

Narrative Appraisal of
**WEST OF WICKERSON ROAD,
LONDON, ONTARIO**



Prepared By:

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Prepared For:





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August 12, 2011
File No: 24812

THE CORPORATION OF THE CITY OF LONDON - REALTY SERVICES
300 Dufferin Avenue
London, Ontario
N6A 4L9

Attention: Mr. Charlie Abromaitis
Senior Property Appraiser/Negotiator

Re: **WEST OF WICKERSON ROAD**
LONDON, ONTARIO

In accordance with your request, I have inspected the above captioned property for the purpose of estimating its Market Value as of August 12, 2011. The property was appraised in the "*Fee Simple Interest*", as if free and clear of any existing financing, and on an "all cash" basis. The intended user of this report is the client, *The Corporation of the City of London - Realty Services*. The property was inspected on August 14, 2011.

The following report was prepared in accordance with the *Canadian Uniform Standards of Professional Appraisal Practice* for the **APPRAISAL INSTITUTE OF CANADA**.

The subject property is situated in the southwest sector of London. It is located west of Wickerson Road, south of Byron Baseline Road. The subject site has an area of 5.52 acres and is zoned Agricultural (AG1). The property forms part of a larger 118.3 acre parcel and is improved with a stormwater pond facility.

It is my opinion that the Highest and Best Use of the subject property is as a speculative development parcel with an interim agricultural use in conjunction with the overall parcel.

A more detailed description of the property, together with the reasoning leading to the valuation estimate reported herein, has been outlined in the accompanying report.

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As a result of our investigation, and after taking all pertinent factors into consideration, it is our opinion that the estimated Current Market Value of the subject property, in the "Fee Simple Interest", as if free and clear of any financing and on an all cash basis, as of August 12, 2011, is:

**TWO HUNDRED AND FIFTY THOUSAND DOLLARS
(\$250,000)**

Extraordinary Assumption: It is assumed that the subject property is severed from an overall larger parcel. Furthermore, the existing stormwater facility has been disregarded.

The undersigned reserves the right to revise the opinions set out herein, including the final estimate of value, in light of any facts and conditions that become known subsequent to the date of the report, which have an impact on the conclusions reached.

The value reported above is subject to the qualifications, limiting conditions and underlying assumptions set out herein. This report contains 46 pages plus Addendums, and is not valid unless it contains an original signature.

Should you require any further information or clarification with respect to this matter, please contact the undersigned.

Respectfully submitted,

METRIX SOUTHWEST INC.



Dan Van Houtte, MRICS, AACI, P.App
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SECTION 1 - EXECUTIVE SUMMARY

PURPOSE OF APPRAISAL:	Current Market Value
FUNCTION OF APPRAISAL:	Asset Valuation
EFFECTIVE DATE:	August 12, 2011
INSPECTION DATE:	August 14, 2011
INTEREST APPRAISED:	Fee Simple
PROPERTY TYPE:	Land
ADDRESS/LOCATION:	West of Wickerson Road, London, Ontario
LEGAL DESCRIPTION:	Lot 50, and Part Lot 49, Concession 1, Westminster, designated as Parts 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16, Plan 33R-16471; Save And Except Plan 33M-561; S/T Easement Over Parts 2, 8, 9 and 10, Plan 33R-16471 as in 191514; S/T Easement Over Part 6, Plan 33R-16471 as in 273904; S/T Easement over Parts 1, 2, 3, 5 And 15, Plan 33R-16471 as in 281765; S/T Easement over Parts 7, 8 and 11, Plan 33R-16471 as in Lt386342; S/T Easement Over Part 16, Plan 33R-16471 as in ER351844, City Of London
REPORTED OWNER	Sifton Properties Limited
OVERALL SITE AREA:	118.3 acres
SUBJECT SITE AREA:	5.52 acres
OFFICIAL PLAN:	Agricultural
ZONING:	Agricultural (AG1)
ESTIMATED EXPOSURE/ MARKETING TIME:	60-90 days / 60-90 days
HIGHEST AND BEST USE:	It is my opinion that the Highest and Best Use of the subject property is as a speculative development parcel with an interim agricultural use in conjunction with the overall parcel.
FINAL ESTIMATE OF VALUE RATE	\$45,000 per acre
FINAL ESTIMATE OF VALUE:	\$250,000

Extraordinary Assumption: It is assumed that the subject property is severed from an overall larger parcel. Furthermore, the existing stormwater facility has been disregarded.

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SECTION 2 - OVERVIEW OF THE ASSIGNMENT

PURPOSE OF APPRAISAL

The purpose of this appraisal is to estimate the Current Market Value of the subject property located west of Wickerson Road, London, Ontario

FUNCTION OF APPRAISAL

Asset Valuation

CLIENT

The Corporation of the City of London - Realty Services

INTEREST APPRAISED

Fee Simple Interest

EFFECTIVE DATE OF APPRAISAL

August 12, 2011

INSPECTION DATE

Dan Van Houtte inspected the property on August 14, 2011

SCOPE OF VALUATION AND REPORTING PROCESS

An inspection of the property on August 14, 2011, by Dan Van Houtte, MRICS, AACI, P.App

The findings and conclusions outlined in this report were based upon:

- an inspection of the surrounding neighbourhood;
- a review of the pertinent Official Plan guidelines, Zoning By-law and Regulations;
- a confirmation of all data relied upon in the valuation process;
- a determination of Highest and Best Use;
- a registry office search to confirm title details was not conducted;
- comparable property sales searched through MLS records and statistics, GeoWarehouse™, Realtrack™ and the records of the Land Registry Office. Photocopies of this data are available in the appraiser's file. Other published statistical data as relating to economic indicators was reviewed, and where necessary, has been discussed in some detail; and
- a detailed valuation analysis of the subject utilizing the Sales Approach.

Extraordinary Assumption: It is assumed that the subject property is severed from an overall larger parcel. Furthermore, the existing stormwater facility has been disregarded.

SECTION 3 - DEFINITIONS

MARKET VALUE

"Market Value" is defined 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 the specified date and the passing of title from seller to buyer under conditions whereby:

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

PROPERTY RIGHTS APPRAISED

The property rights appraised are those of the "*Fee Simple Interest*", as if free and clear of any existing financing.

PROPERTY RIGHTS DEFINED

"*Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power, and escheat.*"²

¹ (Canadian Uniform Standards of Professional Appraisal Practice, Appraisal Institute of Canada, 2010)

² *The Appraisal of Real Estate*, (Canadian Edition, 1992), 114-115

REPORT FORMAT

The Canadian Uniform Standards of Professional Practice (**'The Standards'**) requires that an appraisal report be identified as one of the following types of reports:

1. **Current** - Refers to an appraisal where the effective date of the report is contemporaneous with the date the report was prepared or inspected, where market conditions have not changed materially between the dates.
2. **Retrospective** - Refers to an appraisal where the effective date of the report precedes the inspection date or the date the report was prepared, where market conditions may be materially different between these dates. A "retrospective" value opinion is based on the market conditions, perceptions and perspectives that existed as of the effective date.
3. **Prospective** - Refers to an appraisal where the effective date of the report is subsequent to the inspection date or the date the report was prepared. Value opinions are intended to reflect the perceptions of market participants as of the preparation date of the report, but projected market conditions forward to a future effective date as may be reasonably expected.
4. **Up-date** - Refers to an extension of a previously completed appraisal, "up-date" to the effective date of the report. An "up-date" appraisal involves the analysis of changes in the subject property or market conditions which may result in a different (updated) valuation opinion. This format is appropriate where the subject property has not undergone significant changes since the original appraisal and the time between the effective date of the original appraisal and the up-date is not unreasonably long. This reporting format is intended for readers familiar with the original report and the subject property.

'The Standards' identifies three appraisal report types. These include:

1. **Narrative:** comprehensive and detailed.
2. **Short Narrative:** concise and briefly descriptive.
3. **Form:** a standardized format combining check-off boxes and narrative comments.

This report is prepared as a Current appraisal in a Narrative format.

EXPOSURE TIME

Exposure time is the estimated length of time the property interest being appraised would have been offered in the market prior to the hypothetical sale at the estimated Current Market Value on the effective date of the appraisal. Reasonable exposure encompasses not only adequate, sufficient and reasonable "time", but also adequate, sufficient and reasonable effort.

In addition to price, exposure time is a function of use and type of real estate. The subject site comprises a vacant property located in a predominantly residential area. Based on statistical data regarding days on market, discussions with brokers and information derived through analysis of comparable data, our opinion is that a reasonable exposure time for the subject would be approximately 60-90 days.

MARKETING TIME

*"Marketing time is an opinion of the amount of time it might take to sell a property interest in real estate at the concluded market value level during the period immediately after the effective date of an appraisal."*³

Our opinion is that a reasonable marketing time for the subject property is approximately 60-90 days.

³ (Canadian Uniform Standards of Professional Appraisal Practice, Appraisal Institute of Canada, 2010)

EXTRAORDINARY ASSUMPTION

For every hypothetical condition, an Extraordinary Assumption is required. According to the *Canadian Uniform Standards of Professional Appraisal Practice* (CUSPAP 01/01/2010), an Extraordinary Assumption "refers to a hypothesis - either fictitious or unconfirmed - which, if not true, could alter the appraiser's opinions and conclusions". The following hypothetical conditions must be clear to the reader:

- *The property condition does not in fact exist as at the date of appraisal;*
- *The analysis performed to develop the opinion of value is based on a hypothesis, specifically, that the property condition is assumed to exist when, in fact, it does not;*
- *Certain events need to occur, as disclosed in the report, before the property condition will, in fact, exist;*
- *The appraiser does not consider unforeseeable events that could alter the value conclusion; and*
- *A different value conclusion would likely result but for the hypothesis.*

Extraordinary Assumption: It is assumed that the subject property is severed from an overall larger parcel. Furthermore, the existing stormwater facility has been disregarded.

SECTION 4 - LOCATION OVERVIEW

CITY OF LONDON ECONOMIC BASE

Population (2006 Census)

- According to the 2006 Census of Canada, the London CMA had a population of 457,720, representing a 5.1 increase over 2001's population of 435,600
- The City of London had a population of 352,395 in 2006, representing a 4.7% increase over the 2001 population of 336,539

Transportation

- Well serviced by major transportation linkages including Highway #401, Ontario's major service highway extending from Windsor to Quebec
- Highway #402 borders the southwest section of the City, extending to an international crossing point at Point Edward, Ontario and Port Huron, Michigan
- Passenger and freight rail transportation service the City
- Flight services via London International Airport, Canada's 12th busiest

Education

- Internationally recognized educational institutions including the *University of Western Ontario* and *Fanshawe College*

Employment

- Major administrative centre for both Federal and Provincial government agencies
- Strong propensity towards the service, medical and education economic sectors
- Major firms represented by corporate centres and regional offices include London Life, 3M Canada, and TD-Canada Trust
- Major medical and research sectors include the London Health Sciences Centre and St. Joseph's Health Care Centre, plus 15 hospitals within the local region
- Retail trade is London's largest sector comprising 14.9% of the overall workforce
- The next largest sectors are health care and social assistance employing 13.8% and manufacturing employing 12.9%

