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VALUATION REPORT (Summary Report)

VALUATION OF

PIDs #00489591, #40747578, #40751273, #41307992, #40747586, #41308008, #41308016 SOUTHWEST COVE ROAD SOUTHWEST COVE NOVA SCOTIA

OWNED BY

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA, IN CARE OF: NS DEPARTMENT OF NATURAL RESOURCES

PREPARED FOR

LIGHTHOUSE LINKS DEVELOPMENT COMPANY AND
HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA, IN CARE OF:
NS DEPARTMENT OF NATURAL RESOURCES

AS OF

21ST AUGUST 2018

BY

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TURNER DRAKE & PARTNERS LTD. HALIFAX - NOVA SCOTIA

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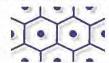
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Regulated by RICS

Our Ref: 1913398:NB/JS

26 August 2019

Mr. Sean Glover Lighthouse Links Development Company % Cox & Palmer 1100-1959 Upper Water Street Halifax NS B3J 3N2

Dear Mr. Glover:

Re: Vacant Lands, Southwest Cove Road, Southwest Cove, Nova Scotia, PIDs #00489591, #40747578, #40751273, #41307992, #40747586, #41308008, #41308016

In accordance with your request of the 3rd August 2018 and a follow up request on the 26th August 2019, we have completed a valuation of the above property on the basis of its Market Value (Highest & Best Use). This report is intended only to be used for Purchase purposes and for no other purpose; and only by Lighthouse Links Development Company our client for this assignment, Her Majesty the Queen in Right of the Province of Nova Scotia, and the Nova Scotia Department of Natural Resources. Use of the report for other purposes or by other parties may invalidate the conclusions. The RICS Valuation Standards require that we prepare a new report if the client, intended user, date, or purpose of the assignment, is changed.

Type of Property

The property comprises seven parcels of adjacent vacant land and is held as resource land.

Scope of Work

- (i) Property Identification we took as our source the Provincial on-line mapping service. We utilised the foregoing, together with aerial and satellite imagery, to identify the property boundaries, easements, and right-of-ways during our on-site inspection.
- (ii) Property inspection we undertook a detailed inspection of the property. Our findings are described in the body of this report.
- (iii) Data research we obtained the assessment, zoning, planning and other pertinent data from the appropriate sources. Some sales information is now available from government sources and was utilised for this assignment. However it was incomplete and sketchy and required processing by our CompuVal® Information Platform to render it usable. Further sales information was compiled from vendors, purchasers, brokers, appraisers, Multiple Listing Services® and other sources we deemed reliable. It was analysed and utilised to compute the Land Value using the Direct Comparison Approach.

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(iv) Analyses applied – there are three methods traditionally used to arrive at the value of real estate: the Direct Comparison, Cost and Income Approaches. We utilised the Direct Comparison Approach since this was necessary to properly value the property.

Quality Standards

Turner Drake's quality assurance system, which covers the conduct of all of our operations, is registered to the ISO 9001:2015 standard. This assignment has been conducted in accordance with our quality assurance system, the Code of Professional Ethics and the Royal Institution of Chartered Surveyors' Valuation Standards [2017 Edition] (RICS Red Book), the International Valuation Standards (IVS), the Uniform Standards of Professional Appraisal Practice (USPAP), '[Summary Report] and the Canadian Uniform Standards of Professional Appraisal Practice.

Environmental

No hazardous materials or environmental concerns were observed or brought to our attention during our inspection of the property.

The property has been valued on the assumption that it is environmentally "clean".

Zoning

We have reviewed the uses permitted under the current Zoning By-Law. More complete details are included in the Zoning section of this report.

Sales & Marketing History

To the best of our knowledge the property has not been actively marketed for sale during the past three years and no offers to purchase have been received.

Most Probable Purchaser

In our experience the most probable purchaser for this property would be an owner-occupier or adjacent owner.

Market Value

In our opinion, the Market Value of the Fee Simple Interest in the Subject Property, premised on the basis that it will be utilised for its Highest and Best Use as of the 21st August 2018, subject to the Limiting Conditions and Assumptions contained herein and a Reasonable Exposure Time of 12 to 18 months, is the sum of

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Yours truly,				
TURNER DRAKE & PAR	TNERSLTD	_		
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Consultant				
Valuation Division				
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A Summary Report summarises all of the information significant to the solution of the appraisal problem

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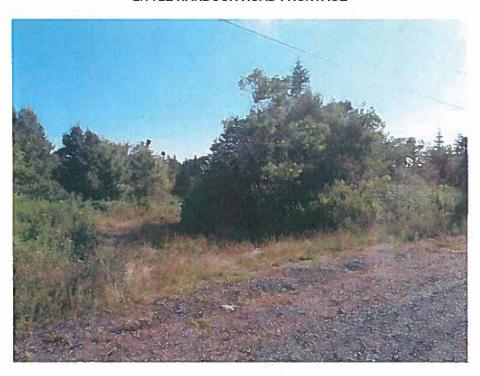
SUBJECT PROPERTY SATELLITE VIEW



