcel Q for \$1	Parcel Q
		Parcel V and
17-Jan-14	Cheque 2182 from ABACO Energy Services issued to the town in the amount of \$1	Parcel Q
		Parcel V and
27-Jan-14	Title on Parcel V and Q changed to ABACO Energy Services	Parcel Q
		Parcel V and
31-Jan-14	Town issues receipt for \$1 for the sale of Block Q and V	Parcel Q

Town of Fort Qu'Appelle
Old Indian Hospital Property Timeline
January 1, 2007 to December 31, 2016

Schedule 2

Date	Details	Parcel of note
25-Feb-14	Performance bond (\$250,000) provided to Town for APEX for the Demolition of the Old Hospital	Parcel V
02-Apr-14	Apex Proposal to obtain 3 Acres of Parcel F	Parcel F
02-Apr-14	Administration presented a proposal from Apex Enterprizes regarding Parcel F. Discussions followed Letter from Town to Apex approving hauling rubble from the hospital site to Parcel F. And approval that the town will give Apex 3 acres of Parcel F.	Parcel F
02-Apr-14	Letter stated that approval was provided by council at special meeting on April 2, 2014 THAT we accept a proposal from Apex Enterprizes that allows them to haul rubble into the old lagoon site (south west portion of parcel F), place a 6" clay cap on top and level out to desired elevation at their own cost. In return, the Town will transfer 3 acres of said parcel to said company and retain remainder as industrial lots.	Parcel F
10-Apr-14	Councillor Janz abstained from vote THAT we acquire a topographical survey for the purpose of subdividing 18.85 acres of Parcel F according to the attached mapping, forming	Parcel F
23-Oct-14	part of these minutes	Parcel F
05-Mar-15	Proposal letter from Abaco to town for purchase of Lot Y for \$1	Parcel Y
	ABACO and Town enter into a Purchase agreement for Block Y for \$1.	
28-Aug-15	There is a requirement that the parties enter into a service agreement by January 1, 2020 or ABACO will transfer title back to the Town	Parcel Y
28-Aug-15	Town issues receipt for \$1 for the sale of Block Y to ABACO Energy Services	Parcel Y
04-Jan-16	Title on Parcel Y changed to ABACO Energy Services	Parcel Y
09-Mar-16	Public disclosure statement of corporate interests signed by Brian Janz	

Town of Fort Qu'Appelle
Residential Land Sales Listing - identified in MNP completeness testing
January 1, 2007 to December 31, 2016

Schedule 3

Land Description	Parcel #	Date sold	Price	Party Sold to	MNP Conclusion
2009					
Lot 7, Blk 13, Plan AO2561	109812742	03-Sep-09	\$ 7,250	Nick & Dorthy Nimchuk	The appraisal report identifies a 2008 sale on same street for \$0.71/sqft. Original request from the purchaser was for a purchase price of \$7,000, from the minutes it appears there were more negotiations until a price of \$7,250 was accepted. Price appears reasonable This is a larger parcel - SAMA has not placed a very high value on this parcel (\$9,100). It was subsequently sold in 2013 for \$30,000. The price of \$17,800 may have been reasonable in 2009.
Parcel G Plan 101377581	111759981	03-Sep-09	\$ 17,800	Jill & Tim Radwanski	
2010					
Lot 20, Blk 20, Pla AO2561	109811099	20-Sep-10	\$ 14,000	Robert & Georgette Mondor	The appraisal report notes a sale on the same street in 2010 for \$0.97/sqft. This property sold for \$1.29/sqft. Therefore price appears reasonable
2011					
Lot 5, Blk 19 , Plan AO2561	109813079	15-Jun-11	\$ 9,250	Donald & Crystal Rokosh	In line with town policy of \$185/front foot. Therefore price appears reasonable There is now a Duplex on this parcel and so MNP was unable to obtain an accurate report from SAMA as to the original footage of the lot. The sale price appears to be in line with what the town had been receiving for other lots. Price appears reasonable.
Lot 11, Blk 26, Plan AN4277	109816296	14-Jul-11	\$ 10,000	William Lindsey	
2014					
Lot 12, BLK 41 Plan AN4277	109617174	04-Jul-14	\$ 10,000		All other residential lots in 2014 were sold for \$10,000. Price appears reasonable. Donated to Habitat for Humanity. Appears reasonable, no further work performed.
Lot 10, BLK 44, Plan AN4277	109817242	31-Jul-14	Donation	Habitat for Humanity	

Town of Fort Qu'Appelle
Residential Land Sales Listing - identified in MNP completeness testing
January 1, 2007 to December 31, 2016

Schedule 3

Land Description	Parcel #	Date sold	Price	Party Sold to	MNP Conclusion
2015					
Lots 6, Blk 5 Plan AN4277	111448043	09-Nov-15	\$ 6,753	Michael & Carla Patterson	From our review of other transactions, when multiple lots are purchased, the Town has given a discount on the price per front foot. The town sold these 2 parcels for \$169/front foot. Price appears reasonable
Lots 7, Blk 5 Plan AN4277	111448065	09-Nov-15	\$ 6,753	Michael & Carla Patterson	
Lots 3, Blk 6, Plan AN4277	109812506	09-Nov-15	\$ 6,600	Ivan & Lorraine Waltz	MNP could not find details on SAMA as this is now a multi unit dwelling with multiple SAMA reports. The price paid per parcel appears to be in line with other sales made that year when multiple lots are sold to the same purchaser for multi-unit development.
Lots 4, Blk 6, Plan AN4277	109812494	09-Nov-15	\$ 6,600	Ivan & Lorraine Waltz	
Lots 5, Blk 6, Plan AN4277	109812539	09-Nov-15	\$ 6,600	Ivan & Lorraine Waltz	
Lots 15, Blk 45 Plan AN4277	109813787	16-Nov-15	Donation	Habitat for Humanity	Donated to Habitat for Humanity. Appears reasonable, no further work performed.
Lots 16, Blk 45 Plan AN4277	109813798	16-Nov-15	Donation	Habitat for Humanity	Donated to Habitat for Humanity. Appears reasonable, no further work performed.

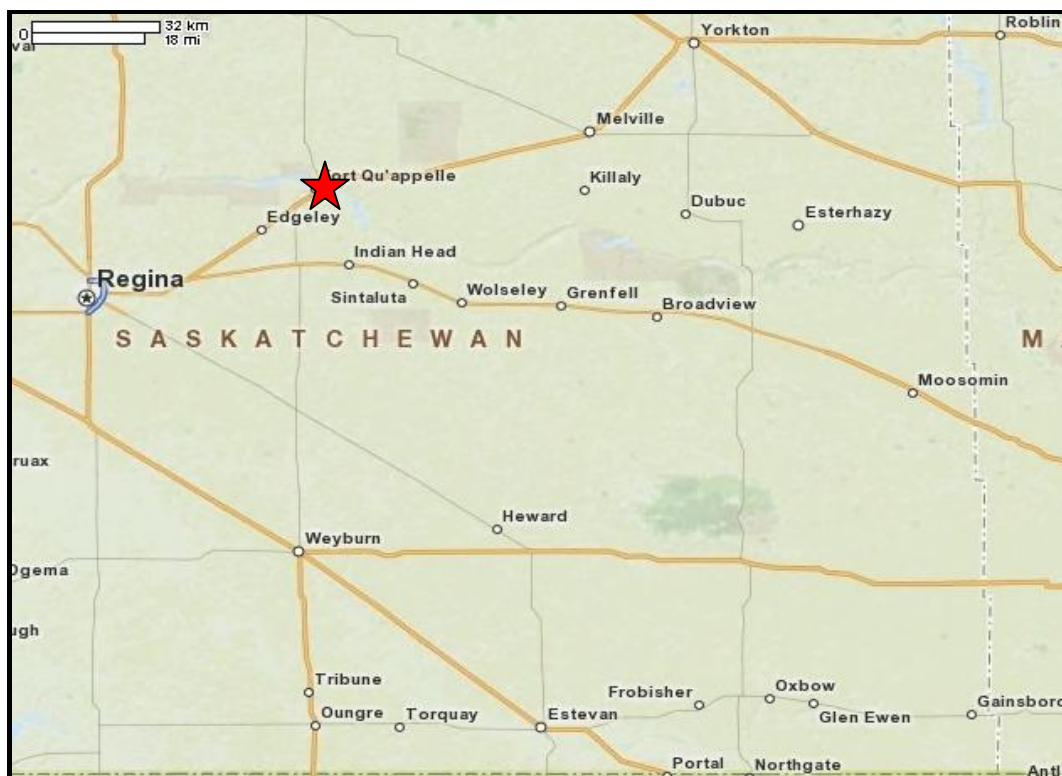
8.0 APPENDICES

Appendix A
Town of Fort Qu'Appelle
Documents Relied On

We reviewed and relied on the following documentation and information in preparing our report. Please see corresponding appendix for copy of relevant document

Appendix	Document Description	Document Date
	Appraisal report for Vacant Residential Lots as at April 1, 2008 – March 2, 2016, Prepared by	
Appendix B	B R Gaffney & Associates February 7, 2018	07-Feb-18
	Appraisal report for 760 Broadway Street West as at January 27, 2014, Prepared by B R	
Appendix C	Gaffney & Associates February 5, 2018	05-Feb-18
Appendix D	Pellaway Bay Letter of Intent	Sep-08
Appendix E	North West Express Ltd. demolition quote	23-Jun-10
Appendix F	R.J. Tulik & Son demolition quote	18-Aug-10
	Letter to Saskatchewan Environment – Environment Protection and Audit Division	
Appendix G	dated July 20, 2010	20-Jul-10
Appendix H	Letter from Saskatchewan Ministry of Environment dated July 26, 2010	26-Jul-10
Appendix I	Letter from Saskatchewan Watershed Authority dated September 2, 2010	02-Sep-10
	Appraisal report for 760 Broadway Street West as at October 1, 2010, Prepared by Crown	
Appendix J	Appraisals October 13, 2010	13-Oct-10
Appendix K	Minutes for Old Hospital Site	Various
	Purchase and Demolition Agreement between ABACO Energy Services and the Town	
Appendix L	of Fort Qu'Appelle, dated January 16, 2014	16-Jan-14
	Performance bond in the amount of \$250,000 provided to the Town of Fort Qu'Appelle	
Appendix M	for Apex Enterprizes Ltd	25-Feb-13
Appendix N	Land Titles for Parcels V and Q	
Appendix O	Abaco Energy Services proposal to purchase Lot Y	05-Mar-15
	Purchase Agreement between ABACO Energy Services and the Town of Fort	
Appendix P	Qu'Appelle, dated August 28, 2015	28-Aug-15
Appendix Q	Minutes relating to Parcel F	Various
Appendix R	Apex proposal for Parcel F	02-Apr-14
Appendix S	WSA letter to Abaco	11-May-15
Appendix T	Saskatchewan corporate records search for Apex Enterprizes Ltd	
Appendix U	Saskatchewan corporate records search for ABACO Energy Services Ltd	
Appendix V	Flett Property ICS records	
	December 17, 2013 letter from Brian Janz re Pecuniary interest and December 18, 2013	
Appendix W	response from Legal Council.	17-Dec-13
Appendix X	2011 Echo Lake Flooding photo	03-May-11
	Appraisal report for Block Y, Plan 85R64873 as at August 28, 2015, Prepared by B R Gaffney	
Appendix Y	& Associates March 13, 2018	13-Mar-18
Appendix Z	Permit request for building on Parcel YY	15-Sep-14
	Appraisal report for Block A & E, Plan 101986320 as at May 10, 2010, Prepared by B R	
Appendix AA	Gaffney & Associates March 15, 2018	15-Mar-18
	Appraisal report for 298 2nd Street East as at December 13, 2012, Prepared by B R Gaffney &	
Appendix AB	Associates March 15, 2018	15-Mar-18
	Appraisal report for Block C & F, Plan 101377548 as at May 29, 2013, Prepared by B R	
Appendix AC	Gaffney & Associates March 15, 2018	15-Mar-18
	Appraisal report for Block G, Plan FS4959 as at February 21, 2008, Prepared by B R Gaffney	
Appendix AD	& Associates March 16, 2019	16-Mar-18
	Appraisal report for Block 12R, Plan 101383703 as at January 8, 2009, Prepared by B R	
Appendix AE	Gaffney & Associates March 15, 2020	15-Mar-18

Report on Appraisal of
Vacant Residential Lots
Fort Qu'Appelle, SK



As at
April 1, 2008 – March 2, 2016

Prepared by



200 Clifton Court
2330 - 15th Avenue
Regina, SK
S4P 1A2



B. R. Gaffney & Associates
200 Clifton Court
2330 - 15th Avenue
Regina, SK S4P 1A2

Real Estate Appraisers & Consultants
Phone: (306) 359-7800
Fax: (306) 359-7312
E-mail: gaffney.assoc@sasktel.net

February 12, 2018

MNP LLP
119 4th Ave South
Suite 800
Saskatoon, SK

Re: Vacant Residential Lots, Fort Qu'Appelle, Saskatchewan

In accordance with your instructions, I have completed a Report on Appraisal to provide estimates of market value relating to vacant residential lots located within Fort Qu'Appelle, Saskatchewan, which are legally described on page 8 of this report.

As a result of my investigation and analysis, it is my opinion that the estimated market value of the subject properties, in fee simple estate, free and clear of encumbrances, as at April 1, 2008 to March 16, 2016, retrospective dates, is:

**Two Hundred and Forty Four Thousand
(\$244,000.00)**

The estimate of value is based on the subject's highest and best use of residential but does not include any value for the minerals, if any. The estimate of value is as defined on page one of the attached report. The estimate of value assumes no duress on the part of either a purchaser or vendor; it does not take into consideration any existing mortgages against the property and is based on an exposure period of six to twelve months.

The following report describes my methods of appraisal and contains data gathered in the investigation, which to the best of my knowledge and belief is correct subject to the limiting conditions herein set out.

Respectfully submitted,
B. R. GAFFNEY & ASSOCIATES

Per: _____

Greg Buchan, B.Admin, AACI, P.App

TABLE OF CONTENTS

TITLE PAGE

PART ONE – INTRODUCTION

Letter of Transmittal	
Table of Contents	
Executive Summary	

PART TWO – BASIS OF APPRAISAL

Intended Use of the Report	1
Purpose of the Assignment	1
Property Rights Appraised	1
Definition Of Market Value	1
Effective Date of Value	2
Scope of Work	2
Assumptions and Limiting Conditions	3

PART THREE – FACTUAL INFORMATION

Identification of the Property	8
Location and Site Data	9
Existing Use	11
Land Use Controls	12

PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use	14
Appraisal Procedures	15
Direct Comparison Approach	16
Reconciliation and Final Estimate of Value	24
Exposure Time	24
Certification	25

ADDENDA

EXECUTIVE SUMMARY

Type of Property:	Vacant Residential Lots
Report Type:	Narrative
Effective Date of Appraisal:	April 1, 2008 – March 2, 2016 (Retrospective)
Date of Inspection:	January 22, 2018
Zoning:	R1 & R2 – Residential District
Highest and Best Use:	Residential
FINAL ESTIMATE OF VALUE:	\$244,000.00



PART TWO – BASIS OF APPRAISAL

Intended Use of the Report

As per our client's request for services, the intended use of this report is to assist MNP LLP, with internal decisions pertaining to the subject properties. It is not reasonable for any person other than the client and B.R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. 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.

Purpose of the Assignment

The purpose of this assignment is to provide estimates of market value relating to vacant residential lots located within the Town of Fort Qu'Appelle, Saskatchewan, in fee simple estate, free and clear of all encumbrances. The effective dates of the appraisal range from April 1, 2008 to February 1, 2016, retrospective dates.

Property Rights Appraised

The property rights appraised reflect the most complete form of ownership, which is title in fee. Such ownership establishes an interest in real property known as fee simple interest (i.e., absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power, and escheat).

Definition of Market Value

The Appraisal of Real Estate, Third Canadian Edition defines market value 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 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 as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Market Value as defined by International Valuation Standards 2006: “Market value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms length transaction after proper marketing herein the parties had each acted knowledgeably, prudently and without compulsion”.

Effective Date of Value

At the request of the client, the effective dates of the appraisal range from April 1, 2008 to March 2, 2016, retrospective dates. The effective dates of this appraisal are considered to be retrospective dates as the opinion of value reflects that of a specified historic date. The estimates of value developed must be consistent with market conditions as at the specified dates. The retrospective dates have been considered throughout the valuation.

Scope of Work

The subject properties and the subject property's neighbourhood were inspected by the appraiser on January 22, 2018.

Regional, municipal and neighbourhood data was based on a personal inspection, information published by the Town of Fort Qu'Appelle and information published by local Real Estate and Property Management firms. In estimating the highest and best use for the subject, an analysis



was made of data compiled from the above. In addition, an analysis was made of supply and demand for properties similar in use to the subject.

The Direct Comparison Approach will provide an estimate of value of the subject property based on comparable properties that have recently sold within the Town of Fort Qu'Appelle, as well as similar communities. The Cost Approach will not be utilized due to the fact that there are no improvements to be considered to contribute value. The Income Approach will not be utilized due to the fact that the property is not typical of an investment property purchased for income producing or cash flow capabilities.

Data derived from the market was obtained from our files, other appraisers, realtors and/or persons knowledgeable of the subject property market-place. The final estimate of value is made after assembling and analyzing the data defined in this scope of appraisal.

Assumptions and Limiting Conditions

This narrative report has been prepared for MNP LLP, hereinafter referred to as the client, for the purpose of providing estimates of the market value of the subject properties located in Fort Qu'Appelle, Saskatchewan. The function of the appraisal is to assist the client with internal decisions in regard to the subject properties. The effective dates of the appraisal range from April 1, 2008 to March 2, 2016, retrospective dates.

Except as it may be necessary to expedite the function of this appraisal as identified herein, it is not reasonable for any person other than the client and B. R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. This report has been prepared on the assumption that no other person will rely on it for any other purpose and all liability to all such persons is denied.



The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the authors, subject to the qualification below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this report. The property is appraised on the basis of it being under responsible ownership.
4. The subject properties are presumed to comply with government regulations including zoning, building codes and health regulations and, if it doesn't comply, its non-compliance may affect market value.
5. No survey of the properties has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property.
6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc., if applicable) or



adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.
10. The term “inspection” refers to observation and reporting of the general material finishing, if applicable, and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.
11. Where applicable, the opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser



has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.

12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
13. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
14. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Where the client is the mortgagee and the loan is insured, liability is extended to the mortgage insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
15. This appraisal report, its content and all attachments/addendums and their content are the property of the author. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
16. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.



17. Where the intended use of this report is for financing or mortgage lending, it is a condition of reliance on this report that the authorized user has or will conduct loan underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct such loan underwriting and due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Underwriting Practices and Procedures B-20, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.
18. Where the intended use of this report is for mortgage insurance, it is a condition of reliance on this report that the authorized user will conduct loan insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent mortgage insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, to conduct such loan insurance underwriting and/ due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Insurance Underwriting Practices and Procedures B-21, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.



PART THREE – FACTUAL INFORMATION

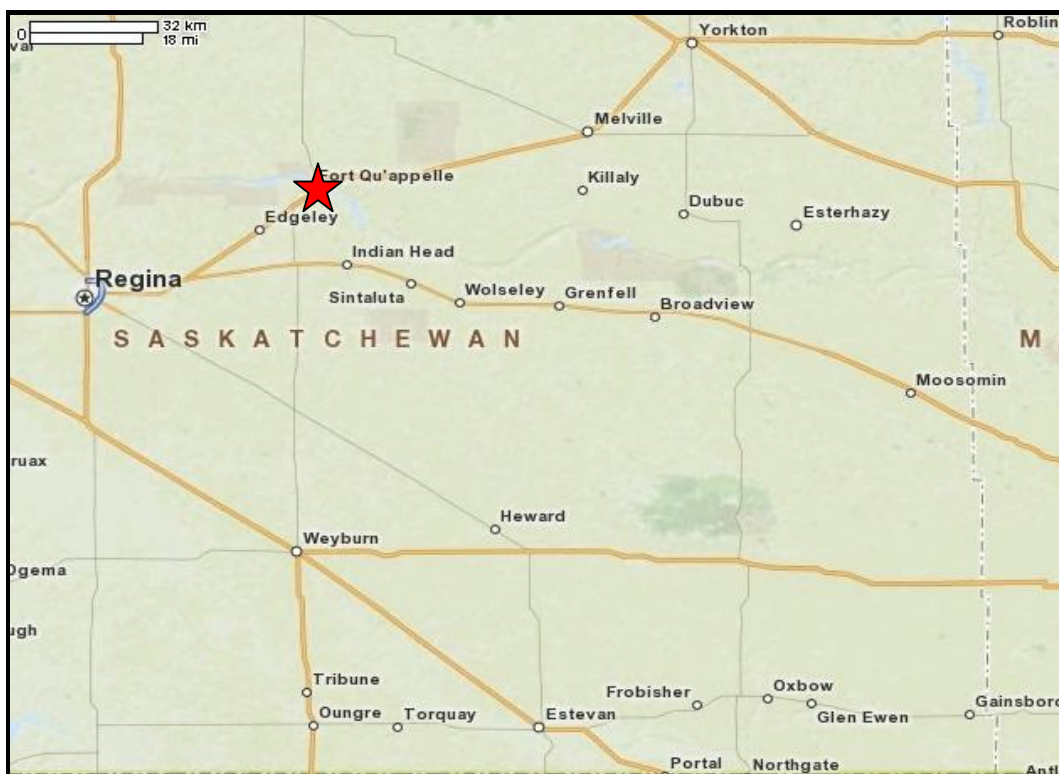
Identification of the Property

The subject properties are identified as follows:

Civic Address	Land Description	Parcel #
425 8th Street E	Lot 6 Block 13 Plan A02561	109810997
527 Broadway Street E.	Lot 9 Block 30 Plan 66R27897	109816331
698 Pasqua Avenue S	Lot 12 Block 21 Plan A02561	109811415
698 Pasqua Avenue S	Lot 11 Block 21 Plan A02561	109811325
644 Segwun Avenue S	Lot 16 Block 20 Plan AO2561	109834375
48 Qu'Appelle	Lot 7 Block 67 Plan 75R40848	109819446
498 Central Avenue S	Lot 8 Block 14A	164358300
597 Pasqua Avenue S	Lot 5 Block 11 Plan A02561	109810964
171 Boundary Avenue S	Lot A Block 27 Plan AN4277	114241025
171 Boundary Avenue S	Lot 17, Block 27, Plan AN 4277	109814564
665 Segwun Avenue S.	Lot 7 Block 19 Plan AO2561	109811516
698 Craigeleith Avenue S	Lot 11 Block 19 Plan AO2561	109811280
686 Craigeleith Avenue S	Lot 12 Block 19 Plan AO2561	109811572
676 Craigeleith Avenue S	Lot 13 Block 19 Plan AO2561	109811561
666 Craigeleith Avenue S	Lot 14 Block 19 Plan AO2561	109811550
656 Craigeleith Avenue S	Lot 15 Block 19 Plan AO2561	109811549
52 Qu'Appelle	Lot 9 Block 67 Plan 75R40848	109819468
483 Broadway E	Lot 6 Block 30 Plan 66R27897	109816308
483 Broadway E	Lot 7 Block 30 Plan 66R27897	109816319
483 Broadway E	Lot 8 Block 30 Plan 66R27897	109816320
586 Pasqua Street	Lots 7, Block 10, Plan AO2561	109812685
576 Pasqua Street	Lots 8, Block 10, Plan AO2561	109812674
534 Boundary Avenue	Lot 7, block 8, plan 1867,	109817893
534 Boundary Avenue	Lot 6, block 8, plan 1867,	109817905
288 Craigeleith Avenue N	Lot 9 Blk/Par 44 Plan No AN4277	109817129
555 Pasqua Ave	Lot 1 Block 11 Plan A02561	109823913

The above legal descriptions and corresponding parcel numbers reflect the information on record with ISC (Province of Saskatchewan Land Titles Registry).

Location and Site Data



The subject properties are located throughout the Town of Fort Qu'Appelle, Saskatchewan just south of Echo Lake. Fort Qu'Appelle is located between Echo and Mission Lakes in the Qu'Appelle Valley, about 45 miles northeast of Regina along Highway No. 10. Highway No. 10 travels north east from Balgonie and the Trans Canada Highway No. 1 to Melville and Yorkton. Fort Qu'Appelle has a population of approximately 2,300 and its economy is dependent primarily on agriculture and tourism. Tourism in the area during the summer months is supported by cottage owners and campers frequenting the lakes located in the area. There is some winter tourism consisting of down hill and cross-country skiing and ice fishing. Positive features of Fort Qu'Appelle include full services such as schools, churches, and recreational and shopping facilities. Generally, most amenities are within walking distance.

The subject properties are located throughout the Town of Fort Qu'Appelle. The site areas of the properties have been documented based on record with ISC. We assume that all sites have access to all services.



Vacant Residential Lots, Fort Qu'Appelle, SK

The following table includes the site dimensions and total area of the subject property sites.

Civic Address	Land Description	Parcel #	Front Ft.	Depth	Area
425 8th Street E	Lot 6 Block 13 Plan A02561	109810997	72	140	10,108
527 Broadway Street E.	Lot 9 Block 30 Plan 66R27897	109816331	65	150	9,767
698 Pasqua Avenue S	Lot 12 Block 21 Plan A02561	109811415	50	140	6,998
698 Pasqua Avenue S	Lot 11 Block 21 Plan A02561	109811325	50	140	7,047
644 Segwun Avenue S	Lot 16 Block 20 Plan A02561	109834375	100	140	14,000
48 Qu'Appelle	Lot 7 Block 67 Plan 75R40848	109819446	65	110	7,140
498 Central Avenue S	Lot 8 Block 14A	164358300	66	170	11,215
597 Pasqua Avenue S	Lot 5 Block 11 Plan A02561	109810964	72	140	10,113
171 Boundary Avenue S	Lot A Block 27 Plan AN4277	114241025	20	118	2,366
171 Boundary Avenue S	Lot 17, Block 27, Plan AN 4277	109814564	30	118	3,550
665 Segwun Avenue S.	Lot 7 Block 19 Plan A02561	109811516	50	190	9,491
698 Craigleith Avenue S	Lot 11 Block 19 Plan A02561	109811280	50	190	9,462
686 Craigleith Avenue S	Lot 12 Block 19 Plan A02561	109811572	50	190	9,489
676 Craigleith Avenue S	Lot 13 Block 19 Plan A02561	109811561	50	190	9,495
666 Craigleith Avenue S	Lot 14 Block 19 Plan A02561	109811550	50	190	9,489
656 Craigleith Avenue S	Lot 15 Block 19 Plan A02561	109811549	50	190	9,495
52 Qu'Appelle	Lot 9 Block 67 Plan 75R40848	109819468	64	Irreg.	9,148
483 Broadway E	Lot 6 Block 30 Plan 66R27897	109816308	65	150	9,774
483 Broadway E	Lot 7 Block 30 Plan 66R27897	109816319	65	150	9,777
483 Broadway E	Lot 8 Block 30 Plan 66R27897	109816320	65	150	9,772
586 Pasqua Street	Lots 7, Block 10, Plan A02561	109812685			
576 Pasqua Street	Lots 8, Block 10, Plan A02561	109812674			
534 Boundary Avenue	Lot 7, block 8, plan 1867,	109817893	50	150	7,492
534 Boundary Avenue	Lot 6, block 8, plan 1867,	109817905	50	150	7,486
288 Craigleith Avenue N	Lot 9 Blk/Par 44 Plan No AN4277	109817129	50	120	5,993
555 Pasqua Ave	Lot 1 Block 11 Plan A02561	109823913	83	140	11,609



Existing Use

As at the effective dates, the existing use of the subject properties was vacant land. Discussion relative to the current use and the Highest and Best Use can be found in Part 4 of this report under the heading *Highest and Best Use*.



Land Use Controls

According to the Town of Fort Qu'Appelle zoning bylaw the subject properties are zoned R1 – Residential and R2 – Residential.

R1 – Residential District

The purpose of the residential district is to accommodate primarily single family detached residential dwellings.

Permitted Uses

One single detached dwelling, which includes a RTM

Uses, buildings and structures accessory to the foregoing permitted uses and located on the same site with the main use

Playgrounds and swimming pools

Public works, buildings and structures excluding offices, warehouses, storage yards and waste management or sewage facilities

Discretionary Uses

Semi-detached and duplex dwellings

Multi-unit dwellings

Modular homes

Home occupations, home-based businesses

One secondary suite

One garden suite

Child day cares

Adult day cares

Bed and breakfast homes

Residential care homes

Funeral homes



R2 – Residential Multiple Dwelling District

The purpose of the residential multiple dwelling district is to accommodate a variety of high density residential development including single detached residences, semi-detached residences, townhouses and multi-unit dwellings.

Permitted Uses

One single detached dwelling, which includes a RTM

Semi-detached, duplex dwelling, fourplex, or townhouses and other multiple unit dwellings

Uses, buildings and structures accessory to the foregoing permitted uses and located on the same site with the main use

Playgrounds and swimming pools

Public works, buildings and structures excluding offices, warehouses, storage yards and waste management or sewage facilities

Discretionary Uses

Apartment Buildings

Boarding lodging or rooming houses

Modular homes

Home occupations, home-based businesses

One secondary suite

One garden suite

Child day cares

Adult day cares

Bed and breakfast homes

Residential care homes



PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use

The Highest and Best Use of a property is a major factor affecting market value. The value of a property results from its use and varies with the present and prospective, actual and anticipated profit. Highest and Best Use can be simply stated as that use likely to produce the greatest net return over a given period of time.

Criteria for determining Highest and Best Use include:

- 1) The use must be legal and in compliance with zoning and building restrictions.
- 2) The use must be within the realm of probability; a likely one, not speculative or conjectural.
- 3) A demand for such use must exist.
- 4) The use must be profitable.
- 5) The use must provide the highest net return to the land.
- 6) The use must produce the return for the longest possible time.

The existing use of a given parcel of land is usually the Highest and Best Use, since economic pressure dictates the use. If the existing use is the Highest and Best Use, it should:

- a) conform to existing zoning regulations or be a legal non-conforming use;
- b) be in reasonable conformity with its surroundings.

In addition, as long as the building contributes something to the total property value in excess of the value of the vacant site, it would pay an owner to continue it in that use, which would be considered to be its Highest and Best Use.

On the basis of the above and recognizing the size, configuration, location and condition of the subject properties it is my opinion that the Highest and Best Use for the subject properties are residential uses.



Appraisal Procedures

There are three approaches to be considered in developing an estimate of value for the subject.

The Cost Approach is the method by which the value of a property is derived by estimating the reproduction cost new of the improvements, deducting therefrom the estimated depreciation and then adding the market value of the land. This approach usually provides a reliable indication of value where the improvements are new, they contain little or no depreciation, including functional and external obsolescence and they represent the highest and best use for the land.

The Income Approach develops an estimate of value from the anticipated net income the property could realize, if put on the market for rent. The annual net income is then capitalized into an estimate of value, by converting the income stream by an appropriate overall capitalization rate. This approach is typically utilized from the standpoint of an investor.

The Direct Comparison Approach develops an estimate of value from the market, where properties similar to the subject have been sold and/or properties presently listed for sale. It is a process of correlating and analyzing the comparable properties, to arrive at an estimate of value for the subject. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

The Direct Comparison Approach to value will be considered in developing an estimate of market value for the subject properties. The Cost Approach is considered to provide a reliable estimate of value where the site is developed to its highest and best use, the building is relatively new and depreciation is minimal, there are no improvements to be considered on the sites, the Cost Approach will not be utilized. The Income Approach will not be utilized due to the fact this report relates to land only. The Direct Comparison Approach is included as it interprets the actions of buyers and sellers of this type of real estate.



Direct Comparison Approach

This method involves the gathering, analyzing and comparing of data on similar properties that have been sold, on which offers have been made, or that are for sale.

This approach implies the Principle of Substitution, which states that a prudent purchaser will not pay more for a property than it would cost to buy an equally desirable substitute. The properties selected for comparison must be similar in most essential respects to the one being appraised. In addition to comparing the similar characteristics between properties, the dissimilar characteristics must also be weighed. In this manner, the appraiser is placing himself in the position of being a typical purchaser or vendor in the market, in that the analysis of data pertaining to the real estate market is of assistance in deciding the best possible price to pay, or accept, for a property.

Following is a summary of each comparable property used in this analysis:



Vacant Residential Lots, Fort Qu'Appelle, SK

Fort Qu'Appelle Vacant Residential Land Sales 2008:

2008								
#	Address	Zoning	Sale Date	Sale \$	Fr./ Ft.	Area	\$/Fr.Ft.	\$/Sq.Ft.
1	402 & 414 Okaneese Avenue S.	R2	4/16/2008	\$10,000.00	100	14,000	\$100.00	\$0.71
2	486 Hudson Avenue	R1	5/15/2008	\$25,000.00	50	7,500	\$500.00	\$3.33
3	23 Erickson Heights	R1	9/12/2008	\$32,000.00	98	19,306	\$326.53	\$1.66
4	425 8th Street E	R2	9/5/2008	\$13,000.00	72	10,108	\$179.96	\$1.29
5	527 Broadway Street E.	R1	8/26/2008	\$10,000.00	65	9,767	\$153.70	\$1.02
6	698 Pasqua Avenue S	R2	9/29/2008	\$10,000.00	100	14,045	\$100.00	\$0.71
7	644 Segwun Avenue S	R2	11/5/2008	\$7,000.00	100	14,000	\$70.00	\$0.50
8	48 Qu'Appelle	R2	15/12/2008	\$15,000.00	65	7,140	\$230.56	\$2.10

The eight land sales listed above are all residential sales that took place in 2008. All of the sales are located in the Town of Fort Qu'Appelle. The highlighted sales indicate the sales that were transacted by the Town of the Fort Qu'Appelle. The non-highlighted sales represent sales that were actively listed.

The sale prices range from a low of \$0.50 per square foot to a high of \$3.33 per square foot. The sale prices per front foot range from a low of \$70.00 to \$500.00. The average sale price per square foot was \$1.42. The average sale price per front foot was \$207.59. The low end of the range based on a price per square foot, is represented by Index No.'s 1, 6 & 7. These are all similar sized parcels, with similar services. These three sales have very similar locations, which is on the south side of Highway #10. The sale prices registered; in our opinion are a good indication of market value. The upper end of the range is represented by a sale of a smaller parcel with a superior location to the comparables. The remaining sales that were conducted by the Town of Fort Qu'Appelle are all within the range of the other indexes listed and provide a good indication of market value. These sale prices will be used. Therefore, the market value of the subject properties is as follows:

Address	Value
425 8th Street E	\$13,000.00
527 Broadway Street E.	\$10,000.00
698 Pasqua Avenue S	\$10,000.00
644 Segwun Avenue S	\$7,000.00
48 Qu'Appelle	\$15,000.00
Total	\$55,000.00



Vacant Residential Lots, Fort Qu'Appelle, SK

Fort Qu'Appelle Vacant Residential Land Sales 2009 & 2010:

2009 & 2010								
#	Address	Zoning	Sale Date	Sale \$	Fr./ Ft.	Area	\$/Fr.Ft.	\$/Sq.Ft.
1	415 Craigleith Avenue S.	R2	4/21/2009	\$16,500.00	100	14,000	\$165.00	\$1.18
2	20 Erickson Heights	R1	8/20/2009	\$20,000.00	100	22,000	\$200.00	\$0.91
3	24 Erickson Heights	R1	8/25/2009	\$16,000.00	98	22,148	\$163.27	\$0.72
4	22 Erickson Heights	R1	8/25/2009	\$17,000.00	100	22,148	\$170.00	\$0.77
5	498 Central Avenue S	R1	8/26/2009	\$10,000.00	66	11,215	\$151.56	\$0.89
6	597 Pasqua Avenue S	R2	3/9/2009	\$14,000.00	72	11,113	\$193.80	\$1.26
7	171 Boundary Avenue S	R1	22/04/2010	Donated	50	5,916		
8	665 Segwun Avenue S.	R2	23/04/2010	\$9,250.00	50	9,491	\$ 185.11	\$0.97
9	698 Craigleith Avenue S	R2	19/05/2010	\$6,000.00	50	9,462	\$ 120.48	\$0.63
10	686 Craigleith Avenue S	R2	19/05/2010	\$6,000.00	50	9,489	\$ 120.07	\$0.63
11	676 Craigleith Avenue S	R2	19/05/2010	\$6,000.00	50	9,495	\$ 120.00	\$0.63
12	666 Craigleith Avenue S	R2	19/05/2010	\$6,000.00	50	9,489	\$ 120.07	\$0.63
13	656 Craigleith Avenue S	R2	19/05/2010	\$6,000.00	50	9,495	\$ 120.00	\$0.63

The thirteen land sales listed above are all residential sales that took place in 2009 and 2010. All of the sales are located in the Town of Fort Qu'Appelle. The highlighted sales indicate the sales that were transacted by the Town of the Fort Qu'Appelle. The non-highlighted sales represent sales that were actively listed.

The sale prices range from a low of \$0.63 per square foot to a high of \$1.26 per square foot. The sale prices per front foot range from a low of \$120.00 to \$200.00. The average sale price per square foot was \$0.82. The average sale price per front foot was \$152.45. The low end of the range based on a price per square foot, is represented by Index No.'s 10 - 13. These are all similar sized parcels, with similar services. These sales were all purchased by the same buyer. Due to fact that the same buyer was purchasing all of the lots, a discounted sale price was given, which is typical. The larger parcels typically sell for a lower price per square foot than smaller parcels. Index No. 1 is located on the same street as these sales; however, this index only represented one parcel. The sale prices registered; in our opinion is a good indication of market value.

Index No. 7 was donated by the Town of Fort Qu'Appelle to the Valley Ambulance Service. We are of the opinion that an amount of \$150.00 per front foot or \$1.26 per square foot be applied to this index. The remaining sales that were conducted by the Town of Fort Qu'Appelle are all within the range of the other indexes listed and provide a good indication of market value. These sale prices will be used.



Vacant Residential Lots, Fort Qu'Appelle, SK

Therefore, the market value of the subject properties is as follows:

Address	Value
498 Central Avenue S	\$10,000.00
597 Pasqua Avenue S	\$14,000.00
171 Boundary Avenue	\$7,500.00
665 Segwun Avenue S.	\$9,250.00
698 Craigleith Avenue S	\$6,000.00
686 Craigleith Avenue S	\$6,000.00
676 Craigleith Avenue S	\$6,000.00
666 Craigleith Avenue S	\$6,000.00
656 Craigleith Avenue S	\$6,000.00
Total	\$70,750.00

\$70,800.00 (Rounded)

Fort Qu'Appelle Vacant Residential Land Sales 2011:

2011								
#	Address	Zoning	Sale Date	Sale \$	Fr./ Ft.	Area	\$/Fr.Ft.	\$/Sq.Ft.
1	415 Craigleith Avenue S.	R2	3/14/2011	\$20,000.00	100	14,000	\$200.00	\$1.43
2	424 Okanese Avenue S.	R2	8/17/2011	\$6,000.00	100	14,000	\$60.00	\$0.43
3	30 Erickson Heights	R1	9/11/2011	\$19,000.00	98	22,540	\$193.88	\$0.84
4	28 Erickson Heights	R1	11/20/2011	\$22,000.00	98	22,540	\$224.49	\$0.98
5	52 Qu'Appelle	R2	1/12/2011	\$23,000.00	64	9,148	\$359.38	\$2.51
6	483 Broadway E	R1	1/19/2011	\$32,000.00	195	29,323	\$164.10	\$1.09

The six land sales listed above are all residential sales that took place in 2011. All of the sales are located in the Town of Fort Qu'Appelle. The highlighted sales indicate the sales that were transacted by the Town of the Fort Qu'Appelle. The non-highlighted sales represent sales that were actively listed.

The sale prices range from a low of \$0.43 per square foot to a high of \$2.51 per square foot. The sale prices per front foot range from a low of \$120.00 to \$200.00. The average sale price per square foot was \$0.82. The average sale price per front foot was \$200.31. The low end of the range, based on a price per square foot, is represented by Index No. 2. This index required a sewer, therefore the price was lower.

The upper end of the range is represented by Index No. 5, which was transacted by the Town. This is a smaller sized lot, with a good location.



Vacant Residential Lots, Fort Qu'Appelle, SK

The sale prices registered; in our opinion is a good indication of market value and therefore will be included in this analysis. Therefore, the market value of the subject properties is as follows:

Address	Value
52 Qu'Appelle	\$23,000.00
483 Broadway E	\$32,000.00
Total	\$55,000.00

\$55,000.00 (Rounded)

Fort Qu'Appelle Vacant Residential Land Sales 2013:

2012 & 2013								
#	Address	Zoning	Sale Date	Sale \$	Fr./ Ft.	Area	\$/Fr.Ft.	\$/Sq.Ft.
1	25 Erickson Heights	R1	2/5/2012	\$24,900.00	98	19,306	\$254.08	\$1.29
2	30 Erickson Heights	R1	5/14/2012	\$23,000.00	98	22,540	\$234.69	\$1.02
3	183 Lake Avenue	R2	7/18/2012	\$23,000.00	50	7,500	\$460.00	\$3.07
4	110 Central Avenue	R1	5/1/2013	\$10,500.00	50	5,600	\$210.00	\$1.88
5	36 Qu'Appelle Crescent	R2	6/21/2013	\$29,000.00	75	8,250	\$386.67	\$3.52
6	Broadway Street	R1	6/27/2013	\$18,095.00	65	9,750	\$278.38	\$1.86
7	40 Qu'Appelle Crescent	R2	7/25/2013	\$28,580.00	80	8,800	\$357.25	\$3.25
8	656 Craigleith Avenue S.	R2	12/11/2013	\$15,750.00	50	9,500	\$315.00	\$1.66
9	666 Craigleith Avenue S.	R2	12/11/2013	\$15,750.00	50	9,500	\$315.00	\$1.66
10	586 Pasqua Avenue S.	R2	5/17/2013	\$18,500.00	100	14,000	\$185.00	\$1.32

The ten land sales listed above are all residential sales that took place in 2012 & 2013. All of the sales are located in the Town of Fort Qu'Appelle. The highlighted sale indicates the sale that was transacted by the Town of the Fort Qu'Appelle. The non-highlighted sales represent sales that were actively listed.

The sale prices range from a low of \$1.02 per square foot to a high of \$3.25 per square foot. The sale prices per front foot range from a low of \$210.00 to \$460.00. The average sale price per square foot was \$2.05. The average sale price per front foot was \$299.61. The low end of the range, based on a price per square foot, is represented by Index No. 2. This sale is a larger parcel within a newer residential subdivision. The upper end of the range is represented by a smaller parcel with a good location, in a newer residential subdivision; far superior to the subject.



Vacant Residential Lots, Fort Qu'Appelle, SK

The sale prices registered; in our opinion is a good indication of market value and therefore will be included in this analysis.

Therefore, the estimated value of the subject property by the Direct Comparison Approach is estimated at:

Address	Value
586 Pasqua Street	\$18,500.00

\$18,500.00 (Rounded)

Fort Qu'Appelle Vacant Residential Land Sales 2014:

2014								
#	Address	Zoning	Sale Date	Sale \$	Fr./ Ft.	Area	\$/Fr.Ft.	\$/Sq.Ft.
1	445 Craigleith Avenue S.	R2	9/30/2014	\$15,000.00	50	7,000	\$300.00	\$2.14
2	566 Pasqua Street S.	R2	10/4/2014	\$9,100.00	50	7,000	\$182.00	\$1.30
3	29 Erickson Heights	R1	11/15/2014	\$23,700.00	102	22,444	\$232.35	\$1.06
4	435 Craigleith Avenue S.	R2	12/9/2014	\$15,000.00	50	7,000	\$300.00	\$2.14
5	534 Boundary Avenue	R2	1/10/2014	\$20,000.00	100	14,978	\$200.00	\$1.34
6	288 Craigleith Avenue N	R1	7/31/2014	\$10,000.00	50	5,993	\$200.00	\$1.67

The six land sales listed above are all residential sales that took place in 2014. All of the sales are located in the Town of Fort Qu'Appelle. The highlighted sales indicates the sales that were transacted by the Town of the Fort Qu'Appelle. The non-highlighted sales represent sales that were actively listed.

The sale prices range from a low of \$1.06 per square foot to a high of \$2.14 per square foot. The sale prices per front foot range from a low of \$182.00 to \$300.00. The average sale price per square foot was \$1.61. The two sales transacted by the Town of Fort Qu'Appelle, are well within the range, and in our opinion a good indication of market value.



Vacant Residential Lots, Fort Qu'Appelle, SK

Therefore, the estimated value of the subject property by the Direct Comparison Approach is estimated at:

Address	Value
534 Boundary Avenue	\$20,000.00
288 Craigleith Avenue N	\$10,000.00
Total	\$30,000.00

\$30,000.00 (Rounded)

Fort Qu'Appelle Vacant Residential Land Sales 2016:

2016								
#	Address	Zoning	Sale Date	Sale \$	Fr./ Ft.	Area	\$/Fr.Ft.	\$/Sq.Ft.
1	23 Erickson Heights	R1	5/5/2016	\$30,000.00	100	19,600	\$300.00	\$1.53
2	435 Craigleith Avenue S.	R2	7/28/2016	\$32,000.00	100	7,000	\$320.00	\$4.57
3	402 Okanese Avenue S	R2	8/13/2016	\$31,000.00	100	14,000	\$310.00	\$2.21
4	555 Pasqua Avenue S.	R2	3/2/2016	\$14,957.25	83	11,069	\$180.21	\$1.35

The four land sales listed above are all residential sales that took place in 2016. All of the sales are located in the Town of Fort Qu'Appelle. The highlighted sale indicates the sale that was transacted by the Town of the Fort Qu'Appelle. The non-highlighted sales represent sales that were actively listed.

The sale prices range from a low of \$1.35 per square foot to a high of \$4.57 per square foot. The sale prices per front foot range from a low of \$180.21 to \$320.00. The sale by the Town of Fort Qu'Appelle is the low end of the range. However, due to the location and size of this parcel, we are of the opinion this sale price is a good indication of market value.

Therefore, the estimated value of the subject property by the Direct Comparison Approach is estimated at:

Address	Value
555 Pasqua Avenue S.	\$14,957.25

\$14,960.00 (Rounded)

The market value of the subject properties is as follows:

Total:



Vacant Residential Lots, Fort Qu'Appelle, SK

\$244,000.00 (Rounded)



Reconciliation and Final Estimate of Value

The Direct Comparison Approach to value has produced the following estimates of value for the subject properties:

Direct Comparison Approach: \$244,000.00

The Direct Comparison Approach has provided a value estimate based on the sale price per square foot of land. In this approach, an analysis was made of sales of vacant land sites considered similar to the subject properties. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

Therefore, it is my opinion that the estimated market value of the subject property, in fee simple estate, free and clear of encumbrances, as at the effective date of January 27, 2014 is:

**Two Hundred and Forty Four Thousand
(\$244,000.00)**

Exposure Time

Exposure time is the estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at 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. It is always presumed to have preceded the effective date of the appraisal. Based on our analysis of the market place for this type of property, our estimate of market value is based on an exposure time of six to twelve months.

**CERTIFICATION****DATE: February 12, 2018****Re: Vacant Land, Fort Qu'Appelle, Saskatchewan**

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

- 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 impartial, and unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermining results, the amount of the value estimate, or a conclusion favouring the client;
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards;
- I have the knowledge and experience to complete the assignment competently.
- No one provided significant professional assistance to the undersigned;
- As of the date of this report the I have fulfilled the requirements of the Appraisal Institute of Canada Continuing Professional Development Program for members;
- I am a member in good standing of the Appraisal Institute of Canada;
- I personally inspected the subject property of the report;
- Based upon the data, analyses, and conclusions contained herein, the market value of the interest in the property described herein, as at April 1, 2008 to March 2, 2016, is estimated at \$244,000.00;

Dated: February 12, 2018

Greg Buchan, B.Admin, AACI, P.App
AIC Membership # 904274

Report on Appraisal of
760 Broadway Street West
Fort Qu'Appelle, SK



As at
January 27, 2014

Prepared by



200 Clifton Court
2330 - 15th Avenue
Regina, SK
S4P 1A2



B. R. Gaffney & Associates
200 Clifton Court
2330 - 15th Avenue
Regina, SK S4P 1A2

Real Estate Appraisers & Consultants
Phone: (306) 359-7800
Fax: (306) 359-7312
E-mail: gaffney.assoc@sasktel.net

February 12, 2018

MNP LLP
119 4th Ave South
Suite 800
Saskatoon, SK

Re: 760 Broadway Street West, Fort Qu'Appelle, Saskatchewan

In accordance with your instructions I have completed a narrative appraisal on the above referenced property which is legally described as follows:

Block V, Plan 82RO1656
Block Q, Plan 77R09773
Fort Qu'Appelle, Saskatchewan

As a result of my investigation and analysis, it is my opinion that the estimated market value of the subject property, in fee simple estate, free and clear of encumbrances, as at January 27, 2014, a retrospective date, is:

Two Thousand Dollars
(\$2,000.00)

The estimate of value is market value as defined on page one of the attached report. The estimate of value assumes no duress on the part of either a purchaser or vendor; it does not take into consideration any existing mortgages against the property and is based on an exposure period of six to twelve months.

The following report describes my methods of appraisal and contains data gathered in the investigation, which to the best of my knowledge and belief is correct subject to the limiting conditions herein set out.

Respectfully submitted,
B. R. GAFFNEY & ASSOCIATES

Per: 
Greg Buchan, B.Admin, AACI, P.App

TABLE OF CONTENTS

TITLE PAGE

PART ONE – INTRODUCTION

Letter of Transmittal	
Table of Contents	
Executive Summary	

PART TWO – BASIS OF APPRAISAL

Intended Use of the Report	1
Purpose of the Assignment	1
Property Rights Appraised	1
Definition Of Market Value	1
Effective Date of Value	2
Scope of Work	2
Assumptions and Limiting Conditions	3

PART THREE – FACTUAL INFORMATION

Identification of the Property	6
Location and Site Data	7
Description of Improvements	11
Existing Use	13
Assessment and Taxes	13
History of Subject Property	13
Land Use Controls	14

PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use	15
Appraisal Procedures	16
Direct Comparison Approach	17
Reconciliation and Final Estimate of Value	29
Exposure Time	29
Certification	30

ADDENDA 1

Photographs	31
-------------	----

ADDENDA 2

Land Titles (ISC) Documents	33
-----------------------------	----

ADDENDA 3

Assessment Information	36
------------------------	----

EXECUTIVE SUMMARY

Type of Property:	Hospital
Report Type:	Narrative
Effective Date of Appraisal:	January 27, 2014 (Retrospective)
Date of Inspection:	January 22, 2018
Zoning:	C1 – Town Centre Commercial District
2014 Total Assessment:	\$646,600.00
2014 Taxes:	Exempt
Site Area:	4.66 Acres (Block V) <u>3.18 Acres</u> (Block Q) 7.84 Acres
Building Area:	53,369 Square Feet
Highest and Best Use:	Future Development
FINAL ESTIMATE OF VALUE:	\$2,000.00



PART TWO – BASIS OF APPRAISAL

Intended Use of the Report

As per our client's request for services, the intended use of this report is to assist MNP LLP, with internal decisions pertaining to the subject property. It is not reasonable for any person other than the client and B.R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. 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.

Purpose of the Assignment

The purpose of this assignment is to provide a market value property appraisal for the subject property located at 760 Broadway Street West, Fort Qu'Appelle, Saskatchewan, in fee simple estate, free and clear of all encumbrances. The effective date of the appraisal is January 27, 2014, a retrospective date.

Property Rights Appraised

The property rights appraised reflect the most complete form of ownership, which is title in fee. Such ownership establishes an interest in real property known as fee simple interest (i.e., absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power, and escheat).

Definition of Market Value

The Appraisal of Real Estate, Third Canadian Edition defines market value 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 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 as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Market Value as defined by International Valuation Standards 2006: “Market value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms length transaction after proper marketing herein the parties had each acted knowledgeably, prudently and without compulsion”.

Effective Date of Value

At the request of the client, the effective date of the appraisal is January 27, 2014, a retrospective date. The effective date of this appraisal is considered to be a retrospective date as the opinion of value reflects that of a specified historic date. The estimate of value developed must be consistent with market conditions as at the specified date. The retrospective date has been considered throughout the valuation.

Scope of Work

The subject property and the subject property's neighbourhood were inspected by the appraiser on January 22, 2018. The photographs of the subject property were taken on January 22, 2018.

Regional, municipal and neighbourhood data was based on a personal inspection, information published by the Town of Fort Qu'Appelle and information published by local Real Estate and Property Management firms. In estimating the highest and best use for the subject, an analysis



was made of data compiled from the above. In addition, an analysis was made of supply and demand for properties similar in use to the subject.

The Direct Comparison Approach will provide an estimate of value of the subject property based on comparable properties that have recently sold within the Town of Fort Qu'Appelle, as well as similar communities. The Cost Approach will not be utilized due to the fact that the improvements are not considered to contribute value. The Income Approach will not be utilized due to the fact that the property is not typical of an investment property purchased for income producing or cash flow capabilities.

Data derived from the market was obtained from our files, other appraisers, realtors and/or persons knowledgeable of the subject property market-place. The final estimate of value is made after assembling and analyzing the data defined in this scope of appraisal.

Assumptions and Limiting Conditions

This narrative report has been prepared at the request of Nicole MNP LLP, hereinafter referred to as the client, for the purpose of providing an estimate of the market value of the subject property located in Fort Qu'Appelle, Saskatchewan. The function of the appraisal is to assist the client with internal decisions in regard to the subject property. The effective date of the appraisal is January 27, 2014, a retrospective date.

Except as it may be necessary to expedite the function of this appraisal as identified herein, it is not reasonable for any person other than the client and B. R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. This report has been prepared on the assumption that no other person will rely on it for any other purpose and all liability to all such persons is denied.



The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the authors, subject to the qualification below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this report. The property is appraised on the basis of it being under responsible ownership.
4. The subject property is presumed to comply with government regulations including zoning, building codes and health regulations and, if it doesn't comply, its non-compliance may affect market value.
5. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property.
6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc., if applicable) or



adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.
10. The term “inspection” refers to observation and reporting of the general material finishing, if applicable, and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.
11. Where applicable, the opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser



has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.

12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
13. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
14. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Where the client is the mortgagee and the loan is insured, liability is extended to the mortgage insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
15. This appraisal report, its content and all attachments/addendums and their content are the property of the author. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
16. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.



17. Where the intended use of this report is for financing or mortgage lending, it is a condition of reliance on this report that the authorized user has or will conduct loan underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct such loan underwriting and due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Underwriting Practices and Procedures B-20, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.
18. Where the intended use of this report is for mortgage insurance, it is a condition of reliance on this report that the authorized user will conduct loan insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent mortgage insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, to conduct such loan insurance underwriting and/ due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Insurance Underwriting Practices and Procedures B-21, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.

PART THREE – FACTUAL INFORMATION

Identification of the Property

The subject property is identified as follows:

Address: 760 Broadway Street West, Fort Qu'Appelle, SK

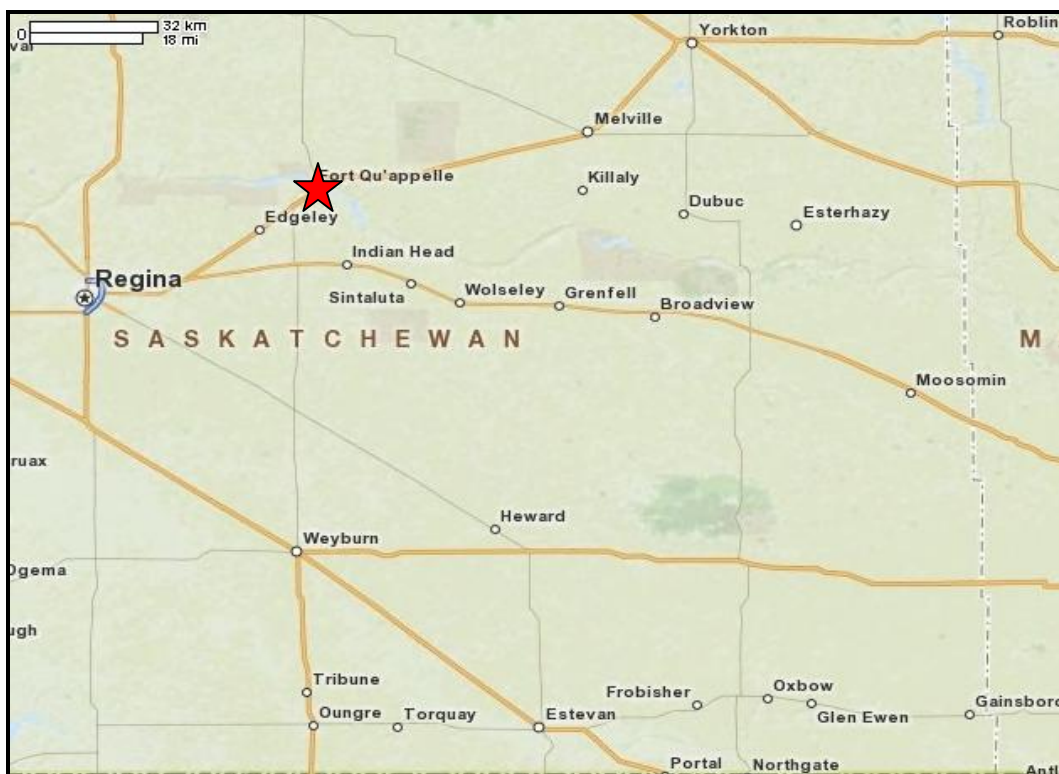
Legal Descriptions: Block Q, Plan 77R09773

Block V, Plan 82R01656

Parcel Number: 131772483 & 163531155

The above legal descriptions and corresponding parcel numbers reflect the information on record with ISC (Province of Saskatchewan Land Titles Registry).

Location and Site Data



The subject property is located in the western portion of the Town of Fort Qu'Appelle, Saskatchewan just south of Echo Lake. Fort Qu'Appelle is located between Echo and Mission



Lakes in the Qu'Appelle Valley, about 45 miles northeast of Regina along Highway No. 10. Highway No. 10 travels north east from Balgonie and the Trans Canada Highway No. 1 to Melville and Yorkton. Fort Qu'Appelle has a population of approximately 2,300 and its economy is dependent primarily on agriculture and tourism. Tourism in the area during the summer months is supported by cottage owners and campers frequenting the lakes located in the area. There is some winter tourism consisting of down hill and cross-country skiing and ice fishing. Positive features of Fort Qu'Appelle include full services such as schools, churches, and recreational and shopping facilities. Generally, most amenities are within walking distance.

The subject is located to the west of the main business district of Fort Qu'Appelle east of Willow Avenue and just south of Parcels W and J which front onto Echo Lake. Broadway Street runs east and west through the Town of Fort Qu'Appelle. Broadway Street has paved asphalt, curbs and gutters and sidewalks on both sides of the street. The subject property site is comprised of two parcels.

Parcel Q, Plan 77R09773

The site is irregular in shape, and according to information provided has an area of 3.18 acres. There is a small amount of frontage onto Broadway Street. This site is assumed to be fully serviced. There is a small rectangular portion that extends from Broadway, past existing development, then opens up to the larger portion of the site. This prevents exposure onto Broadway Street.

Parcel V, Plan 82R01656

The site is irregular in shape, and according to information provided has an area of 4.66 acres. There is approximately 180 feet of frontage onto Broadway Street. This site is assumed to be fully serviced.

The sites are located in close proximity to the river that connects Echo and Mission Lakes. The river is located north of the subject property. There is an easement located between the subject site and the river. The sites are relatively flat. The sites are assumed to be serviced with natural gas, telephone and water and sewer service provided by the Town of Fort Qu'Appelle. The location is considered to be good for future development purposes.



Description of Improvements

At the date of the inspection of the subject property, the improvements had been demolished. Based on instructions provided by our client, we are to complete an appraisal of the subject as of January 27, 2014; at which time there were improvements situated on the site.

Based on a previous appraisal report completed by our firm, with an effective date of June 20, 2007, a detailed description of the improvements is as follows:

Hospital

The building contains 53,369 square feet. The building consists of three wings. The east and north wings were constructed in 1935 and the west wing was added in 1946. The east and west wings are three stories in height while the north wing is only two stories in height. The building is of brick, concrete, and steel construction.

The following is a brief description of the key building components.

FOUNDATION:

Concrete. Details are unknown.

EXTERIOR WALLS:

The exterior walls consist of brick.

INTERIOR WALLS:

The interior walls are a combination of taped and painted drywall, painted plaster, and panelling throughout the building.

WINDOWS AND DOORS:

Windows are single pane sliders in metal frames for the most part. Pedestrian doors are typical, consisting of wood and metal hollow and solid core doors.

ROOFING:

The roof is built up tar and gravel.

FLOORING:

Flooring is a combination of tile, sheet vinyl and some carpet. The flooring overall was in very poor condition. According to the contact for inspection the building had been gutted for the purpose of decontamination of asbestos.

CEILINGS:

Ceilings are a combination of drywall and suspended tile in t-bar.

HEATING:

Two very large boilers had heated the building.

**PLUMBING:**

There were washrooms located throughout the building typical of those found in hospital buildings.

ELECTRICAL:

The main service, which is located in the powerhouse building, is a 1,200-amp breaker system.

As of the effective date of this appraisal report we assume that the building has reached the end of its economic life and does not contribute any value to the subject property. The cost to renovate the building would likely be too great and would exceed the value of the property after renovations complete making such an undertaking not viable.

We contacted Cal Tulik to obtain the actual cost for the demolition of this building. He was unwilling to provide any information.

In a previous appraisal report completed by our firm (September 2007) we were provided cost quotes for the demolition of this building. The cost quotes were provided by Silverado Demolition. The cost quotes were based on demolition of the building and removal of the debris to the Fort Qu'Appelle landfill as well as the backfill and rough grading of the site. The total cost at that time was estimated at \$330,529.00 for the Hospital building. The demolition cost was provided as net of salvage value, however, based on discussions with the demolition contractor, we were able to ascertain that given the cost of labour involved in salvage, it would not be viable or profitable and there would likely be no salvage value for the subject property improvements.

Powerhouse (As described in an appraisal report dated 2007)

This building is of brick, concrete, and steel construction. The building has a single story portion as well as a two-storey portion and contains approximately 483.3 square metres (5,200 square feet). There is also a partial basement used as storage. The building houses all of the mechanical equipment associated with running the hospital building and also contains workshop space. According to the contact for the inspection the Hospital had been non-operational for quite some time, meaning the same goes for the "Powerhouse". The heating system had been decommissioned.



This building is considered an accessory building to the Hospital and given that the hospital has reached the end of its economic life, so has the powerhouse building. We are of the opinion that the powerhouse does not contribute any value to the subject property.

In a previous appraisal report completed by our firm (September 2007) we were provided cost quotes for the demolition of this building. We were provided cost quotes for the demolition of this building. The cost quotes were provided by Silverado Demolition. The cost quotes are based on demolition of the building and removal of the debris to the Fort Qu'Appelle landfill as well as the backfill and rough grading of the site. The total cost is estimated at \$40,250.00 for the "Powerhouse" building.

It should be noted that the Town of Fort Qu'Appelle provided us with an appraisal report with an effective date of October 1, 2010. Within that report cost quotes were provided for the demolition of the hospital building only. The cost quote was provided by R.J. Tulik & Son. The cost of demolition was estimated at \$374,000.00.

Based on the two quotes provided, we are of the opinion that an amount of \$350,000.00 is used for the hospital site, and \$40,000.00 is used for the Powerhouse site.



Existing Use

The existing use of the subject property is a vacant hospital. Discussion relative to the current use and the Highest and Best Use can be found in Part 4 of this report under the heading *Highest and Best Use*.

Assessment and Taxes

According to the Town of Fort Qu'Appelle, the 2014 assessment and 2014 taxes for the subject property are as follows:

2014 ASSESSED AND TAXABLE VALUE:	\$646,600.00
2014 TAXES:	Exempt
TAXING TREND:	Increasing

The assessment and taxes are comparable to other similar properties and the level of assessment and taxes will not, in my opinion, have an effect on the market value of the subject property.

History of Subject Property

According to the Saskatchewan Land Titles Registry, as of the effective date of this appraisal report, The Town of Fort Qu'Appelle is the registered owner of the subject property. The current owners have owned the property for a number of years.

Due to the fact that the property is owned by the Town of Fort Qu'Appelle, the property is exempt from property taxes.

There are several interests registered against the subject property. Further detail relating to these interests can be found on a copy of the title that is included in the Addenda of this report.

I am not aware of any listings or offers to purchase the subject property in the past three years.



Land Use Controls

According to the Town of Fort Qu'Appelle zoning bylaw the subject property is zoned C1 – Town Centre Commercial District. According to the Town of Fort Qu'Appelle, the site was previously zoned R-Residential. The zoning change took place in January of 2014 according to the Town of Fort Qu'Appelle.

The purpose of this district is to encourage a downtown experience by providing pedestrian oriented commercial activities and services.



PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use

The Highest and Best Use of a property is a major factor affecting market value. The value of a property results from its use and varies with the present and prospective, actual and anticipated profit. Highest and Best Use can be simply stated as that use likely to produce the greatest net return over a given period of time.

Criteria for determining Highest and Best Use include:

- 1) The use must be legal and in compliance with zoning and building restrictions.
- 2) The use must be within the realm of probability; a likely one, not speculative or conjectural.
- 3) A demand for such use must exist.
- 4) The use must be profitable.
- 5) The use must provide the highest net return to the land.
- 6) The use must produce the return for the longest possible time.

The existing use of a given parcel of land is usually the Highest and Best Use, since economic pressure dictates the use. If the existing use is the Highest and Best Use, it should:

- a) conform to existing zoning regulations or be a legal non-conforming use;
- b) be in reasonable conformity with its surroundings.

In addition, as long as the building contributes something to the total property value in excess of the value of the vacant site, it would pay an owner to continue it in that use, which would be considered to be its Highest and Best Use.

On the basis of the above and recognizing the size, configuration, location and condition of the subject property it is my opinion that the Highest and Best Use for the subject property is future development.



Appraisal Procedures

There are three approaches to be considered in developing an estimate of value for the subject.

The Cost Approach is the method by which the value of a property is derived by estimating the reproduction cost new of the improvements, deducting therefrom the estimated depreciation and then adding the market value of the land. This approach usually provides a reliable indication of value where the improvements are new, they contain little or no depreciation, including functional and external obsolescence and they represent the highest and best use for the land.

The Income Approach develops an estimate of value from the anticipated net income the property could realize, if put on the market for rent. The annual net income is then capitalized into an estimate of value, by converting the income stream by an appropriate overall capitalization rate. This approach is typically utilized from the standpoint of an investor.

The Direct Comparison Approach develops an estimate of value from the market, where properties similar to the subject have been sold and/or properties presently listed for sale. It is a process of correlating and analyzing the comparable properties, to arrive at an estimate of value for the subject. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

The Direct Comparison Approach will provide an estimate of value of the subject property based on comparable properties that have recently sold within the Town of Fort Qu'Appelle, as well as similar communities. The Cost Approach will not be utilized due to the fact that the improvements are not considered to contribute value. The Income Approach will not be utilized due to the fact that the property is not typical of an investment property purchased for income producing or cash flow capabilities.



Direct Comparison Approach

This method involves the gathering, analyzing and comparing of data on similar properties that have been sold, on which offers have been made, or that are for sale.

This approach implies the Principle of Substitution, which states that a prudent purchaser will not pay more for a property than it would cost to buy an equally desirable substitute. The properties selected for comparison must be similar in most essential respects to the one being appraised. In addition to comparing the similar characteristics between properties, the dissimilar characteristics must also be weighed. In this manner, the appraiser is placing himself in the position of being a typical purchaser or vendor in the market, in that the analysis of data pertaining to the real estate market is of assistance in deciding the best possible price to pay, or accept, for a property.

It should be noted that sales beyond the effective date, January 27, 2014 have been included in this analysis.

Following is a summary of each comparable property used in this analysis:

**INDEX NO. 1**

Location: Segwun Avenue, Fort Qu'Appelle
 Legal Description: Block E, Plan 102167322
 Sale Price: \$38,873.00
 Date of Sale: November, 2014
 Site Size: 1.21 acres
 Sale Price /Acre: \$32,126.45
 Zoning: R - Residential

Comments: Vacant lot situated on the north side of North Railway Street and south of Segwun Avenue. The property was purchased for the development of a day care centre.

INDEX NO. 2

Location: 598 2nd Street E, Fort Qu'Appelle
 Legal Description: Block G, Plan 102112366
 Sale Price: \$100,000.00
 Date of Sale: January 29, 2013
 Site Size: 1.05 acres
 Sale Price /Acre: \$95,238.10
 Zoning: C - Commercial

Comments: Vacant lot located on the south side of 2nd Street, east of Notre Dame Avenue. East of Highway #22. The site has approximately 300 feet of frontage onto 2nd Street and was fully serviced. The site was purchased to be developed with a light industrial property.

INDEX NO. 3

Location: 483 Broadway Street E, Fort Qu'Appelle
 Legal Description: Lots 6-8, Block 30, Plan 66R27897
 Sale Price: \$11,000.00
 Date of Sale: January 19, 2011
 Site Size: 0.22 acres
 Sale Price /Acre: \$50,000.00
 Zoning: R - Residential

Comments: Vacant lot situated on Broadway Street East. The property was purchased for the development of condominiums.

**INDEX NO. 4**

Location: Fort Qu'Appelle
 Legal Description: Block 12R, Plan 101383703
 Sale Price: \$19,600.00
 Date of Sale: August, 2010
 Site Size: 13.27 acres
 Sale Price /Acre: \$1,477.02
 Zoning: FUD – Future Urban Development
 Comments: Vacant lot located south of Highway # 10. The site is on the east side of Cemetery Hill Road. The property had no services in place at the time of the sale.

INDEX NO. 5

Location: Broadway Street E., Fort Qu'Appelle
 Legal Description: Lot 3, Block 40, Plan AN 4277
 Sale Price: \$25,000.00
 Date of Sale: April, 2007
 Site Size: 0.14 acres
 Sale Price /Acre: \$178,571.43
 Zoning: C - Commercial
 Comments: Vacant lot situated on the north side of Broadway Street E. adjacent to 140 Broadway Street E. The property was not exposed to the market and sold privately.

INDEX NO. 6

Location: Fort Qu'Appelle
 Legal Description: Block F, Plan 1867
 Sale Price: \$300,000.00
 Date of Sale: November, 2017
 Site Size: 4.43 acres
 Sale Price /Acre: \$67,720.09
 Zoning: FUD – Future Urban Development Land
 Comments: Vacant lot situated on the south side of Fort Qu'Appelle, south of Highway #10. The property is located on 8th Avenue, near Bay Avenue South. The property was purchased for future development. The property was not serviced at the time of the sale.

**Fort Qu'Appelle Vacant Land Sales:**

#	Sale Price	Sale Date	Area (Acres)	Sale Price Per Acre
1	\$38,873.00	14-Nov	1.21	\$32,126.45
2	\$100,000.00	13-Jan	1.05	\$95,238.10
3	\$11,000.00	11-Jan	0.22	\$50,000.00
4	\$19,600.00	10-Aug	13.27	\$1,477.02
5	\$25,000.00	7-Apr	0.14	\$178,571.43
6	\$300,000.00	17-Nov	4.43	\$67,720.09

The six land sales, located in the Town of Fort Qu'Appelle, range from a low of \$1,477.02 per acre to a high of \$178,571.43 per acre. The low end of the range represents a much larger parcel compared to the subject, and is also unserviced land. This parcel as a inferior location compared to the subject. The upper end of the range is the sale of a fully serviced parcel, which is much smaller in size compared to the subject. Typically we see an inverse relationship between parcel size and price, whereas the smaller parcels sell for a higher price per acre than the larger parcels. The average price per acre of the six sales is \$70,855.51.