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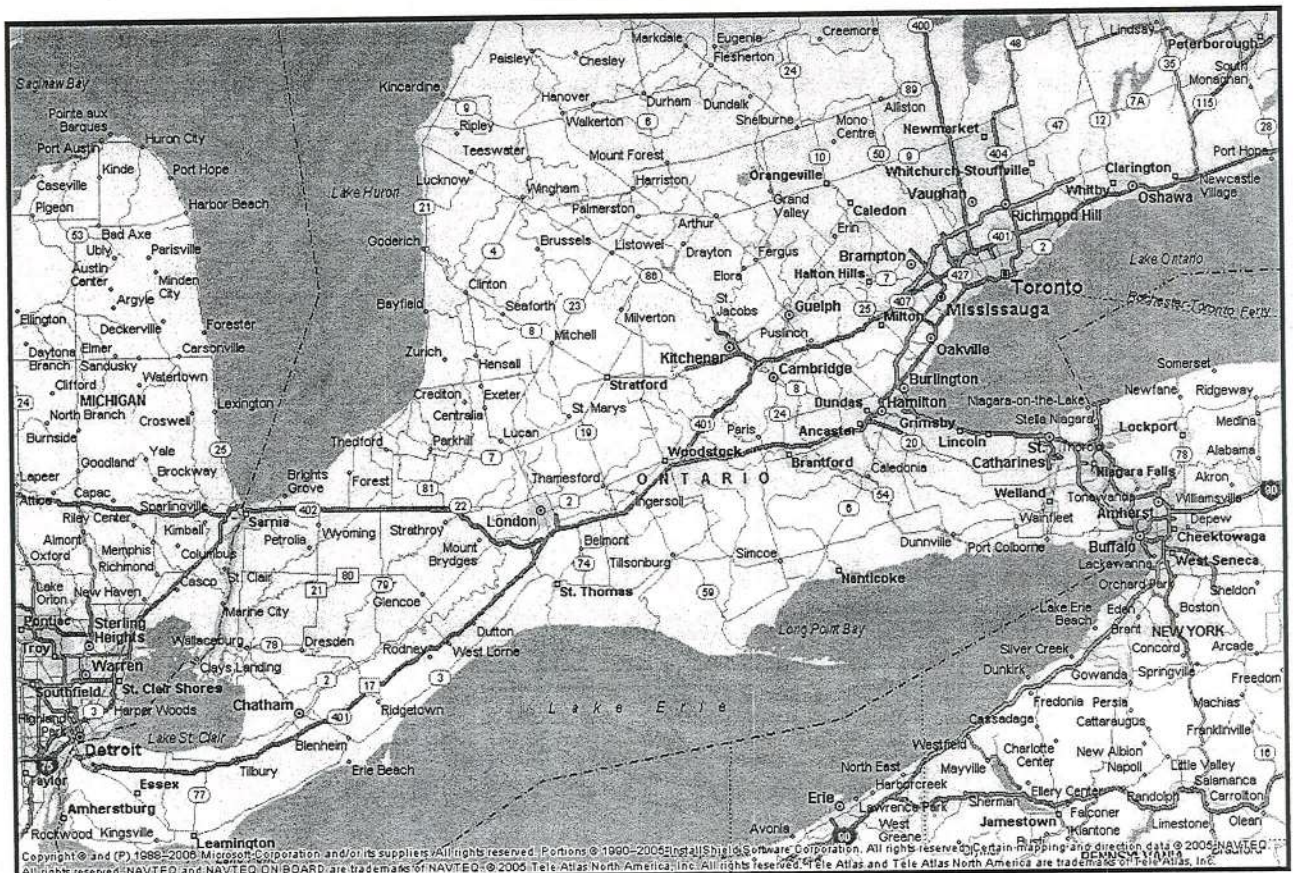
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- The largest manufacturing employers in the London area are General Dynamics Land Systems Canada, Ford of Canada (Talbotville Assembly Plant), and 3M Canada
- The unemployment rate for the City of London has remained the same over the year. CMHC reported that the unemployment rate for the second quarter of 2011 was 8.3%

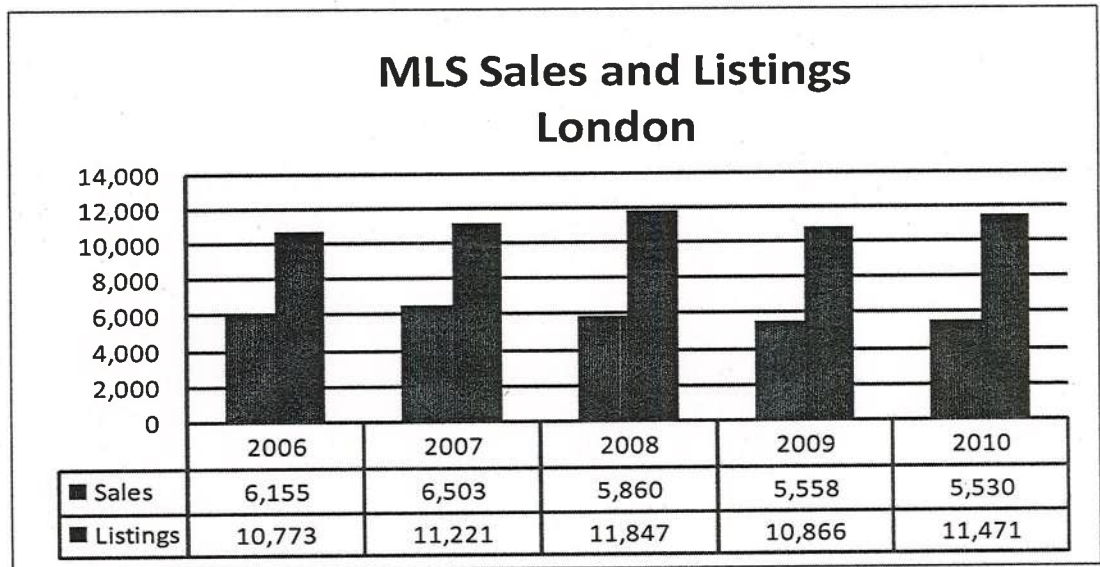
Trade Area

- Numerous retail and commercial services exist within the City of London, which serves an extensive geographical area in Southwestern Ontario
- Extensive trade area reaching from Woodstock to Chatham in an east-west direction, and Lake Huron to Lake Erie from north to south
- 150 million people within a one day drive

REGION MAP



REAL ESTATE MARKET

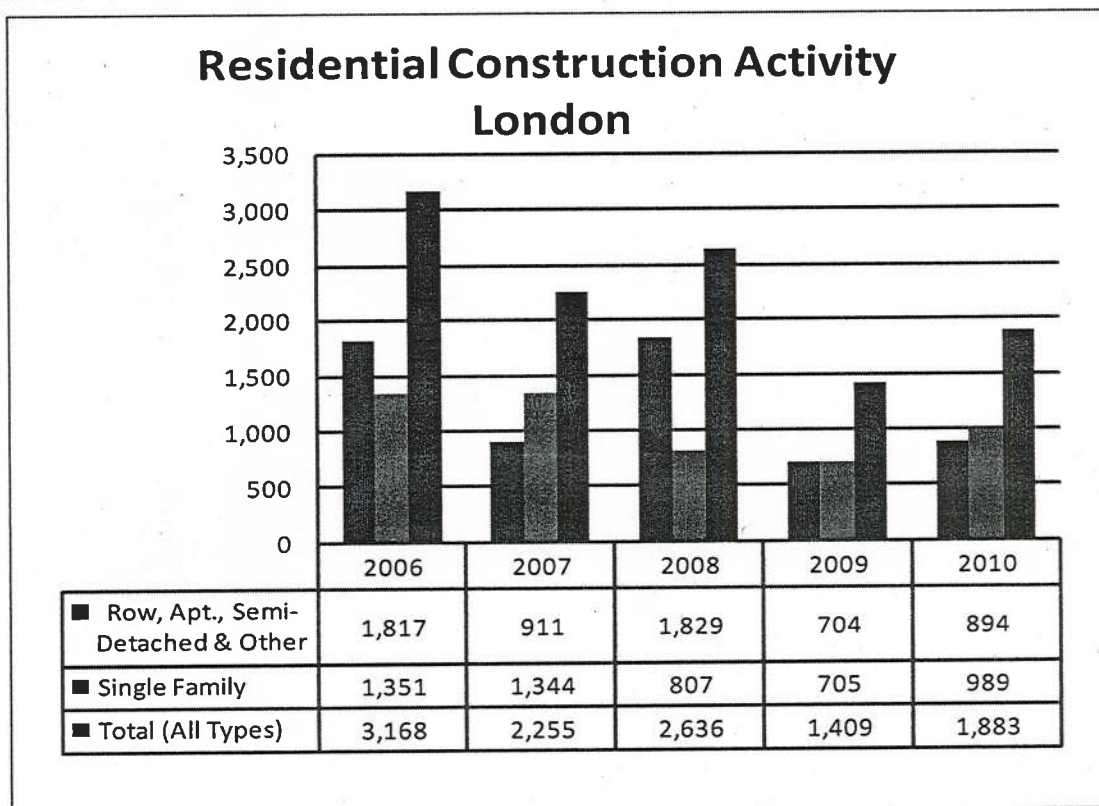


London & St. Thomas Real Estate Board (06/31/2011)

Activity	2010	2009	Indicated Change
Sales Volume	\$1,277,338,156	\$1,828,232,100	-30.13%
Average Sale Price	\$252,322	\$244,544	3.18%

London and St. Thomas Association of Realtors MLS Statistical Report (12/31/2010)

- There were 7,452 listing YTD Q2 2011, compared to 7,090 listings in the same period in 2010, which reflects a percentage change of 5.11 %
- There were 2,961 sales YTD Q2 2011, compared to 3,224 sales in the same period in 2010, which reflects a percentage change of -8.16 %
- The sales-to-listings ratio in Q2 2011 was 39.73 % compared to 45.47 % in Q2 2010
- A sales-to-listings ratio of greater than 60% indicates a "sellers" market, whereas, a ratio less than 40% indicates a "buyers" market



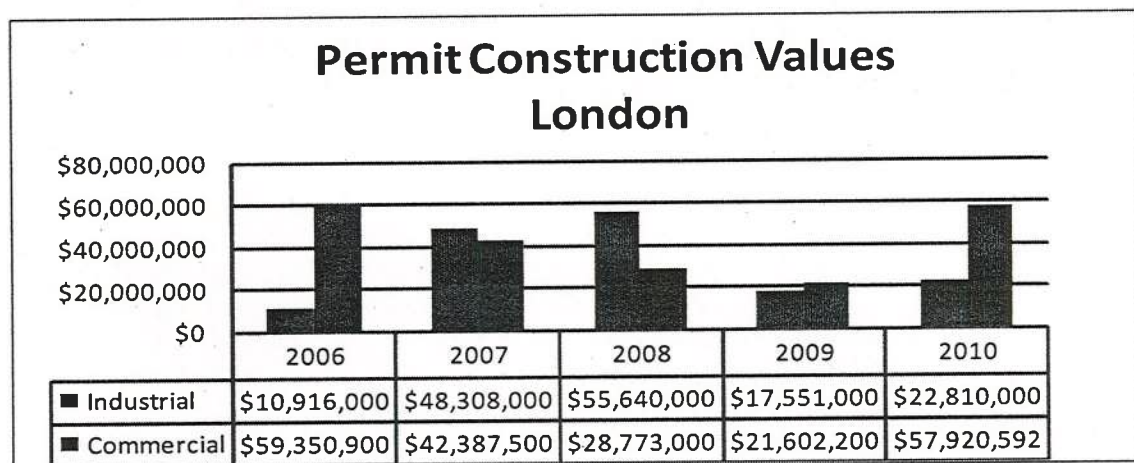
Summary Listing of Building Construction Activity, The City of London (March 31, 2011)

- New home construction in London was moving upward in 2010. The first half of 2011 has seen a slowdown in demand.
- There were 286 construction starts for semi-detached dwellings, row, apartment and others YTD Q2 2011, compared to 594 starts in the same period last year in 2010, which reflects a percentage change of -51.85%
- There were 378 construction starts for single family dwellings YTD Q2 2011, compared to 659 starts in the same period in 2010, which reflects a percentage change of -42.64%
- Semi, Row, Apt. values are based on number on units built.