SUBJECT PROPERTY



LITTLE HARBOUR ROAD FRONTAGE

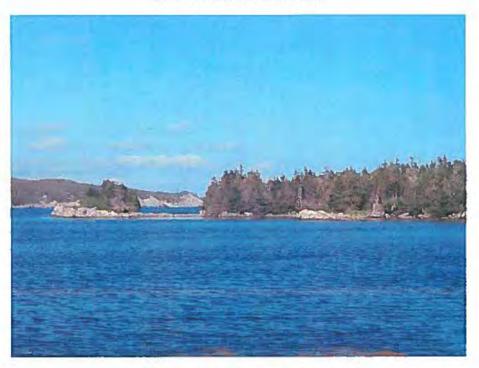


SOUTHWEST COVE ROAD ACCESS AND FRONTAGE

SUBJECT PROPERTY



MURPHY'S LAKE FRONTAGE



SOUTHWEST COVE FRONTAGE

SUBJECT PROPERTY



LITTLE HARBOUR FRONTAGE



TYPICAL LANDSCAPE & VEGETATION COVER

LIMITING CONDITIONS AND ASSUMPTIONS

- (1) No responsibility is assumed for matters of a legal nature, nor do we render any opinion as to the title which is assumed to be good. Unless otherwise noted in this report, existing mortgages, liens, encumbrances and special assessments, if any, have been disregarded and the property has been valued as though free and clear.
- (2) We have not undertaken a survey of the property, and no responsibility can be accepted for the accuracy of the Site Plan and sketches. They are only included to assist the reader in better visualising the property.
- (3) Market conditions can, and do, change rapidly because of economic, social and political reasons. The market value expressed in this report pertains only to the date of the valuation. It must not be relied on to estimate the market value as of any other date. HST, GST and other tax or expenses due on acquisition or disposition, have not been deducted from, or added to the market value. If the market value is based upon the prospect of future growth in rental and/or capital values, the reader is cautioned that these projections may not occur and values can fall as well as rise.
- (4) It is assumed that there are no hidden or non-apparent conditions of the property, subsoil or structures that would render it more or less valuable. No responsibility is assumed for such conditions or for engineering studies that might be required to discover these factors.
- (5) This report must be used in its entirety since parts taken out of context may be misleading. The report, or any parts thereof, may not be used for any purpose other than that for which it was undertaken and is furnished for the exclusive use of the client. All liability to any party other than the client is hereby denied.
- (6) Information in this report furnished by others is believed to be reliable, although no responsibility is assumed for its accuracy.
- (7) Where there are structures on the property, we have not inspected woodwork or other parts of the structure which are covered, unexposed or inaccessible and we are therefore unable to report that such parts of the property are free of rot, beetle or other defects.
- (8) Turner Drake & Partners Ltd. retain the copyright to this report. Reproduction in whole or in part, or any reference thereto, or to the valuation figures contained therein, or to the name and professional affiliation of the author of the report, is prohibited without their written permission and is a contravention of the Copyright Act. The report may be subject to Extraordinary Assumptions and/or Hypothetical Conditions: reference to the report in any published document without an adequate contemporaneous reference to these Extraordinary Assumptions or Hypothetical Conditions would be misleading and is prohibited.
- (9) Unless otherwise noted in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, agricultural chemicals, radon gas, urea-formaldehyde foam insulation, or other potentially hazardous substances, which may or may not be present on the property, or molds, mildews and other environmental conditions, were not called to our attention nor did we become aware of them during our inspection. We are not qualified to detect such substances or conditions and the client is urged to retain an expert in this field, if desired. The presence of such hazardous substances or environmental conditions on, or in the proximity to the property, may affect the value of the property. Whilst we have valued the property on the assumption that it does not, and never has, contained such hazardous substances or environmental conditions, and is not in such proximity to another contaminated property as to cause a loss in value to the property the subject of this report, we do not warrant that this is the case and accept no liability in this regard.

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Unless otherwise expressly stated in this report, it has been assumed that all oil or other storage tanks, whether above or below ground, are in good condition, free of leaks and other defects, have been registered with the Department of the Environment, are legally permissible and meet all environmental standards. We have not undertaken any investigation, do not warrant that this is the case and accept no liability in this regard.

PURPOSE OF VALUATION

The purpose of this valuation is to estimate the **Market Value** (Highest & Best Use) of the Subject Property.

INTENDED USE

This report is intended only to be used for Purchase purposes. The report is not intended to be utilised for any other purpose.

In view of the purpose and intended use of the valuation, this report conforms to the Royal Institution of Chartered Surveyors' Valuation Standards [2017 Edition] (RICS Red Book), the International Valuation Standards (IVS), the Uniform Standards of Professional Appraisal Practice (USPAP) ²[Summary Report], and the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP).

INTENDED USERS

This report is intended for use only by Lighthouse Links Development Company our client for this assignment, Her Majesty the Queen in Right of the Province of Nova Scotia, and the Nova Scotia Department of Natural Resources. This report is not intended to be utilised by any other party.

PROPERTY RIGHTS VALUED

Fee Simple Interest.

DEFINITION OF VALUE

Market Value is defined in CUSPAP as:

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

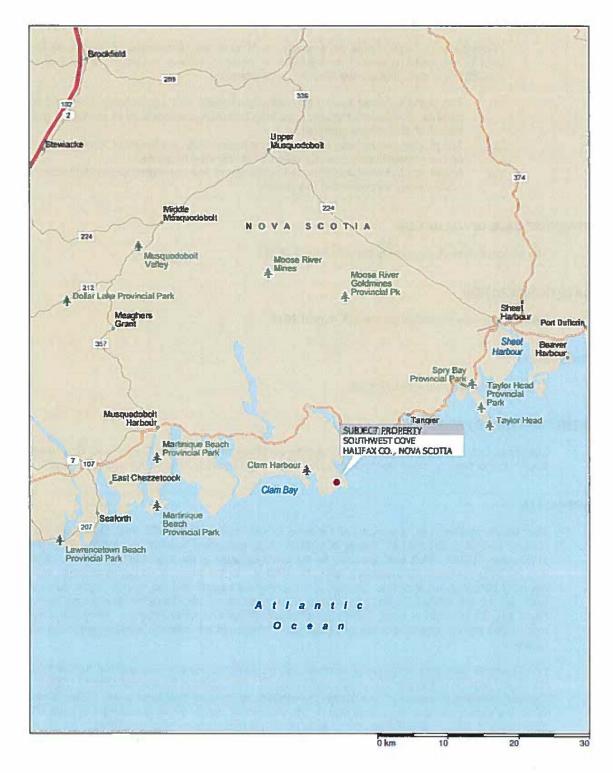
- (1) buyer and seller are typically motivated;
- (2) both parties are well informed or well advised, and acting in what they consider their best interests;
- (3) a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in Canadian dollars or in terms of financial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

Market Value is premised on the basis that the Subject Property will be utilised to its Highest and Best Use.

A Summary Report summarises all of the information significant to the solution of the appraisal problem.

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LOCATION MAP



EXPOSURE TIME

A Reasonable Exposure Time is defined as:

"the estimated length of time the property would have been exposed on the open market prior to the effective date of the valuation in order to achieve a sale at Market Value. Implicit in this definition are the following characteristics:

- (1) The property would have been actively exposed and aggressively marketed to potential purchasers through marketing channels commonly used by buyers and sellers of similar type properties.
- (2) The property would have been offered at a price reflecting the most probable markup over market value used by sellers of similar type properties.
- (3) A sale would have consummated under terms and conditions of the definition of market value as outlined in this report."

EFFECTIVE DATE OF VALUATION

The effective date of valuation is the 21st August 2018.

DATE OF INSPECTION

The property was inspected on the 21st August 2018.

TIMEFRAME

This is a Retrospective Value Opinion.

IDENTIFICATION OF PROPERTY

The property is located on and south of Little Harbour Road and Southwest Cove Road, Southwest Cove, Halifax County, Nova Scotia and is identified on the Location Map on the opposite page.

AREA DATA

The Greater Halifax Area encompasses the three former municipalities of Bedford, Dartmouth and Halifax, and all of the former County of Halifax. It is the urban heart of the Halifax Regional Municipality (HRM) which was spawned by the amalgamation of the four municipalities in 1996. The 2016 census recorded a total population for HRM of 403,390 primarily located in an urban area covering 235 square kilometres. Halifax is the provincial capital and the largest city in Atlantic Canada. It is the Atlantic Region's financial and business centre, the Canadian Navy's East Coast base, and the location of many federal government offices and other facilities. HRM hosts six universities and as a result is home to a large concentration of educational, medical and research facilities.

HRM benefits from excellent air, rail, road and water linkages. Halifax International Airport links the region with the remainder of Canada, and the world. The airport is the busiest airport in Atlantic Canada, handling in excess of four million passengers and 84,000 flights per year. In December 2004, the airport was granted United States "pre-clearance" status, allowing travellers to clear US customs in Halifax. A \$28-million project to lengthen the main runway was completed in the fall of 2013. HRM is also well served by its highway network, which connects the area with the remainder of Atlantic Canada and the Northeastern U.S. Rail services to HRM provide a linkage with Central Canada and the Midwest U.S.

