

**Urban Reserve Land Market Analysis
& Property Valuation**

**Portion of NW 16 – 49 – 7 – W5th,
Lot 1, Plan 992 - 1934
Containing 38.68-acres (more or less)
Town of Drayton Valley**

Located at

**4803 - 57 Avenue,
Drayton Valley, Alberta**

Prepared for

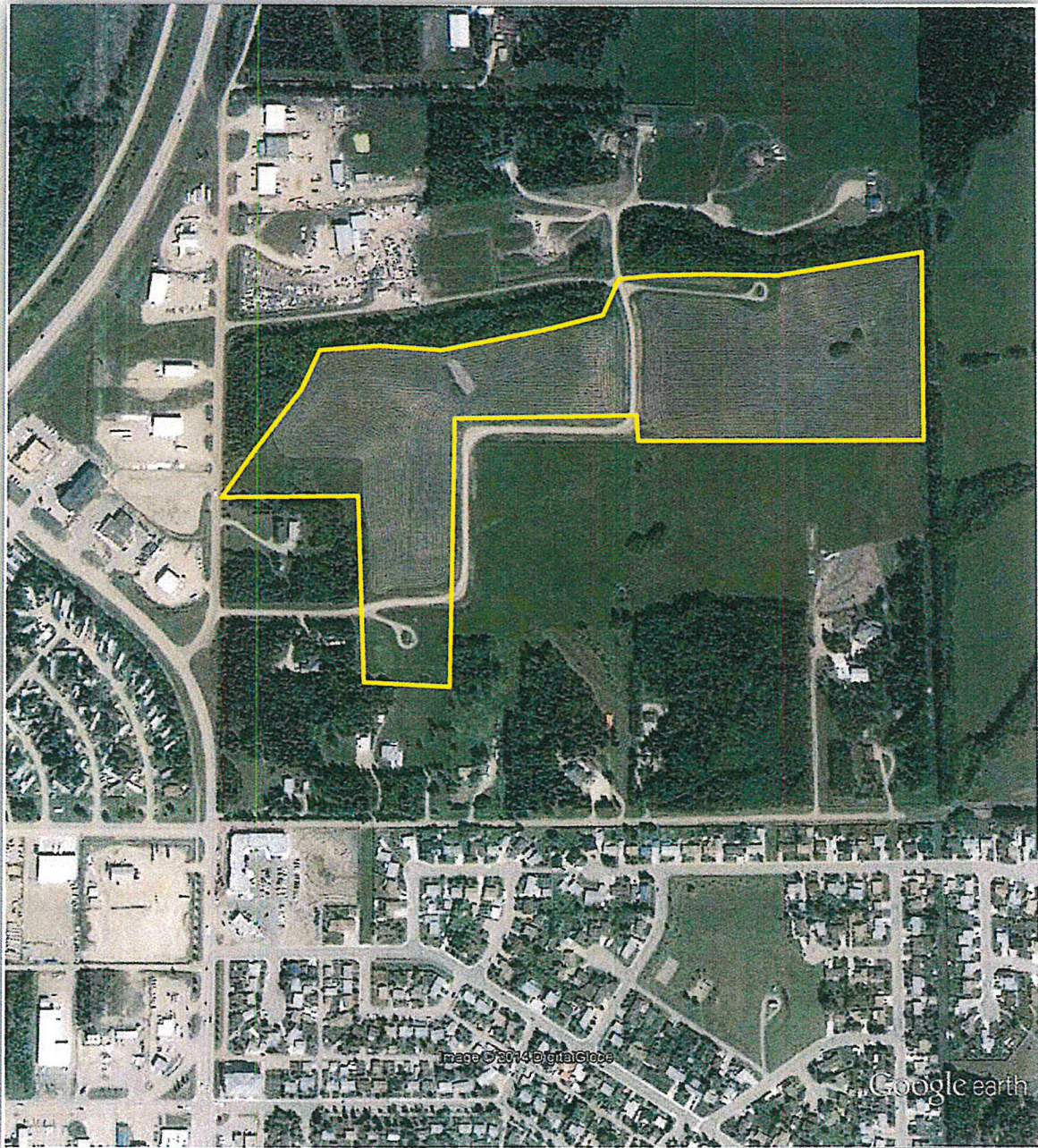
By



Andy Chopko, AACI, P. App.
Real Estate Appraiser/Consultant

**May 13th, 2014
Our File: 14 – 13577**

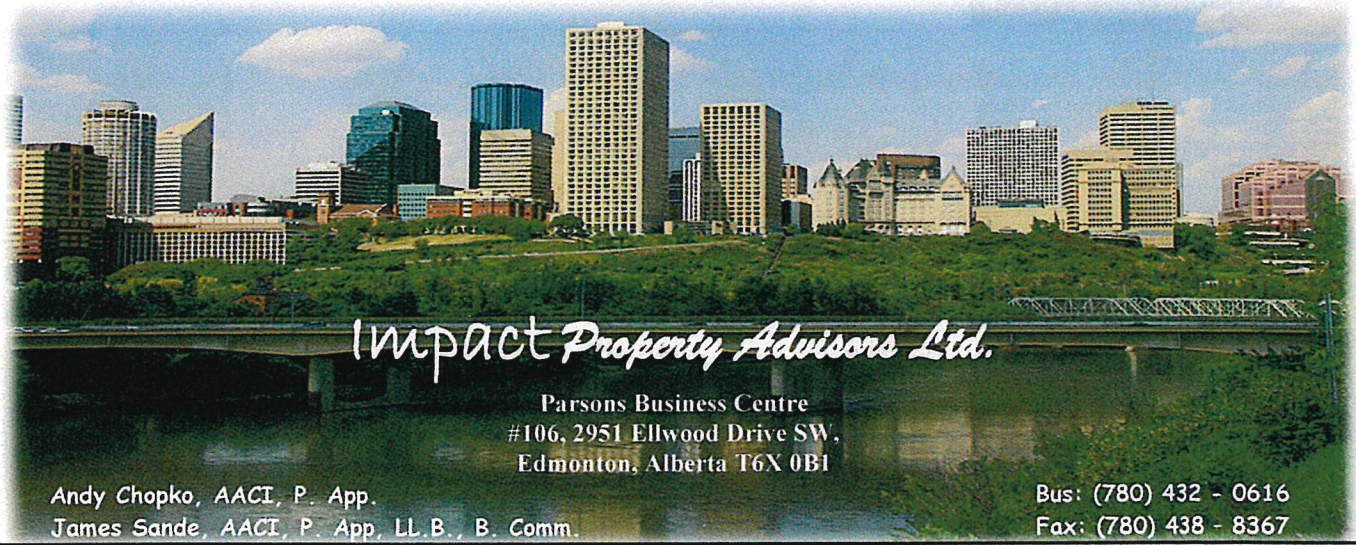
URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION





4803 – 57 Avenue

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION



IMPACT Property Advisors Ltd.

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Client:		Client File No:	
Owner:	Same	Our File No.	14 - 13577
Client Address:		Appraiser/Consultant:	Andy Chopko
	Drayton Valley, Alberta	Date of Inspection:	May 13 th , 2014
Telephone:	Bus:	Effective Date of Appraisal:	May 13 th , 2014
	Cell: Same	Market Valuation:	Current Market Value
Attention:		Other Considerations:	None
		Property interest valued:	"Fee Simple Estate"

SUBJECT INFORMATION:

Property Owner:					
Occupant:	Owner:	Tenant:	Vacant: <input checked="" type="checkbox"/> Yes	Other:	Future urban reserve development land
Property Address:	4803 - 57 Avenue,				
Municipality:	Drayton Valley,		Province:	Alberta	Postal Code:
Legal Description:	Ptn NW 16 - 49 - 7 - W5 th , Lot 1, Plan 992 - 1934			Subdivision:	Town of Drayton Valley
Original Purchase Price:	Subdivision Plan		Date of Purchase:	August 1 st , 2001	

Current title search of the subject property indicated that subject land was subdivided in 2001 where a 0.86-acre site was created under Plan 012 - 3405. Prior title indicated that the land was acquired by 412468 Alberta Ltd. in July 2001 for \$197,700 containing a land area of 39.54-acres (more or less), and at that point in time, the land was situated within Brazeau County on the north Town boundary of Drayton Valley. Following an annexation bid in 2001, the subject land was annexed into the Town of Drayton Valley from Brazeau County to form a portion of a new residential area known as Spruce Meadows.

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

VALUATION SUMMARY:		
Owner – Client::		[REDACTED]
Property Location:		Drayton Valley, Alberta
Property Address:		4803 - 57 Avenue,
Type of Property:		Urban Reserve Land
Land Use:		Ag – Agricultural District Long-term land use proposed as country residential
Land Size:		38.68 – acres (more or less)
Building Size:		No buildings
Age of facilities:		N/A
<u>Methods of Valuation:</u>		
Capital Cost Analysis:	Land Value:	N/A
	Building Value, & Site Improvements:	N/A
	Total indication of Value:	N/A
Income & Cash Flow Analysis:	Property value based on market rent analysis:	N/A
	Income & Cash Flow analysis:	N/A
	Net Income Multiplier:	N/A
Direct Comparison Analysis:	Based on sale price per acre of land:	\$21,000/acre = \$812,280
Final Indication of Market Value:		\$812,000

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

Intended Use of Property Analysis, Valuation & Purpose of Assignment:

Purpose of the following urban reserve land analysis and property valuation is to estimate "Current Market Value" of the subject property "as is", and the intended use of this consulting assignment is to assist in financial planning and decision-making purposes with regard to financial planning.

Final value estimate that follows is based on the Highest and Best Use of the land now located within the Town boundary of Drayton Valley following latest annexation in 2001.

DEFINITIONS:

Source "The Appraisal of Real Estate – Second Canadian Edition"

Market Value:	Page 2.3 "The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in the competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably and for self-interest, and assuming that neither is under undue duress".
	Page 2.3 & 2.4 Market Value in Canadian Uniform Standards of Professional Appraisal Practice: "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 knowledgeable, 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: <ul style="list-style-type: none"> • Buyer and seller are typically motivated; • Both parties are well informed or well advised, and acting in what they consider their best interests; • A reasonable time is allowed for exposure in the open market; • Payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; • 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".
	Page 2.4 Market Value in International Standards "Market Value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion".

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

SCOPE OF ASSIGNMENT:

A:	Scope of this valuation assignment is prepared in accordance with the Canadian Uniform Standards of Professional Appraisal Practice as established by the Appraisal Standards Board of the Appraisal Institute of Canada. Scope of Work refers to due diligence and research undertaken to complete this assignment based on the terms of reference provided by the client. Market value of the subject land is to be estimated based on Highest and Best Use of the land.
B:	A site inspection of the subject land was completed on May 13 th , 2014. At the time of inspection, photographs of the property were taken together with a review of aerial photographs of the area. In addition, a review of land development surrounding the subject land was undertaken. Other market research encompassed review of the Spruce Meadows Area Structure Plan in the Town of Drayton Valley, the Drayton Valley Municipal Development Plan, and the Inter-municipal Development Plan between the Town of Drayton Valley and Brazeau County.
C:	Municipal data was based on information available at the County & Town Administration Offices including Land Use Regulations, and Assessment & Tax information. Title resources were available at the Northern Alberta Land Titles Office including plans and survey maps, as well as mapping and aerial photography from Alberta Municipal Affairs.
D:	Confirmation of sales data and listings was provided through searches available from Alberta Online (Land Titles), local Real Estate Offices, MLS Data (Realtors® Association of Edmonton), online data services, and company owned data files.
E:	A conclusion of Highest and Best Use was formulated following the foregoing investigation process and a review of land development trends in the Town of Drayton Valley and surrounding Brazeau County, and land development within the northeast sector of Drayton Valley, as though vacant.
F:	<p>All three approaches to value will not be utilized in the following urban reserve land analysis and property valuation.</p> <p>Capital Cost Analysis provides a good indication of construction cost new for buildings together with site improvements, added to base land value however as the land is vacant, this method of valuation cannot be applied.</p> <p>Income & Cash Flow Analysis provides a good indication of value based on capitalization of actual and/or projected rental income. The subject land is vacant, and as a result, Income Analysis is not applicable in valuation of the subject property.</p> <p>Direct Comparison is the only method of valuation that is applied where other urban reserve land parcels that have sold are compared to the subject property on the basis of a sale price per acre of total land area based on future development potential of the land. Although various adjustments must be considered in the application of Direct Comparison, this method of property analysis provides a good indication of market value based on current resale market data, and Highest and Best Use of the land.</p>
G:	Based on the above-described process of collecting and confirming data (defined as Scope of this Appraisal Report), the final value estimate follows collection of the data and resulting analysis considered appropriate for this type of property. Summarized conclusions in this report are considered to be reasonable based on the type of property and the extensive experience of the analyst.