**INDEX NO. 7**

Location: Highway No. 18, Oxbow
 Legal Description: Block H, Plan No. 102088751
 Sale Price: \$462,300.00
 Date of Sale: March 2014
 Lot Size: 5.73 acres
 Sale Price/Acre: \$80,681.00
 Comments: Land purchased by Southern Plains Co-op Ltd from Town of Oxbow. Serviced land with highway exposure.

INDEX NO. 8

Location: 335 Highway No. 6, Southey
 Legal Description: Lots 19 – 22, Block 9, Plan AO 5925
 Sale Price: \$55,000.00
 Date of Sale: October 2013
 Site Size: .56 acres
 Sale Price /Acre: \$98,214.29
 Zoning: Commercial
 Comments: Vacant land located adjacent to Provincial Highway No. 6 in the town of Southey. The property was purchased for construction of a new Subway restaurant.

INDEX NO. 9

Location: Highway No. 15 and 10, Melville, SK.
 Legal Description: Block GG, Plan No. 101752208
 Sale Price: \$109,000.00
 Date of Sale: October 2013
 Lot Size: 5.00 acres
 Sale Price/Acre: \$21,800.00
 Zoning: Commercial
 Comment: Land located in the southwest corner of Melville along Highway No. 10.



760 Broadway Street West, Fort Qu'Appelle, SK

INDEX NO. 10

Location: 1000 Commercial Drive, Esterhazy, SK

Legal Description: Lots 1 - 3, Block 91, Plan No. 68R06814 and Lot 4, Block 91, Plan No. 71R09634

Sale Price: \$140,000.00

Date of Sale: 2013 June

Lot Size: 2.20 acres

Sale Price/Acre: \$63,636.00

Zoning: Commercial

Comments: Located on south side of Esterhazy in the industrial area. Previously owned by Shell Canada. Sold with a complete site environmental remediation.

INDEX NO. 11

Location: Located on eastern most side of the Town of Moosomin immediately east of the Motel 6 on TransCanada Hwy No. 1, Moosomin, Saskatchewan

Legal Description: SW ¼ 34-13-31-W1

Sale Price: \$775,000.00

Sale Date: February 19, 2013 (Title # 143285160)

Land Size: Was originally 33.48 acres now divided into
Parcel A – 6 acres (New Ford Dealership)
Parcel B – 12.76 acres
Parcel C – 11.64 acres

Sale Price/Acre: \$23,148.00

Zoning: C2 – Concentrated Commercial Sale Price

Comments: Full municipal services but no highway service road in front.

**INDEX NO. 12**

Location: Hwy No. 15, Melville, SK
 Legal Description: Block D & E, Plan No. 86Y06135
 Sale Price: \$200,000.00
 Date of Sale: July 2012
 Lot Size: 3.79 acres
 Sale Price/Acre: \$52,770.00
 Zoning: Commercial
 Comments: Land located west of Highway No. 10 and south of Highway No. 15. Level, unserviced land.

INDEX NO. 13

Location: Highway #10, Melville
 Legal Description: Lots 10 & 11, Block K, Plan 81Y03583
 Sale Price: \$200,000.00
 Date of Sale: June 19, 2012
 Site Size: 2.00 acres
 Sale Price /Acre: \$100,000.00
 Zoning: C - Commercial
 Comments: Vacant lot situated on Highway # 10. There is a service road in place to the site. The site is serviced. The property was exposed to the market for 60 days.

INDEX NO. 14

Location: 720 Norway Road, Canora
 Legal Description: Lots 2 and 3, Block 57, Plan G2Y06331
 Sale Price: \$22,500.00
 Date of Sale: May 2012
 Site Size: .69 acres (30,000 sq.ft.)
 Sale Price /Acre: \$32,608.70
 Zoning: Commercial
 Comments: Vacant commercial lot along Highway No. 9 two blocks north of Highway No. 5. The property was listed for sale at an asking price of \$35,000.00 and was on the market for 15 days prior to the sale

**INDEX NO. 15**

Location: Hwy 22 Esterhazy, SK.
 Legal Description: Block D, Plan No. 77R04149
 Sale Price: \$200,000.00
 Date of Sale: May 2011 (Possession Aug 1/11)
 Lot Size: 2.41 acres
 Sale Price/Acre: \$82,988.00
 Zoning: Commercial
 Comments: Land located on the north side of Hwy 22, Esterhazy.

INDEX NO. 16

Location: Hwy No. 13, Carlyle, SK
 Legal Description: Lots 5-10, 17-19, Block 3, Plan No. 102006593
 Sale Price: \$385,000.00
 Sale Date: April 11, 2011
 Land Size: 2.97 acres
 Sale Price/Acre: \$129,630.00
 Zoning: Commercial
 Comments: Land purchased by Atha Hotel for new hotel development.

INDEX NO. 17

Location: Main & Park Street, Moosomin
 Legal Description: Lots 7-10, Block 4, Plan Old 42
 Sale Price: \$70,000.00
 Date of Sale: January 18, 2011
 Site Size: 0.57 acres
 Sale Price /Acre: \$122,807.02
 Zoning: C2 - Commercial
 Comments: Vacant lots within Moosomin; services are nearby. Located at the intersection of Main Street and the service road. The sites have been decontaminated and environmental report was completed. The site was exposed for 19 days.



Summary

Index No.	Location	Sale Price	Sale Date	Area (Acres)	Sale Price Per Acre
7	Oxbow	\$462,300.00	14-Mar	5.73	\$80,680.63
8	Southey	\$55,000.00	13-Oct	0.56	\$98,214.29
9	Melville	\$109,000.00	13-Oct	5.00	\$21,800.00
10	Esterhazy	\$140,000.00	13-Jun	2.20	\$63,636.36
11	Moosomin	\$775,000.00	13-Feb	33.48	\$23,148.15
12	Melville	\$200,000.00	12-Jul	3.79	\$52,770.45
13	Melville	\$200,000.00	12-Jun	2.00	\$100,000.00
14	Canora	\$22,500.00	12-May	0.69	\$32,608.70
15	Esterhazy	\$200,000.00	11-May	2.41	\$82,987.55
16	Carlyle	\$385,000.00	11-Apr	2.97	\$129,629.63
17	Moosomin	\$70,000.00	11-Jan	0.57	\$122,807.02
Average					\$73,480.25
Median					\$80,680.63

Similar Communities Vacant Land Sales:

The eleven land sales, located in the Melville, Oxbow, Southey, Esterhazy, Moosomin, Carlyle and Canora, range from a low of \$21,800.00 per acre to a high of \$129,626.63 per acre. The low end of the range represents unserviced land, whereas the upper end of the range is represented by smaller sized fully service land. The average price per acre of the eleven sales is \$73,480.25.

Location	Average Price Per Acre
Fort Qu'Appelle	\$70,855.51
Remainder	\$73,480.25

The eight centres analyzed experience generally similar economic conditions, although have varying supply and demand characteristics for vacant commercial sites which impacts site values. In addition, the comparison between sales for each location is subject to some degree of error as the sites have variations in size, location within the community, servicing and zoning. Therefore, each sale will be analyzed further.



Index No. 1 is a sale of a smaller parcel of land compared to the subject. The sale is located within the Town of Fort Qu'Appelle. At the time of the sale the site was zoned R-Residential. The property was purchased for the development of a day care centre; which is a permitted use under the zoning. Services were nearby.

Index No. 2 is located within the Town of Fort Qu'Appelle. The location of this sale is considered highly comparable to the subject, due to the proximity of the river connecting Echo and Mission Lakes. This site was serviced, similar to the subject. The parcel size is smaller compared to the subject. This sale will receive some consideration.

Index No. 3 is the sale of a much smaller parcel of land compared to the subject. This sale is located within the Town of Fort Qu'Appelle. The site was fully serviced at the time of the sale. Due to the smaller size, inferior zoning, and inferior location, this sale will receive less consideration.

Index No. 4 is the sale of a much larger parcel of land located within the Town of Fort Qu'Appelle. This sale was not serviced, and has an inferior location compared to the subject. This sale will receive less consideration.

Index No. 5 is the sale of a much smaller parcel of land compared to the subject. This sale is located within the Town of Fort Qu'Appelle. The site was fully serviced at the time of the sale. Due to the smaller size, this sale will receive less consideration.

Index No. 6 is a recent sale of commercial land located in the Town of Fort Qu'Appelle. This sale is located on the south side of Highway # 10. At the time of the purchase the property was not serviced and zoned future urban development land. Although this sale took place after the effective date of this appraisal report, we are of the opinion that it is a good sale to include.



Index No. 7 is the sale of a commercial parcel located in the Town of Oxbow. We are of the opinion that Oxbow has similar economic characteristics to the Town of Fort Qu'Appelle. This parcel was serviced at the time of the sale, and had good exposure onto the highway. Due to the similar size, zoning and utility, some consideration will be given to this index.

Index No. 8 is the sale of a smaller parcel located in the Town of Southey. This sale is much smaller in size compared to the subject property. The location of this sale had good exposure onto Highway # 6. Due to the size, less consideration will be given to this sale.

Index No. 9 is the sale of a parcel of land located within the Town of Melville. This parcel was not serviced at the time of the sale. This property had exposure onto Highway # 10. Due to the lack of services, less consideration will be given to this sale.

Index No. 10 is the sale of a parcel of land located within the Town of Esterhazy. We are of the opinion that Esterhazy has similar economic characteristics to the Town of Fort Qu'Appelle. This site had services nearby. The parcel size is smaller in size compared to the subject. This sale will receive some consideration.

Index No. 11 is the sale of a parcel of land located within the Town of Moosomin. We are of the opinion that Moosomin has similar economic characteristics to the Town of Fort Qu'Appelle. This parcel is much larger in size compared to the subject property. There were services in close proximity at the time of the sale. Due to the larger size of this parcel, we are of the opinion that a price per acre greater than this sale be applied to the subject.

Index No. 12 is the sale of a parcel located within Melville. The parcel size is similar to the subject site. The land was level; however, it was not serviced at the time of the sale. Due to the lack of services, less consideration will be given to this sale.

Index No. 13 is the sale of a parcel located within Melville. The parcel size is smaller than the subject site. There is an access road in place to the site. The site was serviced at the time of the sale. Due to the highway exposure, this sale is considered to have a superior location, a price per acre less than this index will be applied to the subject.



Index No. 14 is the sale of a smaller sized parcel located within the Town of Canora. The site was serviced at the time of the sale. Due to the size of the parcel, this sale will receive less consideration.

Index No. 15 is the sale of a parcel of land located within the Town of Esterhazy. This site had services nearby. The parcel size is considered similar in size compared to the subject. The site has exposure onto Highway #22. This sale will receive some consideration.

Index No. 16 is the sale of a parcel of land located within the Town of Carlyle. This site is serviced. The parcel size is similar in size compared to the subject. The site has exposure onto Highway #13. Due to the demand for vacant commercial land at the time of the sale in Carlyle, a price per acre less than this index will be applied to the subject.

Index No. 17 is the sale of a much smaller parcel of land compared to the subject. This sale is located within the Town of Moosomin. The site was fully serviced at the time of the sale. Due to the smaller size, this sale will receive less consideration.

Given the location, zoning, services and larger size of the subject property, we are of the opinion that an amount of \$50,000.00 per acre is a good indication of market value for the subject property. This amount is supported by the sales located within Fort Qu'Appelle.

Therefore, the estimated value of the subject property by the Direct Comparison Approach is estimated at:

Parcel V, Plan 82R01656 – 4.66 acres @ \$50,000.00 /acre =\$233,000.00

Parcel Q, Plan 77R09773 – 3.18 acres @ \$50,000.00 /acre =\$159,000.00

Less: Estimated Cost of Demolition =\$390,000.00

Total: \$2,000.00

\$2,000.00 (Rounded)



Reconciliation and Final Estimate of Value

The Direct Comparison Approach to value has produced the following estimates of value for the subject property:

Direct Comparison Approach: \$2,000.00

The Direct Comparison Approach has provided a value estimate based on the sale price per acre of land. In this approach, an analysis was made of sales of vacant land sites considered similar to the subject property. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

Therefore, it is my opinion that the estimated market value of the subject property, in fee simple estate, free and clear of encumbrances, as at the effective date of January 27, 2014 is:

**Two Thousand
(\$2,000.00)**

Exposure Time

Exposure time is the estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at 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. It is always presumed to have preceded the effective date of the appraisal. Based on our analysis of the market place for this type of property, our estimate of market value is based on an exposure time of six to twelve months.

**CERTIFICATION****DATE: February 12, 2018****Re: Vacant Land, Fort Qu'Appelle, Saskatchewan**

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

- 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 impartial, and unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermining results, the amount of the value estimate, or a conclusion favouring the client;
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards;
- I have the knowledge and experience to complete the assignment competently.
- No one provided significant professional assistance to the undersigned;
- As of the date of this report the I have fulfilled the requirements of the Appraisal Institute of Canada Continuing Professional Development Program for members;
- I am a member in good standing of the Appraisal Institute of Canada;
- I personally inspected the subject property of the report;
- Based upon the data, analyses, and conclusions contained herein, the market value of the interest in the property described herein, as at January 27, 2014, is estimated at \$2,000.00;

Dated: February 12, 2018

Greg Buchan, B.Admin, AACI, P.App
AIC Membership # 904274



760 Broadway Street West, Fort Qu'Appelle, SK

ADDENDA 1

Photographs



Subject



Subject



Subject



Subject



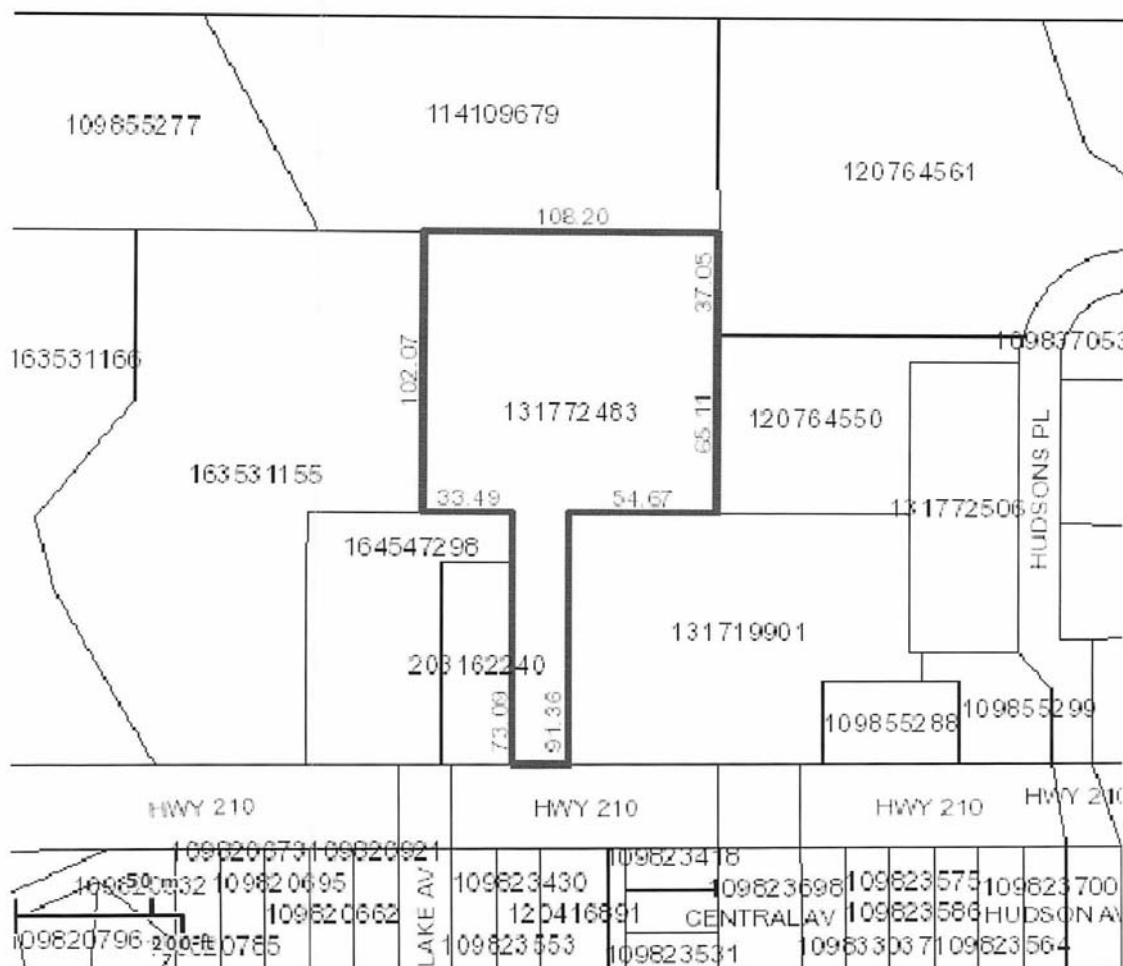
ADDENDA 2

Land Titles (ISC) Documents



Surface Parcel Number: 131772483

REQUEST DATE:17-Jan-2018 3:44:05 PM



Owner Name(s): ABACO ENERGY SERVICES LTD.

Municipality: TOWN OF FORT QU'APPELLE

Title Number(s): 144631021

Parcel Class: Parcel (Generic)

Land Description: Blk/Par Q-Plan 77R09773 Ext 1

Source Quarter Section:

Commodity/Unit: Not Applicable

Area: 1.289 hectares (3.18 acres)

Converted Title Number: 78R24879

Ownership Share: 1:1

DISCLAIMER: THIS IS NOT A PLAN OF SURVEY It is a consolidation of plans to assist in identifying the location, size and shape of a parcel in relation to other parcels. Parcel boundaries and area may have been adjusted to fit with adjacent parcels. To determine actual boundaries, dimensions or area of any parcel, refer to the plan, or consult a surveyor.

Municipality: TOWN OF FORT QU'APPELLE

Area: 1.884 hectares (4.66 acres)

Title Number(s): 144631009

Converted Title Number: 82R01656

Parcel Class: Parcel (Generic)

Ownership Share: 1:1

Land Description: Blk/Par V-Plan 82R01656 Ext 1

Source Quarter Section:

Commodity/Unit: Not Applicable

DISCLAIMER: THIS IS NOT A PLAN OF SURVEY It is a consolidation of plans to assist in identifying the location, size and shape of a parcel in relation to other parcels. Parcel boundaries and area may have been adjusted to fit with adjacent parcels. To determine actual boundaries, dimensions or area of any parcel, refer to the plan, or consult a surveyor.



760 Broadway Street West, Fort Qu'Appelle, SK

Addenda 3

Assessment Information

 sama SASKATCHEWAN ASSESSMENT MANAGEMENT AGENCY	Property Report		Property Use: Commercial Vac Land		Print Date: 17-Jan-2018	Page 1 of 1
	Municipality Name: FORT QU'APPELLE		Assessment ID Number: FORTQ-505007550		PID: 3929205	
	Civic Address:		School Division: 208	Inspected Date: 03-Oct-2014		
	Legal Location: Parcel V Block Plan 82R01656 Sup 00		Neighborhood: 110	Change Reason: Maintenance		
Supplementary:		Purse Code: Commercial Vac Land		Year / Frozen ID: 2016/-46		
		Predom Code:		Call Back Year:		
				Method_in_use: C.A.M.A. - Cost		

Assessed & Taxable/Exempt Values (Summary)							
Description	Assessed Values	Liability Subdivision	Tax Class	Percentage of value	Taxable	Exempt	VA
Non-Agricultural	479,500	1	Comm & Industrial Other	100%	479,500		
Total of Assessed Values	479,500				479,500		
Total of Taxable/Exempt Values:					479,500		

URBAN LAND (Details)							
Lot/Plot	Land Use	Plot Characteristics	Rates and Factors	Other Information	Liability Subdivision	Tax Status	
/ 1.00	Commercial Excess	Acreage	Prime Rate: 178596.00	Std.Parcel Size: .17	1	Taxable	
Plot use -	COMMERCIAL VAC LAND	Width(ft)	Urban - Acreage 479,470.00	Land Size Multiplier: 130			
		Side 1 (ft)		Adjustment reason:			
		Side 2 (ft)	Lump Sum: 0.00				
		Area 8.76					
		Total Acres: 8.76					



760 Broadway Street West, Fort Qu'Appelle, SK

**Property Report****Property Use:** Commercial Vac Land

Print Date: 17-Jan-2018

Page 1 of 1

Municipality Name: FORT QU'APPELLE**Assessment ID Number:** FORTQ-505006550**PID:** 3929163**Civic Address:****School Division:** 208**Inspected Date:** 03-Oct-2014**Legal Location:** Parcel Q Block Plan 77R09773 Sup**Neighborhood:** 110**Change Reason:** Maintenance**Supplementary:** ISC PCL # 131772483**Puse Code:** Commercial Vac Land**Year / Frozen ID:** 2016/-46**Predom Code:****Call Back Year:****Method_In_use:** C.A.M.A. - Cost**Assessed & Taxable/Exempt Values (Summary)**

Description	Assessed Values	Liability Subdivision	Tax Class	Percentage of value	Taxable	Exempt	VA	Tax Status
Non-Agricultural	167,100	1	Comm & Industrial Other	100%	167,100			Taxable
Total of Assessed Values	167,100			Total of Taxable/Exempt Values:	167,100			

URBAN LAND (Details)

Lot/Plot	Land Use	Plot Characteristics	Rates and Factors	Other Information	Liability Subdivision	Tax Status
/ 1.00	Commercial Excess	Acreage	Prime Rate: 178596.00	Std.Parcel Size: .17	1	Taxable
Plot use -	COMMERCIAL VAC LAND	Width(ft)	Urban - Acreage 167,100.00	Land Size Multiplier: 130		
		Side 1 (ft)	Adjustment percent: 90.00	Adjustment reason: Topography		
		Side 2 (ft)	Lump Sum: 0.00			
		Area				
		Total Acres:	3.19			



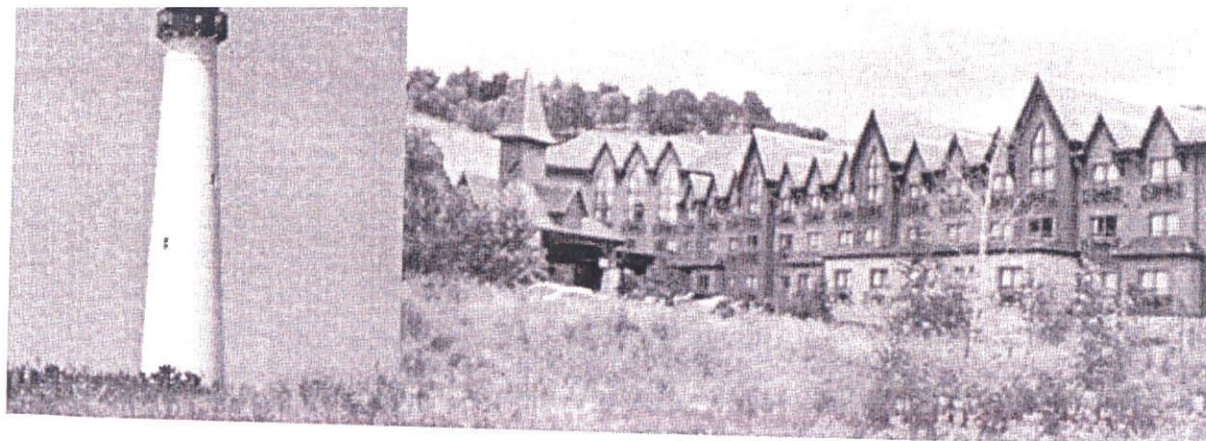
Pellaway Bay

Development Group

Letter of Intent

as facilitated by NorthWind Innovations Inc.





September 19th, 2008

Town of Fort Qu'Appelle

Dear Town Council;

The purpose of this Letter Of Intent is to formally confirm the intent of both parties in what is to become a "Joint Development Agreement" for the development of a significant tourist destination for the Town of Fort Qu'Appelle. It is recognized that the planning and assembly stage prior to any building project can be extensive and can stretch over many months and sometimes years. It is the goal to expedite this development and every effort must be made by all parties involved to prudently move through and past planning and construction so that we can all benefit from a first class tourist destination buzzing with throngs of happy tourists.



It is understood that the Town shall take the lead in land assembly, research, planning and funding of the Marina and the Conference Center. The Town shall also be responsible for developing the concepts and getting the local businesses involved in transforming the store fronts, streets and sidewalks into a "Resort Town" appearance.

The Town shall also take the lead in working to attract entrepreneurs to develop new ventures that will give tourists enough activities that will compel them to stay a week.



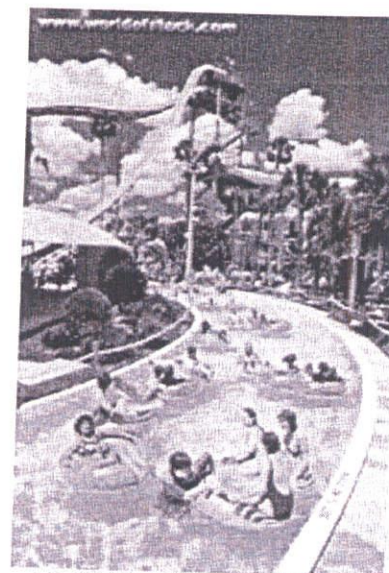


As a "Joint Development Venture" the components that the **Town of Fort Qu'Appelle** will be responsible for are as follows;

- Research, planning, approvals, funding and ownership of the Marina
- Assembly of Crown land, parcels W & J, for location of the Marina
- Funding and ownership of a Conference Center
- Contribution at no cost of Parcel Y and Parcel Q for the construction of a Theme Waterpark
- Contribution at no cost of Parcel V and all buildings thereon for construction of Hotel, Conference Center, Lighthouse & giftshop
- Leasing the Marina & Conference Center to Pellaway Bay for management
- Assembly of parcel ZZ at cost
- Typical tax abatement tax incentive for commercial development

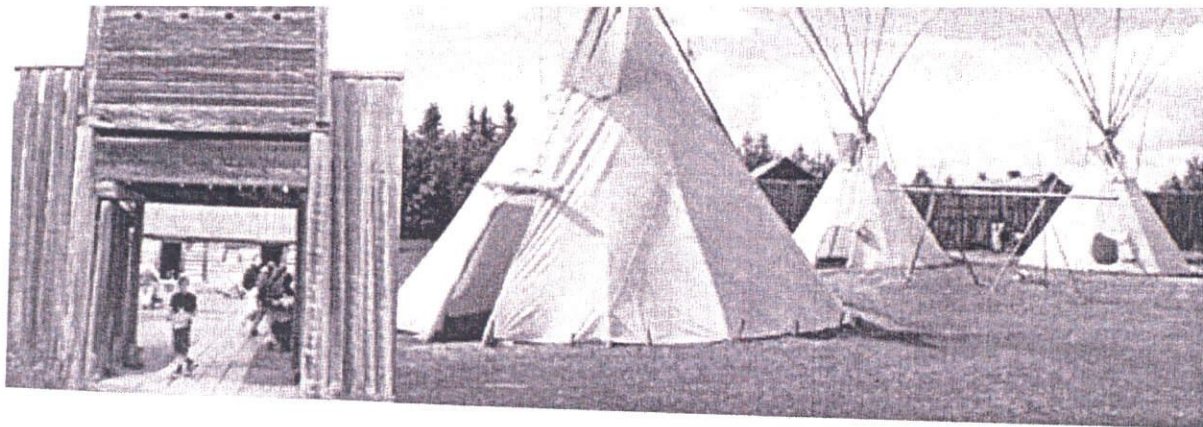
The components that the **Pellaway Bay Development Group** shall be responsible for are as follows;

- Construction of the Marina
- Construction of the Conference Center
- Design, funding and construction of the Hotel/Condo
- Design, funding and construction of the Lighthouse, Restaurant and Gift shop
- Design, funding and construction of a Theme Waterpark
- Management of the Conference Center and Marina



Both parties agree to work together and to jointly fund marketing.

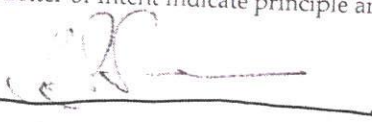


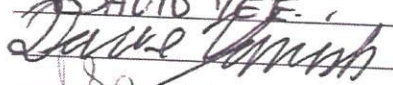

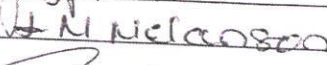
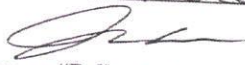




A formal agreement based upon the items contained in this Letter of Intent shall be drawn up and dually signed by both parties prior to ownership of any lands or building of any component outlined herein.

Signatures affixed to this Letter of Intent indicate principle and good will.

The Town of Fort Qu'Appelle

 Lee Finisher
 Dated this 29 day of SEPT 2008
 • Mayor Ron Ostika  Dated this 29 day of SEPT 2008
 •  DAVID VEE Dated this 29 day of SEPT 2008
 •  Dated this 29 day of SEPT 2008
 •  J. Spanner Dated this 29 day of SEPT 2008
 •  H. M. McLanahan Dated this 29 day of Sept 2008
 •  Dated this 29 day of Sept 2008

An entity conceptually known as "Pellaway Bay Development Group" comprising of the principals;

• Brent Boechler _____ Dated this ____ day of _____ 2008
 • Bill Babey _____ Dated this ____ day of _____ 2008
 • Jacqueline Senko _____ Dated this ____ day of _____ 2008
 • Greg Schmidt _____ Dated this ____ day of _____ 2008





North West Express Ltd.

June 23, 2010

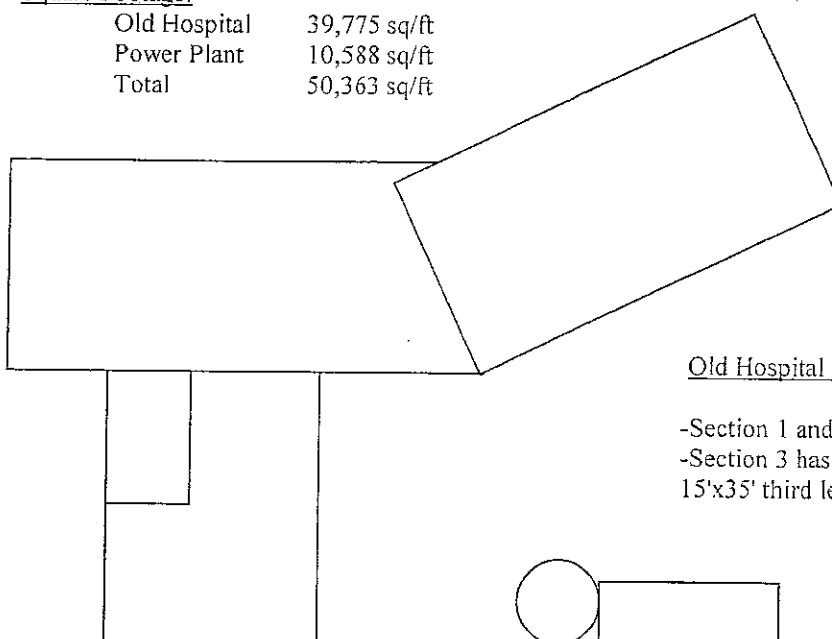
Attention: Ron Osika - Mayor, Town of Fort Qu'Appelle

Demolition and Removal of the Old Fort Qu'Appelle Indian Hospital (Fort Qu'Appelle, SK):

The two buildings being demolished are the Old Fort Qu'Appelle Indian Hospital and it's power plant building.

Square Footage:

Old Hospital	39,775 sq/ft
Power Plant	10,588 sq/ft
Total	50,363 sq/ft

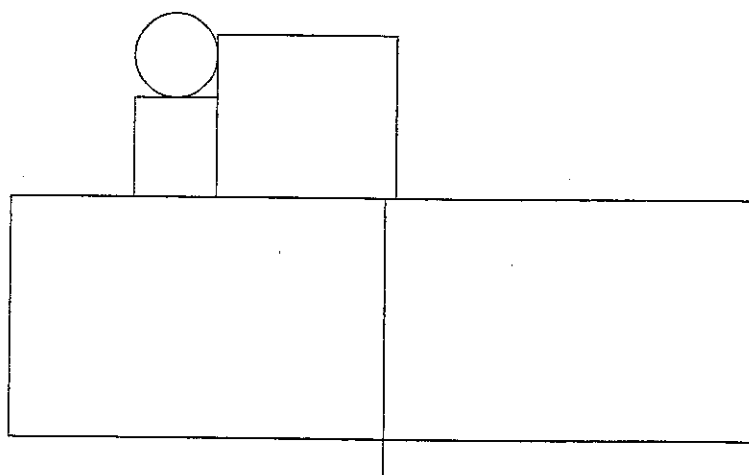


Old Hospital Main Floor Diagram

- Section 1 and 2 have three levels.
- Section 3 has two full levels with a 15'x35' third level.

Power Plant Main Floor Diagram

- Section 4 has one level with a basement.
- Section 5 has two levels with a basement.
- Section 6 is only a basement structure.



P.O. Box 37020
Regina, Sask, S4S 7K3
Ph - (306)-737-7887
Fax - (306)-585-3772
buckle@accesscomm.ca



North West Express Ltd.

Costs to demolish the whole hospital site:

Old Indian Hospital	39,775 sq ft.	X	\$4.70/ sq ft.	=	\$186,942.50
Power Plant	10,588 sq ft.	X	\$4.70/ sq ft.	=	\$49,763.60
Total					= \$236,706.10
					+ GST
					+ TIPPAGE FEES
					+ DEMO PERMITS

-This includes mobilization costs, site prep. demolition prep, the tear down of hospital and power plant, crushing of materials (concrete/bricks), and material removal costs.

Payment Schedule

Mobilization , Site Prep, and Start-Up Costs	10%	\$23,670.61
Demolition Prep	20%	\$47,341.22
Tear down of Hospital and Power Plant	30%	\$71,011.83
Material is crushed and ready to haul	16%	\$37,872.98
Removal of crushed material/rubble	24%	\$56,809.46

Options:

Burn Stack Removal (Behind Power Plant) \$19,850.00

-The option to keep the burn stack as a landmark is available only if there is no damage to it during the demolition. After demolition stack must be checked over by an engineer to be cleared for safety. If stack is damaged it will have to be removed.

-The dump fees are at the cost of the town of Fort Qu'Appelle

-The price quoted is only for hauling rubble to the landfill site at Fort Qu'Appelle and hauling crushed material (concrete/bricks) to the lagoon reclamation site. If we have to haul to another landfill, the dump fees and extra hauling charges will be extra.

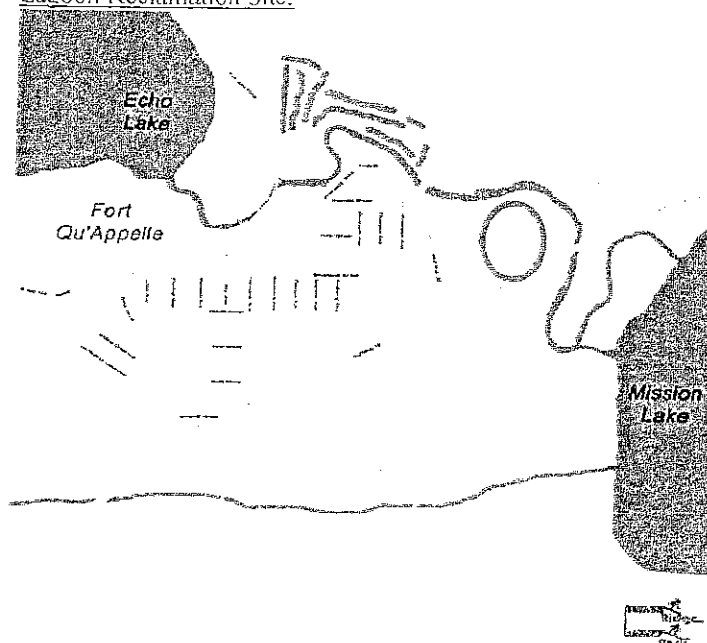
-All Salvage is property of North West Express.

P.O. Box 37020
Regina, Sask, S4S 7K3
Ph - (306)-737-7887
Fax - (306)-585-3772
buckle@accesscomm.ca



North West Express Ltd.

Lagoon Reclamation Site:



Lagoon Site:

- Roughly 4 acres of land North of the No. 10 Highway and East of city centre Fort Qu'Appelle.
- There is approx. an average of 8" of black top soil on the lagoon site.
- Future plans/specs determine how much land to reclaim.

1 Acre= 4046 m²

4 Acres=16187m²

Cost To Reclaim Site:

Strip Top Soil Off	- \$8.00/Meters cubed x 3300/m ³	= \$26,400.00
Remove Clay	- \$8.00/ m ³	x 2500/m ³ = \$20,000.00
Placement and Packing of Crushed Material	- \$6.00/m ³	x 16000/m ³ = \$96,000.00
		Total = <u>\$142,400.00</u>
		+ GST

- To reclaim lagoon site you first have to strip all black top soil off of the areas that need to be reclaimed.

-Then a layer of clay will be stripped so that there will be a clay patch before the layer of top soil for clean-up.

-We have been told that there is approximately four acres to be reclaimed. From our calculations we figure there is approx. 8" of topsoil and 6"+ of clay to be stripped.

- For placement and packing of crushed concrete/bricks we have bid it so that we can cover the entire area with 1 m³ of material (concrete/bricks).

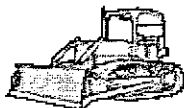
*Reminder - We have no drawn specs on the land to reclaim, due to this minor inconvenience the prices

P.O. Box 37020
Regina, Sask, S4S 7K3
Ph - (306)-737-7887
Fax - (306)-585-3772
buckle@accesscomm.ca

7.1 FILE COPY

PLS CONFIDENTIAL
CONFIDENTIAL

R. J. Tulik & Son



Trenching & Excavating Ltd.

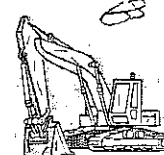
P.O. Box 607

Fort Qu'Appelle, Sk

SOG ISO

Ph: 332-1500

Fax: 332-4166



August 18, 2010
Quote No: 2010-475

Description: Hospital Demolition

Customer Name: Town of Fort Qu'Appelle

Demolish the Old Hospital, and Powerhouse and Incinerator, following the guidelines set out below;

1. All appropriate demolition insurance with,
 - Min. 2 million liability each occurrence.
 - COR Certified Company from Heavy Construction Association
2. Demolish and haul away to either old lagoon site or old nuisance ground by Treaty 4.
3. Any salvageable material to be that of the contractor.
4. Demolition to follow all Provincial and Federal regulations regarding demolition guidelines.
5. Fill dirt to match existing grade.
6. Perform work in accordance to O.H.S standards.

TOTAL

\$ 315,000.00

Extra's foreseen by Tulik Excavating due to knowledge of the site.

- Excavate and remove concrete tunnels from hospital and powerhouse.
- Reconnect town water line for Health Canada building after completed due to alignment.
- Excavate pit for debris at old nuisance ground site.

\$ 59,000.00

Note:

1. Price does not include applicable taxes
2. Quote is valid for 14 days
3. Holdback is not applicable
4. Overdue accounts will be charged at 2% per month
5. Quote will not change in price, if description of work is not changed.

10 TAK
\$374,000.00

ACCEPTANCE:

The above prices, specifications and conditions are hereby accepted. You are authorized to do the work as specified. Please return the original copy signed as soon as possible to P.O. Box 607 Fort Qu'Appelle, Sk, Canada S0G1S0.

SIGNED: _____ DATE: _____

RECEIVED
AUG 18 2010

Blue Sky Management

Engineering Consultants & Project Management

FILE COPY

plus

council

136 Tremaine Avenue . Regina, SK . S4R 6S5
Tel: 306.545.6765 . Fax: 306.949.3901 . Email: gmb@blueskymanagement.com . Web: http://www.blueskymanagement.com

Date: July 20, 2010

File : FTQ - ADV

Mr. S. Ferris
Executive Director
Saskatchewan Environment
Environment Protection and Audit Division
4th Floor - 3211 Albert Street
REGINA, Saskatchewan
S4S 5W6

Dear Sam:

Rè: Town of Fort Qu'Appelle
Disposal of Old Hospital Concrete at Abandoned Lagoon Site or Old Nuisance Grounds

The Town of Fort Qu'Appelle will be completing the demolition of the Old Union Hospital this summer.

It is the Town's intention to dispose of the site's concrete within either the abandoned lagoon site or at the old abandoned nuisance grounds. The proposed sites are as outlined on the enclosed plans.

On behalf of the Town of Fort Qu'Appelle, we request your review of the proposed disposal sites and a response outlining any possible concerns and/or requirements that you may have for this project.

We await your reply.

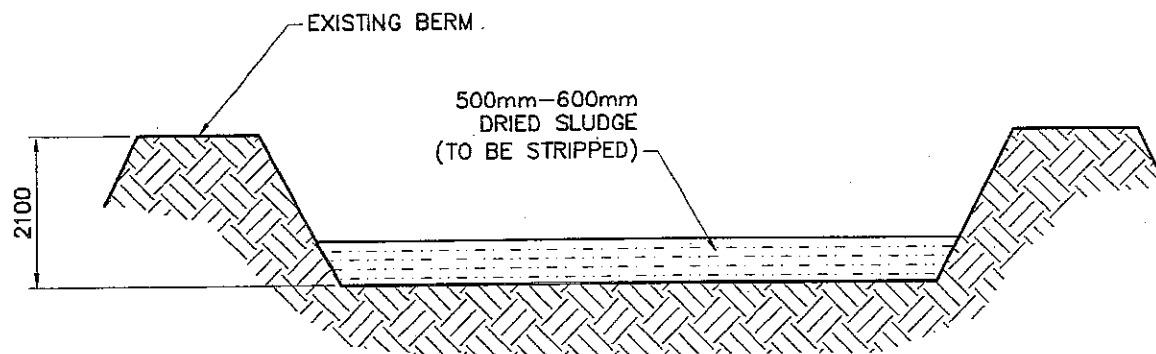
Yours truly,

BLUE SKY MANAGEMENT


Gerry M. Beaubien, P. Eng.

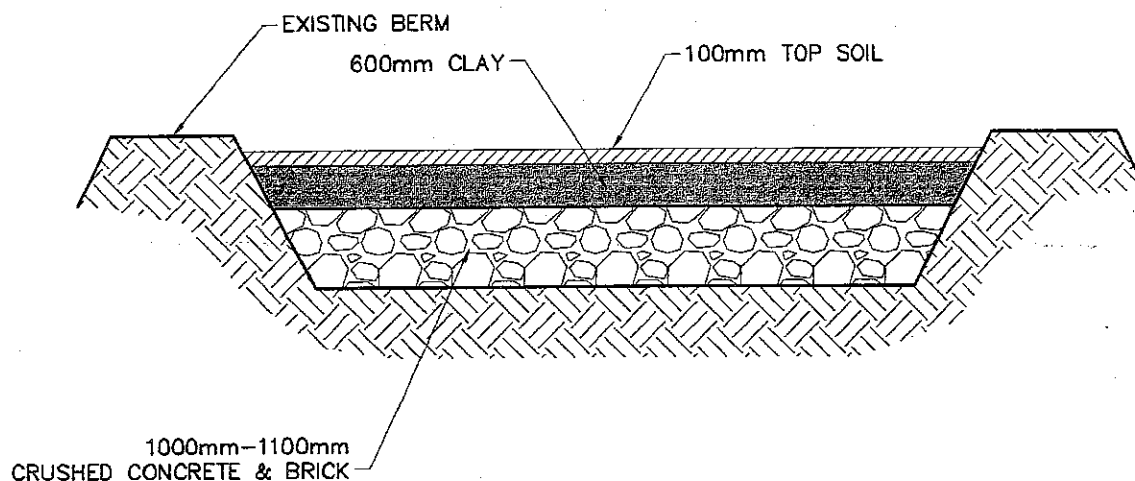
cc: Town of Fort Qu'Appelle
Frank Reid - Approvals, Saskatchewan Environment

RECEIVED
JUL 21 2010



EXISTING ABANDONED LAGOON

N.T.S.



ABANDONED LAGOON - FUTURE LANDFILL USE

N.T.S.

Blue Sky Management

136 Tremaine Avenue
Regina, Saskatchewan
S4R 6S5

Phone: (306) 545-6765 Fax: (306) 949-3901
E-Mail: gmb@blueskymanagement.com

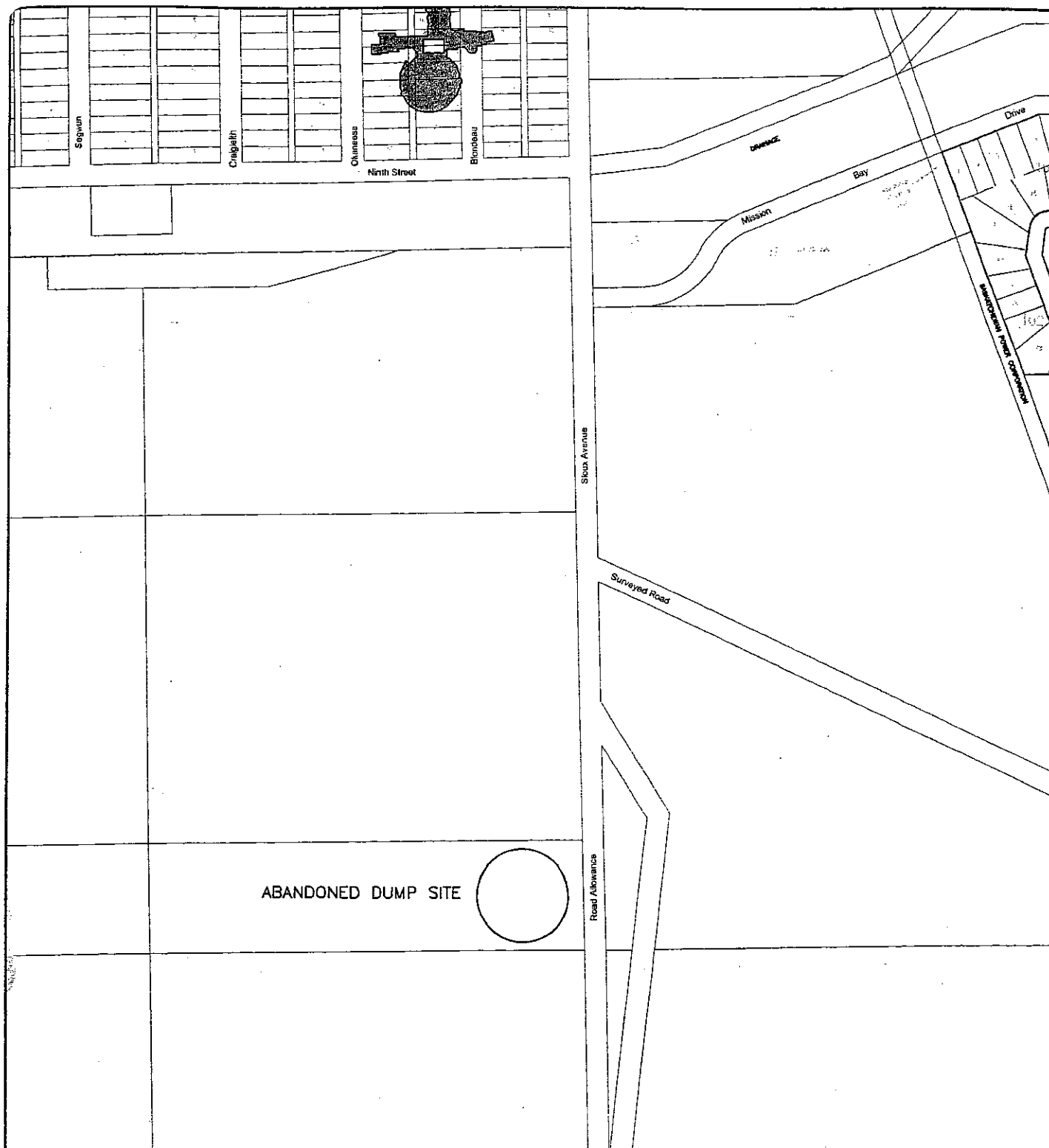
TOWN OF FORT QU'APPELLE PROPOSED CONCRETE DISPOSAL SITE ABANDONED LAGOON AS LANDFILL TYPICAL SECTIONS

SCALE: 1:2000	DESIGNED BY: G.M.B.	DRAWN BY: S.P.C.	CHECKED BY: G.M.B.	DATE: 19-JUL-2010
------------------	------------------------	---------------------	-----------------------	----------------------

THE DESIGN AS CONTAINED WITHIN THE DRAWINGS HAS BEEN PREPARED FOR FORT QU'APPELLE PROPOSED CONCRETE DISPOSAL SITE - 2010. THE DESIGN, OR ANY PARTS THEREOF, SHALL NOT BE USED FOR PURPOSES OTHER THAN INTENDED, NOR REPRODUCED WITHOUT THE EXPRESSED WRITTEN PERMISSION OF THE ENGINEER.

KENLIN
DESIGN GROUP
MEMBER OF KENLIN BUILDINGS INC.

PROJECT NUMBER:	10088
JOB NUMBER:	FQ-ADV
DRAWING No.	PLAN 200
SHEET No.	1 OF 2



Blue Sky Management

136 Tremaine Avenue
Regina, Saskatchewan
S4R 6S5

Phone: (306) 545-6765 Fax: (306) 949-3901
E-Mail: gmb@blueskymanagement.com

KENLIN
DESIGN GROUP
DIVISION OF KENLIN DESIGN INC.

TOWN OF FORT QU'APPELLE PROPOSED CONCRETE DISPOSAL ABANDONED DUMP SITE

SCALE: 1:5000	DESIGNED BY: G.M.B.	DRAWN BY: S.P.C.	CHECKED BY: G.M.B.	DATE: 19-JUL-2010
------------------	------------------------	---------------------	-----------------------	----------------------

PROJECT NUMBER:	10088
-----------------	-------

JOB NUMBER:	FQ-ADV
-------------	--------

DRAWING No.	SK-02
-------------	-------

SHEET No.	1 OF 1
-----------	--------



Saskatchewan
Ministry of
Environment

RECEIVED
JUL 29 2010

July 26, 2010

Gerry M. Beaubien P. Eng.
Blue Sky Management
136 Tremaine Avenue
Regina SK S4R 6S5

Dear Gerry M. Beaubien:

I have received your letter dated July 20, 2010 addressed to Sam Ferris and have been asked to provide comment as I am the Environmental Project Officer responsible for Fort Qu'Appelle.

The Ministry of Environment has a couple of options which feel it would be in the best interest of the public while still disposing of the concrete from the Old Hospital in the most appropriate manner.

The First option would be to have the concrete crushed down to useable material and have a local contractor use for road bedding material. I'm not sure if you have considered this option or have talked to local contractors to determine if they would be interested in reusing this material. Ideally the ministry prefers this option as it makes use of the old material in an environmentally conscientious manner.


The Second option is similar to what you had suggested by disposing the concrete at the abandoned lagoon site and once demolition is complete the ministry would like to have the abandoned lagoon site covered with soil to eliminate any voids.

Should you decided to dispose of the concrete material by the second option we as a department suggest that a caveat is placed on the said property to eliminate any question as to the condition of the said property (previous lagoon/filled with concrete).

I have also attached the Department of Environment's Construction/Demolition Waste Recycling and Disposal (EPB 172/1M/03) bulletin for your review.

If you have any other options you would like the ministry to consider when providing approval for the disposal of this concrete material please forward you suggestions to me.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Donald Howe". The signature is fluid and cursive, with the first name "Donald" and last name "Howe" clearly distinguishable.

Donald Howe
Environmental Project Officer
Municipal Branch
Saskatchewan Ministry of Environment
Phone: (306) 787-8253
Fax: (306) 787-0197

Construction/Demolition Waste Recycling and Disposal



Background

Saskatchewan's built and infrastructure history is just over 100 years old. Many large building projects constructed in our cities, towns and villages during the boom years from 1908 to 1914 have become obsolete or have fallen victim to urban renewal projects.

The disposal costs at landfills for material for which there is no alternate use (waste construction and demolition material) are very high due to large volumes, weights and the mixture of several types of waste which are difficult and costly to compact and cover. In some cases, demolition material is banned from acceptance at waste disposal grounds as large amounts of unexpected waste can quickly shorten the life of a waste disposal ground. The construction industry has been proactive in minimizing cost and construction material waste in the building of new structures.

The demand for demolition material for re-use in landscaping, construction of new buildings and road construction fill has significantly reduced problems associated with disposal of the material. Demolition waste can be recycled in several different ways without great effort nor cost.

Building Permits

Saskatchewan Environment (SE) encourages municipalities to include a section in their Building Permits regarding the preferred handling of construction waste (includes wood, drywall, brick, earth, metals, insulation, electrical and plumbing materials, siding, carpeting, roofing material, concrete). Construction waste which primarily consists of new materials, should be separated into waste streams (eg. dimensional lumber, plywood, insulation, metals, roofing, carpeting and landscaping waste) which can be reused or recycled. Mixed, unuseable construction waste should be disposed of at a waste disposal ground.

Demolition Permits

SE encourages municipalities to include a section in their Demolition Permits regarding salvage of all materials possible from the project prior to demolition. Demolition waste includes all materials resulting from the dismantling of buildings or structures including roadways, bridges, parking lots or land re-development. The permit should indicate if certain types of waste are accepted within the municipality (waste disposal ground or a designated storage area). Demolition waste should be divided into waste streams which can be salvaged for reuse in their original form, or recycled for an alternate use. Local markets and recycle/disposal options will determine which is the best way to manage each project. Only mixed unuseable waste should be disposed of at a waste disposal ground.

Improper Disposal

The Construction/Demolition (C&D) Material Waste Stream is defined as bulk refuse originating from construction, demolition, renovation and re-development projects not including asbestos, waste dangerous goods or material contaminated with waste dangerous goods.

C&D material can be separated into several categories, which allow for recycling and re-use. Although this may be time and labour intensive, material for re-use and recycling has increased in popularity and value. High disposal costs at waste disposal grounds, due to volume and weight reduction, can be avoided through material separation.

Construction or demolition waste which has been improperly disposed of on the property of the owner in an urban municipality (city, town, village, resort village) should be handled by the urban municipality under Section 130 (Untidy or unsightly lands or buildings) of *The Urban Municipality Act*.

Construction or demolition waste which has been improperly disposed of on the property of the owner in a rural municipality (rural municipality, organized hamlet, hamlet) should be handled by the rural municipality under Section 250 (Untidy and unsightly premises) of *The Rural Municipality Act*.

Construction waste or demolition waste which has been improperly disposed of on the property of the owner in a northern municipality should be handled by the northern municipality under Section 97.1 (Untidy or unsightly lands or buildings) of *The Northern Municipalities Act*.

Construction waste or demolition waste which is not reused or recycled in the method described in the table and has been abandoned or caused to be abandoned

- (a) upon any land that is owned by another person;
- (b) upon any land that is vested in Her Majesty in right of Saskatchewan or reserved or set aside for the use of the public; or
- (c) into or upon any water

shall be handled under the Enforcement and Compliance Framework by conservation officers of SE under Section 3 of *The Litter Control Act*.



The following table identifies many of the construction/demolition wastes commonly generated in Saskatchewan and the potential to re-use and recycle separated materials.

References:

Construction Waste & Demolition
Debris Recycling... A Primer. SWANA
Publication #GR-REC 300, 1993.

Construction And Demolition Waste In
Canada, Senes Consultants Ltd.,
Environment Canada, December 1993.

C&D Activity	Separated Materials	Possible Re-use/Recycling
Road reconstruction	asphalt	crushed and mixed with new asphalt; fill material; road subbase
	concrete (without rebar)	road subbase; re-used in concrete; concrete blocks; fill material; rip-rap on roads/lagoons
	concrete (with rebar)	fill material; rip-rap
	separated rebar; metal signs; sign posts; guardrails; culverts	re-use for original purpose, processing at a steel mill
	fill materials (earth, gravel, sand)	clean fill material; landscaping material; landfill cover
Excavation/leveling	topsoil	landscaping; residential fill; landfill cover; agricultural
	sand	fill; residential; road construction
	stones	rip-rap; fill; landscaping
	earth contaminated with wood; buried utilities	fill; landfill cover; disposal at landfill
Site clearance	trees and brush	firewood; landscaping chips; composting; landfill disposal
	soils	landscaping agricultural and residential fill
	mixed concrete, rubble, sand and steel	land reclamation fill; landfill disposal
Building C&D Material - Reusable	clean bricks; whole cindercrete blocks; concrete or stone facades; tiles; ceramics; concrete roofing tiles	re-use for original purpose; landscaping; permanent roadway construction in landfills
	undamaged windows, roofing and metal/vinyl siding; wooden cabinets, counters, flooring, staircases/trim; plumbing/electrical fittings; carpeting; clean insulation; wooden beams/facades	resale for re-use
Building C&D Material - Recyclable	broken bricks, cindercrete blocks, concrete roof tiles, concrete/stone facades, tiles/ceramics	landscaping; crushed clean fill for road subbase, roadways and rip-rap; use for stabilization of roadbases or fill at landfills; clean fill for land reclamation
	broken window glass, glass fixtures	recycle at glass recycler (Canosphere); recycle for asphalt mix; recycle for use with rubber crumb (Magnum Industries)
	broken wooden beams; trim; wood scrap; trees	chipping or shredding for landscaping; composting; fuel source
	metal girders, supports, rebar, damaged metal siding, roofing	recycle at a steel mill (Ipsco)
	scrap aluminum door and window frames	sell to scrap dealer; recycle at an aluminum smelter
Building C&D Material - Disposal	mixed waste not suitable for separation; materials which cannot be re-used or recycled; asphalt shingles; linoleum flooring	disposal at an approved waste disposal ground (no waste dangerous goods)
	waste dangerous goods including asbestos	manifesting under Dangerous Goods Transportation legislation, treatment or disposal at approved sites using approved methods only

Note: Material types, quantities and end use of materials will vary depending on the project location, season of the year that the project takes place and the cause of the need for demolition (i.e. age, urban renewal, fire, tornado or flood).

Please reference SE's website at
www.se.gov.sk.ca for EcoRegion
contacts for your area.



Recycled
Paper



Saskatchewan
Watershed
Authority

Nipawin Regional Office

Box 2133
201 - 1st Avenue East
Nipawin, Canada
S0E 1E0

(306) 862-1750
(306) 862-1771 Fax

www.swa.ca

September 2, 2010

Mayor Ron Osika
Town of Fort Qu'Appelle
Box 309
FORT QU'APPELLE SK S0G 1S0

File: H5-2

Dear Mayor Osika:

Re: Development on the Former Sewage Lagoon Site, Town of Fort Qu'Appelle

In follow up to our meeting of July 21, 2010, Saskatchewan Watershed Authority has investigated the potential for development of the former sewage lagoon site in Fort Qu'Appelle. Don Newcombe, from our Yorkton Water Resource Office and I visited the old lagoon site immediately following our meeting. We also reviewed the topographic maps and the findings in the "*Fort Qu'Appelle Hydraulic Study - Final Report*"¹, completed in 1990 by Delcan Western Ltd. The mapping and the study were completed for the Canada-Saskatchewan Flood Damage Reduction Program.

The findings were as follows:

1. The former lagoon is located about 200 m upstream and to the northwest of the Highway 10 bridge across the Qu'Appelle River on the east side of Fort Qu'Appelle.
2. The 1:500 year peak water level (including the floodway) is about 480.65 m above sea level.
3. The old lagoon ringed by a dyke, and the dykes were mapped outside of the floodway fringe for the Qu'Appelle River.
4. From topographic mapping, the top of the dykes appear to be above 482.0 m.
5. The bottom of the old lagoon is difficult to estimate, without completing detailed surveys of the area. However the topographic mapping shows the bottom of the old lagoon close to 480.4 m.
6. The topographic map area around the former lagoon site and the Qu'Appelle River has been scanned and enclosed in Figure 1.

... 2

¹ Delcan Western Ltd.; *Fort Qu'Appelle Hydraulic Study - Final Report*; Regina, SK; July 24, 1990.

RECEIVED
SEP - 8 2010

Mayor Ron Osika
September 2, 2010
Page 2

Given the above, as long as the ground level within the former lagoon to be developed is above 480.65 m or filled to an elevation of 480.65 m, then Saskatchewan Watershed Authority would not be opposed to development on this site. The former lagoon dykes would provide additional flood protection for any new development. It should be noted that this review is limited to the susceptibility to flooding for a new development, and does not address any potential environmental issues with respect to development on the former lagoon site. Questions regarding environmental issues should be addressed by the Ministry of Environment. If you have any questions regarding flood susceptibility at the former lagoon site or within Fort Qu'Appelle, please contact me.

Yours truly,



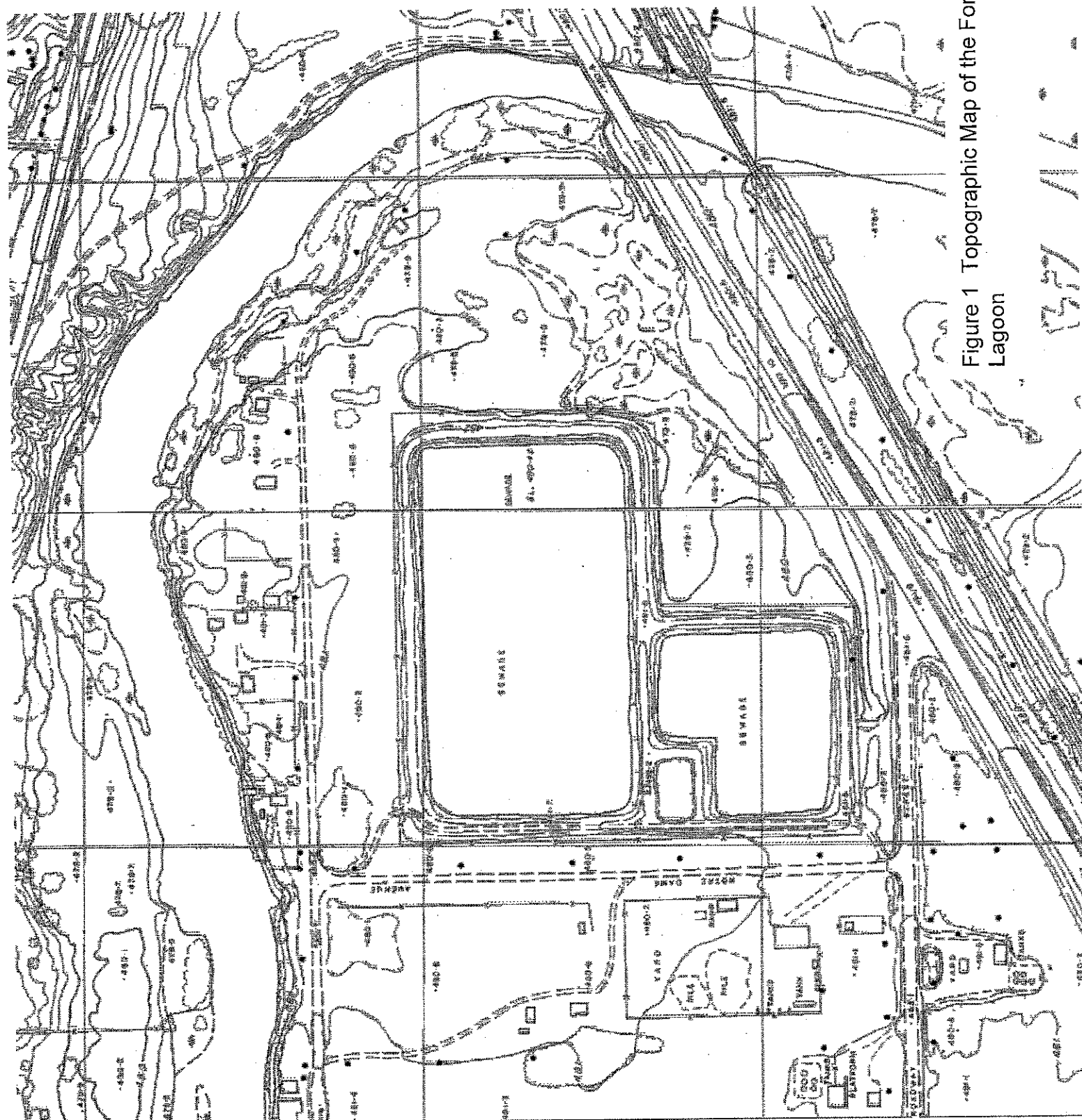
Doug Johnson, P.Eng.
Director, Basin Operations

DJ/bm

Enclosure

cc Jim Waggoner

Don Newcombe



**REPORT ON APPRAISAL OF
760 BROADWAY STREET WEST
FT. QU'APPELLE, SASKATCHEWAN**

**AS AT
OCTOBER 1, 2010**

PREPARED BY

**DARREN BIRD B.ADMIN, C.M.A.
UNDER THE SUPERVISION OF
KURT PELZER, AACI, P. APP.**

**CROWN APPRAISALS
2350 2ND AVENUE
REGINA, SASKATCHEWAN
S4R 1A6**

Crown Appraisals

REAL ESTATE APPRAISERS & CONSULTANTS

2350 2ND AVENUE
REGINA, SASK.
S4R 1A6

TELEPHONE: (306) 359-3111

FAX: (306) 565-0088

e-mail: crown.appraisals@accesscomm.ca

October 13, 2010

Town of Fort Qu'Appelle
Box 309
Fort Qu'Appelle, SK.
S0G 1S0

Attention: Ed Sigmeth

Re: 760 Broadway Street West, Fort Qu'Appelle, SK.

As per your instructions, an appraisal report on the above referenced property has been completed, which is legally described as:

Parcel: V, Plan No: 82R01656 Ext: 1

The subject property was inspected on October 1, 2010. As a result of my investigation and analysis, it is my opinion that the estimate of market value of the subject property, as of the effective date of October 1, 2010 was:

Ninety-Nine Thousand (\$99,000) Dollars

The definition of "market value" is outlined in the attached report. The estimate of value assumes no duress on the part of either a purchaser or vendor, it does not take into consideration any existing mortgages against the property and it assumes a reasonable marketing time to find a purchaser, which in this case is estimated to be from six to 18 months. The estimate of value does not include any value for the minerals, if any. The estimate of value does include the estimated cost of removal of the existing structures to facilitate the redevelopment of the subject property.

The following report describes the methods of appraisal and contains data compiled in the investigation, which to the best of my knowledge is correct subject to the limiting conditions set out in this report.

For the purposes of this appraisal report, it is assumed that the existing structures on the subject property have no value.

At the request of the client, some additional recommendations were requested with regard to the proposed demolition of the existing structures on the subject property. At this time it is recommended that the property be marketed to potential developers "as is". There are several reasons for this recommendation which include:

1. A potential developer for the subject property may or may not wish to incorporate some of the existing structures (or components thereof) on the subject property. If the town proceeds with a premature demolition, this is no longer an option for a potential developer.

Crown Appraisals

2350 2ND AVENUE
REGINA, SASK.
S4R 1A6

REAL ESTATE APPRAISERS & CONSULTANTS

TELEPHONE: (306) 359-3111

FAX: (306) 565-0088

e-mail: crown.appraisals@accesscomm.ca

2. The cost of demolition represents a significant investment of resources, which may, or may not be completely recoverable by the Town. Given that the existing property produces no tax revenues for the Town, it may be difficult to rationalise such a large expenditure. In addition, to leave the property "as is" requires no additional resources, and no additional risk.
3. The marketplace ultimately will provide the best solution for the long-term development of the subject property given the existing buildings on the property, and it should be allowed to run its course.

Respectfully submitted,

CROWN APPRAISALS

Per: _____

Kurt Pelzer, AACI, P. App.

Per: _____

Darren Bird, B.Admin., C.M.A.

Table of Contents

	<u>Page</u>
PART ONE - INTRODUCTION	
Preface	1
Letter of Transmittal	2
Table of Contents	4
Executive Summary	5
PART TWO - BASIS OF APPRAISAL	
Client and Intended Use	6
Purpose of Appraisal	6
Type of Report	6
Definitions	7
Assumptions & Limiting Conditions	8
Scope of Work	10
PART THREE - FACTUAL INFORMATION	
Identification of Property	11
History of Subject Property	11
Local and Economic Data	12
Site Analysis	15
Description of Improvements	16
Assessment and Taxes	17
Zoning	17
PART FOUR - ANALYSES AND CONCLUSIONS	
Principle of Highest and Best Use	18
Valuation Approach	20
Direct Comparison Approach to Value	21
Reconciliation and Final Estimate of Value	29
Exposure and Marketing Time	30
Appraiser's Certification	32
Appraiser's Qualifications	33
SUPPORTING DATA	
Photographs	
Maps	
Contractor Quote	
Titles	
Assessment Data	

Executive Summary

Type of Property:	Old Hospital Site
Location:	760 Broadway Street West Fort Qu'Appelle, SK.
Legal Description:	Parcel: V, Plan No: 82R01656 Ext: 1
Effective Date of Appraisal:	October 1, 2010
Date of Inspection:	October 1, 2010
Zoning:	C-1 Downtown Commercial
2010 Assessed Value:	\$401,800
2009 Property Taxes:	Exempt
Site Area:	4.66 Acres (202,990 sq.ft.)
Improvements:	Old Hospital building and related outbuildings
Highest and Best Use:	Residential Multi Family Development
Cost Approach:	Not Applicable
Income Approach:	Not Applicable
Direct Comparison Approach:	\$99,000
Final Estimate of Value:	\$99,000

PART TWO - BASIS OF THE APPRAISALClient and Intended Use

The report is intended for the use only by the client, Mr. Ed Sigmeth representing the Town of Fort Qu'Appelle, Saskatchewan. The report is intended to assist the client in asset valuation. Use of this report by others is not intended by the appraiser and any liability in this respect is strictly denied.

Purpose of the Appraisal

The purpose of this appraisal is to estimate the current market value of the subject property located at 760 Broadway Street West in Fort Qu'Appelle, Saskatchewan, free and clear of all encumbrances, as of the effective date, October 1, 2010.

Property Rights Appraised

Fee simple interest subject to any lease agreements outlined in this report.

Type of Report

The report is a short narrative estimating current market value.

Date of Inspection

The property was inspected on October the 1st, 2010.

Definitions

Market Value: It is the most probable price in terms of money which a property should bring in an open and competitive market. Under these conditions, it is assumed that the buyer and seller are in an arms-length transaction, each acts prudently, knowledgeably and without compulsion. Most recently, it has been defined as “the most probable selling price of a property”.

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

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

Market value as defined by International Valuation Standards 2000:

“Market value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

Assumptions & Limiting Conditions

1. The client to whom this report is addressed may use it in deliberations affecting the subject property only, and in so doing, the report should not be extracted, but used in its entirety.
2. While expert in appraisal matters, the author is not qualified and does not purport to give legal advice. It is assumed that:
 - a) The legal description as furnished by Information Services Corporation (I.S.C.) is correct;
 - b) Title to the property is good and marketable;
 - c) There are no encroachments, encumbrances, restrictions, leases or covenants that would in any way affect the valuation, except as expressly noted herein;
 - d) The existing use is a legally conforming use which may be continued and the required building permits have been acquired for all improvements;
 - e) Rights of way, easements or encroachments over other real property and leases or other covenants noted herein are legally enforceable.