The Port of Halifax is the focal point of the region's transportation network, handling 5.0 million metric tonnes of cargo in 2017. In 2017, 292,722 passengers on 173 cruise ships visited HRM through the Port of Halifax, a 22.9% increase in passengers from 2016. As part of a master planning exercise, the main objective of which is to ensure the port is capable of berthing and servicing two Ultra-Class vessels concurrently, a consultant has been asked to explore the option of relocating one or both of the terminals from the Halifax Peninsula to Dartmouth. In the meantime, the Port is undergoing major infrastructure projects in an effort to position Halifax as the Atlantic Gateway for cargo coming to North America across the Atlantic Ocean, including a \$10-million investment in new equipment to extend its container and reefer handling capabilities at Halterm. In October 2011, HRM's Irving Shipbuilding was selected for a potential \$25-billion worth of contracts from the federal government to build 21 arctic/offshore patrol ships. To accommodate this project, Halifax Shipyard underwent a significant modernisation. Construction of the first Arctic Offshore Patrol Ship commenced in September 2015, after a deal was signed in January 2015 for six of the vessels to be built at the yard. Its launch is anticipated in the summer of 2018.

The breakdown of employment in HRM by sector is as follows:

Management	9%
Business, Finance & Administration	16%
Natural & Applied Sciences & Related	11%
Health	8%
Social Sciences, Education, Government Services & Religion	15%
Arts, Culture, Recreation & Sport	3%
Sales & Service	24%
Trades, Transport & Equipment Operations	12%
Primary Industries	1%
Processing, Manufacturing & Utilities	2%

Overall Construction Activity

The following figures on construction activity, as evidenced by the number and value of building permits, were provided to us by Halifax Regional Municipality:

	2013	2014	2015	2016	2017
(a) Total Construction					
Values (in \$ millions)		100000			
- Residential	\$ 409.307	\$ 440,982	\$ 493.879	\$ 447,119	\$ 659,610
- Commercial/Industrial	\$ 241.069	\$ 239.559	\$ 178.211	\$ 130,023	\$ 229,652
- Institutional	\$ 53.465	\$ 20.040	\$ 31.450	\$ 78,591	\$ 65,005
Total	\$ 703.841	\$ 700.581	\$ 703.541	\$ 655,733	\$ 954,268
(b) Building Permits by					
Type					
- Residential	2,366	2,711	2,168	2,395	2,402
- Commercial/Industrial	664	969	655	685	596
- Institutional	41	58	55	39	60
Total	3,051	3,779	2,878	3,119	3,058

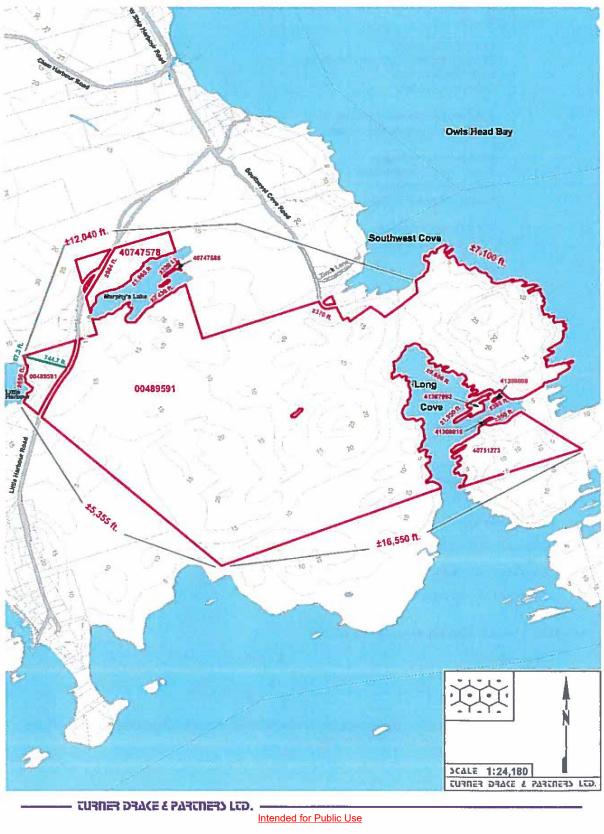
With an estimated population of 426,793 (2017), the Halifax CMA has experienced an average annual growth rate of 0.98% during the years 2011-2017. The unemployment rate (April 2018) is 5.6% compared to a provincial average of 7.3% and a national rate of 5.8%. The average household income of \$89,174 (2017) is above that of other major centres in the Maritimes: Fredericton (\$85,920), Moncton (\$81,906), Saint John (\$86,054), Charlottetown (\$75,240); and below that of St. John's (\$103,157).

NEIGHBOURHOOD DATA

The neighbourhood is bordered on the north by Clam Harbour Road, and the east, south, and west by a number of coves and islands comprising the Atlantic Coast. It is rural in nature. In terms of its life cycle, it is static. It has not been infiltrated by alien uses. There is substantial vacant land available and consequently there is low pressure on land values.

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SITE PLAN



SITE DATA

The land is shown edged red on the Site Plan (opposite page). It is irregular in shape and has the following dimensions:

Northern Boundary	±	12,040	ft.	
Eastern Boundary (Ocean Frontage)	±	7,100	ft.	
Southern Boundary	±	16,550	ft.	
Western Boundary	±	5,355	ft.	
Little Harbour Road Frontage	±	2,495	ft.	
Southwest Cove Road Frontage	±	370	ft.	
Little Harbour Frontage	±	850	ft.	
Southwest Cove Frontage	±	7,100	ft.	
Long Cove Frontage	±	12,335	ft.	
Murphy's Lake Frontage	±	4,635	ft.	
Total Ocean Frontage	±	20,285	ft.	
Total Lake Frontage	±	4,635	ft.	
Area		705.21	ac.	(285.39 ha.)

Right-of-Way

PID #00489591 is burdened with a Right-of-Way in favour of adjacent parcel PID #00605899 located on the portion of the lands east of Little Harbour Road and west of Little Harbour. The Right-of-Way is shown in green on the Site Plan (opposite page) and has the following dimensions:

Length	744.7	ft.	
Width	67.3	ft.	
Area	46,886.5	ft.2	(1.1 acres)

Reference

We have taken as our source, the legal description from the deed conveying the property to the present owner together with the Provincial Online Mapping Service. The dimensions have been plotted onto a Map, Scale ±1:24,180, prepared from aerial photographs.

Site Improvements

We noted no site improvements during our inspection of the property.

Services Available to the Site

Electrical services are available to the site.

ASSESSED VALUE AND ANNUAL TAXES (2018)

Assessment:	-	Þ	INII .
Taxes (2018):	2	\$	Nil*.

*Parcels are owned by the provincial entity NS Department of Natural Resources and do not have an assessment account number (AAN) assigned.

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ZONING

The property is zoned "RPK Regional Park Zone" and "MU Mixed Use Zone". The types of uses allowed under this zoning can be summarised as follows:

RPK (Regional Park) Zone

No development permit shall be issued in any RPK (Regional Park) Zone except for the following:

Park Uses:

- Recreation uses:
- Conservation uses;
- Uses accessory to the foregoing uses.

Other Uses:

- Existing dwellings and recreational uses;
- Home business uses in conjunction with permitted dwellings;
- Uses accessory to permitted dwellings and recreational uses.

MU (Mixed Use) Zone

No development permit shall be issued in any MU (Mixed Use) Zone except for the following:

Residential Uses:

- Single unit dwellings;
- Two unit dwellings;
- Senior citizen housing;
- Existing multiple unit dwellings;
- Mobile dwellings on individual lots;
- Garden suites in conjunction with permitted single unit dwellings;
- Daycare facilities;
- Home business uses in conjunction with permitted dwellings;
- Boat sheds.