Rental Units (CMHC Rental Market Report)

- The private apartment vacancy rate increased by 0.7% from 4.00 % in 2010 to 4.70 % in 2011
- The average rent for a two-bedroom apartment increased by 1.28 % to \$873 per two-bedroom apartment in 2011 from \$862 per two-bedroom apartment in 2010
- The average rent for a one-bedroom apartment increased by 3.63 % to \$713 per one-bedroom apartment in 2011 from \$688 per one-bedroom apartment in 2010

Commercial / Industrial Market



City of London Building Construction Summary (14/01/2011)

- 11 commercial permits were issued in Q2 2011, totaling \$14,408,404, up from 20 permits issued in the same period in 2010, totaling \$11,215,092. The number of permits issued reflects a percentage change of -45.00 %
- 8 industrial permits were issued in Q2 2011, totaling \$570,000, down from 9 permits issued in the same period in 2010, totaling \$11,989,000. The number of permits issued reflects a percentage change of -11.11 %

Summary

- Job shedding by the deteriorating manufacturing sector led to the withdrawal of some consumers from the new home market
- Single family construction starts had fallen significantly in 2009 but improved considerably in 2010. Stability is forecasted for 2011.
- The private apartment vacancy rate increased by 0.7% in 2011, however the average rent for a one and two bedroom apartment slightly increased.
- Commercial and industrial development increased significantly in 2010 over 2009
- Current statistics highlight a sluggish economic performance, moderate cyclical variability, and an overall continuation of recent trends.

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AREA/NEIGHBOURHOOD SUMMARY

The subject property is situated in the southwest sector of London. It is located west of Wickerson Road, south of Byron Baseline Road.

The subject neighbourhood is generally bounded by

North: Byron Baseline Road

South: Southdale Road West

West: Westdel Bourne

East: Colonel Talbot Road

The dominant land use in the subject area is residential

Neighbourhood Name:	Byron
Age:	newer with established rural residential interspersed
Additional Land Uses in Area:	Boler Mountain ski hill, and vacant lands
Public Transportation:	Available
Neighbourhood Appeal:	Very good
Population Trends:	Increasing
Development Trends:	Increasing
General Value Trends:	Increasing

IMMEDIATE AREA

Abutting use to the North:	Vacant Land
Abutting use to the South:	Vacant Land
Abutting use to the East:	Newly developing residential
Abutting use to the West:	Rural residential and agricultural

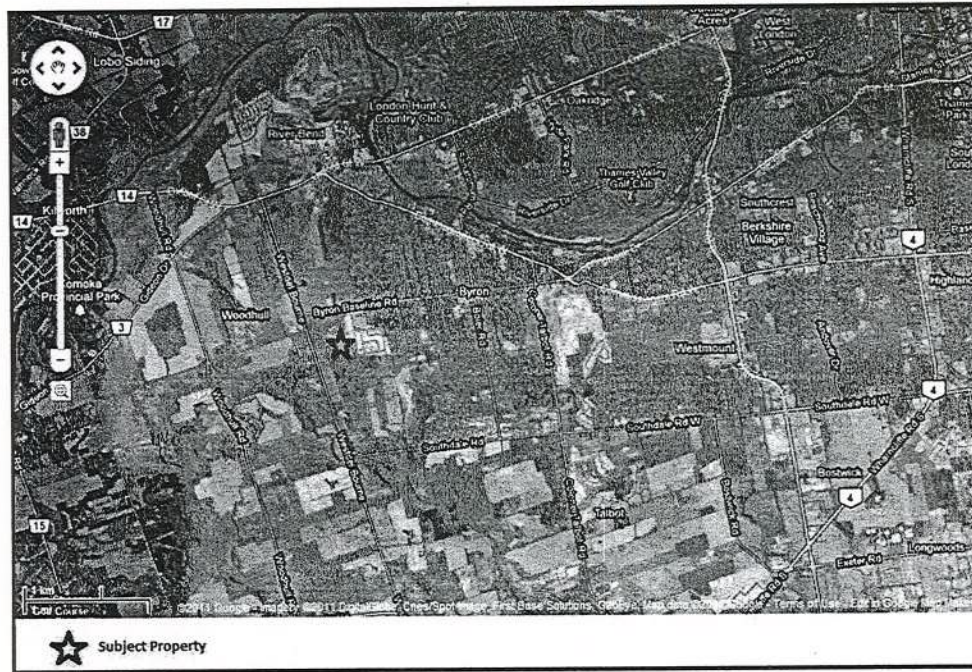
The property is just outside the "Urban Growth Boundary", adjacent to newly development residential neighbourhood in the west end of Byron. The overall parcel is bounded by Wickerson Road on the east, Byron Baseline to the north, and Westdel Bourne to the west. The developing neighbourhood to the east, Wickerson Heights, has

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developed newer homes fronting the west side of Wickerson Road, with a newer subdivision to the east.

NEIGHBOURHOOD AERIAL MAP



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SECTION 5 - PROPERTY DATA

LEGAL INFORMATION

Address/Location

West of Wickerson Road, London, Ontario

Legal Description

Lot 50, and Part Lot 49, Concession 1, Westminster, designated as Parts 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 And 16, Plan 33R-16471; Save And Except Plan 33M-561; S/T Easement Over Parts 2, 8, 9 And 10, Plan 33R-16471 As In 191514; S/T Easement Over Part 6, Plan 33R-16471 As In 273904; S/T Easement over Parts 1, 2, 3, 5 And 15, Plan 33R-16471 As In 281765; S/T Easement over Parts 7, 8 and 11, Plan 33R-16471 As In Lt386342; S/T Easement Over Part 16, Plan 33R-16471 As In ER351844, City Of London

(Note: the legal description above describes the overall property. It is unclear what the subject parcel's legal description would be. Furthermore, the impact of the easements noted above has not been estimated.)

PIN

Part of 084201183

Reported Owner

Sifton Properties Limited

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ASSESSMENT AND TAXES

According to Municipal Officials, the overall property is assessed and taxed as follows:

Roll Number	3936080070181000000
Phased-in Assessed Value	\$355,697
Tax Year	2010
Total Taxes	\$2,337.00

Currently, the assessed value is based on a January 1, 2008 valuation date. Any increases in assessed value between 2005 and 2008 will be phased-in over the 2009 to 2012 tax years.

SALES HISTORY

The overall lands originally contained 167 acres, however, the southerly portion was subsequently severed. They were acquired by the current owner, Sifton Properties Limited, for \$2,500,000 in October 2002. That reflects a rate of approximately \$14,909 per acre for the overall 167 acre parcel.

According to Land Registry records, the subject property has not transferred in the past 5 years.

As of the effective date, the subject is reportedly not under a Purchase Agreement or option.

As of the effective date, the subject is reportedly is not listed for sale on the open market.

PHYSICAL CHARACTERISTICS OF THE SITE

The following site information is based on a physical viewing of the property and site characteristics on August 14, 2011. The property was inspected Dan Van Houtte, MRICS, AACI, P.App.

Total Site Area: 5.52 acres

Overall Site Area: 118.3 acres

Shape of Tract: Irregular

Topography: Gently Sloping

Site Comments: The overall property is an irregularly shaped parcel, containing approximately 118.3 acres. It is largely agricultural, with a wooded area in the southerly portion. The subject parcel, containing a reported a 5.52 acres, is in the northerly portion, and is developed with a Stormwater Management (SWM) pond. The SWM pond was developed circa 2002 to accommodate residential development located on the east side of Wickerson Road, within the Urban Growth Boundary. The subject SWM was originally developed as a temporary facility, however, City staff has recommended that it become a permanent facility. The SWM pond has been disregarded for valuation purposes.

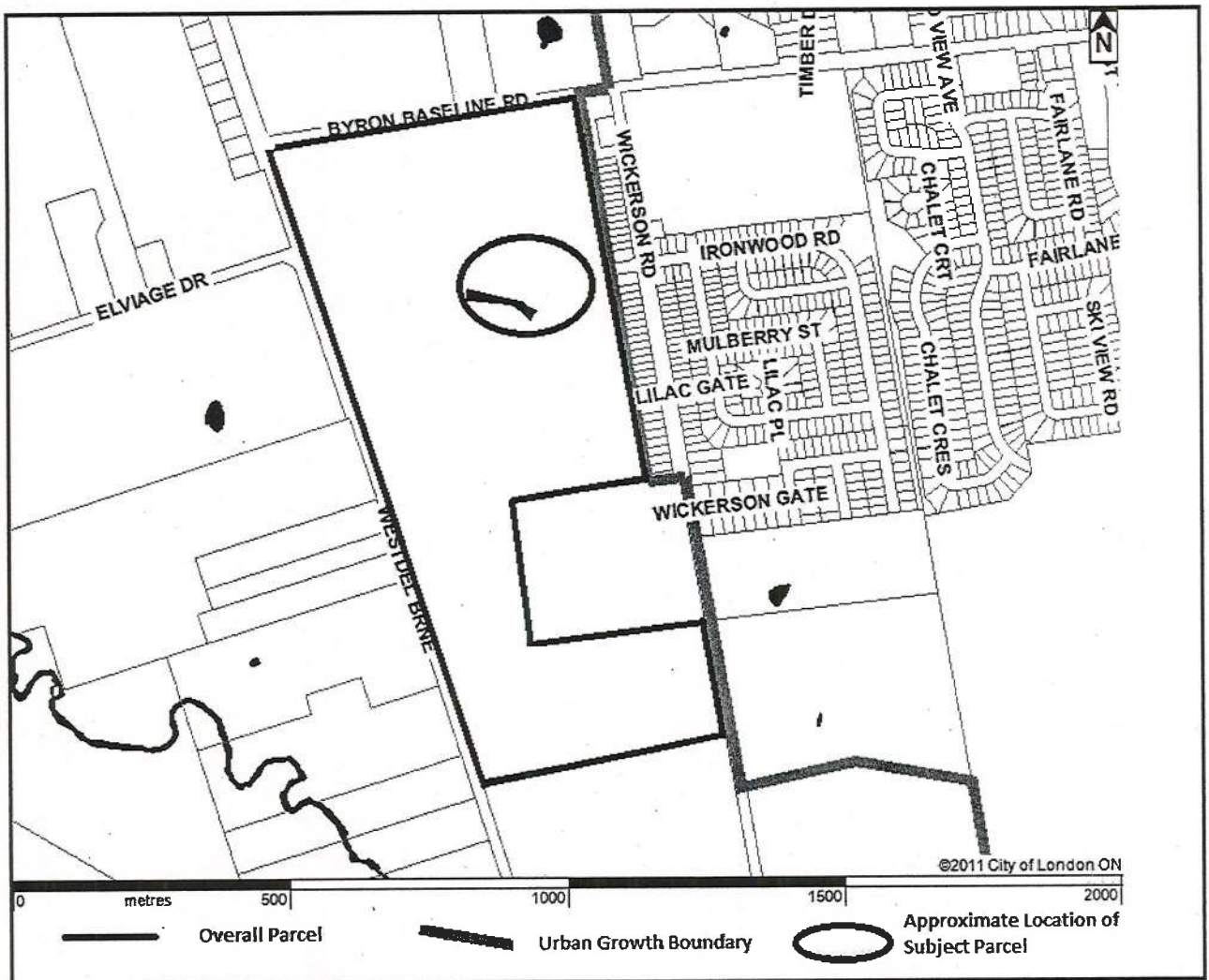
Easements/Restrictions: As identified in Legal Description

Environmental Issues: None noted

Subsurface Conditions: No on-site soil investigations were conducted by designated soil/geotechnical engineers, nor is the appraiser aware of any test results obtained in the past by others. The appraiser

assumes there are no unusual subsurface conditions or hazardous contaminants which would adversely affect the existing building improvements or any future expansion on, or use of this site, and no warranty or representation is made as to the environmental integrity of the property.