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

MUNICIPAL DATA:

Built Up:	100%	Over 75%	25% to 75%	Under 25%	✓
Growth Rate:	Fully Dev.	Rapid	Steady	✓ Slow	
Property Values:	Trends:	Increasing	✓ Stable	✓ Declining	
Demand/Supply:	Availability:	Shortage	In Balance	✓ Over Supply	
Marketing Time:	30 to 90 Days	Up to 90 Days	91 to 180 Days	✓ Over 180 Days	

Town of Drayton Valley

Municipal Data:

Drayton Valley is located southwest of Edmonton at the junction of Hwy #39 and Hwy #22 in a fairly large agricultural district of Brazeau County. Local area economic development encompasses a mix of agriculture supported by oil and natural gas exploration and development together with forestry.

With a population base over 7,000, Drayton Valley has been established as a regional service center in the west central portion of the Province in Brazeau County encompassing a trading population base extending as far south as Rocky Mountain House to Winfield and Pigeon Lake in the east, Edson to the northwest, Mayerthorpe to the north, and Stony Plain to the northeast and Leduc to the east.

Current economic development in Drayton Valley and Brazeau County is derived from a mix of forestry and oil and natural gas exploration in the region, together with the resulting spin off for service industries supporting a large expanding industrial sector of the local economy. One of the more significant developments in Drayton Valley was the construction of Weyerhaeuser sawmill & OSB Plant completed in 1987 however after 20-years of operation, the OSB Plant portion of the Weyerhaeuser operations closed in mid-2007. Spin off industries include DV Power utilizing waste material from the Weyerhaeuser Mill and other industries are planned in the Drayton Bio Mile now expanding in the south central sector of Drayton Valley.

Over the last decade, considerable growth and new development has been noted in Drayton Valley encompassing all business sectors. Additional land was annexed to the Town in 2010, 2011, and 2012, and new construction continues in three or four new subdivisions accommodating steady population growth for a growing work force in the region.

Woodfine Development completed one of the major land developments in Drayton Valley in a new power centre situated along Hwy #22 south of 54 Avenue. First stage of development in the Power Centre included Canadian Tire, Wal-Mart, and Drayton Valley Ford, while the 2nd phase included Mark's Work Wearhouse and two strip retail centres plus a dental clinic. Service Plus Inn was added in the 3rd phase of development along with Khal's Steakhouse along Power Centre Blvd, and now a 2nd phase of the Service Plus Inn has recently been completed.

Commercial Village is another power centre style development at 55 Avenue & 50 Street that includes TD Canada Trust, Dairy Queen, Fluid's Pub & Grill, etc. Land immediately to the west of Commercial Village along 50th Street has been developed for another smaller power centre by Janzen Properties, and this development includes a Tri-plex movie theatre, and a strip retail centre along with a new Servus Credit Union branch office. A third phase of development is under construction and includes a new Value Drug Mart, and a possible liquor store and a new fast food outlet.

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

MUNICIPAL DATA:	
	<p>Other more recent construction along 50 Street south of the downtown business district includes a Holiday Express Inn, Westwood Inn, Ramada Inn and Tim Horton's restaurant. Other commercial development in this sector of Drayton Valley includes Stetson Motors GM - Chev Olds, Midfield Supply, Kelvin's Car Care, and ACR Equipment Rentals.</p> <p>Currently, a new Bio Mile industrial subdivision is being developed next to ACR Rentals, and a new hotel and truck stop is under construction across from Tim Horton's and the Ramada Inn. Other new construction is underway at the Sekura Auction Mart site where a new 9,000 sq.ft. industrial service shop is nearing completion accommodating 2 new businesses for Drayton Valley.</p> <p>Industrial development has been ongoing for several years in the Drayton Valley area including the Fedelis Industrial, Poplar Ridge, & Brazeau Industrial Parks. With most of the commercial and industrial land built-out between 2000 & 2006, Apex Common was developed to accommodate market demand at the north entrance to Drayton Valley fronting Hwy #22. Apex Monarch & Fountain Tire were the first new projects completed at Apex Common followed by several other office & service shops, & a new Toyota auto dealership. Apex Common is now sold out and Brazeau Industrial Park Phase II is now offering additional land for new businesses entering the local market.</p> <p>The latest industrial development to be initiated in Drayton Valley is within the new Westview Industrial Park where Phase 1 was recently subdivided and serviced. Five lots have sold and new construction is underway on the first three lots in Westview Industrial Park situated immediately north of Poplar Ridge.</p> <p>WC Industrial Park has also come on stream this past year immediately west of Apex Common offering a full range of commercial and industrial lots for business expansion and one new building is already under construction within this subdivision.</p>
New Construction:	<p>Gregg Distributors opened a new retail and industrial supply centre along 50 Avenue between McDonalds Restaurant and the Pembina Pipeline Office. Weatherford bought out Ironhorse Pumpjack Service and added a new office and service shop on 62 Street one block north of 50 Avenue next to the new Can-Vac Oilfield Services shop & office. Two new buildings are currently under construction in Brazeau Industrial Park adding to the inventory of industrial office and service shops already established in Drayton Valley.</p>
Competition:	<p>Other than new buildings that are under construction for owner-users, there are no office and service shops offered for sale in Drayton Valley. One new multi-bay warehouse building has been recently completed along 50 Avenue where individual service bays are offered for lease and two other freestanding buildings are available for lease on the market.</p>

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

NEW DEVELOPMENT:

New development in Drayton Valley continues in a number of areas including construction of the Bio-Mile project nearby the Valley Power Plant and the Weyerhaeuser Mill. Bio-Mile has been planned to accommodate a number of new businesses based on manufacturing a vast array of consumer products from wood and plant waste from the forestry and agriculture industries.

Over the last two decades Drayton Valley has had a strong construction industry with over 2,800 projects being completed at an estimated value of over \$420 million dollars. Commercial construction has led the way more notably during the last 10-years just short of \$170 million, followed by housing just under \$116 million.

Although industrial development forms a large part of the local area development, just over \$35 million was recorded within the town limits and a greater amount of industrial development has taken place in surrounding rural county subdivisions of Poplar Ridge and Brazeau Industrial Park. Brazeau Industrial Park was previously in Brazeau County however following the 2012 annexation; Brazeau Industrial Park is now situated in Drayton Valley along with the new Westview Industrial Park.

The following summary provides an indication of total construction activity recorded in Drayton Valley since 1990.

Town of Drayton Valley Development & Building Permits

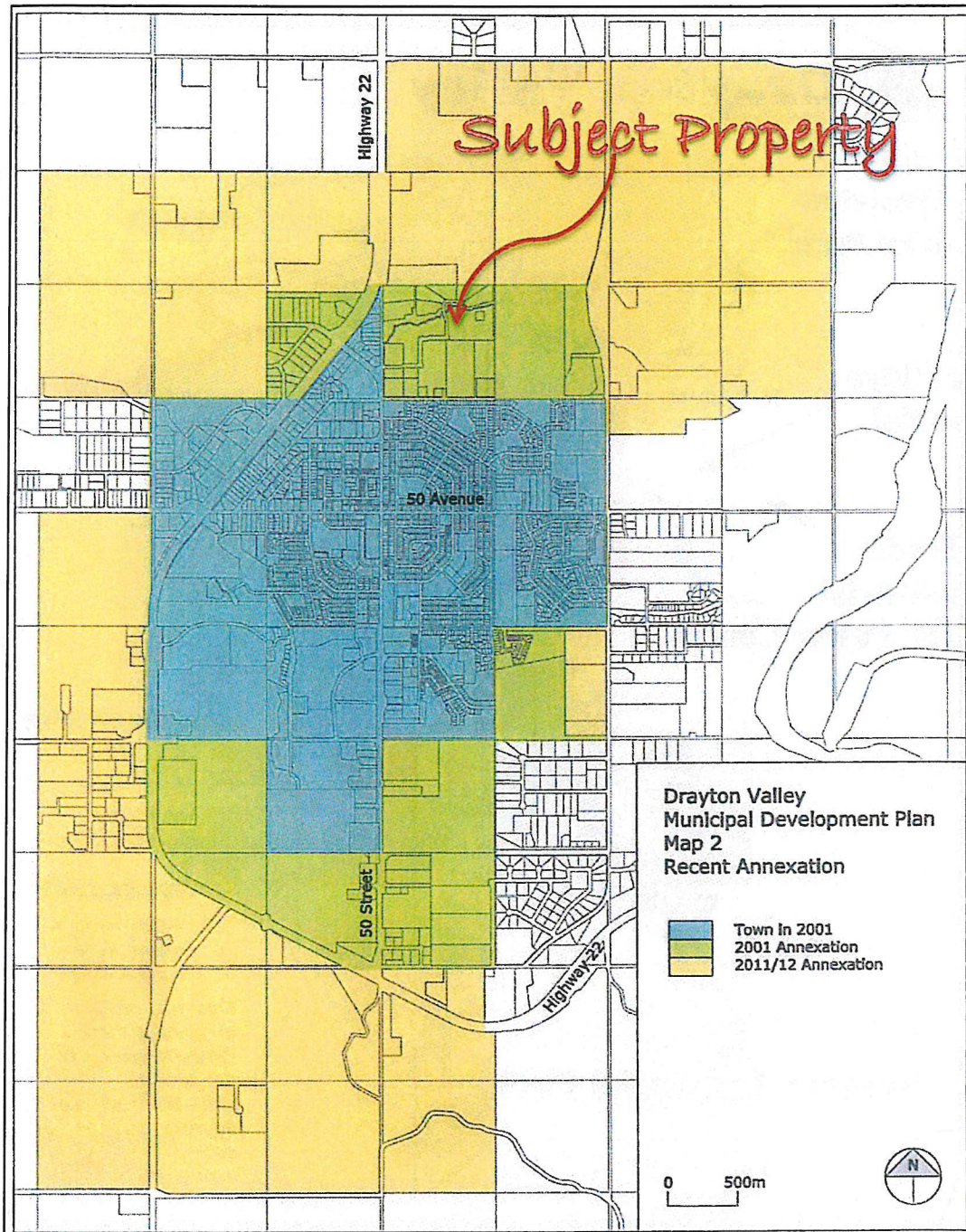
Year:	No.	Residential:	No.	Apartment:	No.	Commercial:	No.	Industrial:	No.	Institutional:
1990	58	\$3,973,200	0	\$0	26	\$2,674,780	4	\$301,000	7	\$684,000
1991	42	\$1,687,700	0	\$0	28	\$1,163,225	2	\$791,788	0	\$0
1992	35	\$877,700	1	\$380,000	17	\$982,600	1	\$400,000	7	\$5,519,092
1993	31	\$863,000	0	\$0	20	\$478,500	2	\$3,000	7	\$435,000
1994	36	\$1,255,900	0	\$0	13	\$590,000	0	\$0	1	\$860,000
1995	53	\$2,483,075	0	\$0	16	\$6,107,000	1	\$20,000	2	\$168,000
1996	33	\$1,070,000	0	\$0	24	\$127,800	5	\$200,000	2	\$515,000
1997	56	\$4,013,200	1	\$780,000	26	\$1,560,052	11	\$798,000	2	\$800,000
1998	45	\$4,257,000	0	\$0	35	\$1,330,300	7	\$179,000	7	\$4,463,145
1999	52	\$2,776,225	0	\$0	21	\$3,697,900	13	\$877,800	10	\$2,592,200
2000	58	\$4,721,300	0	\$0	29	\$1,725,080	4	\$2,812,500	7	\$3,879,000
2001	40	\$2,477,200	0	\$0	34	\$3,190,909	2	\$30,600	5	\$375,000
2002	66	\$5,307,505	1	\$2,530,000	33	\$4,247,363	4	\$23,000	7	\$1,468,322
2003	61	\$4,999,900	0	\$0	24	\$2,745,520	3	\$3,000	6	\$560,161
2004	81	\$9,497,000	1	\$18,000	55	\$12,730,201	3	\$1,828,000	9	\$2,281,900
2005	86	\$8,889,610	4	\$7,985,000	24	\$9,020,149	2	\$304,977	1	\$30,000
2006	103	\$9,206,806	1	\$3,000	45	\$12,319,913	6	\$1,428,200	3	\$6,822,900
2007	88	\$8,198,050	0	\$0	58	\$32,111,800	5	\$339,000	10	\$12,807,500
2008	102	\$4,217,900	1	\$2,765,000	79	\$11,425,006	1	\$450,000	8	\$11,570,800
2009	82	\$6,064,745	2	\$8,200,000	67	\$5,354,371	0	\$0	12	\$70,700
2010	83	\$4,487,400	0	\$0	75	\$11,977,253	2	\$300	11	\$731,500
2011	171	\$7,553,674	0	\$0	81	\$6,062,128	0	\$0	0	\$0
2012	76	\$8,666,300	1	\$600,000	65	\$16,843,021	8	\$3,549,500	9	\$684,900
2013	65	\$8,369,979	2	\$9,000,000	73	\$23,004,012	16	\$20,825,000	8	\$8,178,631
Totals:	1,603	\$115,914,369	15	\$32,261,000	968	\$171,468,883	102	\$35,164,665	141	\$65,497,751
Gross:	2,829	\$420,306,668								