Because these assumptions have been made, no investigation, legal or otherwise, has been undertaken which would verify these assumptions except as expressly noted herein.

3. The author is not a qualified surveyor (and no legal survey concerning the subject property has been provided). Sketches, drawings, diagrams, photographs etc. are presented in this report for the limited purpose of illustration and are not to be relied upon in themselves.
4. The author is not qualified to give engineering advice. It is assumed that there are no patent or latent defects in the subject improvements, that no objectionable materials such as Urea Formaldehyde foam are present, that they are structurally sound and in need of no immediate repairs, unless expressly noted within this report. No soil tests have been done, nor have tests been done of the heating, plumbing, electrical, air-conditioning or other systems and, for the purpose of this opinion, they are assumed to be in good working order.
5. No investigation has been undertaken with the local zoning office, the fire department, the buildings 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 government regulations and, if it does not comply, its non-compliance may affect market value. To be certain of compliance, further investigations may be necessary.

-
6. Neither possession of this report nor a copy of it carries with it the right of publication. All copyright is reserved to the author and is considered confidential by the author and his client. It shall not be disclosed, quoted from or referred to, in whole or in part, or published in any manner, without the express written consent of the appraiser. This is subject only to confidential review by the Appraisal Institute of Canada.
 7. Market data has been obtained, in part, from documents at the land registry office, or as reported by the real estate board. As well as using such documented and generally reliable evidence of market transactions, it was also necessary to rely on hearsay evidence. Except as noted herein, a reasonable attempt has been made to verify all such information.
 8. Because market conditions, including economic, social and political factors, change rapidly and, on occasion, without warning, the market value expressed as of the date of this appraisal cannot be relied upon to estimate the market value as of any other date except with further advice of the appraiser.
 9. The compensation for services rendered in this report does not include a fee for court preparation or court appearance, which must be negotiated separately. However, neither this nor any other of these 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 the report which best serves the administration of justice.
 10. 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.
 11. Extra-ordinary Limiting Condition: One or two of the three traditional approaches to value may have been excluded. The reasons for any exclusions are explained in this report.
 12. Extra-ordinary Assumption: Refer to covering letter for discussion of extra-ordinary assumptions.

Scope of Work

Inspection

We inspected the subject site on October 1, 2010. Our identification of the property also involved a review of mapping prepared by the local municipality, and our earlier files on the property. The photographs were taken on the date of inspection.

Type of Analysis

This 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.

Data Research

We received our instructions from the client who provided information on the property. Publications produced by the Town of Fort Qu'Appelle provided information on applicable land use controls. Sources of market evidence included, as appropriate, the local real estate board, I.S.C. - including those reported by local assessors, real estate agents, vendors and purchasers active in the market. I.S.C. provided information on the state of title.

Audits and Technical Investigations

We did not complete technical investigations such as:

- Detailed investigations or engineering review of the plans of the structure;
- An environmental review of the property;
- A site or building survey;
- Investigations into the bearing qualities of the soils; and
- Audits of financial and legal arrangements concerning the leases.

Verification

The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we 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 we did not fully document or confirm by reference to primary sources all information herein.

PART THREE - FACTUAL INFORMATION

Identification of the Property

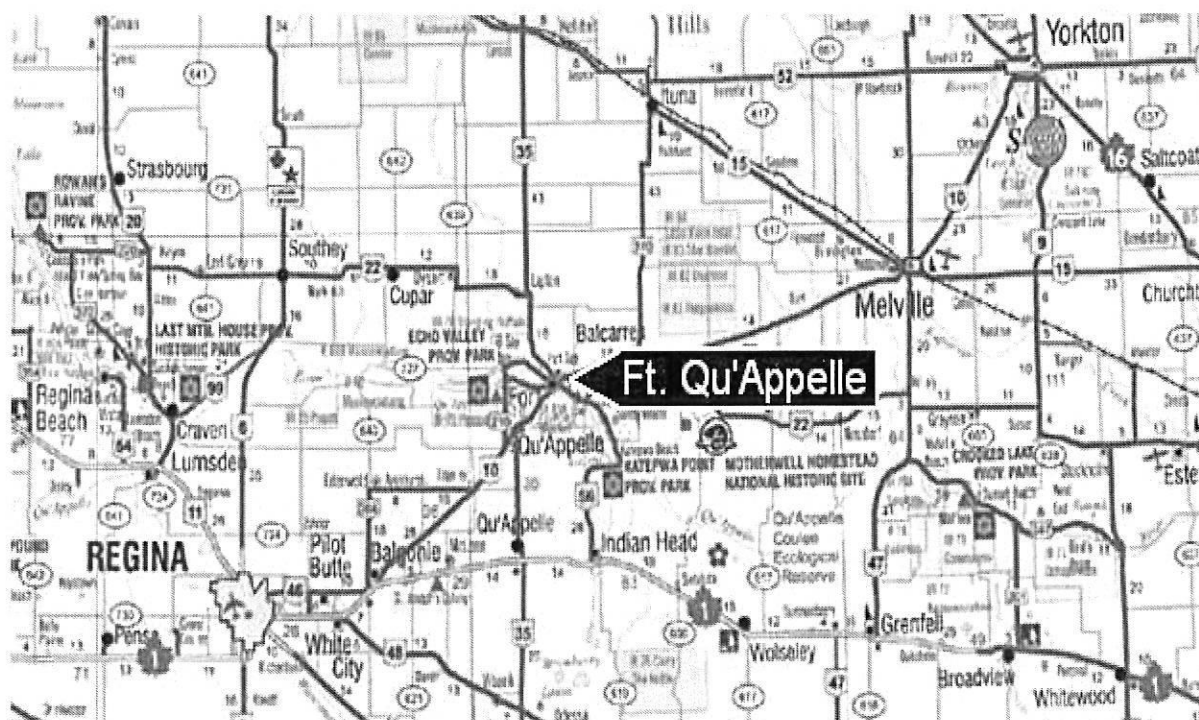
The subject property is located at 760 Broadway Street West in Fort Qu'Appelle, Saskatchewan and is legally described as:

Parcel: V, Plan No: 82R01656 Ext: 1

History of Subject Property

According to Information Services Corporation (I.S.C.), the Town of Fort Qu'Appelle is the registered owner of the property with the above referenced land description. Saskatchewan Power Corporation and Saskatchewan Telecommunications each hold easements on the above property. In addition, the Ministry of Municipal Affairs holds an interest in the subject property as well. There are no other interests registered against the subject property. We are not aware of the subject property being listed for sale or whether there have been any offers to purchase in the past three years.

Local and Economic Data



Provincial Economic Overview

- In March 2010, Saskatchewan's population was estimated to be 1,038,000 according to Statistics Canada. This is an increase of 15,700 since March 1, 2009. The province has showed positive growth for 15 consecutive quarters.
- The Saskatchewan unemployment rate for March 2010 was 5.8 percent. This is an increase of 1.5 percentage points from the December 2009 rate of 4.3 percent and 0.6 percentage points higher than the March 2009 level of 5.2 percent. In March 2010, Canada's unemployment rate was 8.8 percent.
- In March 2010, the Saskatchewan's labour force was 551,900. This is up 2.4% from March 2009.
- Key sectors are oil and gas, potash, uranium, agriculture and forestry.
- Economic growth in 2008 was 4.4%, the highest among the 5 provinces to show growth and well ahead of the national average of 0.5%. In July 2009, the Conference Board of Canada projected a growth in real GDP of 3.5%.

- In November 2009, total exports were down 33% from November 2008. This can largely be attributed to lower commodity prices and decreased international exports. Potash production was down 54.8% for the year ending December 2009. Crude oil production was down 3.3% for the period of January to October.
- Saskatchewan's major trading partner is the U.S. Major exports are oil and gas, potash, uranium, grain, oilseeds and livestock.
- Saskatchewan has the world's largest potash industry. The value of potash exports in 2008 were \$5.9 billion, up approximately 109% over 2008 due to huge gains in spot price of potash. This declined significantly in 2009 due to the decline in the world economy.
- Second largest oil producing province in Canada: producing 428,000 barrels of oil/day. The medium to long-term outlook is promising with the development of various oil reserves such as the Bakken field in the province's southeast corner which is believed to have potentially 414 billion barrels of oil.
- Largest uranium reserves with 30% of annual world production.
- Largest kimberlite field in the world.
- Saskatchewan's economic momentum is carrying industrial projects forward, and government fiscal stimulus is increasing civil engineering and institutional building.
- New investments in Saskatchewan include:
 - Potash mine expansions totalling \$2.3 billion.
 - \$1.9 billion expansion of Federated Co-op Refinery in Regina.
- Loblaw Companies Ltd. 1 million sq.ft., \$350 million distribution centre west of Regina.

Local Area

Fort Qu'Appelle is located in the Qu'Appelle Valley approximately 45 miles northeast of Regina and approximately 70 miles southwest of Yorkton. It is located at the junction of Hwy. 35, Hwy. 10, Hwy. 22, Hwy. 56 and Hwy. 215. According to Saskatchewan Health, in 2006 the population was 2,323. The town is adjacent to a chain of four lakes. Fort Qu'Appelle is a major trading center for a radius of about 35 miles including resort villages, First Nations, lake properties and surrounding communities. The town's business district serves its permanent residents and approximately 10,000 to 15,000 summer residents.

The former Fort Qu'Appelle Indian Hospital was replaced in 2004 by the All Nations Healing Hospital as one of the first health care facilities in Canada owned and operated by First Nation governments. The town has one high school, Bert Fox Community High School, and one elementary school, Fort Qu'Appelle Elementary Community School. Parkland College is located at the Treaty 4 Governance Centre.

Fort Qu'Appelle is a tourist destination both in the summer and the winter. The Mission Ridge Ski Hill is located just south of town and draws ski-enthusiasts from the valley, from Regina and surrounding areas. The lakes in the area afford many summer as well as winter activities. In addition, there are facilities for golf, curling, hockey and other activities that appeal to young and old.

Neighbourhood

The subject property is located at 760 Broadway Street West on the west end of town. Surrounding properties include single family residential development to the south, a newer multi-family condominium development to the east, and a federal government office to the west. There is a flood plain area to the north that borders the southern shore of Pasqua Lake.

Demand for Real Estate

Demand for residential housing and commercial property in the area is good.

Site Analysis

Location: 760 Broadway Street West
Fort Qu'Appelle, Saskatchewan.

Streets: Broadway Street has paved asphalt, sidewalk,
and street lighting.

Size: Site is irregular in shape. Approximately 180'
fronting Broadway Street and a depth of
approximately 634'. The total site area is 4.66
acres (202,990 sq.ft.).

Services: All town services.

Topography: Flat and level with surrounding properties.

Access and Parking: Access off Broadway Street.

Site Coverage: N/A

Current Use: Well located for commercial/residential
development.

Description of Improvements

At the date of inspection the subject site was developed with a three storey hospital building and various related outbuildings. According to the SAMA field sheet the buildings have a combined square footage of approximately 78,357 sq.ft. According to an estimate provided by R.J. Tulik & Son the cost of demolition of the current site is expected to be \$374,000.

Assessment and Taxes

The following information on the current assessment and taxes for the subject property has been obtained from the Town of Fort Qu'Appelle:

<u>2010 Assessment:</u>	<u>Fair Value & Taxable Value</u>
Improvements	\$319,400
Land	<u>\$ 82,400</u>
Total	\$401,800

The property is owned by the Town of Fort Qu'Appelle and therefore is currently exempt from taxation, however if the property were taxable, it is assumed the assessment and taxes are comparable to other similar properties. Therefore, the current level of assessment and potential taxes would not, in our opinion, have an effect on the value of the subject property

Zoning

C-1 Downtown Commercial

PART FOUR - ANALYSES AND CONCLUSION

Principle of Highest and Best Use

The Highest and Best Use of a property is a major factor affecting market value. The value of a property results from its use and varies with the present and prospective, actual and anticipated profit.

Highest and Best Use can be simply stated as that use likely to produce the greatest net return over a given period of time.

Criteria for determining Highest and Best Use include:

- 1) The use must be legal.
- 2) The use must be within the realm of probability; a likely one, not speculative or conjectural.
- 3) There must be a demand for such use.
- 4) The use must be profitable.
- 5) The use must provide the highest net return to the land.
- 6) The use must deliver a return for the longest possible time.

The existing use of a given parcel of land is usually the Highest and Best Use, since economic pressure dictates the use. If the existing use is the Highest and Best Use, it should:

- a) conform to the existing zoning regulations or be a legal non-conforming use;
and
- b) be in reasonable conformity with its surroundings.

In addition, as long as the improvements contribute something to the total property value in excess of the value of the vacant site, then it would pay for the owner to continue it in that use, which would be considered its Highest and Best Use.

Given the current condition of the existing improvements, the surrounding uses, the highest and best use is redevelopment to multi-family residential. It should be noted that any change in use would be subject to the approval of The Town of Fort Qu'Appelle and the Province of Saskatchewan.

COPY

Valuation Approach

There are three approaches considered in developing an estimate of market value.

The Cost Approach is the method by which the value of a property is derived by estimating the replacement cost new of the improvements, deducting therefrom the estimated depreciation and then adding the market value of the land. This approach usually provides a reliable indication of value where the improvements are new, they contain little or no depreciation, including functional and external obsolescence and they represent the highest and best use for the land.

The Income Approach develops an estimate of value for the anticipated net income the property could realize, if put on the market for rent. The estimated annual net income is capitalized into an estimate of value, by converting the income stream by an appropriate overall capitalization rate. The Income Approach is widely used in income producing properties.

The Direct Comparison Approach develops an estimate of value from the market, where properties similar to the subject have been sold and/or properties presently listed for sale. It is a process of compiling and analyzing recently sold properties and properties listed for sale to arrive at an estimate of value for the subject. This approach represents the actions and behaviours of typical buyers and sellers of real estate.

Conclusion

Only the Direct Comparison Approach is considered in the estimate of market value of the subject land. The Cost Approach and The Income Approach are not relevant in this appraisal report.

Direct Comparison Approach

This method involves the gathering, analyzing and comparing of data on similar properties that have been sold, on which offers have been made, or that are for sale.

This approach implies the Principle of Substitution which states that a prudent purchaser will not pay more for a property than it would cost to buy an equally desirable substitute. The properties selected for comparison must be similar in most essential respects to the one being appraised. In addition to comparing the similar characteristics between properties, the dissimilar characteristics must also be weighed. In this manner, the appraiser is placing himself in the position of a typical purchaser or vendor in the market in that the analysis of data pertaining to the real estate market is of assistance in deciding the best possible price to pay, or accept, for a property.

Sales of properties located in centres throughout the province have been considered because of the type of property and its location. Each sale is analyzed to develop the unit of comparison, the sale price per acre and sq.ft..

Following is a summary of the most recent real estate transactions.

Index No. 1

Location: 1st Avenue NW
Weyburn, SK
Block H, Plan 101892337

Sale Price: \$739,750

Sale Date: Title transfer approx July 9, 2010

Land Size: 2.69 acres

Zoning: R-3 Residential

Sale Price Per Acre/ Sq.Ft.: \$275,000/acre (\$6.31/sq.ft.)

Seller: Century West Development (2006)
Corporation

Buyer: Elgin Development Corporation

Index No. 2

Location: Northwest corner of Dracup Avenue and
Broadway Street West, Yorkton, Sask.
Lot B, Block 3, Plan No. 62Y00237
Lot C, Block 3, Plan No. 101733140

Sale Price: \$345,000

Sale Date: July 2009

Land Size: 0.54 Acres (23,344 sq.ft.)

Zoning: C1 - City Centre Commercial

Sale Price Per Acre/Sq.Ft.: \$643,771 per acre/\$14.78 per sq.ft.

Comments: Subject land is located north of strip mall and
Tim Hortons and west of Howard Johnson
hotel. Buyer is Great Canadian Oil Change.
Seller is Hangent Properties SR. Inc. Property
sold in October 2007 for \$255,000.

Index No. 3

Location: NE corner of Smith and 7th Ave. N
Yorkton, SK
Block B, Plan No. 101962357

Sale Price: \$499,200

Sale Date: March, 2010
(Title No. 130009091)

Land Size: 2.08 acres

Zoning: C1 - Commercial

Sale Price Per Acre/Sq.Ft.: \$240,000/acre (\$5.51/sq.ft.)

Comments: Vendor is City of Yorkton. Buyer is confidential.

Index No.4

Location: 83 King Street East
Yorkton, SK
Block Y, Plan No. 101963842

Sale Price: \$450,000

Sale Date: Jan 15, 2010
(Title No. 138876238 transferred Feb 9, 2010)

Land Size: 4.43 Acres

Zoning: Institutional (Subsequently re-zoned by the City of Yorkton to R-3 Medium Density Multi Family)

Sale Price Per Acre/Sq.Ft.: \$101,580/acre (\$2.33/sq.ft.)

Seller: Good Spirit School Division.
Buyer: 101156502 SASKATCHEWAN LTD.

Index No. 5 (For Sale)

Location: 852 Chester Road
SE corner of Chester Road and Thatcher Drive
Moose Jaw, SK

Land Area: Site sizes range from 1.0 acres to 3.75 acres.

Zoning: C3 - Commercial

Asking Price: \$274,500 to \$494,500

Sale Price Per Acre/Sq.ft.: Asking \$274,500 to \$494,500

Comments: Properties have been sub-divided and developed. Has been on the market for over one year.

Index No. 6

Location: 1592 – 9th Avenue
NE and SE corner of Thatcher Drive
Moose Jaw, SK
Lot C, Plan No. 102004029

Sale Price: \$594,000

Sale Date: July 2009

Land Size: 1.20 acres

Zoning: C3-Commercial

Sale Price Per Acre/Sq.Ft.: \$495,000 (\$11.36 per sq.ft.)

Buyer: Moose Jaw Co-operative Association Limited.

Seller: Dome Land Development Ltd.

Index No. 7 (For Sale)

Location: Chester Road and Thatcher Drive
Moose Jaw, SK
Lots E, & F, Plan No. 101069962
Asking Price: \$1,480,000
Land Size: 5.37 acres
Zoning: Residential Multi-family
Sale Price Per Acre/Sq.Ft.: \$275,605/\$6.33
Seller: Dome Land Development Ltd.

Index No. 8 (For Sale)

Location: 1135 9th Avenue SW
Moose Jaw, SK
Lot 29 Block 265 Plan No. 72MJ07499
Asking Price: \$265,000
Land Size: 0.62 acres
Zoning: C-1 Commercial
Sale Price Per Acre/Sq.Ft.: \$427,324/\$9.81
Seller: Tracey Zwozdessky

Index No. 9 (For Sale)

Location: 7 Alderwood Place
Yorkton, SK
Lot 33, Block 61, Plan No. 10144352
Asking Price: \$370,000
Land Size: 1.52 Acres (66,211 sq.ft.)
Zoning: Residential R-3
Sale Price Per Sq.Ft/Acre: \$5.58 or \$243,421 per acre
Comments: This property is a current listing.

Index No. 10

Location: 586 Bay Avenue South
Fort Qu'Appelle, SK
Lots 1 & 2, Block 70, Plan No. 93R64191
Sale Price: \$225,000
Sale Date: Title Transferred July 5, 2010
Titles # 139509692 & # 139509737
Land Size: 0.50 Acres (21,780 sq.ft.)
Zoning: Commercial
Sale Price Per Sq.Ft/Acre: \$10.33 or \$450,000 per acre
Comments: Property is located along the southwest corner of Highway No. 10 and Bay Avenue. Surrounding properties include commercial development to the west, south and east. Highway No. 10 and commercial development is to the north. Property has superior exposure relative to the subject.

Summary of Land Sales

Index #	Sale Date	Land Size	Sale/Asking	Price Per Acre	Location
		Acres	Price		
1	Jul-10	2.69	\$739,750	\$275,000	Weyburn
2	Jul-09	0.54	\$345,000	\$643,771	Yorkton
3	Mar-10	2.08	\$499,200	\$240,000	Yorton
4	Jan-10	4.43	\$450,000	\$101,580	Yorkton
5	Listing	1.0 to 3.75	\$274,500 to \$494,500	\$274,500 to \$494,500	Moose Jaw
6	Jul-09	1.20	\$594,000	\$495,000	Moose Jaw
7	Listing	5.37	\$1,480,000	\$275,605	Moose Jaw
8	Listing	0.62	\$265,000	\$427,324	Moose Jaw
9	Listing	1.52	\$370,000	\$243,421	Yorkton
10	Jul-10	0.50	\$225,000	\$450,000	Fort Qu'Appelle
				Average	\$356,427
				Median	\$275,605

The above Indexes of vacant land indicate sale prices ranging from a low of \$101,580 per acre to a high of \$643,771 per sq.ft. The average and median sale prices are \$374,987 and \$427,324 per acre respectively. Smaller sites and corner lots generally sell for a higher price per acre than larger sites and interior sites. Sites with more exposure generally sell for a higher price than sites with lower exposure. While the comparable sales of land are located in larger centres, with the exception of Index No. 10, Fort Qu'Appelle is a bedroom community to Regina. It also has a strong tourism industry.

Indexes No. 5, No. 7, No. 8 and No. 9 are listings and not actual sales. Indexes No. 2 and No. 6 are significantly smaller than the subject site and located in larger cities. Index No.1 is a recent sale of a smaller site, located in Weyburn which has superior demand due to the oil and gas sector. Index No. 10 is a recent sale located in the same town as the subject property; however it is significantly smaller and has superior highway exposure. Indexes No. 3 and No. 4 are larger sites located in smaller market city relative to the other Indexes. Index No. 3 is a corner lot with commercial zoning, while Index No. 4 is of similar size and similar use when compared to the subject property and its proposed use.

Index No. 4 will be give the most weight in the estimation of value in this case. Given the above, an estimated market value per acre at the low end of the range is indicated. Therefore the Estimate of Market Value "as if vacant" is:

4.66 Acres. @ \$101,580 per acre =	\$473,362
Rounded to	\$473,000

The other factor to consider in developing a Final Estimate of Value is the cost of removal of the existing buildings on the subject site. The Direct Comparison Approach estimate of value is on an "as if vacant" basis. This means that the actual cost of removal of the existing structures needs to be considered in determining a Final Estimate Value for the subject. Therefore the Final Estimate of Value is:

Estimate of Market Value "as if vacant"	\$473,000
Less: Estimated Cost of Demolition =	<u>\$374,000</u>
Total Estimated Market Value by D.C.A.	\$ 99,000

Rounded to \$99,000

Reconciliation and Final Estimate of Value

The Direct Comparison Approach to Value has produced the following estimates of value for the subject property.

Cost Approach	N/A
Income Approach	N/A
Direct Comparison	\$99,000

The estimate of value by the Direct Comparison approach was based on sales of reasonably similar parcels of land. The final estimate of value incorporates the estimated cost of demolition of the existing structures currently located on the subject property into the Direct Comparison Approach.

Therefore, it is our opinion that the estimate of value of the subject property, free and clear of encumbrances, as at the effective date of October 1, 2010 was:

Ninety Nine Thousand (\$99,000) Dollars

Exposure and Marketing Time Analysis

Exposure Time

In an appraisal, exposure time is the estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal. It is a retrospective estimate based on an analysis of past events assuming a competitive and open market. Exposure time is always presumed to have preceded the effective date of the appraisal.

Marketing Time

The amount of time that it may take to sell the property at the concluded market value during the period immediately after the effective date of the appraisal.

Conclusion

Based on our analysis of the marketplace for this type of property, our estimate of market value is based on an exposure time of six to 18 months. If a shorter time is required, the selling price could be less. Conversely, if a longer exposure time is used to find an interested buyer, the selling price could be greater.

Appraiser's Certification

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

- 1) The statements of fact contained in this report are true and correct.
- 2) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions.
- 3) I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
- 4) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 5) My engagement in and compensation for this assignment were not contingent upon developing and reporting predetermined results, the amount of the value estimate, or a conclusion favouring the client.
- 6) My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with Standards of the Appraisal Institute of Canada.
- 7) I have the knowledge and experience to complete the assignment competently.
- 8) I have made a personal inspection of the property that is the subject of this report.
- 9) No one provided significant professional assistance to the person signing this report.
- 10) The Appraisal Institute of Canada has a mandatory continuing professional development program for designated members and candidates. As of the date of the report I have fulfilled the requirements of the program.
- 11) The undersigned is a member in good standing of the Appraisal Institute of Canada.
- 12) Effective Date of Appraisal: October 1, 2010
- 13) Date of Inspection: October 1, 2010
- 14) Date of Report/Certification: October 13, 2010
- 15) Location: Fort Qu'Appelle, SK.
- 16) Estimate of Market Value: \$99,000

Certified by: _____
Kurt Pelzer, AACI, P. App. (Not Inspected)

Certified by: _____
Darren Bird B.Admin., C.M.A.

Qualifications of Kurt Pelzer, Appraiser

Member of the Association of Regina Realtors, the Saskatchewan Real Estate Association and the Canadian Real Estate Association since 1985.

Member of the Appraisal Institute of Canada since 1990.

April 27, 1995 - CRA (Canadian Residential Appraiser) from the Appraisal Institute of Canada

February 21, 2008 - AACI (Accredited Appraiser Canadian Institute) from the Appraisal Institute of Canada.

Have appeared as an expert witness in Court of Queen's Bench

Client list includes: TD Waterhouse, Royal Bank, Conexus Credit Union, CIBC, Bank of Montreal, TD Canada Trust, Town of Pilot Butte, North Ridge Development Corporation, Sask Power, Marathon Properties Corporation, Babco Industrial Corporation, Ministry of Environment (Lands Branch), Ministry of Government Services, Southeast Cornerstone School Division, Sun Country Health Region, Midwest Surveys Inc., Sunbelt Business Brokers Ltd., Mission Ridge Ski Development Ltd., Bailey's Funeral Home, Carson Energy Services Ltd., Christ Evangelical Lutheran Church, Trinity Lutheran Church, Grace Evangelical Lutheran Church, Dutch Industries Ltd., Government of Saskatchewan, Virtus Group, Concentra Trust, Royal Trust, Enbridge Pipelines (Westpur) Inc. and numerous legal firms throughout southern Saskatchewan.

Appraisals Completed Include:

- Multi-unit condominium complex developments including:
 - a) Blackstone Estates, Windsor Park Subdivision
 - b) Pine Point Condos, Lakeridge Subdivision
 - c) Rockford Crossing, Lakeridge Subdivision
 - d) The Crossings, Lakeridge Subdivision
 - e) Highbury Gate, Windsor Park Subdivision
 - f) Brookside Village, Parkridge Subdivision
 - g) Hanover Village, Parkridge Subdivision
 - h) Wessex Place, Rothwell Place Subdivision
- Plains of Pilot Butte – residential and commercial land development
- Insurance appraisals on Town of Pilot Butte buildings including the recreation centre complex which includes a skating rink, community centre, library, offices, hall & kitchen; firehall and training centre
- Market value and insurance appraisals on numerous church facilities

- Carson Energy Services Ltd. properties throughout southern Saskatchewan
- 55 quarter sections of farm land for Enbridge Pipelines (Westpur) Inc.
- Over 30 appraisals completed in the past 1½ years on various farms and farmland properties
- Experience in the valuation of feed lots, dairy farms and a seed cleaning plant
- Numerous motels and hotels including: Westview Motel Raymore, Lumsden Hotel, Big Muddy Inn Bengough, The Old Central Hotel Esterhazy, Valley City Motel Rock Glen, Willy's Tavern & Grill Foam Lake
- Emerald Glass & Gallery, Moose Jaw
- Southeast Cornerstone School Division buildings in Estevan and Weyburn
- Funeral home appraisals completed in Ituna, Melville and Yorkton including Yorkton Memorial Garden
- Echo Valley Motor Products Building, Fort Qu'Appelle
- Assiniboia Royal Canadian Legion Building
- Veterinarian Clinic Building, Watrous
- Extensive experience in the valuation of various types of real estate throughout southern Saskatchewan communities including the valuation of office/warehouse, light industrial, apartment blocks, restaurants, grocery store, retrospective and prospective appraisal reports, Valuation Day appraisals, personal care homes, market rent surveys, bare land appraisals, car wash facilities

SUPPORTING DATA

Front View



Street View



Rear View of Hospital Building



Rear View of Hospital Building



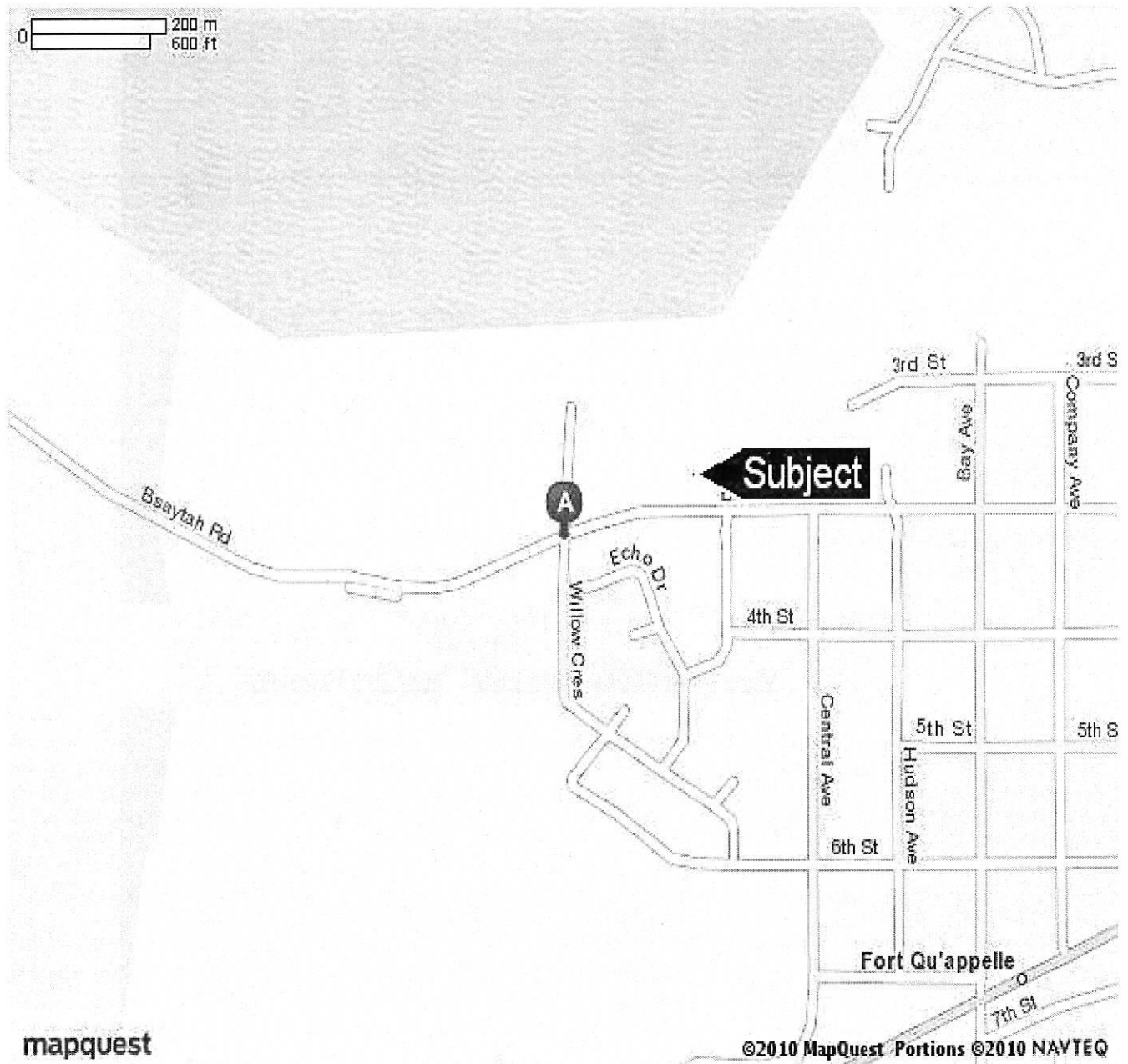
Old Power Plant Building



View of the Lake from the Rear of the Property



Map

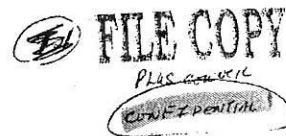


Copy of Demolition Quote

R. J. Tulik & Son



Trenching & Excavating Ltd.
P.O. Box 607
Fort Qu'Appelle, Sk
S0G 1S0
Ph: 332-1500
Fax: 332-4166



August 18, 2010
Quote No: 2010-475

Description: Hospital Demolition

Customer Name: Town of Fort Qu'Appelle

Demolish the Old Hospital, and Powerhouse and Incinerator, following the guidelines set out below;

1. All appropriate demolition insurance with,
 - Min. 2 million liability each occurrence.
 - COR Certified Company from Heavy Construction Association
2. Demolish and haul away to either old lagoon site or old nuisance ground by Treaty 4.
3. Any salvageable material to be that of the contractor.
4. Demolition to follow all Provincial and Federal regulations regarding demolition guidelines.
5. Fill dirt to match existing grade.
6. Perform work in accordance to O.H.S standards.

TOTAL \$ 315,000.00

Extra's foreseen by Tulik Excavating due to knowledge of the site.

- Excavate and remove concrete tunnels from hospital and powerhouse.
- Reconnect town water line for Health Canada building after completed due to alignment.
- Excavate pit for debris at old nuisance ground site.

\$ 59,000.00

Note:

1. Price does not include applicable taxes
2. Quote is valid for 14 days
3. Holdback is not applicable
4. Overdue accounts will be charged at 2% per month
5. Quote will not change in price, if description of work is not changed.

ACCEPTANCE:

The above prices, specifications and conditions are hereby accepted. You are authorized to do the work as specified. Please return the original copy signed as soon as possible to P.O. Box 607 Fort Qu'Appelle, Sk, Canada S0G1S0.

SIGNED: _____ DATE: _____

RECEIVED

Province of Saskatchewan Land Titles Registry Title

Title #: 134876919 **As of:** 04 Oct 2010 22:44:08.444
Title Status: Active **Last Amendment Date:** 17 Apr 2008 11:05:48.257
Parcel Type: Surface **Issued:** 05 Dec 2007 14:01:44.727
Parcel Value: \$10,000.00 CAD
Title Value: \$10,000.00 CAD **Municipality:** TOWN OF FORT QU'APPELLE
Converted Title: 82R01656
Previous Title and/or Abstract #: 134697099

TOWN OF FORT QU'APPELLE is the registered owner of Surface Parcel #163531155

Reference Land Description: Blk/Par VPlan No 82R01656 Extension 1
As shown on Plan 101927796

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

Interest #:
140959378

Planning and Development Act,
2007-Development Standards
(Section 130)

Value:
Reg'd: 27 Aug 2007 11:36:35
Interest Register Amendment
Date: N/A
Interest Assignment
Date: N/A
Expiry Date: N/A

Holder:

Her Majesty the Queen in Right of Saskatchewan
 Ministry of Municipal Affairs - Community Planning Branch 420 - 1855
 Victoria Avenue
 Regina, Saskatchewan, Canada S4P 3T2
Client #: 103093017
Int. Register #: 113177853

Interest #:
140959389

Power Corporation Act Easement
(s.23)

Value:
Reg'd: 24 Oct 2007 08:20:04

<https://www.isc.ca/LAND/Tps/scripts/TPSRtvStdTtlDtl-ByTtl.asp?ttlSysKeyId=13487691...> 10/4/2

Interest Register Amendment Date: 17 Apr 2008 11:05:48 Interest Assignment Date: N/A Expiry Date: N/A	
Holder: SASKATCHEWAN POWER CORPORATION 2025 VICTORIA AVE REGINA, SK, Canada S4P 0S1 Client #: 100307618 Int. Register #: 113353972 Feature #: 100183182	
Interest #: 140959390	Public Utility Easement
Value: Reg'd: 19 Nov 2007 09:47:52 Interest Register Amendment Date: N/A Interest Assignment Date: N/A Expiry Date: N/A	
Holder: Saskatchewan Telecommunications 13th Floor, 2121 Saskatchewan Drive Regina, Saskatchewan, Canada S4P 3Y2 Client #: 100006861 Int. Register #: 113849062	
<u>Addresses for Service:</u>	
Name Owner: TOWN OF FORT QU'APPELLE Client #: 100513538	Address BOX 309 FORT QU'APPELLE, SK, Canada S0G 1S0
<u>Notes:</u> Parcel Class Code: Parcel (Generic)	

[Back](#)



**Information
Services
Corporation**
of Saskatchewan

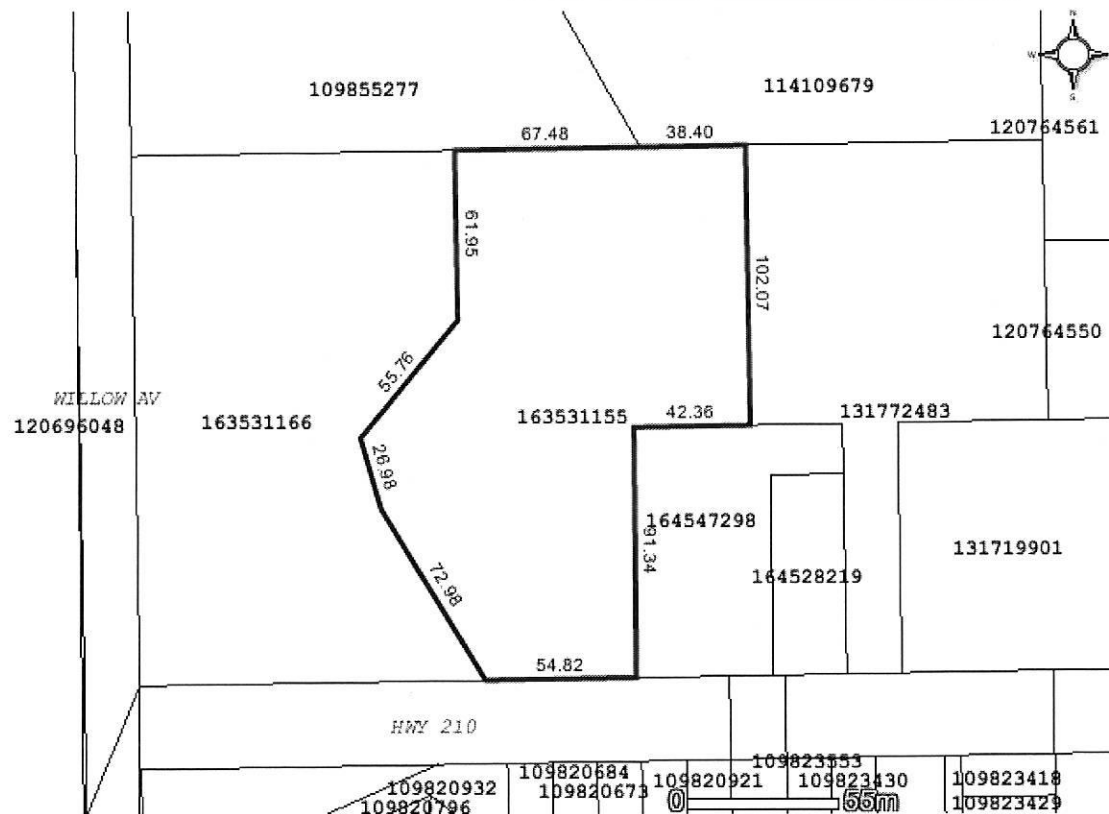
Surface Parcel Number: 163531155

LLD: (Parcel: V) Plan 82R01656 Ext 1

Parcel Class Code: Parcel (Generic)

Area: 1.884 hectares (4.66 acres)

Request Date: 4-Oct-2010 10:33:09 o'clock PM CST



DISCLAIMER: THIS IS NOT A PLAN OF SURVEY. It is a consolidation of plans to assist in identifying the location, size and shape of a parcel in relation to other parcels. Parcel boundaries and area may have been adjusted to fit with adjacent parcels. To determine actual boundaries, dimensions, or area of any parcel, refer to the plan, or consult a surveyor.

SAMA
Saskatchewan Assessment
Management Agency

Rate Payer Profile **Property Use:** Sp Hospitals Nra **Print Date:** 04-Oct-2010 **Page 1 of 7**

Municipality Name: FORT QU'APPELLE **Assessment ID Number:** FORTQ-505007550 **PID:** 3929205

Civic Address: **School Division:** 208 **Inspected Date:** 10-Dec-2009

Legal Location: Parcel V Block Plan S2R01656 Sup 00 **Change Reason:** Maintenance

Supplementary: INDIAN HOSPITAL **Year / Frozen ID:** 2010/0

Neighborhood: 110 **Call Back Year:** **Method_in_use:** C.A.M.A. - Cost



Assessed & Taxable/Exempt Values (Summary)

Description	Assessed Values	VA	Liability Subdivision	Tax Class	Percentage of value	Taxable	Exempt	VA	Tax Status
Improvement	1,200		1	COMMERCIAL & INDUST C	100%	0			Exempt
Improvement	293,800		2	COMMERCIAL & INDUST C	100%	0			Exempt
Improvement	24,400		3	COMMERCIAL & INDUST C	100%	0			Exempt
Non-Agricultural	82,400		1	COMMERCIAL & INDUST C	100%	0			Exempt
Total of Assessed Values	401,800					0	401,800		

URBAN LAND (Details)

Lot/Plot	Land Use	Plot Characteristics	Rates and Factors	Liability Subdivision	Tax Status
71	Commercial Excess	Acreage	Prime Rate:		
	Plot use - SP HOSPITALS NRA	Width(ft)	Urban - Acreage	34	Exempt
		Side 1 (ft)	Land Size Multiplier:	105	
		Side 2 (ft)			
		Area	Lump Sum:		
		Total Acres:			

TOWN OF FORTQ			Assessment ID Number: FORTQ-505007550				PID: 3929205				Print Date: 04-Oct-2010				Page 2 of 7	
COMMERCIAL																
Sub Model	Occupancy Type	Const Class	Quality	Bldg ID	Bldg Seq	Est. Year Built	Cond	SEC Area/Vol	TRA Area	Func OBS	Econ OBS	Phys DEP	UN	M&F	Liability Sub ST	
331 - Hospital - General	Basement	Type 4 (M&S D)	Storage Basement	180319	0	1944	1.15 - Below Average	683	683	00 %	00 %	92	0	51	2 Exempt	
			Dimensions: 43.0 x 16.0 (M&S D)				Perf: 118									
331 - Hospital - General	General	Type 3 (M&S C)	B - Average	180320	0	1944	1.15 - Below Average	12594	12594	00 %	00 %	92	0	51	2 Exempt	
			Dimensions: 12694.0 square feet (M&S C)				Perf: 787									
331 - Hospital - General	General	Type 3 (M&S C)	B - Average	180321	0	1944	1.15 - Below Average	9761	9761	00 %	00 %	92	0	51	2 Exempt	
			Dimensions: 9761.0 square feet (M&S C)				Perf: 619									
494 - Industrial Light Manufacturing	Basement	Type 3 (M&S C)	Storage Basement	180322	0	1953	1.15 - Below Average	1187	1187	00 %	00 %	92	0	51	3 Exempt	
			Dimensions: 32 X 34+ 9 X 11 (M&S C)				Perf: 135									
494 - Industrial Light Manufacturing	General	Type 3 (M&S C)	B - Average	180323	0	1953	1.15 - Below Average	2022	2022	00 %	00 %	92	0	51	3 Exempt	
			Dimensions: 51 X 40- 2X9 (M&S C)				Perf: 182									
344 - Office Building	General	Type 3 (M&S C)	B - Average	180324	0	1953	1.15 - Below Average	1632	1632	00 %	00 %	92	0	51	3 Exempt	
			Dimensions: 344- 32 X 51 (M&S D)				Perf: 166									
133 - Prefabricated Storage Shed	General	Type 4 (M&S D)	B - Average	900782	0	1960	1.00 - Average	320	3120			80		51	1 Exempt	
			Dimensions: 20.0 X 16.0 (M&S D)				Perf: 72									
133 - Prefabricated Storage Shed	General	Type 4 (M&S D)	B - Average	900782	3	1947	1.00 - Average	440	3120			80		51	1 Exempt	
			Dimensions: 22.0X20.0 (M&S D)				Perf: 84									
133 - Prefabricated Storage Shed	General	Type 4 (M&S D)	B - Average	900782	5	1947	1.00 - Average	400	3120			80		51	1 Exempt	
			Dimensions: 40 X 10 (M&S D)				Perf: 80									
133 - Prefabricated Storage Shed	General	Type 4 (M&S D)	B - Average	900782	6	1960	1.00 - Average	112	3120			80		51	1 Exempt	
			Dimensions: MS-133(112)/ADD(16.3) TX(MS-133- 14 x 8) (M&S D)				Perf: 42									
494 - Industrial Light Manufacturing	Basement	Type 3 (M&S C)	Display Basement	2763845	0	1953	1.15 - Below Average	660	660			92		51	3 Exempt	
			Dimensions: 20 X 33 (M&S C)				Perf: 73									
494 - Industrial Light Manufacturing	General	Type 3 (M&S C)	B - Average	2763998	0	1953	1.15 - Below Average	1056	1716			92		51	3 Exempt	
			Dimensions: 32 X 33 (M&S C)				Perf: 137									
494 - Industrial Light Manufacturing	General	Type 3 (M&S C)	B - Average	2763998	1	1953	1.15 - Below Average	660	1716			92		51	3 Exempt	
			Dimensions: 20 X 33 (M&S C)				Perf: 137									

TOWN OF FORTQ				Assessment ID Number:				FORTQ-505007550				PID:		3929205		Print Date: 04-Oct-2010		Page 3 of 7	
COMMERCIAL																			
Sub	Occupancy	Const	Quality	Bldg	Bldg	Eff. Year	Cond	SEC	TRA	Func	Econ	Phys	MAF	Liability					
Model	Type	Class		ID	Seq	Built		Area/Vol	Area	OBS	OBS	DEP	UN	Sub	ST				
5852 - Stacks	Brick Stack	Not	Not	2764012	0	1944	1.15 -	0	0	93 %		40	51	3	Exempt				
															Average				
															Perim:				
															Dimensions:		MS-5852		

TOWN OF FORTQ				Assessment ID Number:		FORTQ-505007550		PID:	3929205	Print Date: 04-Oct-2010		Page 4 of 7	
Sub Model:	331- Hospital - General	Type:	Basement	Building ID:	180319	Building SEQ:	0	Prop Use Code:	SP HOSPITALS N/A	Section Area/Vol:	688	Perimeter:	118
Act. Year Built:	1944			Exterior Wall Material 1:		100% N/A - Not Applicable				Current Cost Multiplier:	1.05		
Const. Class:	Type 4 (M&S D)			Exterior Wall Material 2:						Local Multiplier:	1.18		
Const. Quality:	Storage Basement			Heat Type 1:		100% Steam Heat				Sask. Cost Factor:	1.00		
Bmt Quality:	B - Average			Heat Type 2:									
Storey Height:	10.00			Air Conditioning Type 1:		No Air Conditioning				Elevators:	No		
Number of Storeys:	01 Storey			Air Conditioning Type 2:						Ventilation:	Yes		
Total # of Storeys Abv Gmd:	02 Storeys			Sprinklers Type 1:		No - Sprinklers				Unit-in-place Component:			
Description:				Sprinklers Type 2:									
Sub Model:	331- Hospital - General	Type:	General	Building ID:	180320	Building SEQ:	0	Prop Use Code:	SP HOSPITALS N/A	Section Area/Vol:	12,594	Perimeter:	787
Act. Year Built:	1944			Exterior Wall Material 1:		100% CBR - Common Brick				Current Cost Multiplier:	1.05		
Const. Class:	Type 3 (M&S C)			Exterior Wall Material 2:						Local Multiplier:	1.22		
Const. Quality:	B - Average			Heat Type 1:		100% Steam Heat				Sask. Cost Factor:	1.00		
Bmt Quality:	Not Applicable			Heat Type 2:									
Storey Height:	12.00			Air Conditioning Type 1:		100% Central Unit - Packaged				Elevators:	Yes		
Number of Storeys:	02 Storeys			Air Conditioning Type 2:						Ventilation:	No Ventilation		
Total # of Storeys Abv Gmd:	02 Storeys			Sprinklers Type 1:		No - Sprinklers				Unit-in-place Component:			
Description:				Sprinklers Type 2:									
Sub Model:	331- Hospital - General	Type:	General	Building ID:	180321	Building SEQ:	0	Prop Use Code:	SP HOSPITALS N/A	Section Area/Vol:	9,761	Perimeter:	619
Act. Year Built:	1944			Exterior Wall Material 1:		100% CBR - Common Brick				Current Cost Multiplier:	1.05		
Const. Class:	Type 3 (M&S C)			Exterior Wall Material 2:						Local Multiplier:	1.22		
Const. Quality:	B - Average			Heat Type 1:		100% Steam Heat				Sask. Cost Factor:	1.00		
Bmt Quality:	Not Applicable			Heat Type 2:									
Storey Height:	12.00			Air Conditioning Type 1:		100% Central Unit - Packaged				Elevators:	Yes		
Number of Storeys:	01 Storey			Air Conditioning Type 2:						Ventilation:	No Ventilation		
Total # of Storeys Abv Gmd:	02 Storeys			Sprinklers Type 1:		No - Sprinklers				Unit-in-place Component:			
Description:				Sprinklers Type 2:									
Sub Model:	494 - Ind. Light Mtg.	Type:	Basement	Building ID:	180322	Building SEQ:	0	Prop Use Code:	SP HOSPITALS N/A	Section Area/Vol:	1,187	Perimeter:	135
Act. Year Built:	1953			Exterior Wall Material 1:		100% N/A - Not Applicable				Current Cost Multiplier:	1.01		
Const. Class:	Type 3 (M&S C)			Exterior Wall Material 2:						Local Multiplier:	1.22		
Const. Quality:	Storage Basement			Heat Type 1:		No Heating				Sask. Cost Factor:	1.00		
Bmt Quality:	B - Average			Heat Type 2:						Throughput Factor:			
Storey Height:	10.00			Air Conditioning Type 1:		No Air Conditioning				Elevators:	No		
Number of Storeys:	01 Storey			Air Conditioning Type 2:						Ventilation:			
Total # of Storeys Abv Gmd:	02 Storeys			Sprinklers Type 1:		No - Sprinklers				Unit-in-place Component:			
Dock Height Area:	0			Sprinklers Type 2:									
Dock Height Rate:				Dock Leveller Size:						Unit-in-place Component:			
Dock Leveller Type:										Dock Leveller Number:			
Description:													

TOWN OF FORTQ				Assessment ID Number:		FORTQ-505007550		PID: 3929205		Print Date: 04-Oct-2010		Page 5 of 7	
Sub Model:	454 - Ind. Light Mfg.	Type:	General	Building ID:	180323	Building SEQ:	0	Prop Use Code:	SP HOSPITALS NRA	Section Area/Vol:	2,022	Perimeter:	182
Act. Year Built:	1953			Exterior Wall Material 1:		100%CBR - Common Brick			Current Cost Multiplier:		1.01		
Const. Class:	Type 3 (M&S C)			Exterior Wall Material 2:					Local Multiplier:		1.22		
Const. Quality:	B - Average			Heat Type 1:		100%Steam Heat			Sask. Cost Factor:		1.00		
Bmt Quality:	Not Applicable			Heat Type 2:					Throughput Factor:				
Storey Height:	12.00			Air Conditioning Type 1:		No Air Conditioning			Elevators:		No		
Number of Storeys:	01 Storey			Air Conditioning Type 2:					Ventilation:				
Total # of Storeys Abv Gmd:	02 Storeys			Sprinklers Type 1:					Unit-in-place Component:				
Dock Height Area:	0			Sprinklers Type 2:					Dock Leveller Number:				
Dock Height Rate:													
Dock Leveller Type:													
Description:													
Sub Model:	344 - Office Building	Type:	General	Building ID:	180324	Building SEQ:	0	Prop Use Code:	SP HOSPITALS NRA	Section Area/Vol:	1,632	Perimeter:	165
Act. Year Built:	1953			Exterior Wall Material 1:		100%CBR - Face Brick			Current Cost Multiplier:		1.05		
Const. Class:	Type 3 (M&S C)			Exterior Wall Material 2:					Local Multiplier:		1.22		
Const. Quality:	B - Average			Heat Type 1:		100%Steam Heat			Sask. Cost Factor:		1.00		
Bmt Quality:	Not Applicable			Heat Type 2:									
Storey Height:	10.00			Air Conditioning Type 1:		No Air Conditioning			Elevators:		No		
Number of Storeys:	01 Storey			Air Conditioning Type 2:					Ventilation:				
Total # of Storeys Abv Gmd:	02 Storeys			Sprinklers Type 1:		No - Sprinklers			Unit-in-place Component:				
Description:				Sprinklers Type 2:									
Sub Model:	133 - Prefab. Stor. Shed	Type:	General	Building ID:	500782	Building SEQ:	0	Prop Use Code:	SP HOSPITALS NRA	Section Area/Vol:	320	Perimeter:	72
Act. Year Built:	1960			Heat Type 1:					Current Cost Multiplier:		1.05		
Const. Class:	Type 4 (M&S D)			Heat Type 2:					Local Multiplier:		1.18		
Const. Quality:	B - Average			Air Conditioning Type 1:					Sask. Cost Factor:		1.00		
Bmt Quality:	Not Applicable			Air Conditioning Type 2:					Throughput Factor:				
Storey Height:	6.0			Sprinklers Type 1:					Ventilation:				
Number of Storeys:	01 Storey			Sprinklers Type 2:									
Total # of Storeys Abv Gmd:	01 Storey												
# of Identical Units:													
Sub Model:	133 - Prefab. Stor. Shed	Type:	General	Building ID:	500782	Building SEQ:	3	Prop Use Code:	SP HOSPITALS NRA	Section Area/Vol:	440	Perimeter:	84
Act. Year Built:	1947			Heat Type 1:					Current Cost Multiplier:		1.05		
Const. Class:	Type 4 (M&S D)			Heat Type 2:					Local Multiplier:		1.18		
Const. Quality:	B - Average			Air Conditioning Type 1:					Sask. Cost Factor:		1.00		
Bmt Quality:	Not Applicable			Air Conditioning Type 2:					Throughput Factor:				
Storey Height:	8.0			Sprinklers Type 1:					Ventilation:				
Number of Storeys:	01 Storey			Sprinklers Type 2:									
Total # of Storeys Abv Gmd:	01 Storey												
# of Identical Units:													

TOWN OF FORTQ				Assessment ID Number:		FORTQ-505007550		PID: 3929205		Print Date: 04-Oct-2010		Page 6 of 7	
Sub Model:	133 - Prefab. Stor. Shed	Type:	General	Building ID:	900782	Building SEQ:	5	Prop Use Code:	SP HOSPITALS NRA	Section Area/Vol:	400	Perimeter:	80
Act. Year Built:	1947			Heat Type 1:					Current Cost Multiplier:		1.05		
Const. Class:	Type 4 (M&S D)			Heat Type 2:					Local Multiplier:		1.16		
Const. Quality:	B - Average			Air Conditioning Type 1:					Sask. Cost Factor:		1.00		
Bmt Quality:	Not Applicable			Air Conditioning Type 2:					Throughput Factor:				
Storey Height :	8.0			Sprinklers Type 1:					Ventilation:				
Number of Storeys:	01 Storey			Sprinklers Type 2:									
Total # of Storeys Abv Gnd:	01 Storey												
# of Identical Units:													
Sub Model:	133 - Prefab. Stor. Shed	Type:	General	Building ID:	900782	Building SEQ:	6	Prop Use Code:	SP HOSPITALS NRA	Section Area/Vol:	112	Perimeter:	42
Act. Year Built:	1960			Heat Type 1:					Current Cost Multiplier:		1.05		
Const. Class:	Type 4 (M&S D)			Heat Type 2:					Local Multiplier:		1.18		
Const. Quality:	B - Average			Air Conditioning Type 1:					Sask. Cost Factor:		1.00		
Bmt Quality:	Not Applicable			Air Conditioning Type 2:					Throughput Factor:				
Storey Height :	8.0			Sprinklers Type 1:					Ventilation:				
Number of Storeys:	01 Storey			Sprinklers Type 2:									
Total # of Storeys Abv Gnd:	01 Storey												
# of Identical Units:													
Sub Model:	454 - Ind. Light Mfg.	Type:	Basement	Building ID:	2763845	Building SEQ:	0	Prop Use Code:	SP HOSPITALS NRA	Section Area/Vol:	660	Perimeter:	73
Act. Year Built:	1953			Exterior Wall Material 1:					Current Cost Multiplier:		1.01		
Const. Class:	Type 3 (M&S C)			Exterior Wall Material 2:					Local Multiplier:		1.22		
Const. Quality:	Display Basement			Heat Type 1:					Sask. Cost Factor:		1.00		
Bmt Quality:	B - Average			Heat Type 2:					Throughput Factor:				
Storey Height :	11			Air Conditioning Type 1:					Elevators:				
Number of Storeys:	01 Storey			Air Conditioning Type 2:					Ventilation:				
Total # of Storeys Abv Gnd:	01 Storey			Sprinklers Type 1:					Unit-in-place Component:				
Dock Height Area:				Sprinklers Type 2:					Dock Leveller Number:				
Dock Height Rate:				Dock Leveller Size:									
Dock Leveller Type:													
Description:													
Sub Model:	454 - Ind. Light Mfg.	Type:	General	Building ID:	2763845	Building SEQ:	0	Prop Use Code:	SP HOSPITALS NRA	Section Area/Vol:	1,056	Perimeter:	137
Act. Year Built:	1953			Exterior Wall Material 1:					Current Cost Multiplier:		1.01		
Const. Class:	Type 3 (M&S C)			Exterior Wall Material 2:					Local Multiplier:		1.22		
Const. Quality:	B - Average			Heat Type 1:					Sask. Cost Factor:		1.00		
Bmt Quality:	Not Applicable			Heat Type 2:					Throughput Factor:				
Storey Height :	21			Air Conditioning Type 1:					Elevators:				
Number of Storeys:	01 Storey			Air Conditioning Type 2:					Ventilation:				
Total # of Storeys Abv Gnd:	01 Storey			Sprinklers Type 1:					Unit-in-place Component:				
Dock Height Area:				Sprinklers Type 2:					Dock Leveller Number:				
Dock Height Rate:				Dock Leveller Size:									
Dock Leveller Type:													
Description:													

© 2010 Saskatchewan Assessment Management Agency, All Rights Reserved.

Data Source: Govern_Prod

TOWN OF FORTQ				Assessment ID Number:		FORTQ-505007550		PID:	3929205	Print Date: 04-Oct-2010		Page 7 of 7	
Sub Model:	494 - Ind. Light Mfg.	Type:	General	Building ID:	2763999	Building SEQ:	1	Prop Use Code:	SP HOSPITALS NRA	Section Area/Vol:	660	Perimeter:	137
Act. Year Built:	1953			Exterior Wall Material 1:	100%CBR - Common Brick					Current Cost Multiplier:	1.01		
Const. Class:	Type 3 (M&S C)			Exterior Wall Material 2:						Local Multiplier:	1.22		
Const. Quality:	B - Average			Heat Type 1:	100%Steam Heat					Sask. Cost Factor:	1.00		
Bmt. Quality:	Not Applicable			Heat Type 2:						Throughput Factor:			
Storey Height :	10 ft. Height			Air Conditioning Type 1:						Elevators:			
Number of Storeys:	01 Storey			Air Conditioning Type 2:						Ventilation:			
Total # of Storeys Abv Grnd:	01 Storey			Sprinklers Type 1:						Unit-in-place Component:			
Dock Height Area:				Sprinklers Type 2:						Dock Leveller Number:			
Dock Height Rate:				Dock Leveller Size:									
Dock Leveller Type:													
Description:													
Sub Model:	S952 - Stacks	Type:	Brick Stack	Building ID:	2764012	Building SEQ:	0	Prop Use Code:	SP HOSPITALS NRA	Section Area/Vol:		Perimeter:	
Act. Year Built:	1944			Mill Inclinator:						Volume:			
Occupancy Type:	Brick Stack			Length:						Current Cost Multiplier:	1.00		
Interior Lining Material:	Not Applicable			Width:						Local Multiplier:	1.22		
Diameter:	60			Storey Height Multiplier:						Sask. Cost Factor:	1.00		
Height:	100			Unit-in-place Component:									
Const. Quality:	Not Applicable												
TOTALS													
Comp	Description	Lb	Assessed	V	Tax	Exempt	A	S	Class				
I	Improvement	1	1,200	0	E	1,200	E	C					
I	Improvement	2	293,800	0	E	293,800	E	C					
I	Improvement	3	24,400	0	E	24,400	E	C					
N	Non-Agricultural	1	82,400	0	E	82,400	E	C					
			401,800	0		401,800							



Minutes of the Regular Meeting of the Council of the Town of Fort Qu'Appelle held on Thursday, October 25, 2007 at 7:00p.m. in Council Chambers.


Present

Mayor Ron Osika, chairman
Councillor Jeff Brown, Lee Finishen, Jenny Melanson,
Jeannette Spanier, Dave Yanish, Dave Yee.
Administrator Anna Mae Stainbrook

Agenda	271-07	Yee/Yanish: THAT, the agenda be adopted as presented. CARRIED.
Minutes	272-07	Yanish/Finishen: That, the minutes of the last regular meeting held on Thursday, October 11, 2007 be approved as presented. CARRIED.
Parcel V	273-07	Brown/Finishen: THAT, the Town make an offer to purchase Parcel V, Plan 82R01656 Ext. 1, known as the old Indian Hospital property, in the amount of \$1.00 from Her Majesty the Queen in Right of Canada. CARRIED.
Nimchuk/Blais	274-07	Yanish/Spanier: THAT, the request from Nick & Dorothy Nimchuk and Carrie Blais to subdivide Lots 11 and 12, Block 19, Plan AO2561 into two 110' X 95' lots be approved and the cost of survey and subdivision is theirs. CARRIED.
Blk. N	275-07	Melanson/Yanish: THAT, having received no submissions and no concerns were presented, a condo be allowed as discretionary use on Blk. N. known as the old INAC building. CARRIED.
GMC 6000	276-07	Melanson/Yanish: THAT, the Town advertise for sale by tender the 1981 GMC 6000 to close Thursday, November 8, 2007 at 4:00p.m. CARRIED.
G.Hahn	277-07	Melanson/Yanish: THAT, Council approve the extension of water and sewer line from Willow Crescent down the lane to the west to Qu'Appelle Crescent to connect to Fran Hahn's house, subject to the specifications of Blue Sky Management, at the expense of G.Hahn. CARRIED.
Trade Show		Yee: THAT, this meeting resolve itself into committee of the whole to consider the operation of the Trade Show. (8:05p.m.) THAT, the committee do rise and report. (8:15p.m.)
	278-07	Brown/Melanson: THAT, the Town rent the same booth for the 2007 Fort Trade Show at a cost of \$225.00. CARRIED.
EMO	279-07	Yee/Brown: THAT, Richard Schmidt attend the Emergency Operations Centre Course in Grandville Ontario in 2008 and that he receive remuneration for up to 36 hours at his hourly rate of \$20.00. CARRIED.
Fort Knox	280-07	Brown/Finishen: THAT, the town purchase the Silver Sponsorship package for the 2007-08 season at a cost of \$500.00. CARRIED.

Minutes
October 25, 2007
Page 2.

- | | | |
|--------------|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cole's Meats | 281-07 | Brown/Finishen: THAT, the Town accept the offer to purchase Lot 6, Block 30,
Plan 66R27897 from Cole's Quality Meats of \$12,746.50 GST incl.
subject to re-zoning the property to C1-Commercial.
<p style="text-align: center;">CARRIED.</p> |
| Bldg. Insp. | 282-07 | Yanish/Yee: THAT, Wayne Meier, Remi Boissonnault, Pat Daley, Josh Kulyk,
Clayton Meier of Municode Services Ltd. be appointed as the building
official for the Town of Fort Qu'Appelle.
<p style="text-align: center;">CARRIED.</p> |
| Xmas party | 283-07 | Finishen/Yanish: THAT, Valley Bake & Coffee Shop cater the Town Xmas Party at
a cost of \$14.95/person to be held on Saturday, December 8, at the
Anglican Church Hall.
<p style="text-align: center;">CARRIED.</p> |
| Adjourn | 284-07 | Brown : THAT, the meeting be adjourned.
<p style="text-align: center;">CARRIED.</p> |



 Mayor



 Administrator

**** The next regular meeting of the Council of the Town of Fort Qu'Appelle
 will be held on Thursday, November 8, 2007 at 7:00p.m. in Council
 Chambers.**

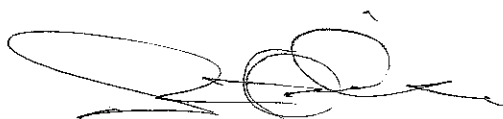
**Minutes of the Regular Meeting of the Council of the Town of Fort Qu'Appelle
held on Thursday, August 14, 2008 at 7:00p.m. in Council Chambers.**

Present		Mayor Ron Osika, chairman Councillor Jeff Brown, Lee Finishen, Jenny Melanson, Jeannette Spanier, Dave Yanish, Dave Yee Administrator Anna Mae Stainbrook
Delegates		1) Linda Longfellow -- Tansi Trail 2) Staff Sgt. Maureen Levy 3) Kevin Braithwaite - Foreman
Agenda	229-08	Yee/Finishen: THAT, the agenda be adopted as presented. CARRIED.
Minutes	230-08	Yanish/Yee: THAT, the minutes of the last regular meeting held on Thursday, July 10, 2008 be approved as presented. CARRIED.
Tansi Trail	231-08	Melanson/Finishen: THAT, the Town of Fort Qu'Appelle contribute \$435.00 toward completion of the Tansi Trail between Lebreton and Fort Qu'Appelle. CARRIED.
Offer to Purchase	232-08	Yee/Brown: That, Council accepts the offer to purchase Parcel 12R, Plan 111494044 from Chaplin Holdings Ltd. in the amount of \$19,600.00. In favor: Mayor Osika Councillor Brown, Melanson, Spanier, Yanish, Yee. Against: Councillor Finishen. CARRIED.
Build the Fort Property	233-08	Brown/Yee: THAT, the Town allocate 180 feet of property from the west wall of the "Fort" directly west, to allow for the construction of an amphitheatre or future outdoor entertainment facility, and that construction begin within the next five (5) years or the Town will revisit this portion of the project at the end of that time period. CARRIED.
Prairie Co-op		Table to next meeting.
RCMP Secretary	234-08	Melanson/Finishen: THAT, Michelle Irene Defosses be hired as RCMP Municipal Secretary for the evening shift at a salary of \$11.50 per hour beginning August 25, 2008. CARRIED.
Tax Title Property		Table to next meeting.
Bldg. Permits	235-08	Yee/Yanish: THAT, the building permits for McGuigan; Sisko Properties; Kallstrom and Fallah be approved pending the building inspector's approval. CARRIED.
Offer to purchase	236-08	Yee/Spanier: THAT, the Town accept the offer to purchase three slat wall display stands from Buck's Dollar Store in the amount of \$60.00. CARRIED.
Correspondence	237-08	Spanier/Yanish: THAT, the following correspondence having been dealt with, be filed: <ul style="list-style-type: none"> • N.V.W.M.A. 3RD qtr. statement • R.M. #187 news letter/financial statement • Rec. Commission Minutes CARRIED.

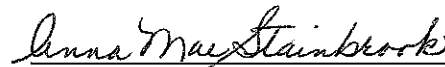


Minutes
August 14, 2008
Page 2.

- | | | |
|------------------------------------------------------------------|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Resignation | 238-08 | Finishen/Yanish: THAT, Council accepts the letter of resignation from Gary Sparvier with regret.
CARRIED. |
| Group Benefit | 239-08 | Brown/Melanson: THAT, the Town of Fort Qu'Appelle share 50% of the contributions of the monthly Group Benefit fee with Caralen Okolita if she wishes to remain in the Plan during Maternity leave.
CARRIED. |
| Build Canada Fund | 240-08 | Finishen/Yee: THAT, the Council of the Town of Fort Qu'Appelle authorize the 2 nd Street Wastewater Project to proceed and to apply for the Build Canada Grant to help fund this project.
CARRIED. |
| City Wide Paving | 241-08 | Brown/Finishen: THAT, the Town hold back 30% of the City Wide Paving bill until the project is 100% complete and deficiencies are corrected.
CARRIED. |
| Accounts Payable
Rcpts. & Expenditures
Bank Reconciliation | 242-08 | Finishen/Spanier: THAT, the accounts payable cheque # 13244-13278, 13280-13339, and the cash payments and receipts and Bank reconciliation for the months of June and July, 2008 be approved as presented.
CARRIED. |
| Old Hospital | 243-08 | Brown/Yee: THAT, the Town of Fort Qu'Appelle engage the services of Northwind Innovations Inc. to provide research and develop a Development Plan for the old hospital property and area at a cost of \$35,000.00 which would be divided into two halves, 50% (\$17,500.00) being payable in thirds (\$5,833.33) and the second 50% being conditional based on the approval of the "Building Canada Grant".
CARRIED. |
| Adjourn | 244-08 | Finishen: THAT, the meeting be adjourned.
CARRIED. |



Mayor



Administrator

**** The next regular meeting of the Council of the Town of Fort Qu'Appelle will be held on Thursday, September 11, 2008 at 7:00p.m. in Council Chambers.**

**Minutes of the Special Meeting of the Council of the Town of Fort Qu'Appelle
held on Monday, October 18, 2010 at 12:00 noon in Council Chambers.**

Present: Mayor Ron Osika
Councillors Dave Yee, Jeannette Spanier, Jenny Melanson, Doug Harvey
and John Okolita
Administrator Ed Sigmeth

Absent: Jeff Brown

Called to order 12:00 noon by Mayor Osika

153/10	PARCEL V	Yee/Melanson: THAT the Town offer to Pellaway Bay Resorts Ltd. Parcel V. for the amount of \$302,000.00, in an "as-is" condition, subject to compliance with all Town Bylaws and regulations. CARRIED.
154/10	ADJOURN	Melanson/Harvey: THAT the meeting be adjourned. CARRIED.

The meeting adjourned at 12:55 pm.

_____ Mayor	_____ Administrator
** The next regular meeting of the Council of the Town of Fort Qu'Appelle will be held on <u>Thursday October 28, 2010 at 7:00p.m.</u> in Council Chambers.	

Minutes of the Regular Meeting of the Council of the Town of Fort Qu'Appelle held on Thursday, May 12, 2011 at 7:00 p.m. in Council Chambers.

Present: Mayor Ron Osika, Councilors Dave Yee
Doug Harvey, John Okolita, Jenny Melanson, Jeff Brown,
Jeannette Spanier

Administrator Ed Sigmeth

Absent:
Called to order 7:00 p.m. by Mayor Osika.