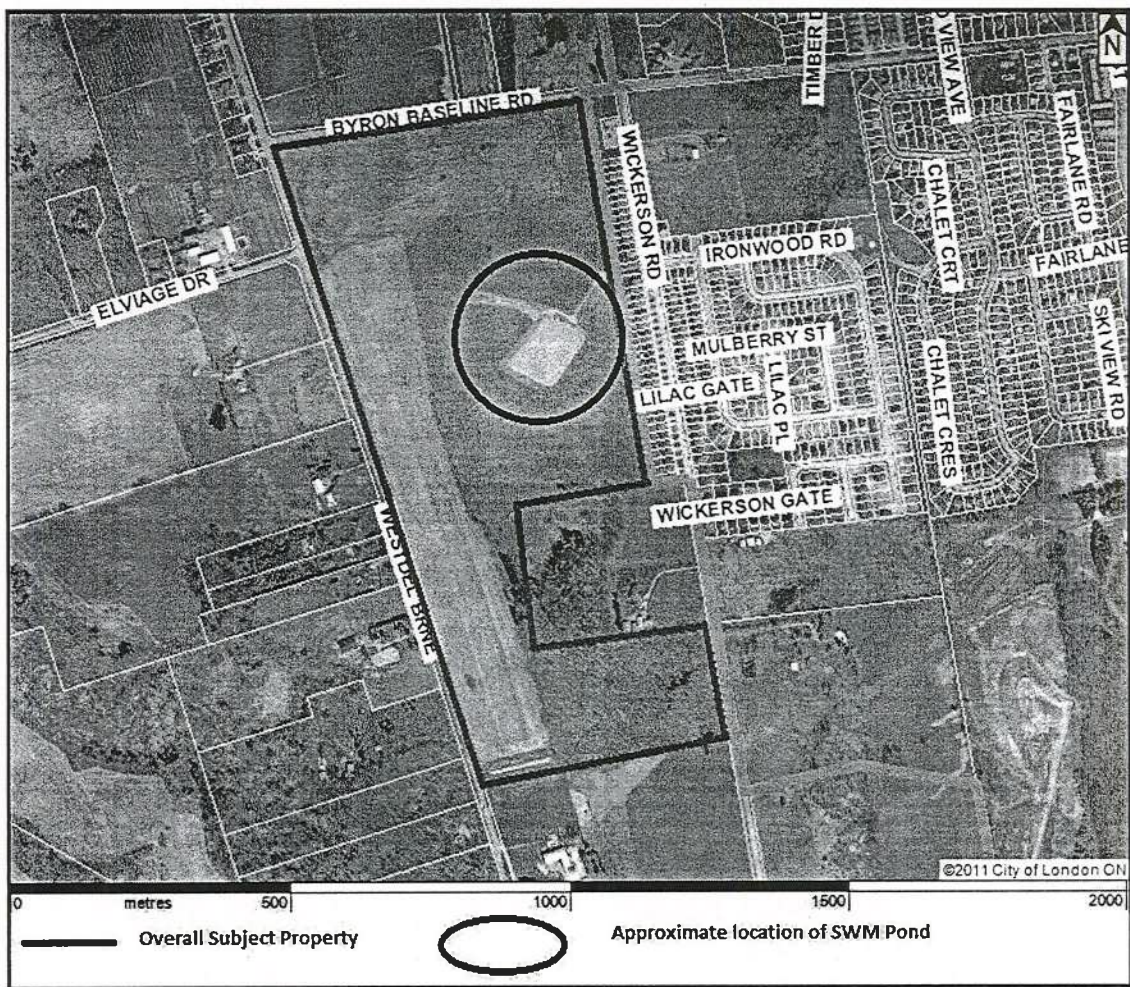
SITE PLAN



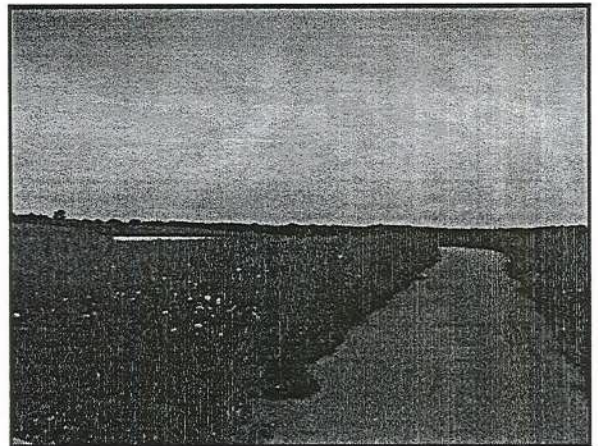
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AERIAL MAP

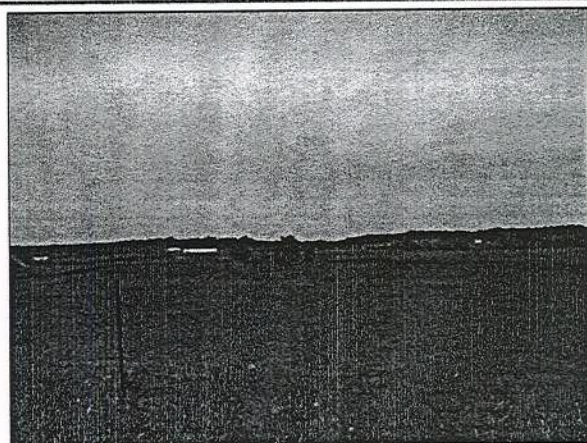


VIEWS OF SUBJECT



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VIEWS OF LANDS ABUTTING SUBJECT

SERVICES/UTILITIES

The subject property is adjacent to a fully serviced area within the Urban Growth Boundary for the City of London along Wickerson Road and further east.

Electric:	London Hydro
Natural Gas:	Unknown
Sanitary Sewer:	None
Water:	None
Storm Water Management:	Natural Drainage

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MUNICIPAL ROADS

Wickerson Road

Road Type:	secondary collector
Road Surface:	asphalt paved
# of Lanes:	two
Type of Access:	A gated paved path extends from the Wickerson Road/Ironwood Road traffic circle
Quality of Access:	no public access
Street Lighting:	yes
Sidewalks:	yes
Curbs & Gutters:	yes

In the vicinity of the subject parcel, Wickerson Road intersects with Ironwood Road with a newly developed traffic circle. Byron Baseline Road and Westdel Bourne are typical two lane paved rural roads in the vicinity of the subject property

View looking west (left) and east along Wickerson Road from traffic circle

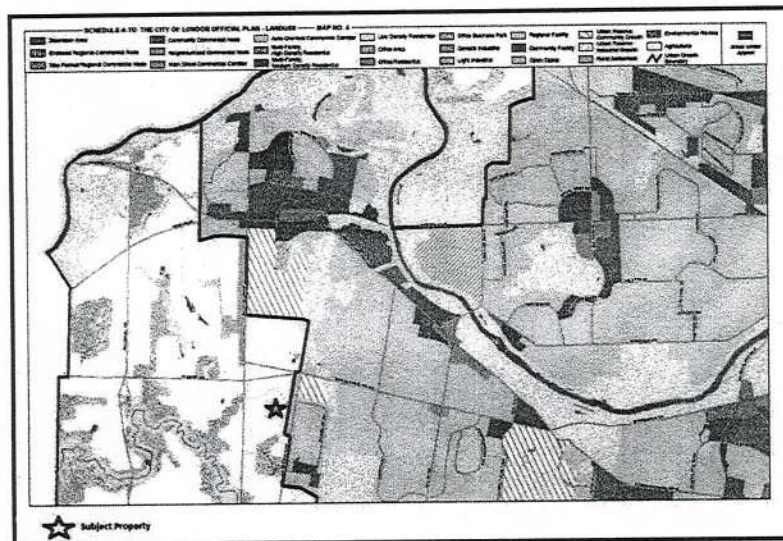


SECTION 6 - LAND USE CONTROLS

OFFICIAL PLAN

According to the Official Plan for the London, as amended, the subject property is designated as *Agricultural*.

OFFICIAL PLAN MAP



URBAN GROWTH BOUNDARY

The subject lands are located outside the City's "Urban Growth Boundary".

BACKGROUND

The City of London has designated, in accordance with its Official Plan, an "Urban Growth Boundary" to define the lands suitable for more intensive development.

Prior to 1993, the City was able to effectively manage growth by restrictions placed on the limited City boundary and therefore limited growth area. In 1993, the City of London annexed 25,736 hectares of land from surrounding townships within the County of Middlesex. With annexation, the province issued the London-Middlesex Act (Bill 75) which required that the City "...prepare, adopt and forward to the Minister of Municipal Affairs for approval, an Official Plan that covers all of the

land annexed to the City..." The Minister further required that the Plan include objectives relating to specific matters of provincial interest including, but not limited to: housing and intensification; servicing; the protection of the natural environment; and, the protection of agricultural uses. Most importantly, Bill 75 underscored the importance of growth management noting the significant expansion of the municipal boundary.

In response to these issues, the Vision '96 process was implemented in 1993 to develop a comprehensive amendment to the City's Official Plan (O.P.A No. 88). In terms of growth and land needs, the amendment included new policies pertaining to the establishment of a comprehensive growth management strategy, including the establishment of an Urban Growth Boundary. This boundary would define the amount of land required to accommodate the various types of urban growth (residential, commercial, industrial and institutional) that was forecast to occur over the twenty year planning period of the Plan (1996 to 2016). The population, housing and employment forecasts prepared in 1993 served as the basis for establishing the new Urban Growth Boundary through OPA 88. A substantial contingency factor was added to these forecasts to ensure that a more-than-adequate supply of land was afforded for the next twenty years. OPA 88 was adopted by Council in 1996, and following an exhaustive series of hearings before the Ontario Municipal Board, Official Plan Amendment No. 88 received Ministerial approval in 1999. This was only after the Board ordered the City to further increase the size of the Urban Growth Area by approximately 35% (this resulted in an increase in the amount of newly designated residential land by almost 40%.

The Vision '96 projections were proved to be significantly higher than actual housing and population growth since their adoption, as evidenced by the 1996 and 2001 Census results. Lower growth forecasts prepared in 1999 and 2003 have still not been met. Thus the preparation of new forecasts for the 2006 OP Review were necessary as a starting point for a the land needs analysis.

Consistent with the requirements of Section 26(1) of the Planning Act, the City undertook a review of the Official Plan in April of 2001. Noting that the Official

*Plan was the product of a comprehensive and fairly recent analysis of the issues, trends and current Provincial policies and guidelines; the review was limited to a number of scoped considerations including, but not limited to: the revision of population, housing and employment forecasts; the expansion of the range of permitted uses within the Rural Settlement land use designation; the inclusion of new noise wall policies; and storm water management policies. The 2001 Official Plan Review process "closed" in December 2001.*⁴

The foregoing document, prepared during the last Official Plan Review in 2006 of the Urban Growth Boundary, concluded *"Results of the land needs analysis clearly demonstrate there is no need for additional land to be added to the Urban Growth Area at this time."*^{ibid}

As per Provincial Policy, an Official Plan (OP) review is required every 5 years, therefore it is expected that the Urban Growth Boundary (UGB) will be conducted in 2011/2012. The outcome of this review is obviously unknown at this time and the outcome of land needs for the City of London to comply with Provincial Policy regarding lands needs is very speculative. As a result, lands located adjacent to the existing UGB may or may not be included within an expanded UGB in the next OP review, or could be yet another 5 years, or longer, beyond the next OP review.

Due to the uncertainty surrounding the UGB and its possible expansion (or not), there is considerable speculation, and associated risk, with lands proximate to the UGB. A landowner may be required to wait a considerable time before lands are included. Furthermore, should the land be included in the UGB, a community plan process would be required to amend the OP to permit more intensive development.