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

NEIGHBORHOOD:	Spruce Meadow Estates
Adequacy of Utilities:	<p>According to the Spruce Meadow Estates Area Structure Plan, municipal water and sewer will be required and existing water lines are available along 50 A Street and 56 Avenue. A 200 mm sanitary line at 58 Avenue serves the southwest portion of the quarter connecting to the main trunk line in 56 Avenue.</p> <p>Due to topographic features of Northwest Section 16 which slopes to the northeast, the only possibility to service the land in the lower elevations would require a sewer lift station and force main adding to the cost of overall development.</p> <p>Storm water management is proposed by way of drainage towards a manmade pond projected in the central portion of NW 16.</p>
Site Compatibility:	<p>Some country residential acreage development has been completed in NW 16 and a gravel access road has been established for acreages through the centre of the subject land. Older Town residential housing is situated south of 56 Avenue and a Commercial Power Centre is situated to the southwest at 50 Street and 56 Avenue.</p> <p>Currently, there are two operating well sites situated on the subject land that will create setback requirement for future development. One well site is situated at the southwest corner of the subject property and the second well site is situated in the northeast corner of the property. A natural watercourse borders the subject land to the north creating natural drainage for the property.</p>
Market Appeal:	<p>Although the subject land was annexed to the Town of Drayton Valley as urban reserve land from Brazeau County in 2001 and has potential for country residential and estate residential development, little development has taken in the subject area, as 56 Avenue has not been improved to a municipal standard.</p> <p>Elevation of land and northeast sloping topography may also increase cost of future development for sewer construction and servicing of the subject area. Several land parcels have been subdivided out of NW 16 since the mid-1970's and the subject land represents the remaining unsubdivided portion of the NW 16 registered under Plan 992 – 1934 containing 38.68-acres (more or less) situated in the central portion of the quarter section.</p>

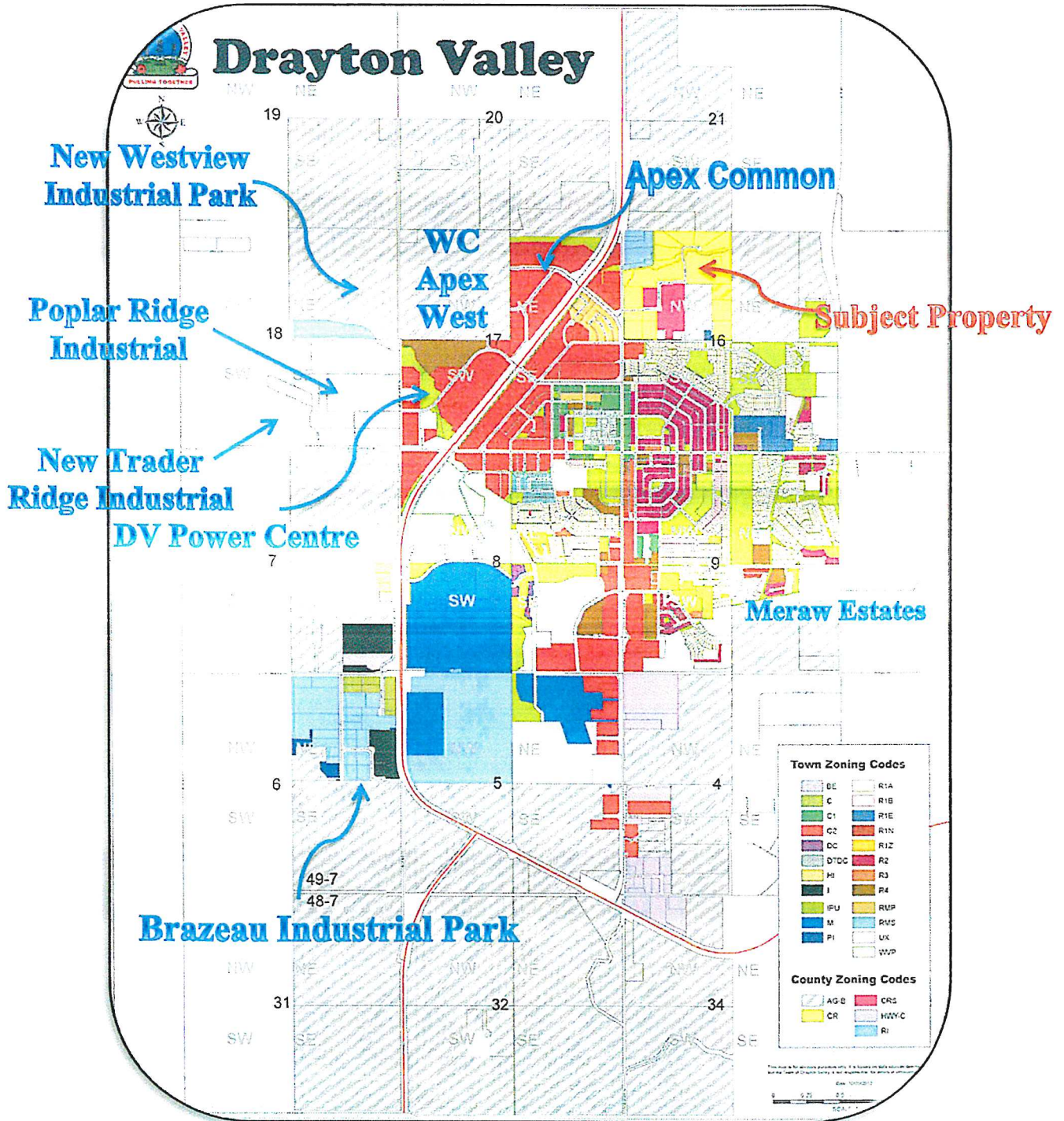
URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

ANNEXATION MAP 2011 & 2012:



URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

LOCAL AREA LAND USE MAP:



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SITE:			
Services:	Public		Other:
Power	Yes	✓	Power is available along municipal roads.
Gas	Yes	✓	Natural gas is available in subject area.
Water	No		Subject land is vacant and unserved.
Sanitary Sewer	No		Subject land is vacant and unserved.
Property located in an identified Special Flood Hazard Area:			No
Real Property Report Available:			No
COMMENTS:	<p>Flooding in Southern Alberta in June 2013 and in other Prairie Regions has had a tremendous impact on many communities raising awareness regarding property values in flood affected areas and future marketability of land.</p> <p>In recent communications, the Province of Alberta has indicated that owners of properties located in floodways will no longer be eligible for disaster relief funds and property owners in flood fringe areas must endeavor to protect properties against potential floods in order to be eligible for future disaster relief funds.</p>		
	<p>56 Avenue currently represents a gravel lane that extends eastward from 50 Street to 43 Street providing access to a group of acreages developed along the south boundary of NW 16. 58 Avenue extends eastward from 50 A Street jogging north to 60 Avenue along 47 Street providing access to the subject land, and to a group of acreages developed at the north boundary of NW 16.</p> <p>Other than the country residential acreages that have been developed in the past, there are no urban style streets or municipal services available to the subject property. Urban style estate lot development is planned for the southwest quadrant of NW 16 between 56 Avenue and 58 Avenue where access to municipal services would be made available, and the balance of land is designated for country residential acreage development.</p> <p>Currently, the subject land has been maintained for forage crop production and is primarily open hay land that has a gradual slope from southwest to northeast. One well site is situated along 58 Avenue just east of 50 A Street and the second well site is situated south of 60 Avenue and east of 47 Street in the northeast portion of the property near the watercourse that runs through NW 16.</p>		

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

SITE SIZE:

Lot 1, Plan 992 - 1934 is irregular in shape with east to west street exposure along 58 & 59 Avenue providing a total land area of 39.54-acres less 0.86-acres subdivided under Plan 012 – 3405 = 38.68-acres (more or less).

See addenda section of this report for Site Plan.

Site Improvements:	The subject land parcel represents vacant agricultural land which is mostly open hay land.
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ZONING:

CR – County Residential District

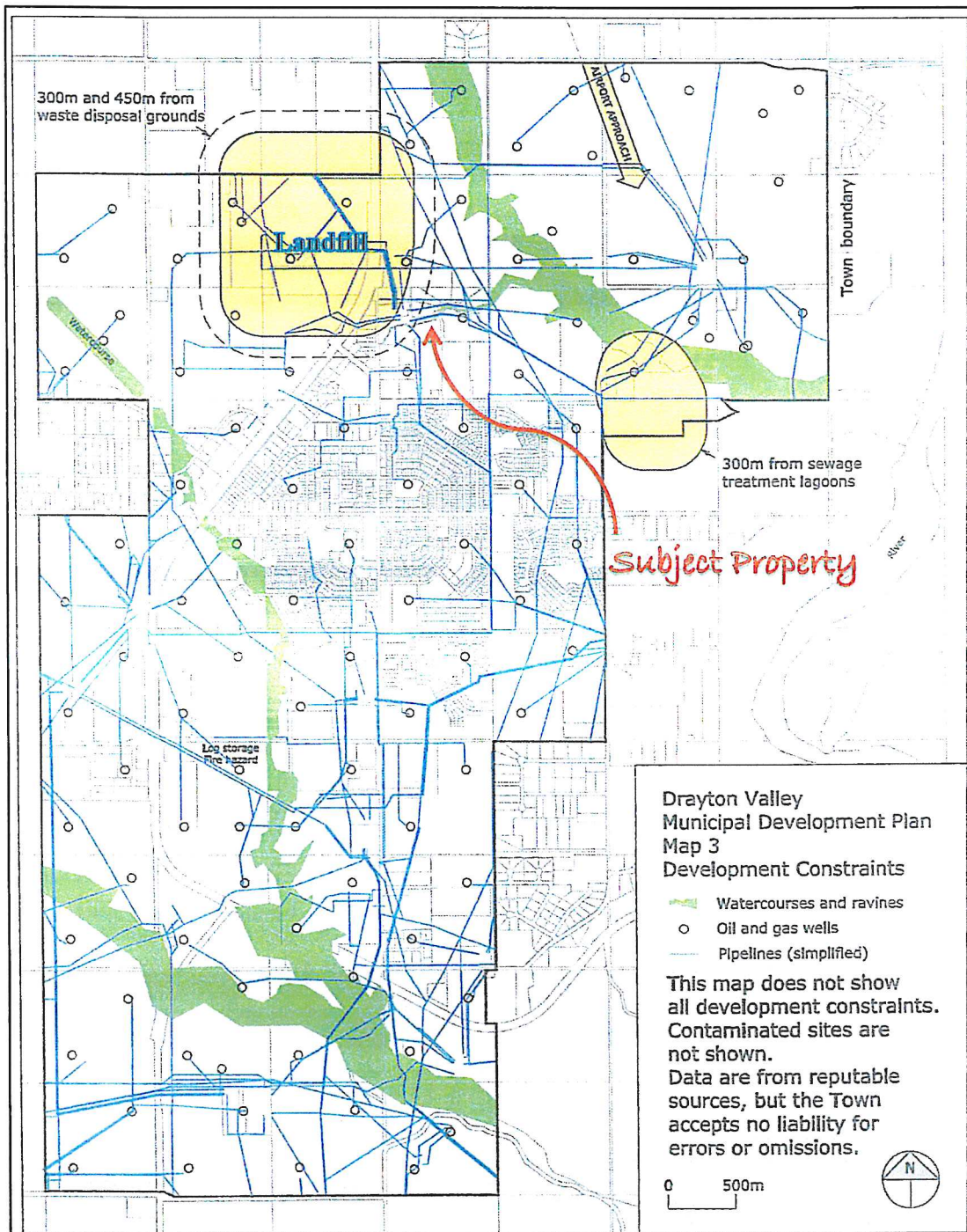
General purpose:	Purpose of a CR zoned district is to create low density residential development on acreage plots of land.
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Permitted Uses:	<p>New site built detached houses, modular homes, home offices, minor day care facilities, public utility facility, and buildings and uses accessory to the above uses are deemed to be permitted uses for a CR zoned district.</p> <p>Discretionary uses on the other hand range from secondary suites, residential sales centre, bed and breakfast establishments, family care unit, social car facility, major home occupation, place of worship, public and quasi-public uses, and buildings and uses accessory to the above.</p>
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Summary:	<p>Based on the existing land use as a hobby farm site and hay land, existing use appears to conform as a primary use as agricultural land until such time Town expansion is warranted within the Spruce Meadows Area Structure Plan.</p> <p>Future land uses proposed for the Spruce Meadows Area include a mix of country residential and estate residential lot development depending on land elevation and servicing capability.</p>
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URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

LOCATION OF WELL SITES:



URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

AERIAL VIEW OF SUBJECT LAND:



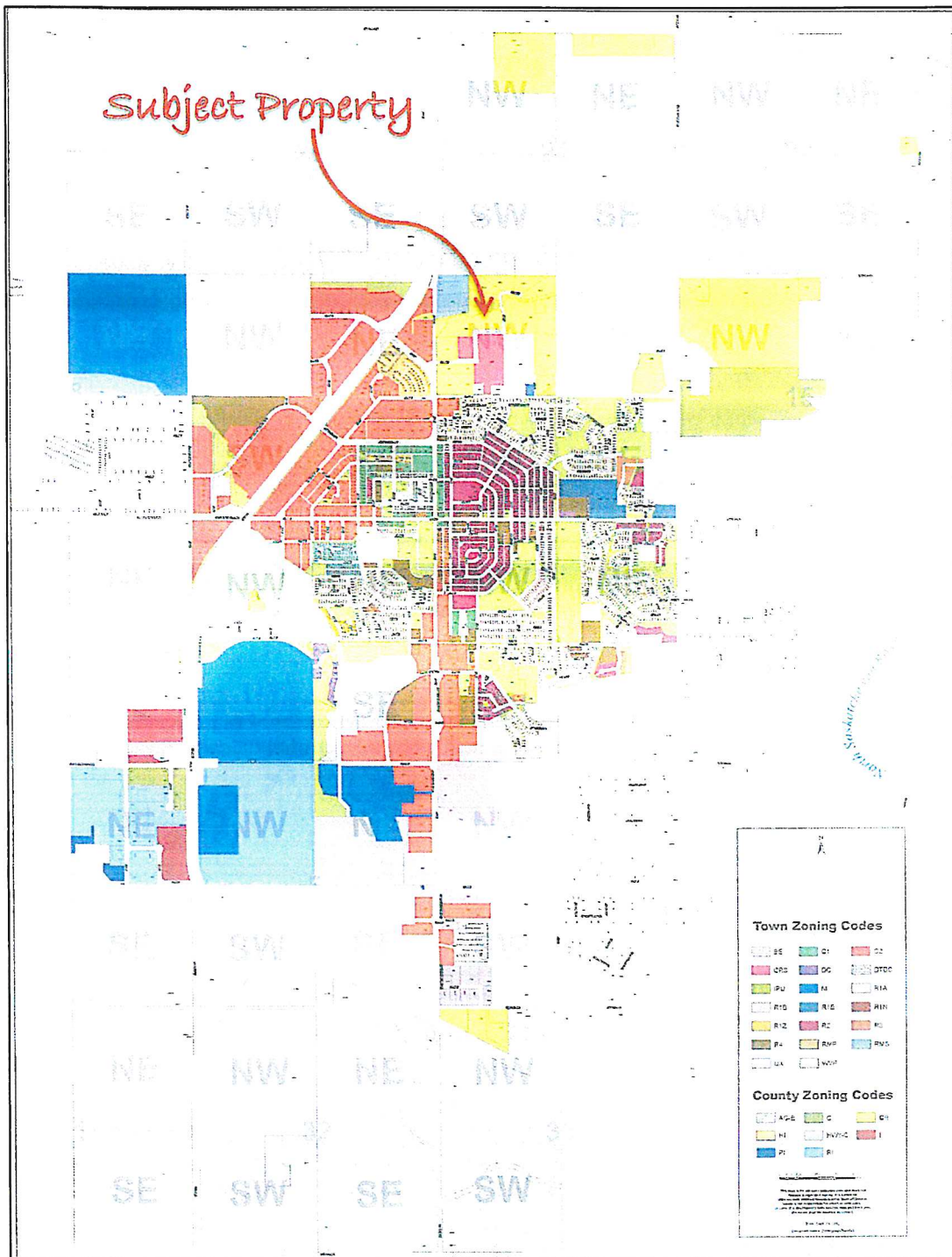
URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

ZONING:	Proximity to active landfill:
	<p>Although there is no Restrictive Covenant registered on title, any new or proposed development must comply with the Municipal Government Act – Subdivision and Development Regulations 43/2002 Section 13 – Distance from Landfill Waste Sites.</p> <p>Subject to subsection (5), a subdivision authority shall not approve an application for subdivision and/or development permit for school, hospital, food establishment or residential use if the application would result in the creation of a building site for any of those uses:</p> <ul style="list-style-type: none"> a) within 450 meters of the working area of an operating landfill, b) within 300 meters of the disposal area of an operating or non-operating landfill, c) within 450 meters of the disposal area of a non-operating hazardous waste management facility, or d) within 300 meters of the working area of an operating storage site. <p>The Town of Drayton Valley landfill site is in operation on land that is situated west of the subject property and north of Apex Common and west of Hwy #22 within the Town limits of Drayton Valley. This landfill site continues to serve the community and there are no plans noted to decommission this site anytime in the foreseeable future, and the above restrictions will apply to any proposed future development surrounding the Landfill. The subject land is on the fringe of the setback requirements.</p> <p>There are several well sites situated within the Town of Drayton Valley that will require setbacks if and when the land is proposed for subdivision and development near these well sites, and there are two well sites situated within NW 16 – 49 – 7 – W5th on the subject land.</p> <p>Long term planning for the subject area as shown in the Spruce Meadows Area Structure Plan for the Town of Drayton Valley suggests that the subject land would likely be zoned for Country Residential and Estate Residential suggesting that there is no impact from the landfill site however proper setbacks are indicated for the existing well sites, which will impact future development plans for the subject land.</p>

SOIL & TOPOGRAPHY:	
General Analysis:	Elevation of the subject land appears to be suitable for future town expansion however the property slopes away from 56 Avenue to the northeast limiting servicing potential to the southwest corner of the property adjacent to 58 Avenue. Surrounding land uses are of a residential acreage and agricultural nature and these uses have been established for some time where there is no impact on future development plans for the Spruce Meadows District.
Soil Testing:	No soil tests have been completed, as the writer is not qualified to provide engineering advice for soil conditions, load bearing capacity or contamination. For the purpose of this appraisal report, it is assumed that proper soil testing will be completed and that the land is free and clear of all contaminates.
Summary:	As a result of the above noted research, the following report has been prepared on the assumption that the property complies with all requirements of the authorities having jurisdiction over environmental matters. Value conclusions set out in the following report might not reflect the actual market value of the subject property, should the property be found to be contaminated.

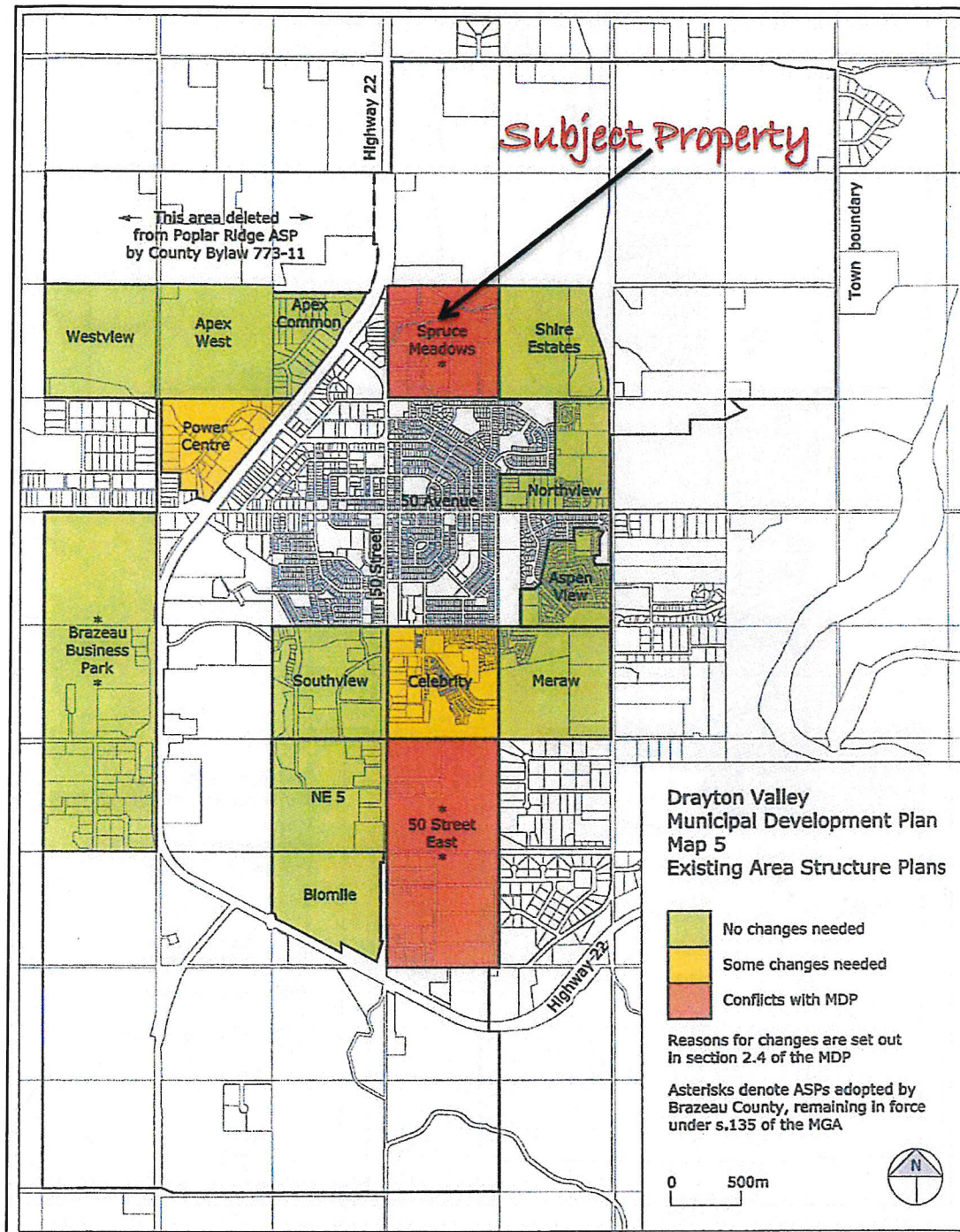
URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

NEW LAND USE MAP:



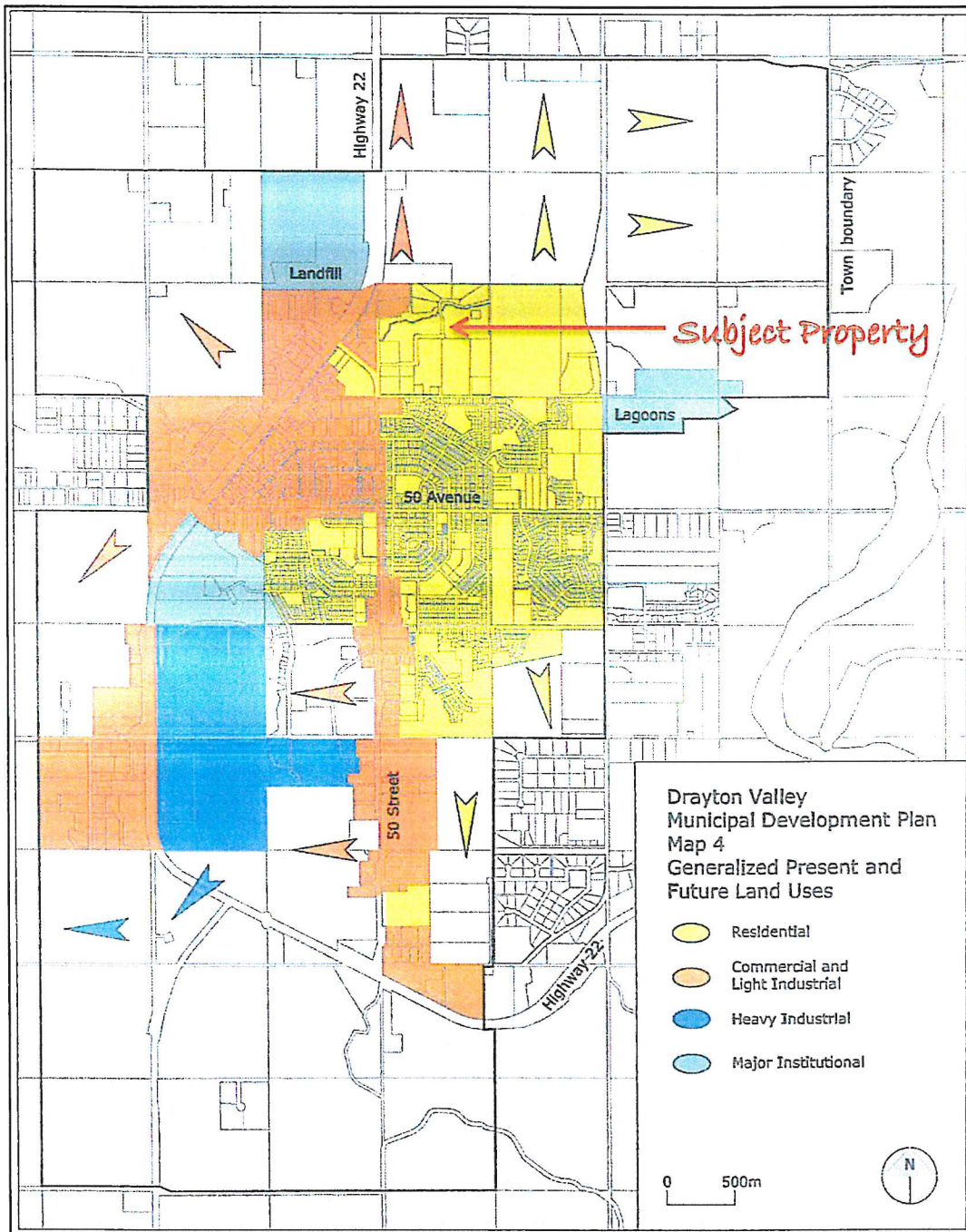
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PROPOSED GROWTH MANAGEMENT:



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FUTURE LAND USE CONCEPT PLAN:



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PROPERTY RATING:					
	GOOD	AVERAGE	FAIR	POOR	COMMENTS:
Compatibility to Neighborhood:	✓	✓			NW 16 is situated in a rural sector of the Town of Drayton Valley that was annexed to the town site in 2001. Land surrounding the subject property has been utilized for agricultural purposes and country residential acreages for a number of years. Spruce Meadows is now in transition being on the edge of Town development however there are some limitations noted in providing municipal services to the region delaying subdivision and new development.
Neighborhood Access:		✓	✓		56 Avenue represents a gravel lane that extends east from 50 Street to 43 Street at the south edge of the Spruce Meadows District. 50 Street provides main paved road access to 58 Avenue into the subject area. 58 Avenue is a gravel roadway and there is no indication that 58 Avenue would be upgraded to a paved standard in the near term.
Commuter routes:	✓	✓			Hwy #22 is the main commuter south of Hwy #16 (Yellowhead) at Entwistle to Drayton Valley and Hwy #39 extends eastward from Drayton Valley to Leduc. Hwy #22 branches off Hwy #39 east of Drayton Valley and extends south to Rocky Mountain House. 50 Street and 50 Avenue are the main commuter routes within the town site of Drayton Valley.
Amenities:	✓	✓			With a population base of over 7,000 residents, Drayton Valley is considered to be a prosperous community and poised to experience another economic boost from the new oil and gas exploration underway in the surrounding region. All major public amenities are available in Drayton Valley including health care, policing, schools, shopping, and a host of other private and public services.
Site services:		N/A			The subject land is unserviced and municipal servicing capacity to the area is unknown. Full geotechnical and engineering studies will be required before any land development can be considered on the subject land. According to the Town of Drayton Valley Municipal Development Plan, there is capacity to service future residential land in the southwest quadrant of NW 16 (Spruce Meadows) to the edge of the subject land only.
Appeal:		✓	✓		Spruce Meadows is situated at the edge of municipal development however has limited servicing capability.
Marketability:		✓	✓		Because of the new supply of residential land coming on stream in Drayton Valley, it appears that market appeal for urban reserve land in the subject area is limited to long-term holding potential. Two existing well sites will have some impact on future land development due to setbacks.

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

TITLE DATA:

As at the date of Title search May 13th, 2014, the subject property was registered in the name of 412468 Alberta Ltd. of P. O. Box 6848, Drayton Valley, Alberta T7A 1S2.

There were eighteen encumbrances registered on the title at the time of title search in favor of Suncor Energy Inc., Sun Oil Company, Pembina Pipeline, Evergreen Gas Co-op, FortisAlberta, ARC Resources Ltd., Town of Drayton Valley, etc. regarding pipelines and easements, and other installations on the parent parcel NW 16.

962 334 168 dated December 4th, 1996 refers to a development agreement pursuant to Municipal Government Act, 972 371 624 dated December 2, 1997 refers to a caveat in favor of Lewis and Elvie Williams, and there is another development agreement in favor of Brazeau County dated August 10th, 2000 noted as 002 227 042 regarding former subdivision of NW 16. It appears that all of the conditions regarding former subdivision of land have been completed as agreed upon however further investigation may be required with regard to developer responsibility regarding servicing and road construction.

Typically, pipelines, easements, and utility rights-of-way impact land development and placement of buildings on land, as no improvements can be constructed over pipelines or utility lines. There are two well sites situated on the subject land that will create development setbacks, and there are other rights-of-way and easements that would restrict land development if further subdivision of land is considered.

In reviewing the foregoing items regarding easements and pipelines noted on title, some development restrictions will be created and these items may negatively impact the Highest and Best Use of the subject land or the final indication of land value. Pipelines and easements appear to extend to and from the well sites registered on NW 16 – 49 – 7- W5th and these lines appear to cross the subject land.

TAXES & ASSESSMENTS:

Lot 1, Plan 992 - 1934 - Portion of NW 16 - 49 – 7 – W5th

Current property tax levy:	N/A	Land area: 38.68 – acres (more or less)		Year:	2013
Type:	Farm:	Residential:	Commercial:	Total:	
Land Assessment:	\$4,750	\$0	N/A	\$0	
Building Assessment:	N/A	\$0	N/A	\$0	
Total Assessment:	\$4,750	\$0	N/A	\$4,750	

Property assessment figures are based on estimated property value from the preceding year and a current mill rate is applied to this total assessment figure for taxation purposes. Property Assessment is based on a Mass Model Valuation process and applied on a general basis. As a result, the above values may not necessarily represent current market value of the subject property.

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

HIGHEST AND BEST USE:

Definition:

"That 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." ¹

Alternatively, it is:

"That use which, at the time of appraisal, is most likely to produce the greatest net return, in money or amenities, over a given period of time" ²

Important factors to consider in highest and best use analysis include zoning classification, location, developable site area, and development potential. Elements for consideration in Highest and Best Use Analysis must include legal use, the use must be probable, not speculative, there must be a demand for such a use, and the use must be profitable, offering the highest net return for the longest period of time.

- **Location** of the subject property is considered to be secondary in nature situated on the northern fringe of the Town of Drayton Valley in an area that has good access along 50 Street to 56 Avenue. 56 Avenue however represents a public lane which has not been upgraded to a municipal standard. Main access to the subject area is provided off 58 Avenue to 47 Street and both roads are gravel based. Hwy #22 forms the bypass route around Drayton Valley and is the main commuter route from Hwy #16 to the north and connecting with Hwy #39 to the south. Hwy #22 is in the process of being upgraded and construction of a new bridge crossing over the North Saskatchewan River is underway enhancing traffic to the Drayton Valley area.
- Economic factors of the market place must be considered which primarily involve the **PRINCIPLE OF SUPPLY AND DEMAND**. Amount of vacant urban reserve land available for future Town expansion must be considered together with the location of the subject land and proposed future land uses for the area. As noted above, the Town of Drayton Valley completed a major annexation of land in 2001, 2011, and 2012 expanding the Town boundary by 24 quarters sections and the majority of the annexed land is situated south and west of Hwy #22, and also in the northeast quadrant surrounding Spruce Meadows.
- Spruce Meadows was annexed to the Town of Drayton Valley in 2001 and no urban style development has taken place in Spruce Meadows since that time. A group of five acreage lots have been developed at the north edge of NW 16 north of 60 Avenue and homes developed in this subdivision are on 2 and 3 acre sites, and homes in this subdivision are in the mid to upper price range in Drayton Valley housing market.
- Current housing development in Drayton Valley is located in the Northview housing district, Aspen View, Meraw, and Celebrity Heights areas along the east side of Drayton Valley adjacent to the Ring Road where municipal servicing and land elevations are suitable for housing expansion. As noted in the neighborhood analysis section of this report, a considerable amount of new home construction has been completed in Drayton Valley totaling 1,603 homes from 1990 to year-end 2013 exceeding a value of \$115 million. New development is currently underway providing a mix of dwellings with the majority of new homes in the mid-market price range.
- Most of the land available in the above noted subdivisions was land banked a number of years ago and the land is being subdivided in segments as dictated by market demand. Meraw Estates is the latest district to be created in Drayton Valley in the east central portion of Drayton Valley near the public schools and local hospital and there is a good supply of vacant land available in this sector of the community.

¹Canadian Uniform Standards of Professional Appraisal Practice – 2014 Edition

²Appraisal Institute of Canada First Principles of Value – 2008 Edition

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

HIGHEST AND BEST USE:

- Based on the amount of urban reserve land that was annexed into the Town of Drayton Valley in 2011 and 2012, and the future supply of land that would be available for further residential expansion in the community, potential for rezoning and developing land in the subject area is highly unlikely in the near term. Land development could be considered on a site-specific basis however the land would require rezoning in conjunction with neighboring land, and geotechnical studies would be required regarding servicing capability for the subject area. Two well sites situated on the subject land have setback requirements and no development would be considered within 100 m of the wellhead. Some surface lease income is paid annually for the access roads and well sites, and in the following valuation, surface lease income is disregarded as the land area forming part of the well sites is included in the total valuation. If the land area for the well sites is excluded, then value of surface lease income could be included.
- Rural land uses are likely to be maintained in the subject area for some time as there is a considerable amount of land to be developed within the approved subdivisions in Drayton Valley at the present time. As noted above, there is potential for site-specific development approval for a country residential acreage subdivision however further servicing and geotechnical studies would be required.
- Existing land use guidelines for the subject property are CR – Country Residential District, and as described previously, the subject land was previously annexed to the Town of Drayton Valley in 2001, and with the amount of land recently annexed to the Town of Drayton Valley in 2011 and 2012, rezoning of the subject land for another use is not likely in the near term.

In reviewing the basic land characteristics noted above, **HIGHEST AND BEST USE** of the subject land is represented by its existing utilization for agricultural purposes on a holding or interim basis until such time as market demand warrants further country residential acreage land development in the northeast sector of the Town of Drayton Valley.

With the amount of land recently approved for residential development in the Meraw, Aspen View, Celebrity Heights, and Northview subdivisions in Drayton Valley, there may be a 5 to 10 year supply of land available without considering land available in the newly annexed areas of the community. All new development hinges on access to municipal services and the cost of installing municipal servicing to create affordable housing in a growing community.

579 homes were developed in Drayton Valley during the past six years and there is an estimated four housing lots developed per acre of land which equates to approximately 25 acres of land being absorbed in the market on an annual basis. There is an estimated 250-acres of land available in the above noted subdivision before any newly annexed land would be considered for subdivision and development.

Some country residential acreages have been developed along the Town east boundary along the Ring Road and there is a reasonable supply of rural acreages lots available near the Town boundary, as well as in the surrounding rural subdivisions of Brazeau County. There is good market appeal noted for acreage lots available near urban services and situated along paved municipal roads, and this trend is expected to continue into the foreseeable future.

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

MARKET EXPOSURE:

Definition of market value assumes reasonable exposure time on the market (past), which can be a function of price, time of year and use to which a property is put. The market value estimate contained within this report assumes that the subject property would be marketed with adequate, sufficient, and reasonable time and with adequate, sufficient, and reasonable effort. The Appraisal Institute of Canada defines exposure time as follows:

"The estimated length of time a property interest being appraised would have been offered on the market (in the past) prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events, assuming a competitive and open market". Conversely, marketing time (in the future) is defined as *"an estimate of the amount of time it might take to sell a property interest in real estate at the estimated market level during the period immediately after the effective date of an appraisal".*³

Residential growth is tied directly to economic development in the region and urban expansion in Drayton Valley where almost \$116 million has been recorded in the residential sector for new housing, renovations, and additions over the past 23-years. Although the overall construction industry pulled back following the global recession that surfaced in 2008, over \$7.5 million in new construction was recorded in 2011 almost doubling construction activity recorded in 2010. New construction for 2012 is back to the record construction noted prior to 2007 showing considerable strength in the local housing market with a population base of over 7,000. New home construction in 2013 was over \$8 million supporting continued strength in the local housing market.

With increased population in Drayton Valley and in the local trading area, demand for commercial facilities has increased accordingly spurring on a number of new projects such as the development of Wal-Mart and Canadian Tire Stores in the Drayton Valley Power Centre. Almost \$170 million in commercial construction activity has been recorded in Drayton Valley since 1990 and the bulk of this construction activity has taken place since 2004.

Although industrial development in Drayton Valley was noted at just under \$35 million, a substantially larger component of new industrial development has taken place in Brazeau County within the neighboring Poplar Ridge and Brazeau Industrial Parks, prior to the annexation of Brazeau Industrial. Ongoing market demand for all types of development land has taken up all but one or two vacant sites in the older established areas of Drayton Valley and all of the vacant land in the Poplar Ridge Industrial Park. As a result, Drayton Valley Power Centre and Apex Common were created to accommodate further growth in the community, more specifically for larger commercial and industrial business uses. As noted, new development in the DV Power Centre has been of a big box retail nature such as Wal-Mart & Canadian Tire, while development in Apex Common has been for service commercial business uses such as Fountain Tire, Apex Monarch Industrial Supply, as well as Toyota auto dealership.