97/11	AGENDA	Brown/ Okolita: THAT the agenda be adopted as presented. CARRIED.
98/11	MINUTES	Yee/ Spanier: THAT the minutes of the May 12, 2011 regular meeting be approved as presented. CARRIED.
88/11	LOT 5 BLOCK 19	Harvey/ Yee: THAT we respond to the General Manager of Silver Sage Housing Corporation to advise him that Council will not support this plan (April 12, 2011). CARRIED.
89/11	BYLAW #464	Councillor Brown declared a conflict of interest and left at 7:05 p.m. Okolita/ Spanier: THAT Bylaw #464- A Bylaw to amend Bylaw 238, the Zoning Bylaw, be introduced and read a first time. CARRIED. Bylaw #464 was read a first time by Mayor Osika.
90/11	BYLAW #464	Yee/ Spanier: THAT Bylaw #464 be read a second time. CARRIED. Bylaw #464 was read a second time by Mayor Osika. Councillor Brown returned at 7:15 p.m.
91/11	BUILD THE FORT	Okolita/ Spanier: THAT the town is prepared to release the balance of \$25,000.00 to Build The Fort, with the itemized accounting of where the \$25,000.00 was spent provided. CARRIED
92/11	SENIOR CITIZENS RECREATION COMMITTEE	Brown/ Harvey: THAT we renew the Senior Citizen Recreation Committee Agreement for 3 years. CARRIED.
93/11	CORRESPONDENCE	Okolita/ Harvey: THAT the May 12, 2011 correspondence be accepted as presented. CARRIED.
94/11	ACCOUNTS PAYABLE	Spanier/ Okolita: THAT the accounts payable, numbering 14335 to 14381 inclusive, in the amount of \$132,111.03 be accepted for payment as presented. CARRIED.
95/11	PELLAWAY BAY	Spanier/ Harvey: THAT the Pellaway proposal of April 28, 2011 be rejected and Councils proposal of October 18, 2010 (Motion 183/10) be withdrawn. CARRIED.
96/11	ADJOURN	Okolita/ Brown:

THAT the meeting be adjourned.
CARRIED.

The meeting adjourned at 8:35 p.m.

_____ Mayor	_____ Administrator
** The next regular meeting of the Council of the Town of Fort Qu'Appelle will be held on <u>Thursday, May 12, 2011 7:00p.m.</u> in Council Chambers.	

Minutes of the Regular Meeting of the Council of the Town of Fort Qu'Appelle held on Thursday, January 12, 2012 at 7:00 p.m. in Council Chambers.

Present: Mayor Ron Osika, Councillors Jeff Brown, Doug Harvey, Jenny Melanson, John Okolita, Jeannette Spanier, Dave Yee and Administrator Ed Sigmeth

Absent:

Called to order 7:00 p.m. by Mayor Osika.

Garth Gish entered at 7:00 p.m. and left at 7:30 p.m.
Lila Banks, Recreation Manager, entered at 7:32 p.m. and left at 7:42 p.m.

01/12	ADENDA	Yee/Melanson: THAT the agenda be adopted as presented, with the addition of 1.2 Lila Banks - Staff Update and 5.5 Garth Gish proposal. CARRIED.
02/12	MINUTES	Melanson/Brown: THAT the minutes of the December 15, 2011 regular meeting be approved as amended in # 241/11 "17019". CARRIED.
03/12	WAYNE LORCH	Yee/Okolita: THAT a letter/fax be sent to Wayne Lorch for a verbal commitment by February 15, 2012 on the status of his development. CARRIED.
04/12	EC DEV OFFICER	Okolita/Brown: THAT Kerri Ward be administered as an Economic Development Officer through the Town. CARRIED.
05/12	JANITORIAL CONTRACT	Yee/Melanson: THAT the Town Office/Library Janitorial Contract for Holly Cochrane be increased by 5% from \$300.00 to \$315.00/month/building plus GST. CARRIED.
06/12	JANITORIAL CONTRACT	Yee/Spanier: THAT the Town Office and Library Janitorial Contract be reviewed every 2 years, beginning April 1, 2014. CARRIED.
07/12	FQ LIBRARY BOARD	Melanson/Okolita: THAT the following be appointed to the Fort Qu'Appelle Library Board: Jeannette Spanier, John Naumetz, Dave Yanish, Bev Morton, Juliano Tupone, Sandra Schlamp, Susan Cherewyk, Irene McDonald and Janet Bedel. CARRIED.
08/12	2012 COMMITTEES/BOND	Spanier/Harvey: THAT the 2012 Committee structure remain as 2011, as per "schedule A" attached and that Council accepts the Bond Policy of Guarantee for the Administrator, as required by section 113 of The Municipalities Act. CARRIED.

Mayor Osika left the chair and Councillor Brown took the chair at 8:50 p.m.

09/12	DEMOLITION OF OLD HOSPITAL	<p>Osika/Melanson: THAT the Town of Fort Qu'Appelle issue a request for tenders for the demolition of the former Indian Hospital, power plant, burn stack, tunnels and any standing buildings located on that property site. Rubble/material is to be crushed and hauled away (or stock piled for future use). All debris to be removed and the site left in a state acceptable to the Town of Fort Qu'Appelle. All salvage material to be the property of the successful bidder. Work to be completed by May 31, 2012. DEFEATED. Recorded Vote</p> <ul style="list-style-type: none">• In favor - Osika, Melanson, Yee• Opposed - Okolita, Harvey, Spanier, Brown
-------	----------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Mayor Osika returned to the chair at 9:10 p.m.

10/12	ACCOUNTS PAYABLE	<p>Brown/Harvey: That the December 29, 2011 and January 12, 2012 accounts payable numbering 17020 to 17094 inclusive in the amount of \$149,325.47 be approved for payment and the unaudited unadjusted financial statement December 31, 2011 and March - August 2011 Bank Reconciliations be accepted as presented. CARRIED.</p>
11/12	CHELSEA WARD	<p>Brown/Spanier: THAT we approve a temporary unpaid leave for Chelsea Ward, as requested in her January 11, 2012 letter. CARRIED.</p>
12/12	ADJOURN	<p>Okolita/Brown: THAT the meeting be adjourned. CARRIED.</p>

The meeting adjourned at 9:48 p.m.

<hr/> Mayor	<hr/> Administrator
** The next regular meeting of the Council of the Town of Fort Qu'Appelle will be held on <u>Thursday, January 26, 2012 7:00p.m.</u> in Council Chambers.	

Minutes of the Special Meeting of the Council of the Town of Fort Qu'Appelle
held on Monday September 30, 2013 at 7:00 p.m. in Council Chambers.

Present: Mayor Ron Osika, Councillors Jeff Brown, Lee Finishen, Tanya Kulaway, Jenny Melanson
Absent: Councillors Robert Morton, Brian Janz

In Attendance: Darrell Webster Chief Administrative Officer

Mayor Osika called the meeting to order @ 7:00 p.m.

185/13	OLD HOSPITAL PROPERTY	<p>BROWN/FINISHEN: THAT we accept the offer of ABACO Group of \$1.00 for Block Q, Plan 77R09773 and Block V, Plan 82R01656, Ext 1 subject to the following conditions:</p> <ol style="list-style-type: none">1. A negotiated servicing agreement must be in place prior to any construction2. 50% of the estimated cost of demolition of the buildings and structures on the property must be placed with the town in the form of a letter of credit, bond or cash prior to the commencement of any demolition work.3. All demolition must be completed within one year of the sale of the property.4. All costs of the transfer of titles and rezoning are the responsibility of the purchaser.5. All costs associated with the building permit and any required inspections are the responsibility of the purchaser. <p>CARRIED</p>
186/13	AJOURN	<p>FINISHEN/MELANSON: THAT WE ADJOURN. CARRIED</p>

The meeting adjourned at 7:45p.m.

Mayor

Chief Administrative Officer

**Minutes of the Special Meeting of the Council of the Town of Fort Qu'Appelle
held on Saturday, December 21, 2013 at 9:00 a.m. in Council Chambers.**

Present: Mayor Ron Osika, Councillors Jeff Brown, Lee Finishen, Brian Janz, Tanya Kulaway,
Jenny Melanson

Absent: Councillor Robert Morton

In Attendance: Kelly Schill Acting Chief Administrative Officer

Mayor Osika called the meeting to order @ 9:00 a.m.

- 264/13 AGENDA** Melanson/Finishen
THAT the agenda be adopted.
CARRIED.
- 265/13 IN CAMERA** MELANSON/KULAWAY:
THAT this meeting be closed to the public for the discussion of
Darrell Webster and ABACO.
CARRIED.
- 266/13 OUT OF CAMERA** FINISHEN/BROWN:
THAT this meeting be moved out of camera.
CARRIED.
- 267/13 MOTION 258/13** JANZ/BROWN:
THAT we rescind Motion 258/13.
CARRIED.
- 268/13 WEBSTER** BROWN/KULAWAY:
THAT we terminate Darrell Webster as of December 31, 2013 with
salary and vacation pay owing up until and including date of
termination with the inclusion of Appendix "A" attached.
CARRIED.
- BRIAN JANZ DECLARED A PECUNIARY INTEREST AND LEFT THE ROOM AT 9:08 A.M. AS HE IS THE DIRECTOR WITH ZERO SHARES IN
ABACO ENERGY SERVICES INC.***
- 269/13 ABACO** BROWN/FINISHEN:
THAT we change Motion 185/13 to read ABACO Energy Services
Inc, not ABACO Group.
CARRIED.
- BRIAN JANZ RETURNED AT 9:12 A.M.***
- 270/13 ADJOURN** BROWN/MELANSON:
THAT we adjourn.
CARRIED.

The meeting adjourned at 9:30 a.m.



Mayor



Chief Administrative Officer

**** The next regular meeting of the Council of the Town of Fort Qu'Appelle
will be held on Thursday January 9, 2014 @7:00p.m. in Council Chambers.**

COPY

PURCHASE AND DEMOLITION AGREEMENT

THIS AGREEMENT made this 16 day of January, 2014

BETWEEN:

ABACO ENERGY SERVICES LTD., a body corporate incorporated pursuant to the laws of the province of Saskatchewan ("ABACO");

- and -

THE TOWN OF FORT QU'APPELLE, a municipality within the meaning of *The Municipalities Act* ("Town")

WHEREAS the Town is registered owner of the lands situate in the Town of Fort Qu'Appelle in the Province of Saskatchewan, formerly known as The Fort Qu'Appelle Indian Hospital and legally described as follows:

Surface Parcel #163531155

Reference Land Description: Block V Plan No 82R01656 Extension 1
As shown on Plan 101927796

Surface Parcel #131772483

Reference Land Description: Block Q Plan No 77R09773 Extension 1
As described on Certificate of Title 78R24879

(hereinafter called the "Property")

AND WHEREAS ABACO is desirous of pursuing commercial redevelopment opportunities for the Property, including motel/hotel, residential or commercial condominiums/townhouses, retail, professional/business/medical offices and suites, restaurants and marina, complete with fuel sales, boat maintenance, storage and repair;

AND WHEREAS the Town desirous of such commercial redevelopment and has changed the zoning of the Property to C-1 Commercial within the meaning of the Zoning Bylaws of the Town in order to accommodate the same;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the covenants, agreements, warranties and payments hereinafter set forth and provided for, the parties hereto respectively covenant and agree as follows:

COPY

2

1. That the Town agrees to sell, transfer and assign to ABACO, the Property, subject only to the existing encumbrances on titles as described in the title searches appended to this agreement (the "permitted encumbrances"), on the following terms:
 - (a) the closing date for the transfer of the Property shall be January 30, 2014;
 - (b) ABACO shall forthwith pay the Town the sum of \$1.00 on or before the closing date;
 - (c) ABACO shall demolish the buildings commonly known as the Fort Qu'Appelle Indian Hospital, the Powerhouse and any underground tunnels or structures on the Property, dispose of the demolition waste and rough grade/landscape the site in accordance with all applicable laws, bylaws and codes within one (1) year of the closing date, all at ABACO's sole cost and expense. ABACO shall in addition to obtaining at its sole expense all necessary demolition and construction permits and approvals, provide the Town, as a precondition to commencing the same:
 - i) an irrevocable letter of credit, cash or a performance bond in the sum of \$250,000.00 to secure completion of the demolition, waste disposal and rough grade/landscape; and
 - ii) proof of General Liability Insurance with respect to property damage and bodily injury, including death, in an amount not less than \$2,000,000.00 inclusive of any one occurrence, such coverage to include the activities and operations conducted by ABACO and any other person performing work on behalf of ABACO in respect of the property. Such policy shall name the Town as an additional insured and remain in full force and effect until due completion of the demolition, waste disposal and rough grade/landscape.
2. The acquisition price does not include Goods and Services Tax. ABACO warrants that it is registered under Division V, Subdivision d of The Act to amend the Excise Tax Act (Goods and Services Tax Legislation) and that its Goods and Services Tax registration number is 84245 7095 RC0001. ABACO undertakes to complete and file all necessary forms with Canada Customs and Revenue Agency regarding Goods and Services Tax and agrees to indemnify and save harmless the Town for the payment of Goods and Services Tax.
3. Property Taxes shall be adjusted as at the closing date.

COPY

4. The Town acknowledges and agrees that:

- a) The Town will provide possession of the Property;
- b) The Town is, and on the closing date will be, entitled to transfer the Property to ABACO free and clear of all liens, charges and mortgages, claims or encumbrances of any nature or kind whatsoever, save for the permitted encumbrances;
- c) The Town is aware that the Government of Canada, as previous owner of the property, had undertaken Phase I - III environmental assessments of the Property, the abatement of asbestos-containing products, the removal of PCB containing equipment, the removal of ODS materials and equipment and the removal of general hazardous products from the site. The Town is not aware of any deleterious or hazardous substances in, on or under the premises or any improvements constructed thereon, save and except:
 - i) the existence of some asbestos remaining in inaccessible locations, including behind an electrical panel in room #12; and
 - ii) the presence of lead paint on some walls and on almost all window frames.

The Town has furnished ABACO with copies of any and all environmental information it had obtained from the previous owner of the Property and ABACO has reviewed the same;

- d) The Town will fully co-operate with ABACO and shall grant permits necessary to demolish, dispose and rough grade/landscape the site, upon payment of usual and appropriate permit fees by ABACO;
- e) The Town will pay for the preparation of the transfer authorization for the transfer of title and ABACO will pay for the registration of same under *The Land Titles Act, 2000*.

5. ABACO acknowledges and agrees that:

- a) ABACO will, on the closing date, accept the Property on an "as is, where is" basis;
- b) There are no representations whatsoever, express or implied, regarding the Property or the condition of any buildings or improvements. ABACO agrees that it is purchasing the property on an "as is" basis in existence on the date of possession, and is purchasing the property based entirely on its own examinations, without any representation by or on behalf of the Town or any agent of the Town. ABACO acknowledges that it has relied entirely upon its own inspection and investigation with respect to the quantity, quality and value of the Property; and

COPY

4

c) Demolition is an important component of the consideration passing to transfer title to the Property. Should ABACO fail to:

i) furnish the Town with the security and insurance pursuant to paragraph 1(c)(i) and (ii) by April 30, 2014; or

ii) complete the required demolition, waste disposal and rough grade/landscape work by January 30, 2015;

ABACO shall forthwith transfer title to the Property back to the Town, subject only to the permitted encumbrances, at no cost to the Town. The parties agree that the covenant to transfer title back constitutes an interest in land in respect of which the Town may register a miscellaneous interest against titles to the Property.

d) Notwithstanding anything to the contrary in this agreement contained, ABACO and the Town agree that:

i) in the event that ABACO fails to furnish the Town with the security and insurance pursuant to paragraph 1(c)(i) and (ii) by April 30, 2014, the Town's remedies against ABACO shall be limited to accepting a transfer of title to the Property back to the Town, subject only to the permitted encumbrances, at no cost to the Town; and

ii) in the event that ABACO defaults in the performance of its obligations under this agreement after furnishing the Town with the security and insurance pursuant to paragraph 1(c)(i) and (ii), the Town's remedies against ABACO shall be limited to realizing on the irrevocable letter of credit, cash or performance bond provided by ABACO and accepting a transfer of title to the Property back to the Town, subject only to the permitted encumbrances, at no cost to the Town.

6. It is acknowledged and agreed by the parties that any future redevelopment of the property following completion of the demolition, waste disposal and rough grade/landscape work contemplated herein shall remain subject to the negotiation and completion of a servicing agreement between the parties in relation to the same.
7. Each of the parties agrees that it will at all times do all acts and sign all documents as the other reasonably requires so as to better evidence or perfect the transaction of sale and purchase provided in this agreement.

COPY

5

8. Any notice required or permitted to be given hereunder of any tender or delivery of documents may be given by delivering or faxing the same to the Town as follows:

Town of Fort Qu'Appelle
Box 309 Fort Qu'Appelle, Saskatchewan S0G 1S0
Attention: Mayor Ron Osika;
Fax 1-306-332-5087

9. Any notice required or permitted to be given hereunder of any tender or delivery of documents may be given by delivering or faxing the same to ABACO as follows:

ABACO Energy Services Ltd.
1825 Harbor Drive
Bismark ND 58504
Fax: 1-701-250-1226

10. A waiver by either party of the strict performance by the other of any covenant or provision of this agreement shall not constitute a waiver of any subsequent breach of such covenant or provision, or of any other covenant, provision or term of this agreement.
11. The parties covenant and agree that:
- a) *The Land Contracts (Actions) Act* shall have no application to any action, as defined therein, with respect to this agreement; and
 - b) *The Limitation of Civil Rights Act* shall have no application to this agreement and shall in no way restrict the right, powers and remedies of any party granted hereunder.
12. The laws of the province of Saskatchewan shall apply to the application, interpretation and enforcement of this agreement.
13. Time shall be of the essence in this agreement.
14. No modification of or amendment to this agreement shall be valid or binding unless set forth in writing duly executed by all of the parties hereto. ✓
15. ABACO may not transfer and assign its interest in this agreement save upon having first obtained the written consent of the Town.

COPY

6

16. This agreement shall enure to the benefit of and be binding upon the parties and their respective successors or assigns.
17. This agreement may be executed in any number of counterparts each of which shall constitute an original and all of which, taken together, shall constitute one and the same instrument. This agreement may be delivered by facsimile transmission and receipt of a facsimile copy of any party's signature shall be considered to be receipt of an original copy thereof.
18. This agreement constitutes the full agreement of the parties. There are no agreements, covenants, warranties or representations between the parties save as expressly set forth herein.

IN WITNESS WHEREOF the parties hereto have executed this agreement the date and year first above written.

(seal)

ABACO ENERGY SERVICES LTD.

Per:

Name:

Title:

CEO



TOWN OF FORT QU'APPELLE

Per:

Name: Kelly Schi ll

Title: Acting CAO

Performance Bond



SGI CANADA

Hereinafter called The Surety

COPY

2260 11th Avenue
Regina, Saskatchewan
Canada S4P 0J9

Broker: MAINLINE INSURANCE BROKERS INC SK 3568-02

Bond Amount: \$250,000

Bond No.: L69054455-2

Standard Construction Document
CCDC 221 - 2002

APEX ENTERPRIZES LTD as Principal, hereinafter called the Principal, and SGI CANADA a corporation created and existing under the laws of Saskatchewan and duly authorized to transact the business of Suretyship in Saskatchewan as Surety, hereinafter called the Surety, are held and firmly bound unto TOWN OF FORT QU'APPELLE, PO BOX 309, FORT QU'APPELLE, SK S0G 1S0 as Oblige, hereinafter called the Oblige, in the amount of Two Hundred Fifty Thousand Dollars (\$250,000) lawful money of Canada, for the payment of which sum the Principal and the Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally.

WHEREAS, the Principal has entered into a written contract with the Oblige, dated 3rd day of February, in the year 2014 for Demolition of Old Hospital, Fort Qu' Appelle, SK hereinafter referred to as the Contract.

The condition of this obligation is such that if the Principal shall promptly and faithfully perform the Contract then this obligation shall be null and void; otherwise it shall remain in full force and effect.

Whenever the Principal shall be, and declared by the Oblige to be, in default under the Contract, the Oblige having performed the Oblige's obligations thereunder, the Surety shall promptly:

- 1) remedy the default, or;
- 2) complete the Contract in accordance with its terms and conditions, or;
- 3) obtain a bid or bids for submission to the Oblige for completing the Contract in accordance with its terms and conditions and upon determination by the Oblige and the Surety of the lowest responsible bidder, arrange for a contract between such bidder and the Oblige and make available as work progresses (even though there should be a default, or a succession of defaults, under the contract or contracts of completion, arranged under this paragraph) sufficient funds to pay to complete the Principal's obligations in accordance with the terms and conditions of the Contract and to pay those expenses incurred by the Oblige as a result of the Principal's default relating directly to the performance of the work under the Contract, less the balance of the Contract price; but not exceeding the Bond Amount. The balance of the Contract price is the total amount payable by the Oblige to the Principal under the Contract, less the amount properly paid by the Oblige to the Principal, or;
- 4) pay the Oblige the lesser of (1) the Bond Amount or (2) the Oblige's proposed cost of completion, less the balance of Contract price.

It is a condition of this bond that any suit or action must be commenced before the expiration of two (2) years from the earlier of (1) the date of Substantial Performance of the Contract as defined in the lien legislation where the work under the Contract is taking place, or, if no such definition exists, the date when the work is ready for use or is being used for the purpose intended, or (2) the date on which the Principal is declared in default by the Oblige.

The Surety shall not be liable for a greater sum than the Bond Amount.

No right of action shall accrue on this Bond, to or for the use of, any person or corporation other than the Oblige named herein, or the heirs, executors, administrators or successors of the Oblige.

IN WITNESS WHEREOF, the Principal and the Surety have Signed and Sealed this Bond dated 25th day of February, in the year 2014

SIGNED and SEALED in the presence of

APEX ENTERPRIZES LTD

ATTORNEY IN FACT

Signature

Name of person signing

SGI CANADA

Authorized Officer

Terry Johnson

Name of person signing



COPY



Surface Parcel Number: 163531155

REQUEST DATE: Tue Jan 16 11:50:20 GMT-0600 2018



Scale: 1:4514

Owner Name(s): ABACO ENERGY SERVICES LTD.

Municipality: TOWN OF FORT QU'APPELLE

Title Number(s): 144631009

Parcel Class: Parcel (Generic)

Land Description: Blk/Par V-Plan 82R01656 Ext 1

Source Quarter Section:

Commodity/Unit: Not Applicable

Area: 1.884 hectares (4.66 acres)

Converted Title Number: 82R01656

Ownership Share: 1:1

DISCLAIMER: THIS IS NOT A PLAN OF SURVEY. It is a consolidation of plans to assist in identifying the location, size and shape of a parcel in relation to other parcels. Parcel boundaries and area may have been adjusted to fit with adjacent parcels. To determine actual boundaries, dimensions or area of any parcel, refer to the plan, or consult a surveyor.

Search Results

Search By:

Parcel

With Criteria:

Parcel Number = 163531155

As Of Date = 16 Jan 2018 11:50:00

Parcel Detail

▼ Number: 163531155

Type: Surface Regular

Status: titled

Class: Parcel (Generic)

Total Units: N/A

LLD: Blk/Par V-Plan 82R01656 Ext 1

Parcel Value: \$1.00 CAD

As shown on Plan 101927796

Parcel Picture:

Municipality: TOWN OF FORT QU'APPELLE

Audit:

History:

+

 Parcel Ties (0)

-

 Titles (1)

▶

 \$ Title

Number: 144631009

Type: Surface Regular

Last Amendment Date: 30 Jan 2014 09:31:44.180

Commodity/Unit: N/A

Owners:

ABACO ENERGY SERVICES LTD.

Share: 1/1

Lock Information: N/A

Back to Search

Back to top



Search Results

Search By: Parcel Audit
With Criteria: Parcel Number = 163531155

Audit Results



Date	Action/Request	Details
03 Oct 2007 15:00:41.000		Type: Surface Regular Status: pendtie Class: Parcel (Generic) Municipality: UNKNOWN Land Description: Blk/Par V-Plan 82R01656 Ext 1 As shown on Plan 101927796
03 Oct 2007 15:07:27.000		Type: Surface Regular Status: pending Class: Parcel (Generic) Municipality: UNKNOWN Land Description: Blk/Par V-Plan 82R01656 Ext 1 As shown on Plan 101927796
03 Oct 2007 15:15:07.000		Type: Surface Regular Status: pending Class: Parcel (Generic) Municipality: UNKNOWN Land Description: Blk/Par V-Plan 82R01656 Ext 1 As shown on Plan 101927796
03 Oct 2007 22:39:21.000		Type: Surface Regular Status: pending Class: Parcel (Generic) Municipality: TOWN OF FORT QU'APPELLE Land Description: Blk/Par V-Plan 82R01656 Ext 1 As shown on Plan 101927796
08 Nov 2007 15:14:41.000		Type: Surface Regular Status: titled Class: Parcel (Generic) Municipality: TOWN OF FORT QU'APPELLE Land Description: Blk/Par V-Plan 82R01656 Ext 1 As shown on Plan 101927796
08 Nov 2007 15:14:39.317	Application for Transfer (Form II: Setup)	Number: 126125108 Description: N/A
08 Nov 2007 15:14:39.317	Application for Transfer (Form II: Setup)	Number: 126125108 Description: N/A
08 Nov 2007 15:14:39.393	Application for Transfer (Form II: Setup)	Number: 134697099 Description: Surface Regular
05 Dec 2007 14:01:44.553	Application for Transfer (Single Title)	Number: 134697099 Description: Surface Regular
05 Dec 2007 14:01:44.727	Application for Transfer (Single Title)	Number: 134876919 Description: Surface Regular
27 Jan 2014 14:38:42.237	Application For Transfer (Form I: Surrender)	Number: 134876919 Description: Surface Regular
27 Jan 2014 14:38:42.890	Application for Transfer (Form II: Setup)	Number: 144631009 Description: Surface Regular

12 Records

[Back to top](#)

Search Results

Search By: Title Details
With Criteria: As Of Date = 01-Dec-2013 11:41:27
 Title Number = 134876919

Audit:  **History:** 

[Printer-Friendly Version](#)

Province of Saskatchewan Land Titles Registry Title

Title #: 134876919 **As of:** 01 Dec 2013 11:41:27
Title Status: Active **Last Amendment Date:** 17 Apr 2008 11:05:48.257
Parcel Type: Surface **Issued:** 05 Dec 2007 14:01:44.727
Parcel Value: \$10,000.00 CAD
Title Value: \$10,000.00 CAD **Municipality:** TOWN OF FORT QU'APPELLE
Converted Title: 82R01656
Previous Title and/or Abstract #: 134697099

TOWN OF FORT QU'APPELLE is the registered owner of Surface Parcel
 #163531155

Reference Land Description: Blk/Par VPlan No 82R01656 Extension 1
 As shown on Plan 101927796

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

Interest #:
140959378

Planning and Development Act,
 2007-Development Standards
 (Section 130)

Value: N/A
Reg'd: 27 Aug 2007 11:36:35
Interest Register Amendment
Date: N/A
Interest Assignment
Date: N/A
Expiry Date: N/A

Holder:

Her Majesty the Queen in Right of Saskatchewan
 Ministry of Municipal Affairs - Community Planning Branch 420 - 1855
 Victoria Avenue
 Regina, Saskatchewan, Canada S4P 3T2
Client #: 103093017

Int. Register #: 113177853**Interest #:**
140959389Power Corporation Act Easement
(s.23)**Value:** N/A
Reg'd: 24 Oct 2007 08:20:04
Interest Register Amendment
Date: 17 Apr 2008 11:05:48
Interest Assignment
Date: N/A
Expiry Date: N/A**Holder:**SASKATCHEWAN POWER CORPORATION
2025 VICTORIA AVE
REGINA, SK, Canada S4P 0S1**Client #:** 100307618**Int. Register #:** 113353972**Feature #:** 100183182**Interest #:**
140959390


Public Utility Easement

Value: N/A
Reg'd: 19 Nov 2007 09:47:52
Interest Register Amendment
Date: N/A
Interest Assignment
Date: N/A
Expiry Date: N/A**Holder:**Saskatchewan Telecommunications
13th Floor, 2121 Saskatchewan Drive
Regina, Saskatchewan, Canada S4P 3Y2**Client #:** 100006861**Int. Register #:** 113849062**Addresses for Service:****Name****Address****Owner:**TOWN OF FORT QU'APPELLE
Client #: 100513538

BOX 309 FORT QU'APPELLE, SK, Canada S0G 1S0

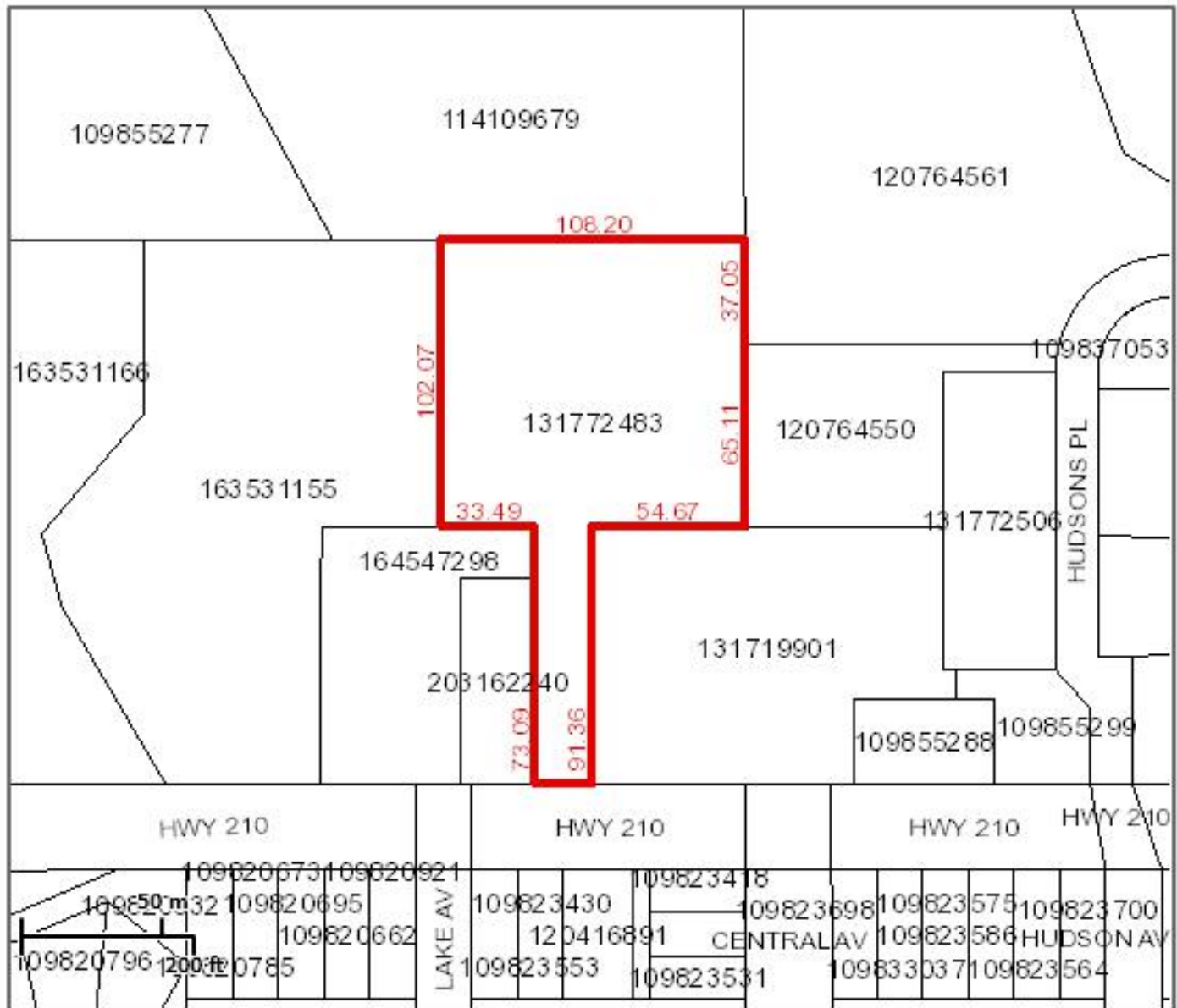
Notes:

Parcel Class Code: Parcel (Generic)

To request a copy, click here  \$**Close****Back to top**

Surface Parcel Number: 131772483

REQUEST DATE: Tue Jan 16 13:15:53 GMT-0600 2018



Scale: 1:4514

Owner Name(s): ABACO ENERGY SERVICES LTD.

Municipality: TOWN OF FORT QU'APPELLE

Title Number(s): 144631021

Parcel Class: Parcel (Generic)

Land Description: Blk/Par Q-Plan 77R09773 Ext 1

Source Quarter Section:

Commodity/Unit: Not Applicable

Area: 1.289 hectares (3.18 acres)

Converted Title Number: 78R24879

Ownership Share: 1:1

DISCLAIMER: THIS IS NOT A PLAN OF SURVEY. It is a consolidation of plans to assist in identifying the location, size and shape of a parcel in relation to other parcels. Parcel boundaries and area may have been adjusted to fit with adjacent parcels. To determine actual boundaries, dimensions or area of any parcel, refer to the plan, or consult a surveyor.



Search Results

Search By: Parcel
With Criteria: Parcel Number = 131772483
As Of Date = 16 Jan 2018 13:09:14

Parcel Detail

Number: 131772483	Type: Surface Regular
Status: titled	Class: Parcel (Generic)
Total Units: N/A	LLD: Blk/Par Q-Plan 77R09773 Ext 1 As described on Certificate of Title 78R24879.
Parcel Value: \$1.00 CAD	Municipality: TOWN OF FORT QU'APPELLE
Parcel Picture:	Audit: History:

Parcel Ties (0)

Titles (1)

\$ Title

Number: 144631021	Type: Surface Regular
Last Amendment Date: 30 Jan 2014 09:31:44.193	
Commodity/Unit: N/A	
Owners: ABACO ENERGY SERVICES LTD.	
Share: 1/1	
Lock Information: N/A	

Back to Search

Back to top



Search Results

Search By: Parcel Audit
With Criteria: Parcel Number = 131772483

Audit Results



Date	Action/Request	Details
02 Jun 2002 01:35:28.000		Type: Surface Regular Status: titled Class: Unknown Municipality: UNKNOWN Land Description: Blk/Par Q-Plan 77R09773 Ext 0 As described on Certificate of Title 78R24879.
13 Nov 2002 18:19:54.000		Type: Surface Regular Status: titled Class: Parcel (Generic) Municipality: TOWN OF FORT QU'APPELLE Land Description: Blk/Par Q-Plan 77R09773 Ext 1 As described on Certificate of Title 78R24879.
13 Nov 2002 20:08:52.000		Type: Surface Regular Status: titled Class: Parcel (Generic) Municipality: TOWN OF FORT QU'APPELLE Land Description: Blk/Par Q-Plan 77R09773 Ext 1 As described on Certificate of Title 78R24879.
02 Jun 2002 01:35:28.270	Application for Ownership Register Setup	Number: 108426652 Description: N/A
02 Jun 2002 01:35:28.270	Application for Ownership Register Setup	Number: 108426652 Description: N/A
02 Jun 2002 01:35:28.317	Application for Ownership Register Setup	Number: 109284778 Description: Surface Regular
27 Jan 2014 14:38:42.090	Application For Transfer (Form I: Surrender)	Number: 109284778 Description: Surface Regular
27 Jan 2014 14:38:44.420	Application for Transfer (Form II: Setup)	Number: 144631021 Description: Surface Regular

8 Records

[Back to top](#)

Search Results

Search By: Title Details
With Criteria: As Of Date = 01-Dec-2013 11:39:51
 Title Number = 109284778

Audit:  **History:** 

[Printer-Friendly Version](#)

Province of Saskatchewan Land Titles Registry Title

Title #: 109284778	As of: 01 Dec 2013 11:39:51
Title Status: Active	Last Amendment Date: 13 Nov 2013 14:46:33.180
Parcel Type: Surface	Issued: 02 Jun 2002 01:35:28.317
Parcel Value: N/A	
Title Value: N/A	Municipality: TOWN OF FORT QU'APPELLE
Converted Title: 78R24879	
Previous Title and/or Abstract #: 78R24879	

The Town of Fort Qu'Appelle is the registered owner of Surface Parcel #131772483

Reference Land Description: Blk/Par QPlan No 77R09773 Extension 1
 As described on Certificate of Title 78R24879.

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

Interest #:
137063213

CNV Common Law Easement
 (Dominant)

Value: N/A
Reg'd: 14 Mar 2007 14:11:14
Interest Register Amendment
Date: 14 Mar 2007 14:11:14
Interest Assignment
Date: N/A
Expiry Date: N/A
Original Registration Date: 17
 Sep 1945 01:20:16

Re: Blocks 2 and 3, Fort Qu'Appelle,
 Plan 1867

Holder:

The Current Dominant Tenement
 n/a, Saskatchewan, Canada S4P 3V7
Client #: 100009099

Interest #:
164846223

Int. Register #: 102095894
Converted Instrument #: EG4816

CNV Common Law Easement
(Dominant)

Value: N/A
Reg'd: 13 Nov 2013 14:46:31
Interest Register Amendment
Date: N/A
Interest Assignment
Date: N/A
Expiry Date: N/A
Original Registration Date: 20
Mar 1945 00:00:01

Converted Instrument Number
EG3260

Holder:
The Current Dominant Tenement
n/a, Saskatchewan, Canada S4P 3V7
Client #: 100009099
Int. Register #: 119590016

Interest #:
164846447

CNV Common Law Easement
(Dominant)

Value: N/A
Reg'd: 13 Nov 2013 14:46:32
Interest Register Amendment
Date: N/A
Interest Assignment
Date: N/A
Expiry Date: N/A
Original Registration Date: 19
Apr 1945 00:00:01

Converted Instrument Number
EG3668

Holder:
The Current Dominant Tenement
n/a, Saskatchewan, Canada S4P 3V7
Client #: 100009099
Int. Register #: 119590072

Interest #:
164846650

CNV Common Law Easement
(Dominant)

Value: N/A
Reg'd: 13 Nov 2013 14:46:33
Interest Register Amendment
Date: N/A
Interest Assignment
Date: N/A
Expiry Date: N/A
Original Registration Date: 21
Jul 1945 00:00:01

Converted Instrument Number
EG4440

Holder:

The Current Dominant Tenement
n/a, Saskatchewan, Canada S4P 3V7

Client #: 100009099

Int. Register #: 119590106


Addresses for Service:**Name****Address****Owner:**

The Town of Fort Qu'Appelle
Client #: 102245790

Fort Qu'Appelle, Saskatchewan, Canada

Notes:

Parcel Class Code: Parcel (Generic)

To request a copy, click here 



[Back to top](#)

ABACO Energy Services

COPY

g

March 5th, 2015

Town of Fort Qu'Appelle

Box 2087

Fort Qu'Appelle, Sask SOG 150

CONFIDENTIAL

Attention Council Members:

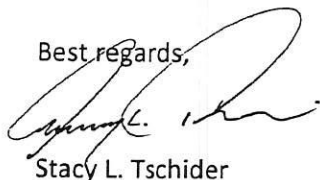
Dear Mayor Ron Osiksa and Council Members,

RE: Proposal to Purchase "Lot Y"

Abaco Energy Services LTD offers to purchase "Lot Y" for the development of a Marina, for the purchase price of \$1. Abaco is required to design the Marina project so that the Trans Canada Trail is included in our plans and that the public will have access to the trail.

Abaco is confident that once we get approval from the different agencies, Abaco will proceed to develop the land. I would like to thank the Council and Town of Fort Qu'Appelle for their continued support. Please let me know if this proposal is acceptable.

Best regards,



Stacy L. Tschider

President

PURCHASE AGREEMENT

COPY

THIS AGREEMENT made this 28 day of August, 2015

BETWEEN:

ABACO ENERGY SERVICES LTD., a body corporate incorporated pursuant to the laws of the province of Saskatchewan ("ABACO");

- and -

THE TOWN OF FORT QU'APPELLE, a municipality within the meaning of *The Municipalities Act* ("Town")

WHEREAS the Town is registered owner of the lands situate in the Town of Fort Qu'Appelle in the Province of Saskatchewan, legally described as follows:

Surface Parcel #120764561
Reference Land Description: Block Y Plan No 85R64873 Extension 1
As described on Certificate of Title 86R09448

(hereinafter called the "Property")

AND WHEREAS ABACO is desirous of pursuing commercial redevelopment opportunities for the Property, including motel/hotel, residential or commercial condominiums/townhouses, retail, professional/business/medical offices and suites, restaurants and marina, complete with fuel sales, boat maintenance, storage and repair;

AND WHEREAS the Town desirous of such commercial redevelopment and is in the process of enacting a new zoning bylaw under which the Property shall be located within the CS2, Passive Community Service District which shall accommodate the same;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the covenants, agreements, warranties and payments hereinafter set forth and provided for, the parties hereto respectively covenant and agree as follows:

1. That the Town shall continue the process necessary to cause the enactment of the new zoning bylaw and the zoning of the Property as CS2 Passive Community Service;

2. That upon the enactment of the new zoning bylaw and the zoning of the Property as CS2 Passive Community Service, the Town agrees to sell, transfer and assign to ABACO, the Property, subject only to the existing encumbrances on titles as described in the title searches appended to this agreement (the "permitted encumbrances"), on the following terms:
 - (a) the closing date for the transfer of the Property shall be 30 days from the date the Town achieves the enactment of the new zoning bylaw and the zoning of the Property as CS2 Passive Community Service; and
 - (b) ABACO shall forthwith pay the Town the sum of \$1.00 on or before the closing date.
3. That should the Town fail to enact the new zoning bylaw and the zoning of the Property as CS2 Passive Community Service by January 1, 2016, this agreement shall be deemed in all ways terminated and of no further force or effect.
4. The acquisition price does not include Goods and Services Tax. ABACO warrants that it is registered under Division V, Subdivision d of The Act to amend the Excise Tax Act (Goods and Services Tax Legislation) and that its Goods and Services Tax registration number is 84245 7095 RC0001. ABACO undertakes to complete and file all necessary forms with Canada Customs and Revenue Agency regarding Goods and Services Tax and agrees to indemnify and save harmless the Town for the payment of Goods and Services Tax.
5. Property Taxes shall be adjusted as at the closing date.
6. The Town acknowledges and agrees that:
 - a) The Town will provide possession of the Property;
 - b) The Town is, and on the closing date will be, entitled to transfer the Property to ABACO free and clear of all liens, charges and mortgages, claims or encumbrances of any nature or kind whatsoever, save for the permitted encumbrances;
 - c) The Town will pay for the preparation of the transfer authorization for the transfer of title and ABACO will pay for the registration of same under *The Land Titles Act, 2000*.

COPY

7. ABACO acknowledges and agrees that:

a) ABACO will, on the closing date, accept the Property on an "as is, where is" basis;

b) There are no representations whatsoever, express or implied, regarding the Property or the condition of any buildings or improvements. ABACO agrees that it is purchasing the property on an "as is" basis in existence on the date of possession, and is purchasing the property based entirely on its own examinations, without any representation by or on behalf of the Town or any agent of the Town. ABACO acknowledges that it has relied entirely upon its own inspection and investigation with respect to the quantity, quality and value of the Property; and

7. It is acknowledged and agreed by the parties that redevelopment is an important component of the consideration passing to transfer the Property and that any future redevelopment of the Property shall remain subject to the negotiation and completion of a servicing agreement between the parties in relation to the same. In the event that the parties should fail to enter into a servicing agreement in respect of the Property by January 1, 2020, ABACO shall forthwith transfer title to the Property back to the Town, subject only to the permitted encumbrances, at no cost to the Town. The parties agree that the covenant to transfer title back constitutes an interest in land in respect of which the Town may register a miscellaneous interest against title to the Property.

8. It is acknowledged and agreed by the parties that the Trans Canada Trail presently traverses across the Property and that ABACO shall permit and accommodate the continued use of the Property for this purpose from its acceptance of the Property on the closing date and through any future redevelopment of the Property, for so long as the Trans Canada Trail shall remain in existence in the Town. The parties agree that the covenant to preserve the Trans Canada Trail in relation to the Property constitutes an interest in land in respect of which the Town may register a miscellaneous interest against title to the Property.

9. Each of the parties agrees that it will at all times do all acts and sign all documents as the other reasonably requires so as to better evidence or perfect the transaction of sale and purchase provided in this agreement.

10. Any notice required or permitted to be given hereunder of any tender or delivery of documents may be given by delivering or faxing the same to the Town as follows:

Town of Fort Qu'Appelle
Box 309 Fort Qu'Appelle, Saskatchewan S0G 1S0
Attention: Mayor Ron Osika;
Fax 1-306-332-5087

COPY

11. Any notice required or permitted to be given hereunder of any tender or delivery of documents may be given by delivering or faxing the same to ABACO as follows:

ABACO Energy Services Ltd.
1825 Harbor Drive
Bismark ND 58504
Fax: 1-701-250-1226

12. A waiver by either party of the strict performance by the other of any covenant or provision of this agreement shall not constitute a waiver of any subsequent breach of such covenant or provision, or of any other covenant, provision or term of this agreement.
13. The parties covenant and agree that:
- a) *The Land Contracts (Actions) Act* shall have no application to any action, as defined therein, with respect to this agreement; and
 - b) *The Limitation of Civil Rights Act* shall have no application to this agreement and shall in no way restrict the right, powers and remedies of any party granted hereunder.
14. The laws of the province of Saskatchewan shall apply to the application, interpretation and enforcement of this agreement.
15. Time shall be of the essence in this agreement.
16. No modification of or amendment to this agreement shall be valid or binding unless set forth in writing duly executed by all of the parties hereto.
17. ABACO may not transfer and assign its interest in this agreement save upon having first obtained the written consent of the Town.
18. This agreement shall enure to the benefit of and be binding upon the parties and their respective successors or assigns.
19. This agreement may be executed in any number of counterparts each of which shall constitute an original and all of which, taken together, shall constitute one and the same instrument. This agreement may be delivered by facsimile transmission and receipt of a facsimile copy of any party's signature shall be considered to be receipt of an original copy thereof.

COPY

20. This agreement constitutes the full agreement of the parties. There are no agreements, covenants, warranties or representations between the parties save as expressly set forth herein.

IN WITNESS WHEREOF the parties hereto have executed this agreement the date and year first above written.

(seal)



ABACO ENERGY SERVICES LTD.

Per: 

Name: Stacy L. Tschider

Title: President

TOWN OF FORT QU'APPELLE

Per: 

Name: _____

Title: _____

**Minutes of the Regular Meeting of the Council of the Town of Fort Qu'Appelle
held on Thursday, August 22, 2013 at 6:00 p.m. in Council Chambers.**

Present: Mayor Ron Osika, Councillors Jeff Brown, Lee Finishen, Brian Janz, Tanya Kulaway, Robert Morton

In Attendance: Darrell Webster CAO

Mayor Osika called the meeting to order @ 7:00 p.m.

156/ 13	AGENDA	MELANSON/FINISHEN: THAT the agenda be adopted with the additions. CARRIED
157/ 13	MINUTES	KULAWAY/FINISHEN: THAT the minutes of the regular meeting of August 1, 2013 be adopted as amended. CARRIED
Delegation: At 7:00pm John Barker of Emterra Environmental made a presentation to council on the firms recycling program. Mr. Barker left @7:15pm.		
158/ 13	SASK POWER QUOTE	MELANSON/JANZ: That we approve the quote for work to be completed by Sask. Power for upgrades to the service at the Fort Campground. CARRIED
159/13	RESCIND MOTION	FINISHEN/KULAWAY: That we rescind motion 151/13. CARRIED
160/13	RESCIND MOTION	JANZ/MORTON: THAT we rescind Motion 152/13. CARRIED
161/13	TENNIS COURTS	BROWN/MELANSON: THAT we proceed with the re-paving of the tennis courts to the amount budgeted for 2013 and that the Tennis club be billed for any amount over budget. CARRIED
COMMITTEE REPORTS WERE VERBALLY PRESENTED BY THE PUBLIC WORKS COMMITTEE, CALLING LAKES PLANNING COMMISSION AND THE FINANCE COMMITTEE		
162/13	FINANCIAL STATEMENT	MELANSON/MORTON: THAT THE July Financial statements be adopted as presented. CARRIED
163/13	SUBDIVISION APPLICATION	FINISHEN/MORTON: THAT we approve the subdivision application for the NW¼ 5-21-13w2m. CARRIED

164/13	GIROUX LEASE	<p>MORTON/FINISHEN</p> <p>THAT we approve the lease with Valley Cabin Rentals.</p> <p>Recorded Vote</p> <p>Melanson - Nay</p> <p>Brown – Nay</p> <p>Finishen - Nay</p> <p>Tanya – Nay</p> <p>Janz – Nay</p> <p>Morton – Nay</p> <p>Osika – Nay</p> <p>DEFEATED</p>
165/13	CONSOLIDATION OF LOTS	<p>JANZ/FINISHEN:</p> <p>THAT approve the internal consolidation of the Hahn property on Qu’Appelle Crescent into three parcels for Taxation purposes.</p> <p>CARRIED.</p>
166/13	REFERRAL	<p>MELANSON/KULAWAY:</p> <p>THAT we refer the letter from Jill Radwansky to the Parks and recreation committee for investigation.</p> <p>CARRIED</p>
166/13	CORRESPONDENCE	<p>FINISHEN/JANZ</p> <p>THAT the Correspondence be received and filed.</p> <p>CARRIED</p>
167/13	BYLAW 12/2013	<p>MELANSON/FINISHEN</p> <p>THAT Bylaw 12-2013 be read a third and final time ,signed and sealed by the Mayor and CAO.</p> <p>Recorded Vote Melanson – Aye</p> <p>Brown – Nay</p> <p>Finishen – Aye</p> <p>Kulaway – Aye</p> <p>Janz – Nay</p> <p>Morton – Aye</p> <p>Osika - Aye</p> <p>CARRIED</p>

The meeting adjourned to the Committee of the whole @ 9:00 pm to discuss an economic development issue.

The Meeting reconvened @ 9:30pm

168/13	APEX OFFER	<p>BROWN/FINISHEN</p> <p>THAT We decline the offer to purchase 20 acres of property made by Apex Enterprises Ltd. And that we respond we will work with the company should the proposed demolition project proceed.</p> <p>CARRIED.</p>
--------	------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

169/13 ADJOURN

FINISHEN/MORTON
THAT we adjourn.
CARRIED.

The meeting adjourned at 9:35 p.m.

Mayor

Chief Administrative Officer

**** The next regular meeting of the Council of the Town of Fort Qu'Appelle
will be held on Thursday September 12, 2013 @7:00p.m. in Council Chambers.**

**Minutes of the Special Meeting of the Council of the Town of Fort Qu'Appelle
held on Tuesday April 2, 2014 at 6:00 p.m. in Council Chambers.**

Present: Mayor Ron Osika, Councillors Jeff Brown, Lee Finishen, Brian Janz, Tanya Kulaway,
Jenny Melanson
Absent: Councillor Robert Morton

In Attendance: Kelly Schill Chief Administrative Officer

Mayor Osika called the meeting to order @ 6:00 p.m.

Administration presented a proposal from Apex Enterprizes regarding Parcel F. Discussions followed.

The meeting ended at 7:30 p.m.

Mayor

Chief Administrative Officer

**** The next regular meeting of the Council of the Town of Fort Qu'Appelle
will be held on Thursday April 10, 2013 @7:00p.m. in Council Chambers.**

**Minutes of the Regular Meeting of the Council of the Town of Fort Qu'Appelle
held on Thursday, April 10, 2014 at 7:00 p.m. in Council Chambers.**

Present: Mayor Ron Osika, Councillors Jeff Brown, Lee Finishen, Brian Janz , Tanya Kulaway,
Jenny Melanson, Robert Morton

Absent:

In Attendance: Kelly Schill Chief Administrative Officer

Mayor Osika called the meeting to order @ 7:00 p.m.

091/ 14	AGENDA	MELANSON/BROWN: THAT the agenda be adopted as presented with additions. CARRIED.
092/ 14	MINUTES	FINISHEN/KULAWAY: THAT the minutes of the regular meeting of March 27, 2014 be adopted as presented. CARRIED.
093/14	UMAAS	FINISHEN/MELANSON: THAT we allow Kelly Schill to attend the UMAAS conference being held in Saskatoon June 3 - 6, 2014. CARRIED.
094/14	RECREATION COMMITTEE	JANZ/BROWN: THAT the minutes of the Recreation Committee meeting held April 8, 2014 be adopted as presented. CARRIED.
095/14	CHEQUE REGISTER	BROWN/FINISHEN: THAT the accounts payable batches 48-53 in the amount of \$143,534,41 be adopted as presented. CARRIED.
096/14	FINANCIAL STATEMENT	MORTON/JANZ: THAT the March 2014 Financial Statement be adopted as presented. CARRIED.
097/14	CHEQUE REGISTER AD	MORTON/KULAWAY: THAT we publish the cheque register on the website for a trial basis. CARRIED.
098/14	TULIK HOLDINGS	MELANSON/MORTON: THAT we refund Tulik Holdings for the survey costs of the land leased (MR1 and MR2) once we receive the original copy of the survey. CARRIED.
099/14	APEX ENTERPRIZES	BROWN/FINISHEN: THAT we accept a proposal from Apex Enterprizes that allows them to haul rubble into the old lagoon site (south west portion of parcel F), place a 6" clay cap on top and level out to desired elevation at their own cost. In return, the Town will transfer 3 acres of said parcel to said company and retain remainder as industrial lots. <i>Councillor Janz abstained from vote</i> CARRIED.
100/14	VISA	FINISHEN/MELANSON:

THAT we allow Kelly Schill to sign agreement with CIBC Corporate Classic VISA card to obtain a CIBC VISA with a limit of \$10,000. When said VISA arrives, the US Bank credit card currently held will be cancelled.
CARRIED.

- 101/14 RESCIND PURCHASING POLICY** BROWN/KULAWAY:
THAT we rescind purchasing policy passed in motion 04/13 .
CARRIED.
- 102/14 PURCHASING POLICY** KULAWAY/MELANSON:
THAT we adopt the purchasing policy as presented by administration.
CARRIED.
- 103/14 IN CAMERA** FINISHEN/MORTON:
THAT we move in camera at 8:28 p.m.
CARRIED.
- 104/14 OUT OF CAMERA** FINISHEN/BROWN:
THAT we move out of camera at 10:02 p.m..
CARRIED.
- 105/14 JESSICA HEISLER** FINISHEN/KULAWAY:
THAT we offer Jessica Heisler for the position of Assistant Administrator with the Town of Fort Qu'Appelle.
CARRIED.
- 106/14 RECREATION DIRECTOR** MORTON/JANZ:
THAT we eliminate the position of Recreation Director.
CARRIED.
- 107/14 ADJOURN** FINISHEN/ MELANSON:
THAT WE ADJOURN.
CARRIED.

The meeting adjourned at 10:30 p.m.

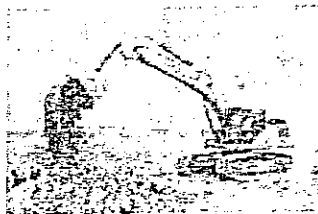


 Mayor



 Chief Administrative Officer

**** The next regular meeting of the Council of the Town of Fort Qu'Appelle will be held on Thursday April 24, 2014 @7:00p.m. in Council Chambers.**



Apex Enterprizes LTD.

P.O. Box 2530

Fort Qu'Appelle, SK

S0G 1S0

Date: April 2, 2013

Project: Parcel F

To Mayor and council,

My Company is in the process of demolishing the old hospital and it has been brought to my attention that the town has had other interest in Parcel F besides my company. The demolition project brings forward cost effective fill material for parcel F in which my company would be interested in working with the town to make Parcel F into a taxable property and not low lying marsh land.

My company proposes to haul the rubble to parcel F for the town and start filling in from the West End continuing east. After the rubble is filled in my company at my own cost will put a 6" clay cap over the rubble at my own expense. In return my company wants 3 Acres of Parcel F. As per attached plan.

From this the town will have approximately the first 150m of property to sell as one package or divide up into smaller packages, and whatever rubble is left will go into fill past the next 3 acres my company would own. My company would also put a clay cap on this rubble in return Apex would have the right to use the property East of Apex's new property for parking until the town sold or developed this portion.

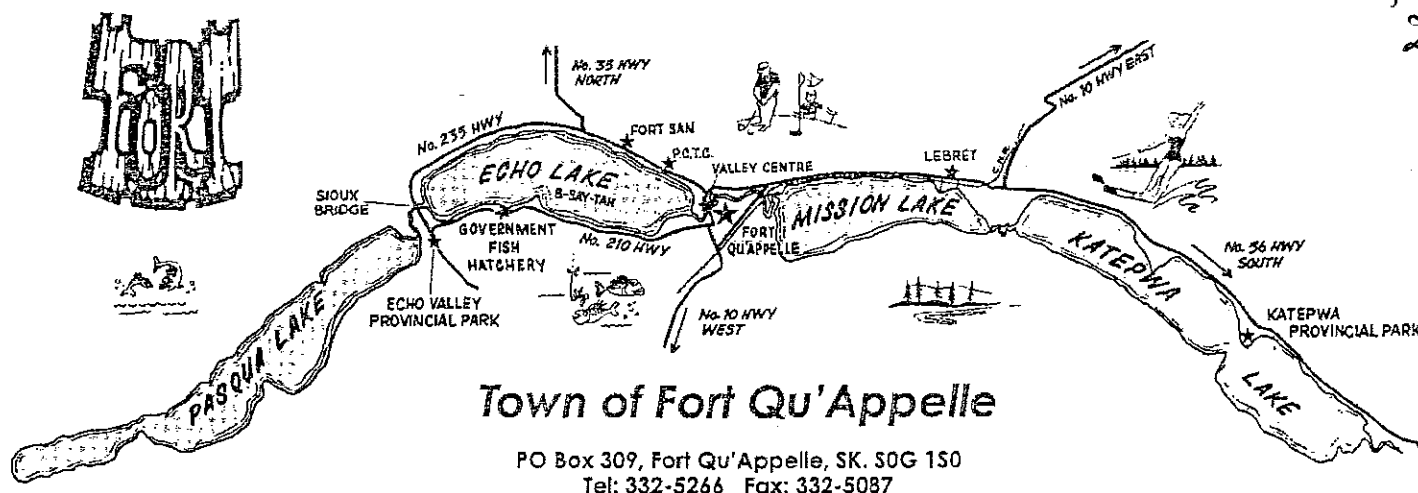
This matter is of time sensitive and we are planning to commence hauling by tomorrow or Friday at the latest. If I start hauling to other site I would have to complete that property build before I could haul to town site. Which in turn would mean there would probably not be enough fill to complete both projects?

Cal Tulik



Apex Enterprizes LTD.

Confidentiality Notice: The information contained in this letter is privileged or confidential information intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this message is strictly prohibited. If you have received this message in error, please notify us immediately by telephone, delete this message, and destroy any printed copies in a secure manner.

24-25
25

COPY

April 2, 2014

Apex Enterprizes LTD.
Box 2530
Fort Qu'Appelle, SK
S0G 1S0

RE: Parcel F Project

Dear Cal,

At a special meeting held April 2, 2014, the majority of the Fort Qu'Appelle Town Council approved for you to commence hauling rubble from the old Indian Hospital site to parcel F. As laid out in your proposal, your company will haul the rubble and start filling from the west end, continuing east. After the rubble is filled, your company (at your companies cost), will put a 6" clay cap over the rubble. In return, the Town will give you 3 acres of parcel F. Please see your attached request (with drawing), as that is all the particulars that our agreement entails.

We thank you for this opportunity to work together, and in return, getting a desired result greatly needed for the expansion of our industrial area.

Thank you,

Kelly Schill
CAO



May 11, 2015

Abaco Energy Services Ltd.
8606 Island Road
BISMARCK ND USA 58503

Re: OFFER TO PURCHASE – Blk/Par 2 Plan No. 1867 Extension 4 Parcel Number 114109679 - and - Blk/Par W Plan No. 82R01656 Extension 0 Parcel Number 109855277 (the “Land”)

Thank you for your offer of April 4, 2015 to purchase the Land for \$100,000. Subject to the conditions precedent set out below being satisfied in full prior to any sale, Water Security Agency (WSA) hereby accepts your offer to purchase.

Conditions Precedent

1. A flood easement will be registered on the property and will remain on title and run with the land following completion of the sale;
2. An access easement over that portion of the Land identified on the attached map will be registered to ensure that WSA can access and maintain the channel and the Echo Lake control structure in future. This easement will be registered on the property and will remain on title and run with the land following completion of the sale;
3. The Crown's duty to consult, which is triggered on the proposal to sell Crown land to which aboriginal peoples have access to exercise their treaty and aboriginal rights, will be fulfilled to WSA's satisfaction;
4. Any mitigation or accommodation that WSA requires to be fulfilled and which arises out of the consultations referred to in paragraph 3 above, will be satisfactorily fulfilled by the purchaser;
5. If that portion of the Land now covered in water is determined to be bed and shore, the Land will require a new survey and registration of those surveys with creation of the new parcels prior to transfer.

WSA expects that the duty to consult can be completed in approximately three months. If mitigation or accommodation is required prior to a transfer, the time line will be extended

ABACO Energy Services Ltd.
May 11, 2015
Page 2

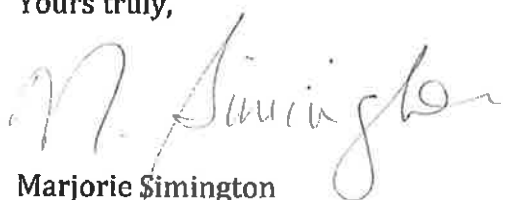
to whatever time it takes for you, as purchaser, to fulfill the mitigation or accommodation requirements.

The completion date for the sale and purchase of the Land will be 30 days after the date that WSA provides notice to you that all conditions have been satisfactorily completed.

Payment of the purchase price shall be by certified cheque payable to Water Security Agency and will be due on the completion date.

You will be responsible for all ISC Registration charges associated with transferring the Land.

Yours truly,



Marjorie Simington
Associate General Counsel
marjorie.simington@wsask.ca
306.694.8911

MS/nf

Attachment

c.c. Clinton Molde, Acting Exec Director, Integrated Water Services,
Water Security Agency, Moose Jaw
Susan Ross, Vice-President, Legal, Regulatory & Aboriginal Affairs,
Water Security Agency, Regina
Dan McGill, Program Manager, Aboriginal Affairs & Regulatory Compliance Assurance,
Water Security Agency, Regina
Jeff Hovdebo, Manager, Water Rights, Approvals & Compliance,
Water Security Agency, Moose Jaw
Terry Barkway, Director, Engineering Services,
Water Security Agency, Moose Jaw



Saskatchewan Corporate Registry

Profile Report

Entity Number: 101123459

Page 1 of 3

Entity Name: APEX ENTERPRIZES LTD.

Report Date: 07-Feb-2018

Entity Details

Entity Type	Business Corporation
Entity Subtype	Saskatchewan Corporation
Entity Status	Active
Incorporation Date	29-May-2008
Annual Return Due Date	30-Jun-2018
Nature of Business	CIVIL CONSTRUCTION, CONSULTING AND EQUIPMENT SALES AND RENTAL

Registered Office/Mailing Address

Physical Address	400 - 9TH ST. W, FORT QU'APPELLE, Saskatchewan, Canada, S0G1S0
Attention To	CAL TULIK
Mailing Address	APEX ENTERPRIZES LTD., BOX 2530, FORT QU'APPELLE, Saskatchewan, Canada, S0G1S0
Attention To	CAL TULIK

Directors/Officers

CAL LEE TULIK (Director)

Physical Address:	BOX 2530, FORT QU'APPELLE, Saskatchewan, Canada, S0G1S0	Resident Canadian:	Yes
Mailing Address:	BOX 2530, FORT QU'APPELLE, Saskatchewan, Canada, S0G1S0		
		Effective Date:	29-May-2008

Shareholders

Shareholder Name	Mailing Address	Share Class	Shares Held
CAL LEE TULIK	BOX 2530, FORT QU'APPELLE, SK, CANADA, S0G1S0	A COM	51
CAL LEE TULIK	BOX 2530, FORT QU'APPELLE, SK, CANADA, S0G1S0	C COM	25
SHAUNA TULIK	BOX 2530, FORT QU'APPELLE, SK, CANADA, S0G1S0	B COM	49



Saskatchewan Corporate Registry

Profile Report

Entity Number: 101123459

Page 2 of 3

Entity Name: APEX ENTERPRIZES LTD.

Report Date: 07-Feb-2018

SHAUNA TULIK BOX 2530, FORT QU'APPELLE, SK,
CANADA, S0G1S0 C COM

25

Articles

Minimum Number of Directors: 1 Maximum Number of Directors: 5

Share Structure:

Class Name	Voting Rights	Authorized Number	Number Issued
A COM	Yes	Unlimited	51
B COM	Yes	Unlimited	49
C COM	No	Unlimited	50
D COM	No	Unlimited	
E PRE	Yes	Unlimited	
F PRE	No	Unlimited	
G PRE	No	Unlimited	

Previous Entity Names

Type	Name	Effective Until
Registered Name	APEX RESTORATION & PROTECTIVE COATING LTD.	09-May-2012

Event History

Type	Date
Business Corporation - Annual Return	08-Sep-2017
Business Corporation - Annual Return	12-Sep-2016
Business Corporation - Annual Return	04-Sep-2015
Business Corporation - Annual Return	30-May-2014
Business Corporation - Annual Return	21-Jun-2013
Notice of Shareholders	10-Dec-2012
Business Corporation - Annual Return	31-Oct-2012
Business Corporation - Amend Articles	10-May-2012
Business Corporation - Annual Return	06-Jun-2011
Business Corporation - Annual Return	27-May-2010
Business Corporation - Annual Return	21-Sep-2009
Business Corporation - Amend Articles	08-May-2009
General Information	08-May-2009



Saskatchewan Corporate Registry

Profile Report

Page 3 of 3

Entity Number: 101123459

Entity Name: APEX ENTERPRIZES LTD.

Report Date: 07-Feb-2018

Nature of Business

30-May-2008

Business Corporation - Incorporation

29-May-2008



Saskatchewan Corporate Registry

Profile Report

Entity Number: 101127367

Page 1 of 3

Entity Name: ABACO ENERGY SERVICES LTD.

Report Date: 08-Feb-2018

Entity Details

Entity Type	Business Corporation
Entity Subtype	Saskatchewan Corporation
Entity Status	Active
Incorporation Date	01-Aug-2008
Annual Return Due Date	30-Sep-2018
Nature of Business	OILFIELD EQUIPMENT RENTALS

Registered Office/Mailing Address

Physical Address	1329 THIRD STREET, ESTEVAN, Saskatchewan, Canada, S4A0S1
Mailing Address	ABACO ENERGY SERVICES LTD., 1825 HARBOR DRIVE, BISMARCK, North Dakota, United States, 58504-8854
Attention To	JEFF JONSON

Directors/Officers

STACY L. TSCHIDER (Officer)

Physical Address:	4024 DOWNING STREET, BISMARCK, North Dakota, United States, 585504-8854		
Mailing Address:	4024 DOWNING STREET, BISMARCK, North Dakota, United States, 585504-8854	Office Held:	PRESIDENT
		Effective Date:	30-Nov-2009

JEFFREY D. JONSON (Officer)

Physical Address:	1825 HARBOR DRIVE, BISMARCK, North Dakota, United States, 58504		
Mailing Address:	1825 HARBOR DRIVE, BISMARCK, North Dakota, United States, 58504	Office Held:	CEO & VICE-PRESIDENT
		Effective Date:	27-Sep-2010



Saskatchewan Corporate Registry

Profile Report

Entity Number: 101127367

Page 2 of 3

Entity Name: ABACO ENERGY SERVICES LTD.

Report Date: 08-Feb-2018

DEBORAH A. JONSON (Officer)

Physical Address: 1825 HARBOR DRIVE,
BISMARK, North Dakota,
United States, 58504

Mailing Address: 1825 HARBOR DRIVE,
BISMARK, North Dakota,
United States, 58504

Office Held: SECRETARY

Effective Date: 30-Nov-2009

BRIAN L. JANZ (Director)

Physical Address: 5 PASQUA PLACE, FORT
QU'APPELLE, Saskatchewan,
Canada, S0G1S0

Resident Canadian: Yes

Mailing Address: 5 PASQUA PLACE, FORT
QU'APPELLE, Saskatchewan,
Canada, S0G1S0

Effective Date: 01-Aug-2008

Shareholders

Shareholder Name	Mailing Address	Share Class	Shares Held
BRIAN L. JANZ	P.O. BOX 1622, FORT QU'APPELLE, SASKATCHEWAN, CANADA, S0G 1S0	A	25
DEBORAH A. JONSON	1825 HARBOR DRIVE, BISMARK, NORTH DAKOTA, UNITED STATES, 58504	A	25
JEFFREY D. JONSON	1825 HARBOR DRIVE, BISMARK, NORTH DAKOTA, UNITED STATES, 58504	A	25
STACY L. TSCHIDER	4024 DOWNING STREET, BISMARK, NORTH DAKOTA, UNITED STATES, 585504-8854	A	25

Articles

Minimum Number of Directors: 1 Maximum Number of Directors: 25

Share Structure:

Class Name	Voting Rights	Authorized Number	Number Issued
A	Yes	Unlimited	100
B	Yes	Unlimited	
C	No	Unlimited	
D	No	Unlimited	
E	No	Unlimited	



Saskatchewan Corporate Registry

Profile Report

Entity Number: 101127367

Page 3 of 3

Entity Name: ABACO ENERGY SERVICES LTD.

Report Date: 08-Feb-2018

F	No	Unlimited
G	Yes	Unlimited
H	No	Unlimited
I	No	Unlimited

Event History

Type	Date
Notice of Change of Registered Office/Mailing Address	30-Nov-2017
Business Corporation - Annual Return	27-Sep-2017
Notice of Change of Directors/Officers	13-Sep-2017
Notice of Shareholders	13-Sep-2017
Notice of Change of Mailing Address	29-Dec-2016
Business Corporation - Annual Return	27-Sep-2016
Business Corporation - Annual Return	25-Sep-2015
Business Corporation - Annual Return	25-Sep-2014
Business Corporation - Annual Return	26-Sep-2013
Business Corporation - Annual Return	26-Sep-2012
Business Corporation - Annual Return	28-Sep-2011
Business Corporation - Annual Return	27-Sep-2010
Business Corporation - Annual Return	30-Nov-2009
Business Corporation - Incorporation	01-Aug-2008

Notice of Change of Directors/Officers

The Business Corporations Act

Submission Number: SR234061

Date Received: 13-Sep-2017

Total Fee: \$0.00

Entity Details

Entity Number 101127367
Entity Name ABACO ENERGY SERVICES LTD.
Entity Type Business Corporation
Subtype Saskatchewan Corporation

Directors/Officers

Name	Role	Change Type	Effective Date
MELANIE SU-LIN TSCHIDER	Officer	Remove	01-Aug-2017
STACY L. TSCHIDER	Officer	Update	13-Sep-2017

Director/Officer Details

Name	STACY L. TSCHIDER
Role	Officer
Office Held	PRESIDENT
Physical Address	4024 DOWNING STREET, BISMARCK, NORTH DAKOTA, UNITED STATES, 585504-8854
Mailing Address	4024 DOWNING STREET, BISMARCK, NORTH DAKOTA, UNITED STATES, 585504-8854
Resident Canadian	N/A

Submitter Details

Name	JACKIE HINRICHSEN
Address	1329 THIRD STREET, ESTEVAN, SASKATCHEWAN, CANADA, S4A0S1
Email Address	JHINRICHSEN@BRIDGESLAW.CA

Client Reference Number JH086123ABACO

Fees

Description	Cost
Notice of change of directors	\$0.00

Declaration

Name: JACKIE HINRICHSEN

Date: 13-Sep-2017

I certify that I am authorized to file these documents with the Director of Corporations and that the information in this submission is true.



**Information
Services
Corporation**

Articles of Incorporation
Form 1
The Business Corporations Act

McDougall 021
Pre-approved articles
Electronic Filing
01-Aug-2008
Corporate Registry

1. Name of corporation:

ABACO ENERGY SERVICES LTD.