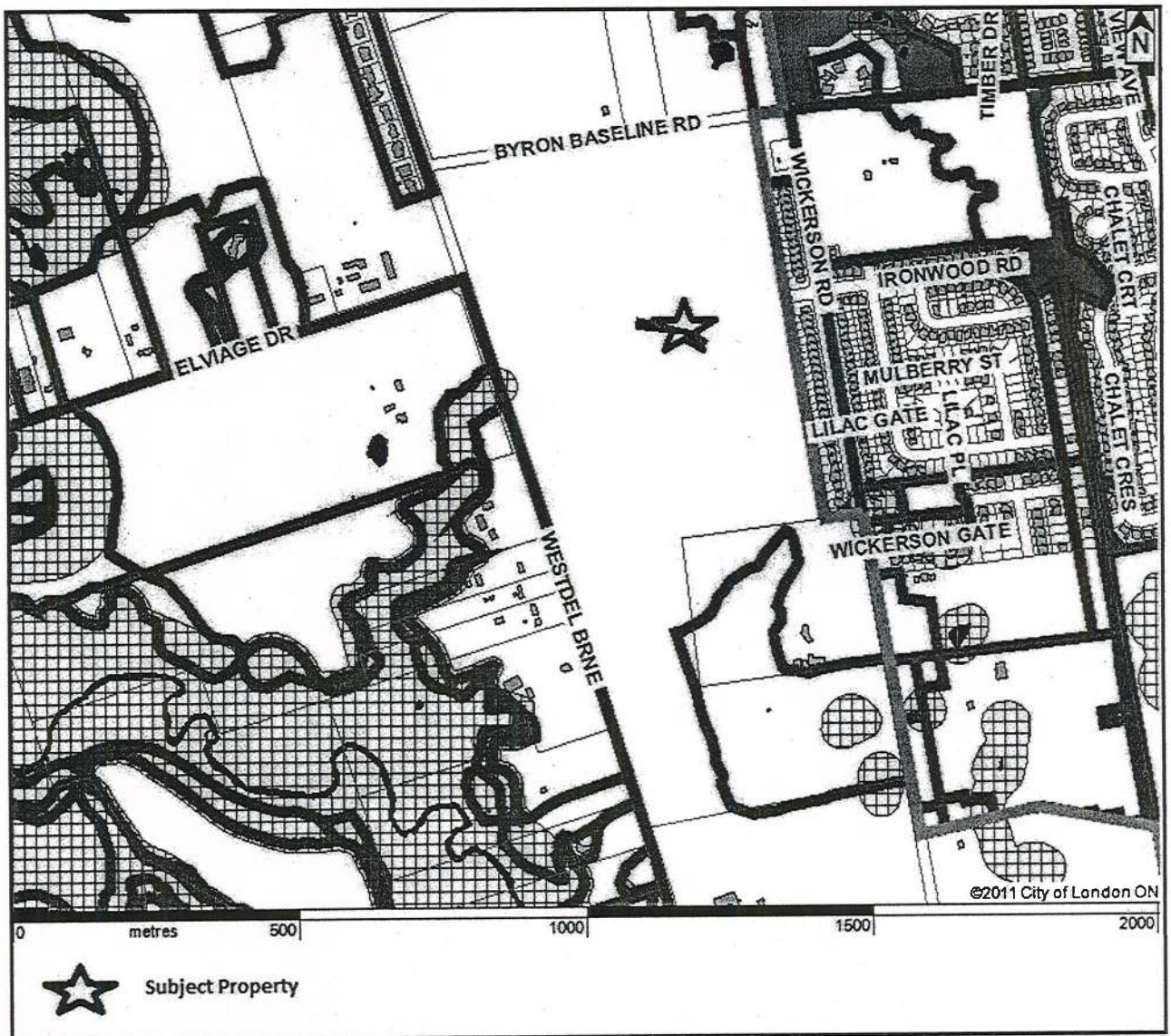
⁴ 2006 OFFICIAL PLAN REVIEW LAND NEEDS BACKGROUND STUDY

Prepared by:
City of London, Planning Division,
Land Use Planning Policy Section
May 14, 2007

ZONING CLASSIFICATION

According to the Zoning By-Law for London, as amended, the subject property is zoned *Agricultural (AG1)*. The subject property and use does comply with the zoning classification. A portion of the overall parcel in the southeast, coinciding with the wooded areas, is designated *Environmental Review (ER)*.

ZONING MAP



SECTION 7 - HIGHEST AND BEST USE

Real estate is valued in terms of its Highest and Best Use. Highest and Best Use is defined as:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

Source: *The Dictionary of Real Estate Appraisal*
Fourth Edition, 2002 Appraisal Institute

The Highest and Best Use of land must meet the four aforementioned criteria. Of the uses that satisfy the first three tests, the use that produces the highest price or value consistent with the rate of return warranted by the market is the maximally productive use.

LEGALLY PERMISSIBLE

- With the subject site being vacant and available for development, the current zoning and Official Plan designations would be the legal restraint on what improvements could be placed on the site.
- According to the Official Plan designation, the subject site is designated *Agricultural*.
- According to the Zoning By-Law, as amended, the subject property is zoned *Agricultural (AG1)*.
- The subject parcel is outside the *Urban Growth Boundary*. More intensive uses will not be permitted until the subject lands are included within the UGB, and a community plan is completed to amend the City's Official Plan.

PHYSICALLY POSSIBLE

- Analysis of the site characteristics and nearby improvements in the area indicates the subject site could adequately support physical development.
- The property is not clearly visible, and accessibility to the overall parcel is considered to be good.

FINANCIALLY FEASIBLE

- Once the physically possible and legally permissible potential land uses have been determined, the next step in estimating the highest and best use is to determine which of these uses is likely to produce an income, or return, equal to or greater than the amount needed to satisfy operating expenses, financial obligations, and capital amortization. Financially feasible essentially refers to legal uses that are physically possible and have a sufficient demand to produce a positive return.
- The subject property is located in an area characterized by primarily residential uses to the east and rural uses to the west, north, and south.

MAXIMALLY PRODUCTIVE

- Of the financially feasible uses, the use that produces the highest residual land value consistent with the rate of return warranted by the market for that use is the highest and best use.

COMMENTARY

The subject site is currently utilized in conjunction with developed lands to the east. If not, they would form part of a larger vacant agricultural parcel located outside the UGB. As discussed earlier, it could be several years before the subject lands are included within the UGB, and the various land use regulations amended before more intensive development is permitted. It is very speculative as to the timing of any UGB expansion that would include the subject lands.

It is my opinion that the Highest and Best Use of the subject property is as a speculative development parcel with an interim agricultural use in conjunction with the overall parcel.

SECTION 8 - VALUATION OF THE SUBJECT PROPERTY

VALUATION PREMISE

The market for any real estate consists of those entities that can benefit from the highest and best use of a particular property and, accordingly, are willing and able to pay a competitive price. In most cases, for any particular property, the market is represented by a fairly clearly defined group of individuals or financial entities. In the case of the subject property, the purchaser profile would likely be an owner acquiring the property in accordance with its Highest and Best Use. The valuation contained in this document attempts to replicate the analysis that a prospective purchaser would likely use.

APPRAISAL PROCESS

In order to estimate the Current Market Value of the subject lands in accordance with their Highest and Best Use, the applicable techniques for vacant land valuations, namely the Direct Comparison, Abstraction, Extraction, Subdivision Development, Land Residual and Ground Rent Capitalization procedures were considered.

As sufficient market transactions have occurred, the Extraction and Abstraction Methods were not applied. As the subject parcel is not proposed for subdivision development, an analysis by the Subdivision Development Method is not applicable. As the subject property is not capable of generating any significant income, the use of the Ground Rent Capitalization Method was not applicable. This method is typically used where insufficient sales exist. Since there are sufficient comparable sales, an analysis by the Land Residual Method is not warranted. As sufficient Comparable Sales have occurred, the Sales Approach was utilized.

Details of the estimate of value are summarized on the following pages of this report.

DIRECT COMPARISON APPROACH

The Direct Comparison Approach is the process in which a market value estimate is derived by analyzing the market for similar properties and comparing the properties to the subject property. Through this process of adjustment for any differences that are determinants of value, the comparables provide a basis or benchmark for indicating the market value of the property appraised.

UNIT OF COMPARISON

Vacant properties are typically analyzed on a sale price per acre basis. This measurement generally minimizes the dispersion in selling prices that can result from differences between the properties being compared. The subject property was analyzed on a sale price per acre basis.

THE ADJUSTMENT PROCESS

The underlying principle in terms of which adjustments are made is the Principle of Contribution or Marginal Productivity. In relating this principle, the appraiser must acknowledge the influence of the presence or absence of a factor being considered, on the probable sale price. It is also necessary to raise the question, "*what difference does a varying amount of the factor make in the probable sale price or value?*" The actual sale price of each comparable is known. The element being sought in each adjustment is the estimated price at which the comparable would have sold if it was identical to the subject property.

Various analytical techniques may be used to identify and measure adjustments when relating the surveyed properties to the subject. The techniques of comparative analysis can be grouped into two categories: *Quantitative* and *Qualitative*.

When the *Quantitative Technique* is applied, mathematical processes are used to identify which elements of comparison require adjustment, and to measure the amount of these adjustments. The *Paired Data Set Analysis* is a process in which two or more market

properties are compared to derive an indication of the size of the adjustment for a single characteristic. Ideally, the properties being compared will be identical in all respects except for the element being measured. Although *Paired Data Set Analysis* is a theoretically sound method, it is sometimes impractical because only a narrow sampling of sufficiently similar properties may be available and it is difficult to quantify the adjustments to all the variables present.

The *Qualitative Technique*, utilizing a method called the *Relative Comparative Analysis*, is often used because it reflects the imperfect nature of real estate markets. Moreover, a *Qualitative Technique*, utilizing a greater degree of narrative explanation, is often more effective in deriving a value rate estimate when analyzing a number of comparable properties. For the purpose of this analysis, a *Qualitative Technique* was utilized.

In this instance, an array of sales, indexed in ascending order by sale price per unit, are adjusted for the elements of comparison. The adjustments are identified as **Upward** for an inferior characteristic or **Downward** for a superior characteristic. The degrees of adjustment are considered, and weighted accordingly, with a Net Upward or Net Downward adjustment being applied. Ultimately, a value range is bracketed between a transaction with a Net Upward adjustment and a transaction with a Net Downward adjustment. Emphasis is then placed on the analysis of those two comparable properties, to estimate where the market value estimate lies within the two value rates.

Occasionally, an ideal comparable will result in an "Offsetting" adjustment, and is considered a "benchmark" property. Conversely, an array of comparable properties may all be inferior or superior to a subject property, thus warranting particular attention to those elements deemed inferior or superior.

IDENTIFICATION OF COMPARABLE PROPERTIES

The subject lands comprise speculative development land located outside the UGB in the City of London. There have been few transactions of vacant lands proximate to the UGB in recent years. Many of the parcels that do adjoin the UGB in areas of recent development, specifically, on the north and westerly boundaries of the UGB, have been

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acquired by many of the established developers over the past several years. Lands along the southerly boundary of the City's existing UGB are restricted by Sanitary Sewage Treatment issues, and/or restricted by environmental constraints, while most of the lands to the east are likely slated for industrial development.

Currently, speculative development lands within the UGB, which have not undergone a community planning process to permit more intensive residential development, are designated "*Urban Reserve Community Growth*".

The sales outlined on the following page represent the most recent relevant transactions. Details of the individual properties are outlined on the following pages, and analyzed thereafter.

