#### Supreme Court of Nova Scotia

Between:

ROBERT BANCROFT and EASTERN SHORE FOREST WATCH ASSOCIATION

Applicants

and

NOVA SCOTIA MINISTER OF LANDS AND FORESTRY, and THE ATTORNEY GENERAL OF NOVA SCOTIA REPRESENTING HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA

Respondents

and

LIGHHOUSE LINKS DEVELOPMENT COMPANY

Intervenor

#### RECORD ON JUDICIAL REVIEW

Jamie Simpson Juniper Law 3441 Purcells Cove Road Halifax, NS B3V 1G3 Jack Townsend Nova Scotia Department of Justice 1690 Hollis Street - 8<sup>th</sup> Floor Halifax, NS B3J 2L6 Richard W. Norman Cox & Palmer Purdy's Wharf, Tower I 1100-1959 Upper Water Street

Halifax, NS B3J 3N2

Counsel for the Applicants

Counsel for the Respondents

Counsel for the Intervenor

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# TAB 1

#### Tupper, Ann

From: Glover, Sean (Halifax) <sglover@coxandpalmer.com>

Sent: September-23-16 5:44 PM

To: Tupper, Ann

Cc: Hickman, Leslie C; Beck Gilbert; Beck Gilbert

Subject: Application to Purchase Crown Lands at Owls Head Harbour, Halifax County

Attachments: Application.pdf; Letter.pdf

Follow Up Flag: Follow up Flag Status: Flagged

Dear Ms. Tupper, please see attached correspondence.

In addition, I note that Beck Gilbert also owns half of Cuckold Island (PID 40630733), and is open to discussing its inclusion in any package going back to the crown in exchange for the requested Crown Lands.

Further to my discussion with Leslie Hickman this afternoon, I confirm that we authorize the Crown to open the application and begin its investigations required to proceed with its evaluation of the same (i.e. environmental). We request that reasonable steps be undertaken to keep the application confidential, but understand that this may not be entirely within your control.

Thank you and I look forward to working with you,

#### Sean

Sean Glover | Cox & Palmer | Partner | Lawyer

Direct 902 491-4236 Cell 902 449-4352 Fax 902 421 3130 Web coxandpalmerlaw.com

Address Purdy's Wharf Tower I, 1100-1959 Upper Water Street Halifax NS B3J 3N2



Crown Land is all or any part of the land under the administration and control of the Nova Scotia Department of Natural Resources. Included in Crown land is most of the submerged land (the sea bed) around Nova Scotia. This application is required if you are interested in using Crown land for non-forestry purposes or if you want to sell or donate land to the Province. Information about applying for Crown Land is available at: <a href="https://www.novascotia.ca/natr/land/application.asp">www.novascotia.ca/natr/land/application.asp</a>

PART 1 – APPLICA	NT INFO	RMATION						Please Print	
1. TYPE OF APPLICA	NT (pleas	e check only or	ne (v))						
☐ Individual(s)	<b>V</b>	Registered Compa	ny	☐ Regi	stered Socie	ty	Munic	cipality	
2. PRIMARY APPLICA	ANT								
INDIVIDIUAL (Complete	Appendix	A for additional	applicants	COR	PORATION	, SOCIETY OR	MUNIC	CIPALITY	
Last Name					Full Legal Name of Company, Society or Municipality				
						ks Developme	nt Cor	mpany	
Given Names				3.33	ess Number	(BN)			
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Are you over the age of 15		ete Section 3 belov				Stock Companie any or Society):		diction of Registration utside of Nova Scotia)	
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( )	) ( )						2 ) 421-6262		
Fax (Optional)	Email	Address		Fax (	Fax (Optional)		Emai	Email Address	
( )			( 90	( 902 ) 421-3130		sglov	sglover@coxandpalmer.com		
3. PRIMARY CONTAC	T/DESIGN	IATED REPRESE	NTATIVE	(If differ	ent than S	ection 2 abo	ve)		
Last Name				-	n Names				
Glover					Sean				
Describe the relationship	of Primary C	ontact/Designated	Representa	ative to Ap	plicant:				
Trustee		☐ Family M	ember (des	cribe relati	ionship) _				
Executor		✓ Officer of	f the Compa	ny (descri	be position)	Secretary			
Solicitor/Legal Cou	nsel	Other (de	escribe)						
Mailing Address: PO Box   Street No   Street Name				Unit City, Town or Village					
	1959	Upper Water	Street		1100	Halifax			
Province			Country			Post	al Code		
Nova Scotia			Canada			B3J	3N2		
Primary Phone Number		ndary Phone Numl		ax (Option		Ema	il		
(902)491-4236 (902)421-6262 (9			902 ) 421-3130 sglover@coxandpalmer.co			oxandpalmer.com			



e Applicant is a Provincial vernment employee:	NMENT EMPLOYMENT (Complete Appendix A for additional applicants)	
vermient employee.	The Applicant's Spouse, or an officer in the Applicant Company/Society is a Provincial Government em Yes (If Yes name of spouse or officer(s)	nploye
Yes  No	☑No	
ART 2 – TYPE OF API	LICATION	
ould like to (check only o	e v):	
Renew or change ar	existing activity on Crown land (e.g. a lease, license, letter of authority or permit) - Go to Sect	tion /
	o construct, place, repair, maintain and use a wharf/boat ramp/mooring - Go to Appendix C	
	ity (excluding wharf etc.) related to Crown land <b>or</b> to buy, sell, donate or exchange land - Go	
CTION A: RENEW OR C	ANGE AN EXISTING ACTIVITY ON CROWN LAND	
. The document number	my current lease, license, letter of authority or permit to use Crown land is:	
. I would like to (check al	that apply v):	
Renew my lease, lice	nse, letter of authority or other permission to use Crown land	
Add or remove a pe	on or organization on my lease/license (Complete Appendix A to list name(s) and address(es	s))
	sion to use Crown land as of my next renewal date or as of the following date: Day	
For <u>all other requests,</u> contact information).	ease contact the Department of Natural Resources, Land Administration Division (see Page 4	for
GO TO PART 3 OF TH	FORM - SIGNATURE OF APPLICANT	
CTION B: NEW ACTIVIT	RELATED TO CROWN LAND OR TO BUY, SELL, DONATE OR EXCHANGE LAND	
. Please select the reque	ed activity (check only one v):	
For more information, p	ase go to www.novascotia.ca/natr/land/application.asp.	
Lease Crown land		
Appendix B as part  Sell land to the Pro	The feet of the fe	_
Donate land to the	nichten.	-
	E buy Crown land	
Request permission	to use or have access across Crown land (temporary/short term use or permanent access) — box below	pleas
describe purpose in the		



B2. Location	مر ا مرام							
	2017, 212-676	a la farma el la contrata de la coloca dela coloca de la coloca dela coloca de la coloca dela colo						
		g information to help identify th I, donate or exchange.	e location of the Crown land yo	ou wish to use or the privately				
your local L	and Registration	a Scotia has a unique Parcel Iden o Office (LRO). The LRO can also p LRO contact information can be	provide you with a printed Prop	don't know the PID(s), check with perty Online map of the PIDs .ca/sns/offices.asp				
B2.1 CROV	35 8 3 5 8	list all Crown land PIDs or porti		exchange. If you need more space,				
PID	Full PID or a portion?	Community Name/County						
0489591	Full	Little Harbour/Owls Head/Hal	ifax County					
10747578	Full	Little Harbour/Owls Head/Hal	ifax County					
10751273	Full	Little Harbour/Owls Head/Halifax County						
11307992	Full	Little Harbour/Owls Head/Hal	ifax County					
		Il private land PIDs or portions of to list additional PIDs.  Community Name/County	Has land been surveyed?  Yes (attach the survey)  No (provide estimated area:)  Yes (attach the survey)  No (provide estimated area:)	Are there any buildings/structures on the land?  Yes No If Yes, describe:  Yes No If Yes, describe:				
			Yes (attach the survey) No (provide estimated area:)	☐ Yes ☐ No If Yes, describe:				
			Yes (attach the survey) No (provide estimated area:)	☐ Yes ☐ No If Yes, describe:				
			Yes (attach the survey) No (provide estimated area:)	Yes No				



#### B2.3 SITE MAP or SKETCH:

For ALL applications to use or have access across Crown land, please enclose a site map or sketch that shows the following:

- All Crown PIDs or portions of PIDs that you want to use or have access across
  - o Include the size and shape of the area(s) requested; or
  - Describe the location of the access route.
- The location of the requested site in relation to any neighbouring properties; and
- The approximate distance to prominent nearby features such as buildings, roads, waterways (include names).

#### For a LAND EXCHANGE application, please enclose:

- A map or sketch that shows all items listed above for the Crown land you want to acquire; and
- A map of your land, including all PIDs or partial PIDs you want to offer in exchange for the Crown land.

NOTE: An example of an acceptable site map can be found in Appendix D.

#### → GO TO PART 3 OF THE FORM - SIGNATURE OF APPLICANT

#### PART 3 – SIGNATURE OF APPLICANT

#### Please note:

Applicable fees are detailed in the Department of Natural Resources "Fees for Activities on Crown land" document which is posted on the Department's website: <a href="www.novascotia.ca/natr/land/pdf/Fees-Activities-on-crownland.pdf">www.novascotia.ca/natr/land/pdf/Fees-Activities-on-crownland.pdf</a>. You may also call the Department to obtain a list of the fees.

Name and Signature of Applicant/Signing Authority

Date Signed

SEAN M. GLOVER, Secretary

Sept 23, 2016

Return the form and attachments to:

Department of Natural Resources Land Administration Division PO Box 698

Halifax Nova Scotia B3J 2T9

Questions?

Call: (902) 424-4006 Fax: (902) 424-3173

Email: landweb@novascotia.ca

Website: www.novascotia.ca/natr/land/

FOR DEPARTMENT USE ONLY:	
Application Number	Date Received



## APPENDIX A: APPLICATION INFORMATION FOR MULTIPLE APPLICANTS OR FOR ADDING/DELETING NAMES TO AN EXISTING LEASE OR LICENSE

#### NOTES:

- 1) If there are additional applicants to be added/deleted, please copy this page.
- 2) For a Company, Society or Municipality please complete the fields denoted with an asterisk (\*).

ADDITIONAL/DELETE	2-00						
☐Add or ☐ Delete thi	s Applicant						
Last Name				lame(s)			
Full Legal Name of Company,	Society or Municipality*		Busines	ss Number (BN) *			
Are you over the age of 19?  Yes No	Mailing Address: PO Box	* Street No		Street Name*		Unit*	
City, Town or Village*	Pro	ovince*		Country*	Posta	Code*	
Primary Phone Number*   Secondary Phone Number*   Fax (Op				Email*			
The Applicant is a Provincial Government employee:  Yes No  Do you currently hold a camp Yes No If Yes	Yes (If Yes name No osite lease on Crown land?	of spouse or	r officer)	Applicant Company/Society is  Campsite Leases only, Birth D			
Signature of Applicant/Signin	s, Lease number g Authority			Date Signed			
ADDITIONAL/DELETE			Given N	Name(s)			
Full Legal Name of Company,	Society or Municipality*		Busines	ss Number (BN) *			
Are you over the age of 19?  Yes No	Mailing Address: PO Box	* Street No	•	Street Name*		Unit*	
City, Town or Village*	Pro	ovince*		Country	Posta	l Code"	
Primary Phone Number* S	Secondary Phone Number*	Fax (Option	onal) *	Email*			
The Applicant is a Provincial Government employee:	The Applicant's Spous  Yes (If Yes name)  No			Applicant Company/Society is	s a Provincial Governn	nent employee;	
Do you currently hold a camp	s, Lease number		For	Campsite Leases only, Birth D	Date is required:	///	
Signature of Applicant/Signin	g Authority			Date Signed			



### APPENDIX B: APPLICATION TO LEASE LAND FROM THE PROVINCE

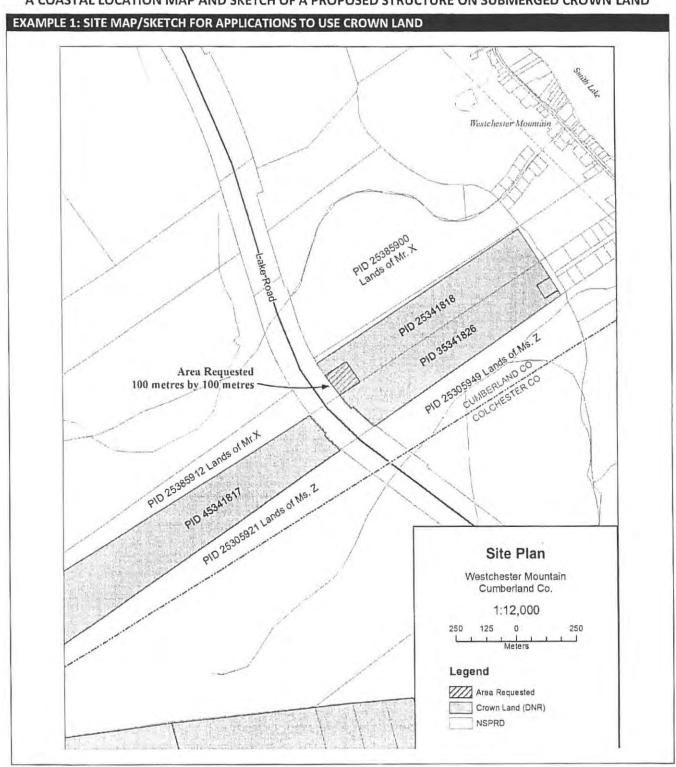
vww	nore information on the province's Crown land leasing policy and the steps and timing involved in the process, please go to .novascotia.ca/natr/land/pdf/CrownLandTransactions-Leasing2014.pdf.
. Ty	pe of Lease
W	hat is the intended use of the requested land?
	Agriculture - please specify (for example - blueberry, cranberry, maple sugary)
	Wind power generation:
	Test - number of turbines if known
	Production - number of turbines if known
Е	Commercial - please specify (for example, Christmas tree production; mineral, peat or aggregate exploration or extraction
	Recreational - please specify (for example, profit or not-for profit; shooting range; softball/baseball diamond)
	Communications - please specify (for example, tower for high speed internet)
	Submerged land – water lot (for example, marina, personal use or tidal)
	Other (please describe):
. De	evelopment Plan (see the Applicant Guide on how to prepare a plan: <a href="www.novascotia.ca/natr/land/pdf/2013-05-Guidelines Applicants Crown Land Leasing.pdf">www.novascotia.ca/natr/land/pdf/2013-05-Guidelines Applicants Crown Land Leasing.pdf</a> )
Fo	r agricultural, commercial or wind lease applications, a Development Plan will be required. A Development Plan is:
	1 Available
	Being developed and will be available by: Year Month Day
	Other (please describe)



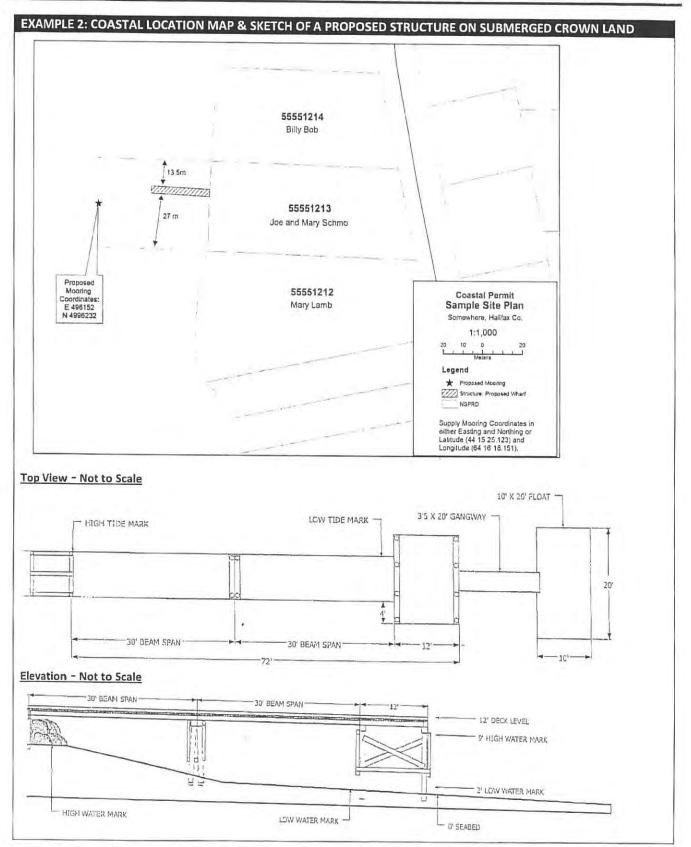
## APPENDIX C: APPLICATION FOR PERMISSION TO CONSTRUCT, PLACE, REPAIR, MAINTAIN AND USE A WHARF/FLOATING DOCK/BOAT RAMP/MOORING ON SUBMERGED CROWN LAND

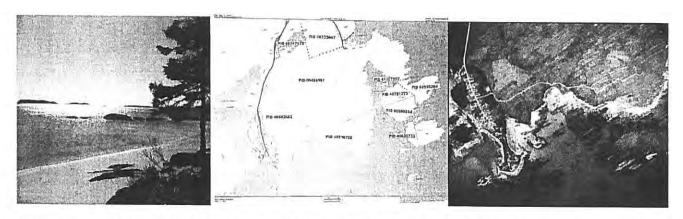
W	HARF/FLOATING DOCK/BOAT RAMP/MOORING C	N SUBMERGED CROWN L	AND
1.	Type of Permit: Please check all that apply (v):	THE PROPERTY OF	
	Construct a new Wharf, including floating dock	Repair/Maintain an	existing Wharf, including adding floating dock
	Construct or place a new Boat Ramp	Repair/Maintain an e	existing Boat Ramp
	Place a mooring(s)	Other	
2.	Does the proposed structure meet standard criteria for consmoorings? The standard criteria can be found here:		

APPENDIX D: EXAMPLE OF A SITE MAP/SKETCH FOR APPLICATIONS TO USE CROWN LAND and EXAMPLE OF A COASTAL LOCATION MAP AND SKETCH OF A PROPOSED STRUCTURE ON SUBMERGED CROWN LAND









Enhancing Nova Scotia as a Premier Golf Destination – Lighthouse Links at Little Harbour – August 15, 2016

#### Dear Mr. Morris:

As requested by you and Minister Hines, I, G. S. Beckwith Gilbert, am pleased to attach a proposal from Lighthouse Links Development Company, a Nova Scotia Company which I control (Registry Number 3301517), to acquire Field Point Capital Management Company, which has managed investments for the Gilbert family for approximately 30 years, is pleased to attach a proposal to acquire approximately 704 acres of land in Little Harbour/Owls Head owned by the Province of Nova Scotia. This property is adjacent to 340 acres owned by the Gilbert family and would enable Field Point to construct two or more world-class 18 hole oceanfront links golf courses—Lighthouse Links—in Little Harbour, at the heart of Nova Scotia's Eastern Shore, to bring major economic benefits to the area by enhancing tourism and increasing employment.

Fifteen years ago, my wife, Kitty, and I fell in love with Little Harbour. We initially acquired 255 acres in two parcels in Little Harbour, including approximately 3 miles of ocean shoreline with many beautiful white, sandy beaches, and have since added another 19 properties, almost all vacant land, as part of our program to preserve the area's unspoiled beauty and protect the environment, bringing our total holdings to approximately 340 acres. We built a home about nine years ago and bought several other houses in the area to use for guests.

We value the friendships we have made in the area and are sad that a number of our favorite restaurants, stores, and our gas station have closed.

Kitty and I would like to do something for the area which has brought us so much pleasure. One of our guests who had played at Bandon Dunes in Oregon said our property was very similar to Bandon Dunes and suggested we construct a golf course.

After the great success of Cabot Links and Cabot Cliffs, the idea of world-class links golf courses on Little Harbour's magnificent seaside seemed more and more feasible. Cabot Links and Cabot Cliffs have oceanfront sites very similar to Little Harbour. Little Harbour has the additional benefit of being easy to access, within a little more than an hour's drive from Halifax and its international airport.

We hired Jim Urbina, the noted architect of the acclaimed Old Macdonald links course, part of the Bandon Dunes complex on the rugged Oregon coast, which is similar in aesthetics to Nova Scotia.

As Jim completed his layout for a spectacular oceanfront 18 hole course on our property, we realized that if some neighboring parcels owned by the Province were included, a complex of two or three 18 hole oceanfront links courses incorporating our unique location and diverse vistas could be built and would create a golf destination comparable to Bandon Dunes, Cabot Links, and Cabot Cliffs, thereby attracting significantly more golfers than a single course.

Multiple diverse oceanfront courses with unique holes could make Little Harbour and Lighthouse Links a major golf destination and, together with other great courses nearby in Nova Scotia, could bring more travelers interested in golf from all over the world to Nova Scotia, benefiting employment and the economy of the Eastern Shore.

Our objective is to build one of the world's finest golf complexes with other facilities, preserving and enhancing the natural beauty of the area, while making it accessible to the public, to Canadians and tourists from around the world. Currently, there is no public road access to the spectacular sandy beaches, dramatic ocean coastline, and spectacular vistas in Little Harbour. The only access is over private lands, or by kayak or boat.

Given the economic benefits of Cabot Links and Cabot Cliffs to Nova Scotia, another world-class golf course complex in Nova Scotia—this time on the spectacularly beautiful Eastern Shore ocean coastline—would build on the success of the Cabot Links model, further enhance Nova Scotia as a world-class golf destination, and boost employment on the Eastern Shore.

The acquisition of the Provincial lands is essential to the feasibility of the project by providing enough land to make the Lighthouse Links golf complex possible. As shown in the attached map, after a careful review, no other comparable, suitable, or reasonable property alternative exists.

Most of my career has been in merchant banking and private equity, but I have also been heavily involved in philanthropy, with a primary emphasis on medical research, and am currently serving as the Chairman Emeritus of the Board of Fellows of Harvard Medical School. I also serve as a director of the Yale Cancer Center and the Harvard Medical School MEDScience Program. My wife is an art historian and editor who spent her career at the Metropolitan Museum of Art in New York City.

Please let us know if you have any questions or need any additional information.

Thank you for your consideration.

Regards,

Sean Glover

Sean Glover

Secretary of Lighthouse Links Development Company, on behalf of G. S. Beckwith Gilbert and Lighthouse Links Development Company

Telephone: (902) 491-4236 Fax: (902) 421-3130

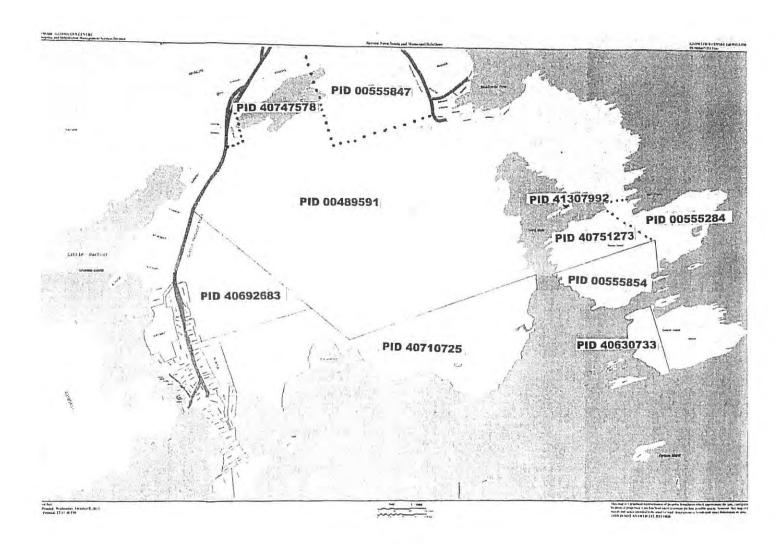
Email: sglover@coxandpalmer.com

#### PID numbers and map

The relevant PID numbers for the proposed golf complex are shown on the map on the next page and are described in more detail below. Included are 704 acres owned by the Province of Nova Scotia (shown in white), 40 acres owned by Crown Transport Canada (also shown in white), and 340 acres owned by the Gilberts (shown in yellow). Mr. Gilbert is President of Field Point Capital Management Company.

(Not included is PID 00555847 which includes part of Murphy's Lake and is privately owned.)

- 1. Owned by the Province of Nova Scotia four (4) parcels 704 acres
  - a. A 650 acre parcel on both sides of Long Cove, on Southwest Cove, and the western shore of Ship Harbour PID # 00489591
  - b. 20 acres with a lake PID # 40747578
  - 32 acres on the eastern shore of Long Cove
     — PID # 40751273
  - d. A small island of about 2 acres in Long Cove PID # 41307992
- 2. Owned by the Federal Crown (Crown Transport Canada) 40 acres
  - a. 40 acres with the Owls Head automated lighthouse PID # 00555284 located on the headland facing Ship Harbour and abutting the channel from Long Cove to Ship Harbour.
- 3. Owned by Mr. and Mrs. G. S. Beckwith Gilbert twenty-one parcels 340 acres
  - a. 176 acres owned by the Gilberts PID # 40710725. The 176 acre Gilbert property is configured much like a bowtie with two pieces coming together in a very narrow area in the center like the knot of a bowtie.
  - b. 79 acres owned by the Gilberts PID # 40692683. There is a substantial bog on this Gilbert property. The 79 acre Gilbert property is also adjacent to PID # 40710725, described above, owned by the Gilberts, and to PID # 00489591 owned by the Province.
  - c. 32 acres on the east shore and southern tip of Long Cove PID # 00555854.
  - Part of Cuckold Island, an ocean island with an elevation of over 60 feet above sea level at the mouth of Long Cove – 18 acres – PID # 40630733.
  - e. 35 acres and 17 other properties in Little Harbour, most on Little Harbour Road and Scanlan Point Road.



# TAB 2

#### Department of Natural Resources

Advice to Deputy Minister
CONFIDENTIAL

## BRANCH NOTE Owls Head Provincial Park Reserve

ISSUE: Removal of Owls Head from the Parks and Protected Area Plan

#### CURRENT SITUATION:

1

- DNR has been approached by a developer to develop the land for a use other than a park.
- During the Parks and Protected Area Plan (PAPA) process the area was assigned to the parks program as part of the provinces commitment to develop the Eastern Shore Seaside Park System.
- Area has been identified by the NS Department of Environment as lands that could contribute to the provinces protection goal.