Commercial Uses:

- Antique shops:
- Craft shops;
- Commercial entertainment uses:
- Convenience stores;
- Bed and breakfasts;
- Personal service shops:
- Service shops;
- Commercial schools:
- Theatres and cinemas;
- Trade contracting services and shops;
- Medical clinics;
- Restaurants including full-service, drive-in and take-out;
- Service stations and automobile repair outlets:
- Bakeries;
- Banks and financial institutions;
- Offices;
- Funeral parlours and undertaking establishments including crematoriums;
- Garden centers;
- Outdoor display court;
- Photographic studios;
- Retail stores;
- Grocery stores;

- Variety stores;
- Research facilities;
- Printing establishments;
- Taxi and bus stations;
- Veterinary clinics;
- Warehousing and wholesaling;
- Manufacturing and assembly uses;
- Service industry uses;
- Utility and communication buildings or structures;
- Shipways, wharves and boathouses;
- Marinas and charter boat services;
- Wilderness and recreation outfitters;
- Composting operations;
- Existing kennels;
- Commercial Accommodation Uses.

Resource and Traditional Uses:

- Agricultural uses:
- Forestry uses;
- Fishery support uses;
- Fish sheds and boat sheds;
- Existing fishery support uses larger than 3,000 ft² (278.7 m²);
- Existing fishery uses;
- Extractive facilities:
- Hunting and fishing camps;
- Traditional uses.

Community Uses:

- Institutional uses:
- Open space uses:
- Recreation uses:
- Private clubs and lodges.

PLANNING CONSIDERATIONS

We have reviewed current planning issues and policies as they relate to the Subject Property. The following points are relevant:

- (1) The Subject Property has long been identified and regulated as park and open space uses.
- (2) It is currently zoned RPK (Regional Park) under the Land Use Bylaw. This zoning was introduced in 2014 in order to bring land use regulation into compliance with the municipality's updated Regional Plan. The Regional Plan is a master planning document for the entire municipality, and supersedes local planning policy.
- (3) The Regional Plan identifies the Subject Property as part of an existing Regional Park, it is similarly recognised as a park in the recently adopted (August 2018) Green Network Plan.
- (4) The use of the Subject Property for anything other than what is currently enabled under its zoning would require significant policy changes at the highest levels of municipal planning authority. Requests for amendments to policy at this level carry no guarantee that they will even be considered by Council, and no opportunity for appeal to the UARB if denied. Such changes would be highly unlikely.

ENVIRONMENTAL CONTAMINATION

No hazardous materials or environmental concerns were observed or brought to our attention during our inspection of the property.

The property has been valued on the assumption that it is environmentally "clean".

VALUATION METHODOLOGY

Scope

The objective of this assignment is to render an opinion as to the Market Value (Highest and Best Use) of the fee simple interest in the property for Purchase purposes.

We inspected the site. We obtained and reviewed the assessment, zoning information and other pertinent municipal data. We undertook a full background analysis and valuation of the property. Our findings, analysis and conclusions are set out in this narrative report.

Methodology

It was necessary to proceed through a number of steps in order to achieve the foregoing objective. Valuation is by nature often experiential, in which the output of one stage results in re-computing the input to a prior stage so that the final figure is arrived at by an iterative process: rather than by rigidly proceeding in a mechanical fashion through a series of steps in fixed order. Thus, whilst we have described the steps below in ordinal sequence, the reader should bear in mind that this has been done purely for administrative convenience and readability.

(i) Highest and Best Use - this is the use for the property which will produce the greatest net return for the foreseeable future. The use must be (1) physically possible, (2) legally permissible, (3) financially feasible, and (4) maximally productive. It is determined by considering the various alternate purposes for which the property can legally be used, having regard not only to existing zoning and other legal constraints, but also to any probable modification of them. The use which generates the highest value is, ipso facto the Highest and Best Use.

As at the effective date of the valuation, the Highest and Best Use of the property as a cleared site was for recreational or conservation purposes. We have computed the land value on this basis.

(ii) Land Value -- this is the value of the site, cleared of all buildings and site improvements, available for development for its Highest and Best Use. We utilised the following approach for measuring the value of the land:

Direct Comparison Approach – land sales were analysed and their sales prices reduced to a unit basis. Adjustments are then made to these unit figures to eliminate the differential between them and the Subject Property for the Date of Sale [Time variable], if applicable. These time adjusted unit prices were then utilised to value the Subject Property. Other factors which influence value [Location, Motivation, Size] were then used to determine the weight to be assigned to each comparable sale as an indicator of the Subject Property's value.

(iii) Reconciliation and Final Estimate of Value

This is a reconciliation of the values indicated by the various approaches, in which the alternate value indications are considered, the relative significance of each is carefully weighed, and a final estimate of value is then computed. Although reconciliation necessarily involves judgement, the latter results from a careful logical analysis of the procedures leading to each indication of value. The analysis is based on several criteria, (appropriateness, accuracy and quantity of evidence) which result in the formation of a meaningful and defensible conclusion about the final value estimate.

Since only a single valuation approach was applicable in this instance however, it was not necessary to undertake a reconciliation.

HIGHEST AND BEST USE

The "Highest and Best Use" can be defined as "that use which will produce the greatest net return for the foreseeable future".

We have considered the Highest and Best Use of the site. The Subject Property consists of seven adjacent parcels on a peninsula between the communities of Little Harbour (west) and Shouthwest Cove (east). Collectively the property is large at 705.21 acres (285.39 ha.). The Subject Property lands are dominated by a landscape of rocky outcroppings, dense low-lying vegetation, and sparse stands of softwood tree species. The property has an extensive, rocky coastline. The property encompasses a freshwater lake (Murphy's Lake) which is undeveloped with the exception of a single dwelling on the eastern shore.

The property fronts Little Harbour Road and Southwest Cove Road. There is no driveway, trail, or other access to the property. A small clearing off of Southwest Cove Road may be used to enter the property on foot through dense vegetation and rocky terrain.

The majority of the property is zoned as regional parkland which precludes most development. Any development would require alteration of the municipal planning strategy and zoning. The majority of the property is identified as part of an existing Regional Park, it is similarly recognised as a park in the recently adopted (August 2018) Green Network Plan. The use of the Subject Property for anything other than what is currently enabled under its zoning would require significant policy changes at the highest levels of municipal planning authority. Requests for amendments to policy at this level carry no guarantee that they will even be considered by Council, and no opportunity for appeal to the UARB if denied. Such changes would be highly unlikely.

Having regard to the foregoing, we are of the opinion that the Highest and Best Use of the Subject Property is for recreational or conservation purposes.

MARKET ANALYSIS AND EXPOSURE TIME

Exposure time is the estimated length of time the property interest being valued would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the valuation. Since it is a retrospective opinion based upon an analysis of past events, assuming a competitive and open market, it can only be estimated after an analysis of the market.

Market Analysis

Prior to, and at the effective date of the valuation, the supply and demand for the Subject and competing properties can be summarised as follows:

- (a) Supply: Prior to, and at the effective date of the valuation the supply of this category of property in the area was strong.
- (b) Demand: Prior to, and at the effective date of the valuation demand for this category of property in the area was weak.

Exposure Time

Our estimate of Exposure Time is 12 to 18 months. This is based on the foregoing Market Analysis and the data summarised below:

- (1) Properties similar to the Subject Property have been listed for sale for between 1 month and 4.5 years. Parcels in excess of 50 acres regularly require 18 months on the open market before selling.
- (2) Based on our research when we were gathering information on comparable sales it became apparent that larger parcels of land are subject to a more limited pool of potential purchasers than smaller parcels. We also note that parcels with good access to roadways and waterfrontage experience fewer days on market.