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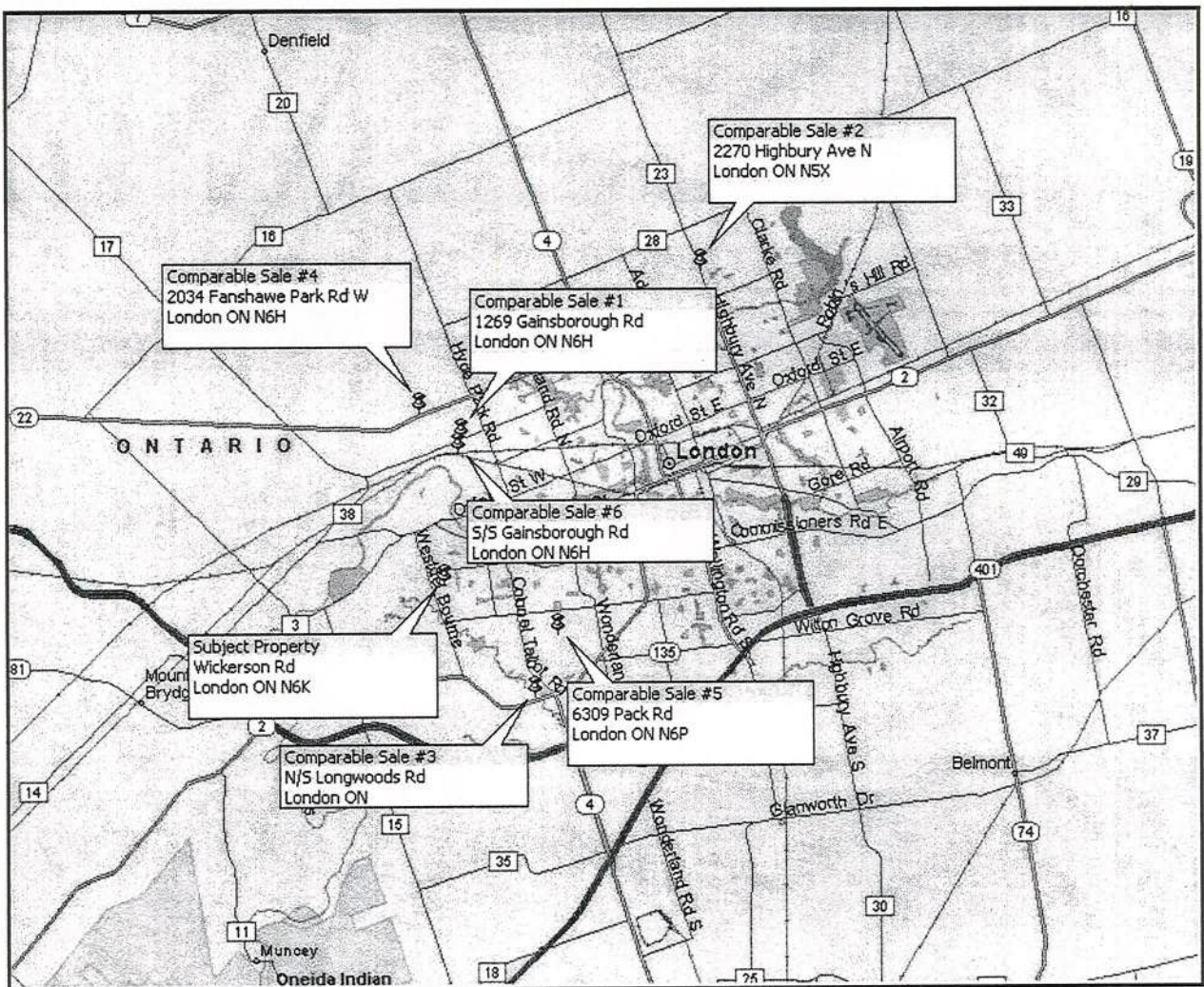
COMPARABLE SALES - VACANT LAND							
#	Address	Sale Date	Sale Price	Size (Acres)	Zoning	Services	Price/acre
					Official Plan		
1	1269 Gainsborough Road London	19-Jun-06	\$2,000,000	100.4	UR3 - Urban Reserve; ER- Environmental Review Agriculture and Environmental Review	No Municipal Services	\$19,922
Location Description		Located on the north side of Gainsborough Road, west of Hyde Park Road, south of Fanshawe Park Road West.					
Additional Comments		Speculative residential development property. Located outside the Urban Growth Boundary.					
2	2270 Highbury Avenue North London	28-Nov-05	\$1,800,000	89.3	A1 Agriculture	No Municipal Services	\$20,157
Location Description		This property is located in the northeasterly section of the City of London, on the southeast corner of Highbury Avenue North and Sunningdale Road East.					
Additional Comments		This property is outside the Urban Growth Boundary. When the property is ultimately included within the Urban Growth Boundary, which remains uncertain, the area will require a Community Plan to be prepared, including an Environmental Assessment to address Stoney Creek, which traverses the southerly portion of the site. Municipal servicing will also have to be extended from the west, over lands controlled by other developers. Development would be 10 years distant or longer.					
3	N/S Longwoods Road London	25-Apr-08	\$625,000	30.6	Agricultural (A1)/ Open Space (OS4/5)/ Environmental Review (ER) Agricultural/ Environmental Review	No Municipal Services	\$20,425
Location Description		Located on the north side of Longwoods Road, west of Colonel Talbot Road, north of Highway #402.					
Additional Comments		The north and easterly portions of this property are occupied by Dingman Creek, which is regulated by the Upper Thames River Conservation Authority. The property is just outside of the Urban Growth Boundary.					
4	2034 Fanshawe Park Road West London	10-Oct-05	\$3,000,000	98.1	Existing: A1-26, A1-39 Agriculture	No Municipal Services	\$30,581
Location Description		Situated on the south side of Fanshawe Park Road West, adjacent to the City's westerly limit.					
Additional Comments		This property is located outside of the Urban Growth Boundary. It is a long term speculative development parcel acquired by a developer that has acquired lands in the area.					

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COMPARABLE SALES - VACANT LAND							
#	Address	Sale Date	Sale Price	Size (Acres)	Zoning	Services	Price/acre
					Official Plan		
5	6309 Pack Road London	7-Nov-05	\$2,500,000	78.6	Proposed Annexed Area Zoning: Urban Reserve (UR4), Environmental Review (ER); Current Zoning: A2	No Municipal Services	\$31,807
					Urban Reserve - Community Growth; Environmental Reserve		
Location Description		This property is situated in the southwest sector of London, on the south side of Pack Road, west of its intersection with Bostwick Road.					
Additional Comments		This property is located within the Urban Growth Boundary. At the time of sale, it was improved with a 1½ storey single-family brick bungalow, a garage used for small engine repairs, and several outbuildings. While these improvements were considered to have no significant contribution in value and are slated for demolition in the future, they do provide some interim use and rental income. Before any development of this property may be undertaken, a Community Plan must be prepared for the area between Bostwick Road and Colonel Talbot Road, north of Lambeth and south of Pack Road, in the Talbot Planning District. The lines for the HEPC easement could be moved or buried in the future. The site is in an area that has no sanitary servicing. The site was acquired by the developer of lands on the north side of Pack Road that are under development with a major residential subdivision. This parcel may be ultimately serviced by these lands, however, sewer capacity in this area is limited. Alternatively, a new treatment plant will provide sanitary sewer capacity to the area.					
6	S/S Gainsborough Road London	8-Apr-09	\$2,000,000	52.0	Agricultural Commercial (AGC)	No Municipal Services	\$38,462
					Agricultural		
Location Description		Located on the south side of Gainsborough Road, west of Hyde Park Road.					
Additional Comments		This property is located in a rural area, just west of Hyde Park. Discussions with the purchaser, Palumbo Homes, revealed that the building improvements fronting onto Gainsborough Road were severed off, and not part of this transaction. The parcel was purchased as long term, speculative residential development land. The purchaser indicated that the City is considering extending the urban growth boundary in the Hyde Park area due to significant demand in this section of London. Timing of development was estimated at 5 to 10 years.					
		Range-Low	\$625,000	30.6			\$19,922
		Range-High	\$3,000,000	100.4			\$38,462
		Averages	\$1,987,500	74.8			\$26,892

COMPARABLE SALES MAP



ELEMENTS OF COMPARISON

The elements of comparison represent the characteristics of properties that cause prices to vary. These represent component parts of a transaction that may require adjustment for the differences between the comparable and the subject property. The more common elements of comparison to be considered include property rights conveyed, financing terms, conditions of sale, market conditions, location, physical characteristics, economic characteristics, zoning/land use designations, and non-realty components of value.

In this analysis, the following critical elements of comparison have been addressed:

Property Rights Conveyed: The subject property was appraised in the "Fee Simple". Any comparable transactions that also sold in the "Fee Simple" did not warrant adjustments for property rights conveyed. Any properties that did not sell with the same rights as the subject property warranted the appropriate adjustment.

Financing Terms: The sale price of one property may differ from that of an identical property due to the financial arrangements provided. In some cases, buyers pay higher prices for properties to obtain below market financing. Conversely, interest rates at above-average market levels often result in lower sale prices. Most sales generally involve terms by which the seller received cash or its equivalent at a typical market interest rate and term mortgage. The subject property's value estimate is free and clear of any financing and on an all cash basis. Adjustments to comparable sales are therefore appropriate where financing may have influenced the sale price.

Conditions of Sale: Adjustments for conditions of sale usually reflect the motivation of the buyer and seller. Although conditions of sale are often perceived as applying only to sales that are not arm's length transactions, some arm's length sales may reflect atypical motivation or sale conditions due to unusual tax considerations, lack of exposure on the open market, or the complexity of expropriation proceedings.

Market Conditions: The date of sale identifies market conditions prevailing at the time the transaction occurred. Market conditions may change between the date of sale of the comparable, and the date at which the appraisal of the subject property is being completed.

The sales relied upon in this analysis are the most recent, relevant sales available. Comparable properties that sold under different market conditions than those applicable to the subject on the effective date of this report may require adjustments for any differences that have a significant impact on value. The degree of adjustment should reflect the change in market conditions since the date of the comparable property sale.

Location: Market value is highly sensitive to location. An adjustment may be required for locational characteristics of comparable properties that are significantly different from those of the subject. The relationship is relative, because the location of a property can be judged only in relation to that of others. The location of a comparable property is considered to be inferior, equal, or superior to the subject.

Physical Characteristics: This item includes the physical differences between the comparables and the subject property. The features of comparison considered are those that influence buyer behaviour and include variables such as size, shape, frontage, access, depth, topography, drainage, servicing, easements or restrictive covenants of the site.

The subject parcel contains approximately 5.52 acres, however, it forms part of a larger 118.3 acre parcel and was analyzed accordingly.

Economic Characteristics: Not applicable.

Zoning/Land Use Designations: Properties may exhibit similar locations and physical attributes and be designated for similar uses, but carry different zoning designations or land use classes. Adjustments will therefore be required to account for factors such as varying uses. Generally speaking, greater flexibility of use results in greater value.

The current zoning is *Agricultural (AG1)*. Comparable sales with superior or inferior zoning designations were adjusted accordingly.

Non-Realty Components of Value: This item includes chattels, business concerns, or other items that do not constitute real property, but are included in the sale price of either the comparable or subject property. These items should be analyzed separately from the actual real estate. In most cases the economic lives, associated investment risks, rate of return criteria, and collateral security for such non-realty components differ from those of the real estate. Comparable sales which include non-realty components of value were adjusted accordingly.

ADJUSTMENT ANALYSES:

The six forgoing sales range from \$19,922 to \$38,462 per acre. In relating the foregoing properties to the subject property, adjustments were applied to recognize the various differences.

A thorough review of the market indicated no truly comparable transactions in recent months. The most recent sale, Sale #6, transpired in 2009. Sales #1, 2, 4 & 5 transpired before the latest OP review in 2006 and the subsequent decision by City staff not to expand the UGB in the aforementioned 2007 report. Therefore, all the sales warrant upward adjustments for inferior market conditions. All of the sales except #5 are located outside the Urban Growth Boundary.

A review of current listings indicated no ideally comparable sites are available.