#### BACKGROUND:

- Owls Head Provincial Park Reserve is in Halifax County along the eastern shore.
   It is undesignated and approximately 267 Ha in size, while undesignated it is currently being managed as a supporting park.
- Values being protected include a variety of coastal barrens and wetlands, exceptional bedrock-ridged topography, a significant sand beach (partially within proposed area and partially on private land) where piping plover nest.
- Education values of the property include regionally significant interpretive themes, which include coastal processes and habitat
- Future tourism & outdoor recreation opportunities on the property include hiking, beach access and kayaking.
- A portion of the property containing Camp Atibreagh was transferred to NS Department of Community Services in 2009
- Owls Head was never official designated with an order in council (OIC) as a park reserve, however departmental policy has been for any crown land identified as a park reserve, to be managed under the parks program pending future designation.
- To remove the lands from the PAPA a Memorandum to Executive Council (MEC) would be required

#### RECOMMENDATON/ADVICE:

Redacted

PREPARED BY: Matt Parker, Director Parks, Outreach & Service Delivery (893-5694)

DATE: May 2, 2017

CONTACT: Matt Parker, Director Parks, Outreach & Service Delivery (893-5694)

Approved by Acting Director Parks: Matt Parker (902-893-5694)

Approved by Executive Director: Walter Fanning,

# TAB 3

#### Lighthouse Links at Little Harbour/Owls Head, Halifax County

NOTE: Lighthouse Links Development Company (the Company) has asked to purchase approximately 704 acres of Crown lands at Little Harbour, Halifax County to build a golf course complex.

#### **KEY MESSAGE(S):**

- The Company's objective "is to build one of the world's finest golf complexes with other facilities, preserving and enhancing the natural beauty of the area, while making it accessible to the public, to Canadians and tourists from around the world."
- The Crown lands being requested are currently identified on Property Online as PIDs 00489591 (650 acres), 40747578 (20 acres), 40751273 (32 acres), and 41307992 (2 acres island in Long Cove).
- G.S. Beckwith Gilbert, President of the Company and his wife, own adjacent lands. The
  proposed golf complex would encompass both his lands and the Crown lands. The
  project plan is for two or three 18 hole links courses.
- The Crown lands have been identified as part of the Owls Head Provincial Park in the Parks and Protected Areas Plan.

#### **CURRENT SITUATION:**

- Mr. Gilbert and his wife have acquired land along the Eastern Shore over the past 15years, including 3 miles of ocean shoreline. They currently own approximately 340 acres adjacent to the Crown lands they are asking to acquire.
- The project would open access to the beaches and coastline in Little Harbour (currently only accessible over private lands or boat/kayak).
- The Company's proposal claims that acquisition of the Crown lands is essential for the project to be feasible.
- The proposal indicates that the Company wants to build on the successful ventures of the Cabot Links and Cabot Cliffs golf courses to enhance Nova Scotia as a golf destination and increase employment opportunities on the Eastern Shore.
- The Company believes the landscape at Little Harbour is similar in aesthetics to the landscape on the Oregon Coast. Mr. Gilbert hired Jim Urbina, an architect who designed part of the Bandon Dunes complex in Oregon, to design a layout for the project.
- Previously, Mr. Gilbert indicated they would be willing to discuss donation options for the 32 acres they own on Cuckold Island (PID 00555854).
- The Company states that the proposal would have economic benefits for the area by enhancing tourism and increasing employment on the Eastern Shore.

Prepared by: Robyn McPherson, Senior Land Administration Officer, Land Services

Date: July 14, 2017

Contact: Leslie Hickman, Executive Director, Land Services (902-424-4267)

Department: Natural Resources

# TAB 4

# Lighthouse Links

A world-class oceanfront golf destination for the Eastern Shore of Nova Scotia, creating hundreds of new jobs in Little Harbour, providing major economic benefits for the region

## Lighthouse Links

#### SUMMARY - BUSINESS PLAN

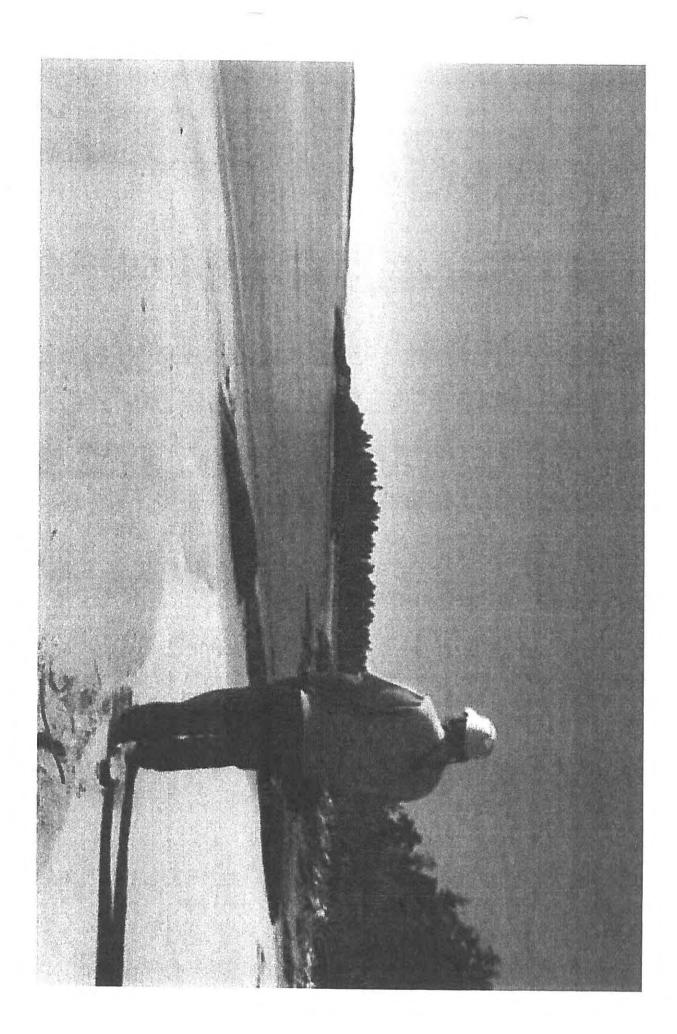
- 1. Lighthouse Links Development Company, a NSULC, proposes to build two to three world-class oceanfront links public golf courses in Little Harbour (only an hour and 15 minutes from downtown Halifax and the airport) with over eight miles of ocean frontage and 1,040 acres of land, based on the highly successful Cabot Links model.
- 2. These courses, designed by several prominent golf course architects, will encourage more tourists, visitors, and others to come to the Eastern Shore, as well as create an attractive suburb for families working in the Halifax/Dartmouth area.
- 3. The project will also attract industry, plus providing additional employment opportunities and economic benefits for the Eastern Shore and its residents.
- 4. Lighthouse Links requests permission from the Federal Crown and the Province of Nova Scotia to acquire approximately 740 acres of land in Little Harbour which would be combined with 340 acres of contiguous land owned by Mr. and Mrs. G. S. Beckwith Gilbert to construct these golf courses and a clubhouse, an inn, and other related facilities.
- 5. Mike Keiser, the creator of Bandon Dunes, and his partner at Cabot Links, Ben Cowan-Dewar, visited the property and have been very helpful in helping us formulate our plans and introduced us to two well-known golf course architects.
- 6. Mike emphasizes the importance of having at least two or three 18 hole courses together to provide favorable economics a model which has worked well for him at both Bandon and Cabot.
- 7. Mr. Gilbert owns 100% of the stock of Lighthouse Links Holdings, a U. S. subchapter S corporation, which is the sole owner of Lighthouse Links Development Company.
- 8. The aerial photograph and map on the next pages show the Gilbert properties as well as the lands owned by the Federal Crown and the Province.

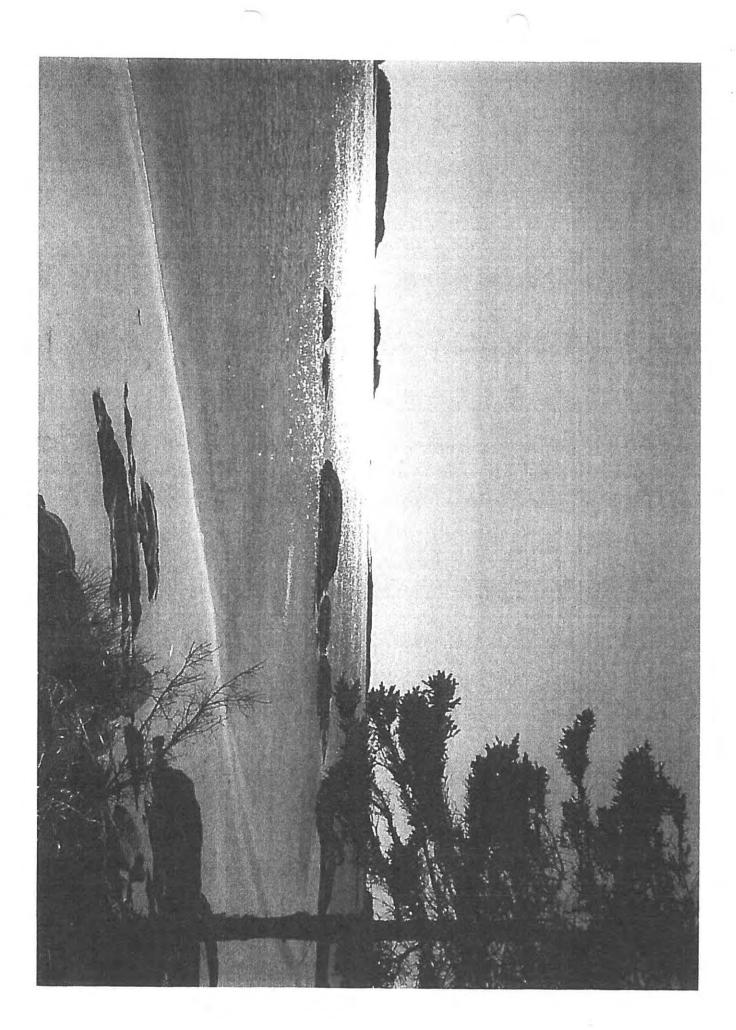


one and information to \$ 5.5 kg CHIPMATING CENTER 100 WHO I PID 00555847 PID 40747578: PID 41307992. PID 00489591 PID 00555284 PID 40751273 PID 00555854 PID 40692683 PID 40630733 PID 40710725 This may in a propriate improve present of property based were what approximate it be also as the property of the property based parable (such as the property by based parable (such as the property by based on the property based on the property of the pr

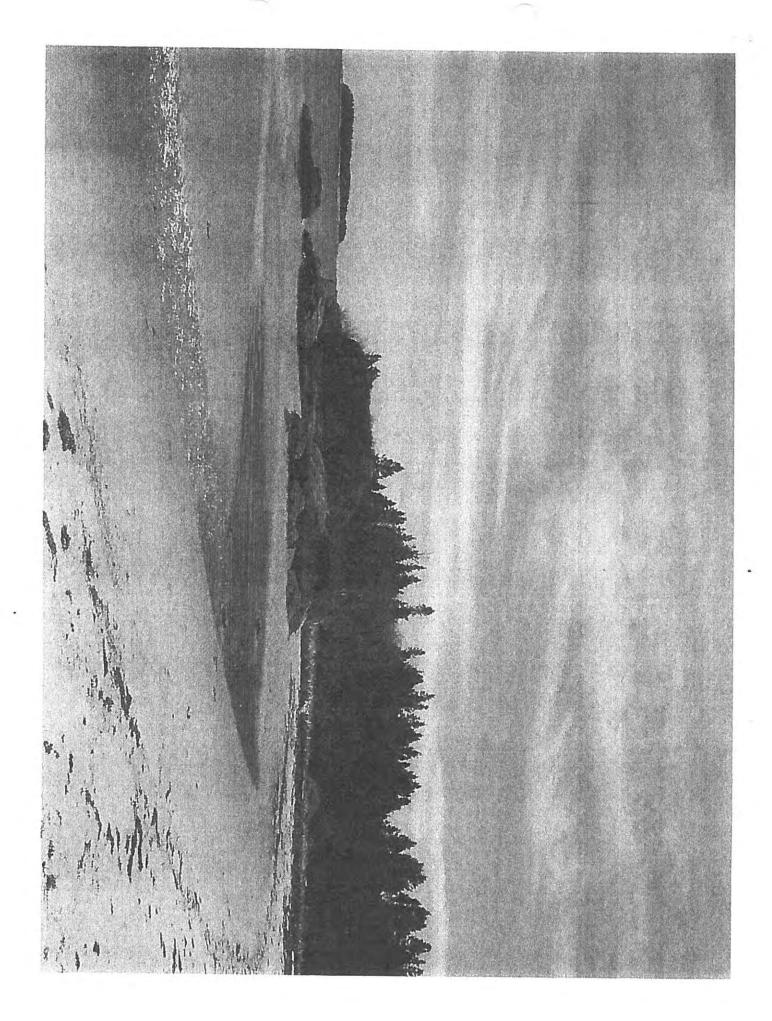
## Golf Course Architects

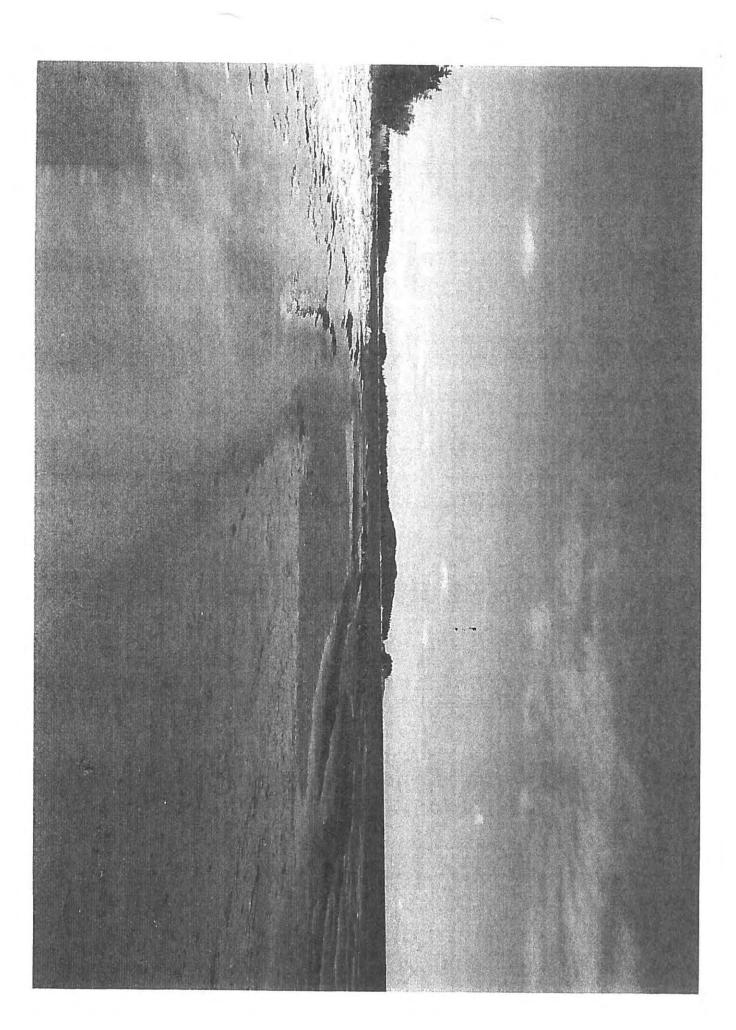
- Jim Urbina, one of the two golf course architects who have been advising us, surveys the property on the next page.
- The pages which follow also show six slides of the spectacular views from the Gilbert properties and the special holes which could be built there.
- Jim is the architect of the Old MacDonald links course, part of the Bandon Dunes complex on the rugged Oregon coast.
- Gil Hanse is the second golf course architect we have consulted. Gil designed the Olympic Golf Course in Rio de Janeiro for the 2016 Olympics, as well as the South Course of the Los Angeles Country Club, the Boston Golf Club in Hingham, MA, as well as many others.
- Both Jim and Gil were recommended to us by Mike Keiser.

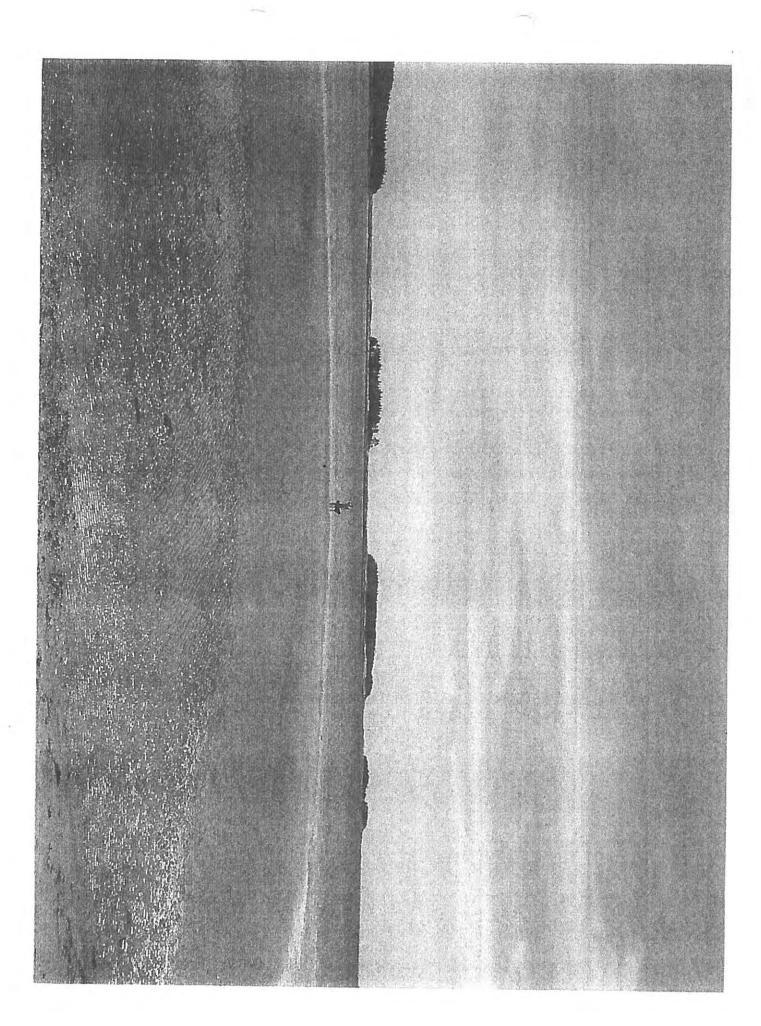


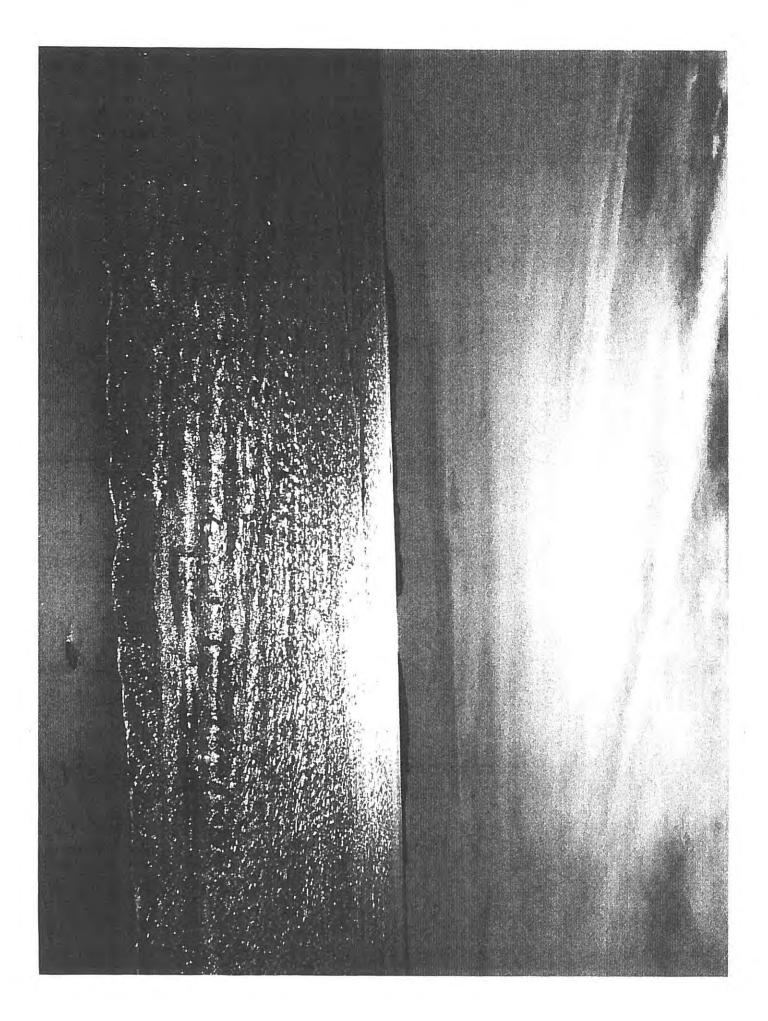






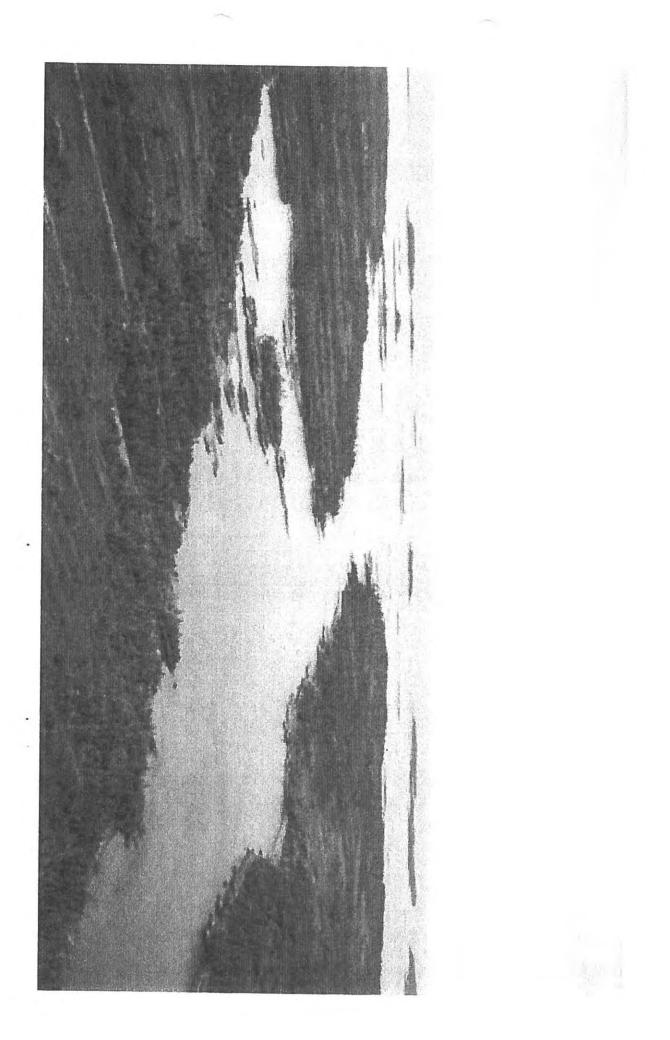


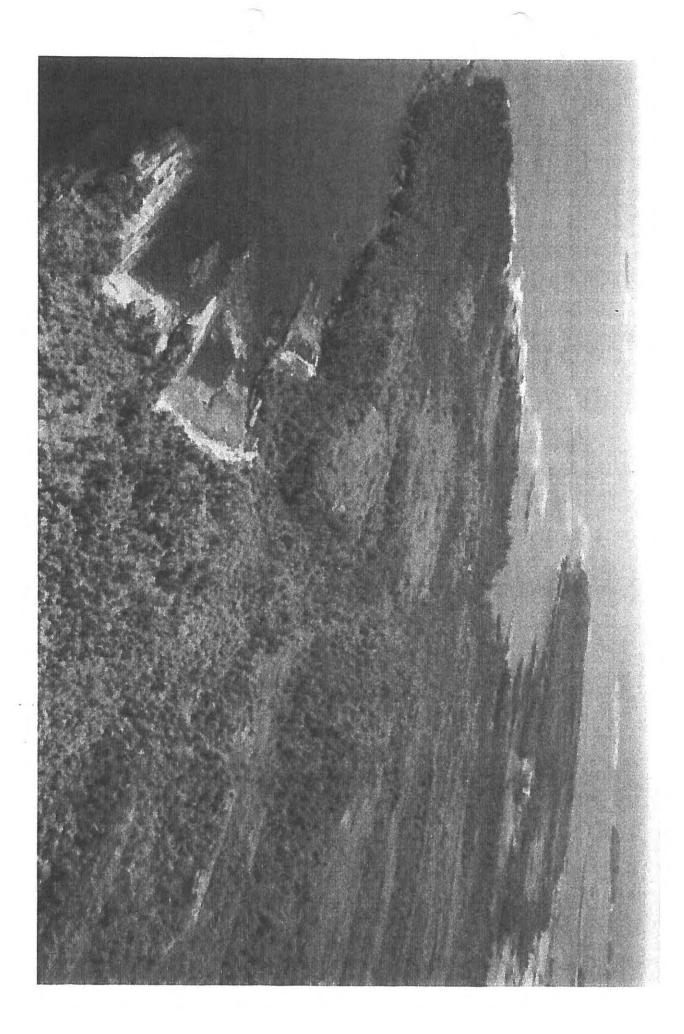


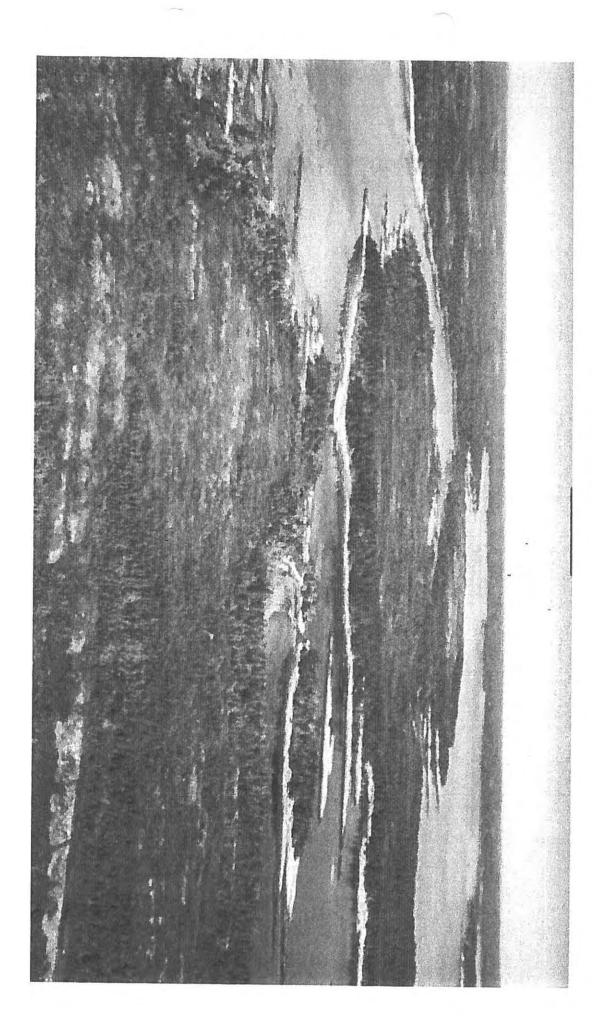


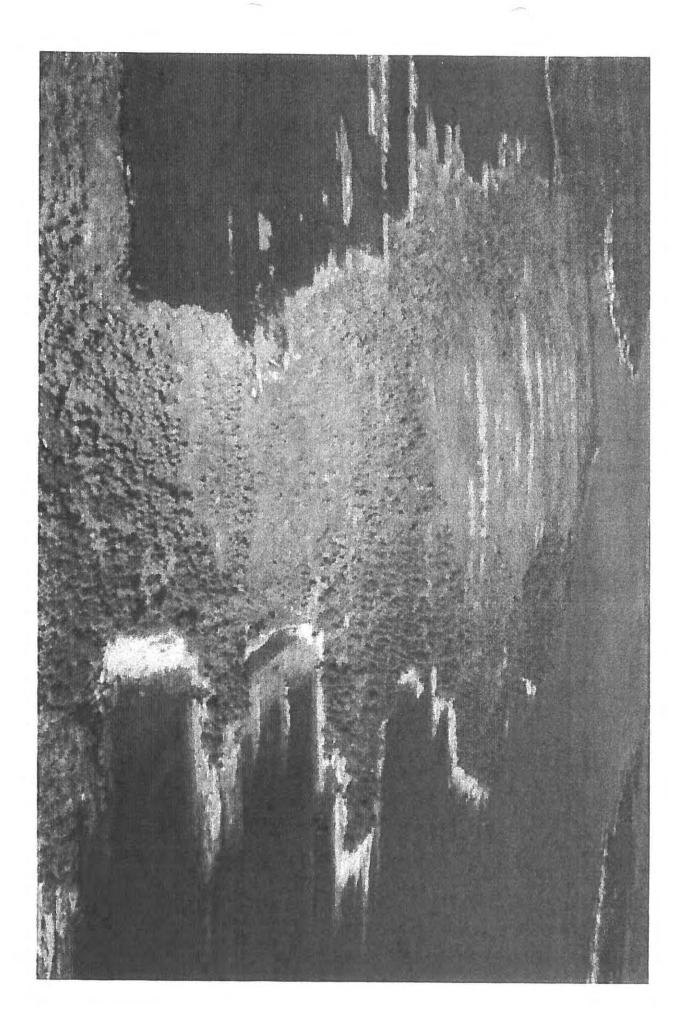
## Land owned by the Federal Crown and the Province of Nova Scotia