LAND VALUE

Methodology

The land has been valued by the Direct Comparison Approach. Essentially this approach is a systematic procedure for carrying out comparative shopping in which the Subject Property is "priced" by comparing it with other, similar parcels of land (Indices) that have sold, been subject to offer or are listed for sale. Based on our experience working with forest and recreational land sales data, we have determined that the most significant independent variables influencing value are Time (Date of Sale), Quality (land type, timber cover), Waterfront Benefit, Location, Motivation, Size. When Quality has a significant impact on value we have decomposed the transaction price into its component (land type, timber cover) unit price per acre. Where applicable we have analysed the Waterfront Benefit on a price per foot of water frontage. The unit price of each Index (comparable transaction) has then been adjusted, where applicable, for the Time variable. These time adjusted unit prices have then been utilised to value the Subject Property. The weight placed on each Index as a predictor for the Subject Property value, is a function of its comparability in terms of Location, Motivation and Size.

Water frontage is generally the independent variable which has the greatest impact on value, and hence the selling price, of land. As a result, sale prices of land with water frontage do not respond to conventional analysis, whereby the total selling price is divided by the *land area* (acres), or by the *length of water frontage* (linear ft.), to yield a composite unitised rate. The total price paid is a function of *both* variables. In order to conduct a meaningful analysis it is necessary to isolate the waterfront value. We achieve this by allocating a **Basic Land Value** to each index and then divide the balance of the sale price by the length of the water frontage to produce a residual **Waterfront Benefit** figure.

"Basic Land Value" can be defined as "the value of the land, having regard to its location, topography, road frontage, accessibility, and vegetation cover together with all of its other attributes excluding only the fact that it has water frontage".

"Waterfront Benefit" may be defined as "the additional amount over and above 'Basic Land Value' that a purchaser would pay for the property because it has water frontage, expressed in terms of dollars per linear foot". In our analysis this is the residual figure after deducting the Basic Land Value from the total selling price.

The Basic Land Value is most easily calculated for the sale of any land parcel that does not have water frontage. The unit components that create its value are primarily the land type (e.g. swamp, rock barren, suitability for supporting timber or agriculture, etc.), the type of timber cover (hardwood, mixed wood, softwood) and its maturity (immature, semi-mature, mature, very mature). While the parcel's topography, accessibility, type and length of road frontage, also impact its value, they are captured by the per acre value of its unit components. In order to break the sale prices into their unit components we compare sales of parcels that share similar, but not identical, components in terms of topography, land type and timber cover. By comparing these sales we are able to identify the value attributable to the differentiating components. Using CompuVal®, our proprietary software which utilises an iterative algorithm, we are able to build a value profile for twenty three different types of land and timber cover. We use a Geographic Information System (GIS) to layer the various attributes (topography, land type, vegetation cover) over each parcel to identify each component and calculate its area.

Waterfront Benefit is calculated by comparing sales of land with water frontage to non-waterfront land sales of parcels having similar types of timber cover. The Waterfront Benefit is the incremental value that accrues to a parcel as a result of it having water frontage. The Road Front benefit is calculated in a similar manner. We utilise the sales of non-waterfront land and our analysis of their component values to calculate the Basic Land Value. We also compare sales of waterfront parcels that share similar, but not identical components in terms of topography, land type and timber cover.

Discussion of Land Sales

We have researched the sales, offers and listings (Indices) of comparable parcels of land in the locality. The data was collected from vendors, purchasers, brokers, appraisers, MLS®, public and other sources deemed to be reliable. The most relevant data has been detailed on the Land Sales Schedule on the following pages. We have adjusted the prices in this Land Sales Schedule to the date of valuation to reflect an annual compound increase of 3%. This is based on a general study of prices in the area.

The Indices are described in greater detail below:

Index #1

The property has fair frontage to the ocean. A majority of the parcel comprises rock barren. Most of the timber cover comprises semi-mature softwood. Overall it is considered to be comparable to the Subject Property [quality]. This property was sold in July 2018, approximately one month before the effective date of valuation. Sales data indicates that prices were rising [time]. The property is situated in a rural area near Little Harbour. It has no road frontage and is accessed via right-of-way through the Subject Property. The location is considered to be comparable to the Subject Property [location]. The property was purchased as a 30% interest, with the price determined at public auction. The purchaser represented the second-highest bidder, but ultimately paid the highest bid price. The purchaser owned 60% of the remaining interest in the property. They were therefore motivated to pay more than market value, though the adjusted price is expected to reflect fair market value due to the bidding process [motivation]. The parcel was approximately 63% the size of the Subject Property: smaller parcels typically command higher prices per acre because they attract a wider pool of purchasers [size].

We consider this Index to be an average indicator of value on time adjusted unit basis for the Subject Property.

Index #2

The property has good water frontage to a freshwater lake. A large portion of the parcel comprises mature softwood. Overall it is considered to be comparable to the Subject Property [quality]. This property was sold in March 2018, approximately five months before the effective date of valuation. Sales data indicates that prices were rising [time]. The property is situated in a remote area near Lake Charlotte. It has no road frontage and is accessed via logging road or watercraft. The location is considered to be comparable to the Subject Property [location]. We are not aware of any factors that would give rise to an adjustment for motivation [motivation]. The parcel was approximately 33% the size of the Subject Property: smaller similar parcels typically command higher prices per acre because they attract a wider pool of purchasers [size].

We consider this Index to be an average indicator of value on time adjusted unit basis for the Subject Property.

Index #3

This property includes two adjacent and one separate woodland parcel. The property has average frontage to a freshwater lake. A majority of the parcel comprises immature to mature softwood. Overall it is considered to be comparable to the Subject Property [quality]. This property was sold in April 2018, approximately four months before the effective date of valuation. Sales data indicates that prices were rising [time]. The property is situated in a remote area northwest of Ship Harbour. It has no road frontage and is accessed via logging roads or watercraft. The location is considered to be comparable to the Subject Property [location]. We are not aware of any factors that would give rise to an adjustment for motivation [motivation]. The parcel was approximately 2.0 times the size of the Subject Property: larger parcels typically command lower prices per acre because they attract a smaller pool of purchasers [size].

We consider this Index to be an average indicator of value on time adjusted unit basis for the Subject Property.

Index #4

The property has average frontage to a freshwater lake. A large portion of the parcel comprises mixed-height softwood and rock barren. Overall it is considered to be comparable to the Subject Property [quality]. This property was sold in April 2017, approximately one year and four months before the effective date of valuation. Sales data indicates that prices were rising [time]. The property is situated in a remote area west of Halifax. It is accessed via a single lane dirt road. The location is considered to be comparable to the Subject Property [location]. We are not aware of any factors that would give rise to an adjustment for motivation [motivation]. The parcel was approximately 84% the size of the Subject Property: smaller parcels typically command higher prices per acre because they attract a wider pool of purchasers [size].

We consider this Index to be an average indicator of value on time adjusted unit basis for the Subject Property.