As discussed earlier, it remains uncertain if the UGB is expanded within the next two years. Furthermore, if expanded it remains uncertain where it will be expanded. Undoubtedly there are many land owners and developers with lands similar to the subject property that are vying to have their holdings included in any expansion area. In the subject instance, it is not clear if the subject lands would be a prime candidate for expansion. While adjacent to the existing UGB and within a developing area, many issues such as sanitary servicing, transportation networks, and other municipal infrastructure items are likely to play a critical role in deciding which areas are to be included in any expansion. At this time it is purely speculation as to the subject land's status, and as a result, it's development timetable.

In addition to the foregoing sales, the following improved properties proximate to the subject property have recently transacted and given some consideration.

- The northwest corner of Westdel Bourne and Elviage Road, kitty corner to the subject property, comprising a nursery and garden centre property including a home and outbuildings, sold in May 2011 for \$980,000. That reflects approximately \$35,177 per acre for the 27.9 acre site.

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- At the southwest corner of Elviage Drive and Westdel Bourne, opposite the subject property, a property sold in March 2011 for \$1,625,000, for approximately 70.9 acres. That reflects approximately \$22,920 per acre. The site is improved with a residential dwelling and stables.

Based on the foregoing adjustment analysis, an adjusted value rate slightly higher than the upper end of the unadjusted range was considered reasonable. An adjusted value rate range of \$40,000.00 to \$50,000.00 per acre was given emphasis.

After considering the available comparables and making the necessary weighted adjustments for the various influencing factors, it is concluded that an adjusted value rate of \$45,000 per acre was most appropriate for the subject property. As the subject site has a total area of 5.52 acres the Current Market Value of the subject property, by the Direct Comparison Approach, as of August 12, 2011, in the "Fee Simple Interest", is \$250,000 (rounded).

Extraordinary Assumption: It is assumed that the subject property is severed from an overall larger parcel. Furthermore, the existing stormwater facility has been disregarded.

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SECTION 9 - FINAL ESTIMATE OF VALUE

After careful consideration of the foregoing, and after taking all pertinent factors into consideration, it is our opinion that the estimated Current Market Value of the subject property, in the "*Fee Simple Interest*", as of August 12, 2011 is:

TWO HUNDRED AND FIFTY THOUSAND DOLLARS
(\$250,000)

Extraordinary Assumption: It is assumed that the subject property is severed from an overall larger parcel. Furthermore, the existing stormwater facility has been disregarded.

The final estimate of value indicated above is subject to the limiting conditions and underlying assumptions as outlined herein.

SECTION 10 - ASSUMPTIONS AND LIMITING CONDITIONS

1. This appraisal is not valid unless an original signature is evident.
2. The presence of any potentially hazardous materials on the property has not been determined. We are not qualified to detect the existence of such substances.
3. All data used and described herein, whether provided for this appraisal or obtained in the market place, is assumed to be correct and reliable.
4. Property rights being appraised are those of the "*Fee Simple Interest*". We assume no responsibility for matters that are legal in character. The legal description is assumed to be correct.
5. The author of this report is not required to give testimony or attendance in court by reason of the appraisal, with reference to the property in question, unless arrangements have been previously made.
6. Maps, surveys, etc. in this report are included to assist the reader in visualizing the information and are not warranted as to their accuracy.
7. It is assumed that the subject property complies in all material respects with all restrictive covenants affecting the site and is in compliance with all the requirements of law, including zoning, land classification, building, planning, fire and health by-laws, rules, regulations, orders and codes of all federal, provincial, regional and municipal governmental authorities having jurisdiction with respect thereto.

-
8. It is assumed that, save and except for encumbrances as may be permitted, there are no easements, rights-of-way, building restrictions or other restrictions so affecting the site as to prevent or adversely affect the operation of the property or so as to materially and adversely affect its market value.
 9. This report has been prepared for *The Corporation of the City of London - Realty Services*, and the function of the report is Asset Valuation. Possession of this report, or a copy thereof, does not carry with it the right to reproduction or publication, in whole or in part, nor may it be used for any purpose by any other than the recipient, its lenders, financiers or agents, without the written consent and approval of the firm, **Metrix Southwest Inc.**
 10. Neither all nor any part of the contents of this report shall be disseminated or otherwise conveyed to the public through advertising media, public relations media, news media, sales media or any other media for public communication without the prior written consent and approval of the firm, **Metrix Southwest Inc.**

Extraordinary Assumption: It is assumed that the subject property is severed from an overall larger parcel. Furthermore, the existing stormwater facility has been disregarded.

SECTION 11 - CERTIFICATION

RE:	WEST OF WICKERSON ROAD LONDON, ONTARIO
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We certify that to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, impartial, and unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and have no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in and compensation for this assignment is not contingent upon the development or reporting of a predetermined result, the amount of the value estimate, or a conclusion favouring the client.
- Our analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the *Canadian Uniform Standards Professional Appraisal Practice*. The Appraisal Institute of Canada retains the right to review this report.
- We have the knowledge and experience to complete the assignment competently.
- As of the date of this report, Dan Van Houtte, MRICS, AACI, P.App, has fulfilled the requirements of the Appraisal Institute of Canada Mandatory Recertification Program for designated members.
- Dan Van Houtte, MRICS, AACI, P.App inspected the property on August 14, 2011.

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By reason of our investigation and by virtue of our experience, we have been able to form and have formed the opinion that as of August 12, 2011, the subject property, located at West of Wickerson Road, London, Middlesex County has a Current Market Value, in the "Fee Simple Interest", of:

TWO HUNDRED AND FIFTY THOUSAND DOLLARS
(\$250,000)

Extraordinary Assumption: It is assumed that the subject property is severed from an overall larger parcel. Furthermore, the existing stormwater facility has been disregarded.

The undersigned reserves the right to revise the opinions set out herein, including the final estimate of value, in light of any facts and conditions that become known subsequent to the date of the report, which have an impact on the conclusions reached.

METRIX SOUTHWEST INC.



Dan Van Houtte, MRICS, AACI, P.App
dvanhoutte@metrixrealty.com
Phone: 519-672-7550 Fax: 519-672-9321

Dated: August 12, 2011

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ADDENDUM "A" - PRIVACY STATEMENT

METRIX SOUTHWEST INC. - PRIVACY STATEMENT

Metrix Southwest Inc. has initiated a privacy policy in accord with legislation as it affects the **Personal Information Protection and Electronic Documents Act (PIPEDA)**. In general, the firm deals with the collection, use, and distribution of commercial rather than personal information. In the event that personal or sensitive data may be required to properly complete an assignment, the policy recognizes that consent is required for information that:

1. permits someone to learn sensitive, private information;
2. relates to a natural person; and
3. permits the identification of that person.

In accord with corporate policy, therefore, information provided by our clients will be used, secured and maintained based on criteria which includes:

- limited use, only the data needed to complete the assignment is required.
- obtaining consent with respect to use of sensitive personal information about an identifiable individual (does not include the name, title, business Street#, Street Name or telephone number of an employee of an organization).
- non-disclosure of files, (subject to Law, or review by authorized representative of *Appraisal Institute of Canada*, the Courts, Provincial or Federal agencies that have appropriate jurisdiction).
- the use of facts in the public domain as part of the appraisal process.
- information retained in our database that is relevant only to the subject property.
- tight control in the production of reports, and distribution only as authorized by the Client.

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ADDENDUM "B" - APPRAISER'S QUALIFICATIONS

West of Wickerson Road
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File # 24812

DANIEL J. VAN HOUTTE, MRICS, AACI, P.App

Metrix Southwest Inc.
285 King Street, Suite 204
London, Ontario N6B 3M6

Membership

Accredited Member Appraisal Institute of Canada #A700819
Member of Ontario Expropriation Association
Member of International Right Of Way Association
Licensed Real Estate Representative
Member of Royal Institution of Chartered Surveyors

Educational Background

Bachelor of Arts - University of Western Ontario, 1988.
Major Course Emphasis: Urban Geography, Economics
Successfully completed the Real Estate Appraisal Institute Course - 101 (Introduction to Real Estate Appraising), April 1989, and 201 (Advanced Real Estate Appraising), April 1990; and 301 (Investment Analyses and Feasibility) August, 1992.
Metrix Southwest Inc. (formerly Simmons Group Realty Consulting Inc.) - 1988 to Present
Chief Executive Officer and President

Duties and Responsibilities Include:

Administration

- General management, scheduling work assignments, appraisal training, client development and liaison with valuation-net.com members.
- Implementation of information technology and training.
-

Senior Appraiser

- Preparation of comprehensive appraisal reports for investment, mixed use, residential, industrial and commercial properties;
- Preparation of expropriation appraisal assignments;
- Valuation of special purpose properties, including golf courses and hospitality properties;
- Discounted Cash Flow Analyses - utilizing Argus financial software;
- Aggregate Property Valuations;
- Subdivision Development Analyses;
- Valuation of Leasehold Interests;
- Market analysis and Feasibility Studies;
- Planning Research for Urban Renewal Projects;
- Rental Studies - Commercial/Office/Industrial Buildings;
- Zoning Impact Studies;
- Expert witness testimony before various courts, boards, and other tribunals;
- Case analysis for damage, loss of use and injurious affection claims;
- Assessment review.

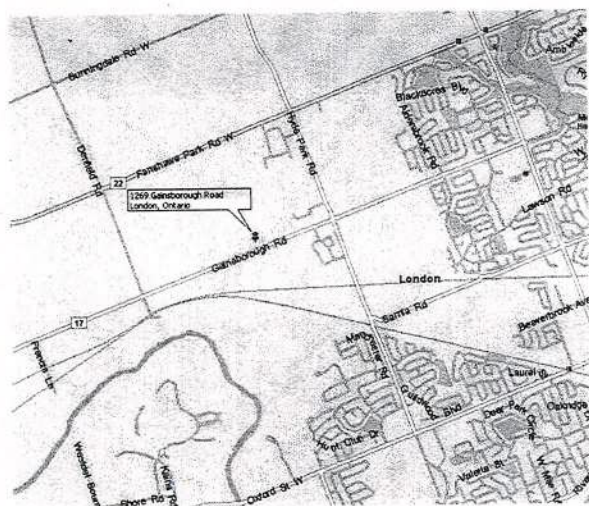
*West of Wickerson Road
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ADDENDUM "C" - SALES SHEETS

COMPARABLE #1

1269 GAINSBOROUGH ROAD, LONDON



Sale Information

Sale Price:	\$2,000,000	Sale Price/Acre:	\$19,922
Sale Date:	6/19/2006	Sale Date Information:	RealTrack
Vendor:	The London Cross-Cultural Learner Centre	PIN:	081370134
Purchaser:	Southside Construction Management Ltd.	Sale Status:	Closed
Financing Description:	Cash		
Legal Description:	Part South Half Lot 27 and Part South Half Lot 26, Concession 4; As In Instrument Number 613181; Subject to 697368, 697374; City of London, County of Middlesex		

Location Information

Located on the north side of Gainsborough Road, west of Hyde Park Road, south of Fanshawe Park Road West

Property Information

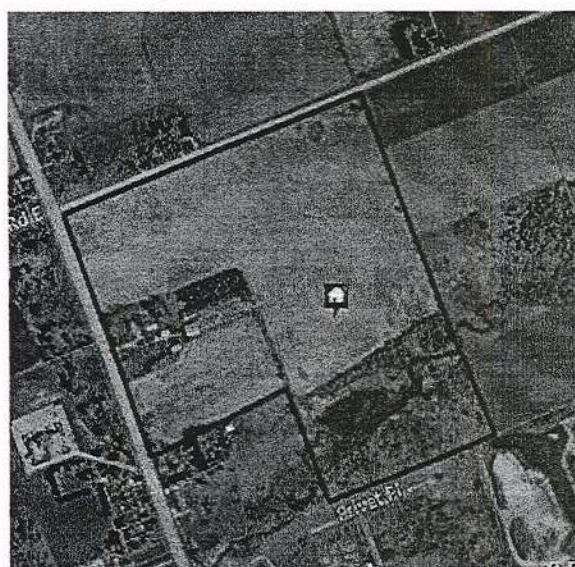
Site Size (Acres):	100.4	Shape:	Square
Land area Source:	RealTrack	Topography:	Level
Access:	Full ingress and egress	Encumbrances:	None Noted
Services:	No Municipal Services	Zoning:	UR3 - Urban Reserve, ER- Environmental Review
Zoning Description:	Zoning provides for and regulates existing uses on lands which are primarily undeveloped for urban uses.	Official Plan:	Agriculture and Environmental Review

Comments

Speculative residential development property. Located outside the Urban Growth Boundary.