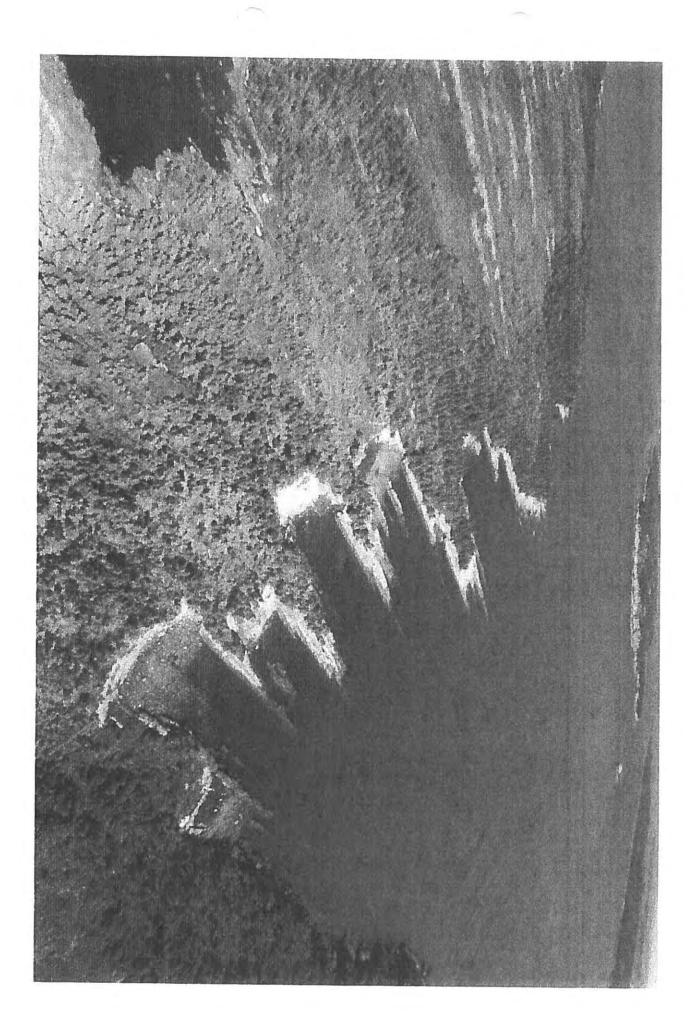
- Crown Transport Canada owns 40 acres with the Owls Head automated lighthouse.
- The Province owns 4 parcels totaling 700 acres.
- One or two 18 hole golf courses could be built on the 740 acres with expansive open ocean views with jagged granite outcroppings, together with calmer waters in the cove.
- The six slides which follow show aerial views of the property which the golf course architects feel could be transformed into world class courses.

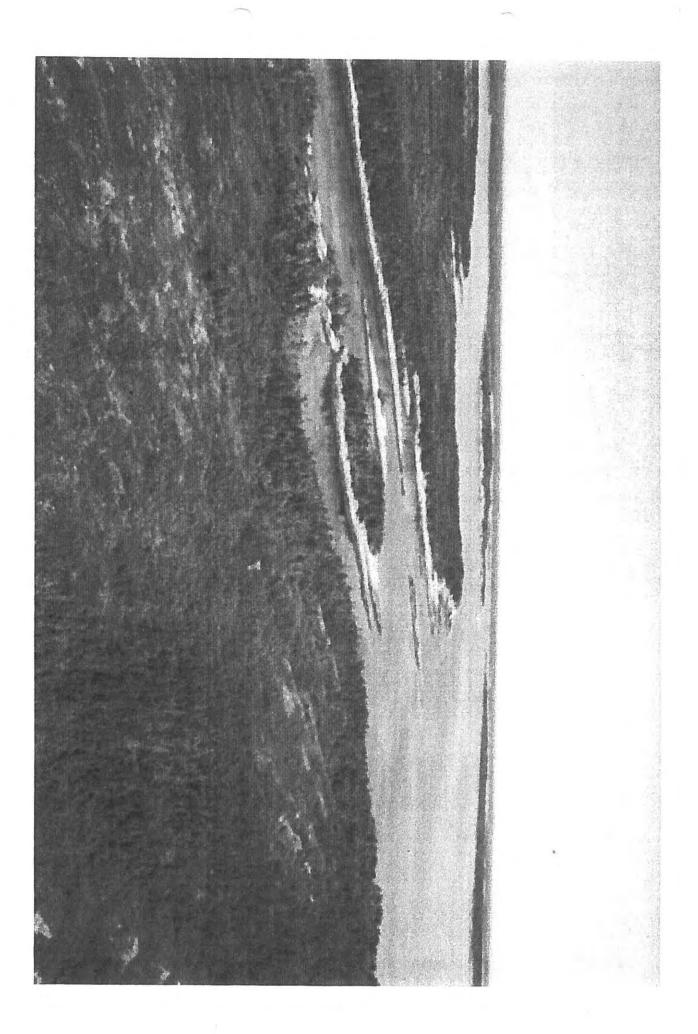








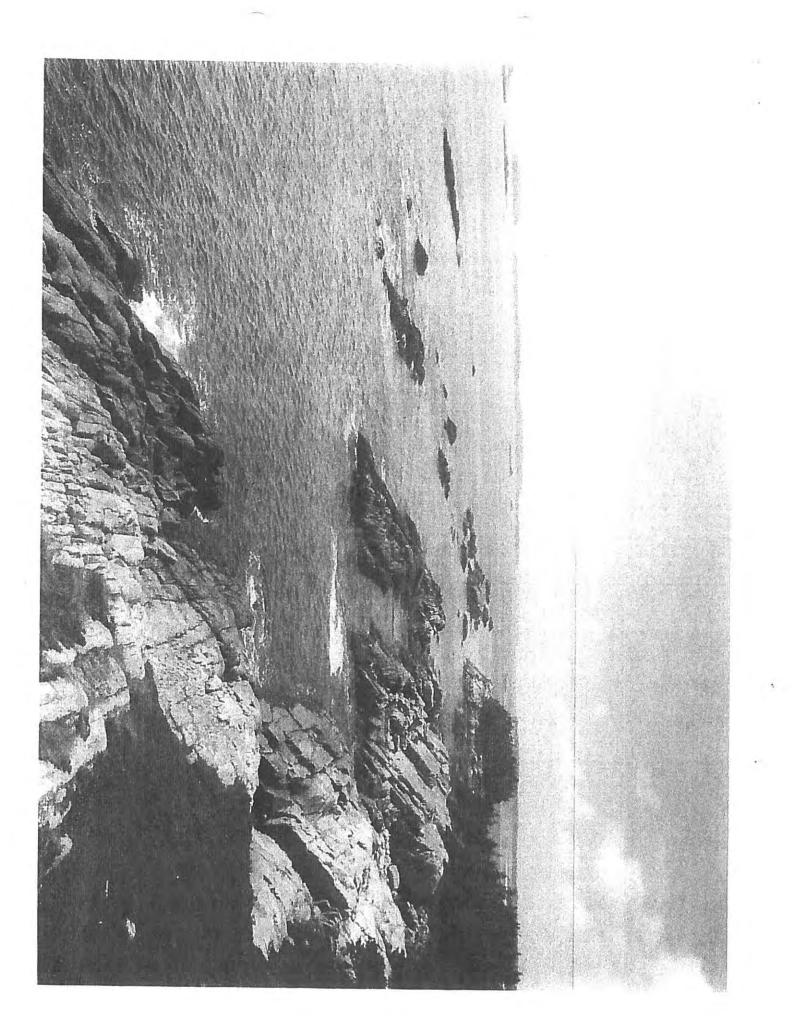


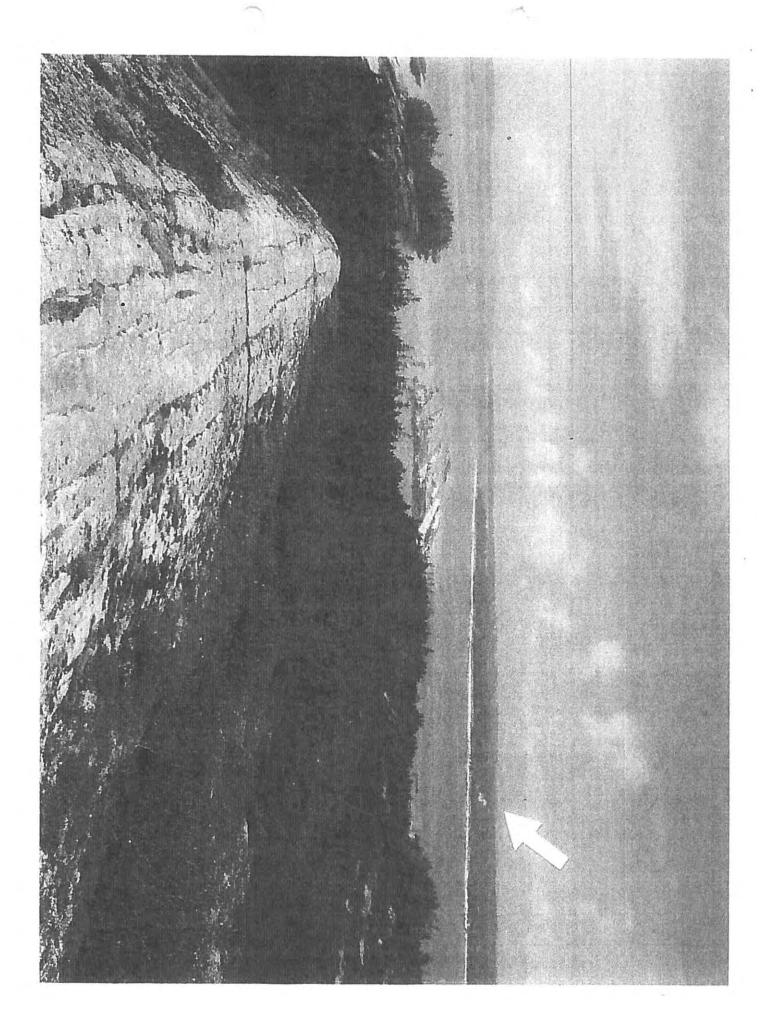


### Lands owned by the Gilberts of possible interest to the Province

- The next three slides show an ocean island at the mouth of Long Cove, with a peak elevation of approximately 100 feet, 18 acres of which are owned by the Gilberts. Minister Hines had indicated an interest in this property in our meeting last year.
- A bog of approximately 75 acres close to Little Harbour Road could also be of interest.







## TAB 5

### Redocted Intervant Internal Correspondence

From: Minister, Natural Resources

Sent: Tuesday, September 26, 2017 1:14 PM

To: 'beckgilbert@gmail.com' <beckgilbert@gmail.com>

Cc: 'info@kevinmurphy.ca' < info@kevinmurphy.ca'; Fanning, Walter < Walter.Fanning@novascotia.ca'; 'coles@nsbi.ca'

<coles@nsbi.ca>; 'sglover@coxandpalmer.com' <sglover@coxandpalmer.com>

Subject: Re: Proposal to acquire Crown lands for the Lighthouse Links project at Owls Head, NS

Mr. G. S. Beckwith Gilbert, Chairman PASSUR Aerospace One Landmark Square, Suite 1900 Stamford, CT 06901

Dear Mr. Gilbert:

I am writing further to your presentation on September 7, 2017 and email of September 10, 2017 to provide a summary of the various steps that are required to proceed with your proposal to acquire Crown lands for your Lighthouse Links project at Owls Head, N.S.

Staff have reviewed the application/proposal submitted by Sean Glover on behalf of your company dated August 15, 2016, as well as your September 2017 presentation materials and advise that there are authorizations/approvals that will be required in addition to those from the Department of Natural Resources (DNR).

As discussed at the September meeting, the first step that must be taken before the transaction can proceed is DNR obtaining authorization from Cabinet to remove the Crown lands from the Parks and Protected Areas Plan (PAPA). The PAPA was issued by the Minister of Environment and the Minister of Natural Resources in 2013 and lays out the commitment by the Province to work towards protecting lands identified in the Plan. All other processes are subject to this step being successfully completed.

If approval is received from Cabinet to remove the Crown lands from the PAPA, staff advise that these are the next steps that will be required for your proposal:

#### **Environmental Assessment:**

A development project such as yours, must to be screened to determine if it requires an environmental assessment (EA), which falls under the jurisdiction of the Department of Environment (NSE). The types of projects that require an EA are listed in the Environmental Assessment Regulations. For example, if there are significant wetland impacts, the Lighthouse Links golf course could trigger an EA. EA information can be found at: <a href="http://novascotia.ca/nse/ea/">http://novascotia.ca/nse/ea/</a>. The following are the legislation and regulations which govern environmental assessment in Nova Scotia: <a href="http://novascotia.ca/nse/ea/">Environmental Assessment Regulations</a> and <a href="http://novascotia.ca/nse/ea/">Environmental Assessment Regulations</a> and <a href="http://novascotia.ca/nse/ea/">Environmental Assessment Regulations</a> and

Due to the nature of an EA, it is initiated at the beginning of a project and it includes other steps such as public consultation and aboriginal consultation.

We recommend that you speak directly with NSE regarding potential EA requirements. The Supervisor of EA, Ms. Helen MacPhail can be reached at (902) 424-3960.

Please note that steps required by DNR can be ongoing while the EA and other authorities are in process, but the conveyance of Crown lands would not be finalized until an EA is complete.

#### Federal Lands (Transport Canada):

At the September meeting, you referred to discussions you have had with Transport Canada regarding lands they own that you are requesting as part of the Lighthouse Links project. DNR needs to be involved in future discussions if Transport Canada is proposing to transfer them to DNR.

#### Possible Authorizations required from other regulators/government entities:

Typically for a project of this nature, various authorizations/approvals will be required from various sources other than DNR. The following are additional authorizations/approvals that appear likely based on information received to date (the list may change as more project details become available):

- Approvals from Transportation Infrastructure and Renewal depending on increases in traffic volume, required road work and public road access;
- Municipal approvals including: development approvals (sewer, subdivision, condominium or facilities development);
- Additional approvals would be required from Transport Canada and other approvals related to aircraft
  operations and safety if the project includes the development of a helipad or facilities to access the site
  by air; and
- Approvals from NSE pursuant to the Environment Act (e.g. watercourse / wetlands alterations)

#### DNR steps:

Although additional steps may be required as due diligence and research is completed for the project, there are certain steps that will be required as part of the DNR process before a request for approval to convey the requested Crown lands can be presented to Cabinet.

A preliminary records research report was conducted prior to the initial meeting in 2016 to identify potential encumbrances on the land, but a full report is required, which will take approximately 2 weeks.

While that research is being conducted, the Integrated Resource Management report (IRM) can be conducted. The IRM is a planning and decision making tool used by DNR to ensure a mix of land use activities, minimize conflict and balance social, economic, and environmental benefits from activities on Crown lands. Within the Regional Services Branch of DNR there are three Regional IRM Teams comprised of resource sector professionals including Crown forest planners, wildlife biologists, GIS specialists and other specialties.

IRM is used to provide input into decisions regarding proposed activities on Crown lands and resource use, including legal authorities issued by the Land Services Branch and authorizations issued by other DNR Branches. This step will take approximately 30 days.

The Government of Nova Scotia is committed to making decisions in a manner that is consistent with the recognition and affirmation of existing and asserted Aboriginal and treaty rights. Consultation with the Mi'kmaq of Nova Scotia and accommodation where required, and appropriate, occurs when contemplating conduct that has the potential to adversely impact established and/or asserted Mi'kmaw Aboriginal rights. If an Environmental Assessment is not required for the project, then DNR will lead consultation with the Mi'kmaq of Nova Scotia. In that case, the consultation would be initiated at the same time the IRM is started. The timing to complete consultation will depend on the potential impacts identified and options for addressing those impacts. If archaeological work is required, the costs would be your responsibility.

It is always recommended that proponents also engage with the Mi'kmaq. The following link provides information related to this suggestion: Proponents' Guide: Engagement with the Mi'kmaq of Nova Scotia.

If there is an intention to develop a marina, build wharves or put in place shoreline protection measures (e.g. armourstone), approvals would be required from DNR for work on any submerged Crown lands as well as possibly from NSE (e.g. if depositing any dredged materials and for any watercourse alteration). It could also require permits from the Federal Department of Fisheries and Oceans, Navigation Protection and Transport Canada. For DNR, the permit process can up to 6 months, but it would depend on the scope of the project (wharf vs marina).

You will be required to have a survey and appraisal prepared at your own cost, but the timeline is controlled by you.

Thank you for meeting with us. Please let us know if you have any questions or require additional information related to next steps outlined in this letter.

Sincerely,

Original signed by

Margaret Miller Minister of Natural Resources

c Kevin Murphy, MLA
Walter Fanning, Executive Director Regional Services
Jonathan Coles, NSBI
Sean Glover, Partner, Cox & Palmer

## TAB 6

#### Townsend, Jack

From: Hickman, Leslie C

Sent: October 23, 2017 3:45 PM
To: 'beckgilbert@gmail.com'

Cc: 'Jonathan Coles'; 'Glover, Sean (Halifax)'; Parker, Matt S

Subject: Lighthouse Links follow-up

#### Hello Mr. Gilbert,

I hope that you are enjoying fall weather as nice as we are in Nova Scotia. I was asked to touch base following a recent meeting held between the Departments of Natural Resources and Environment to advise that a more detailed project/business plan is being requested in order to fully assess your plans for the Crown lands being requested. I copy Jonathan Coles from NSBI as point of contact for you to use to discuss the kind of information being requested in the plan. He can also help coordinate questions you may have in relation to this request. As always, you are welcome to contact us with questions specific to the DNR part of the application process. Regards,

Leslie

## TAB 7

#### McPherson, Robyn

From: Hickman, Leslie C

Sent: Tuesday, November 28, 2017 6:18 PM

To: Fanning, Walter, Towers, Julie K; Bignell, Laura M

Cc: McPherson, Robyn

Subject: FW: Lighthouse Links - Voicemail

Fyi

And for records we spoke on the 16th

From: Hickman, Leslie C

Sent: Tuesday, November 28, 2017 6:17 PM

To: 'Glover, Sean (Halifax)' <sglover@coxandpalmer.com>

Subject: RE: Lighthouse Links - Voicemail

Hi Sean, I spoke with the Deputy today and she confirmed that an updated business plan is still required as the next step. Please feel free to contact me if you want to discuss options to allow access to the site to gather information required for the plan development or any other matters related to the request.

Regards, Leslie

From: Glover, Sean (Halifax) [mailto:sglover@coxandpalmer.com]

Sent: Monday, November 27, 2017 10:23 AM

To: Hickman, Leslie C < Leslie. Hickman@novascotia.ca>

Subject: RE: Lighthouse Links - Voicemail

Good morning Leslie, I'm writing to see if you've had any luck following our discussion on the 14th?

I know we'd had some discussion on your understanding that a business plan would be required before we could go any further, but such a plan would be difficult to prepare in the absence of property specific knowledge that we can only gain by accessing the property.

Thank you,

Sean M. Glover | Cox & Palmer | Partner | Lawyer

Direct 902 491-4236 Cell 902 449-4352 Fax 902 421 3130 Web coxandpalmerlaw.com

Address Purdy's Wharf Tower I, 1100-1959 Upper Water Street Halifax NS B3J 3N2

From: Glover, Sean (Halifax)

Sent: November 14, 2017 3:02 PM

To: 'Hickman, Leslie C' < Leslie. Hickman@novascotia.ca >

Subject: Lighthouse Links - Voicemail

Good afternoon Leslie, per my voicemail, my client has asked me to reach out to you with respect to some high level discussions that occurred earlier this month. When you're able, can you please give me a call back, or reach out to arrange a time for a call that works for you?

Thank you,

Sean M. Glover | Cox & Palmer | Partner | Lawyer

Direct 902 491-4236 Cell 902 449-4352 Fax 902 421 3130 Web coxandpalmerlaw.com

Address Purdy's Wharf Tower I, 1100-1959 Upper Water Street Halifax NS B3J 3N2

# TAB 8

#### Townsend, Jack

From:

Hickman, Leslie C

Sent: To:

February 23, 2018 11:14 AM 'Sean.Fraser.P9@parl.gc.ca'

Cc:

'jcoles@nsbi.ca'; 'Sean.Fraser.C2@parl.gc.ca'; Fanning, Walter; Bignell, Laura M

Subject:

RE: Golf Course on Eastern Shore

#### Hello,

Thank you for the call this morning. I will share your comments with my Deputy and Minister. As requested, this is the letter we sent to Mr. Gilbert summarizing the steps involved for his request. There were subsequent emails advising an updated business plan was required, which I understand Jonathan spoke with him about to provide some guidance. Please let us know if you require additional information.

Leslie

From: Minister, Natural Resources

Sent: Tuesday, September 26, 2017 1:14 PM

To: 'beckgilbert@gmail.com' <beckgilbert@gmail.com>

Cc: 'info@kevinmurphy.ca' <info@kevinmurphy.ca'; Fanning, Walter < Walter.Fanning@novascotia.ca'; 'coles@nsbi.ca'

<coles@nsbi.ca>; 'sglover@coxandpalmer.com' <sglover@coxandpalmer.com>

Subject: Re: Proposal to acquire Crown lands for the Lighthouse Links project at Owls Head, NS

Mr. G. S. Beckwith Gilbert, Chairman PASSUR Aerospace One Landmark Square, Suite 1900 Stamford, CT 06901

Dear Mr. Gilbert:

I am writing further to your presentation on September 7, 2017 and email of September 10, 2017 to provide a summary of the various steps that are required to proceed with your proposal to acquire Crown lands for your Lighthouse Links project at Owls Head, N.S.

Staff have reviewed the application/proposal submitted by Sean Glover on behalf of your company dated August 15, 2016, as well as your September 2017 presentation materials and advise that there are authorizations/approvals that will be required in addition to those from the Department of Natural Resources (DNR).

As discussed at the September meeting, the first step that must be taken before the transaction can proceed is DNR obtaining authorization from Cabinet to remove the Crown lands from the Parks and Protected Areas Plan (PAPA). The PAPA was issued by the Minister of Environment and the Minister of Natural Resources in 2013 and lays out the commitment by the Province to work towards protecting lands identified in the Plan. All other processes are subject to this step being successfully completed.

If approval is received from Cabinet to remove the Crown lands from the PAPA, staff advise that these are the next steps that will be required for your proposal:

#### **Environmental Assessment:**

A development project such as yours, must to be screened to determine if it requires an environmental assessment (EA), which falls under the jurisdiction of the Department of Environment (NSE). The types of projects that require an EA are listed in the Environmental Assessment Regulations. For example, if there are significant wetland impacts, the

Lighthouse Links golf course could trigger an EA. EA information can be found at: http://novascotia.ca/nse/ea/. The following are the legislation and regulations which govern environmental assessment in Nova Scotia: Environment Act; Environmental Assessment Regulations and Environmental Assessment Review Panel Regulations.