Apex Common has been sold out since established in 2006 while DV Power Centre has been slower to expand simply due to the higher asking price for land where one of the last properties to sell was developed for a Husky card lock fuel outlet fronting 62 Street on the west side of the Power Centre adjacent to Poplar Ridge. Land situated immediately north of Husky was recently developed for industrial purposes and further new construction adjacent to the Power Centre was for Gregg Distributors. As market demand for industrial land has held steady, Phase 2 of the Brazeau Industrial Park was opened in the spring of 2011, road construction was completed, and thus far, 5 new industrial shops were completed to accommodate market demand. Further new land development is now underway in the Westview Industrial Park and WC Industrial Park west of Apex Common.

Spring and summer months generally report greater volume of sales activity and prices appear to be seasonally adjusted. As the subject land is situated in the northeast sector of Drayton Valley and several hundred acres of land were annexed in 2011 and 2012, market demand for long-term speculative land has been slow. If the subject property were offered for sale currently, it is estimated that at least 180 to 365-days marketing and exposure time would be required to sell, if the property is priced competitively. Likely purchaser for the subject property would be an owner user where the land could be utilized for home based business uses or where the land can be land banked by a land developer for future town expansion.

³ Appraisal Institute of Canada Canadian Standards guidelines prepared by Appraisal Standards Board.

**Market Analysis based on long-term holding
potential for future Country Residential Development
38.68-acres (more or less)**



URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

DIRECT MARKET COMPARISON:

An indication of value by Direct Comparison is developed by way of analyzing similar long-term holding property or speculative land sales or by properties that are listed for sale, and/or by properties that are under contract (pending sale) where an offer has been accepted and a deposit made to secure the contract. Valuation by Direct Comparison is based on the premise that market value of a property is related to prices paid for comparable and competitive properties available on the market at the time of valuation. Comparative analysis of market transactions focuses on similarities and differences that affect property value, which could include any one or more of the following:

- Property Rights
- Motivation of vendors and purchasers (reason for selling, etc.)
- Availability and terms of financing (mortgage interest rates, etc.)
- Market conditions prevailing at time of sale (time adjustments for recessionary or growth markets)
- Location (traffic exposure, access, distance to public amenities, etc.)
- Size (including land and building size, etc.)
- Physical Characteristics (topographical features, access to servicing, paved roads, etc.)
- Capital improvements required to maintain the investment.
- Economic characteristics (market supply of land available, time of development, market demand for developed lots), etc.

Above noted elements of comparison are tested and supported as to sensitivity to change and resulting impact on property value. Relationship to Appraisal Principles form the underlying adjustment factors based on supply and demand, substitution, balance, and externalities. Buyers constitute market demand and properties offered for sale make up market supply and any changes to either side of this equation impact on property value creating upward and downward trending markets. Increasing supply by constructing new buildings, converting buildings to other uses, and demolition of old buildings cause supply to change, whereas changing mortgage interest rates and economic trends can positively or negatively influence buyer activity, etc.

Positive and negative external forces affect all property classes in periods of economic development or recession, or if there are other features external to a property in terms of location, exposure to rail lines, flight paths, flood plains, landfill sites, topographical features, lack of servicing capacity, etc. other market adjustments may be warranted.

Comparative analysis includes the consideration of both quantitative and qualitative factors. Quantitative adjustments are developed as either dollar or percentage amounts and are identified by paired sales analysis, statistical analysis, graphic analysis, trend analysis, cost analysis (cost-to-cure or depreciated cost), capitalization of income differences, etc. Qualitative adjustments on the other hand are based on relative comparison analysis, ranking and observation analysis and personal interviews to determine motivation for buying or selling, etc.

Direct Comparison is a systematic procedure of researching and verifying data, selecting relevant units of comparison, applying necessary adjustments and reconciling value differences in order to provide an indication of value for the subject land. Traditionally, most recent market transactions are analyzed to limit the need for time adjustments however, due to the variables noted above, properties requiring the least amount of adjustments generally tend to provide the best indication of market value.

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

DIRECT COMPARISON METHOD OF VALUATION:

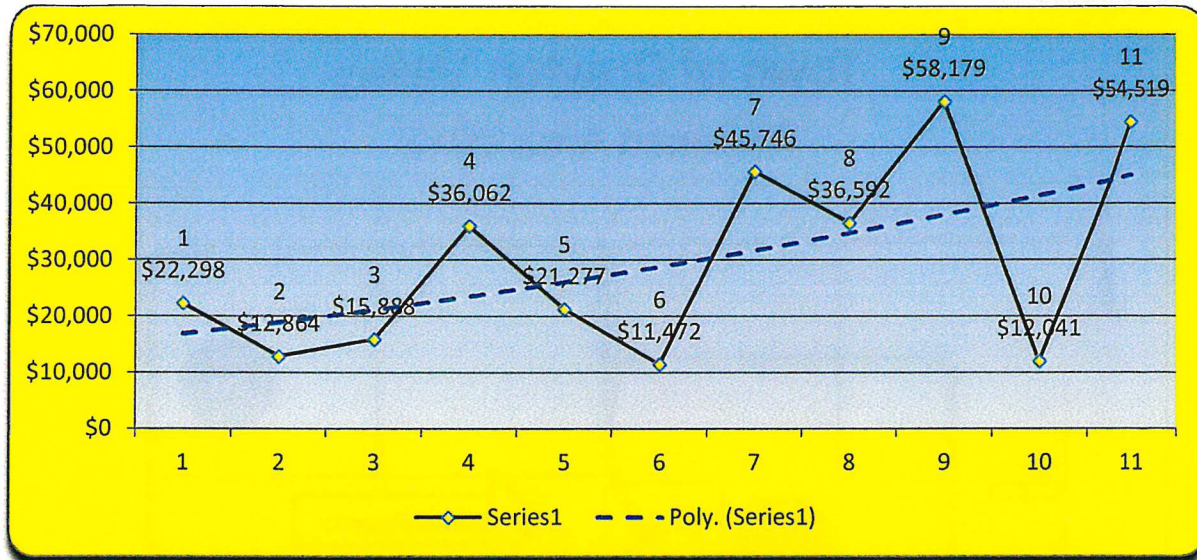
In reviewing market indicators set out on the following chart, Index No. 1 to No. 11 provide a set of local Index Properties that are analyzed to provide an indication of market value for the subject property based on Highest & Best Use of land deemed to be long-term holding property available for estate residential and country residential expansion land in the northeast sector of the Town of Drayton Valley. Highest & Best Use in this analysis represents the long-term development potential for the subject land as dictated by changing market conditions.

According to the Town of Drayton Valley, an Area Structure Plan known as Spruce Meadow Estates was prepared in July 1998 and only a five-lot acreage subdivision was created in 2001 at the north edge of the Plan area. There is a mix of country residential acreages and some vacant agricultural land in the Plan area, and there is a small group of industrial lots fronting 50 A Street where one property includes an auto wrecker's yard. The subject land is situated in the central portion of the Plan area fronting between 58 Avenue & 60 Avenue at 47 Street.

	Index No. 1	Index No. 2	Index No. 3	Index No. 4	Index No. 5	Index No. 6	Index No. 7	Index No. 8	Index No. 9	Index No. 10	Index No. 11
Location:	Hwy #22 34 Ave Drayton Valley	Rge Rd 80 Twp Rd 492 Brazeau	Hwy #22 50 Street Drayton Valley	Ring Road 34 Ave Drayton Valley	Ring Road Twp Rd 492 Drayton Valley	62 Street 56 Avenue Drayton Valley	Ring Road 40 Avenue Drayton Valley	Rge Rd 80 Twp Rd 492 Brazeau	Rge Rd 73 Twp Rd 494 Brazeau	38 Street 52 Ave Drayton Valley	Ring Road 39 Street Drayton Valley
County:	Drayton Valley	Brazeau	Drayton Valley	Drayton Valley	Drayton Valley	Drayton Valley	Drayton Valley	Brazeau	Brazeau	Drayton Valley	Drayton Valley
Legal Plan:	952-2454	Pltn of NE 12	Pltn of SE 5	Pltn of SE 9	1445 RS	Pltn of NW 17	982 - 3329	942-1923	952-4158	Pltn SE 16-49	122-3304
Block:	B	49-8-W5th	49-7-W5th	49-7-W5th	N/A	49-7-W5th	3	B	N/A	7-W5th	2
Lot:				C			12	Trader Ridge	2	Northview	3
Land Size/Acre:	30.72	41.20	107.00	17.47	20.21	156.90	10.93	95.65	17.69	14.61	9.46
Improvements:	Vacant Land	Old bldg. site	Vacant Land	Older home	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant land
Land Use:	M - Ind. standard	Ag Rural Standard	Ag Rural Standard	UX Rural Standard	Ag Rural Standard	Ag Rural Standard	CR Rural Standard	UR Rural Standard	Ag Rural Standard	UR Rural Standard	UR Rural Standard
Services:											
Hwy Exposure:	Hwy #22	50 Ave	50 Street	Ring Road	None	62 Street	Ring Road	None	None	None	None
Sale Price:	\$685,000	\$530,000	\$1,700,000	\$630,000	\$430,000	\$1,800,000	\$500,000	\$3,500,000	\$213,000	\$850,000	\$515,750
Sale Date:	14-Aug-08	02-Apr-10	10-Apr-11	29-Jul-11	24-Oct-11	10-Nov-11	22-Feb-12	24-Jul-12	14-Jun-13	15-Feb-13	10-Feb-14
Unit Price/Acre:	\$22,298	\$12,864	\$15,888	\$36,062	\$21,277	\$11,472	\$45,746	\$36,592	\$12,041	\$58,179	\$54,519

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

Graph setting out sale price per acre of total land area



DIRECT COMPARISON METHOD OF VALUATION - SUMMARY:

Foregoing Index Properties provide an indication of market value of future development land by way of a sale price per acre of total land area encompassing the entire property features however, various adjustments are required to account for market changes that have occurred over the past two or three years, for property location, and for other physical characteristics of the property that relate to land area, special topographical features, timing of future development, proximity to town services, and changing economic conditions.

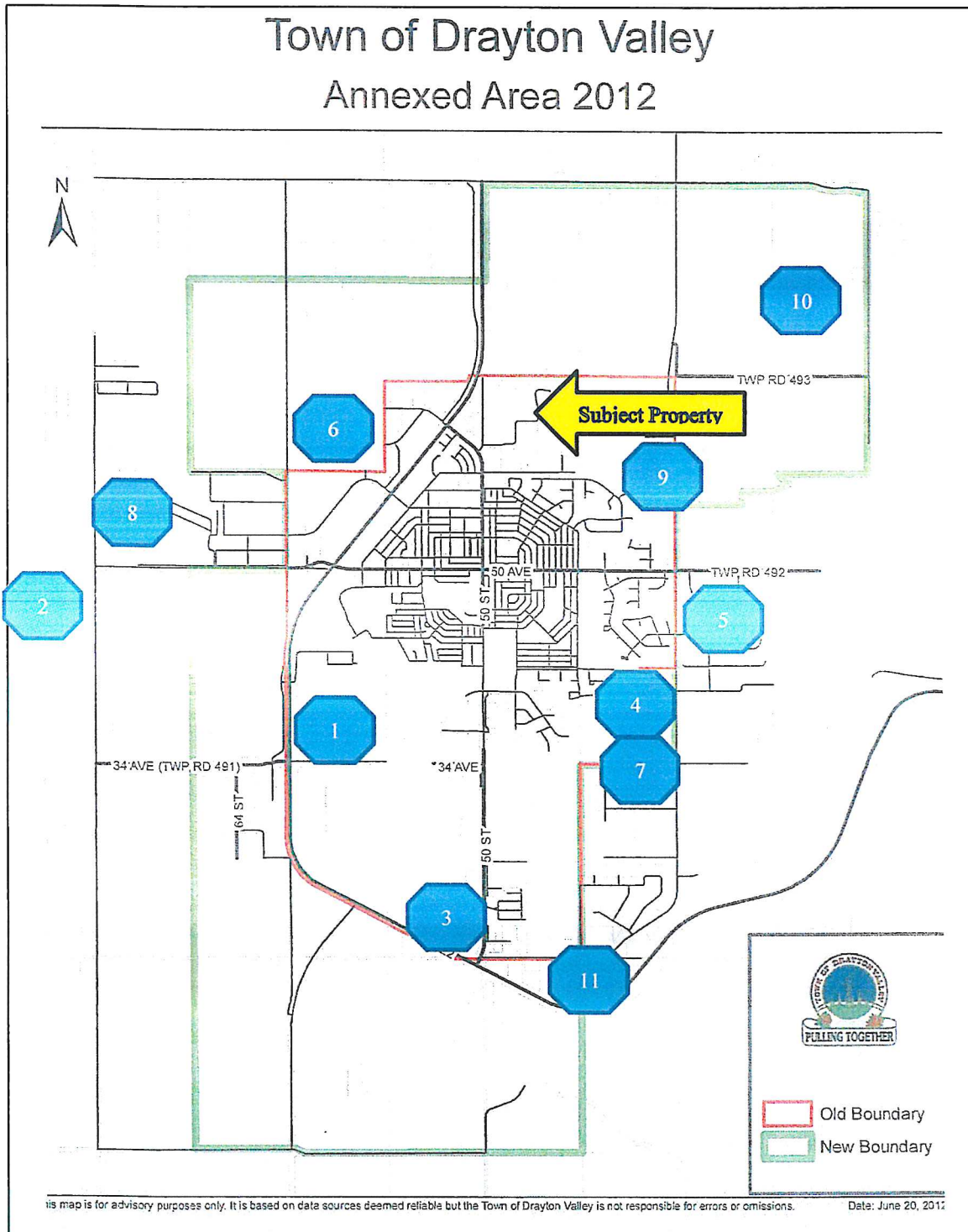
An adjustment for time of sale is indicated by the trendline shown on the foregoing graph where property sales volume and market prices declined after mid-2007, 2008 and into 2009. Since then, the trendline appears to have stabilized in 2010, and with gradual economic recovery, property values have escalated from the latter part of 2010 into 2011, and this trend has continued throughout 2012, 2013, and into 2014.