Index #5

The property has average water frontage to the ocean. A majority of the parcel comprises semi-mature and mature softwood. Overall it is considered to be comparable to the Subject Property [quality]. This property was sold in June 2017, approximately one year and two months before the effective date of valuation. Sales data indicates that prices were rising [time]. The property is situated on a remote peninsula southeast of Tangier. It has no road frontage and is accessed via watercraft. The location is considered to be comparable to the Subject Property [location]. The property was purchased for conservation purposes. The purchaser, Nova Scotia Nature Trust, owns other shoreline properties in the area. It is possible that a non-market price was achieved due to the motivations of the seller to contribute to the Nature Trust's conservation efforts [motivation]. The parcel was approximately 12% the size of the Subject Property: smaller parcels typically command higher prices per acre because they attract a wider pool of purchasers [size].

We consider this Index to be an average indicator of value on time adjusted unit basis for the Subject Property's shoreline.

Valuation

The Subject Property represents a large assembly of oceanfront land with good road frontage and limited access due to complex terrain. Vegetation consists primarily of low-lying herbaceous species and sparse stands of softwood. Without improvements, the property's shoreline is accessible only by watercraft. Zoning restrictions preclude development of the property for uses other than recreation and conservation.

The Indices represent large parcels of resource land in Halifax County. Each of the Indices have access restrictions due to a lack of public roads or complex topography. The Indices present a range of values for rock barren land with a low of \$10/acre (Index #4) and a high of \$53/acre (Index #1). The high end of the range represents a large property in close proximity to the Subject with a similar landscape (Index #1). The low end of the range represents a cluster of parcels where the bulk of the value was in the freshwater lake frontage and softwood stands (Index #4). The Subject Property's rock barren lands are expected to fall towards the high end of the range due to the good road access and similarity to Index #1.

The Indices present a range of values for semi-mature softwood stands with a low of \$128/acre (Index #5) and a high of \$922/acre (Index #1). The high end of the range represents a large, contiguous network of woodlands with access to an all-weather paved road (Index #1). The low end of the range represents sparse woodlands on a peninsula limited to water access, and which was purchased for conservation purposes (Index #5). The Subject Property's softwood stands are sporadic and difficult to access and are expected to be below that of Index #1 (\$922/acre) and consistent with the median value presented by all of the Indices /acre).

The Indices present a range of Waterfront Benefit values with a low of \$7.74/linear ft. (Index #5) and a high of \$31.12/linear ft. (Index #3). The high end of the range represents extensive frontage to a freshwater lake while the low end of the range represents rocky ocean frontage. The Subject Property's rocky ocean frontage is expected to achieve a value at the low end of the range presented by the indices, at finear foot.

17(1)

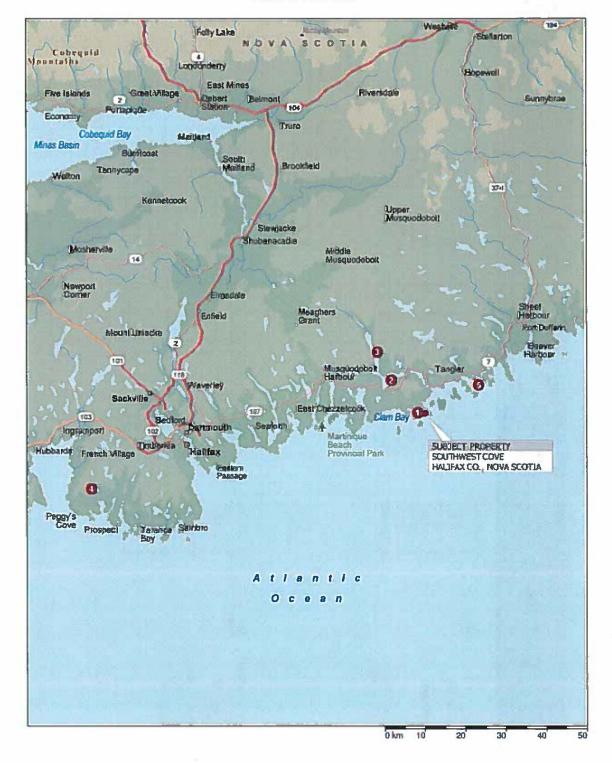
Page 17

Having regard to the foregoing we are of the opinion that the value of the land is as follows:

		Compon	ent Value
Component Type	Component Size	Unit Value	Total Value
Rock Barren	614.13 acres		
Swamp/Wetlands	9.10 acres		
Brushwood & Alders	3.69 acres		
Softwood - Semi-Mature	74.43 acres		
Softwood – Mature	1.93 acres		
Softwood - All Heights	1.93 acres		
Waterfront Benefit	24,920 linear ft.		
Total Value	705.21 acres		
Rounded to			
Per Acre			

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LAND SALES MAP



LAND SALES SCHEDULE

'n	-	S S
Second Lake Unknown Upper Lakeville Halifax County, NS PID #00557553 Musquodoboit Lumber Ltd to NS Department of Natural Resources	Russell Rd. Little Harbour Halifax County, NS PIDs #'s 00605899, 40189631 Halifax County to	Location Vendor/Purchaser
Mar. 2018	Jul. 2018 20(1)	Date of Sale
\$ 250,000 \$ 422 \$ 6,895 \$ 62,060 \$ 30,869 \$ 4,440 \$ 32,325 \$ 46,649 \$ 66,317	\$ 376,666 \$ 6,607 \$ 2,417 \$ 4,848 \$ 74,587 \$ 32,988 \$ 70,657 \$ 184,562	Sale Price
233 00 acres 9.79 acres 9.15 acres 67 66 acres 0.03 acres 38 13 acres 6 92 acres 43 39 acres 57 93 acres 15 400 ft.	446 21 acres 125 77 acres 46 01 acres 92.28 acres 81 13 acres 29 48 acres 71 54 acres 21,100 ft	Area
\$ 1,073 \$ 5 754 \$ 5 754 \$ 754 \$ 8 754 \$ 8 754 \$ 8 745 \$ 8 745	\$ 844 \$ 53 \$ 53 \$ 54 \$ 53 \$ 51 \$ 51 \$ 51 \$ 51 \$ 51 \$ 51 \$ 51 \$ 51	Att Date of
\$ 1,086 \$ 763 \$ 763 \$ 929 \$ 763 \$ 820 \$ 850 \$ 4.36	\$ 846 \$ 53 \$ 53 \$ 53 \$ 922 \$ 1,122 \$ 990 \$ 8,77	Sale Price/Unit Adjusted to Bate of the of Valuation @ 3.0% p.a.
Total Swamp or Muskeg Softwood - Semi-Mature Softwood - Wery Mature Softwood - All Heights Mixedwood - Semi-Mature Mixedwood - Mature Hardwood - Mature Hardwood - Mature Water Frontage - Lake	Total Rock Barren Swamp or Muskeg Brushwood & Alders Softwood - Semi-Mature Softwood - Mature Softwood - All Heights Water Frontage - Ocean Sales was for a 30% interest in two adjacent parcels Overall sale price has been adjusted, owner now controls 90% of property. There are plans in place for an 18-hole golf course and resort community. Access is via right-of-way to Little Harbour Road. Zoned MU Mixed Use.	Comments