Due to the nature of an EA, it is initiated at the beginning of a project and it includes other steps such as public consultation and aboriginal consultation.

We recommend that you speak directly with NSE regarding potential EA requirements. The Supervisor of EA, Ms. Helen MacPhail can be reached at (902) 424-3960.

Please note that steps required by DNR can be ongoing while the EA and other authorities are in process, but the conveyance of Crown lands would not be finalized until an EA is complete.

#### Federal Lands (Transport Canada):

At the September meeting, you referred to discussions you have had with Transport Canada regarding lands they own that you are requesting as part of the Lighthouse Links project. DNR needs to be involved in future discussions if Transport Canada is proposing to transfer them to DNR.

Possible Authorizations required from other regulators/government entities:

Typically for a project of this nature, various authorizations/approvals will be required from various sources other than DNR. The following are additional authorizations/approvals that appear likely based on information received to date (the list may change as more project details become available):

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- Municipal approvals including: development approvals (sewer, subdivision, condominium or facilities development);
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  operations and safety if the project includes the development of a helipad or facilities to access the site by air; and
- Approvals from NSE pursuant to the Environment Act (e.g. watercourse / wetlands alterations)

#### DNR steps:

Although additional steps may be required as due diligence and research is completed for the project, there are certain steps that will be required as part of the DNR process before a request for approval to convey the requested Crown lands can be presented to Cabinet.

A preliminary records research report was conducted prior to the initial meeting in 2016 to identify potential encumbrances on the land, but a full report is required, which will take approximately 2 weeks.

While that research is being conducted, the Integrated Resource Management report (IRM) can be conducted. The IRM is a planning and decision making tool used by DNR to ensure a mix of land use activities, minimize conflict and balance social, economic, and environmental benefits from activities on Crown lands. Within the Regional Services Branch of DNR there are three Regional IRM Teams comprised of resource sector professionals including Crown forest planners, wildlife biologists, GIS specialists and other specialties.

IRM is used to provide input into decisions regarding proposed activities on Crown lands and resource use, including legal authorities issued by the Land Services Branch and authorizations issued by other DNR Branches. This step will take approximately 30 days.

The Government of Nova Scotia is committed to making decisions in a manner that is consistent with the recognition and affirmation of existing and asserted Aboriginal and treaty rights. Consultation with the Mi'kmaq of Nova Scotia and accommodation where required, and appropriate, occurs when contemplating conduct that has the potential to adversely impact established and/or asserted Mi'kmaw Aboriginal rights. If an Environmental Assessment is not required for the project, then DNR will lead consultation with the Mi'kmaq of Nova Scotia. In that case, the consultation

would be initiated at the same time the IRM is started. The timing to complete consultation will depend on the potential impacts identified and options for addressing those impacts. If archaeological work is required, the costs would be your responsibility.

It is always recommended that proponents also engage with the Mi'kmaq. The following link provides information related to this suggestion: Proponents' Guide: Engagement with the Mi'kmaq of Nova Scotia.

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You will be required to have a survey and appraisal prepared at your own cost, but the timeline is controlled by you.

Thank you for meeting with us. Please let us know if you have any questions or require additional information related to next steps outlined in this letter.

Sincerely,

Original signed by

Margaret Miller Minister of Natural Resources

c Kevin Murphy, MLA Walter Fanning, Executive Director Regional Services Jonathan Coles, NSBI Sean Glover, Partner, Cox & Palmer

----Original Message----

From: Sean.Fraser.P9@parl.gc.ca [mailto:Sean.Fraser.P9@parl.gc.ca]

Sent: Wednesday, February 21, 2018 9:41 PM

To: Hickman, Leslie C < Leslie. Hickman@novascotia.ca>

Cc: jcoles@nsbi.ca; Sean.Fraser.C2@parl.gc.ca; Fanning, Walter < Walter.Fanning@novascotia.ca>

Subject: Re: Golf Course on Eastern Shore

613-327-9350.

I look forward to it!

Sean

From: Hickman, Leslie C < Leslie. Hickman@novascotia.ca>

Date: February 21, 2018 at 5:02:48 PM EST

To: Fraser, Sean - Personal < Sean. Fraser. P9@parl.gc.ca>

Cc: jcoles@nsbi.ca <jcoles@nsbi.ca>, Fanning, Walter <Walter.Fanning@novascotia.ca>, Fraser, Sean - Riding 2 <Sean.Fraser.C2@parl.gc.ca>

Subject: Re: Golf Course on Eastern Shore

Hi Sean, I can have a call at 9 on Friday. What is the best number for me to use? Leslie

Sent from my BlackBerry 10 smartphone on the Bell network.

Original Message

From: Sean.Fraser.P9@parl.gc.ca

Sent: Tuesday, February 20, 2018 6:48 PM

To: Hickman, Leslie C

Cc: Fanning, Walter; Sean.Fraser.C2@parl.gc.ca; jcoles@nsbi.ca

Subject: RE: Golf Course on Eastern Shore

Leslie,

I think connecting by phone would be wise in order to chat sooner. The reason being that Mr. Gilbert is unable to do a proper business plan without first doing a geological survey of the land to properly understand the cost of the work required.

He believes he may be able to satisfy your requirements if he does the work on the federal land, should he become the owner. However, some coordination is required because the federal land must first be offered to the province prior to being disposed of to the public.

If the Province purchases the federal land, and requires the business plan from Mr. Gilbert prior to subsequently selling the land to him, he will likely be unable to provide the details you are looking for because of his inability to properly assess the cost. However, if the Province chooses not to purchase the land, Mr. Gilbert would be interested in competing in the market to purchase the land, and subsequently provide the details you are looking for after he completes the survey work on the federal portion of the land in order to better understand the cost of the project.

To make a long story short, a phone call might help to coordinate things so we are in a position to meet your needs and facilitate a major private sector investment in rural Nova Scotia.

Is there any chance Friday morning around 9:00 am could work?

Thanks,

Sean

From: Hickman, Leslie C < Leslie. Hickman@novascotia.ca>

Date: February 20, 2018 at 5:07:15 PM AST

To: Fraser, Sean Personal <Sean.Fraser.P9@parl.gc.ca>

Cc: 'Jonathan Coles' < jcoles@nsbi.ca>, Fanning, Walter < Walter.Fanning@novascotia.ca>

Subject: RE: Golf Course on Eastern Shore

Hi Sean,

In the Fall of 2017, DNR contacted Mr. Gilbert following a meeting held between the Departments of Natural Resources and Environment to advise that we required a detailed project/business plan in order to fully assess his plans for the requested provincial Crown lands. NSBI spoke with Mr. Gilbert and offered to coordinate any questions he might have in relation to the request. There was subsequent correspondence with his lawyer, but I am not aware of Mr. Gilbert providing the requested business plan. At this time, that report is required before DNR can proceed with assessing Mr. Gilbert's request for provincial lands.

We are happy to set up a time for you to share the work the federal government has in process related to its land requested by Mr. Gilbert. Please let me know if you prefer a call or a meeting.

Leslie

----Original Message-----

From: Sean.Fraser.P9@parl.gc.ca [mailto:Sean.Fraser.P9@parl.gc.ca]

Sent: Tuesday, February 20, 2018 10:39 AM

To: Hickman, Leslie C < Leslie. Hickman@novascotia.ca>

Subject: Golf Course on Eastern Shore

Leslie,

I got your contact details from Beck Gilbert, who I understand you've dealt with previously (and was quite complimentary) regarding a proposed golf course development on Nova Scotia's Eastern Shore.

The proposed development would require he purchase of two pieces of land - one owned by the federal government, the other owned by the province. There has been significant progress towards the disposal of the federal asset. I am uncertain as to the status of the provincial land.

If you're able, I believe it would be helpful to connect to bring you up to speed and to see if I can assist on moving the provincial side of things along.

I hope all is well and look forward to connecting.

Thanks,

Sean

# TAB9

#### LIGHTHOUSE LINKS

### PROPOSAL FOR EXCHANGE OR PURCHASE OF LANDS IN LITTLE HARBOUR, HRM, NOVA SCOTIA

JULY 22, 2018



Prepared by Lighthouse Links Development Corporation

CONFIDENTIAL

#### Table of Contents

Executive Summary

Introduction to the Project

Cost Estimates

Benefits to the Province of Nova Scotia

Required Lands

The Purchase/Exchange

Management



#### **EXECUTIVE SUMMARY**

Lighthouse Links Development Corporation (the "Company") wishes to construct two or three world-class public 18-hole links golf courses in Little Harbour, HRM, Nova Scotia, comparable to Cabot Links and Cabot Cliffs. The unique terrain in Little Harbour would permit almost every hole to be either on the ocean or to have a spectacular ocean view.

The balance of the land would be used to develop a destination residential or resort community, with the intent of encouraging more tourists, visitors, and others to visit and live in the Eastern Shore.

In order to develop the project to its fullest potential, the Company is seeking to obtain title to approximately 740 acres of contiguous land from the Province of Nova Scotia and the Federal Crown.

In exchange for the conveyance of these Lands to the Company, the Company is prepared to: (i) provide a mixture of real estate and cash consideration to the Province; (ii) consider agreeing to re-convey the lands if agreed upon conditions are not met by the Company; and (iii) work with the Province and related stakeholders to ensure that the interests of Nova Scotians are considered throughout the development of the project.

#### INTRODUCTION TO THE PROJECT

The Company wishes to construct two or three world-class public 18-hole links golf courses in Little Harbour, HRM, Nova Scotia, comparable to Cabot Links and Cabot Cliffs. The unique terrain in Little Harbour would permit almost every hole to be either on the ocean or to have a spectacular ocean view.

Parties affiliated with the Company currently own approximately 340 acres of oceanfront property in Little Harbour, NS.

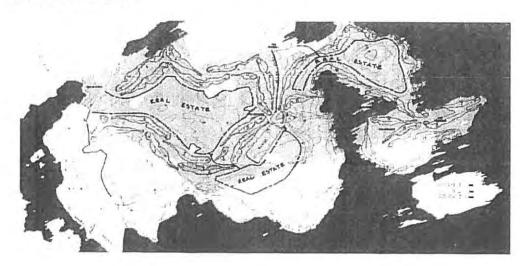
In order to develop the project to its fullest potential, the Company is seeking to obtain title to approximately 740 acres of contiguous land from the Province of Nova Scotia and the Federal Crown. The combined property would have over 12 kilometers of oceanfront land and would be approximately 50/75 minutes from Dartmouth, Halifax, and Stanfield Airport.

The balance of the land would be used to develop a destination residential or resort community, with the intent of encouraging more tourists, visitors, and others to visit and live in the Eastern Shore.

The Company has engaged Gil Hanse, a well-known golf course architect, who has designed or renovated a number of word-class courses around the globe, including the Olympic Golf Club in Rio, the Boston Golf Club, Streamsong in Florida, the Los Angeles Country Club, and the Vineyard Club, among others. Gil was recommended by Mike Keiser, one of the driving forces, along with Ben Cowan-Dewar, behind Cabot Links. Mike is also a principal owner of Cabot.

A preliminary plan developed by Gil Hanse for three courses is shown in Exhibits A1, A-2, and A-3, and on the next page.

Land shown in green is owned by either the Province or the Federal Crown. Land shown in white is owned by the proponent. The remaining part of Cuckold Island (on the lower right in the proposed course plan below) is to the East/right of proponent's land, is owned privately, and is also shown in white.



There are two potential sites for the first course to be built, one on either side of Long Cove which is partially between the two sides of the Provincial land. Both would ultimately become courses, but it's not clear which course should be built first.

This development should encourage more native Nova Scotians, along with tourists, visitors, and others, to come to the Eastern Shore, in expectation of creating a bedroom community for families working in the Halifax/Dartmouth area, could attract industry, and provide additional jobs for up to 150-200 people for the golf courses alone on an ongoing basis. Spin-off businesses should provide other economic benefits to the Eastern Shore. This project would tie in well to the current housing and tourism boom being experienced in and around Halifax and elsewhere in Nova Scotia.

Additional jobs would be created to construct the residential and commercial buildings. We estimate that it would take approximately three (3) years from breaking ground to complete the first course. The photo below shows some of the spectacular rock and sandy peninsulas which will become unique, sequential over-water holes, shown in Gil Hanse's preliminary course layout.



### ENVIRONMENTAL PROTECTION AND CREATING RECREATIONAL FACILITIES FOR PUBLIC ENJOYMENT

In addition to the public golf courses, the property has three major environmental/recreational features that could be protected and made available to the public:

- 18 acres of a spectacular ocean island, Cuckold Island, with panoramic views, plus
  potential hiking and climbing opportunities, which could be transferred by the Lighthouse
  Links owners to either the Province, or to not-for-profit organizations like the Nature
  Trust, or 100 Wild Islands, or other similar groups, as part of the land acquisition.
- A 79 acre bog which could potentially be transferred to the Province.
- Murphy's Lake, a deep lake close to Little Harbour Road, could be developed for boating
  and fishing. It is currently owned by the Province, but is rarely used because access is
  currently difficult. The Development could provide easy access and appropriate facilities.
- The coastline has many unique natural resources, including beautiful beaches and wonderful kayaking, which are now difficult to access because of the lack of public facilities. Similarly, the push to conserve the islands lining the coast is hampered by little practical access.



#### **COST ESTIMATES**

We have obtained cost estimates for the development of the lands from KemperSports, the golf course management company responsible for a number of notable golf courses, including those at Bandon Dunes. Mike Keiser is also a principal owner of Bandon Dunes on the Oregon coast - four the five courses at Bandon are listed in the top 100 courses in North America by Golf Digest.

According to Mike Keiser, this project will only be viable if at least two world-class golf courses can be constructed. KemperSports' preliminary estimate of the cost to construct the first course—without having visited the site, but after consulting with our golf course architect, Gil Hanse, who has visited it—is \$12.6 million. This number excludes the cost of building the infrastructure—the club house, lodging, a maintenance shed, parking, etc.

The above costs are much higher than the typical course because it would have to be built on ledge and sand is not easily available. The largest component consists of \$5,000,000 for earth moving/ledge removal and covering the area with sand, which must be trucked onto the site. We believe that significant savings, not accounted for in KemperSports' estimate, can be achieved by building a sand plant to convert the ledge that is removed during golf course construction to sand.

Refining our cost estimates requires an onsite evaluation of the terrain over which the courses would be built - which currently can't be accessed by construction equipment because there are no roads. We anticipate finding additional savings as well after an onsite evaluation.

In order to refine the cost estimates, two roads capable of handling construction vehicles from the existing road in Southwest Cove, would be required, one on either side of Long Cove. We estimate that about 2.5 miles of roads will be needed at a cost of approximately \$370,000.

A successful real estate development program is expected to be necessary to help offset the high costs of the golf course construction. We are currently evaluating whether the land used for the proposed third course would be better utilized for residential construction.

We intend to find a partner, or partners, experienced in golf course construction and management, as well as real estate development, who can participate in the project after the onsite evaluation described above is completed. We also intend to pursue such other funding opportunities as may present themselves over the course of the development.

#### REQUIRED LANDS

The Company is interested in a combination of purchasing and/or undertaking a land exchange for the Subject Lands, to complement to the 340 acres, shown in yellow, owned by the proponents, as shown below.

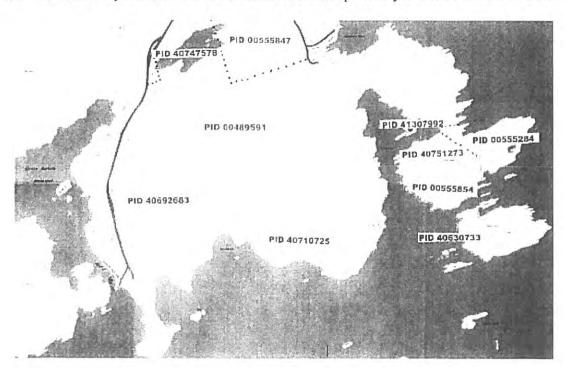
#### Subject Lands

The Subject Lands are composed of Forty (40) acres owned by Crown Transport Canada and approximately Seven Hundred (700) acres owned by the Province of Nova Scotia.

The 740 acres are more particularly set out as follows:

- Forty (40) acres owned by Crown Transport Canada including the Owl's Head automated lighthouse—PID # 00555284, which is in the process of being deaccessioned by the Federal Crown.
- 700 acres owned by the Province in four (4) parcels
  - 650 acres on both sides of Long Cove, on Southwest Cove, and on the Western shore of Ship Harbour – PID # 00489591
  - 20 acres including Murphy's Lake PID # 40747578
  - 32 acres on the Eastern shore of Long Cove PID # 40751273
  - 2 acres a small island in Long Cove PID # 41307992

Attached as Exhibit B and below is a map showing the location of these properties. Properties owned by the Company or related parties are in yellow. The Federal and Provincial properties are in white. The eastern portion of Cuckold Island is owned privately and also shown in white.



#### OFFER TO PURCHASE OR EXCHANGE

In furtherance of its goal, the Company proposes the following:

- 1. The Company obtains an appraisal from a certified appraiser satisfactory to the Province, for the Subject Lands, at its expense.
- In order to refine cost estimates and to facilitate the analysis by the Company of the terrain, ledge conditions, availability of sand, and potential course layouts, the Company and the Province enter into an agreement providing for the transfer of the Subject Lands to the Company, or an affiliated party. As consideration for the transfer, the Company is willing to agree to a combination of cash and land consideration. Land consideration could include all or a portion of its lands not necessary for the Project, such as the 18 acre portion of Cuckold Island and the 79 acre bog currently under control of the Company and its principals, and/or additional wood or other lots located throughout the Province of Nova Scotia, previously identified as properties of interest by Natural Resources, which could be made available by the Company as part of an exchange.
- In exchange for obtaining title to the Subject Lands, the Company will commit to the following:
  - (a) Contributing a minimum of \$500,000 towards building roads, testing and clearing the Subject Lands, as required to complete its analysis;
  - (b) Providing access to the Owl's Head lighthouse, which is currently only accessible by helicopter;
  - (c) Would also agree to re-convey the Subject Lands to the Province and get back any consideration received by the Province from the Company, if a minimum of \$500,000 as described in 3 (a) above is not spent by the Company.
  - (d) Such other conditions as may be agreed upon among the parties.
- 4. In the alternative, the Company is willing to conduct feasibility studies on a smaller portion of the Subject Lands, being the 40-acre Lighthouse property from the Federal Crown, about 150 acres from the Province on the East side of Long Cove, and about 200 acres on the West side of the cove. The Company would have a contractual right to acquire the remaining approximately 350 acres from the Province at a agreed-upon price, if the conditions in Section 3 above are met.
- 5. In order to proceed without additional delay, it would be important to get a substantial amount of this work done this year, before roads are closed to heavy equipment.

#### MANAGEMENT

G. S. Beckwith ("Beck") Gilbert. Beck is the controlling shareholder of Lighthouse Links Development Corporation. He and his wife, Kitty, have a home in Little Harbour with approximately 340 acres of land, which they have owned for about ten years, and previously had a home in Glen Haven. He enjoys spending time in Nova Scotia. They also have a residence in Greenwich, Connecticut.

Beck has been chairman of the board of PASSUR Aerospace, a business intelligence company serving the aviation industry, since 1997. In addition, he is president and chief executive officer of Field Point Capital Management Company, a private equity firm, a position he has held since 1988.

He is the former chairman of the executive committee of Dianon Systems as well as the former chairman, CEO, and majority shareholder of QO Chemicals. He was also the chairman and majority shareholder of Unitcast Canada, Inc. in Sherbrooke, Quebec. Previously, he was the chief financial officer of American Standard's world-wide Plumbing and Heating Group and the general operations manager of its Plastic Division.

Beck is chairman emeritus and a member of the Board of Fellows of Harvard Medical School, a director of HMS MEDscience, a director of the Yale Cancer Center, and a member of the Council on Foreign Relations.

He has also served as a trustee of Rockefeller University, treasurer and a director of the Lasker Foundation, a director of the Cancer Research Institute, founding chairman of the American Lyme Disease Foundation, and former chairman of the Lyme Disease Advisory Board at New York Medical College.

Beck graduated magna cum laude from Princeton's Woodrow Wilson School of Public and International Affairs in 1963. He received a MBA from New York University's evening program in 1967 and received a MS in Immunology, with a focus on cancer, from The Rockefeller University in 2006. Beck is an Honorary Member of the Graduating Class of 2004 at Weill Cornell Medical College.

**Katharine** (Kitty) Stoddert Gilbert. Kitty is Beck's wife, and a magna cum laude graduate of Bryn Mawr College with a major in Art History, and spent her entire working career at the Metropolitan Museum of Art as the Editor of the Bulletin and the Editor of the catalogue of the Tutankhamun exhibition.

EXHIBIT A-1 Course Overview

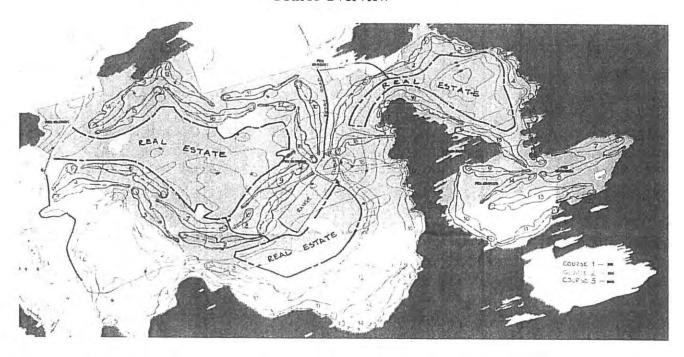


EXHIBIT A-2 Left Inset of Development Overview

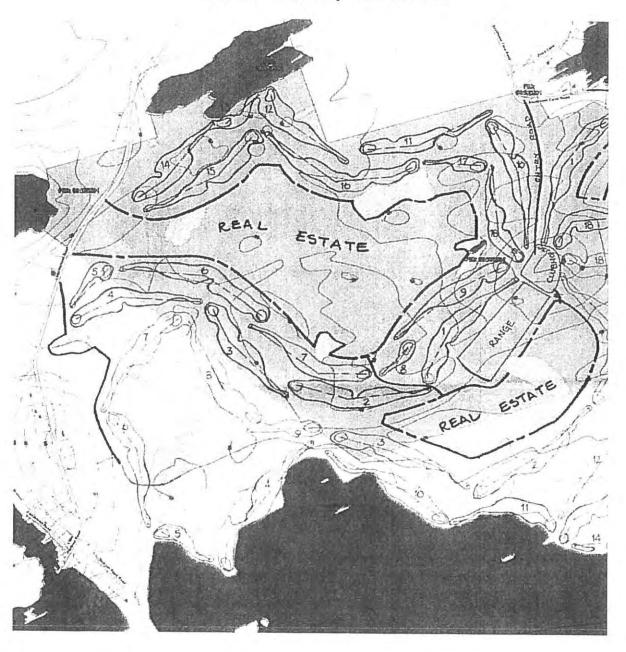
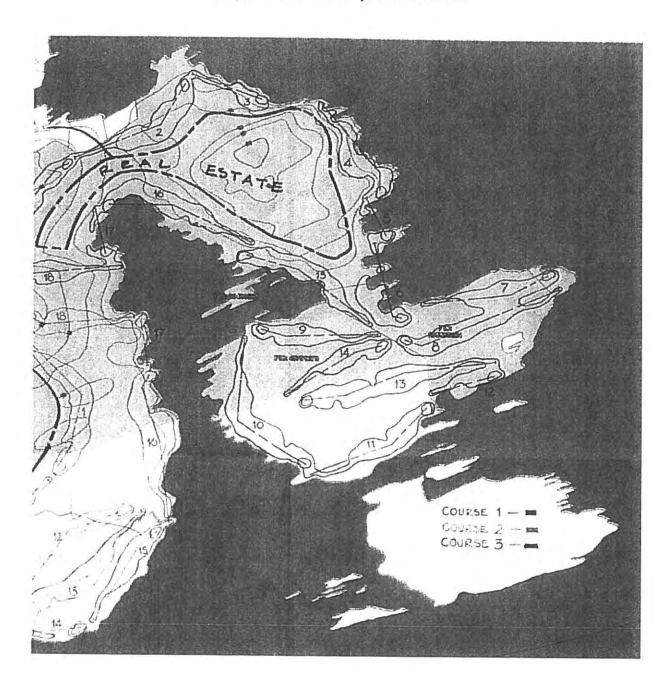
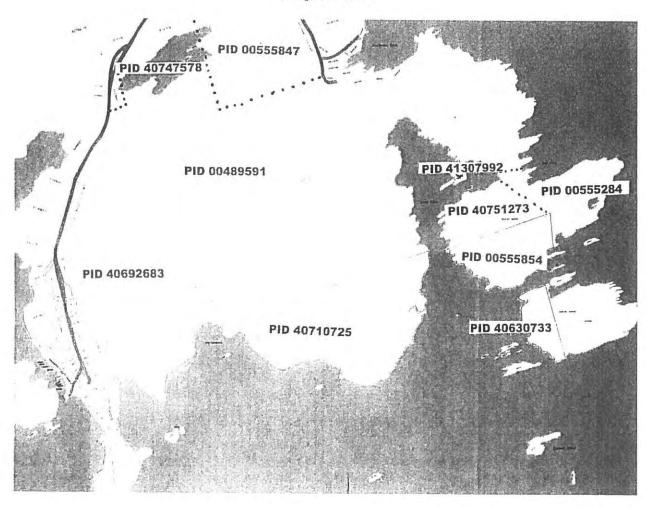


EXHIBIT A-3
Right Inset of Development Overview



**EXHIBIT B** 

#### Subject Lands



# **TAB 10**

Ledacted Internal Correspondence

From: Samson, Michel (Halifax) [mailto:msamson@coxandpalmer.com]

Sent: Thursday, September 13, 2018 10:59 AM

To: McPherson, Robyn < Robyn McPherson@novascotia.ca>

Cc: Bragg, Peter D < Peter Bragg@novascotia.ca>

Subject: Land Appraisal

Hi Robyn,

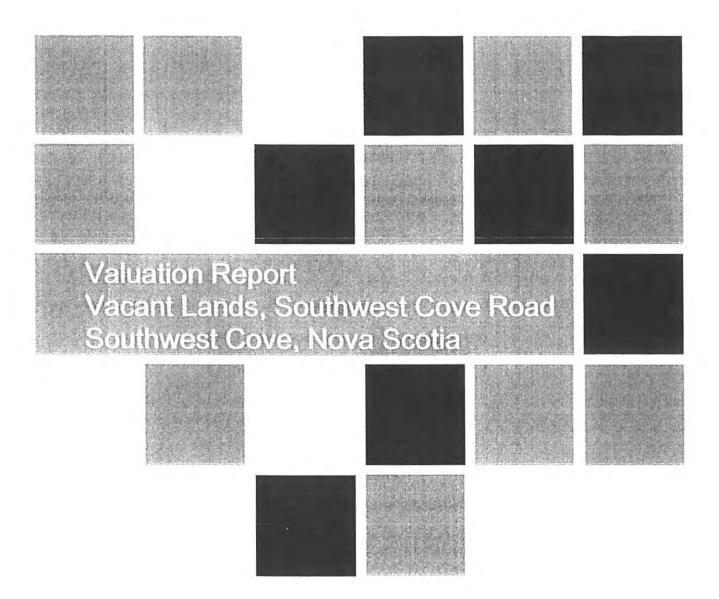
Please find enclosed the land appraisal carried out by Turner Drake & Partners for the lands at South West Cove and South West Cove Road, Eastern Shore that Lighthouse Links wishes to purchase from the provincial government.