Sale price based on gross land area provides an overall value range of \$11,472/acre of total land area to as high as \$58,179/acre depending on timing of development, location, access to town services, and other site-specific adjustments that are required. As noted above, with gradual economic recovery, more positive market conditions have evolved where raw land values have trended upward driven by higher market demand however, there has been a considerable amount of land annexed to Drayton Valley increasing the supply for several decades.

Much of the land being subdivided and developed over the past three or four years was land banked some time ago, and new subdivisions were carved out of the larger parent land parcels as each new subdivision was built-out. As a result, a limited amount of raw land sales activity has been recorded in Drayton Valley in Northview, Aspen View, Celebrity Heights or Meraw Estates, as each of these districts have been developing in stages over the last five to ten years. In the total land that was annexed to the Town of Drayton Valley, three larger properties have sold where longer-term development will encompass future industrial subdivisions and not new housing. There has been fairly strong demand for industrial land over the past five years and development of three new subdivisions has now accommodated this segment of the market for several years to come.

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

LAND SALE MAP:



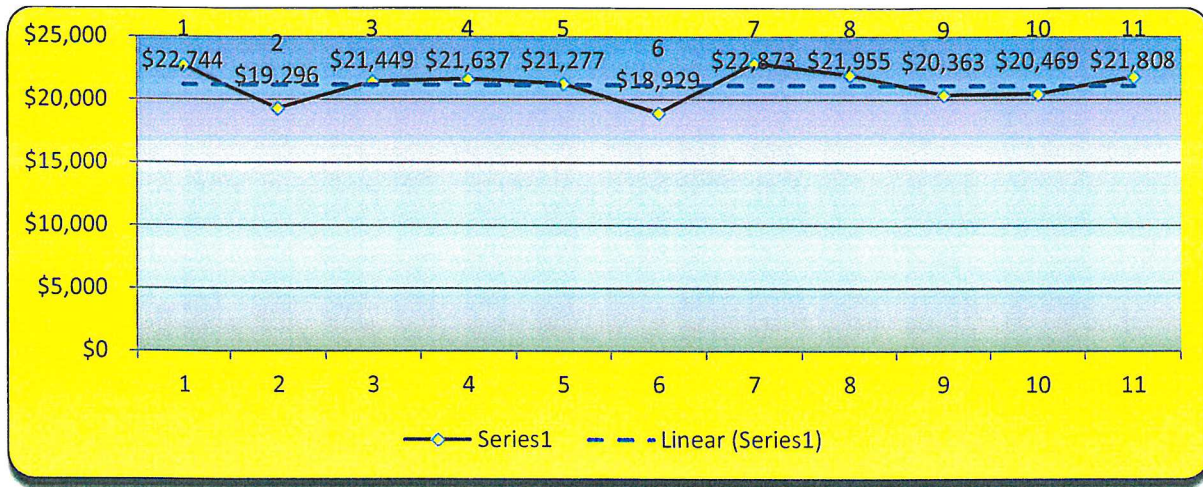
URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

DIRECT COMPARISON METHOD OF VALUATION – ADJUSTMENT CHART:

	Index No. 1	Index No. 2	Index No. 3	Index No. 4	Index No. 5	Index No. 6	Index No. 7	Index No. 8	Index No. 9	Index No. 10	Index No. 11
Location:	Hwy #22	Rge Rd 80	Hwy #22	Ring Road	Ring Road	62 Street	Ring Road	Rge Rd 80	38 Street	Rge Rd 73	Ring Road
	34 Ave	Twp Rd 492	50 Street	34 Ave	Twp Rd 492	56 Avenue	40 Avenue	Twp Rd 492	52 Ave	Twp Rd 494	39 Street
Town:	Drayton Valley	Brazeau Valley	Drayton Valley	Drayton Valley	Drayton Valley	Drayton Valley	Drayton Valley	Brazeau	Drayton Valley	Brazeau	Drayton Valley
Legal Plan:	952-2454	12	Ptn of SE 5	Ptn of SE 9	1445 RS	Ptn of NW 17	982 - 3329	942-1923	Ptn SE 16-49	952-4158	122-3304
Block:	B	49-8-W5th	49-7-W5th	49-7-W5th	N/A	49-7-W5th	3	B	7-W5th	N/A	2
Lot:	0	0	0	0	C	0	12	Trader Ridge	Northview	2	3
Land Size-Acres:	30.72	41.20	107.00	17.47	20.21	156.90	10.93	95.65	14.61	17.69	9.46
Sale Price:	\$685,000	\$530,000	\$1,700,000	\$630,000	\$430,000	\$1,800,000	\$500,000	\$3,500,000	\$850,000	\$213,000	\$515,750
Sale Date:	14-Aug-08	02-Apr-10	10-Apr-11	29-Jul-11	24-Oct-11	10-Nov-11	22-Feb-12	24-Jul-12	15-Feb-13	14-Jun-13	10-Feb-14
Unit Price:	\$22,298	\$12,864	\$15,888	\$36,062	\$21,277	\$11,472	\$45,746	\$36,592	\$58,179	\$12,041	\$54,519
Adjustments:											
Time of Sale:	20%	20%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Adjusted Value:	\$26,758	\$15,437	\$15,888	\$36,062	\$21,277	\$11,472	\$45,746	\$36,592	\$58,179	\$12,041	\$54,519
Location:	-15%	25%	0%	-15%	0%	25%	0%	-25%	-25%	35%	-25%
Access:	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Zoning:	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Size or Plottage:	0%	0%	20%	-15%	0%	40%	-25%	20%	-20%	0%	-25%
Topography:	0%	0%	15%	0%	0%	0%	0%	0%	0%	0%	0%
Hwy Exposure:	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Buildings:	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Services:	0%	0%	0%	0%	0%	0%	-10%	-10%	-10%	35%	0%
Timing of Dev.	0%	0%	0%	-10%	0%	0%	-15%	-25%	-10%	0%	-10%
Total Adjustments:	-15%	25%	35%	-40%	0%	65%	-50%	-40%	-65%	70%	-60%
Total Adjusted Value:	\$22,744	\$19,296	\$21,449	\$21,637	\$21,277	\$18,929	\$22,873	\$21,955	\$20,363	\$20,469	\$21,808

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

Graph outlining the adjusted sale price per acre plus trendline



DIRECT COMPARISON METHOD OF VALUATION - SUMMARY:

Index No. 1 is situated along Hwy #22 at 34 Avenue west of the Weyerhaeuser Mill. Index No. 1 was a 30.72-acre parcel of land sold in August 2008 for \$685,000 or at a rate of \$22,298/acre. Although situated in an industrial area, there is some consistency in land pricing for raw land in Drayton Valley. Index No. 1 has superior development potential being situated within the Town limits of Drayton Valley near the Weyerhaeuser Mill fronting Hwy #22.

Town services were available at 34 Avenue across from Brazeau Industrial Park. A positive adjustment has been applied for time of sale while a downward adjustment has been applied for superior location and superior development potential. Index No. 1 has since been subdivided and serviced for industrial development, and industrial lots are now offered for sale

Index No. 2 represents a sale of a 41.20-acre parcel of land situated along Twp Road 492 (50 Avenue) west of Poplar Ridge Industrial Park at Rge Rd 80. Although this property was included in the annexation proposal in 2010, the land was not annexed to the Town of Drayton Valley, as Brazeau County retained Poplar Ridge and land west of Poplar Ridge. When Index No. 3 sold, the land was zoned Ag however the property has since been rezoned for light industrial development and has since been developed as industrial site for the current land owner.

Index No. 2 sold for \$530,000 in April 2010 or \$12,864/acre supporting reasonable land value at the time when considering longer-term holding potential for light industrial development vs country residential. Older residence and outbuildings that were situated on Index No. 2 were demolished to allow for future land development and a new industrial shop is now occupied on this site.

Twp Road 494 and Rge Road 80 are both paved commuter routes providing direct connections to the Town of Drayton Valley however location of the land is deemed to be inferior situated further away from public amenities and Town services. A positive adjustment has been applied for time of sale as market conditions have improved since April 2010 and for location. Index No. 2 is similar in size when compared to the subject property.

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

DIRECT COMPARISON METHOD OF VALUATION - SUMMARY:

Index No. 3 is situated within the town limits of Drayton Valley at the south end of Town fronting onto 50 Street and Hwy #22. This land parcel has a creek running through the central portion of the property and some of the land would be lost to environmental reserve when developed in the future supporting a higher net land value per acre for developable land area. Location of this land is deemed to be similar when compared to the subject property situated further at the south edge of Town.

Index No. 3 was acquired by the Town of Drayton Valley for long-term future industrial development most likely for heavy industry being situated south of the Weyerhaeuser Mill and the Valley Power Plant. Raw land price was \$1,700,000 for 107-acres in April 2011 yielding a gross land value of \$15,888/acre. Positive adjustments have been applied for land size being considerably larger than the subject land, as larger properties tend to sell at a lower price per acre when compared to smaller land parcels when other property features are similar.

Index No. 4 represents a land sale containing 17.47-acres situated in the Meraw Estates district of Drayton Valley along the east Ring Road at 34 Avenue. Portion of SE 9 sold for \$630,000 in July 2011 or \$36,062/acre. Overall development potential, access to servicing and timing of development are deemed to be superior when compared to the subject property. Although improved with an older dwelling at the time of sale, the house was destroyed by fire shortly after acquisition of the land and no adjustment is indicated for building value.

Downward adjustments have been applied for superior location and for land size being smaller when compared to the subject property containing 38.68-acres. Long-term development potential in this sector of Drayton Valley is for single family residential development.

Index No. 5 is also situated along the Ring Road just north of Index No. 6 but within Brazeau County. Index No. 5 represents a 20.21-acre rural acreage property situated on the east town boundary of Drayton Valley. This property has short-term development potential for country residential acreage development. Although this property was proposed for annexation, the land was not annexed to the Town in 2011 or 2012.

According to information reviewed, Index No. 5 sold by way of auction in October 2011 for \$430,000 yielding land value of \$21,277/acre. Overall property features appear to be similar when compared to the subject land parcel having similar longer-term holding potential for country residential acreage development.

Index No. 6 was formerly situated in Brazeau County but has since been annexed to the Town of Drayton Valley in 2011. This land parcel contains 156.90-acres and is situated immediately west of Apex Common and is deemed to have superior development potential when compared to the subject property adjacent to town services however the land is situated further away from public amenities. This land parcel has since been partially subdivided and serviced, and is now known as WC Industrial Park. There is an Area Structure Plan in place and groundwork has already been completed in Phase 1 of this development where two new buildings are now under construction.

This sale was completed following foreclosure proceedings for \$1,800,000 yielding a land value of \$11,472/acre selling previously at \$1,100,000. A positive adjustment is indicated for land size being considerably larger when compared to the subject land area of 38.68-acres and for inferior location situated further away from public amenities.

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

DIRECT COMPARISON METHOD OF VALUATION - SUMMARY:

Index No. 7 is situated along the east Ring Road adjacent to the Town boundary of Drayton Valley. Index No. 7 contains 10.93-acres, has been proposed for country residential acreage style development, and some rough site work was completed prior to the sale. An older home, garage, and older workshop situated on the property were deemed to have little contributory value at the time of sale.

Index No. 7 sold for \$500,000 in February 2012 setting an upper limit for land value for future development land situated on the periphery of Drayton Valley. Downward adjustments have been applied for land size, superior development potential and access to servicing when compared to the subject site of 38.68-acres situated in the north central sector of Drayton Valley.