COMPARABLE #2

2270 Highbury Avenue North, London



Sale Information

Sale Price:	\$1,800,000	Sale Price/Acre:	\$20,157
Sale Date:	11/28/2005	Sale Date Information:	RealTrack
Vendor:	Gerrit & Hanna Klomps	PIN:	081460542
Purchaser:	1666142 Ontario Limited/Sifton Properties Limited	Sale Status:	Closed
Financing Description:	\$800,000 Cash; \$1,000,000 VTB (4 year term with 0% interest rate for the 1st 2 years, and Prime Rate for the Bank of Montreal plus 1% per annum for the last 2 years. Payments due on the 28th days of May & November in 2008 & 2009)		
Legal Description:	Part Lot 8, Concession 5, London Township		

Location Information

This property is located in the northeasterly section of the City of London, on the southeast corner of Highbury Avenue North and Sunningdale Road East.

Property Information

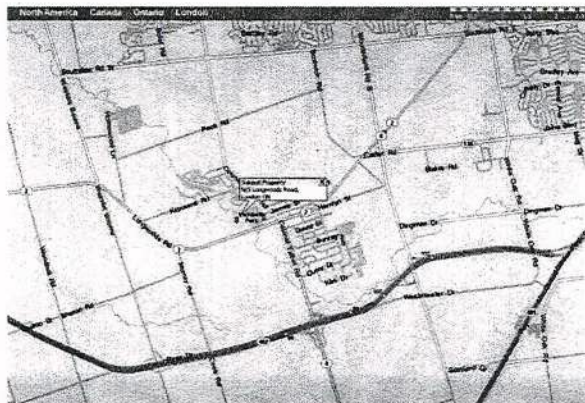
Site Size (Acres):	89.3	Shape:	Irregular
Land area Source:	Geowarehouse	Topography:	Gently Sloping
Access:	Full ingress and egress	Encumbrances:	None Noted
Services:	No Municipal Services	Zoning:	A1
Zoning Description:	Proposed Annexed Area Zoning: AG1, h-2AG1, OS5	Official Plan:	Agriculture

Comments

This property is outside the Urban Growth Boundary. When the property is ultimately included within the Urban Growth Boundary, which remains uncertain, the area will require a Community Plan to be prepared, including an Environmental Assessment to address Stoney Creek, which traverses the southerly portion of the site. Municipal servicing will also have to be extended from the west, over lands controlled by other developers. Development would be 10 years distant or longer.

COMPARABLE #3

N/S LONGWOODS ROAD, LONDON



Sale Information

Sale Price:	\$625,000	Sale Price/Acre:	\$20,425
Sale Date:	4/25/2008	Sale Date Information:	Geowarehouse
Vendor:	Walter & Velma Poole	PIN:	08223-0008
Purchaser:	Kavita Desai	Sale Status:	Closed
Financing Description:	Cash		
Legal Description:	Part Lot 71, WTR Being Part 1, on 33R-14605; City of London, County of Middlesex		

Location Information

Located on the north side of Longwoods Road, west of Colonel Talbot Road, north of Highway #402

Property Information

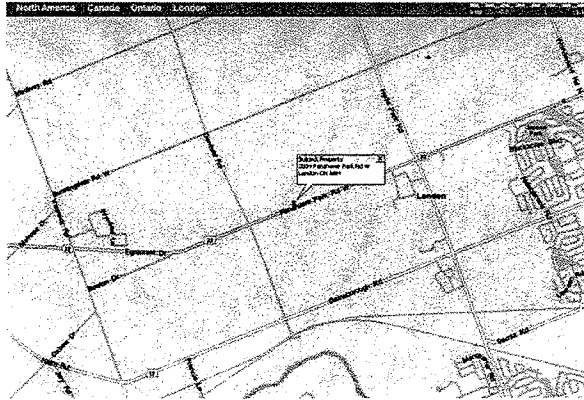
Site Size (Acres):	30.6	Shape:	Irregular
Land area Source:	Geowarehouse	Topography:	Level
Access:	Full ingress and egress	Encumbrances:	None Noted
Services:	No Municipal Services	Zoning:	Agricultural (A1)/Open Space (OS4/5)/Environmental Review (ER)
Zoning Description:	Level portions of the site are zoned A1- Agricultural, and permit the development of a single detached residential dwelling, while the north and easterly limits of the size are zoned OS4, OS5 or ER, and are located within the Regulation Limit of the UTRCA.	Official Plan:	Agricultural/ Environmental Review

Comments

The north and easterly portions of this property are occupied by Dingman Creek, which is regulated by the Upper Thames River Conservation Authority. The property is just outside of the Urban Growth Boundary.

COMPARABLE #4

2034 FANSHAWE PARK ROAD WEST, LONDON



Sale Information

Sale Price:	\$3,000,000	Sale Price/Acre:	\$30,581
Sale Date:	10/10/2005	Sale Date Information:	RealTrack
Vendor:	Gwendolyn and Ronald Shantz	PIN:	081370127
Purchaser:	Southside Construction Management Limited	Sale Status:	Closed
Financing Description:	\$800,000 Cash; \$2,200,000 VTB (5 year term @ 3% interest, payments of \$250,000 annually on October 31st)		
Legal Description:	Part Lot 27, Concession 4, London Township		

Location Information

Situated on the south side of Fanshawe Park Road West, adjacent to the City's westerly limit.

Property Information

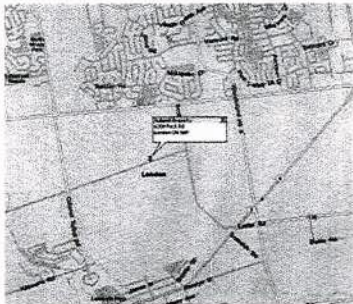
Site Size (Acres):	98.1	Shape:	Square
Land area Source:	Geowarehouse	Topography:	Level
Access:	Full ingress and egress	Encumbrances:	None Noted
Services:	No Municipal Services	Zoning:	Existing: A1-26, A1-39
Zoning Description:	Zoning allows for a variety of agricultural uses	Official Plan:	Agriculture

Comments

This property is located outside of the Urban Growth Boundary. It is a long term speculative development parcel acquired by a developer that has acquired lands in the area.

COMPARABLE #5

6309 PACK ROAD, LONDON



Sale Information

Sale Price:	\$2,500,000	Sale Price/Acre:	\$31,807
Sale Date:	11/7/2005	Sale Date Information:	Geowarehouse
Vendor:	Antonia & Teresa Maisano	PIN:	082130011
Purchaser:	Southside Construction Management Limited	Sale Status:	Closed
Financing Description:	Cash		
Legal Description:	Part Lot 75 ETR, being Parts 1, 2 & 3, Plan 33R15699; S/T Hydro Easement over Part 2, Plan 33R15699, London/Westminster		

Location Information

This property is situated in the southwest sector of London, on the south side of Pack Road, west of its intersection with Bostwick Road.

Property Information

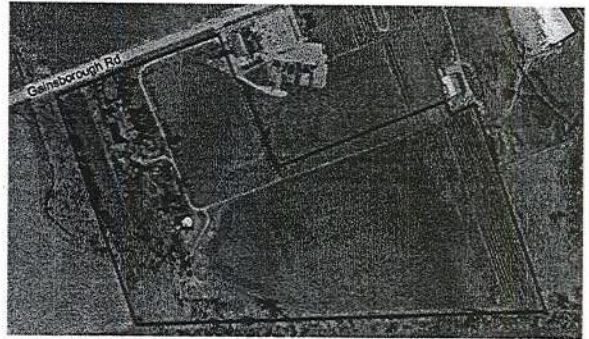
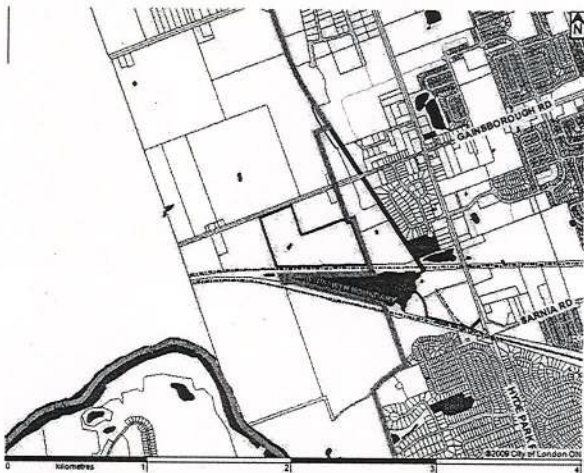
Site Size (Acres):	78.6	Shape:	Irregular
Land area Source:	Geowarehouse	Topography:	Level
Services:	No Municipal Services	Encumbrances:	A 33' wide HEPC Easement traverses the property in a north-south direction at its approximate midpoint.
Official Plan:	Urban Reserve - Community Growth; Environmental Reserve	Zoning:	Proposed Annexed Area Zoning: Urban Reserve (UR4), Environmental Review (ER); Current Zoning: A2

Comments

This property is located within the Urban Growth Boundary. At the time of sale, it was improved with a 1½ storey single-family brick bungalow, a garage used for small engine repairs, and several outbuildings. While these improvements were considered to have no significant contribution in value and are slated for demolition in the future, they do provide some interim use and rental income. Before any development of this property may be undertaken, a Community Plan must be prepared for the area between Bostwick Road and Colonel Talbot Road, north of Lambeth and south of Pack Road, in the Talbot Planning District. The lines for the HEPC easement could be moved or buried in the future. The site is in an area that has no sanitary servicing. The site was acquired by the developer of lands on the north side of Pack Road that are under development with a major residential subdivision. This parcel may be ultimately serviced by these lands, however, sewer capacity in this area is limited. Alternatively, a new treatment plant will provide sanitary sewer capacity to the area.

COMPARABLE #6

S/S GAINSBOROUGH ROAD, LONDON



Sale Information

Sale Price:	\$2,000,000	Sale Price/Acre:	\$38,462
Sale Date:	4/8/2009	Sale Date Information:	Geowarehouse
Vendor:	Ross & Lynett King	PIN:	08053-1340
Purchaser:	Ballamere Developments Inc	Sale Status:	Closed
Financing Description:	Cash: \$1,150,000 Assumed/ VTB debt: \$850,000		
Legal Description:	Part Lot 26, Concession 3, Parts 5, 6, 10-14, Plan 33R-17035; City of London, County of Middlesex		

Location Information

Located on the south side of Gainsborough Road, west of Hyde Park Road

Property Information

Site Size (Acres):	52.0	Shape:	Irregular
Land area Source:		Topography:	Gently Sloping
Access:	Full ingress and egress	Encumbrances:	None Noted
Services:	No Municipal Services	Zoning:	Agricultural Commercial (AGC)
Zoning Description:	Interim zoning	Official Plan:	Agricultural

Comments

This property is located in a rural area, just west of Hyde Park. Discussions with the purchaser, Palumbo Homes, revealed that the building improvements fronting onto Gainsborough Road were severed off, and not part of this transaction. The parcel was purchased as long term, speculative residential development land. The purchaser indicated that the City is considering extending the urban growth boundary in the Hyde Park area due to significant demand in this section of London. Timing of development was estimated at 5 to 10 years.