Please let me know if you have any questions.

Michel

Hon, Michel P. Samson Cox & Palmer Counsel

Direct 902 491 6808 Fax 902 421 3130 Web coxandpalmerlaw.com Address Purdy's Wharf Tower I. 1100-1959 Upper Water Street Halifax NS





Real Estate Counsellors, Brokers and Valuers 6182 North St. Halifax, N.S. B3K 1P5 Tel.: (902) 429-1811

> St. John's N.L. Tel. (709) 722-1811

> Charlottetown, P.E. Tel. (902) 368-1811

Saint John, N.B. Tel. (506) 634-1811

Toronto, ON. Tel. (416) 504-1811

Fax: 1-902-429-1891 Internet: www.turnerdrake.com E-Mail: tdp@turnerdrake.com

#### VALUATION REPORT (Summary Report)

#### **VALUATION OF**

PIDs #00489591, #40747578, #40751273, #41307992, & #00555284 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 AND TRANSPORT CANADA

#### 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
AND
TRANSPORT CANADA

AS OF

21ST AUGUST 2018

BY

JAMES C. STEPHENS

TURNER DRAKE & PARTNERS LTD. HALIFAX - NOVA SCOTIA

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Negotiation
Appeal Board

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Regulatory Review
Development Analysis
Development Approval
Cost Benefit Analysis

Brokerage (Sales & Leasing)

Tenant Representation

Landlord Representation

Purchaser Representation

Vendor Representation

Lasercad 
Space Measurement
Space Certification
"As Built" Plans

Turner Drake & Partners Ltd 6182 North Street, Halifax, N.S. B3K 1P5 Tel (902) 429-1811

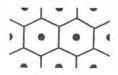
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Internet. www.turnerdrake.com
www.turnerdrake.ca
www.turnerdrake.net



Regulated by RICS

Our Ref: 1812119:NB/JS

29 August 2018

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, #00555284

In accordance with your request of the 3rd August 2018, 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 and Her Majesty the Queen in Right of the Province of Nova Scotia, the Nova Scotia Department of Natural Resources, and Transport Canada. 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 five 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.

(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), <sup>1</sup>[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 \$250,000.

#### TWO HUNDRED FIFTY THOUSAND DOLLARS

Yours truly,

TURNER DRAKE & PARTNERS LTD.

JAMES C. STEPHENS

Consultant

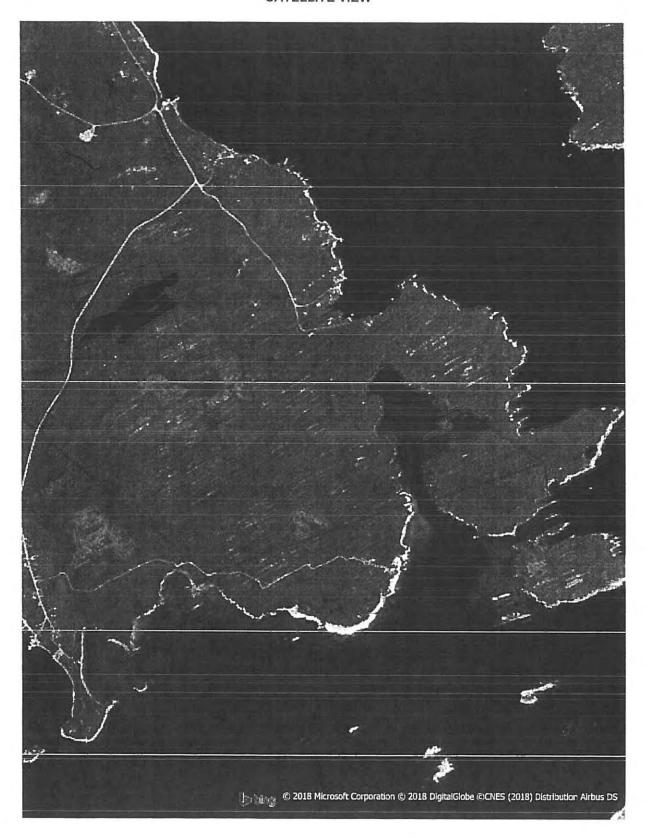
Valuation Division

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

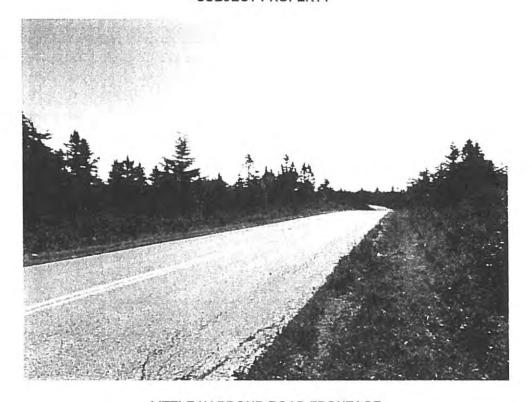
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### SUBJECT PROPERTY SATELLITE VIEW



#### SUBJECT PROPERTY



LITTLE HARBOUR ROAD FRONTAGE

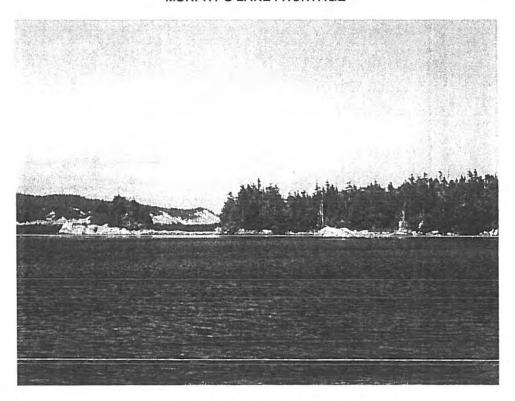


SOUTHWEST COVE ROAD ACCESS AND FRONTAGE

#### 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.
- 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.

(10) 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) <sup>2</sup>[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 and Her Majesty the Queen in Right of the Province of Nova Scotia, the Nova Scotia Department of Natural Resources, and Transport Canada. 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:

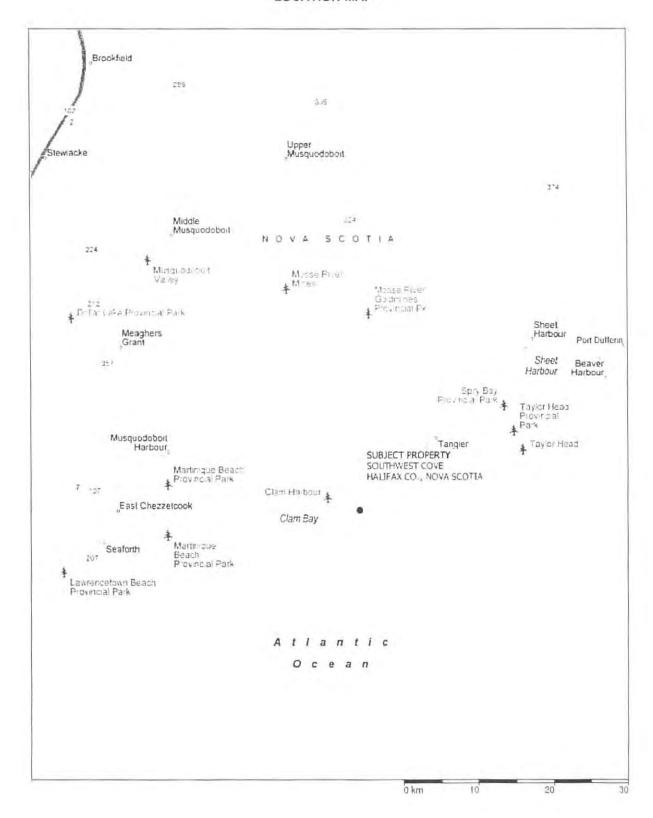
"the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation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

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

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

#### 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 Current 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:

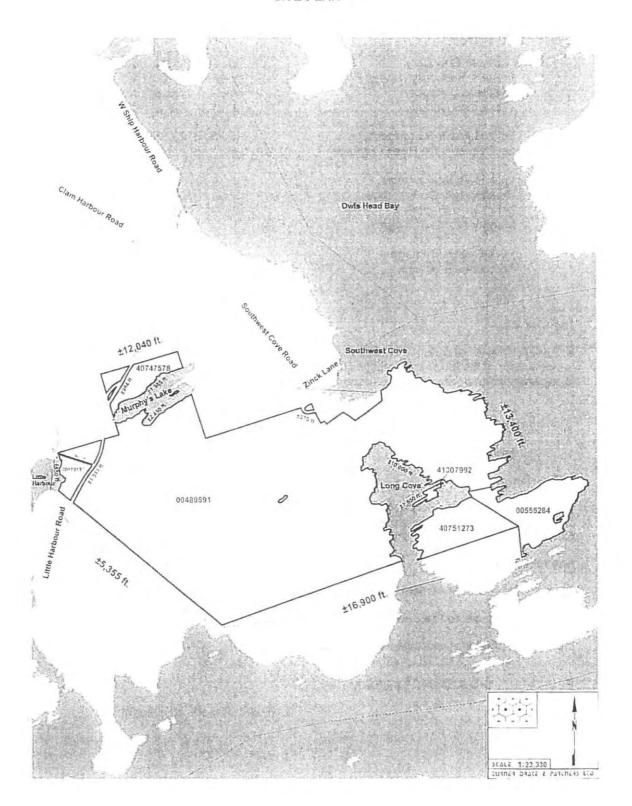
	2013	2014	2015	2016	2017
(a) Total Construction Values (in \$ millions)					
- Residential	\$ 409.307	\$ 440.982	\$ 493.879	\$ 447,119	\$ 659,610
- Commercial/Industrial	\$ 241.069	\$ 239.559	\$ 178.211	\$ 130,023	\$ 229,652
- Institutional	\$ 53.465	\$ 20.040	\$ 31.450	\$ 78,591	\$ 65,005
Total	\$ 703.841	\$ 700.581	\$ 703.541	\$ 655,733	\$ 954,268
(b) Building Permits by Type			17.545		
- 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.

#### 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)	±	13,400	ft.	
Southern Boundary	±	16,900	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	±	13,400	ft	
Long Cove Frontage	±	11,950	ft.	
Murphy's Lake Frontage	±	4,415	ft.	
Total Ocean Frontage	±	26,200	ft.	
Total Lake Frontage	±	4,415	ft.	
Area		744.12	ac.	(601.13 ha.)

#### Right-of-Way

1 -----

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	/44./	II.	
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 ±1:22,330, 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:	+ 9	16,800 (Resource Exempt)*.
Taxes (2018):	_ 9	S Nil*.

<sup>\*</sup>Assessed value is for PID #00555284, owned by the federal entity Transport Canada. Payments are made to the municipality in lieu of taxes. The remaining parcels are owned by the provincial entity NS Department of Natural Resources and do not have an assessment account number (AAN) assigned.

7117 0

#### 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 MU (Mixed Use) 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 ft<sup>2</sup> (278.7 m<sup>2</sup>);
- 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.

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#### **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 five adjacent parcels on a peninsula between the communities of Little Harbour (west) and Shouthwest Cove (east). Collectively the property is large at 744.12 acres (601.13 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 60% 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 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 31% 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 1.8 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 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 80% 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 7% 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 parcel 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.

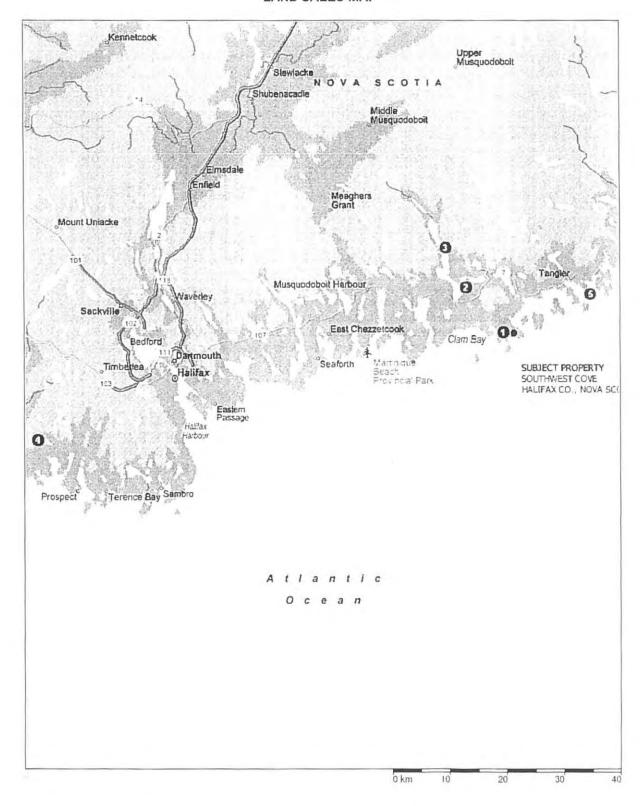
The Indices present a range of values for semi-mature softwood stands with a low of \$128/acre (Index #5) and a high of \$922/acre (Index #1). The high end of the range represents a large, contiguous network of woodlands with access to an all-weather paved road (Index #1). The low end of the range represents 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/ac) and consistent with the median value presented by all of the Indices (\$760/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 \$5.00/linear foot.

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

		Component Value			
Component Type	Component Size	Unit Value	Total Value		
Rock Barren	647.99 acres	\$ 50/acre	\$ 32,400		
Swamp/Wetlands	9.61 acres	\$ 50/acre	\$ 481		
Brushwood & Alders	3.90 acres	\$ 50/acre	\$ 195		
Softwood - Semi-Mature	78.55 acres	\$ 760/acre	\$ 59,698		
Softwood - Mature	2.03 acres	\$ 900/acre	\$ 1,827		
Softwood - All Heights	2.04 acres	\$ 850/acre	\$ 1,734		
Waterfront Benefit	30,615 linear ft.	\$5.00/lin. ft.	\$153,075		
Total Value	744.12 acres	\$ 335/acre	\$249,410		
Rounded to			\$250,000		

#### LAND SALES MAP



#### LAND SALES SCHEDULE

No.	Location Vendor/Purchaser	Date of Sale	Sale Price	Area	At Sa	Date of	Ac Da Va	e/Unit djusted to ate of duation @ 0% p.a.	Comments
1	Russell Rd. Little Harbour Halifax County, NS PIDs #'s 03605899, 40189631 David MacNeil, Sheriff Halifax County to Terry Jones	Jul. 2018	\$ 376,666 \$ 6,607 \$ 2,417 \$ 4,848 \$ 74,587 \$ 32,988 \$ 70,657 \$ 184,562	446 21 acres 125 77 acres 46 01 acres 92 28 acres 81 13 acres 29 48 acres 71.54 acres 21,100 ft.	99999	844 53 53 53 919 1,119 988 8 75	5555555	846 53 53 53 922 1,122 990 8,77	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.
2	Second Lake Unknown Upper Lakeville Halifax County, NS PID #00557553 Musquodcboit Lumber Ltd. to NS Department of Natural Resources	Mar 2018	\$ 250,000 \$ 422 \$ 6,895 \$ 62,060 \$ 23 \$ 30,869 \$ 4,440 \$ 32,325 \$ 46,649 \$ 66,317	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.	****	1,073 43 754 917 754 810 642 745 805 4.31	5555555555	1,086 44 763 929 763 820 650 754 815 4.36	Total Swamp or Muskeg Softwood - Semi-Mature Softwood - Mature Softwood - Very Mature Softwood - All Heights Mixedwood - Semi-Mature Mixedwood - Mature Hardwood - Mature Hardwood - Mature Water Frontage - Lake  Frontage to a freshwater lake. Accessed via loggin roads or boat. Zoned as MU (Mixed Use)

	Location					Sale	A D	e/Unit djusted to ate of aluation @	
No.	Vendor/Purchaser	Date of Sale	Sale Price	Area	S	ale		.0% p.a.	Comments
3	Lake Charlotte Unknown Upper Lakeville	Apr 2018	\$1,503,884 \$ 271	1,387 00 acres 5.86 acres		1,084	5 5	1,095	Total Rock Barren
	Halifax County, NS		\$ 1,279 \$ 9,749	27 67 acres 21 09 acres	S	46 462	\$	47	Swamp or Muskeg Clear Cut
	PID #'s 40190688, 40190928, 40216962		\$ 144,793 \$ 315,348 \$ 187,190	226.97 acres 389.81 acres 190.11 acres	5	638 809 985	5 5 5	817	Softwood - Immature Softwood - Semi-Mature Softwood - Mature
	Nova Star Forestry Ltd. to 3312336 Nova Scotia		\$ 76,853 \$ 72,064	95 00 acres 82 92 acres	S	809 869	5 5	817 878	Softwood - Very Mature Softwood - All Heights
	Limited		\$ 39,323 \$ 77,518 \$ 6,364	57 09 acres 96 93 acres 9 24 acres	5	689 800 689	\$ \$ \$		Mixedwood - Semi-Mature Mixedwood - Mature Mixedwood - Very Mature
			\$ 13,383 \$ 31,451	18 44 acres 52 74 acres	S	726 596	5 5	733 602	Mixedwood - All Heights Hardwood - Immature
			\$ 5,807 \$ 61,903 \$ 24,512	7 95 acres 71 61 acres	S	730 864	5 5 6	738 873	Hardwood - Semi-Mature Hardwood - Mature
			\$ 24,512 \$ 436,078	33 56 acres 14,150 ft	S	730 30 82	\$	738 31 12	Hardwood – Very Mature Water Frontage - Lake
									Three parcels including frontage to a freshwater lake. Access via logging roads. Zoned MU Mixed Use.
4	Hoop Pole Lake Glen Margaret	Apr 2017	\$ 200,000 \$ 1,214	594 00 acres 123 24 acres	-	337 10	5	350	Total
	Halifax County, NS	2017	\$ 156 \$ 21,008	15 87 acres 121 86 acres	S	10 172	5 5 5	10 10 179	Rock Barren Swamp or Muskeg Softwood - Serni-Mature
	PIDs #'s 00601146, 00574905, 00654053, 00654269		\$ 15,364 \$ 31,588 \$ 8,748	73.22 acres 170 56 acres	S	210 185	5 5	218 193 153	Softwood - Mature Softwood - All Heights
	Frederick Joplingto Pure		\$ 2,901 \$ 1,693	59 60 acres 18.76 acres 10.88 acres	S	147 155 156	9 9 9	161 162	Mixedwood - Semi-Mature Mixedwood - All Heights Hardwood - Semi-Mature
	Nature Developments		\$ 100,481 \$ 16,845	6,800 ft 3,800 ft		14.78 4.43		15.37	Water Frontage - Lake Water Frontage - River
									Four adjacent parcels with freshwater lake frontage. Access via single lane dirt road. Zoned MR-1 Mixed Resource Zone.

### LAND SALES SCHEDULE

							Sale	Price	e/Unit	
No.	Location Vendor/Purchaser	Date of Sale	Sa	le Price	Area	At Sa	Date of le	Da Va	djusted to ate of aluation @ 0% p.a.	
5.	Porcupine Hill	Jun.	S	20.000	48 68 acres	5	411	\$	425	Total
0.	Popes Harbour	2017	S	22	1 60 acres	5	14	\$	14	Rock Barren
	Halifax County, NS		S	29	2.13 acres	5	14	\$	14	Brushwood & Alders
	riamax county, 110		S	2.492	20.18 acres	\$	124	\$	128	Softwood - Semi-Mature
	PID#00554410		S	3.739	24.77 acres	\$	151	\$	156	Softwood - Mature
			S	13,714	3.800 ft.	\$	3.61	\$	374	Water Frontage - Ocean
	William F. Thomson to Nova Scotia Nature Trust				3.43.4					Portion of a peninsula with limited access to the mainland Zoned RE Rural Resource

## FINAL ESTIMATE OF VALUE

Final Estimate of Value	\$250,000

#### CERTIFICATION

Re: Vacant Lands, Southwest Cove Road, Southwest Cove, Nova Scotia, PIDs #00489591, #40747578, #40751273, #41307992, #00555284

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;

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 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;

### Page 24

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 21<sup>st</sup> 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 \$250,000.

29th August 2018

Date

JAMES C. STEPHENS, B.SC., A.DIP.GIS, DULE

NSREAA #909477

#### REVIEW VALUER'S CERTIFICATION

Re: Vacant Lands, Southwest Cove Road, Southwest Cove, Nova Scotia, PIDs #00489591, #40747578, #40751273, #41307992, #00555284

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;

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;

## Page 26

as of the date of	f this report, I have completed the requirements of the continuing education pr	rograms of
the professional	I institutes of which I am a member;	30,15

29th August 2018
Date

NIGELG. TURNER, B.Comm., DULE, BBRE, MRICS, AACI NSREAA #903910

#### TERMS OF ENGAGEMENT

Our Ref 1912119 LNW JS

#### TURNER DRAKE & PARTNERS LIMITED TERMS OF ENGAGEMENT

THIS AGREEMENT made the 17" day of August, A D 2018

BETWEEN Turner Drake & Partners Lld

hereinafter referred to as TURNER DRAKE, OF THE FIRST PART

and

is Lighthouse Links Development Company hereinafter 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 following parcels PID's #00489591, #40747578, #40751273, #41307992, #00555284. Southwest Cove Nova Scotia (hereinatter referred to as the "PROPERTY") for the purpose 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.
- 1.0.4 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.

TURNER DRAKE & PARTNERS LTD. ————

2

- 1 10 TURNER DRAKE will undertake such fiscal, 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 those 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 denied.
- 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.
  - (a) A fee of \$3 000 This fee does not include H.S.T.
  - (b) Disbursements, to be invoiced at actual cost, are included in the above fee
  - (c) A retainer in the amount of SNIL
  - (d) All accounts are payable on receipt and interest is charged at 2% per month (24% per annum) on outstanding invoices

—— . CTJ (FERTFAS 3 SYRED FERFUT	

Accepted by TURNER DRAKE & PARTIVERS FTD /
Per Stands Steps in
Title Corrections

Date 20 Magnet 2018

Page 3
The above is agreed to by the CUSTOMER
Per
Title Secretary
Date Aygust 20, 2018

# **TAB 11**

## McPherson, Robyn

From: Samson, Michel (Halifax) <msamson@coxandpalmer.com>

Sent: Wednesday, November 28, 2018 9:49 AM

To: Bolger, Joanne E

Cc: Hickman, Leslie C; Martin, Frances R; Fairclough, Andrea C; McPherson, Robyn; Parker,

Matt S; Bragg, Peter D; Musgrave, Kevin J; jcoles@nsbi.ca; Porter, Jon M; Fanning, Walter; Murphy, Andrew (ENV); Stewart, Lynne; Muskaan, Atiyaah; Bennett, Trish

Subject: RE: ASAP Please - Request for Meeting - Michel Samson (Lighthouse Links)

Hi Joanne.

2-3pm next Wednesday, December 5th would work for Sean Glover and I.

Best wishes.

Michel

Hon. Michel P. Samson | Cox & Palmer | Counsel

Direct 902 491 6808 Fax 902 421 3130 Web coxandpalmerlaw.com Address Purdy's Wharf Tower I, 1100-1959 Upper Water Street Halifax NS

From: Bolger, Joanne E [mailto:Joanne.Bolger@novascotia.ca]

Sent: November 27, 2018 11:28 AM

To: Samson, Michel (Halifax) <msamson@coxandpalmer.com>

Cc: Hickman, Leslie C <Leslie.Hickman@novascotia.ca>; Martin, Frances R <Frances.Martin@novascotia.ca>; Fairclough,

 $Andrea\ C\ < Andrea. Fair clough @novascotia.ca>;\ McPherson,\ Robyn\ < Robyn. McPherson @novascotia.ca>;\ Parker,\ Matt\ S$ 

<Matt.Parker@novascotia.ca>; Bragg, Peter D <Peter.Bragg@novascotia.ca>; Musgrave, Kevin J

<Kevin.Musgrave@novascotia.ca>; jcoles@nsbi.ca; Porter, Jon M <Jon.Porter@novascotia.ca>; Fanning, Walter

<Walter.Fanning@novascotia.ca>; Murphy, Andrew (ENV) <Andrew.J.Murphy@novascotia.ca>; Stewart, Lynne

<Lynne.Stewart@novascotia.ca>; Muskaan, Atiyaah <Atiyaah.Muskaan@novascotia.ca>; Bennett, Trish

<Trish.Bennett@novascotia.ca>

Subject: ASAP Please - Request for Meeting - Michel Samson (Lighthouse Links)

Importance: High

Good morning Mr. Samson,

I am responding on behalf of DM Towers to your request for a meeting regarding Lighthouse Links.

The Deputy has asked me to schedule this meeting within the next week or two, so the options will be limited as she is on holiday the week of Dec 10th, as well as Dec 17th & 18th.