2. The classes and any maximum number of shares that the corporation is authorized to issue:

The annexed Schedule 1 is incorporated in this form.

3. Restrictions, if any, on share transfer:

The annexed Schedule 2 is incorporated in this form.

4. Number (or minimum and maximum number) of Directors:

Minimum - 1 and Maximum – 25

5. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise:

None

6. Other provisions, if any:

The annexed Schedule 3 is incorporated in this form.

7. Incorporators:

Name: Eileen Lingelbach

Date: 01-Aug-2008

SCHEDULE 1

1. CLASSES AND NUMBER OF SHARES:

The Corporation is authorized to issue an unlimited number of Class "A" Shares, an unlimited number of Class "B" Shares, an unlimited number of Class "C" Shares, an unlimited number of Class "D" Shares, an unlimited number of Class "E" Shares, an unlimited number of Class "F" Shares, an unlimited number of Class "G" Shares, an unlimited number of Class "H" Shares and an unlimited number of Class "I" Shares

2. CLASS "A" SHARES:

(i) Voting:

The holders of the Class "A" Shares shall be entitled to receive notices of and to attend and vote at all meetings of the Shareholders of the Corporation and each Class "A" Share shall confer the right to One (1) vote in person or by proxy at all meetings of Shareholders of the Corporation.

(ii) Dividends:

The holders of the Class "A" Shares shall be entitled to receive such dividends as may from time to time be declared by the Board of Directors on such Class "A" Shares. The Board of Directors may declare such dividends notwithstanding that no such dividends or dividends in different amounts are declared on any or all of the other classes of shares of the Corporation.

(iii) Property on Dissolution:

In the event of any liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its Shareholders for the purpose of winding up its affairs, the holders of the Class "A" Shares, the holders of the Class "B" Shares, the holders of the Class "C" Shares, the holders of the Class "D" Shares, the holders of the Class "E" Shares and the holders of the Class "F" Shares, shall be entitled, subject to the rights of the Class "G", "H" and "I" Shareholders, to share equally, share for share, in all distribution of the assets of the Corporation.

3. CLASS "B" SHARES:

(i) Voting:

The holders of the Class "B" Shares shall be entitled to receive notices of and to attend and vote at all meetings of the Shareholders of the Corporation and each Class "B" Share shall confer the right to One (1) vote in person or by proxy at all meetings of Shareholders of the Corporation.

(ii) Dividends:

The holders of the Class "B" Shares shall be entitled to receive such dividends as may from time to time be declared by the Board of Directors on such Class "B" Shares. The Board of Directors may declare such dividends notwithstanding that no such dividends or dividends in different amounts are declared on any or all of the other classes of shares of the Corporation.

(iii) Property on Dissolution:

In the event of any liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its Shareholders for the purpose of winding up its affairs, the holders of the Class "B" Shares, the holders of the Class "A" Shares, the holders of the Class "C" Shares, the holders of the Class "D" Shares, the holders of the Class "E" Shares and the holders of the Class "F" Shares, shall be entitled, subject to the rights of the Class "G", "H" and "I" Shareholders, to share equally, share for share, in all distribution of the assets of the Corporation.

4. CLASS "C" SHARES:

(i) Voting:

The holders of the Class "C" Shares shall not be entitled as such to receive notice of or attend any meetings of Shareholders of the Corporation, to elect Directors, and shall not be entitled to vote at such meetings.

(ii) Dividends:

The holders of the Class "C" Shares shall be entitled to receive such dividends as may from time to time be declared by the Board of Directors on such Class "C" Shares. The Board of Directors may declare such dividends notwithstanding that no such dividends or dividends in different amounts are declared on any or all of the other classes of shares of the Corporation.

(iii) Property on Dissolution:

In the event of any liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its Shareholders for the purpose of winding up its affairs, the holders of the Class "C" Shares, the holders of the Class "A" Shares, the holders of the Class "B" Shares, the holders of the Class "D" Shares, the holders of the Class "E" Shares and the holders of the Class "F" Shares, shall be entitled, subject to the rights of the Class "G", "H" and "I" Shareholders, to share equally, share for share, in all distribution of the assets of the Corporation.

5. CLASS "D" SHARES:

(i) Voting:

The holders of the Class "D" Shares shall not be entitled as such to receive notice of

or attend any meetings of Shareholders of the Corporation, to elect Directors, and shall not be entitled to vote at such meetings.

(ii) Dividends:

The holders of the Class "D" Shares shall be entitled to receive such dividends as may from time to time be declared by the Board of Directors on such Class "D" Shares. The Board of Directors may declare such dividends notwithstanding that no such dividends or dividends in different amounts are declared on any or all of the other classes of shares of the Corporation.

(iii) Property on Dissolution:

In the event of any liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its Shareholders for the purpose of winding up its affairs, the holders of the Class "D" Shares, the holders of the Class "A" Shares, the holders of the Class "B" Shares, the holders of the Class "C" Shares, the holders of the Class "E" Shares and the holders of the Class "F" Shares, shall be entitled, subject to the rights of the Class "G", "H" and "I" Shareholders, to share equally, share for share, in all distribution of the assets of the Corporation.

6. CLASS "E" SHARES:

(i) Voting:

The holders of the Class "E" Shares shall not be entitled as such to receive notice of or attend any meetings of Shareholders of the Corporation, to elect Directors, and shall not be entitled to vote at such meetings.

(ii) Dividends:

The holders of the Class "E" Shares shall be entitled to receive such dividends as may from time to time be declared by the Board of Directors on such Class "E" Shares. The Board of Directors may declare such dividends notwithstanding that no such dividends or dividends in different amounts are declared on any or all of the other classes of shares of the Corporation.

(iii) Property on Dissolution:

In the event of any liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its Shareholders for the purpose of winding up its affairs, the holders of the Class "E" Shares, the holders of the Class "A" Shares, the holders of the Class "B" Shares, the holders of the Class "C" Shares, the holders of the Class "D" Shares and the holders of the Class "F" Shares, shall be entitled, subject to the rights of the Class "G", "H" and "I" Shareholders, to share equally, share for share, in all distribution of the assets of the Corporation.

7. CLASS "F" SHARES:**(i) Voting:**

The holders of the Class "F" Shares shall not be entitled as such to receive notice of or attend any meetings of Shareholders of the Corporation, to elect Directors, and shall not be entitled to vote at such meetings.

(ii) Dividends:

The holders of the Class "F" Shares shall be entitled to receive such dividends as may from time to time be declared by the Board of Directors on such Class "F" Shares. The Board of Directors may declare such dividends notwithstanding that no such dividends or dividends in different amounts are declared on any or all of the other classes of shares of the Corporation.

(iii) Property on Dissolution:

In the event of any liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its Shareholders for the purpose of winding up its affairs, the holders of the Class "F" Shares, the holders of the Class "A" Shares, the holders of the Class "B" Shares, the holders of the Class "C" Shares, the holders of the Class "D" Shares and the holders of the Class "E" Shares, shall be entitled, subject to the rights of the Class "G", "H" and "I" Shareholders, to share equally, share for share, in all distribution of the assets of the Corporation.

8. CLASS "G" SHARES:**(i) Voting:**

The holders of the Class "G" Shares shall be entitled to receive notices of and to attend and vote at all meetings of the Shareholders of the Corporation and each Class "G" Share shall confer the right to One (1) vote in person or by proxy at all meetings of Shareholders of the Corporation.

(ii) Dividends:

The holders of the Class "G" Shares are entitled to receive in the discretion of the Board, and the Corporation shall pay out of the money properly applicable for the payment of dividends, non-cumulative dividends at a rate to be determined by the Board. Such dividends shall accrue from the date of issue or from such date that may be determined by the Board.

The holders of the Class "G" Shares are not entitled to dividends other than or in excess of these cash dividends.

If, in any fiscal year, such dividends or any part thereof are not declared and paid, the rights of the holders of the Class "G" Shares to such dividends, or any part thereof not declared, are forever extinguished. If, in any fiscal year, after the full dividend on the Class "G" Shares has been paid, there remains money properly applicable for

dividends, such money or any part thereof may, in the discretion of the Board, be applied to dividends on the other classes of shares. No dividend may be declared or paid or set aside for payment in any fiscal year upon any other shares of the Corporation until the full dividends on all outstanding Class "G" Shares has been paid or set aside for payment.

(iii) Property on Dissolution:

In the event of any liquidation, dissolution or winding up of the Corporation or other distribution of the assets of the Corporation among the shareholders for the purpose of winding up its affairs, the holders of the Class "G" Shares, the holders of the Class "H" Shares and the holders of the Class "I" Shares, are entitled to receive in priority to the holders of other classes of shares of the Corporation, a sum equal to the Redemption Price of the Class "G" Shares together with all declared but unpaid dividends thereon, and thereafter the holders of the Class "G" shares are not entitled to any further participation in any distribution of the assets of the Corporation.

(iv) Redemption Right:

The Corporation or the holder may at its option redeem the said Class "G" Shares or any part thereof at a price to be established by the Directors of the company at the time of issue and equal to the fair market value at the time the shares were issued of the consideration for which the shares were issued (the "Redemption Price"). In the event that a properly constituted authority having jurisdiction over matters of this kind should decide that the Redemption Price at which the said Class "G" Shares were redeemed was not their fair market value and that their fair market value is of a higher or lower amount, that the said Redemption Price shall be increased or decreased to the sum fixed by the said authority and such increased or decreased amount shall be deemed to have been the Redemption Price agreed upon in the first place. Any additional sum thus becoming payable shall be deemed to have been payable from the date of the redemption and shall be paid without interest forthwith upon such determination as part of the Redemption Price. Any reduction so determined in the Redemption Price of the said Class "G" Shares shall be refunded by the holder to the Corporation without interest forthwith upon such determination. In the event that it is the Corporation which elects to redeem the shares:

- (a) If only part of the outstanding Class "G" Shares is to be redeemed, the shares to be redeemed shall be selected in such manner as the Board determines, either by lot or proportionately, disregarding fractions;
- (b) The Corporation shall not call for redemption less than all outstanding Class "G" Shares unless all declared but unpaid dividends have been paid;
- (c) Such redemption may be done without the consent of the holder of the Class "G" Shares.

9. CLASS "H" SHARES:

(i) Voting:

The holders of the Class "H" Shares shall not be entitled as such to receive notice of or attend any meetings of shareholders of the Corporation and shall not be entitled to vote at such meetings.

(ii) Dividends:

The holders of the Class "H" Shares are entitled to receive in the discretion of the Board, and the Corporation shall pay out of the money properly applicable for the payment of dividends, non-cumulative dividends at a rate to be determined by the Board. Such dividends shall accrue from the date of issue or from such date that may be determined by the Board.

The holders of the Class "H" Shares are not entitled to dividends other than or in excess of these cash dividends.

If, in any fiscal year, such dividends or any part thereof are not declared and paid, the rights of the holders of the Class "H" Shares to such dividends, or any part thereof not declared, are forever extinguished. If, in any fiscal year, after the full dividend on the Class "H" Shares has been paid, there remains money properly applicable for dividends, such money or any part thereof may, in the discretion of the Board, be applied to dividends on the other classes of shares. No dividend may be declared or paid or set aside for payment in any fiscal year upon any other shares of the Corporation until the full dividends on all outstanding Class "H" Shares has been paid or set aside for payment.

(iii) Property on Dissolution:

In the event of any liquidation, dissolution or winding up of the Corporation or other distribution of the assets of the Corporation among the shareholders for the purpose of winding up its affairs, the holders of the Class "H" Shares, the holders of the Class "G" Shares and the holders of the Class "I" Shares, are entitled to receive in priority to the holders of other classes of shares of the Corporation, a sum equal to the Redemption Price of the Class "H" Shares together with all declared but unpaid dividends thereon, and thereafter the holders of the Class "H" shares are not entitled to any further participation in any distribution of the assets of the Corporation.

(iv) Redemption Right:

The Corporation or the holder may at its option redeem the said Class "H" Shares or any part thereof at a price to be established by the Directors of the company at the time of issue and equal to the fair market value at the time the shares were issued of the consideration for which the shares were issued (the "Redemption Price"). In the event that a properly constituted authority having jurisdiction over matters of this kind should decide that the Redemption Price at which the said Class "H" Shares were redeemed was not their fair market value and that their fair market value is of a

higher or lower amount, that the said Redemption Price shall be increased or decreased to the sum fixed by the said authority and such increased or decreased amount shall be deemed to have been the Redemption Price agreed upon in the first place. Any additional sum thus becoming payable shall be deemed to have been payable from the date of the redemption and shall be paid without interest forthwith upon such determination as part of the Redemption Price. Any reduction so determined in the Redemption Price of the said Class "H" Shares shall be refunded by the holder to the Corporation without interest forthwith upon such determination. In the event that it is the Corporation which elects to redeem the shares:

- (a) If only part of the outstanding Class "H" Shares is to be redeemed, the shares to be redeemed shall be selected in such manner as the Board determines, either by lot or proportionately, disregarding fractions;
- (b) The Corporation shall not call for redemption less than all outstanding Class "H" Shares unless all declared but unpaid dividends have been paid;
- (c) Such redemption may be done without the consent of the holder of the Class "H" Shares.

10. CLASS "I" SHARES:

(i) Voting:

The holders of the Class "I" Shares shall not be entitled as such to receive notice of or attend any meetings of shareholders of the Corporation and shall not be entitled to vote at such meetings.

(ii) Dividends:

The holders of the Class "I" Shares are entitled to receive in the discretion of the Board, and the Corporation shall pay out of the money properly applicable for the payment of dividends, non-cumulative dividends at a rate to be determined by the Board at the time of issuance and calculated as a fixed percentage of an amount equal to the fair market value of the consideration for which the Class "I" Shares were issued. Such rate is not to exceed the Canada Revenue Agency's prescribed rate of interest at the time the Class "I" Shares were issued. Such dividends shall accrue from the date of issue or from such date that may be determined by the Board.

The holders of the Class "I" Shares are not entitled to dividends other than or in excess of these cash dividends.

If, in any fiscal year, such dividends or any part thereof are not declared and paid, the rights of the holders of the Class "I" Shares to such dividends, or any part thereof not declared, are forever extinguished. If, in any fiscal year, after the full dividend on the Class "I" Shares has been paid, there remains money properly applicable for dividends, such money or any part thereof may, in the discretion of the Board, be applied to dividends on the other classes of shares. No dividend may be declared or paid or set aside for payment in any fiscal year upon any other shares of the

Corporation until the full dividends on all outstanding Class "I" Shares has been paid or set aside for payment.

(iii) Property on Dissolution:

In the event of any liquidation, dissolution or winding up of the Corporation or other distribution of the assets of the Corporation among the shareholders for the purpose of winding up its affairs, the holders of the Class "I" Shares, the holders of the Class "G" Shares and the holders of the Class "H" Shares, are entitled to receive in priority to the holders of other classes of shares of the Corporation, a sum equal to the Redemption Price of the Class "I" Shares together with all declared but unpaid dividends thereon, and thereafter the holders of the Class "I" shares are not entitled to any further participation in any distribution of the assets of the Corporation.

(iv) Redemption Right:

The Corporation or the holder may at its option redeem the said Class "I" Shares or any part thereof upon demand in writing at a price to be established by the Directors of the company at the time of issue and equal to the fair market value at the time the shares were issued of the consideration for which the shares were issued (the "Redemption Price"). In the event that a properly constituted authority having jurisdiction over matters of this kind should decide that the Redemption Price at which the said Class "I" Shares were redeemed was not their fair market value and that their fair market value is of a higher or lower amount, that the said Redemption Price shall be increased or decreased to the sum fixed by the said authority and such increased or decreased amount shall be deemed to have been the Redemption Price agreed upon in the first place. Any additional sum thus becoming payable shall be deemed to have been payable from the date of the redemption and shall be paid without interest forthwith upon such determination as part of the Redemption Price. Any reduction so determined in the Redemption Price of the said Class "I" Shares shall be refunded by the holder to the Corporation without interest forthwith upon such determination. In the event that it is the Corporation which elects to redeem the shares:

- (a) If only part of the outstanding Class "I" Shares is to be redeemed, the shares to be redeemed shall be selected in such manner as the Board determines, either by lot or proportionately, disregarding fractions;
- (b) The Corporation shall not call for redemption less than all outstanding Class "I" Shares unless all declared but unpaid dividends have been paid;
- (c) Such redemption may be done without the consent of the holder of the Class "I" Shares;

11. REDEMPTION PROVISIONS

In case of redemption, the Corporation or the holder shall give at least Thirty (30) days' notice in writing of such redemption to the other specifying the date and place or places of

redemption, and, unless all the shares are to be redeemed, the number to be redeemed.

If such notice is given by the Corporation and an amount sufficient to redeem the shares is deposited with any lawyer, trust company or chartered bank in Canada, as specified in the notice, on or before the date fixed for redemption, such shares shall thereupon be redeemed as of the date so fixed for redemption and the holders thereof shall thereafter have no rights against the Corporation in respect thereof except, upon the surrender of the certificates for such shares, to receive payment out of the money deposited for that purpose.

Notice shall be given by prepaid post addressed:

- (a) to each holder of shares at his or her address as it appears on the books of the Corporation;
- (b) to the Corporation at its registered office.

The accidental failure to give such notice to one or more of such holders shall not affect the validity of the redemption of shares whose holders have been given notice.

SCHEDULE 2

1. The securities of the Corporation shall not be offered to the public.
2. The number of shareholders of the Corporation shall not exceed fifty (50).
3. No shares of the Corporation shall be transferred without the approval of the Directors.
4. Notwithstanding Paragraph 3 herein, the transfer of shares of the Corporation shall be restricted as follows:

No share or shares of the Corporation may be sold or transferred by the holder thereof unless and until such holder shall have first offered to sell such share or shares to the other members of the Corporation by giving notice in writing to such other member or members of the number of shares offered for sale, and the price and terms for and upon which such holder is willing to sell such share or shares, and in the event of such holder having received an offer to purchase such share or shares from a person, firm or corporation, and whether a member or not, such notice shall state the price or consideration and terms of such offer; and if any part of such consideration is other than lawful money of Canada, such notice shall state the equivalent expressed in such money of such part of the consideration. Such notice may be delivered personally to the other member or members or may be sent to them by prepaid registered mail, addressed to their place or places of business or residence. Such other member or members shall have the right to purchase such share or shares for the price and upon the terms stated in such notice, or at the option of such other member or members, and where an offer is referred to in such notice for the price or consideration (or the equivalent if such price or such consideration is other than lawful money of Canada) stated in and upon the terms of such offer. The said right to purchase shall be exercised by such member or members notifying such holder in writing of his or their intention to exercise such right and paying or tendering the price or consideration and otherwise performing, or offering to perform the terms of purchase within thirty (30) days after the giving or mailing of the notice by the holder to such member or members. The notice of acceptance to the holder by such member or members may be delivered personally to such holder or sent to him or her by prepaid registered mail at his or her place of business or residence and posted with such period of thirty (30) days. Upon so exercising such right of purchase and upon payment in full of the purchase price or consideration, such member or members shall be entitled to the certificate or certificates of such share or shares with transfer thereof duly executed by the holder. In the event of more than one member so notifying such holder, the said shares shall be sold to such member in proportion to their present shareholding. The purpose and intention of this regulation is to give members of the Corporation the first right to purchase the share or shares of any member intending to sell or dispose of his shareholdings in the Corporation and at the price and upon the terms at least as favourable as those upon which such last mentioned member is willing or proposes to sell such holdings to a person not a member, and shall be construed accordingly. The directors may refuse to recognize or register any transfer of a share or shares to a transferee in the event that this regulation shall not have been complied with.

SCHEDULE 3

1. (a) The Corporation shall have a first lien or charge on all shares, registered in the name of the member whether solely or jointly with others, for all his debts, liabilities and engagements to the Corporation, whether solely or jointly with any other person, whether a member of the corporation or not, whether incurred or entered into before or after notice to the Corporation of any equitable or other interest in any person other than such member, and whether the period for the payment, discharged or fulfillment of such debt, liability or engagement had actually arrived or not. Such liens shall extend to all dividends or bonuses from time to time declared in respect of such shares.

(b) For the purpose of enforcing such lien, the directors may sell the shares subject thereto in such manner as they think fit; but no sale shall be made until such time as the debt, liability or engagement ought to be paid, discharged or fulfilled and until a demand in writing stating the amount due and demanding payment, and giving notice of the intention to sell in default has been served on such member or the person, if any, entitled in consequence of the death or bankruptcy of the member to the shares and default in payment shall have been made for seven days after such notice.

(c) Upon such sale the Directors may enter the purchaser's name in the Register as holder of the shares and the purchaser shall not be bound to see to the regularity or the validity or be affected by an irregularity or invalidity in the proceeding or be bound to see to the application of the purchase money; after his name has been entered in the Register the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Corporation exclusively.

(d) The net proceeds of any such sale shall be applied in or towards the satisfaction of the amount due and the residue, if any, shall be paid to the member or the person entitled to the shares in consequence of the death or bankruptcy of the member.

Appendix V



Search Results

Search By: Parcel
With Criteria: Parcel Number = 164358300
As Of Date = 25 Jan 2018 11:14:27

Parcel Detail

Number: 164358300	Type: Surface Regular
Status: titled	Class: Parcel (Generic)
Total Units: 0	LLD: Lot 8-Blk/Par 14A-Plan 101974664 Ext 0
Parcel Value: \$35,000.00 CAD	Municipality: TOWN OF FORT QU'APPELLE
Parcel Picture:	Audit: History:

Parcel Ties (0)

Titles (1)

\$ Title

Number: 138211208	Type: Surface Regular
Last Amendment Date: 09 May 2014 11:26:16.300	
Commodity/Unit: N/A	
Owners: POLOYKO, HARVEY POLOYKO, THERESA	
Share: 1/1	
Lock Information: N/A	

Back to Search

Back to top

Search Results

Search By: Title Details
With Criteria: Title Number = 138016896
As Of Date = 25 Jan 2018 11:17:16

Audit: **History:** [Printer-Friendly Version](#)

Province of Saskatchewan Land Titles Registry Title

Title #: 138016896
Title Status: Inactive
Parcel Type: Surface
Parcel Value: \$35,000.00 CAD
Title Value: \$35,000.00 CAD
Converted Title: 84BSM / SK125587154
Previous Title and/or Abstract #: 137978319

As of: 25 Jan 2018 11:17:16
Last Amendment Date: 08 Oct 2009 12:16:22.247
Issued: 26 Aug 2009 11:05:15.087
Municipality: TOWN OF FORT QU'APPELLE

PETER GORDON FLETT and JEAN FLETT are the registered owners, as joint tenants, of Surface Parcel #164358300

Reference Land Description: Lot 8 Blk/Par 14A Plan No 101974664 Extension 0

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

None

Addresses for Service:

Name	Address
Owner: PETER GORDON FLETT Client #: 123887357	BOX 973 FORT QU'APPELLE, SK, Canada S0G 1S0
Owner: JEAN FLETT Client #: 123887368	BOX 973 FORT QU'APPELLE, SK, Canada S0G 1S0

Notes:

Parcel Class Code: Parcel (Generic)

To request a copy, click here  

Close[Back to top](#)



Search Results

Search By: Parcel Audit
With Criteria: Parcel Number = 164358300

Audit Results

Date	Action/Request	Details
02 Feb 2009 14:54:09.000		Type: Surface Regular Status: pendtie Class: Parcel (Generic) Municipality: UNKNOWN Total Condominium Units: 0 Land Description: Lot 8-Blk/Par 14A-Plan 101974664 Ext 0
02 Feb 2009 14:59:50.000		Type: Surface Regular Status: pending Class: Parcel (Generic) Municipality: UNKNOWN Total Condominium Units: 0 Land Description: Lot 8-Blk/Par 14A-Plan 101974664 Ext 0
02 Feb 2009 15:15:07.000		Type: Surface Regular Status: pending Class: Parcel (Generic) Municipality: UNKNOWN Total Condominium Units: 0 Land Description: Lot 8-Blk/Par 14A-Plan 101974664 Ext 0
04 Feb 2009 22:52:50.000		Type: Surface Regular Status: pending Class: Parcel (Generic) Municipality: TOWN OF FORT QU'APPELLE Total Condominium Units: 0 Land Description: Lot 8-Blk/Par 14A-Plan 101974664 Ext 0
19 Aug 2009 09:05:33.000		Type: Surface Regular Status: titled Class: Parcel (Generic) Municipality: TOWN OF FORT QU'APPELLE Total Condominium Units: 0 Land Description: Lot 8-Blk/Par 14A-Plan 101974664 Ext 0
19 Aug 2009 09:05:32.753	Application for Transfer (Form II: Setup)	Number: 126703335 Description: N/A
19 Aug 2009 09:05:32.800	Application for Transfer (Form II: Setup)	Number: 137978319 Description: Surface Regular
26 Aug 2009 11:05:13.740	Application For Transfer (Form I: Surrender)	Number: 137978319 Description: Surface Regular
26 Aug 2009 11:05:15.087	Application for Transfer (Form II: Setup)	Number: 138016896 Description: Surface Regular
08 Oct 2009 12:16:21.793	Application for Transfer (Single Title)	Number: 138016896 Description: Surface Regular
08 Oct 2009 12:16:21.857	Application for Transfer (Single Title)	Number: 138211208 Description: Surface Regular

11 Records



Search Results

Search By: Parcel
With Criteria: Parcel Number = 164358300
As Of Date = 19 Aug 2009 09:05:33

Parcel Detail

▼ **Number:** 164358300 **Type:** Surface Regular
Status: titled **Class:** Parcel (Generic)
Total Units: 0 **LLD:** Lot 8-Blk/Par 14A-Plan 101974664 Ext 0
Parcel Value: \$10,000.00 CAD **Municipality:** TOWN OF FORT QU'APPELLE
Parcel Picture: **Audit:** **History:**

Parcel Ties (0)

Titles (1)

▶ \$ Title

Number: 137978319 **Type:** Surface Regular
Last Amendment Date: 26 Aug 2009 11:05:14.710
Commodity/Unit: N/A
Owners:
TOWN OF FORT QU'APPELLE
Share: 1/1
Lock Information: N/A

Back to Search

Back to top

Google Maps Frederick St



Image capture: Jun 2013 © 2018 Google

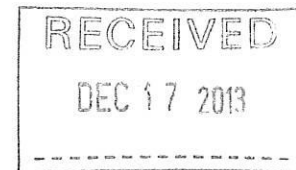
Fort Qu'Appelle, Saskatchewan

Google, Inc.

Street View - Jun 2013



December 17, 2013



Town of Fort Qu'Appelle

P.O. Box 309

Fort Qu'Appelle, Saskatchewan

S0G 1S0

ATTENTION: MAYOR OSIKA, COUNCILOR FINISHEN, COUNCILOR MELANSON, COUNCILOR MORTON,
COUNCILOR BROWN, & COUNCILOR KULAWAY

RE: **ABACO ENERGY SERVICES LTD. – PICUNIARY INTERESTS OF MEMBERS OF COUNCIL
MCKERCHER LLP FILE 540801.97**

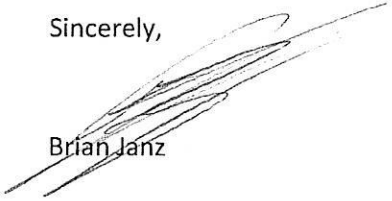
In response to Richard T. Molaro of McKercher LLP letter of December 3, 2013, please be advised as follows.

1. I advised the Mayor & Council of my pecuniary interest prior to the Special meeting held on Monday, September 30, 2013 where the motion was made and passed (Copy attached) to accept the Offer of **Abaco Group** to purchase Block Q, Plan 77R09773 and Block V Plan 82R01656, Ext. 1 (Old Hospital Property). I was incorrectly noted on the Minutes of this meeting as absent, when in fact I had recused myself and was abstaining from discussing and/or voting as I had a pecuniary interest. (As we relied on our CAO to follow proper procedure and accurate recording of minutes, we as councilors did not catch this error)
2. I did not disclose that I was a director of **Abaco Energy Services Ltd.** as **Abaco Group** was the company purchasing the property and not **Abaco Energy Services Ltd.**
3. I am not a Director or a Shareholder of **Abaco Group** and I never have been. When **Abaco Group** decided to make an offer to purchase the Old Hospital Property they asked me to be involved in this project and I agreed and immediately advised the Mayor and Council and abstained from all discussions and voting. The Councilors and Mayor can attest to this.
4. As I had abstained from discussions and voting I was not aware that the decision was made that **Abaco Energy Services Ltd.** (which is a Canadian based company) was going to be the purchaser and not **Abaco Group** as originally planned, until I received a copy of the above mentioned letter from McKercher LLP., so this was an inadvertent and honest mistake on my part.

5. The Motion from September 30, 2013 meeting clearly states to accept the offer of **Abaco Group**. If **Abaco Energy Services Ltd.** is the Purchaser, a new motion will be required and I will again disclose a pecuniary interest and also advise that I am a Director of **Abaco Energy Services Ltd.**
6. **Abaco Group** made a valid offer to purchase the Old Hospital Property, which offer was accepted by the Town, this constitutes a contract and the Town should govern itself accordingly.

I would appreciate advice regarding Council's intention regarding request for my resignation not later than Thursday, December 19, 2013 12:00 noon. I hereby request an open council meeting for Thursday, December 19, 2013 @ 6:00 PM

Sincerely,



Brian Janz

/bj

Copy: McKercher LLP Attention: Richard T. Molaro
(1) Enclosure



December 18, 2013

TOWN OF FORT QU'APPELLE
BOX 309
FORT QU'APPELLE SK S0G 1S0

Reply to: **Richard T. Molaro**
Direct Dial: **306 565-6508**
Email: **r.molaro@mckercher.ca**

Assistant: **Valerie Muzichuk**
Direct Dial: **306 565-6551**

Attention: Mayor Ron Osika and Members of Council

Dear Mayor and Councillors:

Re: ABACO Energy Services Ltd. - Pecuniary Interests of Members of Council
Our File: 540801.97

I have had an opportunity to review Mr. Janz's letter to Council of December 17, 2013 and offer the following additional comments for consideration:

1. Pecuniary Interest - personal involvement in the project

Mr. Janz has in his letter acknowledged a pecuniary interest arising from his agreement to be involved in the project, which had caused him to recuse himself from the September 30, 2013 meeting. It would be of benefit to remaining members of Council to be provided with further details as to the pecuniary interest and as to when the pecuniary interest arose, upon which it would be in better position to determine:

- a) had adequate and timely disclosure of the pecuniary interest been made?
- b) has the member, since the pecuniary interest arose, left the room on each occasion during discussions and/or voting on the project?

Should the remaining members of Council accept that a) and b) have been fulfilled, it would then be appropriate to ensure that Councillor Janz refrains from any further discussion and/or voting relating to the project.

If on the other hand, the remaining members of Council come to the conclusion that the requirements of section 144 of the *Act* have been breached, they ought:

- a) request the member to tender his resignation; and
- b) if the resolution of September 30, 2013 was passed under compromised circumstances, consider and vote upon a new resolution regarding the Abaco proposal.

A Member of Risk Management Counsel of Canada

Offices in Saskatoon and Regina

Please reply to Regina Office:
500 - 2220 12th Avenue
Regina, SK Canada S4P 0M8
Telephone: (306) 565-6500 Fax: (306) 565-6565

www.mckercher.ca

2. Pecuniary Interest - Directorship of Abaco Energy Services Ltd.

Mr. Janz has confirmed his directorship in the corporation Abaco Energy Services Ltd., which has been designated as the contracting party in this matter. Such a directorship would constitute a pecuniary interest within the definition in section 143 of the *Act*.

To the best of our knowledge, "Abaco Group" is not a corporation in its own right but rather refers to a group of associated corporations, eight of which are American corporations, as enumerated at the foot of Stacy Tschider's offer letter of September 9, 2103 and one of which is the Canadian corporation, Abaco Energy Services Ltd.

This may indeed be a case of inadvertence or honest mistake in not recognizing that Abaco Group was not a corporation and in not drawing the connection that the Canadian corporation, Abaco Energy Services Ltd., in which the member is a director, would be designated as the contracting party in this matter.

Should the remaining members of Council accept that the pecuniary interest arising from the member's directorship would only have arisen in early November, 2013, when Abaco's legal counsel designated Abaco Energy Services Ltd. as the contracting party, it may find that Mr. Janz's December 17, 2013 letter, acknowledging his directorship fulfills the disclosure requirements of the legislation. It would then be appropriate to ensure that Councillor Janz refrains from any further discussion and/or voting relating to the project and that the remaining Councillors consider a new resolution authorizing proceeding to contract with Abaco Energy Services Ltd.

If, on the other hand, the remaining members of Council come to the conclusion that the pecuniary interest arising from the member's directorship arose at an earlier date and that the requirements of section 144 of the *Act* have been breached, they ought:

- a) request the member to tender his resignation; and
- b) if the resolution of September 30, 2013 was passed under compromised circumstances, consider and vote upon a new resolution regarding the Abaco proposal.

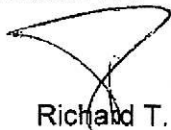
As indicated in my December 3, 2013 correspondence, given the sensitivities of the matter, Council may wish to have these discussions in camera.

Please distribute this letter to all members of Council.

I trust the foregoing shall be of assistance to Council in this matter.

Yours truly,

McKercher LLP



Per: Richard T. Molaro

RTM:vlm



Photo date is May 3rd, 2011. Water level is approximately 480.89 m elevation.
1:100 year calm is 480.9 m & 1:500 year calm is 481.4 m.

Report on Appraisal of
Block Y, Plan 85R64873
Fort Qu'Appelle, SK



As at
August 28, 2015

Prepared by



200 Clifton Court
2330 - 15th Avenue
Regina, SK
S4P 1A2



B. R. Gaffney & Associates
200 Clifton Court
2330 - 15th Avenue
Regina, SK S4P 1A2

Real Estate Appraisers & Consultants
Phone: (306) 359-7800
Fax: (306) 359-7312
E-mail: gaffney.assoc@sasktel.net

March 13, 2018

MNP LLP
119 4th Ave South
Suite 800
Saskatoon, SK

Re: Block Y, Plan 85R64873, Fort Qu'Appelle, Saskatchewan

In accordance with your instructions I have completed a narrative appraisal on the above referenced property which is legally described as follows:

**Block Y, Plan 85R64873
Fort Qu'Appelle, Saskatchewan**

As a result of my investigation and analysis, it is my opinion that the estimated market value of the subject property, in fee simple estate, free and clear of encumbrances, as at August 28, 2015, a retrospective date, is:

**Nil
(\$0.00)**

The estimate of value is market value as defined on page one of the attached report. The estimate of value assumes no duress on the part of either a purchaser or vendor; it does not take into consideration any existing mortgages against the property and is based on an exposure period of six to twelve months.

The following report describes my methods of appraisal and contains data gathered in the investigation, which to the best of my knowledge and belief is correct subject to the limiting conditions herein set out.

Respectfully submitted,
B. R. GAFFNEY & ASSOCIATES

Per:

A handwritten signature in black ink, appearing to read 'Greg Buchan', written over a horizontal line.

Greg Buchan, B.Admin, AACI, P.App

TABLE OF CONTENTS

TITLE PAGE

PART ONE – INTRODUCTION

Letter of Transmittal	
Table of Contents	
Executive Summary	

PART TWO – BASIS OF APPRAISAL

Intended Use of the Report	1
Purpose of the Assignment	1
Property Rights Appraised	1
Definition Of Market Value	1
Effective Date of Value	2
Scope of Work	2
Assumptions and Limiting Conditions	3

PART THREE – FACTUAL INFORMATION

Identification of the Property	8
Location and Site Data	8
Existing Use	10
Assessment and Taxes	10
History of Subject Property	10
Land Use Controls	11

PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use	12
Appraisal Procedures	13
Direct Comparison Approach	14
Reconciliation and Final Estimate of Value	19
Certification	20

ADDENDA 1

Photographs	21
-------------	----

ADDENDA 2

Land Titles (ISC) Documents	22
-----------------------------	----

ADDENDA 3

Assessment Information	24
------------------------	----

ADDENDA 4

Environmental Reserve Map	25
---------------------------	----

EXECUTIVE SUMMARY

Type of Property:	Vacant Land
Report Type:	Narrative
Effective Date of Appraisal:	August 28, 2015 (Retrospective)
Date of Inspection:	March 9, 2018
Zoning:	CS2 – Passive Community Service District
2015 Total Assessment:	\$31,200.00
2015 Taxes:	Exempt
Site Area:	6.70 Acres
Highest and Best Use:	Environmental Reserve / Green Space
FINAL ESTIMATE OF VALUE:	\$0.00



PART TWO – BASIS OF APPRAISAL

Intended Use of the Report

As per our client's request for services, the intended use of this report is to assist MNP LLP, with internal decisions pertaining to the subject property. It is not reasonable for any person other than the client and B.R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. 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.

Purpose of the Assignment

The purpose of this assignment is to provide a market value property appraisal for the subject property located in Fort Qu'Appelle, Saskatchewan, in fee simple estate, free and clear of all encumbrances. The effective date of the appraisal is August 28, 2015, a retrospective date.

Property Rights Appraised

The property rights appraised reflect the most complete form of ownership, which is title in fee. Such ownership establishes an interest in real property known as fee simple interest (i.e., absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power, and escheat).

Definition of Market Value

The Appraisal of Real Estate, Third Canadian Edition defines market value 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 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 as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Market Value as defined by International Valuation Standards 2006: "Market value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms length transaction after proper marketing herein the parties had each acted knowledgeably, prudently and without compulsion".

Effective Date of Value

At the request of the client, the effective date of the appraisal is August 28, 2015, a retrospective date. The effective date of this appraisal is considered to be a retrospective date as the opinion of value reflects that of a specified historic date. The estimate of value developed must be consistent with market conditions as at the specified date. The retrospective date has been considered throughout the valuation.

Scope of Work

The subject property and the subject property's neighbourhood were inspected by the appraiser on March 9, 2018. The photographs of the subject property were taken on March 9, 2018.

Regional, municipal and neighbourhood data was based on a personal inspection, information published by the Town of Fort Qu'Appelle and information published by local Real Estate and Property Management firms. In estimating the highest and best use for the subject, an analysis



was made of data compiled from the above. In addition, an analysis was made of supply and demand for properties similar in use to the subject.

The Direct Comparison Approach will provide an estimate of value of the subject property based on comparable properties that have recently sold within the Town of Fort Qu'Appelle, as well as similar communities. The Cost Approach will not be utilized due to the fact that there are no improvements on the site. The Income Approach will not be utilized due to the fact that the property is not typical of an investment property purchased for income producing or cash flow capabilities.

Data derived from the market was obtained from our files, other appraisers, realtors and/or persons knowledgeable of the subject property market-place. The final estimate of value is made after assembling and analyzing the data defined in this scope of appraisal.

I did not complete technical investigations, if applicable, such as:

- Detailed inspections or engineering review of the structure, roof or mechanical systems;
- An environmental review of the property;
- A site or building survey;
- Investigations into the bearing qualities of the soils; or
- Audits of financial and legal arrangements reported by the client concerning the leases.

Assumptions and Limiting Conditions

This narrative report has been prepared at the request of MNP LLP, hereinafter referred to as the client, for the purpose of providing an estimate of the market value of the subject property located in Fort Qu'Appelle, Saskatchewan. The function of the appraisal is to assist the client with internal decisions in regard to the subject property. The effective date of the appraisal is August 28, 2015, a retrospective date.

Except as it may be necessary to expedite the function of this appraisal as identified herein, it is not reasonable for any person other than the client and B. R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. This report has been prepared on the assumption that no other person will rely on it for any other purpose and all



liability to all such persons is denied.

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the authors, subject to the qualification below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this report. The property is appraised on the basis of it being under responsible ownership.
4. The subject property is presumed to comply with government regulations including zoning, building codes and health regulations and, if it doesn't comply, its non-compliance may affect market value.
5. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property.
6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical



structure, mechanical or other operating systems, its foundation, etc., if applicable) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.
10. The term “inspection” refers to observation and reporting of the general material finishing, if applicable, and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.
11. Where applicable, the opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building inspections have been completed to



date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.

12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
13. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
14. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Where the client is the mortgagee and the loan is insured, liability is extended to the mortgage insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
15. This appraisal report, its content and all attachments/addendums and their content are the property of the author. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
16. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied



upon without fault.

17. Where the intended use of this report is for financing or mortgage lending, it is a condition of reliance on this report that the authorized user has or will conduct loan underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct such loan underwriting and due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Underwriting Practices and Procedures B-20, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.
18. Where the intended use of this report is for mortgage insurance, it is a condition of reliance on this report that the authorized user will conduct loan insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent mortgage insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, to conduct such loan insurance underwriting and/ due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Insurance Underwriting Practices and Procedures B-21, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.

PART THREE – FACTUAL INFORMATION

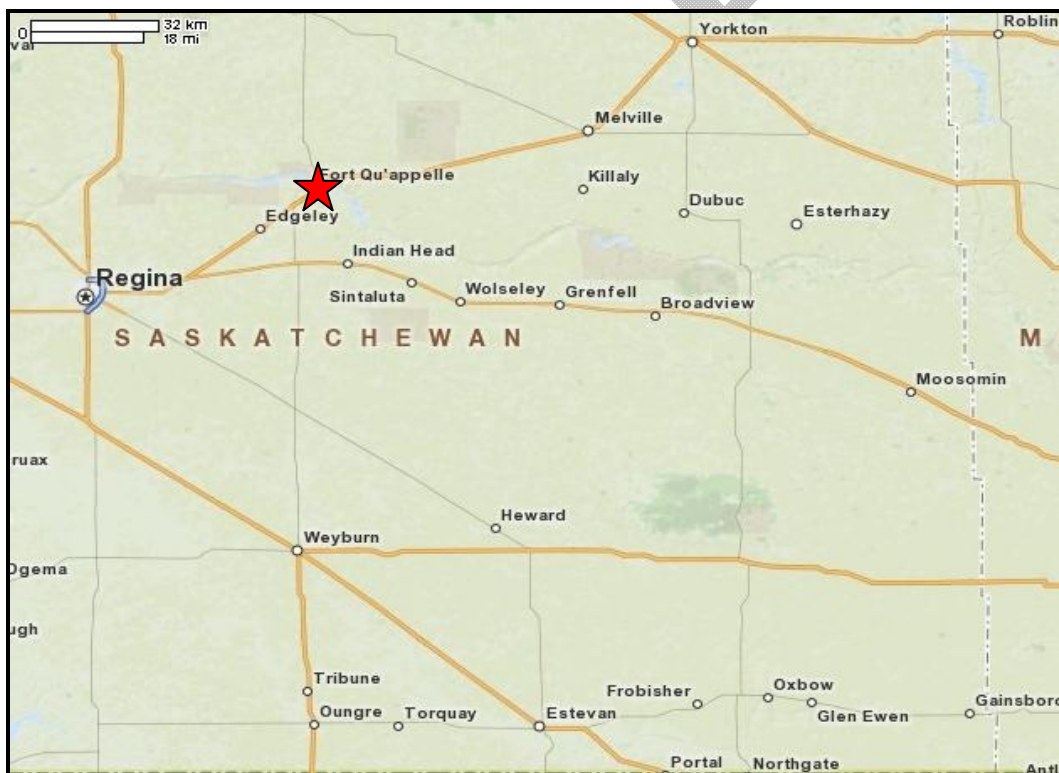
Identification of the Property

The subject property is identified as follows:

Address: Fort Qu'Appelle, SK
 Legal Descriptions: Block Y, Plan 86R64873
 Parcel Number: 120764561

The above legal description and corresponding parcel number reflect the information on record with ISC (Province of Saskatchewan Land Titles Registry).

Location and Site Data



The subject property is located in the western portion of the Town of Fort Qu'Appelle, Saskatchewan just south of Echo Lake. Fort Qu'Appelle is located between Echo and Mission Lakes in the Qu'Appelle Valley, about 45 miles northeast of Regina along Highway No. 10.



Highway No. 10 travels north east from Balgonie and the Trans Canada Highway No. 1 to Melville and Yorkton. Fort Qu'Appelle has a population of approximately 2,300 and its economy is dependent primarily on agriculture and tourism. Tourism in the area during the summer months is supported by cottage owners and campers frequenting the lakes located in the area. There is some winter tourism consisting of down hill and cross-country skiing and ice fishing. Positive features of Fort Qu'Appelle include full services such as schools, churches, and recreational and shopping facilities. Generally, most amenities are within walking distance.

The subject is located to the west of the main business district of Fort Qu'Appelle north of 3rd Street and west of Hudson Avenue. 3rd Street runs east and west through the Town of Fort Qu'Appelle. 3rd Street has paved asphalt, curbs and gutters and sidewalks on both sides of the street. The subject property site is comprised of one parcel.

The site is irregular in shape, and according to information provided has an area of 6.7 acres. There is a small amount of frontage onto 3rd Street. According to the Town of Fort Qu'Appelle there are no services on the site. The site is significantly low lying land, and is susceptible to flooding.

The site fronts onto the river that connects Echo and Mission Lakes. The river is located on the north side of the subject property. According to the Fort Qu'Appelle Official Community Plan, the subject property is located within the Ecologically Sensitive Area (map located in the Addenda). According to the Fort Qu'Appelle Official Community Plan, Environmentally sensitive lands in the Town of Fort Qu'Appelle should be protected as Environmental Reserve in accordance with the Planning and Development Act, 2007, the Environmental Assessment Act, and the Environmental Management and Protection Act, 2002.

According to the Planning and Development Act, 2007; Environmental Reserve land may be used as a public park or for any other use that the minister may, by regulation, specify, but, if it is not used for those purposes, the environmental reserve must be left in its natural state. A copy of the act, referencing Environmental Reserve is included in the Addenda of this appraisal report.



Existing Use

The existing use of the subject property is vacant land. Discussion relative to the current use and the Highest and Best Use can be found in Part 4 of this report under the heading *Highest and Best Use*.

Assessment and Taxes

According to the Town of Fort Qu'Appelle, the 2015 assessment and 2015 taxes for the subject property are as follows:

2015 ASSESSED AND TAXABLE VALUE:	\$31,200.00
2015 TAXES:	Exempt
TAXING TREND:	Increasing

The assessment and taxes are comparable to other similar properties and the level of assessment and taxes will not, in my opinion, have an effect on the market value of the subject property.

History of Subject Property

According to the Saskatchewan Land Titles Registry, as of the effective date of this appraisal report, The Town of Fort Qu'Appelle is the registered owner of the subject property. The current owners have owned the property for a number of years.

Due to the fact that the property is owned by the Town of Fort Qu'Appelle, the property is exempt from property taxes.

The subject property was purchased in August of 2015 for an amount of \$1.00. We are not aware of any further listings, purchases or offers within the last 3 years, aside from that noted.



Land Use Controls

According to the Town of Fort Qu'Appelle zoning bylaw the subject property is zoned CS2 – Passive Community Service District.

The purpose of the Community Service District (CS) is to provide areas for a wide range of community service related activities including social, recreational, institutional, parks and public service.

The site fronts onto the river that connects Echo and Mission Lakes. The river is located on the north side of the subject property. According to the Fort Qu'Appelle Official Community Plan, the subject property is located within the Ecologically Sensitive Area (map located in the Addenda). According to the Fort Qu'Appelle Official Community Plan, Environmentally sensitive lands in the Town of Fort Qu'Appelle should be protected as Environmental Reserve in accordance with the Planning and Development Act, 2007, the Environmental Assessment Act, and the Environmental Management and Protection Act, 2002.

According to the Planning and Development Act, 2007; Environmental Reserve land may be used as a public park or for any other use that the minister may, by regulation, specify, but, if it is not used for those purposes, the environmental reserve must be left in its natural state. A copy of the act, referencing Environmental Reserve is included in the Addenda of this appraisal report.



PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use

The Highest and Best Use of a property is a major factor affecting market value. The value of a property results from its use and varies with the present and prospective, actual and anticipated profit. Highest and Best Use can be simply stated as that use likely to produce the greatest net return over a given period of time.

Criteria for determining Highest and Best Use include:

- 1) The use must be legal and in compliance with zoning and building restrictions.
- 2) The use must be within the realm of probability; a likely one, not speculative or conjectural.
- 3) A demand for such use must exist.
- 4) The use must be profitable.
- 5) The use must provide the highest net return to the land.
- 6) The use must produce the return for the longest possible time.

The existing use of a given parcel of land is usually the Highest and Best Use, since economic pressure dictates the use. If the existing use is the Highest and Best Use, it should:

- a) conform to existing zoning regulations or be a legal non-conforming use;
- b) be in reasonable conformity with its surroundings.

In addition, as long as the building contributes something to the total property value in excess of the value of the vacant site, it would pay an owner to continue it in that use, which would be considered to be its Highest and Best Use.

On the basis of the above and recognizing the size, configuration, location and the fact the site is located within an Ecologically Sensitive area, which prevents further development; it is my opinion that the Highest and Best Use for the subject property is green space.



Appraisal Procedures

There are three approaches to be considered in developing an estimate of value for the subject.

The Cost Approach is the method by which the value of a property is derived by estimating the reproduction cost new of the improvements, deducting therefrom the estimated depreciation and then adding the market value of the land. This approach usually provides a reliable indication of value where the improvements are new, they contain little or no depreciation, including functional and external obsolescence and they represent the highest and best use for the land.

The Income Approach develops an estimate of value from the anticipated net income the property could realize, if put on the market for rent. The annual net income is then capitalized into an estimate of value, by converting the income stream by an appropriate overall capitalization rate. This approach is typically utilized from the standpoint of an investor.

The Direct Comparison Approach develops an estimate of value from the market, where properties similar to the subject have been sold and/or properties presently listed for sale. It is a process of correlating and analyzing the comparable properties, to arrive at an estimate of value for the subject. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

The Direct Comparison Approach will provide an estimate of value of the subject property based on comparable properties that have recently sold within the Town of Fort Qu'Appelle, as well as similar communities. The Cost Approach will not be utilized due to the fact that there are no improvements located on the site. The Income Approach will not be utilized due to the fact that the property is not typical of an investment property purchased for income producing or cash flow capabilities.



Direct Comparison Approach

This method involves the gathering, analyzing and comparing of data on similar properties that have been sold, on which offers have been made, or that are for sale.

This approach implies the Principle of Substitution, which states that a prudent purchaser will not pay more for a property than it would cost to buy an equally desirable substitute. The properties selected for comparison must be similar in most essential respects to the one being appraised. In addition to comparing the similar characteristics between properties, the dissimilar characteristics must also be weighed. In this manner, the appraiser is placing himself in the position of being a typical purchaser or vendor in the market, in that the analysis of data pertaining to the real estate market is of assistance in deciding the best possible price to pay, or accept, for a property.

Following is a summary of each comparable property used in this analysis:

**INDEX NO. 1**

Location: Balcarres, SK
 Legal Description: Not provided
 Sale Price: \$2,500.00
 Date of Sale: January, 2013
 Site Size: 0.22 acres
 Sale Price /Acre: \$11,363.64
 Zoning: C - Commercial

Comments: Vacant lot located in the Town of Balcarres. The property was not serviced with water and sewer at the time of the sale. The land was sold by the town. Since the sale, the site has been re-zoned to an agriculture use.

INDEX NO. 2

Location: 298 2nd Street E, Fort Qu'Appelle
 Legal Description: Block G, Plan 102112366
 Sale Price: \$10,000.00
 Date of Sale: December 13, 2012
 Site Size: 1.05 acres
 Sale Price /Acre: \$9,523.81
 Zoning: C - Commercial

Comments: Vacant lot located on the south side of 2nd Street, east of Notre Dame Avenue. East of Highway #22. The site has approximately 300 feet of frontage onto 2nd Street and was fully serviced. The site was purchased to be developed with a light industrial property.

**INDEX NO. 3**

Location: 500 Industrial Drive, Indian Head, SK
 Legal Description: Lot 1, Block S, Plan No. 80R50151
 Sale Price: \$17,296.00
 Date of Sale: November 2012
 Lot Size: 0.49 acres
 Sale Price/Acre: \$8,475.04
 Zoning: Commercial
 Comments: Unserviced commercial land located within the Town of Indian Head. The parcel is located on Industrial Drive. The parcel was sold by the Town to Don McLean.

INDEX NO. 4

Location: 114 South Railway, Indian Head, SK
 Legal Description: Lot 14, Block 78, Plan FV414
 Lot E, Plan DO 1586
 Sale Price: \$50,095.50
 Date of Sale: October 2012
 Lot Size: 4.50 acres
 Sale Price/Acre: \$11,132.33
 Zoning: Commercial
 Comments: Unserviced commercial land located within the Town of Indian Head. The parcel is located on South Railway. The parcel had access to services, but was not serviced at the time of the sale. The purchasers serviced the land after the transaction. The parcel was sold by the Town to Dwight and Andrea Webster.

INDEX NO. 5

Location: Fort Qu'Appelle
 Legal Description: Block 12R, Plan 101383703
 Sale Price: \$19,600.00
 Date of Sale: August, 2010
 Site Size: 13.27 acres
 Sale Price /Acre: \$1,477.02
 Zoning: FUD – Future Urban Development
 Comments: Vacant lot located south of Highway # 10. The site is on the east side of Cemetery Hill Road. The property had no services in place at the time of the sale.

**INDEX NO. 6**

Location: Fort Qu'Appelle
 Legal Description: Parcel A, Plan 101986320
 Sale Price: \$5,100.00
 Date of Sale: May, 2010
 Site Size: 0.67 acres
 Sale Price /Acre: \$7,611.94
 Zoning: CS – Community Service District

Comments: Vacant lot located on the south side of 2nd Street, east of Notre Dame Avenue. East of Highway #22. The site has approximately 234 feet of frontage onto 2nd Street. The site was not serviced according to the Town of Fort Qu'Appelle.

INDEX NO. 7

Location: Fort Qu'Appelle
 Legal Description: Parcel E, Plan 101986320
 Sale Price: \$5,100.00
 Date of Sale: May, 2010
 Site Size: 4.74 acres
 Sale Price /Acre: \$1,075.95
 Zoning: CS – Community Service District

Comments: Vacant lot located on the south side of 2nd Street, east of Notre Dame Avenue. East of Highway #22. The site has approximately 142 feet of frontage onto Notre Dame Avenue. The site was not serviced according to the Town of Fort Qu'Appelle.

**Sales Summary:**

#	Location	Sale Price	Sale Date	Area (Acres)	Sale Price Per Acre
1	Balcarres	\$2,500.00	13-Jan	0.22	\$11,363.64
2	Fort Qu'Appelle	\$10,000.00	12-Dec	1.05	\$9,523.81
3	Indian Head	\$17,296.00	12-Nov	0.49	\$35,297.96
4	Indian Head	\$50,095.50	12-Oct	4.50	\$11,132.33
5	Fort Qu'Appelle	\$19,600.00	10-Aug	13.27	\$1,477.02
6	Fort Qu'Appelle	\$5,100.00	10-May	0.67	\$7,611.94
7	Fort Qu'Appelle	\$5,100.00	10-May	4.74	\$1,075.95

The seven land sales shown above are all sales of unserviced land located in Fort Qu'Appelle, Indian Head and Balcarres. The sales shown are considered superior in terms of location and future development potential.

Due to the fact the subject property is low lying land, in a flooded plain, located within the Ecologically Sensitive Area (map located in the Addenda), and according to the Fort Qu'Appelle Official Community Plan, Environmentally sensitive lands in the Town of Fort Qu'Appelle should be protected as Environmental Reserve in accordance with the Planning and Development Act, 2007, the Environmental Assessment Act, and the Environmental Management and Protection Act, 2002; we are of the opinion that the subject property has no future development potential or potential land use beyond environmental reserve/greenspace. Therefore, the estimated value of the subject property by the Direct Comparison Approach is estimated at:

6.70 acres @ \$0.00 per acre

\$0.00 (Nil)



Reconciliation and Final Estimate of Value

The Direct Comparison Approach to value has produced the following estimates of value for the subject property:

Direct Comparison Approach:	\$0.00
------------------------------------	---------------

The Direct Comparison Approach has provided a value estimate based on the sale price per acre of land. In this approach, an analysis was made of sales of vacant land sites considered similar to the subject property. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

Therefore, it is my opinion that the estimated market value of the subject property, in fee simple estate, free and clear of encumbrances, as at the effective date of August 28, 2015 is:

Nil
(\$0.00)

**CERTIFICATION****DATE: March 13, 2018****Re: Vacant Land, Fort Qu'Appelle, Saskatchewan**

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

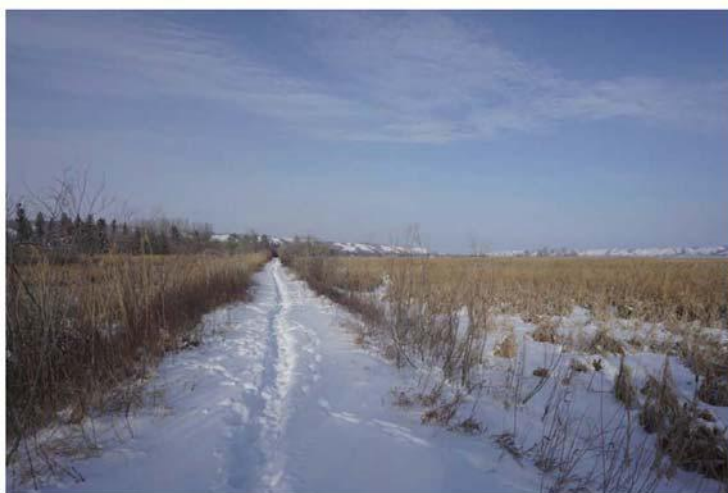
- The statements of fact contained in this report are true and correct;
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal impartial, and unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermining results, the amount of the value estimate, or a conclusion favouring the client;
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards;
- I have the knowledge and experience to complete the assignment competently.
- No one provided significant professional assistance to the undersigned;
- As of the date of this report the I have fulfilled the requirements of the Appraisal Institute of Canada Continuing Professional Development Program for members;
- I am a member in good standing of the Appraisal Institute of Canada;
- I personally inspected the subject property of the report;
- Based upon the data, analyses, and conclusions contained herein, the market value of the interest in the property described herein, as at August 28, 2015, is estimated at \$0.00;

Dated: March 13, 2018

Greg Buchan, B.Admin, AACI, P.App
AIC Membership # 904274

ADDENDA 1

Photographs



Subject



Subject



ADDENDA 2

Land Titles (ISC) Documents

3/6/2018

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

Province of Saskatchewan Land Titles Registry Title

Title #: 147589633
Title Status: Active
Parcel Type: Surface
Parcel Value: \$31,200.00 CAD
Title Value: \$31,200.00 CAD
Converted Title: 86R09448
Previous Title and/or Abstract #: 108125940
As of: 06 Mar 2018 09:25:23
Last Amendment Date: 19 Jan 2016 15:58:17.737
Issued: 04 Jan 2016 10:57:09.447
Municipality: TOWN OF FORT QU'APPELLE

ABACO ENERGY SERVICES LTD. is the registered owner of Surface Parcel #120764561

Reference Land Description: Blk/Par Y Plan No 85R64873 Extension 1
As described on Certificate of Title 86R09448.

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

Interest #: 173608308	CNV Common Law Easement Re: Blocks 2 and 3, Fort Qu'Appelle, Plan 1867 Holder: The Current Dominant Tenement N/A n/a, Saskatchewan, Canada S4P 3V7 Client #: 100009099 Int. Register #: 102095894 Converted Instrument #: EG4816	(Dominant) Value: N/A Reg'd: 14 Mar 2007 14:11:14 Interest Registered Amendment Date: 14 Mar 2007 14:11:14 Interest Assignment Date: N/A Interest Scheduled Expiry Date: N/A Expiry Date: N/A Original Registration Date: 17 Sep 1945 01:20:16
Interest #: 173608319	CNV Common Law Easement Converted Instrument Number EG3260 Holder: The Current Dominant Tenement N/A n/a, Saskatchewan, Canada S4P 3V7 Client #: 100009099	(Dominant) Value: N/A Reg'd: 13 Nov 2013 14:46:31 Interest Registered Amendment Date: N/A Interest Assignment Date: N/A Interest Scheduled Expiry Date: N/A Expiry Date: N/A Original Registration Date: 20 Mar 1945 00:00:01

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

1/3



Block Y, Plan 85R64873, Fort Qu'Appelle, SK

3/6/2018

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>**Int. Register #:** 119590016**Interest #:**
173608320CNV Common Law
Easement

(Dominant)

Value: N/A**Reg'd:** 13 Nov 2013 14:46:32**Interest Registered Amendment Date:** N/A**Interest Assignment Date:** N/A**Interest Scheduled Expiry Date:** N/A**Expiry Date:** N/A**Original Registration Date:** 19 Apr 1945

00:00:01

Converted Instrument Number EG3668

Holder:

The Current Dominant Tenement

N/A

n/a, Saskatchewan, Canada S4P 3V7

Client #: 100009099**Int. Register #:** 119590072**Interest #:**
173608331CNV Common Law
Easement

(Dominant)

Value: N/A**Reg'd:** 13 Nov 2013 14:46:33**Interest Registered Amendment Date:** N/A**Interest Assignment Date:** N/A**Interest Scheduled Expiry Date:** N/A**Expiry Date:** N/A**Original Registration Date:** 21 Jul 1945

00:00:01

Converted Instrument Number EG4440

Holder:

The Current Dominant Tenement

N/A

n/a, Saskatchewan, Canada S4P 3V7

Client #: 100009099**Int. Register #:** 119590106**Interest #:**
173937853

Miscellaneous Interest

Value: N/A**Reg'd:** 19 Jan 2016 15:58:18**Interest Registered Amendment Date:** N/A**Interest Assignment Date:** N/A**Interest Scheduled Expiry Date:** N/A**Expiry Date:** N/A**Holder:**

TOWN OF FORT QU'APPELLE

BOX 309

FORT QU'APPELLE, SK, Canada S0G 1S0

Client #: 100513538**Int. Register #:** 121354196**Addresses for Service:****Name****Owner:**

ABACO ENERGY SERVICES LTD.

Client #: 122803758

Address1825 HARBOR DRIVE BISMARCK, North Dakota, United States
of America 58504-8854**Notes:**<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

2/3

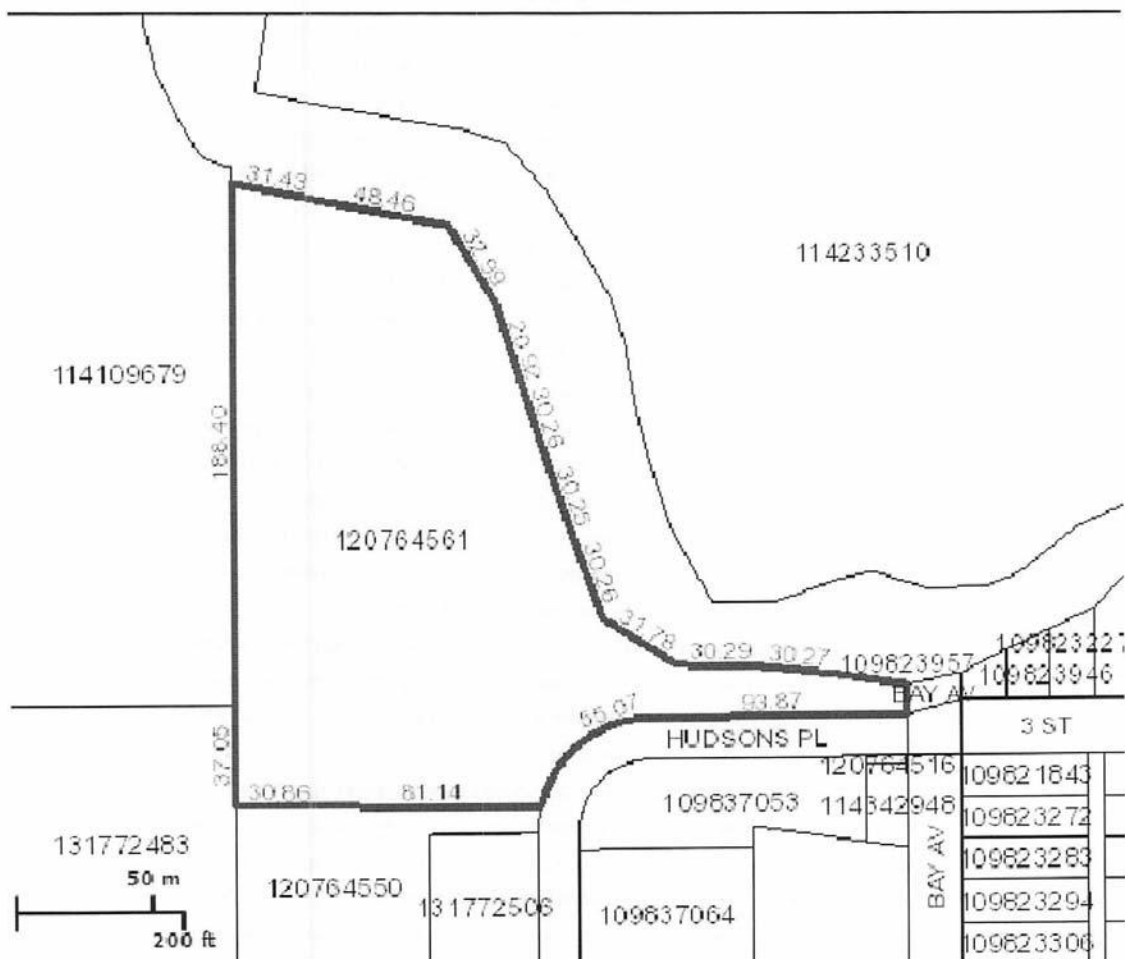


Block Y, Plan 85R64873, Fort Qu'Appelle, SK



Surface Parcel Number: 120764561

REQUEST DATE:06-Mar-2018 9:25:50 AM



Owner Name(s): ABACO ENERGY SERVICES LTD.

Municipality: TOWN OF FORT QU'APPELLE

Title Number(s): 147589633

Parcel Class: Parcel (Generic)

Land Description: Blk/Par Y-Plan 85R64873 Ext 1

Source Quarter Section:

Commodity/Unit: Not Applicable

Area: 2.71 hectares (6.7 acres)

Converted Title Number: 86R09448

Ownership Share: 1:1

DISCLAIMER: THIS IS NOT A PLAN OF SURVEY It is a consolidation of plans to assist in identifying the location, size and shape of a parcel in relation to other parcels. Parcel boundaries and area may have been adjusted to fit with adjacent parcels. To determine actual boundaries, dimensions or area of any parcel, refer to the plan, or consult a surveyor.



Addenda 3

Assessment Information

Property Report Print Date: 06-Mar-2018 Page 1 of 1

Municipality Name: FORT QU'APPELLE **Assessment ID Number:** FORTQ-505010550 **PID:** 3929411

Civic Address: **Title Acres:** **Inspected:** 20-Apr-2017
Legal Location: Lot Block Y Plan FORTQ Sup 00 **School Division:** 208 **Change Reason:** Maintenance
Supplementary: 5 AC **Neighbourhood:** FORTQ-110 **Year / Frozen ID:** 2017/-11
Overall PUSE: 1000 **Predom Code:**
Method in Use: C.A.M.A. - Cost
Call Back Year:

URBAN LAND

Lot/Plot	Land Use	Plot Characteristics	Rates and Factors	Other Information	Liability Subdivision	Tax Status
/ 1	VACANT RES LAND	Acresage	Prime Rate: \$72,745.00	Std.Parcel Size: .44	1	Taxable
	Plot use - Residential Excess	Width(ft)	Urban - Acresage	Land Size Multiplier: 180		
		Side 1 (ft)	Lump Sum: 0.00	Adjustment reason:		
		Side 2 (ft)				
		Area/Units 5.00				

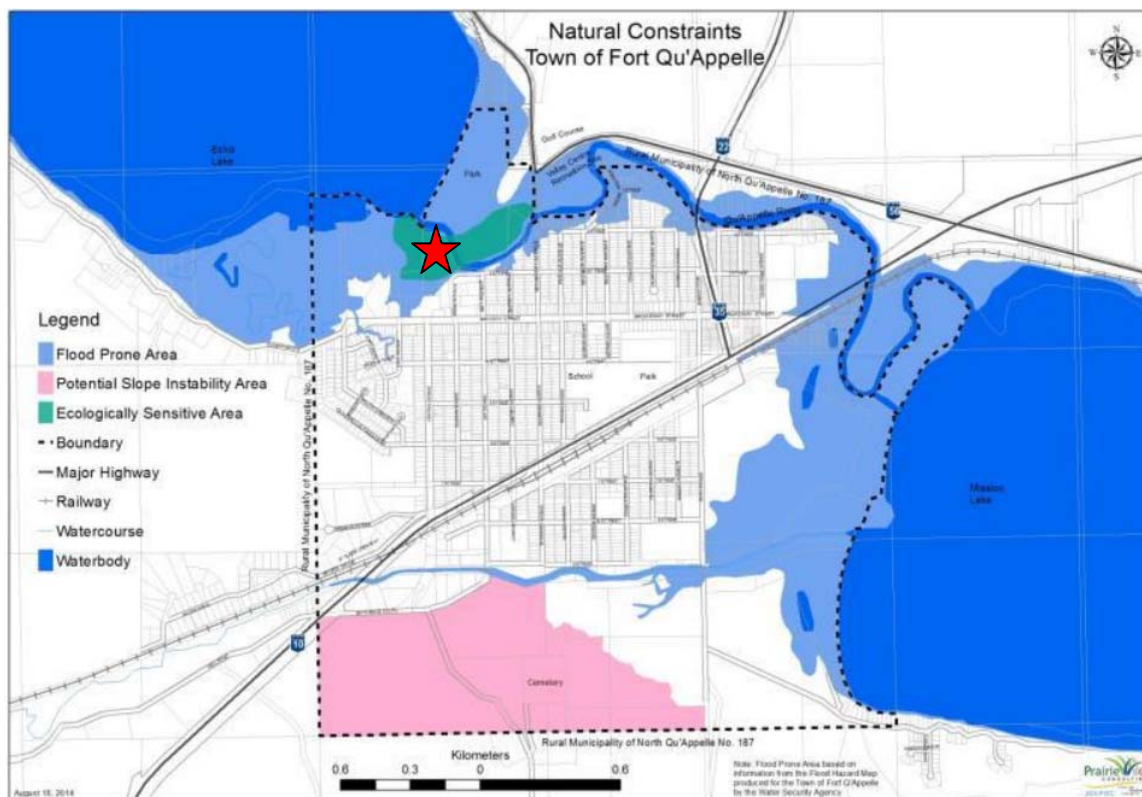
Assessed & Taxable/Exempt Values (Summary)

Description	Appraised Values	Adjust Reason	Liability Subdivision	Tax Class	Percentage of value	Taxable	Adjust Reason	Exempt	Adjust Reason	Tax Status
Non-Agricultural	\$52,000		1	Residential	80%	\$41,600				Taxable
Total of Assessed Values:	\$52,000				Total of Taxable/Exempt Values:	\$41,600				



Addenda 4

Official Community Plan Map





**Professional
Building
Inspections, Inc.**

64 Great Plains Road
Emerald Park, SK S4L 1C3

Ph: 306-536-1799

Fax: 306-781-2112

Email: office@pro-inspections.ca
Website: www.pro-inspections.ca

Residential - Permit Information Form

(This form must be completed by the Administrator and accompany each permit application)

Permit Request:

PBI Permit No. 14-017

Municipality: Town of Fort Qu'Appelle

Development Permit Approved? ☐ Yes ☐ No Geo-Tech Required? ☐ Yes ☐ No

Are all required items listed on the Plan Review Checklist included? ☒ Yes ☐ No (If No, please DO NOT submit to PBI until the applicant has provided all required items for the project type, as per the Plan Review Checklist.)