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LAND SALES SCHEDULE

													4	Π.																				cu	740	5		
20(1)	Developments	Devialements		Pure		00654269	00074900, 00004000,	2002 2005 0005 2003	PIDs #'s 00601146		Halifax County, NS	Glen Margaret	Hoop Pole Lake												Limited	3312336 Nova Scotia	Nova Star Forestry Ltd. to		40190928, 40216962	PID #'s 40190688		Halifax County, NS	Upper Lakeville	Lake Charlotte Unknown	Artinolic pictidaet			
												2017	Apr.																				2018	Apr	SING IN SALES	nation of estin		
	3 10,040		-							\$ 21,008	\$ 156	_	\$ 200,000				\$ 436,078	\$ 24,512	\$ 61,903	\$ 5,807	\$ 31,451	\$ 13,383		7	\$ 39,323					\$ 144,793		\$ 1,279	\$ 271	1,503	SHILL SING	Sale Price		
	3,000 IL	3,000 #	6 800 ft	10 88 acres	18 76 acres	59 60 acres	170 ab acres	170 56 5000	73.22 acres	121.86 acres	15.87 acres	123 24 acres	594,00 acres				14,150 ft	33 56 acres	71 61 acres	7.95 acres	52.74 acres	18.44 acres	9 24 acres	96.93 acres	57 09 acres	82.92 acres	95 00 acres	190 11 acres	389 81 acres	226 97 acres	21.09 acres	27.67 acres	5.86 acres	1,387.00 acres	EARL	Arms		
	0 443	2 2 2	0	cn		co	u	0 (ທ		S 10	co	\$ 337				\$ 30.82	\$ 730	G	S	S	cn	cn	co	s	co	S 809	co	S	\$ 638	S 462	S 46	S 46	\$ 1,0	-	At, Date of		Sile
	9 4.01	400			\$ 161							\$ 10	***				\$ 31.12	\$ 738	\$ 873					\$ 808			\$ 817							\$ 1,095	SAN DA	Valuation @	Balle of	Sale Priculation
Four adjacent parcels with freshwater take frontage. Access via single lane dirt road. Zoned MR-1 Mixed	yvalet Floridge - Niver	Water Emplace Diver	Water Emphane - I ake	Hardwood - Semi-Mature	Mixedwood - All Heights	Mixedwood - Semi-Mature	SOLWOOD - All Treights	Orderson All Lights	Softwood - Mature	Softwood - Semi-Mature	Swamp or Muskeg	Rock Barren	Total	Control	Access v	Three parcels including frontage to a freshwater	Water Frontage - Lake	Hardwood - Very Mature	Hardwood - Mature	Hardwood - Semi-Mature	Hardwood - Immature	Mixedwood - All Heights	Mixedwood - Very Mature	Mixedwood - Mature	Mixedwood - Semi-Mature	Softwood - All Heights	Softwood - Very Mature	Softwood - Mature	Softwood - Semi-Mature	Softwood - Immature	Clear Cut	Swamp or Muskeg	Rock Barren	Total	Selection			

LAND SALES SCHEDULE

						į.	Sale Price/Unit	Price	- June	
						1		Dad	Adjusted to Date of	
ō	Location VendoriPurchaser	Date of Sale	S	Sale Price	Area	8 A	At Date of Sale	36	Valuation @ 3.0% p.a.	Comments
Ç,	Porcupine Hill	Jun.	ഗ	20,000	48 68 acres	S	411	69		Total
	Popes Harbour	2017	ഗ	22	1 60 acres	co	14	69		Rock Barren
	Halifax County, NS		ഗ	29	2.13 acres	G	14	69		Brushwood & Alders
			S	2,492	20.18 acres	G	124	G	128	Softwood
	PID #00554410		co	3,739	24.77 acres	G	151	(n	156	Softwood - Mature
			S	13,714	3,800 ft.	en	361	w	3.74	Water Frontage - Ocean
	Nova Scotia Nature Trust	t 20(1)								Portion of a peninsula with limited access to the mainland. Zoned RE Rural Resource.

	FINAL ESTIMATE OF VALUE	17(1)
Final Estimate of V	/alue	

CERTIFICATION

Re: Vacant Lands, Southwest Cove Road, Southwest Cove, Nova Scotia, PIDs #00489591, #40747578, #40751273, #41307992, #40747586, #41308008, #41308016

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

the statements of fact contained in this report are true and correct;

the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions;

neither I, nor Turner Drake & Partners Ltd., have any past, present or prospective material involvement with the property that is the subject of this report, other than this assignment and an original valuation dated 29 August 2018 - this report excludes federally owned lands and includes three new provincial parcels;

neither I, nor Turner Drake & Partners Ltd., have received any fees, in connection with the purchase of the property that is the subject of this report, within twelve months preceding the date of valuation. Turner Drake & Partners Ltd. have not received, nor will they receive, an introductory, mortgage financing or any other fees in connection with such a purchase. They have not negotiated the purchase on behalf of the client:

neither I, nor Turner Drake & Partners Ltd., have any past, present or prospective material involvement with the customer, client, or any parties contemplated to be involved in any transaction resulting from this assignment other than previous valuation work performed for the intended users of the report;

neither I, nor Turner Drake & Partners Ltd., share any fiduciary interest with the client. Turner Drake & Partners Ltd. has no prior relationship with the client;

during the twelve months preceding the date of valuation the total fees paid by the client to Turner Drake & Partners Ltd. represented a minimal (< 5%) proportion of Turner Drake & Partners Ltd.'s gross income;

my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this report;

my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Royal Institution of Chartered Surveyors' Valuation Standards [2017 Edition] (RICS Red Book), the International Valuation Standards (IVS), the Uniform Standards of Professional Appraisal Practice (USPAP), and the Canadian Uniform Standards of Professional Appraisal Practice;

I have made a personal inspection of the property that is the subject of this report;

no one provided significant professional assistance to the person signing this report;

I have sufficient current local, national and international knowledge of the market, and the skills and understanding, to undertake this valuation in a competent manner;

I certify that the use of this report is subject to the requirements of the professional institutes of which I am a member, relating to review by their duly authorised representatives;

as of the date of this report, I have completed the requirements of the continuing education programs of the professional institutes of which I am a member;

that the Market Value of the Fee Simple Interest in the Subject Property, premised on the basis that it will be utilised for its Highest and Best Use as of the 21st August 2018, subject to the Limiting Conditions and Assumptions contained herein and a Reasonable Exposure Time of 12 to 18 months, is the sum of per acre).

17(1)	26th August 2019 Date
	NSREAA #909477
	20(1)

REVIEW VALUER'S CERTIFICATION

Re: Vacant Lands, Southwest Cove Road, Southwest Cove, Nova Scotia, PIDs #00489591, #40747578, #40751273, #41307992, #40747586, #41308008, #41308016

I certify that I have reviewed this report and to the best of my knowledge and belief:

the statements of fact contained in this report are true and correct;

the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions;

neither I, nor Turner Drake & Partners Ltd., have any past, present or prospective material involvement with the property that is the subject of this report, other than this assignment and an original valuation dated 29 August 2018 - this report excludes federally owned lands and includes three new provincial parcels;

neither I, nor Turner Drake & Partners Ltd., have received any fees, in connection with the purchase of the property the subject of this report, within twelve months preceding the date of valuation. Turner Drake & Partners Ltd. have not received, nor will they receive, an introductory, mortgage financing or any other fees in connection with such a purchase. They have not negotiated the purchase on behalf of the client;

neither I, nor Turner Drake & Partners Ltd., have any past, present or prospective material involvement with the customer, client, or any parties contemplated to be involved in any transaction resulting from this assignment;

neither I, nor Turner Drake & Partners Ltd., share any fiduciary interest with the client. Turner Drake & Partners Ltd. has no prior relationship with the client;

during the twelve months preceding the date of valuation the total fees paid by the client to Turner Drake & Partners Ltd. represented a minimal (< 5%) proportion of Turner Drake & Partners Ltd.'s gross income;

my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this report;

the analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Royal Institution of Chartered Surveyors' Valuation Standards [2017 Edition] (RICS Red Book), the International Valuation Standards (IVS), the Uniform Standards of Professional Appraisal Practice (USPAP), and the Canadian Uniform Standards of Professional Appraisal Practice;