She has asked that the following people be included in the meeting:

#### Nova Scotia Environment:

Frances Martin, Deputy Minister

Andrew Murphy, Executive Director, Sustainability and Applied Science with NS Environment

#### Lands and Forestry

Leslie Hickman, Executive Director, Land Services Robyn McPherson, Manager, Acquisitions and Disposals Walter Fanning, Executive Director, Regional Services Matt Parker, Director, Parks, Outreach & Service Delivery Jon Porter, Executive Director, Renewable Resources Peter Bragg, Minister Rankin's Executive Assistant

#### Premier's Office

Kevin Musgrave, Strategic Initiatives Analyst

#### NSBI

Jonathan Coles, Investment Attraction Executive

The meeting will take place at our office, located at 1701 Hollis Street, 3rd Floor Founders Square. Please let me know who from your organization would be joining the meeting.

Here are a few of dates where both Deputies are available. Please populate the chart with your availability at your earliest convenience and return to me.

By copy to others included in this meeting. Please populate the chart below and return to me ASAP.

#### Deputy Towers/Michel Samson/DM Frances Martin/Leslie Hickman/Jonathan Coles/Ru McPherson/Kevin Musgrave/Peter Bragg/Andrew Murphy/Matt Parker/Jon Porter re: Michel Leslie Jonathan Robyn Kevin Peter Andrey DM Martin Samson Hickman Coles McPherson Musgrave Bragg Murph Date

	Andrea Fairclough	Atiyaah Muskaan			
Wed, Dec 5th <b>11:00 – 12:00pm (preferred)</b> , 1:00 – 2:00pm, 2:00 – 3:00pm, 3:00 – 4:00pm	YES - 11-12 preferred				
Thurs, Dec 6th 10:30 – 11:30am	Yes			1	
Wed, Dec 19th 11:00 - 12:00pm	Yes				
Thurs, Dec 20th 2:30 - 3:30pm	Yes				
Fri, Dec 21st 11:00 - 12:00pm	Yes				

Thank you,

Joanne Bolger
Executive Secretary to
Deputy Minister, Julie Towers
Department of Lands and Forestry
1701 Hollis Street, 3<sup>rd</sup> Floor, Founders Square
PO Box 698
Halifax, Nova Scotia, Canada B3J 2T9

Phone 902-424-4121/ Fax: 902-424-0594 / Joanne.bolqer@novascotia.ca

From: Samson, Michel (Halifax) < msamson@coxandpalmer.com>

Sent: Monday, November 26, 2018 10:02 AM
To: Towers, Julie K < Julie. Towers@novascotia.ca>

Subject: Lighthouse Links

Hi Deputy,

It was great seeing you at the Marine Renewables Canada conference. During our discussion we talked about convening a meeting with senior officials from Lands & Forestry and Environment to work on a game plan and make

sure we are all on the same page. As I mentioned, we would like to have this meeting take place as soon as possible.

Let me know when we can meet.

Best wishes,

Michel

Hon. Michel P. Samson | Cox & Palmer | Counsel

Direct 902 491 6808 Fax 902 421 3130 Web coxandpalmerlaw.com Address Purdy's Wharf Tower I, 1100-1959 Upper Water Street Halifax NS

# **TAB 12**

## McPherson, Robyn

From: Bolger, Joanne E

Sent: Wednesday, December 05, 2018 8:22 AM

To: Martin, Frances R; Hickman, Leslie C; jcoles@nsbi.ca; McPherson, Robyn; Musgrave,

Kevin J; Bragg, Peter D; Murphy, Andrew (ENV); Parker, Matt S; Porter, Jon M

Cc: Fairclough, Andrea C; Bennett, Trish; Stewart, Lynne; Fanning, Walter; Muskaan, Atiyaah

Subject: Meeting today re: Deputy Julie Towers/Deputy Frances Martin/Hon. Michel

Samson/Sean Glover re: Lighthouse Links

Forwarding this e-mail to you in preparation of today's meeting: Deputy Julie Towers/Deputy Frances Martin/Hon. Michel Samson/Sean Glover re: Lighthouse Links.

Regards, Joanne

From: Samson, Michel (Halifax) <msamson@coxandpalmer.com>

Sent: Tuesday, December 04, 2018 5:00 PM
To: Towers, Julie K < Julie. Towers@novascotia.ca>

Cc: Bolger, Joanne E < Joanne. Bolger@novascotia.ca>; Glover, Sean (Halifax) < sglover@coxandpalmer.com>

Subject: RE: Lighthouse Links

Hi Deputy,

I apologize for the short notice but thought I would send some of the items we wish to discuss during the meeting tomorrow.

- 1. Owl's Head Lighthouse
- 2. Has the Crown land in question been removed from the list of proposed protected properties
- 3. Appraisal what is the status?
- 4. Purchase of Crown lands procedure and timeframe is an MOU required?
- 5. Authority to construct roads to access property for engineers and golf course designers
- 6. Establish a government working group in light of the significance of this project

Thanks again and I look forward to the discussion.

Best wishes.

Michel

Hon. Michel P. Samson | Cox & Palmer | Counsel

**Direct** 902 491 6808 **Fax** 902 421 3130 **Web** coxandpalmerlaw.com **Address** Purdy's Wharf Tower I, 1100-1959 Upper Water Street Halifax NS

From: Towers, Julie K [mailto:Julie.Towers@novascotia.ca]

Sent: November 27, 2018 10:50 AM

To: Samson, Michel (Halifax) < msamson@coxandpalmer.com >

Cc: Bolger, Joanne E < <u>Joanne.Bolger@novascotia.ca</u>>
Subject: RE: Lighthouse Links

Hello. My Executive Assistant, Joanne Bolger, will arrange the meeting logistics. Please let her know who will join you. Thanks, Julie

Julie Towers
Deputy Minister
Lands and Forestry
1701 Hollis Street
Halifax NS B3J 3M8
902-424-4121

From: Samson, Michel (Halifax) < msamson@coxandpalmer.com>

Sent: Monday, November 26, 2018 10:02 AM
To: Towers, Julie K < Julie. Towers@novascotia.ca>

Subject: Lighthouse Links

Hi Deputy,

It was great seeing you at the Marine Renewables Canada conference. During our discussion we talked about convening a meeting with senior officials from Lands & Forestry and Environment to work on a game plan and make sure we are all on the same page. As I mentioned, we would like to have this meeting take place as soon as possible.

Let me know when we can meet.

Best wishes.

Michel

Hon. Michel P. Samson | Cox & Palmer | Counsel

Direct 902 491 6808 Fax 902 421 3130 Web coxandpalmerlaw.com Address Purdy's Wharf Tower I, 1100-1959 Upper Water Street Halifax NS

# **TAB 13**

### Profile

Printer Version

▶ Profile Info ▶ People Info ▶ Activites Info ▶ Related Reg's Info

## PROFILE - LIGHTHOUSE LINKS DEVELOPMENT COMPANY - as of: 2018-12-05 12:14 PM

Business/Organization Name:	LIGHTHOUSE LINKS DEVELOPMENT COMPANY
Registry ID:	3301517
Туре:	N.S. Unlimited Liability
Nature of Business:	
Status:	Active
Jurisdiction:	Nova Scotia
Registered Office:	1100-1959 UPPER WATER STREET HALIFAX NS Canada B3J 3N2
Mailing Address:	PO BOX 2380 HALIFAX NS CANADA B3J 3E5

## PEOPLE

Name	Position	Civic Address	Mailing Address
G.S. BECKWITH GILBERT	Director	35 VISTA DRIVE GREENWICH CT 06830	
SEAN GLOVER	SECRETARY	1100-1959 UPPER WATER STREET HALIFAX NS B3J 3N2	
KATHARINE STODDERT	VICE PRESIDENT	35 VISTA DRIVE GREENWICH CT 06830	
G.S. BECKWITH GILBERT	PRESIDENT	35 VISTA DRIVE GREENWICH CT 06830	
SEAN GLOVER	Recognized Agent	1100-1959 UPPER WATER STREET HALIFAX NS B3J 3N2	PO BOX 2380 HALIFAX NS B3J 3E5

## **ACTIVITIES**

Activity	Date
Annual Statement Filed	2018-11-02
Annual Renewal	2018-10-30
Annual Statement Filed	2017-11-02
Annual Renewal	2017-10-23
Special Resolution	2016-09-26
Change of Directors	2016-09-26
Appoint an Agent	2016-09-26
Address Change	2016-09-22
Incorporated and Registered	2016-09-21

Show All Collapse

## **RELATED REGISTRATIONS**

There are no related registrations on file for this company.

# **TAB 14**

UShthouse Wills - Outs Head, Hall. Gax County.
Michal Sanson, Seon Glover, Frances Martin, Hatt Parker,
(Coxt Palmer) (Coxt Palmer) [MSE-Dept]
Andrew Murphy, Juli, Lestie, Jan Pater, Peter Brass + Kev., Musspace.

\* Michal Senson Registered Compay Colorst?

O Out's Had lighthouse - Major elevant of the project

Deck works to acquino

Beck works to acquino

Our pous providers - Is it possible for this to

Nappen?

Nappen?

Nappen?

Newsted.

- Requested stated up from teds.

- Clearing comment? How does

Dighthouse This impact the property.

Units to submit a letter of interest for

acquisition.

PAPA - & Ani hathythoughet or Residente - Would have to be removed from BAPA.

- Approval from Executive Course's reeded

(Decision.

Kev., M. - Doesn't expect it to linger.

July 22(3) don Plan. Donate a Porcel?

Uphlause links

Up (EA Required?)

Tronsber

Watercouse Watercourse alberation

Hun apparals

- CLR

IRM

Aborismal Consultation

4 Arch Work | Benefits Agreement.

- P Abter the Withoused & from PAPA

Dould who as Mou type agreement. Some essurities of the to as appeared Reconstruction of the remarks wist.

Ut - Development Pla also reed for de worn making by Ed to renoue from PAPA.

- not full meal deal appropals.

Jout Disussion-Better of once removed from PAPA 30 straight to sale.
Wersus Agreement.

No Public Consultation until after decision re Nopolar PAPA.

Date DAC 5/8

MS. Access for unuestyations (engineers etc)
- Roads.
Ut. Yos, WAs with conditions.

- Disturbance would require consultation Encourage non disturbance research.

MS - Working Group.

To be determined at a later date.

OBusioss Plan. D to LAP + MSB1 @ In or but of Non.

NSRJSC Ught Hause Unks not Other Company.

## **TAB 15**

## Memorandum to the Executive Council



Number.
Dept.:
Date:

Title: Decision on whether to withdraw Crown lands at Owls Head identified for

protection in the Parks and Protected Areas Plan

Submitted By: Honourable Iain Rankin, Minister of Lands and Forestry

Honourable Margaret Miller, Minister of Environment

Prepared By: Matt Parker, Director, Parks, Outreach and Service Delivery

Reviewed By: Walter Fanning, Executive Director, Regional Services, L&F

Leslie Hickman, Land Services, L&F

Peter Geddes, Executive Director, Policy, Planning and Support Services, L&F Andrew Murphy, Executive Director, Sustainability and Applied Sciences, NSE

Weldon Myers, Director, Finance Corporate Service Unit

Deputy Minister: Julie Towers, Department of Lands and Forestry

Frances Martin, Department of Environment

#### SUMMARY:

A decision is sought whether to withdraw Crown lands identified for potential protection as "Owls Head Provincial Park" under the 2013 Parks and Protected Areas Plan. The Crown lands at Owls Head have never been legally designated as a "park reserve" or a "provincial park". Owls Head has not been identified as a priority site for designation and are there are no plans to develop park infrastructure at this site. The Department of Lands and Forestry received an application to sell the Crown lands for a development project. If Executive Council decides to withdraw these lands from protection consideration under the Parks and Protected Areas Plan, the required review processes would be conducted to assess the request, including consultation with the Mi'kmaq of Nova Scotia, and a subsequent approval to sell the Crown lands would need to be submitted to Cabinet.

#### CURRENT SITUATION AND PURPOSE FOR THIS REQUEST

Lighthouse Links Development Corporation (the Company) submitted an application requesting to acquire approximately 662 acres of Crown lands at Little Harbour, Halifax County to build a golf course complex. The Crown lands requested by the Company are currently identified on Property Online as PIDs 00489591 (approx. 605 acres), 40747578 (approx. 20 acres), 40751273 (approx. 35 acres), and 41307992 (approx. 2 acres island in Long Cove) and are shown shaded in grey on the map attached as Schedule "A". If the Crown lands are conveyed for the development project, the following PIDs, also shown in grey on the Schedule "A", would be included in the review for the proposed sale to the Company to ensure that the Department of Lands and Forestry (L&F) is not left with remnant parcels: PIDs 41308008 (approx. 0.12 acre); 41308016 (approx. 0.1 acre) and 40747586 (approx. 1 acre).

The 2013 Parks and Protected Areas (PAPA) Plan includes potential provincial park lands identified as Owis Head Provincial Park (Owls Head), site number 694. The related map on the website for Nova Scotia Environment (NSE) shows Owls Head as the lands shown in grey and outlined in bold on the attached Schedule "A" (PIDs: 00489591, 40747578, 40751273, and 40747586). The NSE map does not include three islands in Long Cove currently identified as PIDs 41307992, 41308008 and 41308016.

The Crown lands at Owls Head have not been designated as either a "park reserve" or a "provincial park" under the *Provincial Parks Act*. They were thought to be legally designated as a "park reserve" when they were included in the PAPA Plan. Although not formally designated, the Crown lands are managed as a park reserve under the provincial parks program. Owls Head has not been identified as a priority site for designation as a "provincial park" through the PAPA Plan implementation process and there are no plans to develop park infrastructure at this site given the proximity of other parks, that the area is currently underutilized, and due to operational constraints to run a new park.

An adjacent parcel of land currently identified as PID 00555284 (approx. 40 acres) is owned by Transport Canada

Redaired

## Redacted

L&F has not assessed the high-level development proposal provided by the Company. An evaluation of the proposal would be conducted as a next step. In addition, any Crown lands transactions related to the Company's development proposal and the Federal surplus lands will follow the usual processes for the disposal, sale and/or acquisition of Crown Lands under the Crown Lands Act, including consultation with the Mi'kmaq, and would be submitted as separate submissions to Executive Council. This request is solely focused on seeking direction on whether to withdraw Crown lands at Owls Head from consideration for protection as outlined in the PAPA Plan.

Withdrawal of Owls Head for consideration for protection as outlined in the PAPA Plan, does not inhibit Government from maintaining its land protection goals under *Environmental Goals and Sustainable Prosperity Act (2007)* (EGSPA) and commitment to move towards 13% protected land across the province made in the 2017 Mandate Letter for the Minister of Environment, working with the Minister of Lands and Forestry.

#### BACKGROUND

#### Company's Proposal

The Company is proposing to build two or three world-class oceanfront links public golf courses, a clubhouse, inn and other related facilities. The balance of the land will be used to develop a destination residential or resort community and provide public access to environmental/recreational features on the lands, with the intent of encouraging more tourists to visit and people to live in the Eastern Shore.

G.S. Beckwith Gilbert, President of the Company, and his wife, own approx. 304 acres abutting Owls Head, including lands currently identified as PIDs 40692683, 40710725, 00555854 and 40630733 shown in hatching on the attached Schedule "A". They also own lands shown outlined in bold on the attached Schedule "B". The Company requested to acquire the Crown lands and the Transport Canada lands to consolidate with its private lands to use for the proposed development project. The combined property would have over 12.6 kilometers of oceanfront land and is approximately 50-75 minutes from Dartmouth, Halifax, and Stanfield Airport. The Company's proposal claims that acquisition of the Crown lands is essential for the project to be economically feasible. The Company indicates that a successful real estate development project is expected to be necessary to offset the high costs of the golf course construction.

The Company states that the proposal would have economic benefits for the area by enhancing tourism and increasing employment on the Eastern Shore. The Company projects that the golf courses could attract industry and provide additional jobs for 150-200 people on an ongoing basis. The Company anticipates spin-off businesses and the development of a bedroom community to result in the creation of additional jobs to construct the residential and commercial buildings, and further economic benefits for the area.

#### Parks and Protected Areas (PAPA) Plan

Prepared jointly by NSE and L&F and approved by Executive Council in 2013, the PAPA Plan was developed to support government in meeting and maintaining the EGSPA goal to legally protect at least 12% of the total land mass of the province by 2015. The PAPA Plan includes enough lands to also achieve government's more recent mandate to move towards 13% protected land across the province while ensuring a balance so there are no negative recreational or economic effects. The PAPA Plan further supports government in achieving commitments for provincial parks that are included in *The Path We Share: A Natural Resources Strategy for Nova Scotia 2011-2020* (released Aug 2011).

The development of the PAPA Plan took into account scientific research, consultations involving members of the public and Nova Scotia's Mi'kmaq, and work with key stakeholders. NSE and L&F sought feedback on a proposed PAPA Plan (February 2013) to determine how well the plan reflected what was heard in the past and to find out what changes various groups and individuals wanted for a final parks and protected areas plan for Nova Scotia.

The PAPA Plan is being implemented in a phased approach working towards the Province's protected lands commitment. Government indicated to the public that all provincially owned lands included in the PAPA Plan will be managed under interim guidelines until they are legally protected or released from further protection consideration. As sites come forward for designation, NSE and L&F undertake additional planning, legal, and survey work prior to the final legal designation of the lands under protection legislation. The *Provincial Parks Act* sets out the process required to obtain legal status as a "park reserve" through Governor in Council approval.

In the approved PAPA Plan, Owls Head was proposed for designation as a provincial park. The protection values for Owls Head identified in the PAPA Plan include a variety of coastal barrens and wetlands; exceptional bedrock-ridged topography; coastal access; and, occurrences of nesting Piping Plovers. L&F biologists have identified two occurrences of Species at Risk - the Piping Plover (listed endangered provincially and nationally) and the Barn Swallow (listed as provincially endangered; nationally threatened). Part of Owls Head was confirmed as significant habitat for nesting Piping Plovers. Occurrences of other species of conservation concern include Ruby-crowned Kinglet and Common Eider. Owls Head includes one of nine sites in the province for the globally rare Coastal Broom Crowberry Heathland Ecosystem. Broader ecological values of the

area are similar to other coastal areas of Nova Scotia, offering foraging, breeding and migratory habitat for birds and other faunal species, as well as unique boreal and temperate plants and lichens.

There are local interests in land conservation and community-based economic development associated with the natural and cultural assets along the Eastern Shore, including those of the Wild Islands Tourism Advancement Partnership (WITAP).

KEY ISSUE		***		
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an	(H/M/L)	Impact (H/M/L)	Risk Level (H/M/L)	Mitigation
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	(H/M/L)	Impact (H/M/L)	Risk Level (H/M/L)	

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2.	Is this an In-Year Funding request (is there a current year impact which cannot be absorbed in the existing announciation)?
3.	Briefly describe the financial request by completing the following table:
4.	Is newconerating funding required?
5	. Is new capital funding required?
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6	i. Is there third party (unding associated with this request?
	r. Will this proposal impact a Revenue stream of the Province?
100	. This this proposal impact a forting stream of the Free mode.
	3. Are additional FTEs required?
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- 4	

Section 78 requires Treasury and Policy Board approval before undertaking an operating obligation.

INFORMATION TECHNOLOGY Is there a lechnology component to this request?	
GOVERNMENT-WIDE IMPLICATIONS N/A	
CONSULTATION	
CONSCILLION	
Indicate what consultations, if any, that were unde	artaken with
If yes to either of the above, has the Department of	of Intergovernmental Affairs been consulted?
EFFICIENCY/PRODUCTIVITY N/A	
LEGAL IMPLICATIONS	
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RECOMMENDATION	

Halifax, Nova Scotla

Date Feb. 26, 2019

Halifax, Nova Scotla

Date

Respectfully submitted,

Minister Wands and Forestry

Minister of Environment

### SCHEDULE "A"



Plan Showing

 $2/15/2019 + DNRHLFX DNRWork LSBritch Cart Tasks Mapping GISCarto DO (104045\_Little Harbour MXD) 104045\_Little Harbour\_SchedA\_mxd$ 

## Crown Lands (a.k.a. Owls Head) Little Harbour Road, Little Harbour

Guysborough County Province of Nova Scotia

Lands of G.S. Beckwith Gilbert PAPA (Crown Land)

Federal Lands

Crown Lands (Lands and Forestry) Wilderness Areas and Nature Reserves

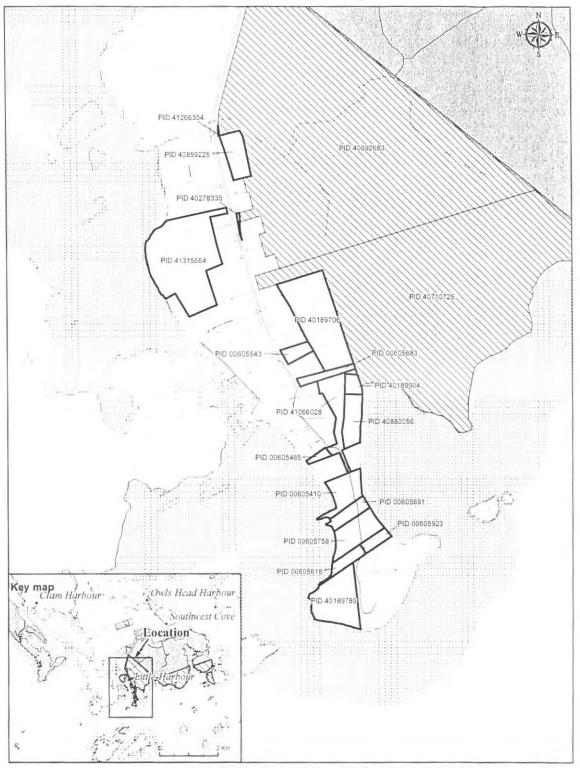
Watercourses and Waterbodies



Surveys Division GIS/Cartography Section



### SCHEDULE "B"



Plan Showing

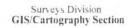
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## Additional Lands of G.S. Beckwith Gilbert Little Harbour Road, Little Harbour

Guysborough County Province of Nova Scotia

Legend Lands of G S Beckwith Gilbert Additional Lands owned by G S Beckwith Gilbert Crown Lands (Lands and Forestry). Wilderness Areas and Nature Reserves Watercourses and Waterbodies

Copyright Province of Nova Scotia. The Provincial mapping is a graphical representation of property boundaries which approximate the size, configuration and location of parcers. Care has been taken to ensure the best possible quality however. This map is not a fand survey and is not intended to be used for legal descriptions or to calculate exact dimensions or area. The Provincial mapping is not conclusive as to the location boundaries or extent of a parcellulation of the provincial mapping in the conclusive as to the location boundaries or extent of a parcellulation. The provincial mapping is not conclusive as to the location boundaries or extent of a parcellulation. The provincial mapping is a second to extend the provincial mapping is a second to exact the provincial provincial







11116:	Crown lands at Owls Head	
Department:	Lands and Forestry/Environment	
Accompanying:	Memorandum to the Executive Council	
Date:	February 15, 2019	
Prepared by:	Steven Stewart, Communications Officer, Lands and Forestry	
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Background/Conte	ext:	
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	hile Owls Head has been managed by Lands and Forestry as a park re	I
Advancement Part opportunities throi cultural assets of I The Parks and Pro	oporting the goals of the community based Wild Islands Tourism thership (WITAP) that is focused on expanding regional economic rugh experiential tourism development associated with the natural and the coastal islands, headlands, and related tourist offerings.  Steeled Areas plan was approved by government with the support of the Scotla Mi'kmaq Chiefs	
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has indicated that	otected Areas plan is being implemented in a phased approach. Gover all provincially owned lands included in the plan will be managed und until they are legally protected or released from further protection	nme ier
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Links to Gavernment	Priorities, Departments, and/or Agencies:	
	1	
Objectives & Evaluat	ion:	
0-14-5	-1-44	
Sent to Executive As Approved by Managi	ng Director: Michelle Lucas, February 15, 20	019
Approved by Deputy Approved by Ministe	: Flowers 21/2/19 EIN	

## **TAB 16**

## Hickman, Leslie C

From:

Glover, Sean (Halifax) <sglover@coxandpalmer.com>

Sent:

August 26, 2019 10:55 AM

To:

Steele, Cynthia

Cc:

Hickman, Leslie C; Samson, Michel (Halifax)

Subject:

FW: Update to Southwest Cove Report

Attachments:

1913398 TOE.pdf

Good morning Cynthia, please see attached. Can you confirm that the terms in the attached engagement letter meet the criteria being required by the Province:

- PID listing (00489591, 40747578, 40751273, 41307992, 40747586, 401408008, and 41308016)?
- · Basis of Valuation being Market Value (Highest and best use), using direct sales comparison approach
- To include a per acreage break down.

#### Thank you,

Sean M. Glover | Cox & Palmer | Partner | Lawyer
Direct 902 491-4236 Cell 902 449-4352 Fax 902 421 3130 Web coxandpalmerlaw.com
Address Purdy's Wharf Tower I, 1100-1959 Upper Water Street Halifax NS B3J 3N2

From: James Stephens [mailto:JStephens@turnerdrake.com]

Sent: August 26, 2019 10:46 AM

To: Glover, Sean (Halifax) <sglover@coxandpalmer.com>

Subject: Update to Southwest Cove Report

## Good morning Sean,

I have the updated report ready for you – just doing a final review this morning. If you could send back a signed copy of the Terms of Engagement I'll flip the report to you and get things wrapped up.

Do you want hard copies? If so let me know how many you would like.

James Stephens, <u>P.Ag</u>. Consultant Turner Drake & Partners Ltd.

6182 North Street Halifax NS B3K 1P5 Tel: 902-429-1811 Ext. 346



Our Ref: 1913398:LNW/JS

#### 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.
hereinafter 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 following parcels: PID's #00489591, #40747578, #40751273, #41307992, #40747586, #41308008, #41308016 Southwest Cove, Nova Scotia (hereinafter referred to as the "PROPERTY") for the purpose 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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...2

- 1.10 TURNER DRAKE will undertake such fiscal, 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 denied.
- 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:
  - (a) A fee of \$500. This fee does not include H.S.T.
  - (b) Disbursements, to be invoiced 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 invoices.

Accepted by:- TURNER DRAKE & PARTNERS LTD.	The above is agreed to by the CUSTOME	
Per:	Per:	
Title:	Authorised Signing Officer Title:	
Date:	Date:	

## **TAB 17**

## Hickman, Leslie C

From:

Glover, Sean (Halifax) <sglover@coxandpalmer.com>

Sent:

August 26, 2019 11:37 AM

To:

Steele, Cynthia

Cc:

Hickman, Leslie C; Samson, Michel (Halifax)

Subject:

RE: Update to Southwest Cove Report

Will do. I mentioned it to him verbally, but will make sure he remembers.