Date of Permit Application: Sept. 4/14 Permit Expiry Date: Sept. 15/2015

Project Start Date: _____ Estimated Project Completion Date: _____
(Please allow 2 weeks for the Plan Review)

Contact Information:

Applicant's Name: 101118729 Sask. Ltd.

(☐ Same as Registered Owner) (☐ Same as Contractor)

Registered Owner: Black TTY Ent. Ltd.

E-mail: _____

Contractor's Name: 101118729 Sask. Ltd.

(☐ Same as Registered Owner)

E-mail: _____

Telephone No:

Bus: 306-332-4296

Cell: 306-332-7123

Home: 306-

Bus: 306-

Cell: 306-

Bus: 306-

Fax: 306-

Cell: 306-

Jobsite Address:

Civic Address: 580 Broadway St. W - Unit B

Legal Description: Lot(s) _____, Block YY, Plan No. 101994723

OR Portion of _____ $\frac{1}{4}$ section _____, Township _____, Range _____
Subdivision of _____

Project Type: (Select New Home, RTM or One project from the second box below)

☒ **New Home** or ☐ **RTM**
(Select below all that pertain to this permit)

- ☐ Basement Development
☒ Attached Garage
☐ Deck

Select One: ☐ Other (not listed): _____

- ☐ Addition ☐ Renovation ☐ Basement Development ☐ Deck
☐ Garage: ☐ Attached or ☐ Detached and ☐ Insulated or ☐ Not Insulated
☐ Accessory Bldg. ☐ Pole Building ☐ Post-Move ☐ Mobile Home

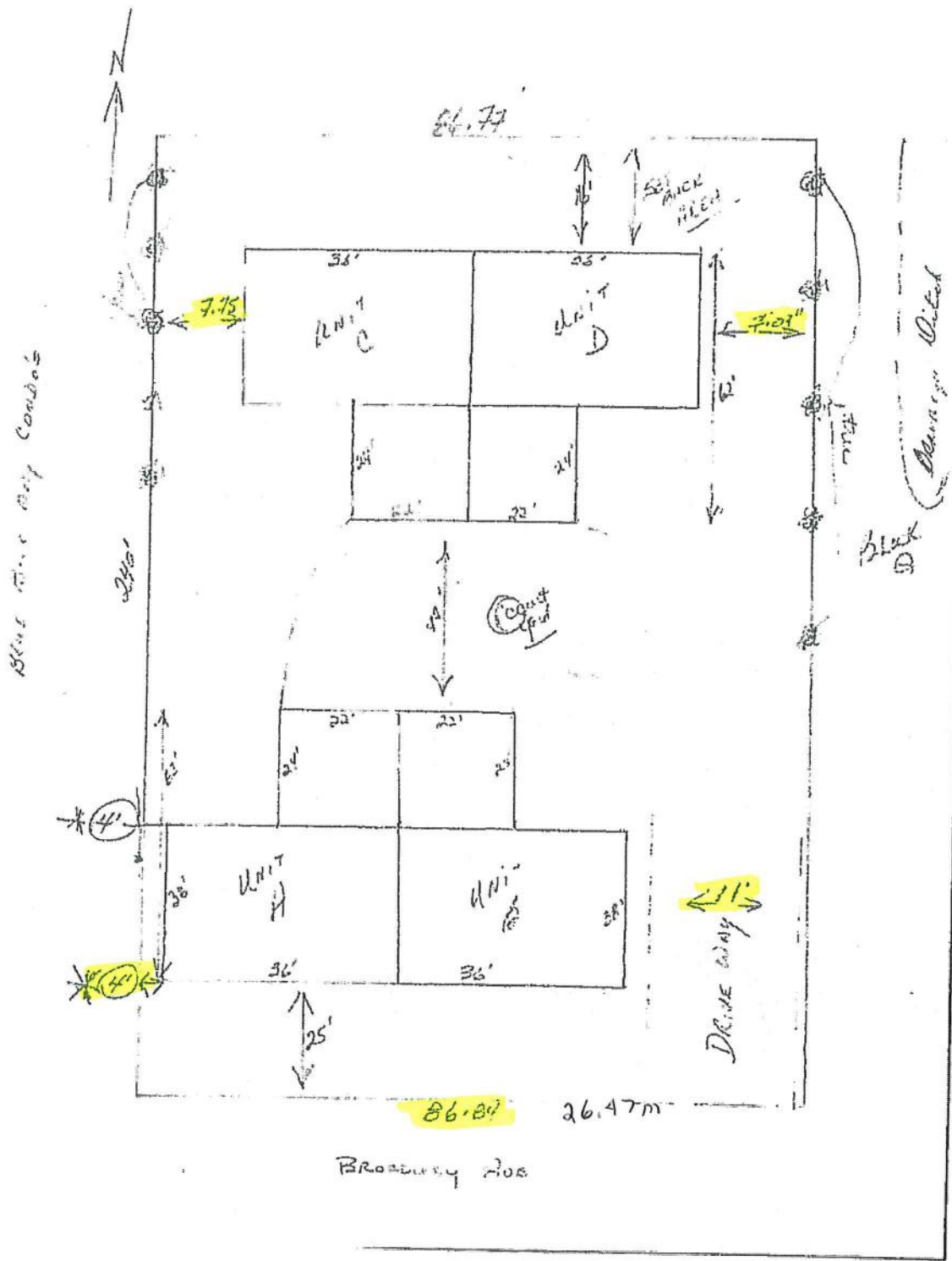
Size of Building: _____ ft² m² Length: _____ ft m Width: _____ ft m Height: _____ ft m
(Circle One) (Circle One) (Circle One) (Circle One)

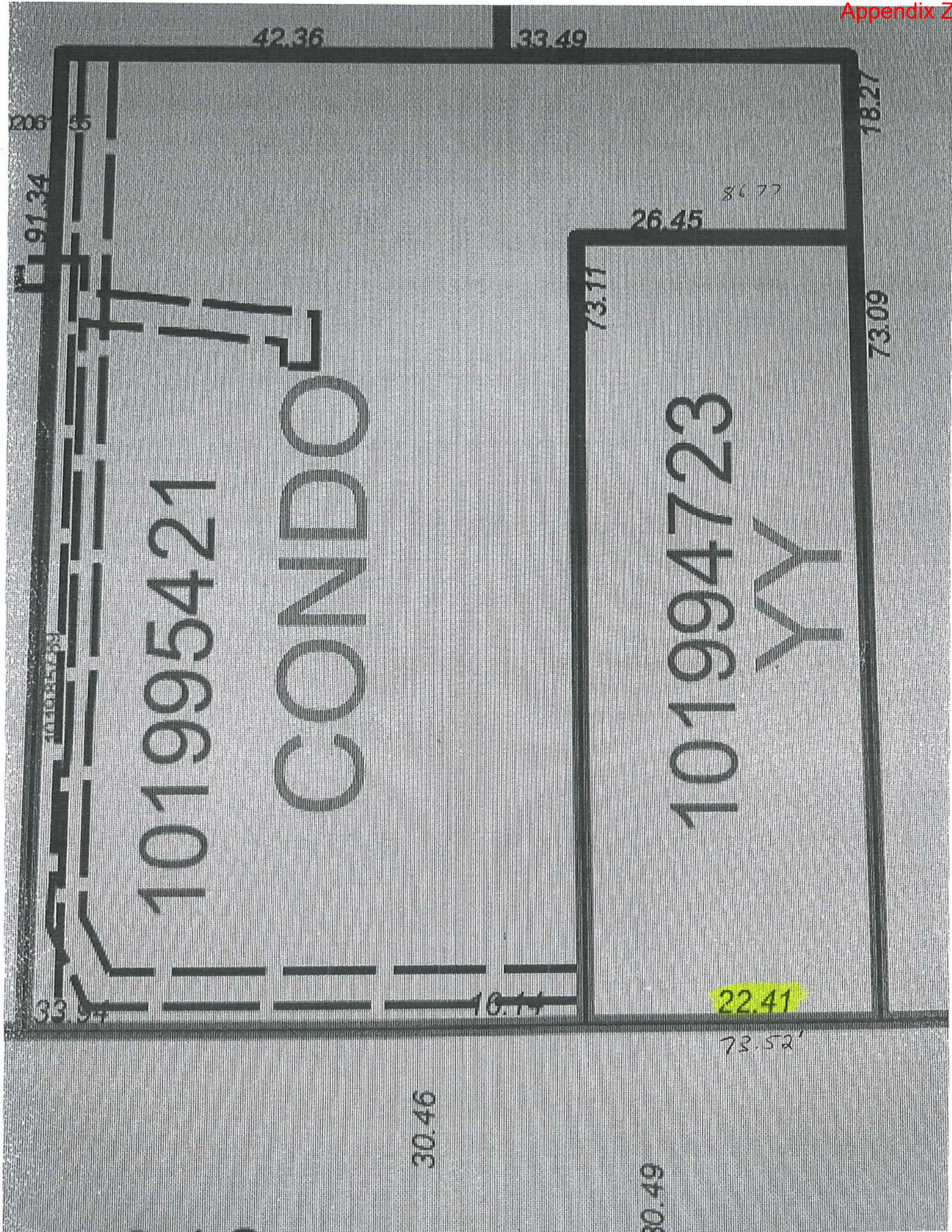
Finished Areas: Main: _____ ft² m² / 2nd Storey: _____ ft² m² / Basement: _____ ft² m²
(Circle One) (Circle One) (Circle One)

Additional Comments: Building Value \$207,500

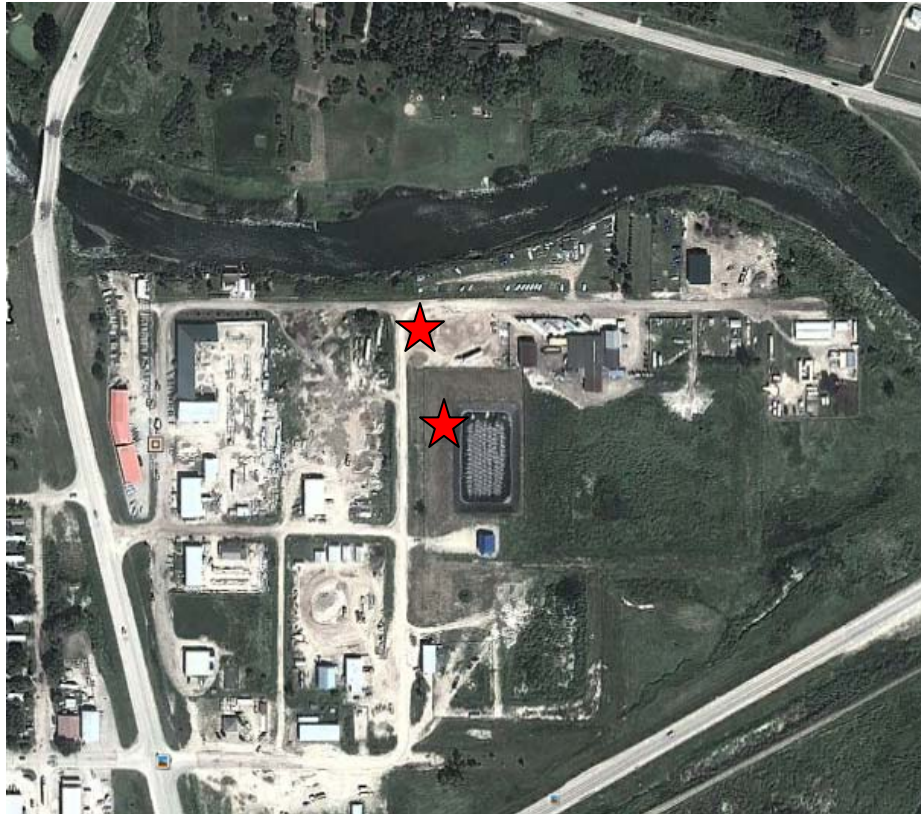
Date Submitted to PBI: Sept. 15/14 Administrator: _____

Application to Subdivide Land Under The Planning and Development Act, 1983		Form A	FOR OFFICIAL USE Date of receipt of completed Form A _____ C. P. File No. _____ Fees Submitted _____		
1	Location of land to be subdivided: <u>Town of Fort Guelph</u> Municipality (City, Town, Village, R.M., N.S.A.R.) 1/4 Sec. <u>21</u> Twp. <u>13</u> Rge. <u>2</u> Mer. <u>N</u> Lot(s) _____ Block(s) _____ Reg'd Plan No. <u>74R30031</u>				
2	Intended subdivision is shown on enclosed: <input checked="" type="checkbox"/> Plan of proposed subdivision or; <input type="checkbox"/> Sketch plan and / or; <input type="checkbox"/> Written legal description.				
3	Legal and Physical access from the subdivision is: <input checked="" type="checkbox"/> Urban Street <input type="checkbox"/> Main Farm Access <input type="checkbox"/> Highway <input type="checkbox"/> Road Allowance <input type="checkbox"/> Grid Road <input type="checkbox"/> Resource Road				
4	Characteristics of land to be subdivided (These features should also be shown on the sketch plan) (flat, rolling, steep) <u>flat</u> (brush, sloughs, creeks, etc.) <u>lined along South or West Side of lot</u> (sandy, loam, clay, etc.) <u>Sandy</u>				
5	Existing and Proposed use of land to be subdivided: a) Current land use of proposed lot (s): <u>Community as 13 unit Condo development on Block N</u> <u>Proposed to Build as 4 flats</u> b) Intended use of each proposed lot: <u>Condo development</u>				
6	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top; padding-right: 10px;"> a) Water supply is: <input checked="" type="checkbox"/> existing <input type="checkbox"/> proposed <input checked="" type="checkbox"/> Municipal system <input type="checkbox"/> Lake <input type="checkbox"/> Municipal well <input type="checkbox"/> Other (specify) _____ <input type="checkbox"/> Private well <input type="checkbox"/> Not required </td> <td style="width: 50%; vertical-align: top;"> b) Sewage disposal is: <input checked="" type="checkbox"/> existing <input type="checkbox"/> proposed <input checked="" type="checkbox"/> Municipal sewer <input type="checkbox"/> Pit privy <input type="checkbox"/> Septic system <input type="checkbox"/> Other (specify) _____ <input type="checkbox"/> Holding tank <input type="checkbox"/> Not required </td> </tr> </table>			a) Water supply is: <input checked="" type="checkbox"/> existing <input type="checkbox"/> proposed <input checked="" type="checkbox"/> Municipal system <input type="checkbox"/> Lake <input type="checkbox"/> Municipal well <input type="checkbox"/> Other (specify) _____ <input type="checkbox"/> Private well <input type="checkbox"/> Not required	b) Sewage disposal is: <input checked="" type="checkbox"/> existing <input type="checkbox"/> proposed <input checked="" type="checkbox"/> Municipal sewer <input type="checkbox"/> Pit privy <input type="checkbox"/> Septic system <input type="checkbox"/> Other (specify) _____ <input type="checkbox"/> Holding tank <input type="checkbox"/> Not required
a) Water supply is: <input checked="" type="checkbox"/> existing <input type="checkbox"/> proposed <input checked="" type="checkbox"/> Municipal system <input type="checkbox"/> Lake <input type="checkbox"/> Municipal well <input type="checkbox"/> Other (specify) _____ <input type="checkbox"/> Private well <input type="checkbox"/> Not required	b) Sewage disposal is: <input checked="" type="checkbox"/> existing <input type="checkbox"/> proposed <input checked="" type="checkbox"/> Municipal sewer <input type="checkbox"/> Pit privy <input type="checkbox"/> Septic system <input type="checkbox"/> Other (specify) _____ <input type="checkbox"/> Holding tank <input type="checkbox"/> Not required				
7	Utility services required: a) Electrical power is: <input checked="" type="checkbox"/> existing <input type="checkbox"/> proposed b) Telephone service is: <input checked="" type="checkbox"/> existing <input type="checkbox"/> proposed c) Natural Gas service is: <input checked="" type="checkbox"/> existing <input type="checkbox"/> proposed <input type="checkbox"/> not available <input type="checkbox"/> not required <div style="text-align: right; font-size: 0.8em; margin-top: 10px;">Please show all line locations on the sketch or plan. Relocation and / or extensions must be negotiated with the supplier.</div>				





Report on Appraisal of
Block A & E, Plan 101986320
Fort Qu'Appelle, SK



As at
May 10, 2010

Prepared by



200 Clifton Court
2330 - 15th Avenue
Regina, SK
S4P 1A2



B. R. Gaffney & Associates
200 Clifton Court
2330 - 15th Avenue
Regina, SK S4P 1A2

Real Estate Appraisers & Consultants
Phone: (306) 359-7800
Fax: (306) 359-7312
E-mail: gaffney.assoc@sasktel.net

March 15, 2018

MNP LLP
119 4th Ave South
Suite 800
Saskatoon, SK

Re: Vacant Lands, Fort Qu'Appelle, Saskatchewan

In accordance with your instructions I have completed a narrative appraisal on the above referenced properties which are legally described as follows:

Block A, Plan 101986320
Block E, Plan 101986320
Fort Qu'Appelle, Saskatchewan

As a result of my investigation and analysis, it is my opinion that the estimated market value of the subject properties, in fee simple estate, free and clear of encumbrances, as at May 10, 2010, a retrospective date, is:

Forty Nine Thousand Dollars
(\$49,000.00)

The estimate of value is market value as defined on page one of the attached report. The estimate of value assumes no duress on the part of either a purchaser or vendor; it does not take into consideration any existing mortgages against the property and is based on an exposure period of six to twelve months.

The following report describes my methods of appraisal and contains data gathered in the investigation, which to the best of my knowledge and belief is correct subject to the limiting conditions herein set out.

Respectfully submitted,
B. R. GAFFNEY & ASSOCIATES

Per: 
Greg Buchan, B.Admin, AACI, P.App

TABLE OF CONTENTS

TITLE PAGE

PART ONE – INTRODUCTION

Letter of Transmittal
Table of Contents
Executive Summary

PART TWO – BASIS OF APPRAISAL

Intended Use of the Report 1
Purpose of the Assignment 1
Property Rights Appraised 1
Definition Of Market Value 1
Effective Date of Value 2
Scope of Work 2
Assumptions and Limiting Conditions 3

PART THREE – FACTUAL INFORMATION

Identification of the Property 6
Location and Site Data 7
Description of Improvements 11
Existing Use 13
Assessment and Taxes 13
History of Subject Property 13
Land Use Controls 14

PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use 15
Appraisal Procedures 16
Direct Comparison Approach 17
Reconciliation and Final Estimate of Value 29
Exposure Time 29
Certification 30

ADDENDA 1

Photographs 31

ADDENDA 2

Land Titles (ISC) Documents 33

ADDENDA 3

Assessment Information 36

EXECUTIVE SUMMARY

Type of Property:	Vacant Land
Report Type:	Narrative
Effective Date of Appraisal:	May 10, 2010 (Retrospective)
Date of Inspection:	March 9, 2018
Zoning:	IND – General Industrial District
2011 Total Assessment:	\$204,100.00
2011 Taxes:	Exempt
Site Area:	Block A – 0.67 Acres Block E – 4.74 Acres
Highest and Best Use:	Future Development
FINAL ESTIMATE OF VALUE:	
Block A – 0.67 Acres	\$13,000.00
Block E – 4.74 Acres	\$36,000.00



PART TWO – BASIS OF APPRAISAL

Intended Use of the Report

As per our client's request for services, the intended use of this report is to assist MNP LLP, with internal decisions pertaining to the subject properties. It is not reasonable for any person other than the client and B.R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. 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.

Purpose of the Assignment

The purpose of this assignment is to provide a market value property appraisal for the subject properties located in Fort Qu'Appelle, Saskatchewan, in fee simple estate, free and clear of all encumbrances. The effective date of the appraisal is May 10, 2010, a retrospective date.

Property Rights Appraised

The property rights appraised reflect the most complete form of ownership, which is title in fee. Such ownership establishes an interest in real property known as fee simple interest (i.e., absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power, and escheat).

Definition of Market Value

The Appraisal of Real Estate, Third Canadian Edition defines market value 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 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 as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Market Value as defined by International Valuation Standards 2006: "Market value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms length transaction after proper marketing herein the parties had each acted knowledgeably, prudently and without compulsion".

Effective Date of Value

At the request of the client, the effective date of the appraisal is May 10, 2010, a retrospective date. The effective date of this appraisal is considered to be a retrospective date as the opinion of value reflects that of a specified historic date. The estimate of value developed must be consistent with market conditions as at the specified date. The retrospective date has been considered throughout the valuation.

Scope of Work

The subject properties and the subject property's neighbourhood were inspected by the appraiser on March 9, 2018. The photographs of the subject properties were taken on March 9, 2018.

Regional, municipal and neighbourhood data was based on a personal inspection, information published by the Town of Fort Qu'Appelle and information published by local Real Estate and Property Management firms. In estimating the highest and best use for the subject, an analysis



was made of data compiled from the above. In addition, an analysis was made of supply and demand for properties similar in use to the subject.

The Direct Comparison Approach will provide an estimate of value of the subject properties based on comparable properties that have recently sold within the Town of Fort Qu'Appelle, as well as similar communities. The Cost Approach will not be utilized due to the fact that the improvements are not considered to contribute value. The Income Approach will not be utilized due to the fact that the property is not typical of an investment property purchased for income producing or cash flow capabilities.

Data derived from the market was obtained from our files, other appraisers, realtors and/or persons knowledgeable of the subject property market-place. The final estimate of value is made after assembling and analyzing the data defined in this scope of appraisal.

I did not complete technical investigations, if applicable, such as:

- Detailed inspections or engineering review of the structure, roof or mechanical systems;
- An environmental review of the property;
- A site or building survey;
- Investigations into the bearing qualities of the soils; or
- Audits of financial and legal arrangements reported by the client concerning the leases.

Assumptions and Limiting Conditions

This narrative report has been prepared at the request of MNP LLP, hereinafter referred to as the client, for the purpose of providing an estimate of the market value of the subject properties located in Fort Qu'Appelle, Saskatchewan. The function of the appraisal is to assist the client with internal decisions in regard to the subject properties. The effective date of the appraisal is May 10, 2010, a retrospective date.

Except as it may be necessary to expedite the function of this appraisal as identified herein, it is not reasonable for any person other than the client and B. R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. This report has been prepared on the assumption that no other person will rely on it for any other purpose and all



liability to all such persons is denied.

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the authors, subject to the qualification below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this report. The property is appraised on the basis of it being under responsible ownership.
4. The subject property is presumed to comply with government regulations including zoning, building codes and health regulations and, if it doesn't comply, its non-compliance may affect market value.
5. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property.
6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical

structure, mechanical or other operating systems, its foundation, etc., if applicable) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.
10. The term “inspection” refers to observation and reporting of the general material finishing, if applicable, and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.
11. Where applicable, the opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building inspections have been completed to

date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.

12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
13. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
14. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Where the client is the mortgagee and the loan is insured, liability is extended to the mortgage insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
15. This appraisal report, its content and all attachments/addendums and their content are the property of the author. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
16. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied



upon without fault.

17. Where the intended use of this report is for financing or mortgage lending, it is a condition of reliance on this report that the authorized user has or will conduct loan underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct such loan underwriting and due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Underwriting Practices and Procedures B-20, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.
18. Where the intended use of this report is for mortgage insurance, it is a condition of reliance on this report that the authorized user will conduct loan insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent mortgage insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, to conduct such loan insurance underwriting and/ due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Insurance Underwriting Practices and Procedures B-21, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.

PART THREE – FACTUAL INFORMATION

Identification of the Property

The subject properties are identified as follows:

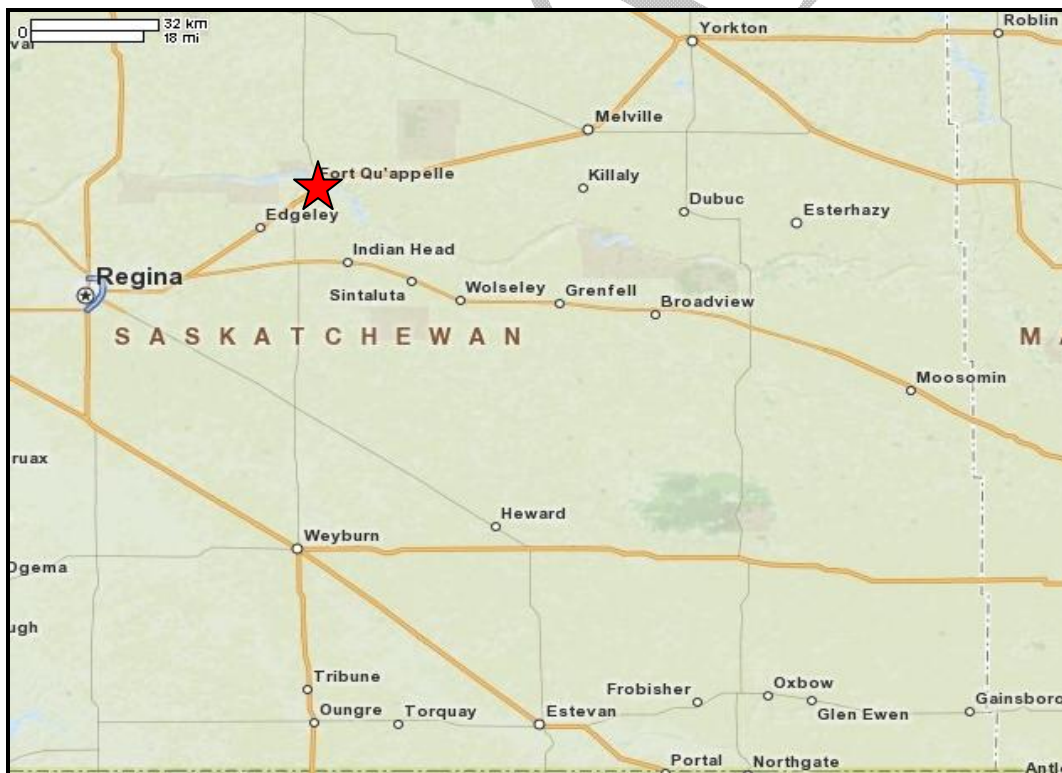
Address: 2nd Street, Fort Qu'Appelle, SK
 Notre Dame Avenue, Fort Qu'Appelle, SK

Legal Descriptions: Block A, Plan 101986320
 Block E, Plan 101986320

Parcel Numbers: 164571419
 164571374

The above legal descriptions and corresponding parcel numbers reflect the information on record with ISC (Province of Saskatchewan Land Titles Registry).

Location and Site Data





The subject property is located in the eastern portion of the Town of Fort Qu'Appelle, Saskatchewan just south of Echo Lake. Fort Qu'Appelle is located between Echo and Mission Lakes in the Qu'Appelle Valley, about 45 miles northeast of Regina along Highway No. 10. Highway No. 10 travels north east from Balgonie and the Trans Canada Highway No. 1 to Melville and Yorkton. Fort Qu'Appelle has a population of approximately 2,300 and its economy is dependent primarily on agriculture and tourism. Tourism in the area during the summer months is supported by cottage owners and campers frequenting the lakes located in the area. There is some winter tourism consisting of down hill and cross-country skiing and ice fishing. Positive features of Fort Qu'Appelle include full services such as schools, churches, and recreational and shopping facilities. Generally, most amenities are within walking distance.

Block A, Plan 101986320

This parcel is located to the east of the main business district of Fort Qu'Appelle on the southeast corner of Notre Dame Avenue and north of 2nd Street East. 2nd Street East runs east and west and connects to Boundary Avenue. 2nd Street East has gravel roads in the immediate area. The subject property site is comprised of one parcel. The site is relatively flat. The site is not serviced. The location is considered to be average to fair for future development purposes.

Block E, Plan 101986320

This parcel is located to the east of the main business district of Fort Qu'Appelle on the east side of Notre Dame Avenue and south of 2nd Street East. Notre Dame Avenue runs north and south and has gravel roads in the immediate area. The subject property site is comprised of one parcel. The site is relatively flat. The site is not serviced. The location is considered to be average to fair for future development purposes.



Existing Use

The existing use of the subject property is vacant land. Discussion relative to the current use and the Highest and Best Use can be found in Part 4 of this report under the heading *Highest and Best Use*.

Assessment and Taxes

According to the Town of Fort Qu'Appelle, the 2011 assessment and 2011 taxes for the subject property are as follows:

2011 ASSESSED AND TAXABLE VALUE:	\$204,100.00
2011 TAXES:	Exempt
TAXING TREND:	Increasing

It should be noted, according to SAMA, the 2010 assessments were not available. The assessment and taxes are comparable to other similar properties and the level of assessment and taxes will not, in my opinion, have an effect on the market value of the subject property. It should be noted that some improvements were included in the assessment.

History of Subject Property

According to the Saskatchewan Land Titles Registry, as of the effective date of this appraisal report, The Town of Fort Qu'Appelle is the registered owner of the subject property. The current owners have owned the property for a number of years.

Due to the fact that the property is owned by the Town of Fort Qu'Appelle, the property is exempt from property taxes.

There are several interests registered against the subject property. Further detail relating to these interests can be found on a copy of the title that is included in the Addenda of this report.

*Vacant Lands, Fort Qu'Appelle, SK*

The subject properties were purchased in May of 2010. Parcel A was purchased for an amount of \$5,100.00. Parcel E was also purchased for \$5,100.00. We are not aware of any listings, sales or offers within the last three years, aside from that noted.

DRAFT



Land Use Controls

According to the Town of Fort Qu'Appelle zoning bylaw the subject properties are zoned IND – General Industrial District.

The purpose of the General Industrial District (IND) is to provide areas for Industrial activities which have moderate potential for conflict with adjacent land uses and rely on access to prime traffic routes.

DRAFT



PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use

The Highest and Best Use of a property is a major factor affecting market value. The value of a property results from its use and varies with the present and prospective, actual and anticipated profit. Highest and Best Use can be simply stated as that use likely to produce the greatest net return over a given period of time.

Criteria for determining Highest and Best Use include:

- 1) The use must be legal and in compliance with zoning and building restrictions.
- 2) The use must be within the realm of probability; a likely one, not speculative or conjectural.
- 3) A demand for such use must exist.
- 4) The use must be profitable.
- 5) The use must provide the highest net return to the land.
- 6) The use must produce the return for the longest possible time.

The existing use of a given parcel of land is usually the Highest and Best Use, since economic pressure dictates the use. If the existing use is the Highest and Best Use, it should:

- a) conform to existing zoning regulations or be a legal non-conforming use;
- b) be in reasonable conformity with its surroundings.

In addition, as long as the building contributes something to the total property value in excess of the value of the vacant site, it would pay an owner to continue it in that use, which would be considered to be its Highest and Best Use.

On the basis of the above and recognizing the size, configuration, location and condition of the subject properties, it is my opinion that the Highest and Best Use for the subject properties is future development.



Appraisal Procedures

There are three approaches to be considered in developing an estimate of value for the subject.

The Cost Approach is the method by which the value of a property is derived by estimating the reproduction cost new of the improvements, deducting therefrom the estimated depreciation and then adding the market value of the land. This approach usually provides a reliable indication of value where the improvements are new, they contain little or no depreciation, including functional and external obsolescence and they represent the highest and best use for the land.

The Income Approach develops an estimate of value from the anticipated net income the property could realize, if put on the market for rent. The annual net income is then capitalized into an estimate of value, by converting the income stream by an appropriate overall capitalization rate. This approach is typically utilized from the standpoint of an investor.

The Direct Comparison Approach develops an estimate of value from the market, where properties similar to the subject have been sold and/or properties presently listed for sale. It is a process of correlating and analyzing the comparable properties, to arrive at an estimate of value for the subject. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

The Direct Comparison Approach will provide an estimate of value of the subject properties based on comparable properties that have recently sold within the Town of Fort Qu'Appelle, as well as similar communities. The Cost Approach will not be utilized due to the fact that the improvements are not considered to contribute value. The Income Approach will not be utilized due to the fact that the properties are not typical of an investment property purchased for income producing or cash flow capabilities.



Direct Comparison Approach

This method involves the gathering, analyzing and comparing of data on similar properties that have been sold, on which offers have been made, or that are for sale.

This approach implies the Principle of Substitution, which states that a prudent purchaser will not pay more for a property than it would cost to buy an equally desirable substitute. The properties selected for comparison must be similar in most essential respects to the one being appraised. In addition to comparing the similar characteristics between properties, the dissimilar characteristics must also be weighed. In this manner, the appraiser is placing himself in the position of being a typical purchaser or vendor in the market, in that the analysis of data pertaining to the real estate market is of assistance in deciding the best possible price to pay, or accept, for a property.

Due to the intended use of this appraisal report no sales were included within the Town of Fort Qu'Appelle, in which the Town of Fort Qu'Appelle was the vendor of the sale. Sales from small communities within Saskatchewan will be used.

Following is a summary of each comparable property used in this analysis:

**INDEX NO. 1**

Location: Industrial Road, Carnduff
Legal Description: Block I, Plan 101915557
Sale Price: \$4,000.00
Date of Sale: January 2010
Site Area: 4 acres
Sale Price/Acre.: \$1,000.00
Zoning: Industrial
Comments: This property is located on the north side of Service Street. Service Street is located on the north side of Highway # 18.

INDEX NO. 2

Location: Pense, Sask.
Legal Description: Parcel D, Plan 101401715 Ext 71
Sale Date: December 2009
Sale Price: \$40,000.00
Land Size: 15.62 acres
Sale Price/Acre: \$2,561.00
Zoning: Holding (Rezoned to R1 after purchase)
Comments: Pense administrator indicated that the purchase price was \$40,000. Purchased by NorthRidge Development Corp for future residential development.

**INDEX NO. 3**

Location: Highway No. 6, Southey
 Legal Description: Lots 7-10, Block 15, FV5141
 Sale Price: \$24,000.00
 Date of Sale: May 2009
 Site Area: 0.95 Acres
 Sale Price/Acre: \$25,263.16
 Zoning: Commercial

Comments: Property located along Provincial Highway No. 6 at the north end of the Town. The property has considerable frontage onto the highway. The property previously sold in November of 2005 at a price of \$20,000.00. The property includes lighting that was used in conjunction with the previous use associated with a car dealership.

INDEX NO. 4

Location: Service road, north side of Highway #13
 R.M. #64 Brock, Sask.
 Legal Description: Lot 2, Block 1, Plan 101968746
 Sale Date: March 2009
 Sale Price: \$9,382.00
 Land Size: 2.5 acres
 Sale Price/Acre: \$3,753.00
 Zoning: Commercial

Comments: Land located along the north side of Highway #13, north of Arcola. Arcola Building Supplies Ltd. was the buyer.

**INDEX NO. 5**

Location: Griffin, SK
 Legal Description: Block 3, Plan 101919528
 Sale Date: January 2009
 Sale Price: \$3,500.00
 Land Size: 3.06 Acres
 Sale Price/Acre: \$1,144.00
 Zoning: Commercial
 Comments: Land located on southwest corner of Highway No. 13 and grid road in Griffin.

INDEX NO. 6

Location: Whitewood, SK
 Legal Description: Block W, Plan No. 101888275
 Sale Date: November 2008
 Sale Price: \$10,500.00
 Land Size: 3.16 acres
 Sale Price/Acre: \$3,323.00
 Zoning: Highway Commercial
 Comments: Land located directly south of Highway No. 1 and north of Whitewood, SK. OK
 Tire built new building on site.

INDEX NO. 7

Location: North of Estevan
 R.M. #5 Estevan, Sask.
 Legal Description: Block F, Plan 101943424
 Sale Date: September 2008
 Sale Price: \$17,000.00
 Land Size: 9.99 acres
 Sale Price/Acre: \$1,702.00
 Zoning: Agriculture
 Comments: Land purchased for future residential acreage development.

**INDEX NO. 8**

Location: One mile south of Raymore at the corner of Highway #6 and #15

Legal Description: Block C, Plan No. 101930431
R.M. #279 Mount Hope

Sale Date: August 2008

Sale Price: \$35,000.00

Land Size: 6.51 acres

Sale Price/Acre: \$5,376.00

Zoning: Industrial

Comments: Last Mountain Co-operative was purchaser of land for new card-lock bulk fuel station.

INDEX NO. 9

Location: Lampman, Saskatchewan

Legal Description: Portion of Parcel C, Plan 101320670

Sale Date: July 2008

Sale Price: \$22,500.00

Land Size: 3.0 acres

Sale Price Per Acre: \$7,500.00

Zoning: Agriculture

Seller: Greg Feuring

Buyer: Carson Energy Services Ltd.

Comments: This parcel has been merged with Parcel F to the south and is now identified as Parcel H, Plan 101985778. The total size of Parcel H is now 5.02 acres. The parcel was purchased for industrial purposes.

**INDEX NO. 10**

Location: 102 Grid Road East, Carnduff, SK
Legal Description: Lots 3 and 4, Block F, Plan 101912981
Sale Price: \$6,000.00
Date of Sale: April 2007 (title transfer)
Site Area: 1.24 acres
Sale Price/Acre: \$4,838.71
Zoning: Commercial

Comments: Property located along south side of Railway Avenue, on the corner of Railway Avenue and Grid Road East. The property consists of two lots one containing .67 (Lot 3) acres and one containing .57 (Lot 4). The property is fully serviced with the exception of sewer; the purchaser had to install a septic system. The purchaser constructed an automotive shop building upon purchase, operating as Carnduff Carriage Works. The property at the east end of Railway Avenue is unique as the services end at 4th Street E.

**Sales Summary:**

#	Location	Sale Price	Sale Date	Area (Acres)	Sale Price Per Acre
1	Carnduff	\$4,000.00	10-Jan	4.00	\$1,000.00
2	Pense	\$40,000.00	9-Dec	15.62	\$2,560.82
3	Southey	\$24,000.00	9-May	0.95	\$25,263.16
4	Arcola	\$9,382.00	9-Mar	2.50	\$3,752.80
5	Griffin	\$3,500.00	9-Jan	3.06	\$1,143.79
6	Whitewood	\$10,500.00	8-Nov	3.16	\$3,322.78
7	Estevan	\$17,000.00	8-Sep	9.99	\$1,701.70
8	Raymore	\$35,000.00	8-Aug	6.51	\$5,376.34
9	Lampman	\$22,500.00	8-Jul	3.00	\$7,500.00
10	Carnduff	\$6,000.00	7-Apr	1.24	\$4,838.71

The ten land sales shown above, range from a low of \$1,000.00 per acre to a high of \$25,263.16 per acre. The average sale price per acre was recorded at \$5,646.01 per acre. It should be noted that typically there is an inverse relationship between parcel size and price; whereby the smaller parcels sell for a higher price per square foot compared to the larger parcels.

Block A, Plan 101986320

Based on the above analysis, the most similar sales to the subject property are Index No.'s 3, 6 and 9. The average sale price per acre of these three sales is \$20,449.70. Given the location, zoning, services and size of the subject property, we are of the opinion that an amount of \$20,000.00 per acre is a good indication of market value for the subject property.

Therefore, the estimated value of the subject property by the Direct Comparison Approach is estimated at:

0.67 acres @ \$20,000.00 per acre

Total: \$13,400.00

\$13,000.00

**Block E, Plan 101986320**

Based on the above analysis, the most similar sales to the subject property are Index No.'s 4, 6, 8 and 9. The average sale price per acre of these three sales is \$4,987.99. Given the location, zoning, services and size of the subject property, we are of the opinion that an amount of \$7,500.00 per acre is a good indication of market value for the subject property. Therefore, the estimated value of the subject property by the Direct Comparison Approach is estimated at:

4.74 acres @ \$7,500.00 per acre

Total: \$35,550.00

\$36,000.00

DRAFT



Reconciliation and Final Estimate of Value

The Direct Comparison Approach to value has produced the following estimates of value for the subject properties:

Direct Comparison Approach: \$49,000.00

The Direct Comparison Approach has provided a value estimate based on the sale price per acre of land. In this approach, an analysis was made of sales of vacant land sites considered similar to the subject property. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

Therefore, it is my opinion that the estimated market value of the subject properties, in fee simple estate, free and clear of encumbrances, as at the effective date of May 10, 2010 is:

**Forty Nine Thousand Dollars
(\$49,000.00)**

Exposure Time

Exposure time is the estimated length of time the properties interest being appraised would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market. It is always presumed to have preceded the effective date of the appraisal. Based on our analysis of the market place for this type of property, our estimate of market value is based on an exposure time of six to twelve months.

**CERTIFICATION****DATE: March 15, 2018****Re: Vacant Land, Fort Qu'Appelle, Saskatchewan**

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

- 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 impartial, and unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermining results, the amount of the value estimate, or a conclusion favouring the client;
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards;
- I have the knowledge and experience to complete the assignment competently.
- No one provided significant professional assistance to the undersigned;
- As of the date of this report the I have fulfilled the requirements of the Appraisal Institute of Canada Continuing Professional Development Program for members;
- I am a member in good standing of the Appraisal Institute of Canada;
- I personally inspected the subject property of the report;
- Based upon the data, analyses, and conclusions contained herein, the market value of the interest in the properties described herein, as at May 10, 2010, is estimated at \$49,000.00;

Dated: March 15, 2018

A handwritten signature in black ink, appearing to read 'Greg Buchan', written over a horizontal line.

Greg Buchan, B.Admin, AACI, P.App
AIC Membership # 904274

ADDENDA 1**Photographs**

Block A Picture



Block E Picture



ADDENDA 2

Land Titles (ISC) Documents

3/7/2018

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

Province of Saskatchewan Land Titles Registry Title

Title #: 141662415
Title Status: Active
Parcel Type: Surface
Parcel Value: \$70,000.00 CAD
Title Value: \$70,000.00 CAD
Converted Title: 91R10929 / SK127179546
Previous Title and/or Abstract #: 139256781
As of: 07 Mar 2018 11:57:01
Last Amendment Date: 09 Jan 2012 13:06:54.247
Issued: 09 Jan 2012 13:06:53.997
Municipality: TOWN OF FORT QU'APPELLE

POWER PIN INC. is the registered owner of Surface Parcel #164571419

Reference Land Description: Blk/Par A Plan No 101986320 Extension 0

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

None

Addresses for Service:

Name	Address
Owner: POWER PIN INC. Client #: 117200102	PO BOX 1548 FORT QU'APPELLE, SK, Canada S0G 1S0

Notes:

Parcel Class Code: Parcel (Generic)

[Back](#)

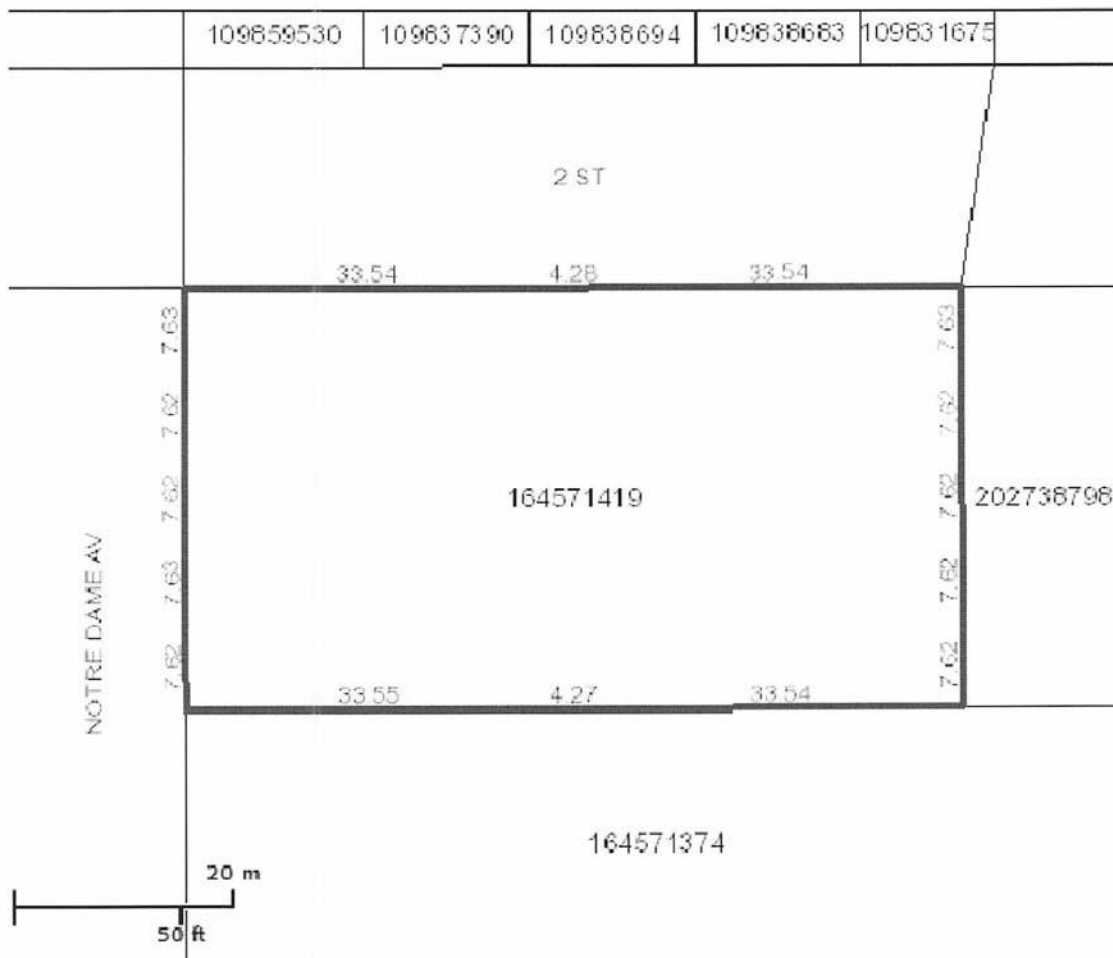
[Back to top](#)



Information
Services
Corporation

Surface Parcel Number: 164571419

REQUEST DATE: 07-Mar-2018 11:57:41 AM



Owner Name(s): POWER PIN INC.

Municipality: TOWN OF FORT QU'APPELLE

Title Number(s): 141662415

Parcel Class: Parcel (Generic)

Land Description: Blk/Par A-Plan 101986320 Ext 0

Source Quarter Section: NW-08-21-13-2

Commodity/Unit: Not Applicable

Area: 0.272 hectares (0.67 acres)

Converted Title Number: 91R10929 / SK127179546

Ownership Share: 1:1

DISCLAIMER: THIS IS NOT A PLAN OF SURVEY It is a consolidation of plans to assist in identifying the location, size and shape of a parcel in relation to other parcels. Parcel boundaries and area may have been adjusted to fit with adjacent parcels. To determine actual boundaries, dimensions or area of any parcel, refer to the plan, or consult a surveyor.



3/8/2018

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

Province of Saskatchewan Land Titles Registry Title

Title #: 139256703 **As of:** 08 Mar 2018 15:14:34
Title Status: Active **Last Amendment Date:** 23 Mar 2015 08:54:49.823
Parcel Type: Surface **Issued:** 10 May 2010 13:17:13.527
Parcel Value: \$5,100.00 CAD
Title Value: \$5,100.00 CAD **Municipality:** TOWN OF FORT QU'APPELLE
Converted Title: 90R54724 / 90R60572(1) / 91R12037 / SK127173360 / SK127174125 / SK127174327 / SK127179456 / SK127179546
Previous Title and/or Abstract #: 106448159 / 106448171 / 106448193 / 106448913 / 106448935 / 106448957 / 106449611 / 106449633 / 106449655 / 106449701 / 106449712 / 106449723 / 106449734 / 106449745 / 106449756 / 106449767 / 106449778 / 106450398 / 106450411 / 106450433 / 106450455 / 106450477 / 106450499 / 106450512 / 106450534 / 106450556 / 106450578 / 106450590 / 106450613 / 106450635 / 106450657 / 106450679 / 106450691 / 106450714 / 106450736 / 106450758 / 106450770 / 106450792 / 106450815 / 106450837 / 106450859 / 106450871 / 106450893 / 106450916 / 106450938 / 106450950 / 106450972 / 106452277 / 106452299 / 106452312 / 106452334 / 106452356 / 106452378 / 106452390 / 137343528 / 137344170 / 137344305 / 137347566 / 137347588

SASKATCHEWAN WATER CORPORATION is the registered owner of Surface
Parcel #164571374

Reference Land Description: Blk/Par E Plan No 101986320 Extension 0

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

Interest #: 151381830	Miscellaneous Interest Value: N/A Reg'd: 20 Jun 2006 15:14:04 Interest Registered Amendment Date: N/A Interest Assignment Date: N/A Interest Scheduled Expiry Date: N/A Expiry Date: N/A Consent and Agreement Respecting the Acquisition and Compensation for Easement and Lease for Working Space Holder: SASKATCHEWAN WATER CORPORATION 200 - 111 FAIRFORD STREET EAST MOOSE JAW, SK, Canada S6H 1C8 Client #: 100313143 Int. Register #: 110673738
Interest #: 170472090	Power Corporation Act Easement (s.23) Value: N/A Reg'd: 23 Mar 2015 08:54:50 Interest Registered Amendment Date: N/A Interest Assignment Date: N/A Interest Scheduled Expiry Date: N/A Expiry Date: N/A Holder: SASKATCHEWAN POWER CORPORATION 2025 VICTORIA AVE

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

1/2

*Vacant Lands, Fort Qu'Appelle, SK*

3/8/2018

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

REGINA, SK, Canada S4P 0S1

Client #: 100307618**Int. Register #:** 120717121**Addresses for Service:****Name****Address****Owner:**SASKATCHEWAN WATER CORPORATION 200 - 111 FAIRFORD STREET EAST MOOSE JAW, SK, Canada
S6H 1C8

Client #: 100313143

Notes:

Parcel Class Code: Parcel (Generic)

Back

Back to top

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

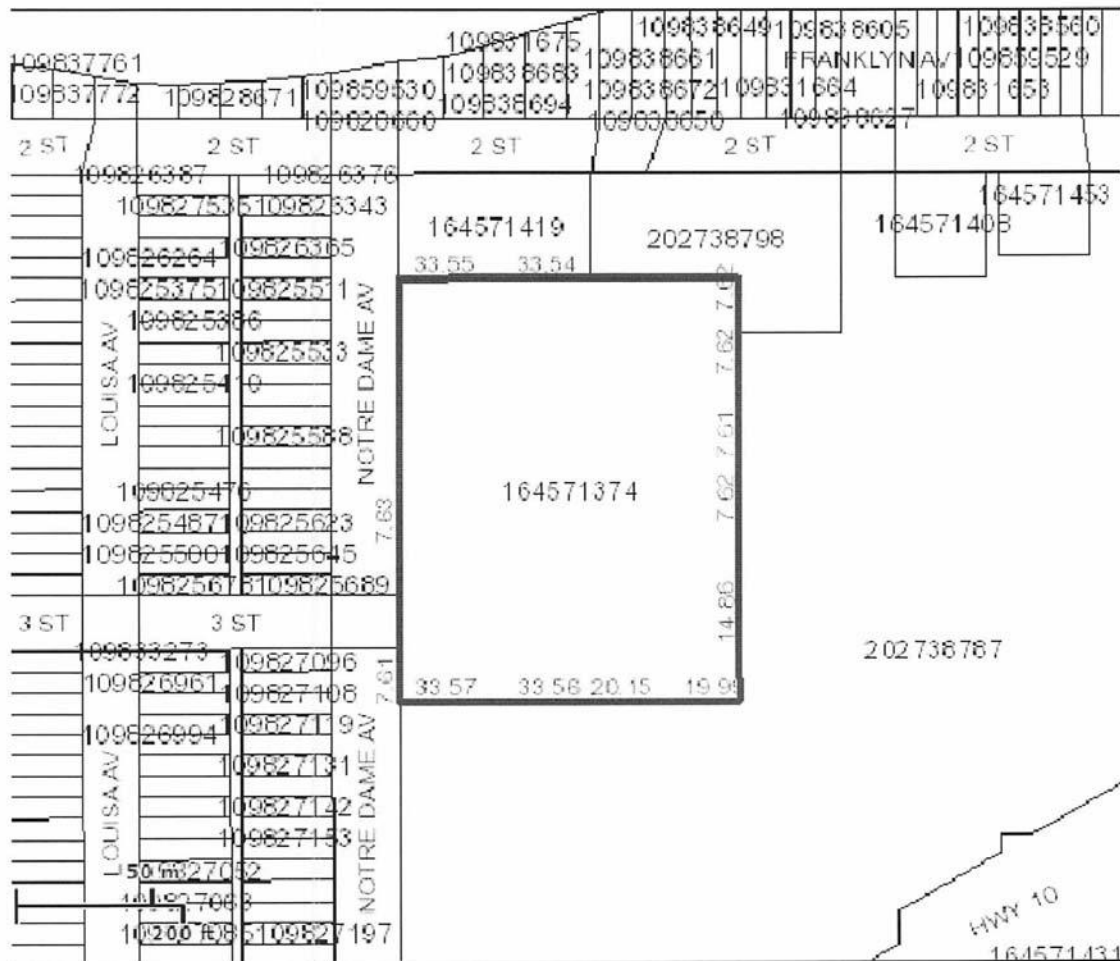
2/2



Information
Services
Corporation

Surface Parcel Number: 164571374

REQUEST DATE:08-Mar-2018 3:14:48 PM



Owner Name(s): SASKATCHEWAN WATER CORPORATION

Municipality: TOWN OF FORT QU'APPELLE

Area: 1.92 hectares (4.74 acres)

Title Number(s): 139256703 Converted Title Number: 90R54724 / 90R60572(1) / 91R12037 / SK127173360 / SK127174125 / SK127174327 / SK127

Parcel Class: Parcel (Generic)

Ownership Share: 1:1

Land Description: Blk/Par E-Plan 101986320 Ext 0

Source Quarter Section: NW-08-21-13-2

Commodity/Unit: Not Applicable

DISCLAIMER: THIS IS NOT A PLAN OF SURVEY It is a consolidation of plans to assist in identifying the location, size and shape of a parcel in relation to other parcels. Parcel boundaries and area may have been adjusted to fit with adjacent parcels. To determine actual boundaries, dimensions or area of any parcel, refer to the plan, or consult a surveyor.



Addenda 3

Assessment Information

 sama <small>SASKATCHEWAN ASSESSMENT MANAGEMENT AGENCY</small>	Property Report		Property Use: Commercial Vac Land	Print Date: 09-Mar-2018	Page 1 of 1
	Municipality Name: FORT QU'APPELLE		Assessment ID Number: FORTQ-505091000	PID: 512006515	
	Civic Address:		School Division: 208	Inspected Date: 04-Jan-2011	
	Legal Location: Parcel A Block Plan 101986320 Sup		Neighborhood: 310	Change Reason: Maintenance	
	Supplementary: ISC # 164571419		Puse Code: Commercial Vac Land	Call Back Year: 2011/0	
			Predom Code:	Method_in_use: C.A.M.A. - Cost	

Assessed & Taxable/Exempt Values (Summary)								
Description	Assessed Values	Liability Subdivision	Tax Class	Percentage of value	Taxable	Exempt	VA	Tax Status
Non-Agricultural	8,300	1	Comm & Industrial Other	100%	8,300			Taxable
Total of Assessed Values		8,300	Total of Taxable/Exempt Values:			8,300		

URBAN LAND (Details)								
Lot/Plot	Land Use	Plot Characteristics	Rates and Factors		Other Information	Liability Subdivision	Tax Status	
A / 1.00	Commercial Land	Square Footage	Prime Rate:	0.61	Std. Parcel Size:	27,486.00	1	Taxable
Plot use -	COMMERCIAL VAC LAND	Width(ft)	Urban - Square Foot	8,340.00	Land Size Multiplier:	105		
		Side 1 (ft)			Adjustment reason:			
		Side 2 (ft)						
		Area		29,185.20				
		Total Area:		29,185.20				





Vacant Lands, Fort Qu'Appelle, SK

Page 2 of 4

TOWN OF FORTQ		Assessment ID Number: FORTQ-505091400						PID: 512006519		Print Date: 09-Mar-2018						
COMMERCIAL																
Sub Model	Occupancy Type	Const Class	Quality	Bldg ID	Bldg Seq	Eff. Year Built	Cond	SEC Area/Vo	TRA Area	Func OBS	Econ OBS	Phys DEP	UNF	MAF	Liability Sub ST	
S937 - Telephone Building	General	Type 5 (M&S S)	A - Good	2832673	0	2007	1.00 - Average	1440	1440			0	0	51	1 Exempt	
Dimensions: MS-S937(1440) ADD(RL2 9.27.8) TXT(MS-S937-> 40) Perim: 152																
S937 - Telephone Building	Basement	Type 5 Storage Basement (M&S S)		2832674	0	2007	1.00 - Average	1440	1440	00 %	00 %	0	0	51	1 Exempt	
Dimensions: MS-S937(1440) ADD(RL2 9.23.8) TXT(MS-S937-> 40) Perim: 152																
406 - Storage Warehouse	General	Type 5 (M&S S)	B - Average	2847274	0	1981	0.90 - Above Average	2100	2100			41		51	1 Exempt	
Dimensions: MS-406(2100) ADD(RU1 3.13) TXT(MS-406-> 30 X 70) Perim: 200																

© 2018 Saskatchewan Assessment Management Agency, All Rights Reserved.

Data Source: Govem_Prod



Vacant Lands, Fort Qu'Appelle, SK

Page 3 of 4

TOWN OF FORTQ		Assessment ID Number: FORTQ-505091400		PID: 512006519	Print Date: 09-Mar-2018	
Sub Model: S937 - Telephone Building	Type: General	Building ID: 2832673	Building SEQ: 0	Prop Use Code: CIVIC/PROV/FED PROP	Section Area/Vol: 440	Perimeter: 152
Act. Year Built:	2007			Current Cost Multiplier	1.01	
Const. Class:	Type 5 (M&S S)			Local Multiplier:	1.19	
Const. Quality:	A - Good	Heat Type 1:	100% Unit Heater	Sask. Cost Factor:	1.00	
Bmt Quality:	Not Applicable	Heat Type 2:		Throughput Factor:		
Storey Height:	12.0	Air Conditioning Type 1:	100% No Air Conditioning	Ventilation:	Yes	
Number of Storeys:	01 Storey	Air Conditioning Type 2:		Unit-in-place Component:		
Total # of Storeys Abv Grnd:	01 Storey	Sprinklers Type 1:	100% No - Sprinklers	Dock Leveller Number:		
Dock Height Area:		Sprinklers Type 2:				
Dock Height Rate:		Dock Leveller Size:				
Dock Leveller Type:						
Description:						
Sub Model: S937 - Telephone Building	Type: Basement	Building ID: 2832674	Building SEQ: 0	Prop Use Code: CIVIC/PROV/FED PROP	Section Area/Vol: 440	Perimeter: 152
Act. Year Built:	2007			Current Cost Multiplier	1.01	
Const. Class:	Type 5 (M&S S)			Local Multiplier:	1.19	
Const. Quality:	Storage Basement	Heat Type 1:	100% Unit Heater	Sask. Cost Factor:	1.00	
Bmt Quality:	A - Good	Heat Type 2:		Throughput Factor:		
Storey Height:	10.0	Air Conditioning Type 1:		Ventilation:	Yes	
Number of Storeys:	01 Storey	Air Conditioning Type 2:		Unit-in-place Component:		
Total # of Storeys Abv Grnd:	01 Storey	Sprinklers Type 1:		Dock Leveller Number:		
Dock Height Area:		Sprinklers Type 2:				
Dock Height Rate:		Dock Leveller Size:				
Dock Leveller Type:						
Description:						

© 2018 Saskatchewan Assessment Management Agency, All Rights Reserved.

Data Source: Govern_Prod

DRAFT



Vacant Lands, Fort Qu'Appelle, SK

Page 4 of 4

TOWN OF FORTQ		Assessment ID Number: FORTQ-505091400		PID: 512006519	Print Date: 09-Mar-2018
Sub Model:	406 - Storage Warehouse	Type: General	Building ID: 2847274	Building SEQ: 0	Prop Use Code: CIVIC/PROVIDED PROP Section Area/Vol: 100 Perimeter: 200
Act. Year Built:	1981	Exterior Wall Material 1:	100% METSAND - Metal Sandwich	Current Cost Multiplier:	1.01
Const. Class:	Type 5 (M&S S)	Exterior Wall Material 2:		Local Multiplier:	1.19
Const. Quality:	B - Average	Heat Type 1:	100% Unit Heater	Sask. Cost Factor:	1.00
Bmt Quality:	Not Applicable	Heat Type 2:		Throughput Factor:	
Storey Height:	15	Air Conditioning Type 1:		Ventilation:	
Number of Storeys:	01 Storey	Air Conditioning Type 2:			
Total # of Storeys Abv Grnd	01 Storey	Sprinklers Type 1:		Unit-in-place Component:	
Storey Height Multiplier:	Storey Height Adj	Sprinklers Type 2:		Dock Leveller Number:	
Dock Leveller Type:		Dock Leveller Size:			
Dock Height Area:		Dock Height Rate:			
Description:					

© 2018 Saskatchewan Assessment Management Agency, All Rights Reserved.

Data Source: Govern_Prod

DRY

Report on Appraisal of
298 2nd Street East
Fort Qu'Appelle, SK



As at
December 13, 2012

Prepared by



200 Clifton Court
2330 - 15th Avenue
Regina, SK
S4P 1A2



B. R. Gaffney & Associates
200 Clifton Court
2330 - 15th Avenue
Regina, SK S4P 1A2

Real Estate Appraisers & Consultants
Phone: (306) 359-7800
Fax: (306) 359-7312
E-mail: gaffney.assoc@sasktel.net

March 15, 2018

MNP LLP
119 4th Ave South
Suite 800
Saskatoon, SK

Re: 298 2nd Street East, Fort Qu'Appelle, Saskatchewan

In accordance with your instructions I have completed a narrative appraisal on the above referenced property which is legally described as follows:

Block G, Plan 102112366
Fort Qu'Appelle, Saskatchewan

As a result of my investigation and analysis, it is my opinion that the estimated market value of the subject property, in fee simple estate, free and clear of encumbrances, as at December 13, 2012, a retrospective date, is:

Seventeen Thousand Dollars
(\$17,000.00)

The estimate of value is market value as defined on page one of the attached report. The estimate of value assumes no duress on the part of either a purchaser or vendor; it does not take into consideration any existing mortgages against the property and is based on an exposure period of six to twelve months.

The following report describes my methods of appraisal and contains data gathered in the investigation, which to the best of my knowledge and belief is correct subject to the limiting conditions herein set out.

Respectfully submitted,
B. R. GAFFNEY & ASSOCIATES

Per: _____

Greg Buchan, B.Admin, AACI, P.App

TABLE OF CONTENTS

TITLE PAGE

PART ONE – INTRODUCTION

Letter of Transmittal	
Table of Contents	
Executive Summary	

PART TWO – BASIS OF APPRAISAL

Intended Use of the Report	1
Purpose of the Assignment	1
Property Rights Appraised	1
Definition Of Market Value	1
Effective Date of Value	2
Scope of Work	2
Assumptions and Limiting Conditions	3

PART THREE – FACTUAL INFORMATION

Identification of the Property	7
Location and Site Data	8
Description of Improvements	10
Existing Use	11
Assessment and Taxes	11
History of Subject Property	11
Land Use Controls	12

PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use	13
Appraisal Procedures	14
Direct Comparison Approach	15
Reconciliation and Final Estimate of Value	22
Exposure Time	23
Certification	24

ADDENDA 2

Land Titles (ISC) Documents	25
-----------------------------	----

ADDENDA 3

Assessment Information	28
------------------------	----

EXECUTIVE SUMMARY

Type of Property:	Vacant Land
Report Type:	Narrative
Effective Date of Appraisal:	December 13, 2012 (Retrospective)
Date of Inspection:	March 9, 2018
Zoning:	IND – General Industrial District
2012 Total Assessment:	\$204,100.00
2012 Taxes:	Exempt
Site Area:	1.05 Acres
Highest and Best Use:	Future Development
FINAL ESTIMATE OF VALUE:	\$17,000.00

PART TWO – BASIS OF APPRAISAL

Intended Use of the Report

As per our client's request for services, the intended use of this report is to assist MNP LLP, with internal decisions pertaining to the subject property. It is not reasonable for any person other than the client and B.R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. 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.

Purpose of the Assignment

The purpose of this assignment is to provide a market value property appraisal for the subject property located at 298 2nd Street East, Fort Qu'Appelle, Saskatchewan, in fee simple estate, free and clear of all encumbrances. The effective date of the appraisal is December 13, 2012, a retrospective date.

Property Rights Appraised

The property rights appraised reflect the most complete form of ownership, which is title in fee. Such ownership establishes an interest in real property known as fee simple interest (i.e., absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power, and escheat).

Definition of Market Value

The Appraisal of Real Estate, Third Canadian Edition defines market value 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 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 as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Market Value as defined by International Valuation Standards 2006: "Market value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms length transaction after proper marketing herein the parties had each acted knowledgeably, prudently and without compulsion".

Effective Date of Value

At the request of the client, the effective date of the appraisal is December 13, 2012, a retrospective date. The effective date of this appraisal is considered to be a retrospective date as the opinion of value reflects that of a specified historic date. The estimate of value developed must be consistent with market conditions as at the specified date. The retrospective date has been considered throughout the valuation.

Scope of Work

The subject property and the subject property's neighbourhood were inspected by the appraiser on March 9, 2018. The photographs of the subject property were taken on March 9, 2018.

Regional, municipal and neighbourhood data was based on a personal inspection, information published by the Town of Fort Qu'Appelle and information published by local Real Estate and Property Management firms. In estimating the highest and best use for the subject, an analysis

was made of data compiled from the above. In addition, an analysis was made of supply and demand for properties similar in use to the subject.

The Direct Comparison Approach will provide an estimate of value of the subject property based on comparable properties that have recently sold within Towns located throughout South-Eastern Saskatchewan. The Cost Approach will not be utilized due to the fact that due to the instructions of our client there are no improvements to be considered. The Income Approach will not be utilized due to the fact that the property is not typical of an investment property purchased for income producing or cash flow capabilities.

Data derived from the market was obtained from our files, other appraisers, realtors and/or persons knowledgeable of the subject property market-place. The final estimate of value is made after assembling and analyzing the data defined in this scope of appraisal.

I did not complete technical investigations, if applicable, such as:

- Detailed inspections or engineering review of the structure, roof or mechanical systems;
- An environmental review of the property;
- A site or building survey;
- Investigations into the bearing qualities of the soils; or
- Audits of financial and legal arrangements reported by the client concerning the leases.

Assumptions and Limiting Conditions

This narrative report has been prepared at the request of MNP LLP, hereinafter referred to as the client, for the purpose of providing an estimate of the market value of the subject property located in Fort Qu'Appelle, Saskatchewan. The function of the appraisal is to assist the client with internal decisions in regard to the subject property. The effective date of the appraisal is December 13, 2012, a retrospective date.

Except as it may be necessary to expedite the function of this appraisal as identified herein, it is not reasonable for any person other than the client and B. R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. This report has been prepared on the assumption that no other person will rely on it for any other purpose and all

liability to all such persons is denied.

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the authors, subject to the qualification below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this report. The property is appraised on the basis of it being under responsible ownership.
4. The subject property is presumed to comply with government regulations including zoning, building codes and health regulations and, if it doesn't comply, its non-compliance may affect market value.
5. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property.
6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical

structure, mechanical or other operating systems, its foundation, etc., if applicable) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.
10. The term "inspection" refers to observation and reporting of the general material finishing, if applicable, and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.
11. Where applicable, the opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building inspections have been completed to



date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.

12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
13. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
14. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Where the client is the mortgagee and the loan is insured, liability is extended to the mortgage insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
15. This appraisal report, its content and all attachments/addendums and their content are the property of the author. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
16. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied



upon without fault.

17. Where the intended use of this report is for financing or mortgage lending, it is a condition of reliance on this report that the authorized user has or will conduct loan underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct such loan underwriting and due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Underwriting Practices and Procedures B-20, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.
18. Where the intended use of this report is for mortgage insurance, it is a condition of reliance on this report that the authorized user will conduct loan insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent mortgage insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, to conduct such loan insurance underwriting and/ due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Insurance Underwriting Practices and Procedures B-21, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.

PART THREE – FACTUAL INFORMATION

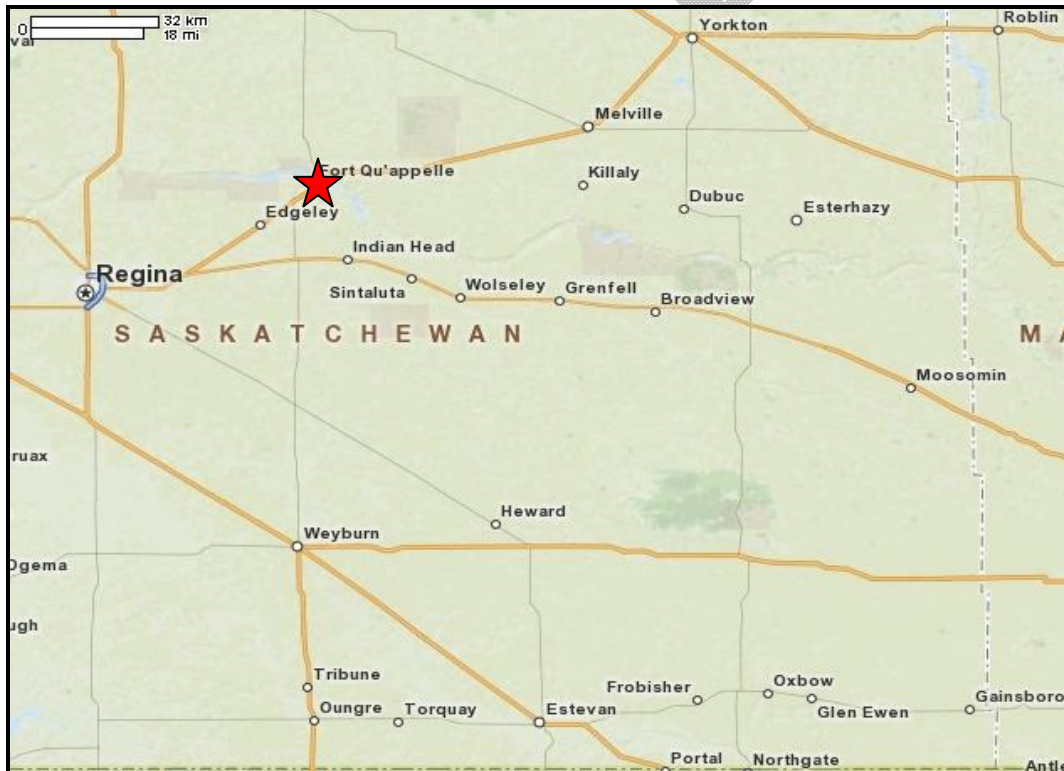
Identification of the Property

The subject property is identified as follows:

Address: 298 2nd Avenue East, Fort Qu'Appelle, SK
 Legal Description: Block G, Plan 102112336
 Parcel Number: 202738798

The above legal description and corresponding parcel number reflect the information on record with ISC (Province of Saskatchewan Land Titles Registry).

Location and Site Data



The subject property is located in the eastern portion of the Town of Fort Qu'Appelle, Saskatchewan just south of Echo Lake. Fort Qu'Appelle is located between Echo and Mission Lakes in the Qu'Appelle Valley, about 45 miles northeast of Regina along Highway No. 10.