I have not made a personal inspection of the property that is the subject of this report;

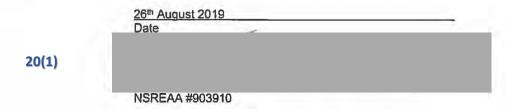
no one other than the undersigned provided significant professional assistance to the person signing this report;

I have sufficient current local, national and international knowledge of the market, and the skills and understanding, to undertake this valuation in a competent manner;

I certify that the use of this report is subject to the requirements of the professional institutes of which I am a member, relating to review by their duly authorised representatives;

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as of the date of this report, I have completed the requirements of the continuing education programs of the professional institutes of which I am a member;



TERMS OF ENGAGEMENT

Our Ref: 19133981.NWJS

TURNER DRAKE & PARTNERS LIMITED TERMS OF ENGAGEMENT

THIS AGREEMENT made the 26th day of August, A.D. 2019.

BETWEEN Turner Drake & Partners Ltd.

hereinafter referred to as "TURNER DRAKE" OF THE FIRST PART

and

is Lighthouse Links Development Company.
hereinalter referred to as the "CUSTOMER" OF THE SECOND PART

WITNESSETH THAT for consideration, TURNER DRAKE agrees to provide, subject to the terms and conditions set forth in this Agreement, the services described below and any additional services as may be requested by the CUSTOMER and accepted by TURNER DRAKE in the course of this Agreement.

- 1.01 The CLIENT for this assignment is Lighthouse Links Development Company.
- 1.02 TURNER DRAKE shall prepare and provide to the CUSTOMER 2 hardbound copies, plus 1 electronic copy in pdf format, of a summary valuation report on the Fee Simple interest in the totlowing parcels: PID's #00489591, #40747578, #40751273, #41307992, #40747586, #41308008, #41308016 Southwest Cove, Nova Scotia (hereinafter referred to as the "PROPERTY") for the purposes of establishing its value for Purchase purposes. Use of the valuation report for other purposes or by other parties may invalidate the conclusions. The RICS Valuation Standards require that we prepare a new report if the CLIENT, intended user, date, or purpose of the assignment, is changed.
- 1.03 Since the purpose of a draft valuation report is frequently misinterpreted by the CLIENT (the party relying upon the final valuation report referred to in Paragraph 1.02), the valuation report will not be prepared initially in "draft" format.
- 1.04 The effective date of the valuation of the PROPERTY is to be the date of inspection 2018. The value will be expressed in Canadian currency.
- 1.05 The PROPERTY comprises vacant resource land
- 1.06 The basis of the valuation is Market Value (Highest and Best Use).
- 1.07 The reported analyses, opinions and conclusions will be developed in accordance with the Royal Institution of Chartered Surveyors' Valuation Standards [2017 Edition] (RICS Red Book), and the International Valuation Standards (IVS). The valuation report will conform with the Uniform Standards of Professional Appraisal Practice (USPAP). The conduct of the assignment and the preparation of the report will also comply with the Canadian Uniform Standards of Professional Appraisal Practice. The report and assignment will be subject to the requirements of the Code of Professional Ethics of the professional Institutes of which the author of the report is a member, which include provision for peer review.
- 1.08 The Valuer responsible for the assignment will have sufficient current local, national and international knowledge of the market, and the skills and understanding, to undertake the valuation in a competent manner, and will act as an External Valuer.
- 1.09 TURNER DRAKE will undertake a detailed on site inspection of the PROPERTY and the neighbourhood.

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CURNER DRACE & PARTNERS LTD

- 1.10 TURNER DRAKE will undertake such liscal, physical and legal investigations as are necessary and prudent to arrive at the value of the PROPERTY. This research will not include an investigation of title, a property survey, engineering or environmental studies of the land and structures, or tests to determine whether there is a supply of potable water or that the property has, or will support, a fully functioning sewage disposal system. The PROPERTY will be valued on the assumption that it is not, and never has been, subject to environmental contamination, and that it is not in such proximity to another contaminated property as to adversely impact the value of the subject PROPERTY.
 - TURNER DRAKE anticipate utilising the Direct Sales Comparison Approach to value, on this assignment.
- 1.11 TURNER DRAKE, in order to value the PROPERTY, will undertake such investigations as are necessary and prudent to verify that information supplied by the CUSTOMER, the CLIENT and other parties, is reliable and accurate. However these investigations may be limited by privacy legislation and the absence of publicly available, verified, sales and rental data. It will be necessary, in part, to rely upon hearsay data.
- 1.12 TURNER DRAKE has no material involvement (past, current, or future) with the PROPERTY other than the assignment contemplated by these TERMS OF ENGAGEMENT.
- 1.13 TURNER DRAKE has no material involvement (past, current, or future) with the CLIENT, the CUSTOMER, or any parties contemplated to be involved in any transaction resulting from these TERMS OF ENGAGEMENT other than previous valuation work for the CUSTOMER.
- 2.01 The valuation report will contain such confidential information as is necessary to support the analyses, opinions and conclusions contained therein. It may also be subject to Extraordinary Assumptions and/or Hypothetical Conditions: reference to the report in any published document without an adequate contemporaneous reference to these Extraordinary Assumptions or Hypothetical Conditions would be misleading and is prohibited. For these reasons, and to protect the Integrity of the report, TURNER DRAKE will retain copyright to the report; reproduction in whole or part will be prohibited without their written permission.
- 2.02 The valuation report has to be used in its entirety since parts taken out of context may be misleading. Use of the report will be subject to the statements, limited conditions, assumptions and other terms set forth in the report. The report, or any parts thereof, may not be used for any purpose other than that for which it is undertaken and will be furnished for the exclusive use of the CLIENT. All liability to any party other than the CLIENT will be dealed.
- 2.03 TURNER DRAKE is a professional firm regulated by the Royal Institution of Chartered Surveyors (RICS); compliance with their Standards may be subject to monitoring under RICS' conduct and disciplinary procedures. TURNER DRAKE's complaints handling procedure, available upon request, is governed by a quality system registered to the international ISO 9001:2015 standard. In addition TURNER DRAKE is subject to provincial licencing with respect to its appraisal and brokerage services.
- 2.04 These TERMS OF ENGAGEMENT will be included in and form part of the valuation report.
- 3.01 The CUSTOMER, for the performance of the services referred to in Article 1 shall pay to TURNER DRAKE-

17(1)	 (a) A fee of This fee does not include H.S.T. (b) Disbursements, to be involced at actual cost, are included in the above fee. (c) A retainer in the amount of \$NIL. (d) All accounts are payable on receipt and interest is charged at 2% per month (24% per annum) on outstanding involces.
	CURINER DRAKE & PARTNERS LTD

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20	(1)

Accepted by:

Title Consultant Date 26 august 2019

LIGHTHOUSE LINKS DEVELOPMENT The above is agreed to by the CUSTOMEH. CORPANY

Authorised Signing Officer

Title:

Date: August 26, 2019

CURNER DRAKE & PARTNERS LTD. -