Sean M. Glover | Cox & Palmer | Partner | Lawyer
Direct 902 491-4236 Cell 902 449-4352 Fax 902 421 3130 Web coxandpalmerlaw.com
Address Purdy's Wharf Tower I, 1100-1959 Upper Water Street Halifax NS B3J 3N2

From: Steele, Cynthia [mailto:Cynthia.Steele@novascotia.ca]

Sent: August 26, 2019 11:07 AM

To: Glover, Sean (Halifax) <sglover@coxandpalmer.com>

Cc: Hickman, Leslie C < Leslie. Hickman@novascotia.ca>; Samson, Michel (Halifax) < msamson@coxandpalmer.com>

Subject: RE: Update to Southwest Cove Report

Looks good Sean but I don't see a per acre value list in the engagement letter. You may want to clarify that with the appraiser.

Cindy

From: Glover, Sean (Halifax) <sglover@coxandpalmer.com>

Sent: August 26, 2019 10:55 AM

To: Steele, Cynthia < Cynthia. Steele@novascotia.ca>

Cc: Hickman, Leslie C < Leslie. Hickman@novascotia.ca >; Samson, Michel (Halifax) < msamson@coxandpalmer.com >

Subject: FW: Update to Southwest Cove Report

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- PID listing (00489591, 40747578, 40751273, 41307992, 40747586, 401408008, and 41308016)?
- Basis of Valuation being Market Value (Highest and best use), using direct sales comparison approach
- To include a per acreage break down.

Thank you,

Sean M. Glover | Cox & Palmer | Partner | Lawyer
Direct 902 491-4236 Cell 902 449-4352 Fax 902 421 3130 Web coxandpalmerlaw.com
Address Purdy's Wharf Tower I, 1100-1959 Upper Water Street Halifax NS B3J 3N2

From: James Stephens [mailto:JStephens@turnerdrake.com]

Sent: August 26, 2019 10:46 AM

To: Glover, Sean (Halifax) <sglover@coxandpalmer.com>

Subject: Update to Southwest Cove Report

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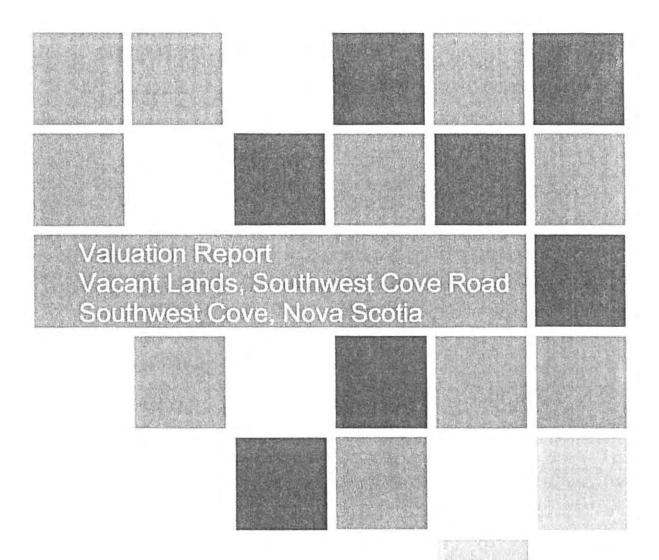
Do you want hard copies? If so let me know how many you would like.

James Stephens, <u>P.Ag</u>. Consultant Turner Drake & Partners Ltd.

6182 North Street Halifax NS B3K 1P5 Tel: 902-429-1811 Ext. 346



# **TAB 18**





Real Estate Counsellors, Brokers and Valuers 6182 North St. Halifax, N.S. B3K 1P5 Tel.: (902) 429-1811

> St. John's N.L. Tel. (709) 722-1811

> Charlottetown, P.E. Tel. (902) 368-1811

> Saint John, N.B. Tel. (506) 634-1811

> Toronto, ON. Tel. (416) 504-1811

Fax: 1-902-429-1891 Internet: www.turnerdrake.com E-Mail: tdp@turnerdrake.com

## 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

JAMES C. STEPHENS

TURNER DRAKE & PARTNERS LTD. HALIFAX - NOVA SCOTIA

## SAFG FENFUT CESTIFAG 3

#### Real Estate Counsellors, Brokers & Valuers

Registration to ISO 9001 2015

Counselling Advice
Feasibility Studies
Exprepriation
Mediation & Artification
Infrastructure Accusation

Valuation & Appraisal
PAUS's Portidio Manager
Commercial
Industrial
Investment
Development
Rural

Economic Intelligence Market Surveys Sits Selection Trade Area Analysis Supply & Demand Analysis Demographic Studies

Property Tax Consulting
PAMSE Tax Manager
Assessment Austes
Negotation
Appeal Board

Planning (Urban & Rural)
Regulatory Review
Development Analysis
Development Approval
Cost Benefit Analysis

Brokerage (Sales & Leasing)

Terrant Representation
Landlord Representation
Purchaser Representation
Ventor Representation

Lasercad® Space Measurement Space Certification "As Built" Pains

> Turner Drake & Partners Ltd 6182 North Street, Hahtax, N.S. B3K 1P5 Tel. (902) 429-1811

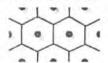
> > St, John's, N.L. Tel: (709) 722-1811

> > Charlottetown, P.E. Tel. (902) 368-1811

Saint John, N B Tel. (506) 634-1811

Toronto, ON. Tel. (416) 504-1811

Fax (902) 429-1891 E-Mail tdp@turnerdrake.com Internet www.turnerdrake.com



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 3<sup>rd</sup> August 2018 and a follow up request on the 26<sup>th</sup> 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.

(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), <sup>1</sup>[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 21<sup>st</sup> 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 \$216,000 (\$306 per acre).

### TWO HUNDRED SIXTEEN THOUSAND DOLLARS (THREE HUNDRED SIX DOLLARS PER ACRE)

Yours truly,

TURNER DRAKE & PARTNERS LTD.

JAMES C. STEPHENS

Consultant

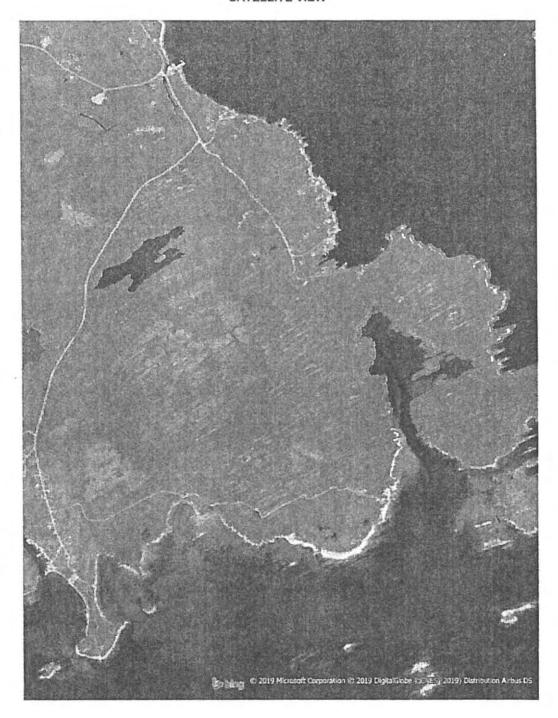
Valuation Division

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

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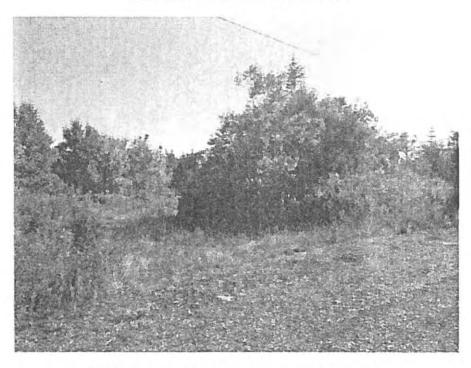
## SUBJECT PROPERTY SATELLITE VIEW



## SUBJECT PROPERTY



LITTLE HARBOUR ROAD FRONTAGE

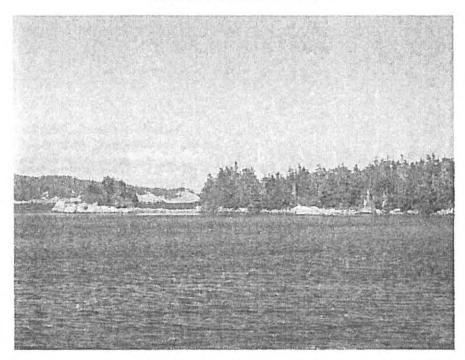


SOUTHWEST COVE ROAD ACCESS AND FRONTAGE

## 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.
- 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.



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) <sup>2</sup>[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:

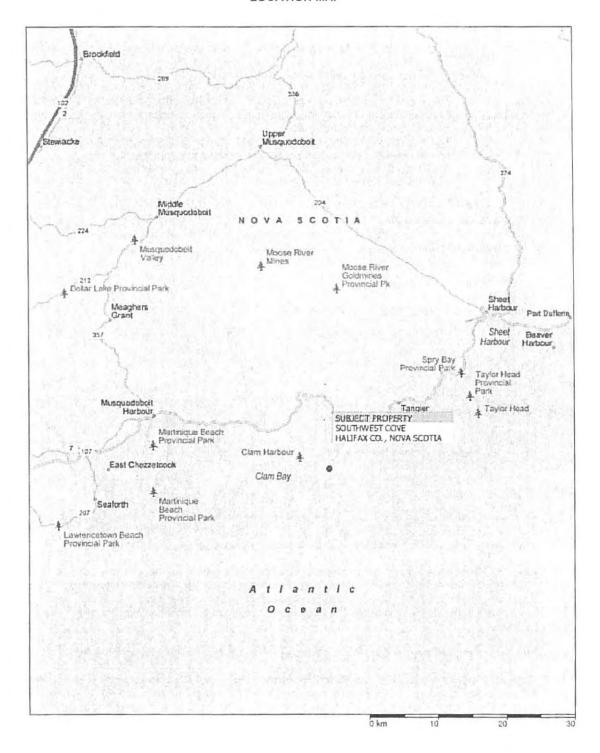
"the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation 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;
- (4) payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and
- (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

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.

## **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**

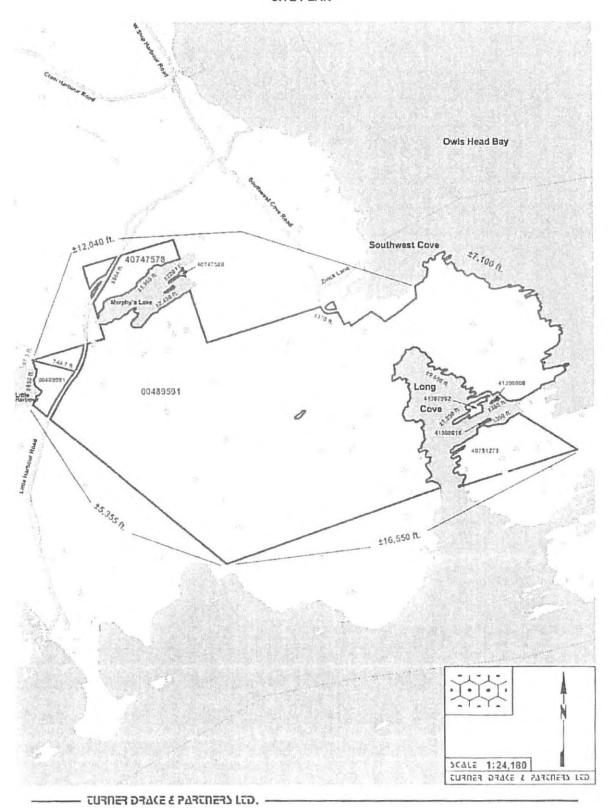
The following figures on construction activity, as evidenced by the number and value of building permits, were provided to us by Halifax Regional Municipality:

	2013	2014	2015	2016	2017
(a) Total Construction Values (in \$ millions) - Residential - Commercial/Industrial - Institutional	\$ 409.307 \$ 241.069 \$ 53.465	\$ 440.982 \$ 239.559 \$ 20.040	\$ 493.879 \$ 178.211 \$ 31.450	\$ 447,119 \$ 130,023 \$ 78.591	\$ 659,610 \$ 229,652 \$ 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.



#### SITE DATA

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

+	12,040	ft.	
±	1000		
±			
±	5,355	ft.	
±	2.495	ft	
±	370	ft.	
+	850	ft	
±			
+			
±	4,635	ft.	
+	20 285	ft	
±	4,635	ft.	
	705 21	20	(285.39 ha.)
	* + + + + + + +	# 7,100 # 16,550 # 5,355 # 2,495 # 370 # 850 # 7,100 # 12,335 # 4,635 # 20,285	# 7,100 ft. # 16,550 ft. # 5,355 ft.  # 2,495 ft. # 370 ft.  # 850 ft. # 7,100 ft. # 12,335 ft. # 4,635 ft. # 4,635 ft. # 4,635 ft.

## 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:	-	S	Nil*
Taxes (2018):		•	Nil*

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

#### 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.

## Page 10

## **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.

-	TURNER	DRAKE	EPA	CFSNJF	LTD.	
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#### 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.

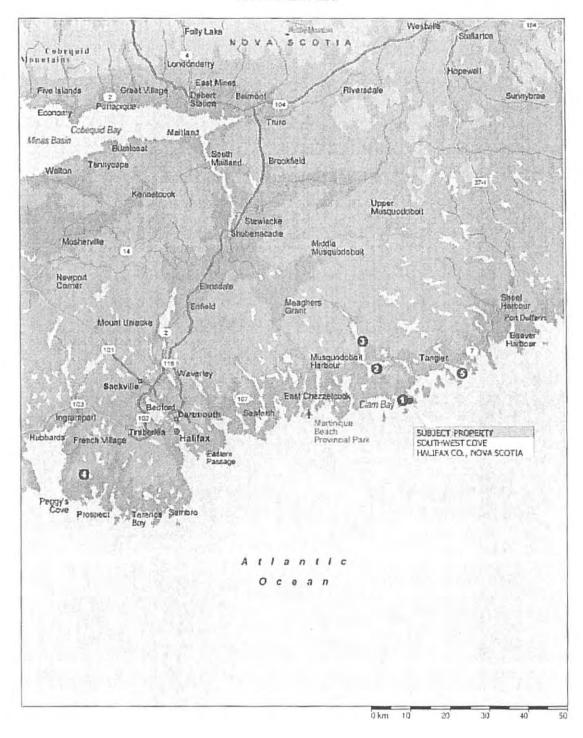
The Indices present a range of values for semi-mature softwood stands with a low of \$128/acre (Index #5) and a high of \$922/acre (Index #1). The high end of the range represents a large, contiguous network of woodlands with access to an all-weather paved road (Index #1). The low end of the range represents 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 (\$760/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 \$5.00/linear foot.

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

		Component Value			
Component Type	Component Size	Unit Value	Total Value		
Rock Barren	614.13 acres	\$ 50/acre	\$ 30,707		
Swamp/Wetlands	9.10 acres	\$ 50/acre	\$ 455		
Brushwood & Alders	3.69 acres	\$ 50/acre	\$ 185		
Softwood - Semi-Mature	74.43 acres	\$ 760/acre	\$ 56,567		
Softwood – Mature	1.93 acres	\$ 900/acre	\$ 1,737		
Softwood - All Heights	1.93 acres	\$ 850/acre	\$ 1,641		
Waterfront Benefit	24,920 linear ft.	\$5.00/lin. ft.	\$124,600		
Total Value	705.21 acres	\$ 306/acre	\$215,892		
Rounded to			\$216,000		
Per Acre			(\$306/ac.)		

#### LAND SALES MAP



#### LAND SALES SCHEDULE

No.	Location Vendor/Purchaser	Date of Sale	Sale Price	Area	At Date of Sale	Price/Unit Adjusted to Date of Valuation @ 3.0% p.a.	Comments
1	Russell Rd. Little Harbour Halifax County, NS PIDs #'s 00605899, 40189631 David MacNeil, Sheriff Halifax County to Terry Jones	Jul. 2018	\$ 376,666 \$ 6,607 \$ 2,417 \$ 4,848 \$ 74,587 \$ 32,988 \$ 70,657 \$ 184,562	446 21 acres 125.77 acres 46 01 acres 92.28 acres 81 13 acres 29.48 acres 71 54 acres 21,100 ft	\$ 53	\$ 846 \$ 53 \$ 53 \$ 53 \$ 922 \$ 1,122 \$ 990 \$ 8,77	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.
2	Second Lake Unknown Upper Lakeville Halifax County, NS PID #00557553 Musquodoboit Lumber Ltd. to NS Department of Natural Resources	Mar 2018	\$ 250,000 \$ 422 \$ 6,895 \$ 62,060 \$ 23 \$ 30,869 \$ 4,440 \$ 32,325 \$ 46,649 \$ 66,317	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	\$ 43 \$ 754 \$ 917 \$ 754 \$ 810 \$ 642 \$ 745	\$ 1,086 \$ 44 \$ 763 \$ 929 \$ 763 \$ 820 \$ 650 \$ 754 \$ 815 \$ 4 36	Total Swamp or Muskeg Softwood - Semi-Mature Softwood - Mature Softwood - Very Mature Softwood - All Heights Mixedwood - Semi-Mature Mixedwood - Mature Hardwood - Mature Water Frontage - Lake Frontage to a freshwater lake. Accessed via logging roads or boat. Zoned as MU (Mixed Use)

#### LAND SALES SCHEDULE

No.	Location Vendor/Purchaser	Date of Sale	Sale Price	Arca	At Date of Sale	Price/Unit Adjusted to Date of Valuation @ 3.0% p.a.	Comments.
3	Lake Charlotte Unknown Upper Lakeville Halifax County, NS PID #'s 40190688, 40190928, 40216962 Nova Star Forestry Ltd. to 3312336 Nova Scotia Limited	Apr 2018	\$1,503,884 \$ 271 \$ 1,279 \$ 9,749 \$ 144,793 \$ 315,348 \$ 187,190 \$ 76,853 \$ 72,064 \$ 39,323 \$ 77,518 \$ 6,364 \$ 13,383 \$ 31,451 \$ 5,807 \$ 61,903 \$ 24,512 \$ 436,078	1,387 00 acres 5 86 acres 27 67 acres 21 09 acres 226 97 acres 389 81 acres 190.11 acres 95 00 acres 82 92 acres 57 09 acres 9 24 acres 18.44 acres 52 74 acres 7 95 acres 7 1.61 acres 33 56 acres 14.150 ft	\$ 46 \$ 462 \$ 638 \$ 809 \$ 985 \$ 809 \$ 869 \$ 689 \$ 800 \$ 689 \$ 726 \$ 596 \$ 730	\$ 1,095 \$ 47 \$ 467 \$ 644 \$ 817 \$ 994 \$ 817 \$ 878 \$ 696 \$ 808 \$ 696 \$ 733 \$ 602 \$ 738 \$ 873 \$ 738 \$ 31 12	Total Rock Barren Swamp or Muskeg Clear Cut Softwood - Immature Softwood - Semi-Mature Softwood - Wature Softwood - All Heights Mixedwood - Semi-Mature Mixedwood - Mature Mixedwood - Wature Mixedwood - Very Mature Mixedwood - Very Mature Mixedwood - All Heights Hardwood - Immature Hardwood - Immature Hardwood - Mature Hardwood - Mature Hardwood - Wery Mature Water Frontage - Lake  Three parcels including frontage to a freshwater lake Access via logging roads. Zoned MU Mixed Use
4	Hoop Pole Lake Glen Margaret Halifax County, NS PIDs #'s 00601146, 00574905, 00654053 00654269 Fredenck Joplingto Pure Nature Developments	Аря 2017	\$ 200,000 \$ 1,214 \$ 156 \$ 21,008 \$ 15,364 \$ 31,588 \$ 8,748 \$ 2,901 \$ 1,693 \$ 100,481 \$ 16,845	594.00 acres 123.24 acres 15.87 acres 121.86 acres 73.22 acres 170.56 acres 59.60 acres 18.76 acres 10.88 acres 6,800 ft. 3,800 ft.	\$ 10 \$ 172 \$ 210 \$ 185 \$ 147 \$ 155	5 350 5 10 5 10 5 179 5 218 5 193 5 153 5 161 5 162 5 15 37 5 4.61	Total Rock Barren Swamp or Muskeg Softwood - Semi-Mature Softwood - All Heights Mixedwood - Semi-Mature Mixedwood - All Heights Hardwood - Semi-Mature Water Frontage - Lake Water Frontage - River Four adjacent parcels with freshwater lake frontage Access via single lane dirt road. Zoned MR-1 Mixed Resource Zone.

#### LAND SALES SCHEDULE

							Sale	Price	/Unit	
No.	Location Vendor/Purchaser	Date of Sale	Sa	le Price	Area	At Sa	Date of le	Da Va	justed to te of luation @ 1% p.a.	Comments
5,	Porcupine Hill	Jun.	S	20,000	48.68 acres	S	411	5	425	Total
	Popes Harbour	2017	S	22	1 60 acres	5	14	\$	14	Rock Barren
	Halifax County, NS		S	29	2.13 acres	\$	14	\$	14	Brushwood & Alders
			S	2,492	20.18 acres	5	124	5	128	Softwood - Semi-Mature
	PID #00554410		5	3,739	24 77 acres	\$	151	\$	156	Softwood - Mature
			5	13.714	3,800 ft	\$	3 61	\$	374	Water Frontage - Ocean
	William P Thomson to									
	Nova Scotia Nature Trust									Portion of a peninsula with limited access to the mainland. Zoned RE Rural Resource

# FINAL ESTIMATE OF VALUE

Final Estimate of Value

\$216,000 (\$306 per acre)

#### 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;



# Page 24

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 \$216,000 (\$306 per acre).

26th August 2019

Date

JAMES C. STEPHENS, B.SC., A.DIP.GIS, DULE

NSREAA #909477

#### 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;



# Page 26

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;

26th August 2019

Date

NIGEL G. TURNER, B.Comm., DULE, BBRE, MRICS, AACI

NSREAA #903910

#### TERMS OF ENGAGEMENT

Our Ref 19133981/W/US

#### 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, hereinafter referred to as the "CUSTOMER" OF THE SECOND PART.

WITNESSETH THAT for consideration, TURNER DRAKE agrees to provide, subject to the terms and conclinors 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 pdl format, of a summary valuation report on the Fee Simple interest in the following parcels: PID's #00485591, #40747578, #40747573, #41307992, #40747586, #41308008, #41308016 Southwest Cove, Nova Scotia (hereinafter referred to as the "PROPERTY") for the purpose 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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1.10 TURNER DRAKE will undertake such fiscal, physical and legal investigations as are necessary and property 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 ublising 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.
- 2.0.1 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, firmited 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:
  - (a) A fee of \$500. This fee does not include H.S.T.
  - (b) Disbursements, to be invoiced 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 unnum) on outstanding invoices.

		— TURNER DRAGE & PARTNERS LI	D,

THE CONSULTANT

TOTAL 26 August 2019

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Per Je Authorised Spring Officer

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# **TAB 19**

# Redacted Irrelevant/Privileged Internal Correspondence

From: "Glover, Sean (Halifax)" <sglover@coxandpalmer.com>
To: "Rooney, Sean P" <Sean.Rooney@novascotia.ca>

Cc: "Samson, Michel (Halifax)" <msamson@coxandpalmer.com>

Subject: Lighthouse Links (37766-4)

#### \*\* EXTERNAL EMAIL / COURRIEL EXTERNE \*\*

Exercise caution when opening attachments or clicking on links / Faites preuve de prudence si vous ouvrez une pièce jointe ou cliquez sur un lien

Good afternoon Sean, attached please find the fully executed letter of offer for your records. We look forward to beginning the next phase of the process with you. On that note, are you able to advise on the status of the draft option to repurchase as well as the following from my December 4th email:

An outline of the steps required to be taken between execution of the offer, and conveyance of the lands, and when these steps can, or are anticipated to occur/begin? In specific, I would think the following:

- 1. Approval of the Minister (if applicable)
- 2. Approval of Cabinet (if applicable)
- 3. First Nationals Consultation
- 4. Public Engagement (if applicable)
- 5. Integrated Resource Management Review
- 6. Issuance of Letters of Authority to my client to begin diligence investigations
- 7. Negotiation of the Option to Re-Purchase

Can you also connect me with whoever is responsible for issuing letters of authority with respect to investigations at the property?

Thank you,

Sean M. Glover | Cox & Palmer | Partner | Lawyer
Direct 902 491-4236 Cell 902 449-4352 Fax 902 421 3130 Web coxandpalmeriaw.com
Address Purdy's Wharf Tower I, 1100-1959 Upper Water Street Halifax NS B3J 3N2



#### Lands and Forestry Office of the Minister

PO Box 698, Halifax, Nova Scotia, Canada B3J 279 • Telephone 902-424-4037 Fax 902-424-0594 • novascotia ca

December /6, 2019

Transaction ID: 3323536

Lighthouse Links Development Company c/o Sean Glover 1959 Upper Water Street Halifax, NS B3J 3N2 sglover@coxandpalmer.com

Dear Mr. Glover.

Re: Letter of Offer - Proposed Sale of Crown Lands to Lighthouse Links Development Company, at Little Harbour, Halifax County

A request to purchase approximately 705.2 acres (285.3 hectares) of Crown lands located at, Little Harbour, Halifax County currently identified on Property Online as PIDs 40747578, 40747586, 00489591, 41307992, 41308008, 41308016, 40751273 and shown outlined in bold on the attached Schedule "A" (the Property) was submitted by Lighthouse Links Development Company (the Purchaser) for the purpose of a proposed development project as defined below. The Letter of Offer (the Offer) shall remain open for acceptance for 2 weeks upon a signed copy being delivered by the Department of Lands and Forestry (the Department) to the Purchaser.

#### Definitions:

Project – Means the proposed development of a recreational and residential community, which is expected to include one to three world class golf courses, club house, single family homes, and short term accommodations, enhanced seasonal and recreational activities (including hiking, kayaking, and boating), as more particularly set out in the Updated Draft Proposal dated October 29, 2019, and attached as Schedule "B".