Highway No. 10 travels north east from Balgonie and the Trans Canada Highway No. 1 to Melville and Yorkton. Fort Qu'Appelle has a population of approximately 2,300 and its economy is dependent primarily on agriculture and tourism. Tourism in the area during the summer months is supported by cottage owners and campers frequenting the lakes located in the area. There is some winter tourism consisting of down hill and cross-country skiing and ice fishing. Positive features of Fort Qu'Appelle include full services such as schools, churches, and recreational and shopping facilities. Generally, most amenities are within walking distance.

The subject is located to the east of the main business district of Fort Qu'Appelle east of Notre Dame Avenue and north of 2nd Street East. 2nd Street East runs east and west and connects to Boundary Avenue. 2nd Street East has paved asphalt, curbs and gutters and sidewalks on both sides of the street. The subject property site is comprised of one parcel.

The site is relatively flat. The site is not serviced. The location is considered to be good for future development purposes.



Description of Improvements

At the date of the inspection of the subject property, there were improvements situated on the site. Based on instructions provided by our client, we are to complete an appraisal of the subject as of December 13, 2012; at which time we assume that there were no improvements situated on the site.

DRAFT



Existing Use

The existing use of the subject property is vacant land. Discussion relative to the current use and the Highest and Best Use can be found in Part 4 of this report under the heading *Highest and Best Use*.

Assessment and Taxes

According to the Town of Fort Qu'Appelle, the 2012 assessment and 2012 taxes for the subject property are as follows:

2012 ASSESSED AND TAXABLE VALUE:	\$204,100.00
2012 TAXES:	Exempt
TAXING TREND:	Increasing

The assessment and taxes are comparable to other similar properties and the level of assessment and taxes will not, in my opinion, have an effect on the market value of the subject property. It should be noted that some improvements were included in the assessment.

History of Subject Property

According to the Saskatchewan Land Titles Registry, as of the effective date of this appraisal report, The Town of Fort Qu'Appelle is the registered owner of the subject property. The current owners have owned the property for a number of years.

Due to the fact that the property is owned by the Town of Fort Qu'Appelle, the property is exempt from property taxes.

There are several interests registered against the subject property. Further detail relating to these interests can be found on a copy of the title that is included in the Addenda of this report.

The subject property was purchased in December of 2012 for an amount of \$10,000.00. We are not aware of any listings, sales or offers within the last three years, aside from that noted.



Land Use Controls

According to the Town of Fort Qu'Appelle zoning bylaw the subject property is zoned IND – General Industrial District.

The purpose of the General Industrial District (IND) is to provide areas for Industrial activities which have moderate potential for conflict with adjacent land uses and rely on access to prime traffic routes.

DRAFT

PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use

The Highest and Best Use of a property is a major factor affecting market value. The value of a property results from its use and varies with the present and prospective, actual and anticipated profit. Highest and Best Use can be simply stated as that use likely to produce the greatest net return over a given period of time.

Criteria for determining Highest and Best Use include:

- 1) The use must be legal and in compliance with zoning and building restrictions.
- 2) The use must be within the realm of probability; a likely one, not speculative or conjectural.
- 3) A demand for such use must exist.
- 4) The use must be profitable.
- 5) The use must provide the highest net return to the land.
- 6) The use must produce the return for the longest possible time.

The existing use of a given parcel of land is usually the Highest and Best Use, since economic pressure dictates the use. If the existing use is the Highest and Best Use, it should:

- a) conform to existing zoning regulations or be a legal non-conforming use;
- b) be in reasonable conformity with its surroundings.

In addition, as long as the building contributes something to the total property value in excess of the value of the vacant site, it would pay an owner to continue it in that use, which would be considered to be its Highest and Best Use.

On the basis of the above and recognizing the size, configuration, location and condition of the subject property it is my opinion that the Highest and Best Use for the subject property is future development.

Appraisal Procedures

There are three approaches to be considered in developing an estimate of value for the subject.

The Cost Approach is the method by which the value of a property is derived by estimating the reproduction cost new of the improvements, deducting therefrom the estimated depreciation and then adding the market value of the land. This approach usually provides a reliable indication of value where the improvements are new, they contain little or no depreciation, including functional and external obsolescence and they represent the highest and best use for the land.

The Income Approach develops an estimate of value from the anticipated net income the property could realize, if put on the market for rent. The annual net income is then capitalized into an estimate of value, by converting the income stream by an appropriate overall capitalization rate. This approach is typically utilized from the standpoint of an investor.

The Direct Comparison Approach develops an estimate of value from the market, where properties similar to the subject have been sold and/or properties presently listed for sale. It is a process of correlating and analyzing the comparable properties, to arrive at an estimate of value for the subject. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

The Direct Comparison Approach will provide an estimate of value of the subject property based on comparable properties that have recently sold within the Town of Fort Qu'Appelle, as well as similar communities. The Cost Approach will not be utilized due to the fact that due to the instructions of our client there are no improvements to be considered. The Income Approach will not be utilized due to the fact that the property is not typical of an investment property purchased for income producing or cash flow capabilities.



Direct Comparison Approach

This method involves the gathering, analyzing and comparing of data on similar properties that have been sold, on which offers have been made, or that are for sale.

This approach implies the Principle of Substitution, which states that a prudent purchaser will not pay more for a property than it would cost to buy an equally desirable substitute. The properties selected for comparison must be similar in most essential respects to the one being appraised. In addition to comparing the similar characteristics between properties, the dissimilar characteristics must also be weighed. In this manner, the appraiser is placing himself in the position of being a typical purchaser or vendor in the market, in that the analysis of data pertaining to the real estate market is of assistance in deciding the best possible price to pay, or accept, for a property.

Due to the intended use of this appraisal report no sales were included within the Town of Fort Qu'Appelle, in which the Town of Fort Qu'Appelle was the vendor of the sale. Sales from small communities within Saskatchewan will be used.

It should be noted that there is one sale that is included beyond the effective date, December 13, 2012. This sale sold in January of 2013, which is close to the effective date. The sale is located in close proximity to the community of Fort Qu'Appelle.

Following is a summary of each comparable property used in this analysis:

**INDEX NO. 1**

Location: Balcarres, SK
 Legal Description: Not Available
 Sale Price: \$2,500.00
 Date of Sale: January, 2013
 Site Size: 0.22 acres
 Sale Price /Acre: \$11,363.64
 Zoning: C - Commercial

Comments: Vacant lot located in the Town of Balcarres. The property was not serviced with water and sewer at the time of the sale. The land was sold by the town. Since the sale, the site has been re-zoned to an agriculture use.

INDEX NO. 2

Location: 500 Industrial Drive, Indian Head, SK
 Legal Description: Lot 1, Block S, Plan No. 80R50151
 Sale Price: \$17,296.00
 Date of Sale: November 2012
 Lot Size: 0.49 acres
 Sale Price/Acre: \$35,297.96
 Zoning: Commercial

Comments: Unserviced commercial land located within the Town of Indian Head. The parcel is located on Industrial Drive. The parcel was sold by the Town to Don McLean.

**INDEX NO. 3**

Location: 114 South Railway, Indian Head, SK

Legal Description: Lot 14, Block 78, Plan FV414

Lot E, Plan DO 1586

Sale Price: \$50,095.50

Date of Sale: October 2012

Lot Size: 4.50 acres

Sale Price/Acre: \$11,132.33

Zoning: Commercial

Comments: Unserviced commercial land located within the Town of Indian Head. The parcel is located on South Railway. The parcel had access to services, but was not serviced at the time of the sale. The purchasers serviced the land after the transaction. The parcel was sold by the Town to Dwight and Andrea Webster.

INDEX NO. 4

Location: Highway No. 6, Southey

Legal Description: Lots 7-10, Block 15, FV5141

Sale Price: \$24,000.00

Date of Sale: May 2009

Site Area: 0.95 Acres

Sale Price/Acre: \$25,263.16

Zoning: Commercial

Comments: Property located along Provincial Highway No. 6 at the north end of the Town. The property has considerable frontage onto the highway. The property previously sold in November of 2005 at a price of \$20,000.00. The property includes lighting that was used in conjunction with the previous use associated with a car dealership.

**INDEX NO. 5**

Location: Service road, north side of Highway #13
R.M. #64 Brock, Sask.

Legal Description: Lot 2, Block 1, Plan 101968746

Sale Date: March 2009

Sale Price: \$9,382.00

Land Size: 2.5 acres

Sale Price/Acre: \$3,753.00

Zoning: Commercial

Comments: Land located along the north side of Highway #13, north of Arcola. Negotiations are underway to provide town water and sewer to properties. Arcola Building Supplies Ltd. was the buyer.

INDEX NO. 6

Location: Griffin, SK

Legal Description: Block 3, Plan 101919528

Sale Date: January 2009

Sale Price: \$3,500.00

Land Size: 3.06 Acres

Sale Price/Acre: \$1,144.00

Zoning: Commercial

Comments: Land located on southwest corner of Highway No. 13 and grid road in Griffin.

**INDEX NO. 7**

Location: Whitewood, SK
Legal Description: Block W, Plan No. 101888275
Sale Date: November 2008
Sale Price: \$10,500.00
Land Size: 3.16 acres
Sale Price/Acre: \$3,323.00
Zoning: Highway Commercial
Comments: Land located directly south of Highway No. 1 and north of Whitewood, SK. OK
Tire built new building on site.

INDEX NO. 8

Location: North of Estevan
R.M. #5 Estevan, Sask.
Legal Description: Block F, Plan 101943424
Sale Date: September 2008
Sale Price: \$17,000.00
Land Size: 9.99 acres
Sale Price/Acre: \$1,702.00
Zoning: Agriculture
Comments: Land purchased for future residential acreage development.

**INDEX NO. 9**

Location: One mile south of Raymore at the corner of Highway #6 and #15

Legal Description: Block C, Plan No. 101930431
R.M. #279 Mount Hope

Sale Date: August 2008

Sale Price: \$35,000.00

Land Size: 6.51 acres

Sale Price/Acre: \$5,376.00

Zoning: Industrial

Comments: Last Mountain Co-operative was purchaser of land for new card-lock bulk fuel station.

INDEX NO. 10

Location: Lampman, Saskatchewan

Legal Description: Portion of Parcel C, Plan 101320670

Sale Date: July 2008

Sale Price: \$22,500.00

Land Size: 3.0 acres

Sale Price Per Acre: \$7,500.00

Zoning: Agriculture

Seller: Greg Feuring

Buyer: Carson Energy Services Ltd.

Comments: This parcel has been merged with Parcel F to the south and is now identified as Parcel H, Plan 101985778. The total size of Parcel H is now 5.02 acres. The parcel was purchased for industrial purposes.

**INDEX NO. 11**

Location: 102 Grid Road East, Carnduff, SK
Legal Description: Lots 3 and 4, Block F, Plan 101912981
Sale Price: \$6,000.00
Date of Sale: April 2007 (title transfer)
Site Area: 1.24 acres
Sale Price/Acre: \$4,838.71
Zoning: Commercial

Comments: Property located along south side of Railway Avenue, on the corner of Railway Avenue and Grid Road East. The property consists of two lots one containing .67 (Lot 3) acres and one containing .57 (Lot 4). The property is fully serviced with the exception of sewer; the purchaser had to install a septic system. The purchaser constructed an automotive shop building upon purchase, operating as Carnduff Carriage Works. The property at the east end of Railway Avenue is unique as the services end at 4th Street E.

**Sales Summary:**

#	Location	Sale Price	Sale Date	Area (Acres)	Sale Price Per Acre
1	Balcarres	\$2,500.00	13-Jan	0.22	\$11,363.64
2	Indian Head	\$17,296.00	12-Nov	0.49	\$35,297.96
3	Indian Head	\$50,095.50	12-Oct	4.50	\$11,132.33
4	Southey	\$24,000.00	9-May	0.95	\$25,263.16
5	Arcola	\$9,382.00	9-Mar	2.50	\$3,752.80
6	Griffin	\$3,500.00	9-Jan	3.06	\$1,143.79
7	Whitewood	\$10,500.00	8-Nov	3.16	\$3,322.78
8	Estevan	\$17,000.00	8-Sep	9.99	\$1,701.70
9	Raymore	\$35,000.00	8-Aug	6.51	\$5,376.34
10	Lampman	\$22,500.00	8-Jul	3.00	\$7,500.00
11	Carnduff	\$6,000.00	7-Apr	1.24	\$4,838.71

The eleven land sales shown above, range from a low of \$1,143.79 per acre to a high of \$35,297.96 per acre. The lower end of the range is a parcel located in an inferior community compared to the subject. The upper end of the range is a smaller parcel with exposure to Highway# 1 and access to services. The sales shown are located throughout smaller communities in Saskatchewan.

We are of the opinion that Index No.'s 2, 3, 4, 7 and 10 provide the best indication of value for the subject property. These were all parcels purchased for the development of industrial properties. These parcels are located in smaller centres located throughout Saskatchewan. All five sales were unserviced at the time of purchase. The average sale price per acre of these five sales is \$16,503.25.

Given the location, zoning, services and size of the subject property, we are of the opinion that an amount of \$16,500.00 per acre is a good indication of market value for the subject property. Therefore, the estimated value of the subject property by the Direct Comparison Approach is estimated at:

1.05 acres @ \$16,500.00 per acre

Total: \$17,325.00

\$17,000.00



Reconciliation and Final Estimate of Value

The Direct Comparison Approach to value has produced the following estimates of value for the subject property:

Direct Comparison Approach: \$17,000.00

The Direct Comparison Approach has provided a value estimate based on the sale price per acre of land. In this approach, an analysis was made of sales of vacant land sites considered similar to the subject property. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

Therefore, it is my opinion that the estimated market value of the subject property, in fee simple estate, free and clear of encumbrances, as at the effective date of December 13, 2012 is:

**Seventeen Thousand Dollars
(\$17,000.00)**

Exposure Time

Exposure time is the estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at 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. It is always presumed to have preceded the effective date of the appraisal. Based on our analysis of the market place for this type of property, our estimate of market value is based on an exposure time of six to twelve months.

**CERTIFICATION****DATE: March 15, 2018****Re: Vacant Land, Fort Qu'Appelle, Saskatchewan**

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

- 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 impartial, and unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermining results, the amount of the value estimate, or a conclusion favouring the client;
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards;
- I have the knowledge and experience to complete the assignment competently.
- No one provided significant professional assistance to the undersigned;
- As of the date of this report the I have fulfilled the requirements of the Appraisal Institute of Canada Continuing Professional Development Program for members;
- I am a member in good standing of the Appraisal Institute of Canada;
- I personally inspected the subject property of the report;
- Based upon the data, analyses, and conclusions contained herein, the market value of the interest in the property described herein, as at December 13, 2012, is estimated at \$17,000.00;

Dated: March 15, 2018

Greg Buchan, B.Admin, AACI, P.App
AIC Membership # 904274



ADDENDA 1

Land Titles (ISC) Documents

3/6/2018

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

Province of Saskatchewan Land Titles Registry Title



Title #: 143220147 **As of:** 06 Mar 2018 15:59:25
Title Status: Active **Last Amendment Date:** 19 Apr 2013 14:00:04.827
Parcel Type: Surface **Issued:** 29 Jan 2013 16:19:39.363
Parcel Value: \$100,000.00 CAD
Title Value: \$100,000.00 CAD **Municipality:** TOWN OF FORT QU'APPELLE
Converted Title: 118BQI / 90R54724 / 90R60572(1) / 91R10929 / 91R12037 / 99SE22473 /
 SK127173360 / SK127173719 / SK127173797 / SK127173977 / SK127174327 / SK127174541 /
 SK127174697 / SK127174811 / SK127174855 / ...
Previous Title and/or Abstract #: 139256635 / 139256747

POWER PIN INC. is the registered owner of Surface Parcel #202738798

Reference Land Description: Blk/Par G Plan No 102112366 Extension 0

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

Interest #: 161686570	Miscellaneous Interest Value: N/A Reg'd: 20 Jun 2006 15:14:05 Interest Registered Amendment Date: N/A Interest Assignment Date: N/A Interest Scheduled Expiry Date: N/A Expiry Date: N/A Consent and Agreement Respecting the Acquisition and Compensation for Easement and Lease for Working Space Holder: SASKATCHEWAN WATER CORPORATION 200 - 111 FAIRFORD STREET EAST MOOSE JAW, SK, Canada S6H 1C8 Client #: 100313143 Int. Register #: 110673738
Interest #: 161686569	Planning and Development Act, 2007-Development Standards (Section 130) Value: N/A Reg'd: 12 Oct 2012 12:02:07 Interest Registered Amendment Date: N/A Interest Assignment Date: N/A Interest Scheduled Expiry Date: N/A Expiry Date: N/A Holder: Her Majesty the Queen in Right of Saskatchewan Ministry of Municipal Affairs - Community Planning Branch 420 - 1855 Victoria Avenue Regina, Saskatchewan, Canada S4P 3T2 Client #: 103093017 Int. Register #: 118701817

Addresses for Service:

Name	Address
------	---------

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

1/2



298 2nd Street E., Fort Qu'Appelle, SK

3/6/2018

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

Owner:

POWER PIN INC.

Client #: 117200102

PO BOX 1548 FORT QU'APPELLE, SK, Canada S0G 1S0



Notes:

Parcel Class Code: Parcel (Generic)

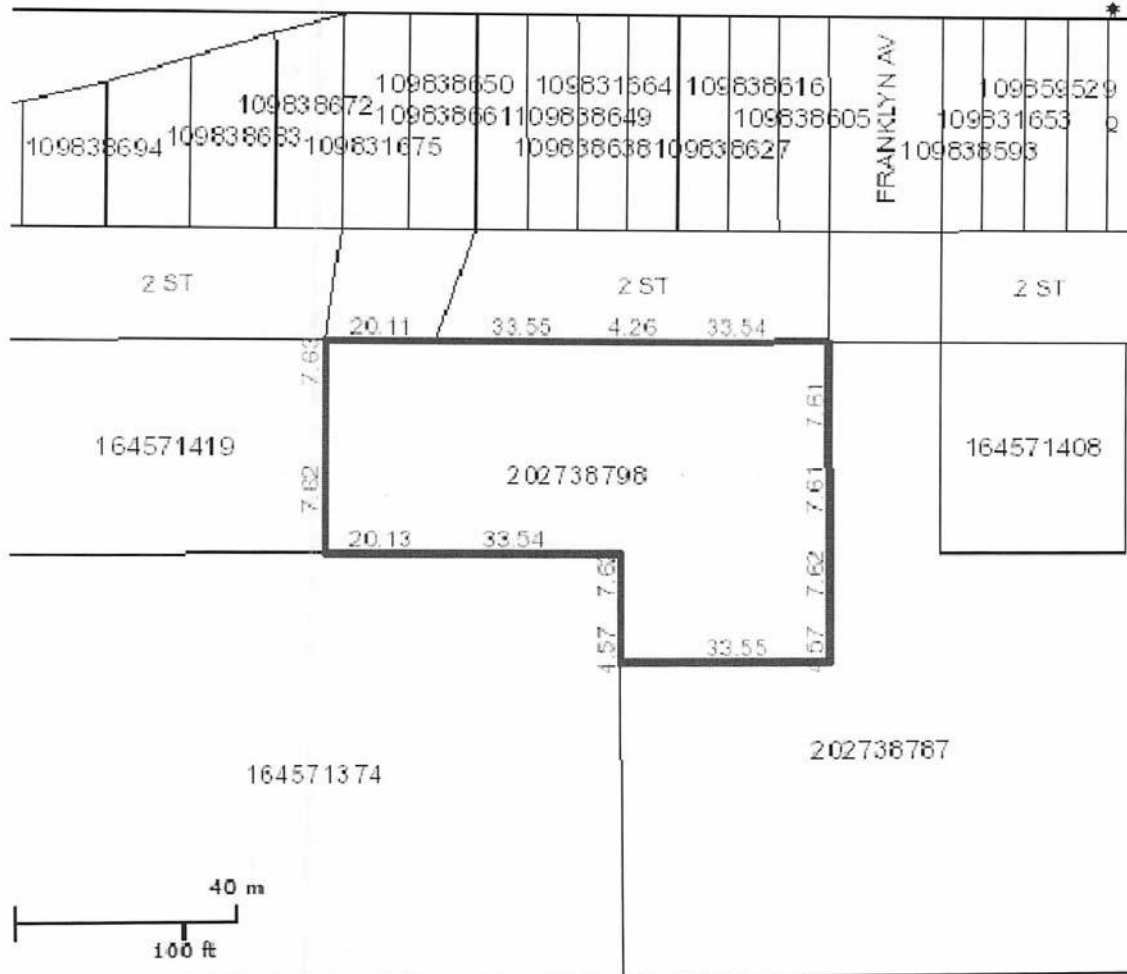
Back

Back to top

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

2/2

REQUEST DATE:06-Mar-2018 3:59:49 PM



Commodity/Unit: Not Applicable

DISCLAIMER: THIS IS NOT A PLAN OF SURVEY. It is a consolidation of plans to assist in identifying the location, size and shape of a parcel in relation to other parcels. Parcel boundaries and area may have been adjusted to fit with adjacent parcels. To determine actual boundaries, dimensions or area of any parcel, refer to the plan, or consult a surveyor.

298 2nd Street E., Fort Qu'Appelle, SK

Addenda 3

Assessment Information

Property Report **Property Use:** Closed Storage **Print Date:** 07-Mar-2018 **Page 1 of 4**

Municipality Name: FORT QU'APPELLE **Assessment ID Number:** FORTQ-505091100 **PID:** 512008516

Civic Address: **School Division:** 208 **Inspected Date:** 04-Jan-2011
Legal Location: Parcel G Block Plan 102112366 Sup **Neighborhood:** 310 **Change Reason:** Maintenance
Supplementary: **Puse Code:** Closed Storage **Year / Frozen ID:** 2012/0
Predom Code: MS471 - Light Commercial - Utility Building **Call Back Year:**
Method_in_use: C.A.M.A. - Cost

Assessed & Taxable/Exempt Values (Summary)

Description	Assessed Values	Liability Subdivision	Tax Class	Percentage of value	Taxable	Exempt	VA	Tax Status
Improvement	192,700	1	Comm & Industrial Other	100%	192,700			Taxable
Non-Agricultural	11,400	1	Comm & Industrial Other	100%	11,400			Taxable
Total of Assessed Values	204,100				Total of Taxable/Exempt Values: 204,100			

URBAN LAND (Details)

Lot/Plot	Land Use	Plot Characteristics	Rates and Factors	Other Information	Liability Subdivision	Tax Status
B / 1.00	Commercial Land	Square Footage	Prime Rate: 0.61	Std Parcel Size: 27,486.00	1	Taxable
Plot use - CLOSED STORAGE		Width(ft)	Urban - Square Foot 11,390.00	Land Size Multiplier: 105		
		Side 1 (ft)		Adjustment reason:		
		Side 2 (ft)				
		Area 40,510.80				
		Total Area: 40,510.80				



298 2nd Street E., Fort Qu'Appelle, SK

Page 2 of 4

TOWN OF FORTQ		Assessment ID Number: FORTQ-505091100							PID: 512006516		Print Date: 07-Mar-2018					
COMMERCIAL																
Sub Model	Occupancy Type	Const Class	Quality	Bldg ID	Bldg Seq	Eff. Year	Cond	SEC Area/Vo	TRA Area	Func OBS	Econ OBS	Phys DEP	UNF	MAF	Liability Sub	ST
471 - Light Commercial Utility Building	General	Type 4 (M&S D)	A - Good	180942	0	1992	1.00 - Average	1200	11744	00 %	00 %	32	0	51	1	Taxable
Dimensions: MS-471(1200) ADD(D1) TXT(MS-471-> 30 X 40) [MC-1 Perim: 600																
471 - Light Commercial Utility Building	General	Type 4 (M&S D)	A - Good	180942	1	2007	1.00 - Average	5848	11744			0		51	1	Taxable
Dimensions: MS-471(5848) ADD(D2) TXT(MS-471-> 40X60 +40X40 Perim: 600																
471 - Light Commercial Utility Building	General	Type 4 (M&S D)	A - Good	180942	2	2007	1.00 - Average	1500	11744			0		51	1	Taxable
Dimensions: MS-471(1500) ADD(D3) TXT(MS-471-> 50 X 30) [MC-1 Perim: 600																
471 - Light Commercial Utility Building	General	Type 4 (M&S D)	A - Good	180942	3	1975	0.80 - Good	960	11744			63		51	1	Taxable
Dimensions: MS-471(960) ADD(D4) TXT(MS-471-> 40 X 24) [MC-17 Perim: 600																
471 (17) - Light Commercial Mezzanine	Finished	Type 4 (M&S D)	B - Average	180942	4	2007	1.00 - Average	636	11744			0		51	1	Taxable
Dimensions: MEZ-471(636) ADD(D5) TXT(MEZ- 471-> 30 X16 + 12 Perim: 600																
471 - Light Commercial Utility Building	General	Type 4 (M&S D)	B - Average	180942	6	2009	1.00 - Average	1600	11744	00 %	00 %	0	0	51	1	Taxable
Dimensions: MS-471(1600) ADD(LU0.2.8) TXT(MS-471-> 40 X 40) [Perim: 600																
181- Secured Storage Shed	General	Type 5 (M&S S)	C - Low Cost	2874845	0	1995	0.90 - Above Average	320	320	00 %	00 %	62	0	51	1	Taxable
Dimensions: MS-181(320) ADD(RU6.5,44.5) TXT(MS-181-> 40 X 8) Perim: 96																

© 2018 Saskatchewan Assessment Management Agency. All Rights Reserved.

Data Source: Govern_Prod

DRAFT

298 2nd Street E., Fort Qu'Appelle, SK

Page 4 of 4

TOWN OF FORTQ		Assessment ID Number: FORTQ-505091100		PID: 512006516	Print Date: 07-Mar-2018				
Sub Model: 471 - Light Commercial Util. Type: General		Building ID: 180942	Building SEQ: 3	Prop Use Code: CLOSED STORAGE	Section Area/Vol:600	Perimeter: 600			
Act. Year Built:	1975	Exterior Wall Material 1:	NULL% WOODSDG - Wood Siding		Current Cost Multiplier	1.05			
Const. Class:	Type 4 (M&S D)	Exterior Wall Material 2:			Local Multiplier:	1.18			
Const. Quality:	A - Good	Heat Type 1:	100% Unit Heater		Sask. Cost Factor:	1.00			
Bmt Quality:	Not Applicable	Heat Type 2:			Throughput Factor:				
Storey Height :	12 ft. Height	Air Conditioning Type 1:	0% No Air Conditioning		Elevators:	No			
Number of Storeys:	01 Storey	Air Conditioning Type 2:			Ventilation:	Yes			
Total # of Storeys Abv Grnd	01 Storey	Sprinklers Type 1:	0% No - Sprinklers		Unit-in-place Component:				
Dock Height Area:		Sprinklers Type 2:							
Dock Height Rate:									
Sub Model: 471 (17) - Light Commercial Type: Finished		Building ID: 180942	Building SEQ: 4	Prop Use Code: CLOSED STORAGE	Section Area/Vol:636	Perimeter:			
Act. Year Built:	2007	Current Cost Multiplier	1.05						
Const. Class:	Type 4 (M&S D)	Local Multiplier:	1.18						
Const. Quality:	B - Average	Sask. Cost Factor:	1.00						
Unit-in-place Component:	Throughput Factor:								
Sub Model: 471 - Light Commercial Util. Type: General		Building ID: 180942	Building SEQ: 6	Prop Use Code: CLOSED STORAGE	Section Area/Vol:600	Perimeter: 600			
Act. Year Built:	2009	Exterior Wall Material 1:	100% MET/FRME - ALS, Steel Sid		Current Cost Multiplier	1.05			
Const. Class:	Type 4 (M&S D)	Exterior Wall Material 2:			Local Multiplier:	1.18			
Const. Quality:	B - Average	Heat Type 1:	No Heating		Sask. Cost Factor:	1.00			
Bmt Quality:	Not Applicable	Heat Type 2:			Throughput Factor:				
Storey Height :	12 ft. Height	Air Conditioning Type 1:	100% No Air Conditioning		Elevators:				
Number of Storeys:	01 Storey	Air Conditioning Type 2:			Ventilation:	No Ventilation			
Total # of Storeys Abv Grnd	01 Storey	Sprinklers Type 1:	100% No - Sprinklers		Unit-in-place Component:				
Dock Height Area:		Sprinklers Type 2:							
Dock Height Rate:									
Sub Model: 181 - Secured Storage Shc Type: General		Building ID: 2874845	Building SEQ: 0	Prop Use Code: CLOSED STORAGE	Section Area/Vol:620	Perimeter: 96			
Act. Year Built:	1995	Heat Type 1:	100% No Heating		Current Cost Multiplier	1.06			
Const. Class:	Type 5 (M&S S)	Heat Type 2:			Local Multiplier:	1.19			
Const. Quality:	C - Low Cost	Air Conditioning Type 1:	100% No Air Conditioning		Sask. Cost Factor:	1.00			
Bmt Quality:	Not Applicable	Air Conditioning Type 2:			Throughput Factor:				
Storey Height :	08 ft. Height	Sprinklers Type 1:	100% No - Sprinklers		Ventilation:	No Ventilation			
Number of Storeys:	01 Storey	Sprinklers Type 2:			Unit-in-place Component:				
Total # of Storeys Abv Grnd	01 Storey								
# of Identical Units:	09								

© 2018 Saskatchewan Assessment Management Agency. All Rights Reserved.

Data Source: Govern_Prod

DRAFT



TOWN OF FORTQ		Assessment ID Number: FORTQ-505091100		PID: 512006516	Print Date: 07-Mar-2018	
Sub Model: 471 - Light Commercial Util	Type: General	Building ID: 180942	Building SEQ: 0	Prop Use Code: CLOSED STORAGE	Section Area/Vol: 200	Perimeter: 600
Act. Year Built:	1992	Exterior Wall Material 1:	100% METAWPLY - ALS, STL Side	Current Cost Multiplier	1.05	
Const. Class:	Type 4 (M&S D)	Exterior Wall Material 2:		Local Multiplier:	1.18	
Const. Quality:	A - Good	Heat Type 1:	100% Unit Heater	Sask. Cost Factor:	1.00	
Bmt Quality:	Not Applicable	Heat Type 2:		Throughput Factor:		
Storey Height:	16.00	Air Conditioning Type 1:	0% No Air Conditioning	Elevators:	No	
Number of Storeys:	01 Storey	Air Conditioning Type 2:		Ventilation:		
Total # of Storeys Abv Grnd	01 Storey	Sprinklers Type 1:	0% No - Sprinklers			
Dock Height Area:	0	Sprinklers Type 2:		Unit-in-place Component:		
Dock Height Rate:						
Sub Model: 471 - Light Commercial Util	Type: General	Building ID: 180942	Building SEQ: 1	Prop Use Code: CLOSED STORAGE	Section Area/Vol: 5,848	Perimeter: 600
Act. Year Built:	2007	Exterior Wall Material 1:	NULL% METAWPLY - ALS, STL Side	Current Cost Multiplier	1.05	
Const. Class:	Type 4 (M&S D)	Exterior Wall Material 2:		Local Multiplier:	1.18	
Const. Quality:	A - Good	Heat Type 1:	100% Unit Heater	Sask. Cost Factor:	1.00	
Bmt Quality:	Not Applicable	Heat Type 2:		Throughput Factor:		
Storey Height:	12 ft. Height	Air Conditioning Type 1:	0% No Air Conditioning	Elevators:	No	
Number of Storeys:	01 Storey	Air Conditioning Type 2:		Ventilation:	Yes	
Total # of Storeys Abv Grnd	01 Storey	Sprinklers Type 1:	0% No - Sprinklers			
Dock Height Area:		Sprinklers Type 2:		Unit-in-place Component:		
Dock Height Rate:						
Sub Model: 471 - Light Commercial Util	Type: General	Building ID: 180942	Building SEQ: 2	Prop Use Code: CLOSED STORAGE	Section Area/Vol: 500	Perimeter: 600
Act. Year Built:	2007	Exterior Wall Material 1:	NULL% METAWPLY - ALS, STL Side	Current Cost Multiplier	1.05	
Const. Class:	Type 4 (M&S D)	Exterior Wall Material 2:		Local Multiplier:	1.18	
Const. Quality:	A - Good	Heat Type 1:	100% Unit Heater	Sask. Cost Factor:	1.00	
Bmt Quality:	Not Applicable	Heat Type 2:		Throughput Factor:		
Storey Height:	16 ft. Height	Air Conditioning Type 1:	0% No Air Conditioning	Elevators:	No	
Number of Storeys:	01 Storey	Air Conditioning Type 2:		Ventilation:	Yes	
Total # of Storeys Abv Grnd	01 Storey	Sprinklers Type 1:	0% No - Sprinklers			
Dock Height Area:		Sprinklers Type 2:		Unit-in-place Component:		
Dock Height Rate:						

DK

Report on Appraisal of
Block C & F, Plan 101377548
Fort Qu'Appelle, SK



As at
May 29, 2013

Prepared by



200 Clifton Court
2330 - 15th Avenue
Regina, SK
S4P 1A2



B. R. Gaffney & Associates
200 Clifton Court
2330 - 15th Avenue
Regina, SK S4P 1A2

Real Estate Appraisers & Consultants
Phone: (306) 359-7800
Fax: (306) 359-7312
E-mail: gaffney.assoc@sasktel.net

March 15, 2018

MNP LLP
119 4th Ave South
Suite 800
Saskatoon, SK

Re: Vacant Lands, Fort Qu'Appelle, Saskatchewan

In accordance with your instructions I have completed a narrative appraisal on the above referenced properties which are legally described as follows:

Block C, Plan 101377548
Block F, Plan 101377548
Fort Qu'Appelle, Saskatchewan

As a result of my investigation and analysis, it is my opinion that the estimated market value of the subject properties, in fee simple estate, free and clear of encumbrances, as at May 29, 2013, a retrospective date, is:

Fifteen Thousand Dollars
(\$15,000.00)

The estimate of value is market value as defined on page one of the attached report. The estimate of value assumes no duress on the part of either a purchaser or vendor; it does not take into consideration any existing mortgages against the property and is based on an exposure period of six to twelve months.

The following report describes my methods of appraisal and contains data gathered in the investigation, which to the best of my knowledge and belief is correct subject to the limiting conditions herein set out.

Respectfully submitted,
B. R. GAFFNEY & ASSOCIATES

Per: 
Greg Buchan, B.Admin, AACI, P.App

TABLE OF CONTENTS

TITLE PAGE

PART ONE – INTRODUCTION

Letter of Transmittal	
Table of Contents	
Executive Summary	

PART TWO – BASIS OF APPRAISAL

Intended Use of the Report	1
Purpose of the Assignment	1
Property Rights Appraised	1
Definition Of Market Value	1
Effective Date of Value	2
Scope of Work	2
Assumptions and Limiting Conditions	3

PART THREE – FACTUAL INFORMATION

Identification of the Property	8
Location and Site Data	8
Existing Use	11
Assessment and Taxes	11
History of Subject Property	11
Land Use Controls	13

PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use	14
Appraisal Procedures	15
Direct Comparison Approach	16
Reconciliation and Final Estimate of Value	24
Exposure Time	25
Certification	26

ADDENDA 1

Land Titles (ISC) Documents	27
-----------------------------	----

ADDENDA 2

Assessment Information	31
------------------------	----

ADDENDA 3

Soil Instability Map	32
----------------------	----

EXECUTIVE SUMMARY

Type of Property:	Vacant Land
Report Type:	Narrative
Effective Date of Appraisal:	May 29, 2013 (Retrospective)
Date of Inspection:	March 9, 2018
Zoning:	FUD – Future Urban Development
2013 Total Assessment:	\$84,500.00
2013 Taxes:	Exempt
Site Area:	14.74 Acres
Highest and Best Use:	Future Development
FINAL ESTIMATE OF VALUE:	\$15,000.00



PART TWO – BASIS OF APPRAISAL

Intended Use of the Report

As per our client's request for services, the intended use of this report is to assist MNP LLP, with internal decisions pertaining to the subject properties. It is not reasonable for any person other than the client and B.R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. 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.

Purpose of the Assignment

The purpose of this assignment is to provide a market value property appraisal for the subject properties located in Fort Qu'Appelle, Saskatchewan, in fee simple estate, free and clear of all encumbrances. The effective date of the appraisal is May 29, 2013, a retrospective date.

Property Rights Appraised

The property rights appraised reflect the most complete form of ownership, which is title in fee. Such ownership establishes an interest in real property known as fee simple interest (i.e., absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power, and escheat).

Definition of Market Value

The Appraisal of Real Estate, Third Canadian Edition defines market value 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 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 as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Market Value as defined by International Valuation Standards 2006: "Market value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms length transaction after proper marketing herein the parties had each acted knowledgeably, prudently and without compulsion".

Effective Date of Value

At the request of the client, the effective date of the appraisal is May 29, 2013, a retrospective date. The effective date of this appraisal is considered to be a retrospective date as the opinion of value reflects that of a specified historic date. The estimate of value developed must be consistent with market conditions as at the specified date. The retrospective date has been considered throughout the valuation.

Scope of Work

The subject properties and the subject property's neighbourhood were inspected by the appraiser on March 9, 2018. The photographs of the subject properties were taken on March 9, 2018.

Regional, municipal and neighbourhood data was based on a personal inspection, information published by the Town of Fort Qu'Appelle and information published by local Real Estate and Property Management firms. In estimating the highest and best use for the subject, an analysis



was made of data compiled from the above. In addition, an analysis was made of supply and demand for properties similar in use to the subject.

The Direct Comparison Approach will provide an estimate of value of the subject properties based on comparable properties that have recently sold within similar communities to Fort Qu'Appelle. The Cost Approach will not be utilized due to the fact that there are no improvements to be considered. The Income Approach will not be utilized due to the fact that the property is not typical of an investment property purchased for income producing or cash flow capabilities.

Data derived from the market was obtained from our files, other appraisers, realtors and/or persons knowledgeable of the subject property market-place. The final estimate of value is made after assembling and analyzing the data defined in this scope of appraisal.

I did not complete technical investigations, if applicable, such as:

- Detailed inspections or engineering review of the structure, roof or mechanical systems;
- An environmental review of the property;
- A site or building survey;
- Investigations into the bearing qualities of the soils; or
- Audits of financial and legal arrangements reported by the client concerning the leases.

Assumptions and Limiting Conditions

This narrative report has been prepared at the request of MNP LLP, hereinafter referred to as the client, for the purpose of providing an estimate of the market value of the subject properties located in Fort Qu'Appelle, Saskatchewan. The function of the appraisal is to assist the client with internal decisions in regard to the subject properties. The effective date of the appraisal is May 29, 2013, a retrospective date.

Except as it may be necessary to expedite the function of this appraisal as identified herein, it is not reasonable for any person other than the client and B. R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. This report has been prepared on the assumption that no other person will rely on it for any other purpose and all



liability to all such persons is denied.

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the authors, subject to the qualification below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this report. The property is appraised on the basis of it being under responsible ownership.
4. The subject property is presumed to comply with government regulations including zoning, building codes and health regulations and, if it doesn't comply, its non-compliance may affect market value.
5. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property.
6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical

structure, mechanical or other operating systems, its foundation, etc., if applicable) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.
10. The term “inspection” refers to observation and reporting of the general material finishing, if applicable, and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.
11. Where applicable, the opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building inspections have been completed to

date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.

12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
13. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
14. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Where the client is the mortgagee and the loan is insured, liability is extended to the mortgage insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
15. This appraisal report, its content and all attachments/addendums and their content are the property of the author. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
16. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied



upon without fault.

17. Where the intended use of this report is for financing or mortgage lending, it is a condition of reliance on this report that the authorized user has or will conduct loan underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct such loan underwriting and due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Underwriting Practices and Procedures B-20, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.
18. Where the intended use of this report is for mortgage insurance, it is a condition of reliance on this report that the authorized user will conduct loan insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent mortgage insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, to conduct such loan insurance underwriting and/ due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Insurance Underwriting Practices and Procedures B-21, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.

PART THREE – FACTUAL INFORMATION

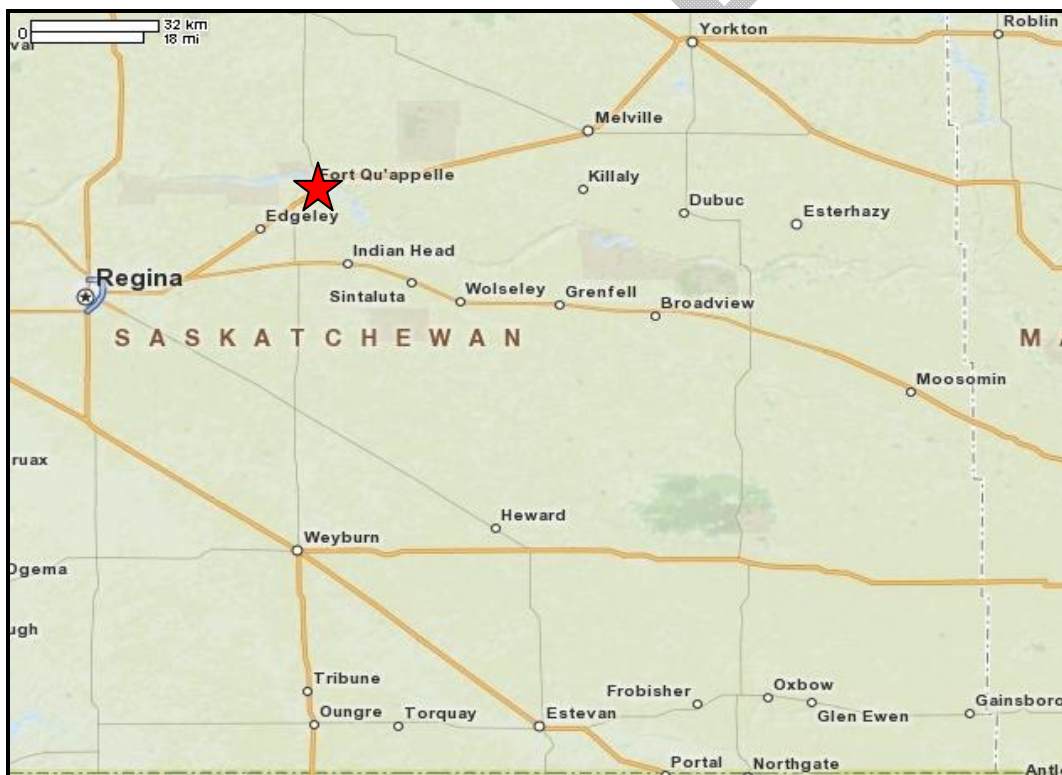
Identification of the Property

The subject properties are identified as follows:

Address: Fort Qu'Appelle, SK
 Legal Descriptions: Block C, Plan 101377548 and Block F, Plan 101377548
 Parcel Numbers: 111811643 and 111811665

The above legal descriptions and corresponding parcel numbers reflect the information on record with ISC (Province of Saskatchewan Land Titles Registry).

Location and Site Data



The subject property is located on the most southern portion of the Town of Fort Qu'Appelle, Saskatchewan just south of Echo Lake. Fort Qu'Appelle is located between Echo and Mission Lakes in the Qu'Appelle Valley, about 45 miles northeast of Regina along Highway No. 10.



Highway No. 10 travels north east from Balgonie and the Trans Canada Highway No. 1 to Melville and Yorkton. Fort Qu'Appelle has a population of approximately 2,300 and its economy is dependent primarily on agriculture and tourism. Tourism in the area during the summer months is supported by cottage owners and campers frequenting the lakes located in the area. There is some winter tourism consisting of down hill and cross-country skiing and ice fishing. Positive features of Fort Qu'Appelle include full services such as schools, churches, and recreational and shopping facilities. Generally, most amenities are within walking distance.

Block C, Plan 101377548

This parcel is located on the southern border of the Town of Fort Qu'Appelle. The land is situated east of Cemetery Road. Access to the site is from a trail that runs north/south and is located on the east side of the subject property. According to Land Titles the site is rectangular in shape and is comprised of 9.99 acres. There are no services to the site.

Block F, Plan 101377548

This parcel is located on the southern border of the Town of Fort Qu'Appelle. The land is situated east of Cemetery Road. Access to the site is by the adjacent parcel to the east. There is no other access to this property. This access is from a trail that runs north/south and is located on the east side of Block C. According to Land Titles the site is rectangular in shape and is comprised of 4.75 acres. There are no services to the site. Due to the lack of access on this parcel, it will be valued in conjunction with parcel C.

According to the Fort Qu'Appelle Official Community Plan, the sites are located within an area designated Potential Slope Instability Area (map is located in the Addenda). The Town of Fort Qu'Appelle, in addressing the hazards associated with erosion and slope instability shall:

- a. Require investigations as part of an application for subdivision and/or development;
- b. Establish the objectives of scientific and engineering investigations in relation to such applications;
- c. Reasonably ensure, using current and future technical, administrative, and legal means, that the hazards and potential long-term costs associated with potential erosion and slope failure can, and will, be borne fairly by all parties including the proponent and/or future owner;



d. Ensure that future owners are informed, acknowledge the inherent risks, undertake reasonable investigations, and accept liability for development undertaken on land where slope instability is a concern.

It should be noted that immediately south of the subject, within the RM of Abernathy, the quarter has been subdivided into residential acreage sites. According to the RM this was created in approximately 2010. There have been no sales of any of the lots within this subdivision.

DRAFT



Existing Use

The existing use of the subject property is vacant land. Discussion relative to the current use and the Highest and Best Use can be found in Part 4 of this report under the heading *Highest and Best Use*.

Assessment and Taxes

According to the Town of Fort Qu'Appelle, the 2013 assessment and 2013 taxes for the subject properties are as follows:

2013 ASSESSED AND TAXABLE VALUE:	\$84,500.00
2013 TAXES:	Exempt
TAXING TREND:	Increasing

The assessment and taxes are comparable to other similar properties and the level of assessment and taxes will not, in my opinion, have an effect on the market value of the subject property. It should be noted that some improvements were included in the assessment.

History of Subject Property

According to the Saskatchewan Land Titles Registry, as of the effective date of this appraisal report The Town of Fort Qu'Appelle is the registered owner of the subject properties.

Due to the fact that the properties are owned by the Town of Fort Qu'Appelle, the properties are exempt from property taxes.

There are no interests registered against the subject properties. A copy of the titles are included in the Addenda of this report.

*Vacant Lands, Fort Qu'Appelle, SK*

The subject properties were purchased in May of 2013. According to the Town of Fort Qu'Appelle, the subject was purchased for \$10,500.00. We are not aware of any listings, sales or offers within the last three years, aside from that noted.

DRAFT



Land Use Controls

According to the Town of Fort Qu'Appelle zoning bylaw the subject properties are zoned FUD – Future Urban Development District.

The purpose of the Future Urban Development District (FUD) is to limit development that may affect future growth of the Town by providing for temporary and transitional uses and activities.

According to the Fort Qu'Appelle Official Community Plan, the sites are located within an area designated Potential Slope Instability Area (map is located in the Addenda). The Town of Fort Qu'Appelle, in addressing the hazards associated with erosion and slope instability shall:

- a. Require investigations as part of an application for subdivision and/or development;
- b. Establish the objectives of scientific and engineering investigations in relation to such applications;
- c. Reasonably ensure, using current and future technical, administrative, and legal means, that the hazards and potential long-term costs associated with potential erosion and slope failure can, and will, be borne fairly by all parties including the proponent and/or future owner;
- d. Ensure that future owners are informed, acknowledge the inherent risks, undertake reasonable investigations, and accept liability for development undertaken on land where slope instability is a concern.

PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use

The Highest and Best Use of a property is a major factor affecting market value. The value of a property results from its use and varies with the present and prospective, actual and anticipated profit. Highest and Best Use can be simply stated as that use likely to produce the greatest net return over a given period of time.

Criteria for determining Highest and Best Use include:

- 1) The use must be legal and in compliance with zoning and building restrictions.
- 2) The use must be within the realm of probability; a likely one, not speculative or conjectural.
- 3) A demand for such use must exist.
- 4) The use must be profitable.
- 5) The use must provide the highest net return to the land.
- 6) The use must produce the return for the longest possible time.

The existing use of a given parcel of land is usually the Highest and Best Use, since economic pressure dictates the use. If the existing use is the Highest and Best Use, it should:

- a) conform to existing zoning regulations or be a legal non-conforming use;
- b) be in reasonable conformity with its surroundings.

In addition, as long as the building contributes something to the total property value in excess of the value of the vacant site, it would pay an owner to continue it in that use, which would be considered to be its Highest and Best Use.

On the basis of the above and recognizing the size, configuration, location and condition of the subject properties, it is my opinion that the Highest and Best Use for the subject properties is long term future development.



Appraisal Procedures

There are three approaches to be considered in developing an estimate of value for the subject.

The Cost Approach is the method by which the value of a property is derived by estimating the reproduction cost new of the improvements, deducting therefrom the estimated depreciation and then adding the market value of the land. This approach usually provides a reliable indication of value where the improvements are new, they contain little or no depreciation, including functional and external obsolescence and they represent the highest and best use for the land.

The Income Approach develops an estimate of value from the anticipated net income the property could realize, if put on the market for rent. The annual net income is then capitalized into an estimate of value, by converting the income stream by an appropriate overall capitalization rate. This approach is typically utilized from the standpoint of an investor.

The Direct Comparison Approach develops an estimate of value from the market, where properties similar to the subject have been sold and/or properties presently listed for sale. It is a process of correlating and analyzing the comparable properties, to arrive at an estimate of value for the subject. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

The Direct Comparison Approach will provide an estimate of value of the subject properties based on comparable properties that have recently sold within similar communities to Fort Qu'Appelle. The Cost Approach will not be utilized due to the fact that there are no improvements to be considered. The Income Approach will not be utilized due to the fact that the properties are not typical of an investment property purchased for income producing or cash flow capabilities.



Direct Comparison Approach

This method involves the gathering, analyzing and comparing of data on similar properties that have been sold, on which offers have been made, or that are for sale.

This approach implies the Principle of Substitution, which states that a prudent purchaser will not pay more for a property than it would cost to buy an equally desirable substitute. The properties selected for comparison must be similar in most essential respects to the one being appraised. In addition to comparing the similar characteristics between properties, the dissimilar characteristics must also be weighed. In this manner, the appraiser is placing himself in the position of being a typical purchaser or vendor in the market, in that the analysis of data pertaining to the real estate market is of assistance in deciding the best possible price to pay, or accept, for a property.

Following is a summary of each comparable property used in this analysis:

**INDEX NO. 1**

Location: Fort Qu'Appelle
 Legal Description: Block 12R, Plan 101383703
 Sale Price: \$19,600.00
 Date of Sale: January, 2009
 Site Size: 13.27 acres
 Sale Price /Acre: \$1,477.02
 Zoning: FUD – Future Urban Development
 Comments: Vacant lot located south of Highway # 10. The site is on the east side of Cemetery Hill Road. The property had no services in place at the time of the sale.

INDEX NO. 2

Location: Industrial Road, Carnduff
 Legal Description: Block I, Plan 101915557
 Sale Price: \$4,000.00
 Date of Sale: January 2010
 Site Area: 4 acres
 Sale Price/Acre.: \$1,000.00
 Zoning: Industrial
 Comments: This property is located on the north side of Service Street. Service Street is located on the north side of Highway # 18. Block I consists of 7.38 acres and is to be subdivided.

**INDEX NO. 3**

Location: Pense, Sask.
 Legal Description: Parcel D, Plan 101401715 Ext 71
 Sale Date: December 2009
 Sale Price: \$40,000.00
 Land Size: 15.62 acres
 Sale Price/Acre: \$2,561.00
 Zoning: Holding (Rezoned to R1 after purchase)
 Comments: Pense administrator indicated that the purchase price was \$40,000. Purchased by NorthRidge Development Corp for future residential development.

INDEX NO. 4

Location: 201 1st Avenue West. Kinley, Sask.
 Legal Description: Parcel AD, Plan 101634667
 Sale Date: August 2009 (MLS #344560)
 Sale Price: \$22,500.00
 Land Size: 6.61 acres
 Sale Price Per Acre: \$3,404.00
 Zoning: Agriculture & Residential
 Comments: Vacant land located within commuting distance of Saskatoon.

INDEX NO. 5

Location: Melville, Sask.
 Legal Description: LSD 2 in SE¼ 33-22-6 W2,
 Sale Date: July 2009
 Sale Price: \$144,000.00
 Land Size: 35.45 acres
 Sale Price/Acre: \$4,062.00
 Zoning: Agriculture
 Comments: Purchased for future residential development.

**INDEX NO. 6**

Location: Service road, north side of Highway #13
R.M. #64 Brock, Sask.

Legal Description: Lot 2, Block 1, Plan 101968746

Sale Date: March 2009

Sale Price: \$9,382.00

Land Size: 2.5 acres

Sale Price/Acre: \$3,753.00

Zoning: Commercial

Comments: Land located along the north side of Highway #13, north of Arcola. Negotiations are underway to provide town water and sewer to properties. Arcola Building Supplies Ltd. was the buyer.

INDEX NO. 7

Location: Belle Plaine, Sask.

Legal Description: Lot 3, Block W, Plan 101957823
Portion of the NW¹/₄ 31-16-23 W2nd

Sale Date: October 2008 (Title #1348802329)

Sale Price: \$80,000.00

Land Size: 22.03 acres

Sale Price/Acre: \$3,631.00

Zoning: Agriculture & Residential

Comments: An application has been made to change the zoning to a mix of commercial and residential.

**INDEX NO. 8**

Location: McLean, Saskatchewan

Legal Description: Portion of Parcel F, Plan 101278492

Sale Price: \$45,000.00

Date of Contract: September 2008

Land size: 16.06 acres

Price per Acre: \$2,801.99

Comments: Vacant un-serviced land located in the northeast corner of the village of McLean. The site is under contract for purchase, pending sub-division. The purchaser is planning a residential sub-division. This site was purchased from the Village of McLean by Jim Schaffer, the developer.

INDEX NO. 9

Location: R.M.#159 Sherwood, Sask. Adjacent to Grand Coulee to the east

Legal Description: Parcel B, Plan 101308081 Ext 31

Sale Date: April 2008

Sale Price: \$63,000.00

Land Size: 23.9 acres

Sale Price/Acre: \$2,636.00

Zoning: Agriculture

Comments: Purchased by Skyview Land Development Ltd. and Aspirant Development Group Inc. Application has been made to annex this parcel into the Village of Grand Coulee to provide land for long term residential development.

**INDEX NO. 10**

Location: North of Estevan
R.M. #5 Estevan, Sask.

Legal Description: Block F, Plan 101943424

Sale Date: September 2008

Sale Price: \$17,000.00

Land Size: 9.99 acres

Sale Price/Acre: \$1,702.00

Zoning: Agriculture

Comments: Land purchased for future residential acreage development.

DRAFT

**Sales Summary:**

#	Location	Sale Price	Sale Date	Area (Acres)	Sale Price Per Acre
1	Fort Qu'Appelle	\$19,600.00	10-Aug	13.27	\$1,477.02
2	Carnduff	\$4,000.00	10-Jan	4.00	\$1,000.00
3	Pense	\$40,000.00	9-Dec	15.62	\$2,560.82
4	Kinley	\$22,500.00	9-Aug	6.61	\$3,403.93
5	Melville	\$144,000.00	9-Jul	35.45	\$4,062.06
6	Arcola	\$9,382.00	9-Mar	2.50	\$3,752.80
7	Belle Plain	\$80,000.00	8-Oct	22.03	\$3,631.41
8	McLean	\$45,000.00	8-Sep	16.06	\$2,801.99
9	RM of Sherwood	\$63,000.00	8-Apr	23.90	\$2,635.98
10	RM of Estevan	\$17,000.00	8-Sep	9.99	\$1,701.70
			Average	14.94	\$2,702.77
			Median	14.45	\$2,718.99

The ten land sales shown above, range from a low of \$1,000.00 per acre to a high of \$4,062.06 per acre. The average sale price per acre was recorded at \$2,702.77. The median sale price per acre was recorded at \$2,718.99.

Index No. 1 is located within the Town of Fort Qu'Appelle. Due to the intended use of this appraisal report, it is our opinion that sales within the Town sold by the Town of Fort Qu'Appelle should not be relied upon. However, it is our opinion that this sale be included to show that the sale price is well within the range of similar future development land sold within Saskatchewan.

Index No. 2 is located in the Town of Carnduff. This sale was vacant located adjacent to the rail line. Carnduff is considered to be inferior to Fort Qu'Appelle in terms of economic development. However, this sale represents land with a poor location, similar to the subject property.

Index No. 3 is the sale of a parcel located within the Town of Pense. Pense is within commuting distance to Regina. The parcel size is similar in size compared to the subject.



Index No. 4 is the sale of a parcel located within the Town of Kinley. Kinley is located within commuting distance of Saskatoon. The site was not serviced at the time of the sale. The parcel size is smaller than the subject.

Index No. 6 is the sale of a parcel located near the Town of Arcola. Arcola is considered slightly inferior in terms of economic characteristics compared to Fort Qu'Appelle. This sale was not serviced at the time of the sale.

Index No. 7 is the sale of a parcel located near Belle Plain. This location is within commuting distance to Regina and Moose Jaw. The parcel was purchased for future development. The location is superior to the subject.

Index No. 8 is the sale of a parcel located in the Town of McLean, which is in closer proximity to Regina, compared to the subject. The parcel size is similar to the subject.

Index No. 9 is the sale of parcel located in the RM of Sherwood, in close proximity to Grand Coulee. The parcel size is larger than the subject. The location of this sale is highly superior to the subject.

Index No. 10 is the sale of a parcel located within the RM of Estevan, bordering the Town. Estevan is considered to be similar to Fort Qu'Appelle in terms of economic characteristics. The parcel size is smaller in size compared to the subject. This parcel was purchased for future residential acreage development.



There are few sales considered highly comparable to the subject property. The subject property is considered unique in terms of its location. There is very limited access to the site, as well as the fact as per the Fort Qu'Appelle Official Community Plan it is situated within an area designated with Potential Slope Instability. Based on the above analysis, we are of the opinion that a price per acre near the lower end of the range is a good indication of market value for the subject property.

A price per acre of \$1,500.00 will be applied to the subject. Therefore, the estimated value of the subject property by the Direct Comparison Approach is estimated at:

14.74 acres @ \$1,000.00 per acre

Total: \$14,740.00

\$15,000.00



Reconciliation and Final Estimate of Value

The Direct Comparison Approach to value has produced the following estimates of value for the subject properties:

Direct Comparison Approach: \$15,000.00

The Direct Comparison Approach has provided a value estimate based on the sale price per acre of land. In this approach, an analysis was made of sales of vacant land sites considered similar to the subject property. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

Therefore, it is my opinion that the estimated market value of the subject properties, in fee simple estate, free and clear of encumbrances, as at the effective date of May 29, 2013 is:

**Fifteen Thousand Dollars
(\$15,000.00)**

Exposure Time

Exposure time is the estimated length of time the properties interest being appraised would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market. It is always presumed to have preceded the effective date of the appraisal. Based on our analysis of the market place for this type of property, our estimate of market value is based on an exposure time of six to twelve months.

**CERTIFICATION****DATE: March 15, 2018****Re: Vacant Land, Fort Qu'Appelle, Saskatchewan**

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

- 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 impartial, and unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermining results, the amount of the value estimate, or a conclusion favouring the client;
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards;
- I have the knowledge and experience to complete the assignment competently.
- No one provided significant professional assistance to the undersigned;
- As of the date of this report the I have fulfilled the requirements of the Appraisal Institute of Canada Continuing Professional Development Program for members;
- I am a member in good standing of the Appraisal Institute of Canada;
- I personally inspected the subject property of the report;
- Based upon the data, analyses, and conclusions contained herein, the market value of the interest in the properties described herein, as at May 29, 2013, is estimated at \$15,000.00;

Dated: March 15, 2018

Greg Buchan, B.Admin, AACI, P.App
AIC Membership # 904274



ADDENDA 1

Land Titles (ISC) Documents

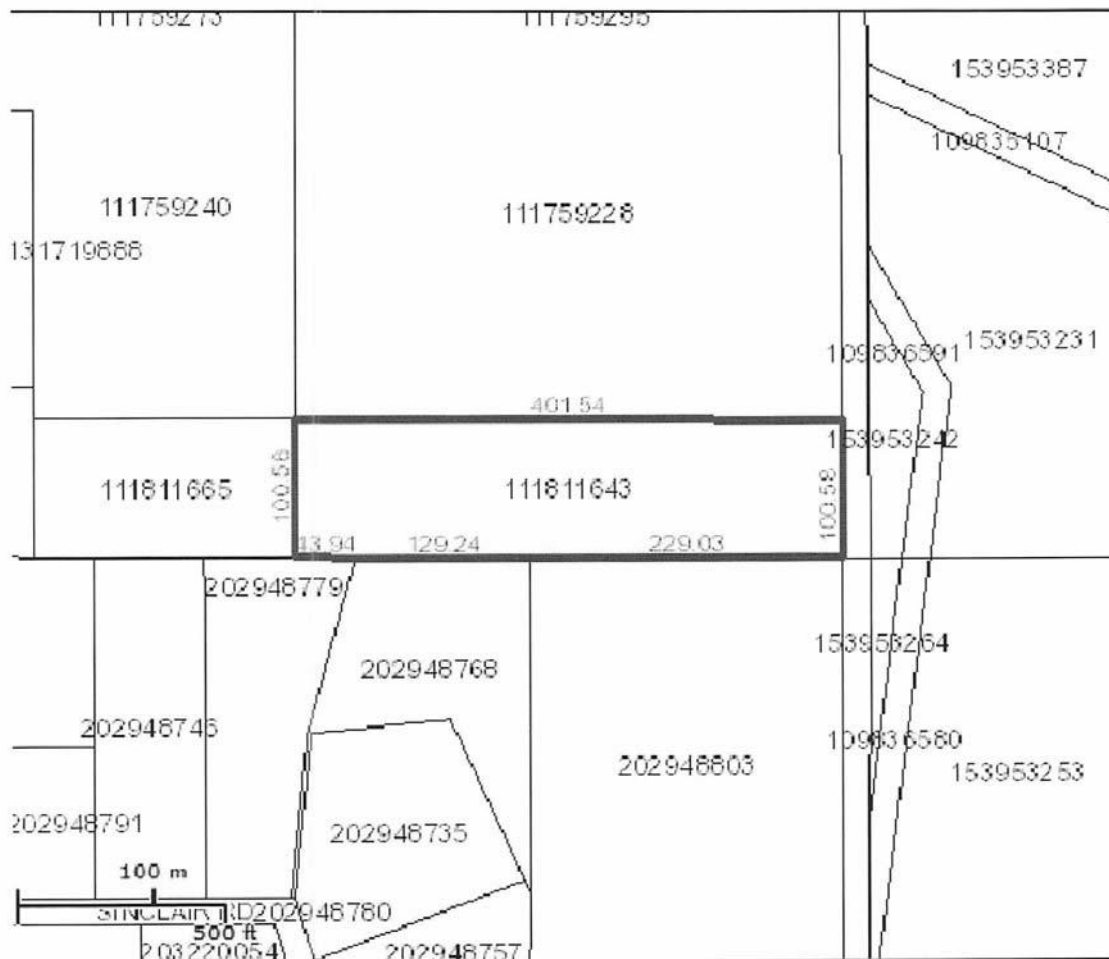
3/12/2018

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

Province of Saskatchewan Land Titles Registry Title							
Title #: 143687784	As of: 12 Mar 2018 11:23:31						
Title Status: Active	Last Amendment Date: 29 May 2013 14:33:25.243						
Parcel Type: Surface	Issued: 29 May 2013 14:33:23.910						
Parcel Value: \$5,250.00 CAD							
Title Value: \$5,250.00 CAD	Municipality: TOWN OF FORT QU'APPELLE						
Converted Title: 65R19901							
Previous Title and/or Abstract #: 104892677							
<p>TULIK HOLDINGS LTD. is the registered owner of Surface Parcel #111811643</p> <p>Reference Land Description: Blk/Par C Plan No 101377548 Extension 49</p> <p>As described on Certificate of Title 65R19901, description 49.</p> <p>This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of <i>The Land Titles Act, 2000</i>.</p> <p><u>Registered Interests:</u></p> <p>None</p> <p><u>Addresses for Service:</u></p> <table border="0"> <thead> <tr> <th>Name</th> <th>Address</th> </tr> </thead> <tbody> <tr> <td>Owner: TULIK HOLDINGS LTD.</td> <td>BOX 607. 400 - 9TH STREET WEST FORT QU'APPELLE, SK, Canada S0G 1S0</td> </tr> <tr> <td>Client #: 125651842</td> <td></td> </tr> </tbody> </table> <p><u>Notes:</u></p> <p>Under The Planning and Development Act, 2007, the title for this parcel and parcels 111811665 may not be transferred or, in certain circumstances, mortgaged or leased separately without the approval of the appropriate planning authority.</p> <p>Parcel Class Code: Parcel (Generic)</p>		Name	Address	Owner: TULIK HOLDINGS LTD.	BOX 607. 400 - 9TH STREET WEST FORT QU'APPELLE, SK, Canada S0G 1S0	Client #: 125651842	
Name	Address						
Owner: TULIK HOLDINGS LTD.	BOX 607. 400 - 9TH STREET WEST FORT QU'APPELLE, SK, Canada S0G 1S0						
Client #: 125651842							

[Back](#)
[Back to top](#)

REQUEST DATE:12-Mar-2018 11:23:51 AM



Ownership Share: 1:1

DISCLAIMER: THIS IS NOT A PLAN OF SURVEY It is a consolidation of plans to assist in identifying the location, size and shape of a parcel in relation to other parcels. Parcel boundaries and area may have been adjusted to fit with adjacent parcels. To determine actual boundaries, dimensions or area of any parcel, refer to the plan, or consult a surveyor.

Title #: 143687908
Title Status: Active
Parcel Type: Surface
Parcel Value: \$5,250.00 CAD
Title Value: \$5,250.00 CAD
Converted Title: 65R19901
Previous Title and/or Abstract #: 104892699

As of: 12 Mar 2018 11:24:15
Last Amendment Date: 29 May 2013 14:33:28.383
Issued: 29 May 2013 14:33:26.280

Municipality: TOWN OF FORT QU'APPELLE

TULIK HOLDINGS LTD. is the registered owner of Surface Parcel #111811665

Reference Land Description: Blk/Par F Plan No 101377548 Extension 50
As described on Certificate of Title 65R19901, description 50.

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

Interest #:
162978463

CNV Easement

Value: N/A

Req'd: 25 May 1959 01:38:26

Interest Registered Amendment Date: N/A

Interest Assignment Date: N/A

Interest Scheduled Expiry Date: N/A

Expiry Date: N/A

as to LSD 10

Holder:

Saskatchewan Power Corporation

N/A

N/A, Saskatchewan, Canada

Client #: 100871063

Int. Register #: 101534082

Converted Instrument #: 59R06102

Addresses for Service:

Name _____

Address

Owner:

TULIK HOLDINGS LTD.

BOX 607. 400 - 9TH STREET WEST FORT QU'APPELLE, SK,
Canada S0G 1S0

Client #: 125651842

Notes:

Under The Planning and Development Act, 2007, the title for this parcel and parcels 111811643 may not be transferred or, in certain circumstances, mortgaged or leased separately without the approval of the appropriate planning authority.

Parcel Class Code: Parcel (Generic)

[Back](#)

Back to top



Surface Parcel Number: 111811665

REQUEST DATE:12-Mar-2018 11:24:34 AM



Owner Name(s): TULIK HOLDINGS LTD.

Municipality: TOWN OF FORT QU'APPELLE

Title Number(s): 143687908

Parcel Class: Parcel (Generic)

Land Description: Blk/Par F-Plan 101377548 Ext 50

Source Quarter Section: NE-06-21-13-2

Commodity/Unit: Not Applicable

Area: 1.924 hectares (4.75 acres)

Converted Title Number: 65R19901


Ownership Share: 1:1

DISCLAIMER: THIS IS NOT A PLAN OF SURVEY. It is a consolidation of plans to assist in identifying the location, size and shape of a parcel in relation to other parcels. Parcel boundaries and area may have been adjusted to fit with adjacent parcels. To determine actual boundaries, dimensions or area of any parcel, refer to the plan, or consult a surveyor.



Addenda 2

Assessment Information


Property Report **Property Use:** Vacant Res Land **Print Date:** 12-Mar-2018 **Page 1 of 1**

Municipality Name: FORT QU'APPELLE **Assessment ID Number:** FORTQ-505163400 **PID:** 300003225

Civic Address: **School Division:** 208 **Inspected Date:** 27-Jan-1999
Legal Location: Parcel F.C Block Plan 101377548 Sup **Neighborhood:** 120 **Change Reason:**
Supplementary: SOUTH 330' IN WIDTH THROUGHTOUT QUARTER SECTION **Year / Frozen ID:** 2013/0
Puse Code: Vacant Res Land **Call Back Year:**
Predom Code: **Method_in_use:** C.A.M.A. - Cost

Assessed & Taxable/Exempt Values (Summary)

Description	Assessed Values	Liability Subdivision	Tax Class	Percentage of value	Taxable	Exempt	VA	Tax Status
Non-Agricultural	84,500	1	Residential	70%	0	\$59,150		Exempt
Total of Assessed Values	84,500			Total of Taxable/Exempt Values:	0	59,150		

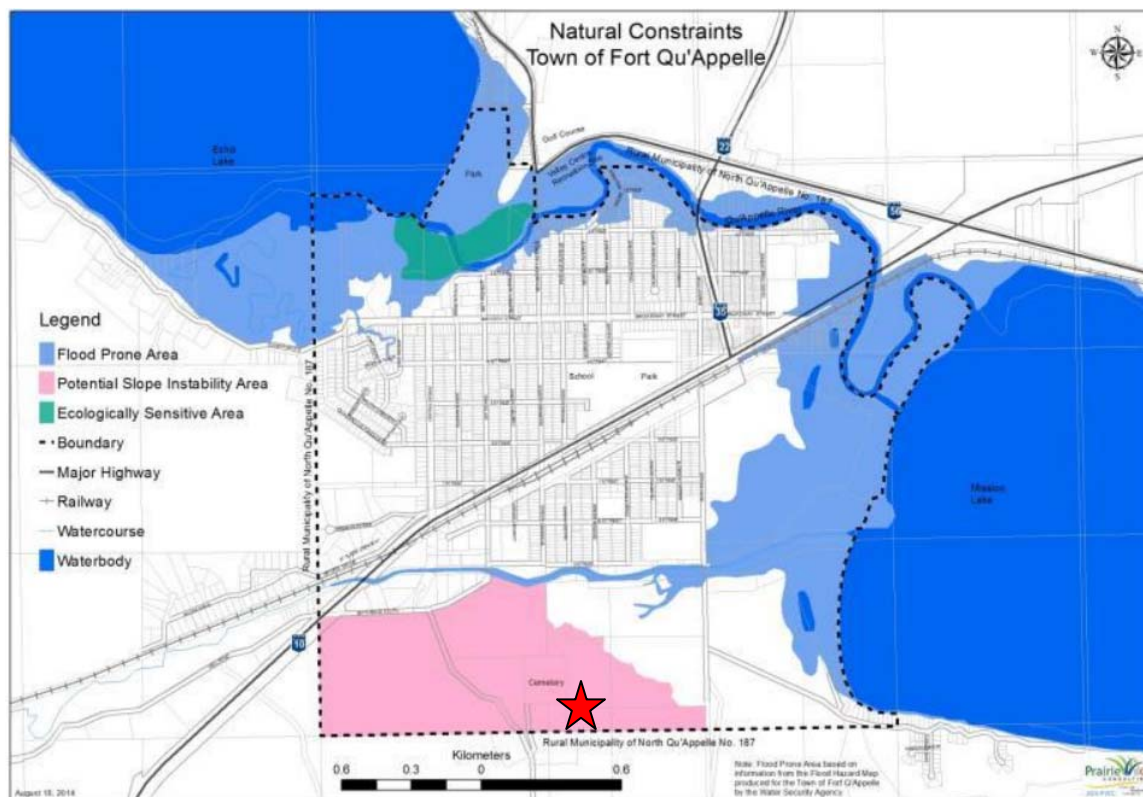
URBAN LAND (Details)

Lot/Plot	Land Use	Plot Characteristics	Rates and Factors	Other Information	Liability Subdivision	Tax Status
/ 1.00	Residential Excess	Acreage	Prime Rate: 13700.00	Std Parcel Size: 5.00	1	Exempt
	Plot use - VACANT RES LAND	Width(ft)	Urban - Acreage 84,460.00	Land Size Multiplier: 180		
		Side 1 (ft)		Adjustment reason:		
		Side 2 (ft)	Lump Sum: 0.00			
		Area				
		Total Acres: 14.25				



Addenda 3

Official Community Plan Map



Report on Appraisal of
Block G, Plan FS4959
Fort Qu'Appelle, SK



As at
February 21, 2008

Prepared by



200 Clifton Court
2330 - 15th Avenue
Regina, SK
S4P 1A2



B. R. Gaffney & Associates
200 Clifton Court
2330 - 15th Avenue
Regina, SK S4P 1A2

Real Estate Appraisers & Consultants
Phone: (306) 359-7800
Fax: (306) 359-7312
E-mail: gaffney.assoc@sasktel.net

March 16, 2018

MNP LLP
119 4th Ave South
Suite 800
Saskatoon, SK

Re: Vacant Land, Fort Qu'Appelle, Saskatchewan

In accordance with your instructions I have completed a narrative appraisal on the above referenced property which is legally described as follows:

**Block G, Plan FS4959
Fort Qu'Appelle, Saskatchewan**

As a result of my investigation and analysis, it is my opinion that the estimated market value of the subject property, in fee simple estate, free and clear of encumbrances, as at February 21, 2008, a retrospective date, is:

**Eighteen Thousand Dollars
(\$18,000.00)**

The estimate of value is market value as defined on page one of the attached report. The estimate of value assumes no duress on the part of either a purchaser or vendor; it does not take into consideration any existing mortgages against the property and is based on an exposure period of six to twelve months.