#### Terms and Conditions:

- 1. This Offer is subject to the approval of Cabinet and/or the Minister of the Department.
- 2. The Property is Crown lands free from encumbrances with the exception of an easement agreement for access and utilities over a portion of lands presently identified by PID 00489591 in favour of lands presently identified by PID 00605899 which is recorded at the Land Registry Office in Halifax County on October 24, 2006 as document number 86440089; however, this does not guarantee title to the Property. The Purchaser acknowledges that it must satisfy itself as to the adequacy and sufficiency of the Crown's title. The Department makes no representations or warranties as to suitability or fitness of the Property for the intended use by the Purchaser.
- The Department and the Purchaser agree that the purchase price, as determined pursuant to paragraph 6 below, does not include HST which will be in addition to the purchase price. The

Purchaser certifies that the Purchaser is, or will be, at the time of closing registered as an HST Registrant under and pursuant to the *Excise Tax Act* (Canada) (the Act) and will continue to be so registered on the closing date. The Purchaser acknowledges that the Department shall not be liable or responsible for the collection of HST at the time of closing and that the Purchaser shall deal with any applicable HST in accordance with the Act. Based on the foregoing undertakings and representations by the Purchaser, the Department will not collect and will not be liable or responsible to collect any HST applicable to this transaction and the Purchaser, at the time of closing, will deliver to the Department, an appropriate standard Statutory Declaration in this regard satisfactory to the Department's solicitor, acting reasonably, which shall include an indemnity saving the Department harmless from liability for the payment of any of such taxes in connection with the closing.

- The sale of the Property is subject to the Department completing an Integrated Resource Management Review.
- The conveyance will be by Crown grant. The conveyance of title will be issued in the following name: Lighthouse Links Development Company, a body corporate with a registered office at Halifax.
- 6. The Property will be sold for \$306 per acre, as determined by the report prepared by an Accredited Appraiser Canada Institute (AACI) qualified appraiser, dated August 26, 2019. The final purchase price to be determined when the approved survey plan has been completed.
- 7. It is the Purchaser's responsibility to obtain all applicable permits, authorizations or approvals required from the applicable level of government required for the Purchaser's intended use of the Property. By signing the Offer, the Purchaser indemnifies and holds harmless Her Majesty the Queen in right of the Province of Nova Scotia and its employees from any and all liability arising from the failure to obtain such permits, authorizations and approvals. The Department does not, by the act of issuing this Offer, covenant or provide any assurance that any other required permits, authorizations or approvals will be issued by the Province of Nova Scotia, any other level of government or any other body.
- Prior to closing, the Purchaser must apply to the Department and obtain authorization before
  entering the Property including, but not limited to, accessing the Property to conduct any
  investigations, inspections, tests or building roads.

## Option to Repurchase

9. The Property shall be conveyed subject to an option to repurchase the Property (the Option) in favour of the Department, whereby the Department shall have the right, exercisable by giving thirty (30) days' notice in writing, following an event of default by the Purchaser under the Option, to the Purchaser or any mortgage lender (the Lender) to require the reconveyance of the Property, free and clear of any mortgages, judgments, liens, taxes, charges or other encumbrances, subject to the other terms and conditions within the Option. This Offer is conditional upon the parties entering into an option agreement on or before closing date on terms satisfactory to both parties.

# The Purchaser's Obligations, Acknowledgements and Warranties:

10. The Purchaser represents and warrants to the Department that the Purchaser's intentions for future use of the Property including with respect to the Project have been fully disclosed to the Department, including any information it has or obtains including any project report detailing the Project that could affect the Province's approval to proceed with the proposed sale of the Property as all such information is needed in order to complete the Department's reviews and consultations and before cabinet approval can be sought.

- 11. The Purchaser represents and warrants to the Department that the Purchaser has the authority to enter into the Offer and to be bound by the representations, warranties, terms and conditions contained herein.
- The Purchaser acknowledges that the Purchaser has had the opportunity to obtain independent legal advice about the terms and meaning of the Offer, prior to signing the Offer.
- The Purchaser is required to ensure that the information provided in the Offer is accurate and kept up to date.
- 14. Within six months of the signing of the Offer, the Purchaser is required to arrange and pay the costs associated with having the Property surveyed by a Nova Scotia Land Surveyor. The Purchaser's surveyor must contact the Manager of Surveys, Department of Lands and Forestry, PO Box 698, Halifax, NS, B3J 2T9, phone number (902) 424-6789, prior to commencing work to obtain an Order of Survey and further instructions regarding surveying of the Property.
- 15. The Purchaser is solely responsible for all legal fees and other costs associated with migration of the Property into the land registration system pursuant to the Land Registration Act and for any costs associated with the transfer of title, including municipal deed transfer tax and the fees for recording the conveyance document at the land registration office.
- 16. The Purchaser agrees to release Her Majesty the Queen in Right of the Province of Nova Scotia including Her Ministers, agents, employees, heirs, successors and assigns from all manner of actions, causes of actions, suits, debts, duties, accounts, covenants, contractor's claims and demands relating to any title defect.
- 17. The sale of the Property is subject to the Province being satisfied that it has fulfilled its duty to consult with the Nova Scotia Mi'kmaq Chiefs under the August 31, 2010 Mi'kmaq-Nova Scotia-Canada Consultation Terms of Reference (TOR) regarding the proposed sale of Crown lands. Any costs for reports, studies, archaeological assessments or similar work associated with completing any necessary aboriginal consultation regarding the proposed sale are the responsibility of the Purchaser.
- The sale of the Property is subject to public engagement being concluded to the satisfaction of the Department.

#### General Terms:

- The Department is permitted to register a notice of option in the land registry office for Halifax County upon the closing date of the sale to the Purchaser.
- 20. In the event the sale does not receive approval of Cabinet or the Minister, the Purchaser will be notified by the Department that the sale of the Property cannot proceed, and the Offer shall immediately terminate. The Department shall not be liable for any costs incurred or losses suffered by the Purchaser if the transaction does not proceed.

- 21. The Offer is governed by, and will be construed and interpreted in accordance with, the laws of Nova Scotia and Canada, as applicable. All disputes arising between the parties in respect of the Offer shall attorn to the courts of Nova Scotia.
- Any provision of the Offer that is held to be void, illegal or unenforceable shall be separate
  and severable from the remaining provisions of the Offer, which shall remain in full force and
  effect.
- 23. The Offer shall constitute the entire Offer for the purchase and sale of the Property and supersedes all other contracts or understandings, whether oral or in writing. Any amendments to the Offer must be in writing and signed by the parties hereto or their agents and shall include the exchange of confirming emails between the parties hereto or their agents.
- 24. The Offer is to be read with all changes of gender or number required of the context.
- 25. The Offer and any document or instrument to be executed and delivered by Purchaser or the Department may be executed and delivered in separate counterparts and delivered by one party to the other by facsimile or other form of electronic communication, each of which when so executed and delivered shall be deemed to be an original. All such counterparts shall together constitute one and the same Offer. Production of an originally executed (or a copy of a transmittal facsimile or other form of electronic communication) copy of each counterpart execution page hereof shall be sufficient for purposes of proof of the execution and delivery of the Offer or such document or instrument.
- 26. The Agreement shall be binding upon the parties hereto, shall be binding upon their respective successors and permitted assigns and shall enure to the benefit of and be enforceable only by such successors and permitted assigns which have succeeded, or which have received such assignment in the manner permitted herein.
- 27. The covenants, agreements, representations and warranties of the Purchaser contained in paragraphs 3, 7, 10-11,16, 20-21 and 26 specifically, and all other covenants, agreements, representations and warranties made generally by the Purchaser to the Department shall not merge on the closing of this transaction, but shall survive the same and shall continue in full force and effect for the benefit of the party to whom they were given.

To indicate acceptance of the terms and conditions outlined herein, please countersign the attached Offer, and return to my attention at the address listed at the top of the Offer.

Sincerely

lain Rankin

Minister, Lands and Forestry

#### Attachment

Cynthia Steele, Acquisitions and Disposals, Lands and Forestry Darrell Comeau, Area Manager, Lands and Forestry Wayne Stillman, Manager Surveys, Lands and Forestry Pat Lynch, Land Admin Coordinator, Lands and Forestry

Purc	haser'	s Acc	eptar	nce

We, Lighthouse Links Development Company, accept the Offer and agree to the above terms and conditions:

December 18, 2019

Lighthouse Links Development Company (Authorized Signing Officer/Individual)

Date

Lighthouse Links Development Company (Authorized Signing Officer/Individual)

# SCHEDULE "A"

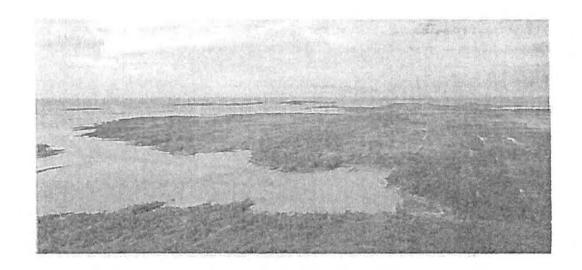


# Schedule "B"

# LIGHTHOUSE LINKS

# UPDATED DRAFT PROPOSAL FOR PURCHASE OF LANDS IN LITTLE HARBOUR, HRM, NOVA SCOTIA

OCTOBER 29, 2019



Prepared by Lighthouse Links Development Corporation

CONFIDENTIAL



# **EXECUTIVE SUMMARY**

Lighthouse Links Development Corporation (the "Company") wishes to construct Lighthouse Links, two or three world-class public 18-hole links golf courses in Little Harbour, HRM, Nova Scotia, comparable to Cabot Links and Cabot Cliffs, by combining approximately 745 acres of land which it proposes to buy from the Province and the Federal Crown with 340 acres of oceanfront land owned by affiliates of the Company, who have owned property in Little Harbour for over 16 years. The combined property would have over 12 kilometers of oceanfront land which would permit almost every hole to be either on the ocean or to have a spectacular ocean view.

The balance of the land would be used to develop a destination residential or resort community, with the intent of encouraging more tourists, visitors, and others to visit and live on the Eastern Shore.

Since Lighthouse Links would be only about 75 minutes from downtown Halifax and Stanfield airport, and less than an hour from Dartmouth, we plan to create a "bedroom"/residential community in the Little Harbour/Owls Head area, appealing to year-round and seasonal homeowners who commute to Halifax and Dartmouth and would see the area as providing either

their principal or seasonal residences and are attracted to the area by the proximity to would-class golf courses, the rocum, and its beaches including Clam Harbour Beach, plus access to water sports, as well as beating, fishing, and keyaking.

Fullowing the Cabot model, additional benefits would come from visitors from other provinces and outside Canada interested in playing golf on the new courses, adding significant revenue and employment to the Eastern Shore, Halifax, and Nova Scotia.

An overall objective is to make Nova Scotia a premier tourism destination for golfers interested in playing multiple world-class golf courses, including the new Lighthouse Links courses, those at Cabot, and others elsewhere in the Province. The proximity of Lighthouse Links to Stanfield Airport should be an added incentive to visiting golfers and should provide further economic benefits to the Province.

A definitive, detailed construction, financial, and business plan will have to be prepared, it is expected that the project will provide on-going employment for at least 150-200 people for the construction and operation of the golf courses and residential housing, some of which would be seasonal.

Lighthouse Links presents a rare opportunity to enjoy and showcase some of the most scenic coastline in the Province with its pristine, rugged natural beauty, while creating jobs, improving the lives of many in this region of high unemployment, and building the economy of Nova Scotia in a way consistent with the recommendations of the Ivany Commission.

This project will make friendly use of the relatively undiscovered topography, vistas, and terrain which is fortunately little more than an hour from Halifax and presents a wonderful opportunity to encourage economically important tourism.

Every effort will be made to enhance the site's natural beauty and we look forward to working with environmentally friendly groups to ensure that objective. The golf industry has a history of being an environmentally friendly business, often enabling remote, often largely unseen, and untouched areas to be exposed sensitively to more people who will enjoy them, treat them respectfully, and work to maintain their natural beauty.

Our current plan is to finance the development by a combination of private equity, and debt. We are looking for a partner, or partners, experienced in golf course construction and management, as well as real estate development, who can participate in the project after the onsite evaluation described above is completed. We also intend to pursue such other funding opportunities as may present themselves over the course of the development

In light of the proposed purchase of federal and provincial Crown lands, Lighthouse Links will work with the Office of Aboriginal Affairs and the Department of Lands & Forestry to ensure that consultation is undertaken with the neighboring First Nation communities and their representative organizations.

#### BACKGROUND

This report will update the proposal familished to the Province on July 22, 2013 and provide additional information on our current plans for the 705 acres we are proposing to buy from the Province, as well as the approximately 40 acres of Federally owned Crown lands we also hope to acquire.

Parties associated with the Company have owned property in Little Harbour since 2003, over sixteen (16) years ago, and currently own approximately 20 parcels of land, aggregating about 340 acres of contiguous occanitom property.

The 340 acres of land and the 705 acres we hope to acquire from the Province should be more than adequate to include three public golf courses. A typical golf course covers approximately 160 acres. The combined properties, aggregating over 1000 acres, would have about 12 kilometers of ocean frontage, enabling a high percentage of the holes to be on the ocean, or with ocean views.

While many of the activities are seasonal, we are considering other year-round activities including partially enclosed computerized golf teaching sheds which are becoming increasingly common in the US.

Parts of the property include high granite outcroppings which are not ideal for golf, but would be great for residential construction, including condominiums and single-family homes. The views from these high outcroppings are spectacular.

Our current preliminary plan prepared by Gil Hanse, a highly regarded golf course architect introduced to us by Mike Keiser, has identified a site for a golf clubhouse with access to all three proposed 18-hole links golf courses. The clubhouse would include a pro shop, restaurant, and lodging which could be an inn and/or adjacent condominiums.

Subject to the prior approval of the Province in respect of any use of submerged Crown lands, we plan to provide water access for kayaks and could possibly build a marina off some of the land owned by affiliates of the Company on the Little Harbour waterfront. Murphy's Lake, a large deep, freshwater lake, is included in the Provincial land and is close to Little Harbour Road. It could be developed for other water sports, including boating and fishing.

The coastline has many unique natural features, including beautiful beaches and wonderful kayaking, which are now difficult to access because of the lack of public access/facilities which we propose to provide.

Affiliates of the Company currently own 4 houses in the area. Three are in the town of Little Harbour, are furnished, and set up as guest houses for the use of visitors, including people working on the project. There is also a motel at Webber's, about 15 minutes away, on Highway 7. The fourth house is the Gilberts' home near Long Cove and the southern facing ocean beaches, accessed by a long driveway off of Little Harbour Road. Beck Gilbert is an affiliate of

the Company and he and his wife, Kitty, own over 30 acres of hard in the town of Little Harbour which would be suitable for the construction of additional houses.

A definitive, detailed construction, financial, and business plan will have to be prepared, but it is expected that the project will provide an going employment for at least 150-200 people for the construction and operation of the golf courses and residential housing, some of which would be sessonal.

It's our hope that the project would encourage spin-off and other businesses which would provide additional jobs and benefits to the Eastern Shore and Nova Scotia. We estimate that it would take approximately three (3) years from breaking ground to complete the first course.

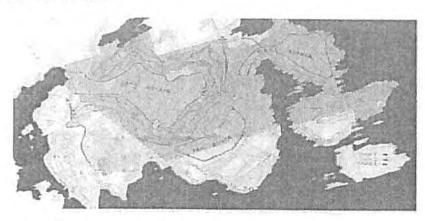
### THE GOLF COURSES

The Company wishes to construct two or three world-class public 12-hole links golf courses in Linke Harbour, HRM, Nova Sontia, comparable to Cribot Links and Cabot Chits. The unique terrain with over twelve (12) kilometers of occanivant would pesson almost every hole to be either on the ocean or to have a spectacular ocean view.

The Company is working with Gil Hanse, a well-known golf course architect, who has designed or renovated a number of word-class courses around the globe, including the Olympic Golf Club in Rio, the Boston Golf Club, Streamsong Black in Florida, the Los Angeles Country Club, and the Vineyard Club, among others. Gil was recommended by Mike Keiser, one of the driving forces, along with Ben Cownn-Dewar, behind Cabot Links. Mike is also a principal owner of Cabot.

A preliminary plan developed by Gil Hanse for three courses is shown in Exhibits A-1, A-2, and A-3, and on the next page.

Land shown in green is owned by either the Province or the Federal Crown. Land shown in white is owned by the proponent. The remaining part of Cuckold Island (on the lower right in the proposed course plan below) is to the East/right of proponent's land, is owned privately, and is also shown in white.



There are two potential sites for the first course to be built, one on either side of Long Cove which is partially between the two sides of the Provincial land. Both would ultimately become courses, but it's not clear which course should be built first.

This development should encourage more native Nova Scotians, along with tourists, visitors, and others, to come to the Eastern Shore, in expectation of creating a bedroom community for families working in the Halifax/Dartmouth area, could attract industry, and provide additional jobs for up to 150-200 people for the golf courses alone on an ongoing basis. Spin-off businesses should provide other economic benefits to the Eastern Shore. This project would tie in well to the current housing and tourism boom being experienced in and around Halifax and elsewhere in Nova Scotia.

Additional jobs would be created to construct the residential and commercial buildings.

We estimate that it would take approximately three (3) years from breaking ground to complete the first course. The photo below shows some of the spectacular rock and sandy perinsulas which will become unique, sequential over-water holes, shown in Gil Hanse's preliminary course byout.



#### COST ESTIMATES

We have obtained cost estimates for the development of the lands from KemperSports, the golf course management company responsible for a number of notable golf courses, including those at Bandon Dunes. Mike Keiser is also a principal owner of Bandon Dunes on the Oregon coast - from of the five courses at Bandon are listed in the top 100 courses in North America by Golf Digest.

According to Mike Keiser, this project will only be visible if at least two world-class golf courses can be constructed. KemperSports' preliminary estimate of the cost to construct the first course—without having visited the site, but after consulting with our golf course architect, Gil Hanse, who has visited it—is \$12.6 million. This number excludes the cost of building the infrastructure—the chib house, lodging, a maintenance shed, parking, etc.

The above costs are much higher than the typical course because it would have to be built on ledge, and sand is not easily available. The largest component consists of \$5,000,000 for earth moving ledge removal and covering the area with sand, which must be trucked onto the site. We believe that significant savings, not accounted for in KemperSports' estimate, can be achieved by building a sand plant to convert the ledge that is removed during golf course construction to sand.

Refining our cost estimates requires an onsite evaluation of the terrain over which the courses would be built - which currently can't be accessed by construction equipment because there are no roads. We anticipate finding additional savings after an onsite evaluation.

In order to refine the cost estimates, two roads capable of handling construction vehicles from the existing road in Southwest Cove, would be required, one on either side of Long Cove. We estimate that about 2.5 miles of roads will be needed at a cost of approximately \$370,000.

A successful real estate development program is expected to be necessary to help offset the high costs of the golf course construction. We are currently evaluating whether the land used for the proposed third course would be better utilized for residential construction.

Our current plan is to finance the development by a combination of private equity, and debt. We are looking for a partner, or partners, experienced in golf course construction and management, as well as real estate development, who can participate in the project after the onsite evaluation described above is completed. We also intend to pursue such other funding opportunities as may present themselves over the course of the development

# REQUIRED LANDS

#### Subject Lands

The Subject Lands are composed of Forty (40) acres owned by Crown Transport Canada and approximately Seven Hundred and Five (705) acres owned by the Province of Nova Scotia.

The 745 acres are more particularly set out as follows:

- Forty (40) acres owned by Crown Transport—portion of PID # 00555284.
- · 705 acres owned by the Province in seven (7) purcels
  - 650 acres on both sides of Long Cove, on Southwest Cove, and on the Western shore of Ship Harbour – PID # 00489591, on both sides of Little Harbour Road
  - 20 acres including Murphy's Lake PID # 40747578, on both sides of Little Harbour Road
  - 32 acres on the Eastern shore of Long Cove PID # 40751273
  - 2 acres a small island in Long Cove PID # 41307992
  - A small island in Long Cove PID # 41308016
  - A small island in Long Cove PID # 41308008
  - A small island in Murphy's Lake PID # 40747586

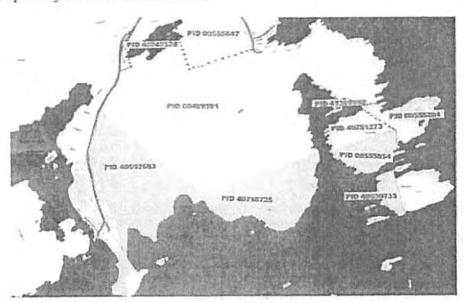
Attached as Exhibit A is a map furnished by the Province showing the location of the seven (7) properties owned by the Province

# SCHEDULE "A"



Shown below as Exhibit B is a map indicating the location of the Provincial and Federal Lands as well as those properties owned by parties affiliated with Lighthouse Links. The two small islands in Long Cove as well as the small island in Murphy's Lake owned by the Province are not shown in Exhibit B.

Properties owned by the Company or related parties are in yellow. The Federal and Provincial properties are in white. The eastern portion of Cuckold Island (on the lower right of the map) is owned privately and is also shown in white.



#### MANAGEMENT

G. S. Beckwith ("Beck") Gilbert. Back is the controlling shareholder of Lighthouse Links Development Corporation. He and his wife, Kitty, have a home in Little Harbour with approximately 340 acres of land, and have owned property in Little Harbour for over sixteen (16) years. They previously had a home in Glen Haven. He enjoys spending time in Nova Sootin and kayaking in Long Cove. They also have a residence in Greenwich, Connecticut.

Beck has been chairman of the board of PASSUR Aerospace, a business intelligence company serving the aviation industry, since 1997. In addition, he is president and chief executive officer of Field Point Capital Management Company, a private equity firm, a position he has held since 1988.

He is the former chairman of the executive committee of DIANON Systems as well as the former chairman, CEO, and majority shareholder of Pentech Corporation and CEO of its wholly owned subsidiary, QO Chemicals. He was also the chairman and majority shareholder of Uniteast Canada, Inc. in Sherbrooke, Quebec. Previously, he was the chief financial officer of American Standard's world-wide Plumbing and Heating Group and the general operations manager of its Plastic Division.

Beck is chairman emeritus of the Board of Fellows of Harvard Medical School, a director of the Yale Cancer Center, and a member of the Council on Foreign Relations.

He has also served as a trustee of The Rockefeller University, treasurer and a director of the Lasker Foundation, a director of the Cancer Research Institute, founding chairman of the American Lyme Disease Foundation, and former chairman of the Lyme Disease Advisory Board at New York Medical College.

Beck graduated magna cum laude from Princeton's Woodrow Wilson School of Public and International Affairs in 1963. He received a MBA from New York University's evening program in 1967 and received a MS in Immunology, with a focus on cancer, from The Rockefeller University in 2006. Beck is an Honorary Member of the Graduating Class of 2004 at Weill Cornell Medical College.

Katharine (Kitty) Stoddert Gilbert. Kitty is Beck's wife, and a magna cum laude graduate of Bryn Mawr College with a major in Art History, and spent her entire working career at The Metropolitan Museum of Art as the Editor of the Bulletin and the Editor of the catalogue of the Tutankhamun exhibition.

Anthony Turner, Anthony, a well-known businessman on the Eastern Shore, runs Gerald Turner & Son Trucking in Moser River, is a community leader in Sheet Harbour, and has managed our properties as well as providing road building services and other construction services since we bought our first property in Little Harbour over 16 years ago. He is very involved in the project.

EXHIBIT A-1 Course Overview

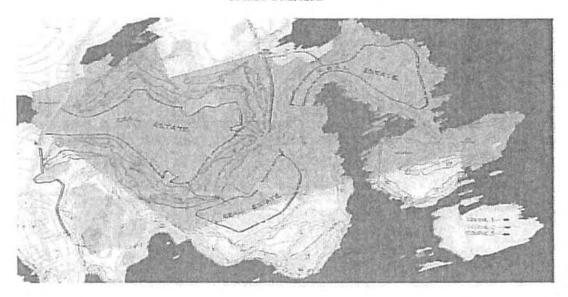


EXHIBIT A-2 Left Inset of Development Overview

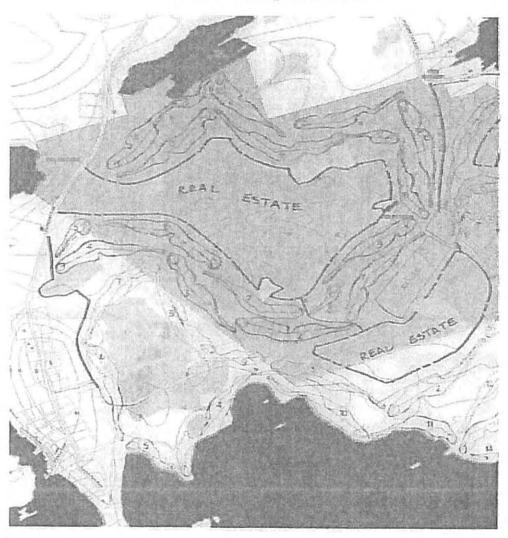


EXHIBIT A-3 Right Inset of Development Overview

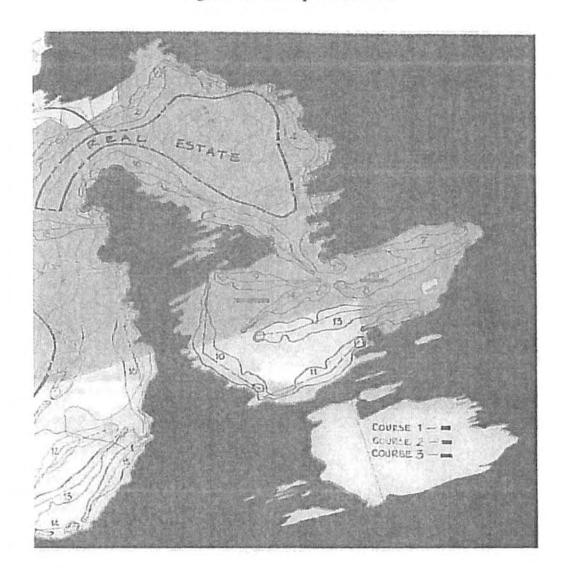


EXHIBIT B
Subject Lands