The following report describes my methods of appraisal and contains data gathered in the investigation, which to the best of my knowledge and belief is correct subject to the limiting conditions herein set out.

Respectfully submitted,
B. R. GAFFNEY & ASSOCIATES

Per: _____

Greg Buchan, B.Admin, AACI, P.App

TABLE OF CONTENTS

TITLE PAGE

PART ONE – INTRODUCTION

Letter of Transmittal	
Table of Contents	
Executive Summary	

PART TWO – BASIS OF APPRAISAL

Intended Use of the Report	1
Purpose of the Assignment	1
Property Rights Appraised	1
Definition Of Market Value	1
Effective Date of Value	2
Scope of Work	2
Assumptions and Limiting Conditions	3

PART THREE – FACTUAL INFORMATION

Identification of the Property	6
Location and Site Data	7
Existing Use	10
Assessment and Taxes	10
History of Subject Property	10
Land Use Controls	11

PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use	12
Appraisal Procedures	13
Direct Comparison Approach	14
Reconciliation and Final Estimate of Value	18
Exposure Time	19
Certification	20

ADDENDA 1

Land Titles (ISC) Documents	21
-----------------------------	----

ADDENDA 2

Assessment Information	24
------------------------	----

EXECUTIVE SUMMARY

Type of Property:	Vacant Land
Report Type:	Narrative
Effective Date of Appraisal:	February 21, 2008 (Retrospective)
Date of Inspection:	March 9, 2018
Zoning:	C2 – Highway Commercial
2008 Total Assessment:	\$47,800.00
2008 Taxes:	Exempt
Site Area:	0.97 Acres
Highest and Best Use:	Future Development
FINAL ESTIMATE OF VALUE:	\$18,000.00



PART TWO – BASIS OF APPRAISAL

Intended Use of the Report

As per our client's request for services, the intended use of this report is to assist MNP LLP, with internal decisions pertaining to the subject property. It is not reasonable for any person other than the client and B.R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. 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.

Purpose of the Assignment

The purpose of this assignment is to provide a market value property appraisal for the subject property located in Fort Qu'Appelle, Saskatchewan, in fee simple estate, free and clear of all encumbrances. The effective date of the appraisal is February 21, 2008, a retrospective date.

Property Rights Appraised

The property rights appraised reflect the most complete form of ownership, which is title in fee. Such ownership establishes an interest in real property known as fee simple interest (i.e., absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power, and escheat).

Definition of Market Value

The Appraisal of Real Estate, Third Canadian Edition defines market value 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 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 as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Market Value as defined by International Valuation Standards 2006: "Market value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms length transaction after proper marketing herein the parties had each acted knowledgeably, prudently and without compulsion".

Effective Date of Value

At the request of the client, the effective date of the appraisal is February 21, 2008, a retrospective date. The effective date of this appraisal is considered to be a retrospective date as the opinion of value reflects that of a specified historic date. The estimate of value developed must be consistent with market conditions as at the specified date. The retrospective date has been considered throughout the valuation.

Scope of Work

The subject property and the subject property's neighbourhood were inspected by the appraiser on February 21, 2018.

Regional, municipal and neighbourhood data was based on a personal inspection, information published by the Town of Fort Qu'Appelle and information published by local Real Estate and Property Management firms. In estimating the highest and best use for the subject, an analysis



was made of data compiled from the above. In addition, an analysis was made of supply and demand for properties similar in use to the subject.

The Direct Comparison Approach will provide an estimate of value of the subject properties based on comparable properties that have recently sold within the Town of Fort Qu'Appelle, as well as similar communities. The Cost Approach will not be utilized due to the fact that the improvements are not considered to offer any value. The Income Approach will not be utilized due to the fact that the property is not typical of an investment property purchased for income producing or cash flow capabilities.

Data derived from the market was obtained from our files, other appraisers, realtors and/or persons knowledgeable of the subject property market-place. The final estimate of value is made after assembling and analyzing the data defined in this scope of appraisal.

I did not complete technical investigations, if applicable, such as:

- Detailed inspections or engineering review of the structure, roof or mechanical systems;
- An environmental review of the property;
- A site or building survey;
- Investigations into the bearing qualities of the soils; or
- Audits of financial and legal arrangements reported by the client concerning the leases.

Assumptions and Limiting Conditions

This narrative report has been prepared at the request of MNP LLP, hereinafter referred to as the client, for the purpose of providing an estimate of the market value of the subject property located in Fort Qu'Appelle, Saskatchewan. The function of the appraisal is to assist the client with internal decisions in regard to the subject property. The effective date of the appraisal is February 21, 2008, a retrospective date.

Except as it may be necessary to expedite the function of this appraisal as identified herein, it is not reasonable for any person other than the client and B. R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. This report has been prepared on the assumption that no other person will rely on it for any other purpose and all



liability to all such persons is denied.

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the authors, subject to the qualification below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this report. The property is appraised on the basis of it being under responsible ownership.
4. The subject property is presumed to comply with government regulations including zoning, building codes and health regulations and, if it doesn't comply, its non-compliance may affect market value.
5. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property.
6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical



structure, mechanical or other operating systems, its foundation, etc., if applicable) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.
10. The term “inspection” refers to observation and reporting of the general material finishing, if applicable, and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.
11. Where applicable, the opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building inspections have been completed to



date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.

12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
13. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
14. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Where the client is the mortgagee and the loan is insured, liability is extended to the mortgage insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
15. This appraisal report, its content and all attachments/addendums and their content are the property of the author. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
16. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied



upon without fault.

17. Where the intended use of this report is for financing or mortgage lending, it is a condition of reliance on this report that the authorized user has or will conduct loan underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct such loan underwriting and due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Underwriting Practices and Procedures B-20, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.
18. Where the intended use of this report is for mortgage insurance, it is a condition of reliance on this report that the authorized user will conduct loan insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent mortgage insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, to conduct such loan insurance underwriting and/ due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Insurance Underwriting Practices and Procedures B-21, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.

PART THREE – FACTUAL INFORMATION

Identification of the Property

The subject properties are identified as follows:

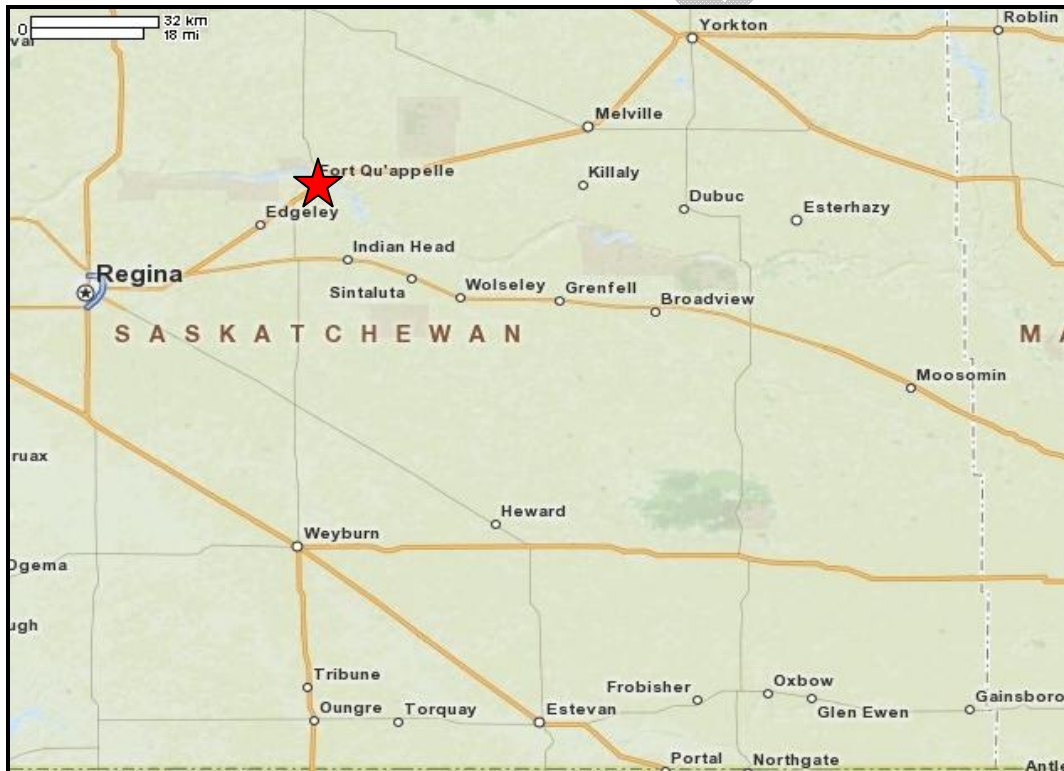
Address: 710 Bay Avenue S., Fort Qu'Appelle, SK

Legal Description: Block G, Plan FS4959

Parcel Number: 109855435

The above legal description and corresponding parcel number reflect the information on record with ISC (Province of Saskatchewan Land Titles Registry).

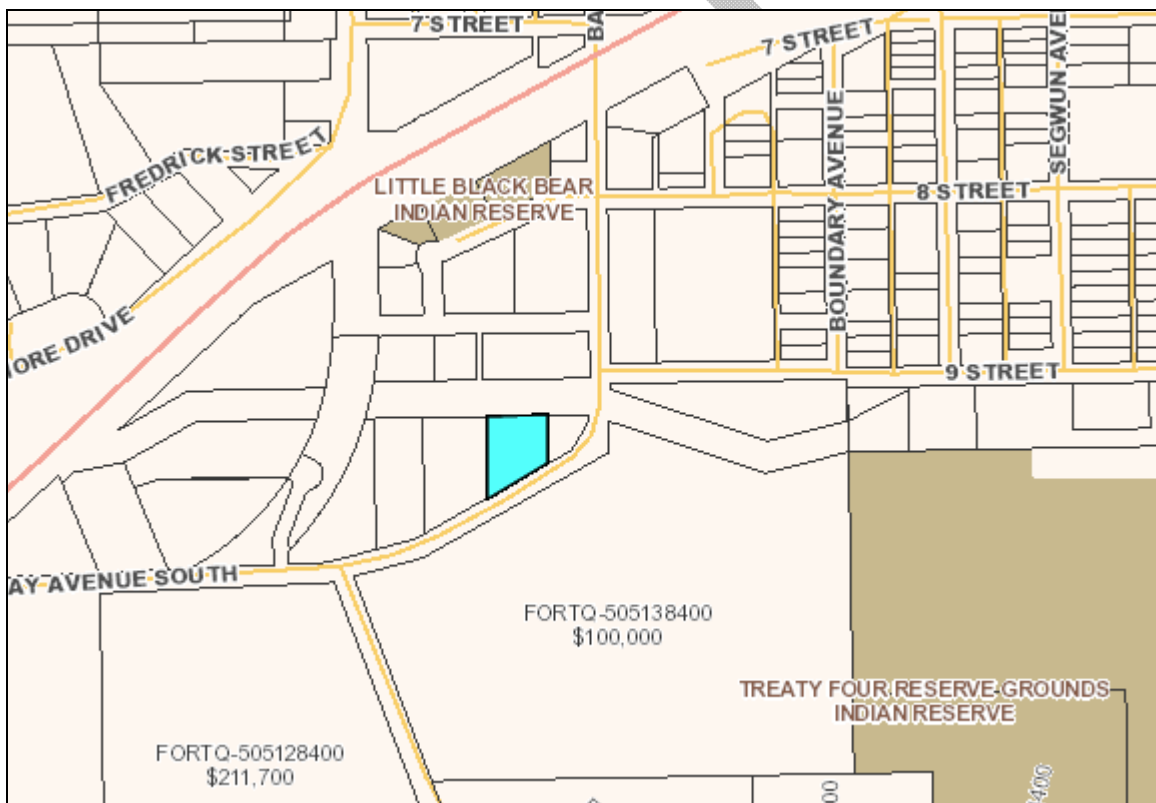
Location and Site Data



The subject property is located in the eastern portion of the Town of Fort Qu'Appelle, Saskatchewan just south of Echo Lake. Fort Qu'Appelle is located between Echo and Mission Lakes in the Qu'Appelle Valley, about 45 miles northeast of Regina along Highway No. 10.

Highway No. 10 travels north east from Balgonie and the Trans Canada Highway No. 1 to Melville and Yorkton. Fort Qu'Appelle has a population of approximately 2,300 and its economy is dependent primarily on agriculture and tourism. Tourism in the area during the summer months is supported by cottage owners and campers frequenting the lakes located in the area. There is some winter tourism consisting of down hill and cross-country skiing and ice fishing. Positive features of Fort Qu'Appelle include full services such as schools, churches, and recreational and shopping facilities. Generally, most amenities are within walking distance.

The subject parcel is located on the southern district of the Town of Fort Qu'Appelle. The land is situated on the north side of Bay Avenue South. Access to the site is located on Bay Avenue South. According to Land Titles the site is irregular in shape and is comprised of 0.97 acres. There are no services to the site. There are no surrounding developments within close proximity to the subject. The location is considered fair in terms of future development.





Existing Use

The existing use of the subject property is vacant land. Discussion relative to the current use and the Highest and Best Use can be found in Part 4 of this report under the heading *Highest and Best Use*.

Assessment and Taxes

According to the Town of Fort Qu'Appelle, the 2008 assessment and 2008 taxes for the subject properties are as follows:

2008 ASSESSED AND TAXABLE VALUE:	\$47,800.00
2008 TAXES:	Exempt
TAXING TREND:	Increasing

The assessment and taxes are comparable to other similar properties and the level of assessment and taxes will not, in my opinion, have an effect on the market value of the subject property. It should be noted that some improvements were included in the assessment.

History of Subject Property

According to the Saskatchewan Land Titles Registry, as of the effective date of this appraisal report The Town of Fort Qu'Appelle is the registered owner of the subject property.

Due to the fact that the property is owned by the Town of Fort Qu'Appelle, the property is exempt from property taxes.

A copy of the title is included in the Addenda of this report.

The subject property was purchased in February of 2008. According to the Town of Fort Qu'Appelle, the subject was purchased for \$17,800.00. We are not aware of any listings, sales or offers within the last three years, aside from that noted.



Land Use Controls

According to the Town of Fort Qu'Appelle zoning bylaw the subject property is zoned C2 – Highway Commercial.

The purpose of the Highway Commercial District (C2) is to facilitate a wide range of commercial, industrial and related activities located along Provincial Highways requiring high visibility.

DRAFT



PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use

The Highest and Best Use of a property is a major factor affecting market value. The value of a property results from its use and varies with the present and prospective, actual and anticipated profit. Highest and Best Use can be simply stated as that use likely to produce the greatest net return over a given period of time.

Criteria for determining Highest and Best Use include:

- 1) The use must be legal and in compliance with zoning and building restrictions.
- 2) The use must be within the realm of probability; a likely one, not speculative or conjectural.
- 3) A demand for such use must exist.
- 4) The use must be profitable.
- 5) The use must provide the highest net return to the land.
- 6) The use must produce the return for the longest possible time.

The existing use of a given parcel of land is usually the Highest and Best Use, since economic pressure dictates the use. If the existing use is the Highest and Best Use, it should:

- a) conform to existing zoning regulations or be a legal non-conforming use;
- b) be in reasonable conformity with its surroundings.

In addition, as long as the building contributes something to the total property value in excess of the value of the vacant site, it would pay an owner to continue it in that use, which would be considered to be its Highest and Best Use.

On the basis of the above and recognizing the size, configuration, location and condition of the subject property, it is my opinion that the Highest and Best Use for the subject property is future development.



Appraisal Procedures

There are three approaches to be considered in developing an estimate of value for the subject.

The Cost Approach is the method by which the value of a property is derived by estimating the reproduction cost new of the improvements, deducting therefrom the estimated depreciation and then adding the market value of the land. This approach usually provides a reliable indication of value where the improvements are new, they contain little or no depreciation, including functional and external obsolescence and they represent the highest and best use for the land.

The Income Approach develops an estimate of value from the anticipated net income the property could realize, if put on the market for rent. The annual net income is then capitalized into an estimate of value, by converting the income stream by an appropriate overall capitalization rate. This approach is typically utilized from the standpoint of an investor.

The Direct Comparison Approach develops an estimate of value from the market, where properties similar to the subject have been sold and/or properties presently listed for sale. It is a process of correlating and analyzing the comparable properties, to arrive at an estimate of value for the subject. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

The Direct Comparison Approach will provide an estimate of value of the subject properties based on comparable properties that have recently sold within the Town of Fort Qu'Appelle, as well as similar communities. The Cost Approach will not be utilized due to the fact that the improvements do not contribute any value to the subject property. The Income Approach will not be utilized due to the fact that the properties are not typical of an investment property purchased for income producing or cash flow capabilities.



Direct Comparison Approach

This method involves the gathering, analyzing and comparing of data on similar properties that have been sold, on which offers have been made, or that are for sale.

This approach implies the Principle of Substitution, which states that a prudent purchaser will not pay more for a property than it would cost to buy an equally desirable substitute. The properties selected for comparison must be similar in most essential respects to the one being appraised. In addition to comparing the similar characteristics between properties, the dissimilar characteristics must also be weighed. In this manner, the appraiser is placing himself in the position of being a typical purchaser or vendor in the market, in that the analysis of data pertaining to the real estate market is of assistance in deciding the best possible price to pay, or accept, for a property.

Following is a summary of each comparable property used in this analysis:

INDEX NO. 1

Location: 7th Street East, Carlyle, SK.

Legal Description: Lot 6, Block 45, Plan No. 98SE29012

Sale Price: \$30,000.00

Date of Sale: November 2007

Lot Size: 1.53 acres

Zoning: Commercial

Sale Price Per Acre: \$19,607.00

Comments: Located in industrial area north of Carlyle along Highway No. 9. This was an unserviced vacant site. The site was purchased with the intent of industrial development.

INDEX NO. 2

Location: 36 Railway Avenue, Redvers, SK.

Legal Description: Lots 3 & 4, Block 1, Plan No. 49333

Sale Price: \$3,000.00

Sale Date: November 2007

Land Size: 0.16 acres

Zoning: Commercial

Sale Price Per Acre: \$18,750.00

Comments: Vacant, unserviced site located within the Town of Redvers.

INDEX NO. 3

Location: 402 & 420 Broadway St. E., Fort Qu'Appelle, SK

Legal Description: Lots 5 & 6 Block 37 Plan AN4277

Sale Price: \$75,000.00

Sale Date: September 19, 2007

Title #134389457 & #134389503

Lot Size: 0.30 acres

Zoning: C1 – Downtown Commercial

Sale Price Per Acre: \$250,000.00

Comments: Corner lot located within the Business District of Fort Qu'Appelle. The site is fully serviced.

**INDEX NO. 4**

Location: Resort Village of Bird's Point, SK.
 Legal Description: Lots 9 & 10, Block F, Plan 69R00742
 Sale Date: June 2007
 Sale Price: \$46,000.00
 Land Size: 0.30 acres
 Sale Price/Acre: \$153,333.33
 Zoning: Residential
 Comments: Non lakefront land located in Village of Bird's Point. Across the street from waterfront lots. The sites were fully serviced.

INDEX NO. 5

Location: Main Street, Southey, SK.
 Legal Description: Lots 7, 8, 9 & 10, Block 15, Plan FU5141
 Sale Price: \$20,000.00
 Sale Date: November 18, 2005
 Land Size: 0.51 acres
 Zoning: Commercial
 Sale Price Per Acre: \$39,215.69
 Comments: 4 serviced lots, 55' x 102' fronting Highway #6 in Southey. Adjacent to GM Chev dealership. Lots were used for car storage.

INDEX NO. 6

Location: Block A, Plan 101272025, Carlyle, SK
 Sale Price: \$30,000.00
 Date of Sale: March 2005 (Title No. 128874213)
 Land Size: 1.54 acres
 Zoning: Commercial
 Sale Price/Acre: \$19,604.00
 Comments: Site is located along Highway No. 9. BCD Operating Ltd. purchased lot from Town of Carlyle. Services to site border. Owner indicated that site requires fill before construction can begin.

**Sales Summary:**

#	Location	Sale Price	Sale Date	Area (Acres)	Sale Price Per Acre
1	Carlyle	\$30,000.00	7-Nov	1.53	\$19,607.84
2	Redvers	\$3,000.00	7-Nov	0.16	\$18,750.00
3	Fort Qu'Appelle	\$75,000.00	7-Sep	0.30	\$250,000.00
4	Bird's Point	\$46,000.00	7-Jun	0.30	\$153,333.33
5	Southey	\$20,000.00	5-Nov	0.51	\$39,215.69
6	Carlyle	\$30,000.00	5-Mar	1.54	\$19,480.52
			Average	0.72	\$83,397.90
			Median	0.41	\$29,411.76

The six land sales shown above, range from a low of \$18,750.00 per acre to a high of \$250,000.00 per acre. The upper end of the range represents a much smaller fully serviced parcel, ready for development. The lower end of the range represents unserviced parcels considered similar to the subject.

Index No. 1 is the sale of a parcel located in the Town of Carlyle. The parcel size is slightly larger compared to the subject. This site was unserviced and had similar zoning to the subject. This sale will receive some consideration.

Index No. 2 is the sale of a parcel located in the Town of Redvers. The parcel size is smaller in size compared to the subject. This site was unserviced and had similar zoning to the subject. This sale will receive some consideration.

Index No. 3 is the sale of a parcel located within the Town of Fort Qu'Appelle. The parcel size is smaller in sized compared to the subject. This site was fully serviced and ready for development. Due to the superior location and servicing, this sale will not receive any consideration.

Index No. 4 is the sale of a parcel located within the Resort Village of Bird's Point. The parcel size is smaller in sized compared to the subject. This site was fully serviced and ready for development. The site was in close proximity to Round Lake waterfront. Due to the superior location and servicing, this sale will not receive any consideration.

Index No. 5 is the sale located within the Town of Southey. The parcel size is smaller in sized compared to the subject. This site was fully serviced and ready for development.



Index No. 6 is the sale of a parcel located in the Town of Carlyle. The parcel size is slightly larger compared to the subject. This site was unserviced and had similar zoning to the subject. This sale will receive some consideration.

Based on the above analysis, we are of the opinion that a price per acre near the lower end of the range is a good indication of market value for the subject property. The lower end represents unserviced lots within similar communities to the subject. A price per acre of \$18,750.00 will be applied to the subject. Therefore, the estimated value of the subject property by the Direct Comparison Approach is estimated at:

0.97 acres @ \$18,750.00 per acre

Total: \$18,187.50

\$18,000.00



Reconciliation and Final Estimate of Value

The Direct Comparison Approach to value has produced the following estimates of value for the subject properties:

Direct Comparison Approach: \$18,000.00

The Direct Comparison Approach has provided a value estimate based on the sale price per acre of land. In this approach, an analysis was made of sales of vacant land sites considered similar to the subject property. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

Therefore, it is my opinion that the estimated market value of the subject properties, in fee simple estate, free and clear of encumbrances, as at the effective date of February 21, 2008 is:

**Eighteen Thousand Dollars
(\$18,000.00)**

Exposure Time

Exposure time is the estimated length of time the properties interest being appraised would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market. It is always presumed to have preceded the effective date of the appraisal. Based on our analysis of the market place for this type of property, our estimate of market value is based on an exposure time of six to twelve months.

**CERTIFICATION****DATE: March 16, 2018****Re: Vacant Land, Fort Qu'Appelle, Saskatchewan**

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

- 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 impartial, and unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermining results, the amount of the value estimate, or a conclusion favouring the client;
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards;
- I have the knowledge and experience to complete the assignment competently.
- No one provided significant professional assistance to the undersigned;
- As of the date of this report the I have fulfilled the requirements of the Appraisal Institute of Canada Continuing Professional Development Program for members;
- I am a member in good standing of the Appraisal Institute of Canada;
- I personally inspected the subject property of the report;
- Based upon the data, analyses, and conclusions contained herein, the market value of the interest in the property described herein, as at February 21, 2008, is estimated at \$18,000.00;

Dated: March 15, 2018

Greg Buchan, B.Admin, AACI, P.App
AIC Membership # 904274



ADDENDA 1

Land Titles (ISC) Documents

3/14/2018

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

Province of Saskatchewan Land Titles Registry Title

Title #: 135194081 Title Status: Active Parcel Type: Surface Parcel Value: \$25,000.00 CAD Title Value: \$25,000.00 CAD Converted Title: 00SE38305 Previous Title and/or Abstract #: 107955298	As of: 14 Mar 2018 15:41:30 Last Amendment Date: 21 Feb 2008 16:39:23.790 Issued: 21 Feb 2008 16:39:23.400 Municipality: TOWN OF FORT QU'APPELLE
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

CHAPLIN HOLDINGS LTD. is the registered owner of Surface Parcel
#109855435

Reference Land Description: Blk/Par G Plan No FS4959 Extension 0
As described on Certificate of Title 00SE38305.

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

None

Addresses for Service:

Name	Address
Owner: CHAPLIN HOLDINGS LTD. Client #: 113866364	BOX 70 FORT QU'APPELLE, SK, Canada S0G 1S0

Notes:

Parcel Class Code: Parcel (Generic)

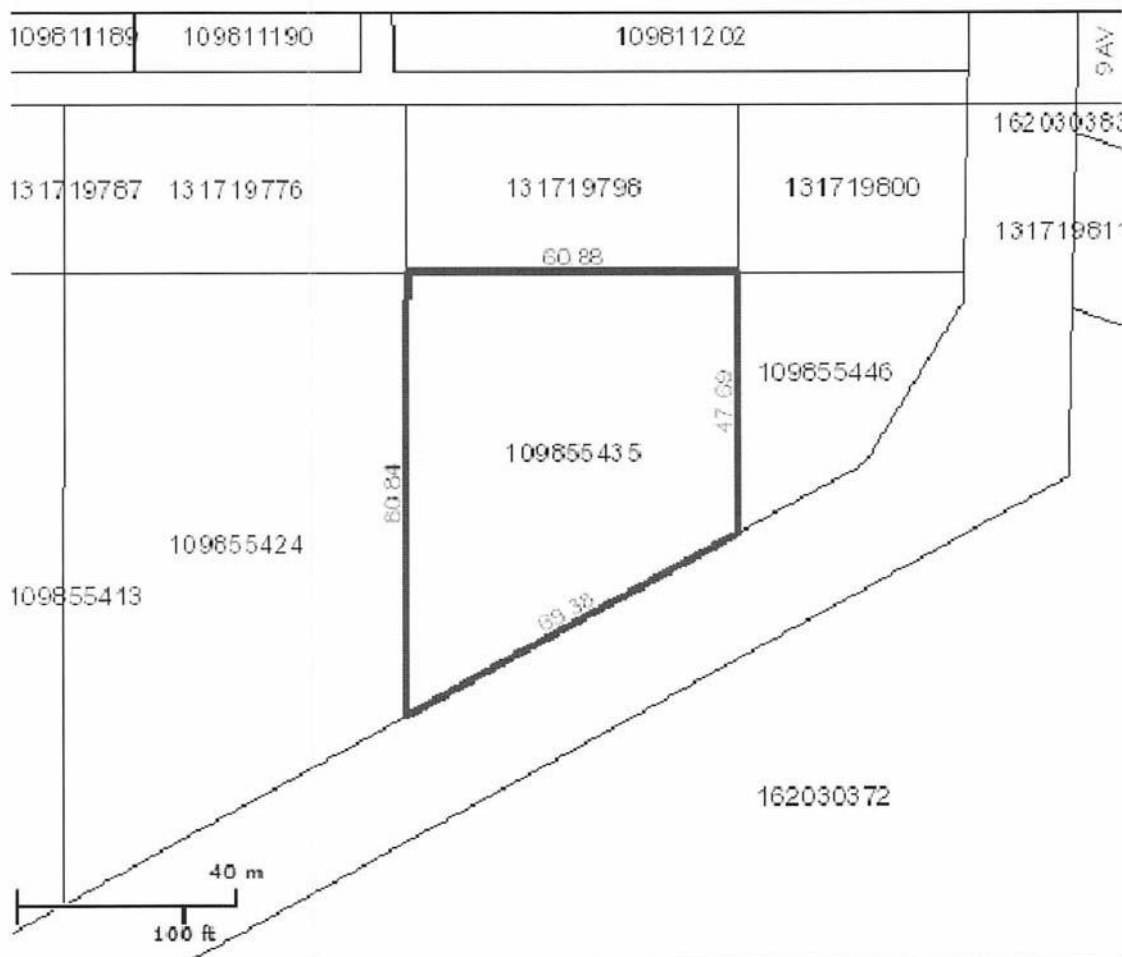
[Back](#)

[Back to top](#)



Surface Parcel Number: 109855435

REQUEST DATE:14-Mar-2018 3:41:52 PM



Owner Name(s): CHAPLIN HOLDINGS LTD.

Municipality: TOWN OF FORT QU'APPELLE

Title Number(s): 135194081

Parcel Class: Parcel (Generic)

Land Description: Blk/Par G-Plan FS4959 Ext 0

Source Quarter Section:

Commodity/Unit: Not Applicable

Area: 0.391 hectares (0.97 acres)

Converted Title Number: 00SE38305

Ownership Share: 1:1

DISCLAIMER: THIS IS NOT A PLAN OF SURVEY It is a consolidation of plans to assist in identifying the location, size and shape of a parcel in relation to other parcels. Parcel boundaries and area may have been adjusted to fit with adjacent parcels. To determine actual boundaries, dimensions or area of any parcel, refer to the plan, or consult a surveyor.



Addenda 2

Assessment Information

Property Report **Property Use:** General Commercial **Print Date:** 14-Mar-2018 **Page 1 of 2**

Municipality Name: FORT QU'APPELLE **Assessment ID Number:** FORTQ-505105550 **PID:** 3932787

Civic Address: **School Division:** 208 **Inspected Date:** 28-Jul-2004
Legal Location: Lot Block G Plan FS4959 Sup 00 **Neighborhood:** 120 **Change Reason:** Reinspection
Supplementary: ZONED HIGHWAY COMMERCIAL **Puse Code:** General Commercial **Year / Frozen ID:** 2008/0
Predom Code: **Call Back Year:** **Method_in_use:** C.A.M.A. - Cost

Assessed & Taxable/Exempt Values (Summary)

Description	Assessed Values	Liability Subdivision	Tax Class	Percentage of value	Taxable	Exempt	VA	Tax Status
Improvement	7,000	1	Comm & Industrial Other	100%	7,000			Taxable
Non-Agricultural	40,800	1	Comm & Industrial Other	100%	40,800			Taxable
Total of Assessed Values	47,800				Total of Taxable/Exempt Values: 47,800			

URBAN LAND (Details)

Lot/Plot	Land Use	Plot Characteristics	Rates and Factors	Other Information	Liability Subdivision	Tax Status
/ 1.00	Commercial Excess	Acreage	Prime Rate: 97900.00	Std Parcel Size: .28	1	Taxable
Plot use - GENERAL COMMERCIAL		Width(ft)	Urban - Acreage 40,790.00	Land Size Multiplier: 165		
		Side 1 (ft)	Adjustment percent: 90.00	Adjustment reason: Drainage Ditch		
		Side 2 (ft)	Lump Sum: 0.00			
		Area				
		Total Acres: 1.18				

RESIDENTIAL IMPROVEMENTS (Summary)

Section	Construction Type	Eff. Yr.	Quality	Area (sq.ft)	Combined Area (sq.ft)	Condition Rating	Phys Depn	Funct Obs	Econ Obs	% UNF	MAF	Liability Subd	Tax Status
Shed		1988	B	224	224	Average	11				0.55	1	Taxable

RESIDENTIAL IMPROVEMENTS (Details)

Section: Shed Building ID: 900901.0 Prop Use Code: GENERAL COMMERCIAL Section Area: 224

Foundation: Y
Interior Finish: Unlined
Wall Height: 8.0
Garage Heating: NO



TOWN OF FORTQ			Assessment ID Number: FORTQ-505105550				PID: 3932787		Print Date: 14-Mar-2018			
COMMERCIAL IMPROVEMENT (Summary)												
Section	Construction Type	Year Built	Quality	Area (sq.ft)	Combined Area (sq.ft)	Condition Rating	Phys Depn	Func Obs	Econ Obs	% UNF	Liability Subd	Tax Status
COMMERCIAL IMPROVEMENT (Details)												
Section: Warehouse				Building ID: 180352.0			Prop use: GENERAL COMMERCIAL			Area (sq.ft): 980		Perimeter: 126
Type:	Storage											
Exterior Wall Material 1:	WOODSDG - Wood Siding / 100%											
Electrical:	Yes		Plumbing:			No Plumbing		Heat Type:		No Heating		
Ventilation:			Air Conditioning:			No Air Conditioning		Sprinklers:		No - Sprinklers		
Wall Width:	6 inches		Insulation - R Value:			20		Insulation - Percent:		100		
Interior Lining Material/Lining Pct	DRY / 100											
Storey Height :	8.00		Total Number of Storeys:			01 Storey		Number of Storeys:		01 Storey		
Urethane Insulation:												

DRAFT

Report on Appraisal of
Block 12R, Plan 101383703
Fort Qu'Appelle, SK



As at
January 8, 2009

Prepared by



200 Clifton Court
2330 - 15th Avenue
Regina, SK
S4P 1A2



B. R. Gaffney & Associates
200 Clifton Court
2330 - 15th Avenue
Regina, SK S4P 1A2

Real Estate Appraisers & Consultants
Phone: (306) 359-7800
Fax: (306) 359-7312
E-mail: gaffney.assoc@sasktel.net

March 15, 2018

MNP LLP
119 4th Ave South
Suite 800
Saskatoon, SK

Re: Vacant Land, Fort Qu'Appelle, Saskatchewan

In accordance with your instructions I have completed a narrative appraisal on the above referenced property which is legally described as follows:

**Block 12R, Plan 101383703
Fort Qu'Appelle, Saskatchewan**

As a result of my investigation and analysis, it is my opinion that the estimated market value of the subject property, in fee simple estate, free and clear of encumbrances, as at January 8, 2009, a retrospective date, is:

**Eighteen Thousand Dollars
(\$18,000.00)**

The estimate of value is market value as defined on page one of the attached report. The estimate of value assumes no duress on the part of either a purchaser or vendor; it does not take into consideration any existing mortgages against the property and is based on an exposure period of six to twelve months.

The following report describes my methods of appraisal and contains data gathered in the investigation, which to the best of my knowledge and belief is correct subject to the limiting conditions herein set out.

Respectfully submitted,
B. R. GAFFNEY & ASSOCIATES

Per: _____

Greg Buchan, B.Admin, AACI, P.App

TABLE OF CONTENTS

TITLE PAGE

PART ONE – INTRODUCTION

Letter of Transmittal	
Table of Contents	
Executive Summary	

PART TWO – BASIS OF APPRAISAL

Intended Use of the Report	1
Purpose of the Assignment	1
Property Rights Appraised	1
Definition Of Market Value	1
Effective Date of Value	2
Scope of Work	2
Assumptions and Limiting Conditions	3

PART THREE – FACTUAL INFORMATION

Identification of the Property	8
Location and Site Data	8
Existing Use	11
Assessment and Taxes	11
History of Subject Property	11
Land Use Controls	12

PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use	13
Appraisal Procedures	14
Direct Comparison Approach	15
Reconciliation and Final Estimate of Value	21
Exposure Time	22
Certification	23

ADDENDA 1

Land Titles (ISC) Information	24
-------------------------------	----

ADDENDA 2

Assessment Information	27
------------------------	----

ADDENDA 3

Potential Instability Area Map	28
--------------------------------	----

EXECUTIVE SUMMARY

Type of Property:	Vacant Land
Report Type:	Narrative
Effective Date of Appraisal:	January 8, 2009 (Retrospective)
Date of Inspection:	March 9, 2018
Zoning:	FUD – Future Urban Development
2009 Total Assessment:	\$35,800.00
2009 Taxes:	Exempt
Site Area:	13.27 Acres
Highest and Best Use:	Future Development
FINAL ESTIMATE OF VALUE:	\$18,000.00



PART TWO – BASIS OF APPRAISAL

Intended Use of the Report

As per our client's request for services, the intended use of this report is to assist MNP LLP, with internal decisions pertaining to the subject property. It is not reasonable for any person other than the client and B.R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. 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.

Purpose of the Assignment

The purpose of this assignment is to provide a market value property appraisal for the subject property located in Fort Qu'Appelle, Saskatchewan, in fee simple estate, free and clear of all encumbrances. The effective date of the appraisal is January 8, 2009, a retrospective date.

Property Rights Appraised

The property rights appraised reflect the most complete form of ownership, which is title in fee. Such ownership establishes an interest in real property known as fee simple interest (i.e., absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power, and escheat).

Definition of Market Value

The Appraisal of Real Estate, Third Canadian Edition defines market value 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 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 as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Market Value as defined by International Valuation Standards 2006: "Market value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms length transaction after proper marketing herein the parties had each acted knowledgeably, prudently and without compulsion".

Effective Date of Value

At the request of the client, the effective date of the appraisal is January 8, 2009, a retrospective date. The effective date of this appraisal is considered to be a retrospective date as the opinion of value reflects that of a specified historic date. The estimate of value developed must be consistent with market conditions as at the specified date. The retrospective date has been considered throughout the valuation.

Scope of Work

The subject property and the subject property's neighbourhood were inspected by the appraiser on March 9, 2018. The photographs of the subject property was taken on March 9, 2018.

Regional, municipal and neighbourhood data was based on a personal inspection, information published by the Town of Fort Qu'Appelle and information published by local Real Estate and Property Management firms. In estimating the highest and best use for the subject, an analysis



was made of data compiled from the above. In addition, an analysis was made of supply and demand for properties similar in use to the subject.

The Direct Comparison Approach will provide an estimate of value of the subject properties based on comparable properties that have recently sold within the Town of Fort Qu'Appelle, as well as similar communities. The Cost Approach will not be utilized due to the fact that there are no improvements to be considered. The Income Approach will not be utilized due to the fact that the property is not typical of an investment property purchased for income producing or cash flow capabilities.

Data derived from the market was obtained from our files, other appraisers, realtors and/or persons knowledgeable of the subject property market-place. The final estimate of value is made after assembling and analyzing the data defined in this scope of appraisal.

I did not complete technical investigations, if applicable, such as:

- Detailed inspections or engineering review of the structure, roof or mechanical systems;
- An environmental review of the property;
- A site or building survey;
- Investigations into the bearing qualities of the soils; or
- Audits of financial and legal arrangements reported by the client concerning the leases.

Assumptions and Limiting Conditions

This narrative report has been prepared at the request of MNP LLP, hereinafter referred to as the client, for the purpose of providing an estimate of the market value of the subject property located in Fort Qu'Appelle, Saskatchewan. The function of the appraisal is to assist the client with internal decisions in regard to the subject property. The effective date of the appraisal is January 8, 2009, a retrospective date.

Except as it may be necessary to expedite the function of this appraisal as identified herein, it is not reasonable for any person other than the client and B. R. Gaffney & Associates to rely upon this appraisal without first obtaining written authorization from all parties. This report has been prepared on the assumption that no other person will rely on it for any other purpose and all



liability to all such persons is denied.

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the authors, subject to the qualification below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this report. The property is appraised on the basis of it being under responsible ownership.
4. The subject property is presumed to comply with government regulations including zoning, building codes and health regulations and, if it doesn't comply, its non-compliance may affect market value.
5. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property.
6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical



structure, mechanical or other operating systems, its foundation, etc., if applicable) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.
10. The term “inspection” refers to observation and reporting of the general material finishing, if applicable, and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.
11. Where applicable, the opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building inspections have been completed to



date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.

12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
13. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
14. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Where the client is the mortgagee and the loan is insured, liability is extended to the mortgage insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
15. This appraisal report, its content and all attachments/addendums and their content are the property of the author. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
16. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied



upon without fault.

17. Where the intended use of this report is for financing or mortgage lending, it is a condition of reliance on this report that the authorized user has or will conduct loan underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct such loan underwriting and due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Underwriting Practices and Procedures B-20, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.
18. Where the intended use of this report is for mortgage insurance, it is a condition of reliance on this report that the authorized user will conduct loan insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent mortgage insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, to conduct such loan insurance underwriting and/ due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Insurance Underwriting Practices and Procedures B-21, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.

PART THREE – FACTUAL INFORMATION

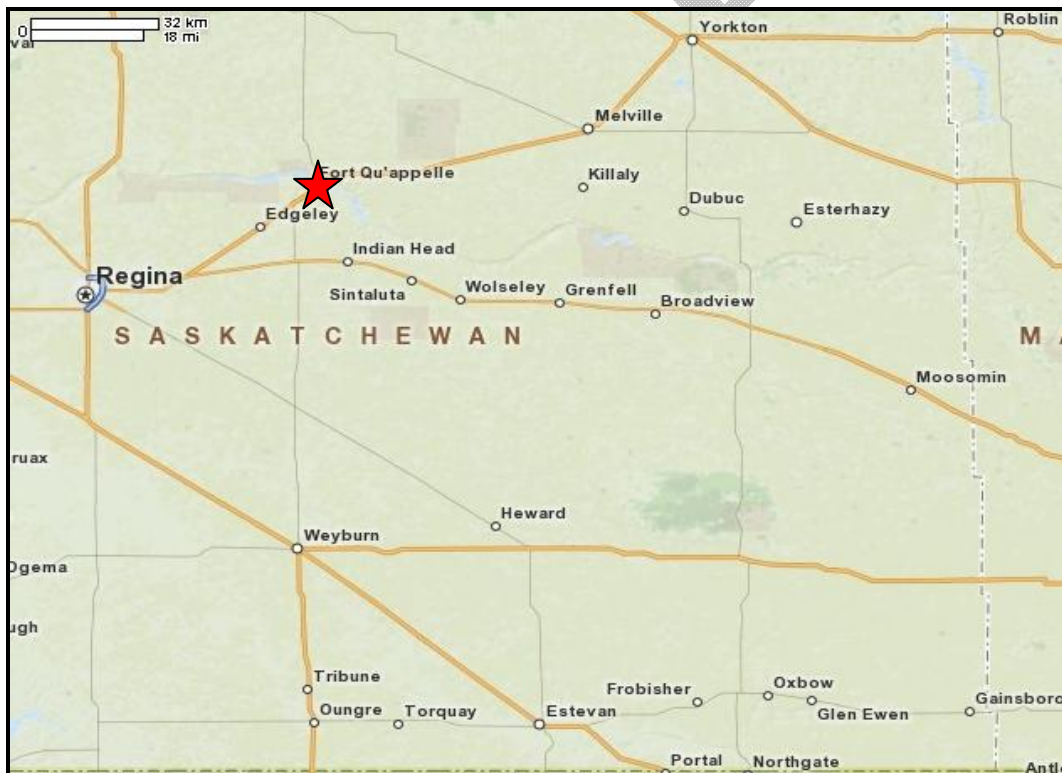
Identification of the Property

The subject properties are identified as follows:

Address: Fort Qu'Appelle, SK
 Legal Description: Block 12R, Plan 101383703
 Parcel Number: 111494044

The above legal description and corresponding parcel number reflect the information on record with ISC (Province of Saskatchewan Land Titles Registry).

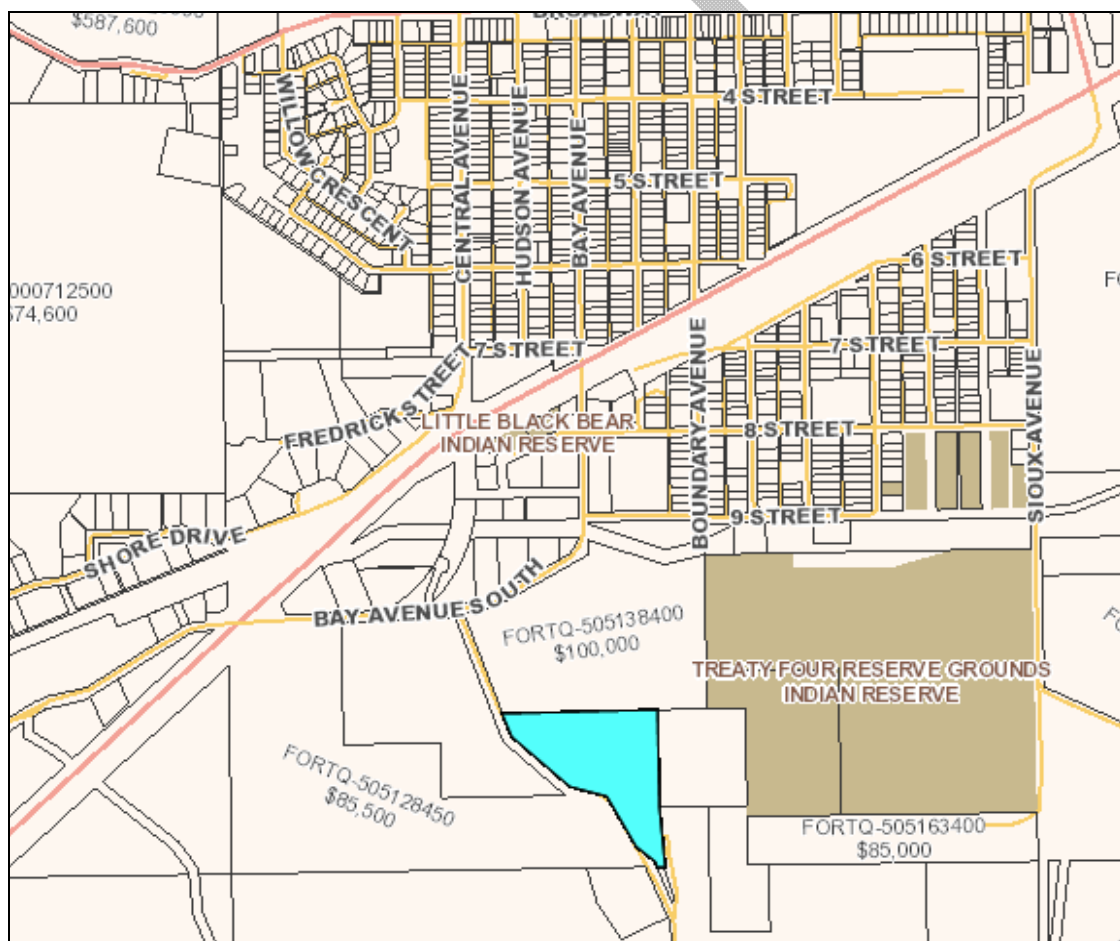
Location and Site Data



The subject property is located in the southern portion of the Town of Fort Qu'Appelle, Saskatchewan just south of Echo Lake. Fort Qu'Appelle is located between Echo and Mission Lakes in the Qu'Appelle Valley, about 45 miles northeast of Regina along Highway No. 10.

Highway No. 10 travels north east from Balgonie and the Trans Canada Highway No. 1 to Melville and Yorkton. Fort Qu'Appelle has a population of approximately 2,300 and its economy is dependent primarily on agriculture and tourism. Tourism in the area during the summer months is supported by cottage owners and campers frequenting the lakes located in the area. There is some winter tourism consisting of down hill and cross-country skiing and ice fishing. Positive features of Fort Qu'Appelle include full services such as schools, churches, and recreational and shopping facilities. Generally, most amenities are within walking distance.

This parcel is located on the southern border of the Town of Fort Qu'Appelle. The land is situated immediately east of Cemetery Road. Access to the site is located on a trail that runs parallel to the trail that provides access to the Cemetery. According to Land Titles the site is irregular in shape and is comprised of 13.27 acres. There are no services to the site. Topography of the site is steep hillside and some gentle slopes.





According to the Fort Qu'Appelle Official Community Plan, the site is located within an area designated Potential Slope Instability Area (map is located in the Addenda). The Town of Fort Qu'Appelle, in addressing the hazards associated with erosion and slope instability shall:

- a. Require investigations as part of an application for subdivision and/or development;
- b. Establish the objectives of scientific and engineering investigations in relation to such applications;
- c. Reasonably ensure, using current and future technical, administrative, and legal means, that the hazards and potential long-term costs associated with potential erosion and slope failure can, and will, be borne fairly by all parties including the proponent and/or future owner;
- d. Ensure that future owners are informed, acknowledge the inherent risks, undertake reasonable investigations, and accept liability for development undertaken on land where slope instability is a concern.



Existing Use

The existing use of the subject property is vacant land. Discussion relative to the current use and the Highest and Best Use can be found in Part 4 of this report under the heading *Highest and Best Use*.

Assessment and Taxes

According to the Town of Fort Qu'Appelle, the 2009 assessment and 2009 taxes for the subject properties are as follows:

2009 ASSESSED AND TAXABLE VALUE:	\$35,800.00
2009 TAXES:	Exempt
TAXING TREND:	Increasing

The assessment and taxes are comparable to other similar properties and the level of assessment and taxes will not, in my opinion, have an effect on the market value of the subject property. It should be noted that some improvements were included in the assessment.

History of Subject Property

According to the Saskatchewan Land Titles Registry, as of the effective date of this appraisal report The Town of Fort Qu'Appelle is the registered owner of the subject property.

Due to the fact that the property is owned by the Town of Fort Qu'Appelle, the property is exempt from property taxes.

A copy of the title is included in the Addenda of this report.

The subject property was purchased in January of 2009. According to the Town of Fort Qu'Appelle, the subject was purchased for \$19,600.00. We are not aware of any listings, sales or offers within the last three years, aside from that noted.



Land Use Controls

According to the Town of Fort Qu'Appelle zoning bylaw the subject property is zoned FUD – Future Urban Development District.

The purpose of the Future Urban Development District (FUD) is to limit development that may affect future growth of the Town by providing for temporary and transitional uses and activities.

According to the Fort Qu'Appelle Official Community Plan, the site is located within an area designated Potential Slope Instability Area (map is located in the Addenda). The Town of Fort Qu'Appelle, in addressing the hazards associated with erosion and slope instability shall:

- a. Require investigations as part of an application for subdivision and/or development;
- b. Establish the objectives of scientific and engineering investigations in relation to such applications;
- c. Reasonably ensure, using current and future technical, administrative, and legal means, that the hazards and potential long-term costs associated with potential erosion and slope failure can, and will, be borne fairly by all parties including the proponent and/or future owner;
- d. Ensure that future owners are informed, acknowledge the inherent risks, undertake reasonable investigations, and accept liability for development undertaken on land where slope instability is a concern.



PART FOUR – ANALYSIS AND CONCLUSIONS

Principle of Highest and Best Use

The Highest and Best Use of a property is a major factor affecting market value. The value of a property results from its use and varies with the present and prospective, actual and anticipated profit. Highest and Best Use can be simply stated as that use likely to produce the greatest net return over a given period of time.

Criteria for determining Highest and Best Use include:

- 1) The use must be legal and in compliance with zoning and building restrictions.
- 2) The use must be within the realm of probability; a likely one, not speculative or conjectural.
- 3) A demand for such use must exist.
- 4) The use must be profitable.
- 5) The use must provide the highest net return to the land.
- 6) The use must produce the return for the longest possible time.

The existing use of a given parcel of land is usually the Highest and Best Use, since economic pressure dictates the use. If the existing use is the Highest and Best Use, it should:

- a) conform to existing zoning regulations or be a legal non-conforming use;
- b) be in reasonable conformity with its surroundings.

In addition, as long as the building contributes something to the total property value in excess of the value of the vacant site, it would pay an owner to continue it in that use, which would be considered to be its Highest and Best Use.

On the basis of the above and recognizing the size, configuration, location and condition of the subject property, it is my opinion that the Highest and Best Use for the subject property is long term future development.



Appraisal Procedures

There are three approaches to be considered in developing an estimate of value for the subject.

The Cost Approach is the method by which the value of a property is derived by estimating the reproduction cost new of the improvements, deducting therefrom the estimated depreciation and then adding the market value of the land. This approach usually provides a reliable indication of value where the improvements are new, they contain little or no depreciation, including functional and external obsolescence and they represent the highest and best use for the land.

The Income Approach develops an estimate of value from the anticipated net income the property could realize, if put on the market for rent. The annual net income is then capitalized into an estimate of value, by converting the income stream by an appropriate overall capitalization rate. This approach is typically utilized from the standpoint of an investor.

The Direct Comparison Approach develops an estimate of value from the market, where properties similar to the subject have been sold and/or properties presently listed for sale. It is a process of correlating and analyzing the comparable properties, to arrive at an estimate of value for the subject. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

The Direct Comparison Approach will provide an estimate of value of the subject properties based on comparable properties that have recently sold within the Town of Fort Qu'Appelle, as well as similar communities. The Cost Approach will not be utilized due to the fact that there are no improvements to contribute value. The Income Approach will not be utilized due to the fact that the properties are not typical of an investment property purchased for income producing or cash flow capabilities.



Direct Comparison Approach

This method involves the gathering, analyzing and comparing of data on similar properties that have been sold, on which offers have been made, or that are for sale.

This approach implies the Principle of Substitution, which states that a prudent purchaser will not pay more for a property than it would cost to buy an equally desirable substitute. The properties selected for comparison must be similar in most essential respects to the one being appraised. In addition to comparing the similar characteristics between properties, the dissimilar characteristics must also be weighed. In this manner, the appraiser is placing himself in the position of being a typical purchaser or vendor in the market, in that the analysis of data pertaining to the real estate market is of assistance in deciding the best possible price to pay, or accept, for a property.

Following is a summary of each comparable property used in this analysis:

**INDEX NO. 1**

Location: Belle Plaine, Sask.

Legal Description: Lot 3, Block W, Plan 101957823
Portion of the NW¼ 31-16-23 W2nd

Sale Date: October 2008 (Title #1348802329)

Sale Price: \$80,000.00

Land Size: 22.03 acres

Sale Price/Acre: \$3,631.00

Zoning: Agriculture & Residential

Comments: An application has been made to change the zoning to a mix of commercial and residential.

INDEX NO. 2

Location: McLean, Saskatchewan

Legal Description: Portion of Parcel F, Plan 101278492

Sale Price: \$45,000.00

Date of Contract: September 2008

Land size: 16.06 acres

Price per Acre: \$2,801.99

Comments: Vacant un-serviced land located in the northeast corner of the village of McLean. This site was purchased from the Village of McLean by Jim Schaffer, the developer.

**INDEX NO. 3**

Location: R.M.#159 Sherwood, Sask. Adjacent to Grand Coulee to the east

Legal Description: Parcel B, Plan 101308081 Ext 31

Sale Date: April 2008

Sale Price: \$63,000.00

Land Size: 23.9 acres

Sale Price/Acre: \$2,636.00

Zoning: Agriculture

Comments: Purchased by Skyview Land Development Ltd. and Aspirant Development Group Inc. Application was made to annex this parcel into the Village of Grand Coulee to provide land for long term residential development.

INDEX NO. 4

Location: North of Estevan
R.M. #5 Estevan, Sask.

Legal Description: Block F, Plan 101943424

Sale Date: September 2008

Sale Price: \$17,000.00

Land Size: 9.99 acres

Sale Price/Acre: \$1,702.00

Zoning: Agriculture

Comments: Land purchased for future residential acreage development.

**INDEX NO. 5**

Location: RM of North Qu'Appelle
 Legal Description: Blocks E & F, Plan 83R54692
 Sale Price: \$110,000.00
 Date of Sale: November 2007
 Land Size: 19.4 acres
 Price per Acre: \$5,670.00
 Zoning: Residential

Comment: The property consists of Blocks E & F, Plan 83R54692 a total of 19.4 acres situated on the north side of Provincial Highway No. 56. The lands consist of the side of the valley with some flat areas near the road and naturally formed coolies including some steeper hills which rise to the flatter agricultural lands that surround the entire Qu'Appelle Valley.

INDEX NO. 6

Location: RM of South Qu'Appelle
 Legal Description: Ptn of NW 26-18-14 W2
 Sale Price: \$27,000.00
 Date of Sale: August 2007
 Land Size: 20 acres
 Price per Acre: \$1,350.00
 Zoning: Residential

Comment: Property consists of 20 acres. The site is fenced and includes a dugout. The site is not serviced, there is power and gas on the neighbouring property. The site has access. This parcel is located in close proximity to the Town of Qu'Appelle.

**INDEX NO. 7**

Location: RM of Longlaketon

Legal Description: Lot 1, Block A, Plan 101900843

Sale Price: \$38,000.00

Date of Sale: July 2007

Land Size: 10.11 acres

Price per Acre: \$3,758.65

Zoning: Residential

Comment: Property consists of 10.11 acres. The site has power, gas, telephone and water line to the property. Located within a residential acreage development overlooking Last Mountain Lake.

DRAFT

**Sales Summary:**

#	Location	Sale Price	Sale Date	Area (Acres)	Sale Price Per Acre
1	Belle Plain	\$80,000.00	8-Oct	22.03	\$3,631.41
2	McLean	\$45,000.00	8-Sep	16.06	\$2,801.99
3	RM of Sherwood	\$63,000.00	8-Apr	23.90	\$2,635.98
4	RM of Estevan	\$17,000.00	8-Sep	9.99	\$1,701.70
5	RM of N. Qu'Appelle	\$110,000.00	7-Nov	19.40	\$1,701.70
6	RM of S. Qu'Appelle	\$27,000.00	7-Aug	20.00	\$1,350.00
7	RM of Longlaketon	\$38,000.00	7-Jul	10.11	\$3,758.65
			Average	17.36	\$2,511.64
			Median	19.40	\$2,635.98

The seven land sales shown above, range from a low of \$1,350.00 per acre to a high of \$3,758.65 per acre. The average sale price per acre was recorded at \$2,511.64. The median sale price per acre was recorded at \$2,635.98.

Index No. 1 is the sale of a parcel located near Belle Plain. This location is within commuting distance to Regina and Moose Jaw. The parcel was purchased for future development. The location is superior to the subject.

Index No. 2 is the sale of a parcel located in the Town of McLean, which is in closer proximity to Regina, compared to the subject. The parcel size is similar to the subject.

Index No. 3 is the sale of parcel located in the RM of Sherwood, in close proximity to Grand Coulee. The parcel size is larger than the subject. The location of this sale is highly superior to the subject.

Index No. 4 is the sale of a parcel located within the RM of Estevan, bordering the Town. Estevan is considered to be similar to Fort Qu'Appelle in terms of economic characteristics. The parcel size is smaller in size compared to the subject. This parcel was purchased for future residential acreage development.



Index No. 5 is a parcel located within the RM of N. Qu'Appelle. The property is situated on the north side of Provincial Highway No. 56. The lands consist of the side of the valley with some flat areas near the road and naturally formed coolies including some steeper hills which rise to the flatter agricultural lands that surround the entire Qu'Appelle Valley. Services and access are considered superior to the subject.

Index No. 6 is a parcel located within the RM of S. Qu'Appelle. This parcel is located in close proximity to the Town of Qu'Appelle. Access and services are considered similar to the subject.

Index No. 7 is a parcel located within the RM of Longlaketon. This site is located within a newer acreage development with views of Last Mountain Lake. Access and Services are far superior to the subject.

There are few sales considered highly comparable to the subject property. The subject property is considered unique in terms of its location. According to the Town of Fort Qu'Appelle Official Community Plan, the subject it is situated within an area designated with Potential Slope Instability. I am of the opinion that this would have a negative effect on the subject. Based on the above analysis, we are of the opinion that a price per acre near the lower end of the range is a good indication of market value for the subject property. A price per acre of \$1,350.00 will be applied to the subject. Therefore, the estimated value of the subject property by the Direct Comparison Approach is estimated at:

13.27 acres @ \$1,350.00 per acre

Total: \$17,914.50

\$18,000.00



Reconciliation and Final Estimate of Value

The Direct Comparison Approach to value has produced the following estimates of value for the subject properties:

Direct Comparison Approach: \$18,000.00

The Direct Comparison Approach has provided a value estimate based on the sale price per acre of land. In this approach, an analysis was made of sales of vacant land sites considered similar to the subject property. This approach represents the actions and behaviour of typical buyers and sellers of real estate.

Therefore, it is my opinion that the estimated market value of the subject properties, in fee simple estate, free and clear of encumbrances, as at the effective date of January 8, 2009 is:

**Eighteen Thousand Dollars
(\$18,000.00)**

Exposure Time

Exposure time is the estimated length of time the properties interest being appraised would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market. It is always presumed to have preceded the effective date of the appraisal. Based on our analysis of the market place for this type of property, our estimate of market value is based on an exposure time of six to twelve months.

**CERTIFICATION****DATE: March 15, 2018****Re: Vacant Land, Fort Qu'Appelle, Saskatchewan**

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

- 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 impartial, and unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermining results, the amount of the value estimate, or a conclusion favouring the client;
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards;
- I have the knowledge and experience to complete the assignment competently.
- No one provided significant professional assistance to the undersigned;
- As of the date of this report the I have fulfilled the requirements of the Appraisal Institute of Canada Continuing Professional Development Program for members;
- I am a member in good standing of the Appraisal Institute of Canada;
- I personally inspected the subject property of the report;
- Based upon the data, analyses, and conclusions contained herein, the market value of the interest in the property described herein, as at January 8, 2009, is estimated at \$18,000.00;

Dated: March 15, 2018

Greg Buchan, B.Admin, AACI, P.App
AIC Membership # 904274



ADDENDA 1

Land Titles (ISC) Documents

3/12/2018

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

Province of Saskatchewan Land Titles Registry Title

Title #: 136833688
Title Status: Active
Parcel Type: Surface
Parcel Value: \$19,600.00 CAD
Title Value: \$19,600.00 CAD
Converted Title: 93R03958
Previous Title and/or Abstract #: 127769192

As of: 12 Mar 2018 11:27:40
Last Amendment Date: 08 Jan 2009 10:51:45.593
Issued: 08 Jan 2009 10:51:43.763
Municipality: TOWN OF FORT QU'APPELLE

CHAPLIN HOLDINGS LTD. is the registered owner of Surface Parcel
#111494044

Reference Land Description: Blk/Par 12R Plan No 101383703 Extension 26
As described on Certificate of Title 93R03958, description 26.

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

Interest #:
145684323

CNV Easement

Value: N/A
Reg'd: 25 Sep 1958 01:22:43
Interest Registered Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

S'ly 100 Feet
Holder:
 Saskatchewan Power Corporation
 N/A
 N/A, Saskatchewan, Canada
Client #: 100871063
Int. Register #: 100883291
Converted Instrument #: FZ4963

Interest #:
145684334

Miscellaneous Interest

Value: N/A
Reg'd: 04 Dec 2008 09:17:23
Interest Registered Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

Purchaser under an Agreement for Sale.
Holder:
 CHAPLIN HOLDINGS LTD.
 BOX 70
 FORT QU'APPELLE, SK, Canada S0G 1S0
Client #: 113866364
Int. Register #: 115064164

Interest #:
145684345

Notice - Lapse Procedure

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

1/2



Block 12R, Plan 101383703, Fort Qu'Appelle, SK

3/12/2018

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

Commenced **Value:** N/A
Reg'd: 16 Dec 2008 12:50:27
Interest Registered Amendment Date:
 N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

Holder:
 TOWN OF FORT QU'APPELLE
 BOX 309
 FORT QU'APPELLE, SK, Canada S0G 1S0
Client #: 100513538
Int. Register #: 115094796

Addresses for Service:

Name	Address
Owner: CHAPLIN HOLDINGS LTD. Client #: 113866364	BOX 70 FORT QU'APPELLE, SK, Canada S0G 1S0

Notes:

Parcel Class Code: Parcel (Generic)

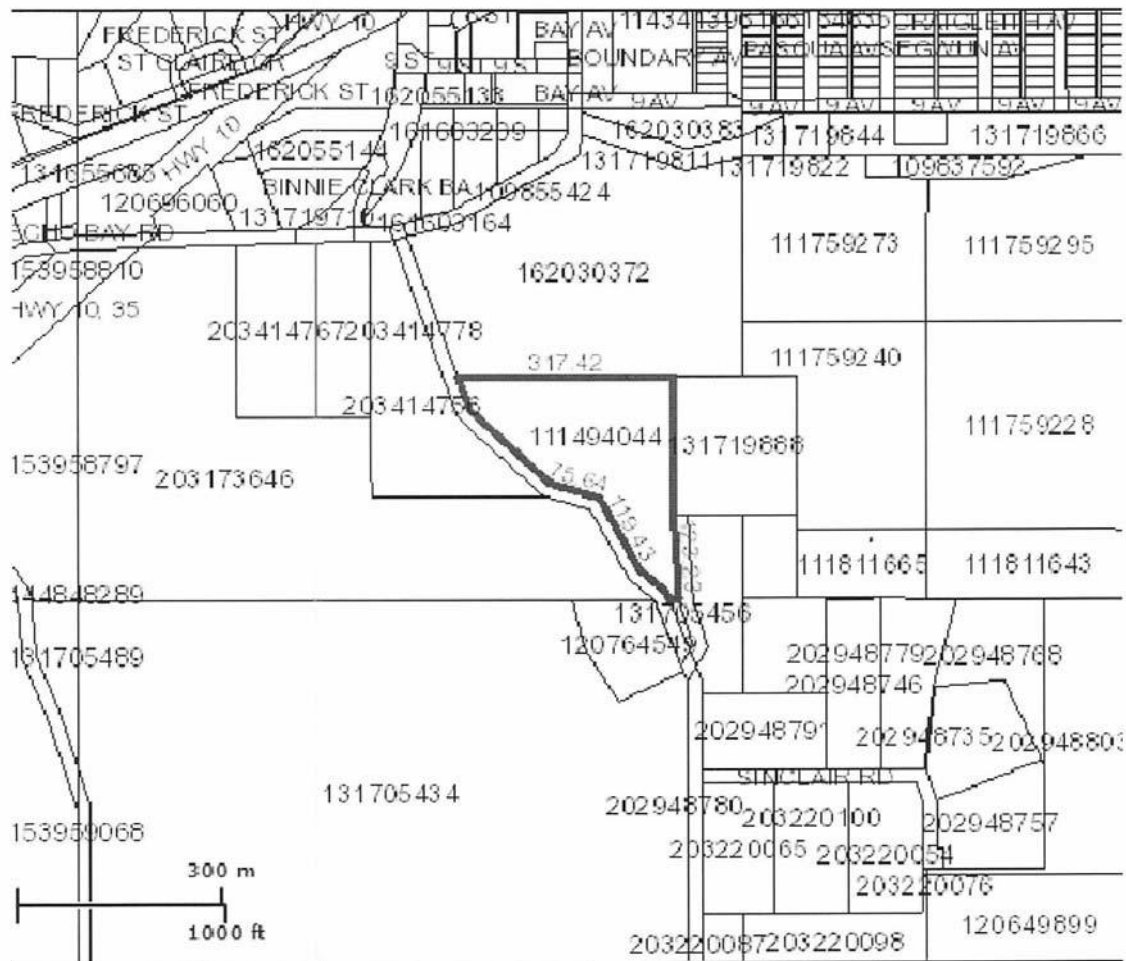
Back

Back to top

<https://apps.isc.ca/LAND2/TPS/QuickSearchTitleDetails#>

2/2

REQUEST DATE:12-Mar-2018 11:28:15 AM



Area: 5.369 hectares (13.27 acres)
Converted Title Number: 93R03958
Ownership Share: 1:1

DISCLAIMER: THIS IS NOT A PLAN OF SURVEY It is a consolidation of plans to assist in identifying the location, size and shape of a parcel in relation to other parcels. Parcel boundaries and area may have been adjusted to fit with adjacent parcels. To determine actual boundaries, dimensions or area of any parcel, refer to the plan, or consult a surveyor.



Addenda 2

Assessment Information

 sama <small>SASKATCHEWAN ASSESSMENT MANAGEMENT AGENCY</small>	Property Report		Property Use: Vacant Res Land	Print Date: 14-Mar-2018	Page 1 of 1
	Municipality Name: FORT QU'APPELLE		Assessment ID Number: FORTQ-505148400	PID: 3933314	
	Civic Address:		School Division: 208	Inspected Date: 27-Oct-2008	
	Legal Location: Parcel 12R Block Plan 101383703 Sup		Neighborhood: 120	Change Reason: Maintenance	
	Supplementary: S PT 11.8 AC		Puse Code: Vacant Res Land	Call Back Year:	
			Predom Code:	Method_in_use: C.A.M.A. - Cost	

Assessed & Taxable/Exempt Values (Summary)

Description	Assessed Values	Liability Subdivision	Tax Class	Percentage of value	Taxable	Exempt	VA	Tax Status
Non-Agricultural	35,800	1	Residential	70%	0	\$25,060		Exempt
Total of Assessed Values	35,800			Total of Taxable/Exempt Values:	0	25,060		

URBAN LAND (Details)

Lot/Plot	Land Use	Plot Characteristics	Rates and Factors	Other Information	Liability Subdivision	Tax Status
/ 1.00	Residential Excess	Acreage	Prime Rate: 1990.00	Std.Parcel Size: 20.00	1	Exempt
	Plot use - RES OUTBUILDING ONLY	Width(ft)	Urban - Acreage 35,810.00	Land Size Multiplier: 180		
		Side 1 (ft)		Adjustment reason:		
		Side 2 (ft)	Lump Sum: 0.00			
		Area 11.80				
		Total Acres: 11.80				



Addenda 3

Potential Instability Area Map