Index No. 8 is situated immediately west of Poplar Ridge Industrial Park where this 95.65-acre site has superior access to town services and a shorter development time frame. The land has already been submitted for development and an Area Structure Plan for Trader Ridge Industrial Park is pending approval by Brazeau County.

Index No. 8 has short-term development potential with direct access to town services even though the land was not annexed to the Town of Drayton Valley in 2011 or 2012. According to information reviewed, two land parcels combined forming 95.65-acres sold to an out of town purchaser in July 2012 for \$3,500,000 or \$36,592/acre setting an upper price range for developable land in the Brazeau County.

Index No. 8 is deemed to be one of the prime land parcels available for future industrial development in Brazeau County by way of location and access to services, far superior to the subject land. As a result, downward adjustments were applied for superior location, superior topographic features (completely open level land), and for superior timing of development. A positive adjustment has been applied for larger land area when compared to the subject property.

Index No. 9 has a primary location at 38 Street & 52 Avenue near existing Town development in the northeast sector of Drayton Valley. Index No. 9 was acquired by the Town of Drayton Valley for future community development, contains 14.61-acres, and the land sold for \$850,000 of \$58,179 per acre.

Downward adjustments have been applied for superior location, for land size, and for superior access to Town services and time of development. Overall, Index No. 9 has few development restrictions and is likely to be developed before the subject area.

Index No. 10 represents a recent sale of a 17.69-acre parcel of land situated 1.6 kms directly east of the new Brazeau County office along Twp Road 494 at Rge Road 73 on the Town boundary. This property is vacant and sold for \$213,000 yielding a price of \$12,041/acre of total land area. Land location east of Hwy #22 is considered to have longer-term holding potential according to the Brazeau County and Town of Drayton Valley Inter-Municipal Plan. A positive adjustment is indicated for inferior location and for inferior access to municipal servicing.

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

DIRECT COMPARISON METHOD OF VALUATION - SUMMARY:

Index No. 11 represents a 9.46-acre parcel of land situated at the south edge of the Town of Drayton Valley overlooking Hwy #22 to the south. Index No. 11 sold for \$515,750 in February 2014 or \$54,519 per acre and is deemed to be a superior property when compared to the subject land situated in the north central sector of Drayton Valley.

Downward adjustments have been applied for superior market location, for land size, and superior timing of development when compared to the subject land parcel containing 38.68-acres which is irregular in shape and has limited servicing potential.

In reviewing the foregoing market indicators, the overall average sale price per acre after adjustments is \$21,164 per acre of total land area in an adjusted range of \$18,929/acre to \$22,873/acre. Index No. 1, No. 2, No. 4, and No. 5 are deemed to be the best market indicators being most similar in size, and location.

As the land market has been trending upward over the past three years, indicated land value for the subject property based on Highest & Best Use analysis is concluded to be in the upper portion of the adjusted value range at \$21,000/acre or as follows:

38.68-acres (more or less) x \$21,000/acre of total land area = \$812,280 rounded to \$812,000

Eight Hundred & Twelve Thousand (\$812,000) Dollars

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

CERTIFICATION:

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

- ✓ Statements of fact contained in this report are true and correct.
- ✓ Reported analysis, opinions, and conclusions are limited only by the reported Assumptions and Limiting Conditions, and are personal, impartial, and unbiased professional analysis, opinions, and conclusions.
- ✓ No present or prospective interest is noted in the property that is the subject of this report and there is no personal interest or bias with respect to the parties or property involved.
- ✓ Compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- ✓ Analysis, opinions, and conclusions were developed, and this report has been prepared in conformity with the **Canadian Uniform Standards of Professional Appraisal Practice**.
- ✓ A personal inspection of the subject property was completed on June 10th, 2014 that is the subject of this report and subsequent report preparation is based on the knowledge and experience to complete this assignment competently.
- ✓ No comments or observations have been knowingly withheld that might affect the opinion of value stated in this report.
- ✓ No one provided significant professional assistance to the person signing this report.
- ✓ As at the date of this valuation, all requirements of The Appraisal Institute of Canada Continuing Professional Development Program for designated member have been completed to maintain good standing membership of the Appraisal Institute.
- ✓ Real Estate Council of Alberta regulates and licenses real estate appraisers in the Province and as at the effective date of this valuation, all requirement of RECA have been completed effective October 1st, 2012 to September 30th, 2013.

“Current Market Value” of **subject property based on Highest & Best Use of the land**, legally described as Lot 1, Plan 992 1934 Portion of NW 16 – 49 – 7 – W5th, as at June 10th, 2014 was concluded to be the sum of:

Eight Hundred & Twelve Thousand (\$812,000) Dollars



Appraisal Institute
of Canada

Respectfully Submitted,

Andy Chopko, AACI, P. App.
Real Estate Appraiser/Consultant
June 12th, 2014

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

ASSUMPTIONS & LIMITING CONDITIONS:

- 1) This consulting report is prepared at the request of *Bob Yurkewich on behalf of 412468 Alberta Ltd.* for the purpose of an appraisal to estimate current market value of the property to provide information for financial planning and decision-making purposes with regard to possible disposition of the land. (It is not reasonable for any person other than our client to rely upon this appraisal without first obtaining written authorization from **Bob Yurkewich** and this appraiser. There may be qualifications, assumptions, or limiting conditions in addition to those set out below relevant to that person's identity or the intended use of this report.)
 - a) This report is prepared on the assumption that no other person other than noted above will rely on this report for any other purpose and all liability to such persons is denied unless a Letter of Transmittal is provided.
- 2) While expert in property appraisal matters, the author is not qualified and does not purport to give legal advice. In that regard, it is assumed that:
 - a) *Legal description as furnished by the Municipality and/or Land Titles is correct.*
 - b) *Title to the property is good and marketable.*
 - c) *There are no encroachments, encumbrances, restrictions, leases or covenants noted on title that would in any way affect the valuation, except as expressly noted herein.*
 - d) *Existing use is a legally conforming use that may be continued by any purchaser from the existing owner.*
 - e) *Rights of way, easements or encroachments over other real property and leases or other covenants noted herein are legally enforceable with the exceptions noted above.*

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

- 3) As the author of this report is not a qualified surveyor, no legal survey concerning the subject property has been provided. Sketches, drawings, diagrams, photographs, etc. are presented in this report for the limited purpose of illustration and are not to be relied upon individually.
- 4) Not qualified to provide engineering advice, no soil tests have been completed for soil conditions, for load bearing or contamination, and, for the purpose of this appraisal, the land is assumed to be free and clear of all contaminants.
- 5) Unless otherwise stated in this report, no knowledge of any hidden or unapparent condition of the property has been noted (including but not limited to soil conditions, or adverse environmental conditions (on the subject property or on neighboring land including the presence of hazardous waste, toxic substances, etc.) that would negatively impact property value. For the purpose of this report, it is assumed that there are no such conditions that adversely impact property value unless through typical inspection of the property or as a result of typical research some adverse conditions become apparent where identified by experts in this field.

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

ASSUMPTIONS & LIMITING CONDITIONS:

- 6) This report should not be construed as an environmental audit or detailed property condition report, as reporting property conditions of this nature are beyond the scope of this report. No guarantees or warranties are expressed or implied regarding the condition of the property or reporting of adverse soil conditions that are beyond the scope of this report. It is recommended that proper engineering inspections be completed of the structure or of the soil conditions by qualified engineering firms expert in these areas.
- 7) No investigation has been undertaken with the local zoning office, fire department, building inspection or health department, or any other government regulatory agency unless such investigations are expressly represented to have been made in this report. The subject property must comply with such government regulations and, if the property does not comply, non-compliance of any feature of the property may affect market value. To be certain of compliance, further investigations may be necessary and these investigations are beyond the scope of this report.
- 8) Neither possession of this report nor a copy of the report carries with it the right of publication. All copyright is reserved to the author and content of this report is considered confidential by the author and our client. Information from this report shall not be disclosed, quoted from, referred to, in whole or in part, or published in any manner, without the express written consent of the appraiser. This condition is subject only to confidential peer review by the **APPRAISAL INSTITUTE OF CANADA** as provided in the *Code of Ethics, Standards of Professional Conduct, and Standards of Professional Practice of the Institute*.
- 9) Market data has been obtained, in part, from documents at the land registry office, through online data services or as reported by the local real estate board. As well as using such documented and generally reliable evidence of market transactions, it was also necessary to rely on hearsay evidence. Except as noted herein, a reasonable attempt has been made to verify all such information.
- 10) Because market conditions, including economic, social, and political factors, change rapidly and, on occasion, without warning, the market value expressed as of the date of this appraisal cannot be relied upon to estimate market value of the property as of any other date, except with further research and advice of the appraiser.
- 11) Compensation for services rendered in this report does not include a fee for court preparation or court appearance, which must be negotiated separately. However, neither this condition nor any other of the above noted limiting conditions is an attempt to limit the use that might be made of this report should the report properly become evidence in a judicial proceeding. In such a case, it is acknowledged that it is the judicial body, which will decide the use of the report, which best serves the administration of justice.
- 12) It is understood that all calculations and reported values included in this property valuation and consulting report are in Canadian Dollars. All responsibility is denied for any unauthorized alteration to this report and in order for this report to be valid; the report must hold the original signature or approved digital signature of the author.

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

CERTIFICATE OF TITLE:

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2
012 233 356 +7

REGISTRATION
NUMBER DATE (D/M/Y) PARTICULARS

ALBERTA T2P3E3
" AFFECTS PART OF THIS TITLE "

(DATA UPDATED BY: CHANGE OF NAME 092172103)
(DATA UPDATED BY: CHANGE OF ADDRESS 102395742)

7762KI 10/10/1956 CAVEAT
CAVEATOR - SUN OIL COMPANY.
" AFFECTS PART OF THIS TITLE "

6236KQ 22/07/1957 UTILITY RIGHT OF WAY
GRANTEE - PEMBINA PIPELINE CORPORATION.
3800, 525-8 AVENUE SW
CALGARY
ALBERTA T2P1G1
AS TO PORTION OR PLAN:2520KS
2548KS
(DATA UPDATED BY: TRANSFER OF UTILITY RIGHT
OF WAY 982356266)
(DATA UPDATED BY: CHANGE OF ADDRESS 122196795)

4483KW 07/01/1958 UTILITY RIGHT OF WAY
GRANTEE - PEMBINA PIPELINE CORPORATION.
3800, 525-8 AVENUE SW
CALGARY
ALBERTA T2P1G1
AS TO PORTION OR PLAN:3679KS
(DATA UPDATED BY: TRANSFER OF UTILITY RIGHT
OF WAY 992126315)
(DATA UPDATED BY: CHANGE OF ADDRESS 122197163)

1850OF 15/01/1965 UTILITY RIGHT OF WAY
GRANTEE - EVERGREEN GAS CO-OP LTD.
P.O. BOX 8800,5304-56TH AVENUE
DRAYTON VALLEY
ALBERTA T0E0M0
AS TO PORTION OR PLAN:1092NY
(DATA UPDATED BY: TRANSFER OF UTILITY RIGHT
OF WAY 942288586)

5408RL 02/10/1969 UTILITY RIGHT OF WAY
GRANTEE - FORTISALBERTA INC.
320-17 AVE SW
CALGARY
ALBERTA T2S2V1
" AFFECTS PART OF THIS TITLE "

(DATA UPDATED BY: TRANSFER OF UTILITY RIGHT
OF WAY 002307056)

(CONTINUED)

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

CERTIFICATE OF TITLE:

ENCUMBRANCES, LIENS & INTERESTS

PAGE 3

REGISTRATION # 012 233 356 +7

NUMBER DATE (D/M/Y) PARTICULARS

(DATA UPDATED BY: CHANGE OF NAME 042559364)

6923SK 30/08/1971 CAVEAT
RE : EASEMENT
CAVEATOR - THE TOWN OF DRAYTON VALLEY.
" AFFECTS PART OF THIS TITLE "

7781UG 16/01/1974 CAVEAT
RE : EASEMENT
CAVEATOR - ARC RESOURCES LTD.
ATTENTION YVAN CHRETIEN VICE PRESIDENT LAND
2100 440 2 AVENUE SW
CALGARY
ALBERTA T2P5E9
" AFFECTS PART OF THIS TITLE "

(DATA UPDATED BY: CHANGE OF NAME 032207006)

(DATA UPDATED BY: TRANSFER OF CAVEAT
062175904)

7784UG 16/01/1974 CAVEAT
RE : EASEMENT
CAVEATOR - ARC RESOURCES LTD.
ATTENTION YVAN CHRETIEN VICE PRESIDENT LAND
2100 440 2 AVENUE SW
CALGARY
ALBERTA T2P5E9
" AFFECTS PART OF THIS TITLE "

(DATA UPDATED BY: CHANGE OF NAME 032207007)

(DATA UPDATED BY: TRANSFER OF CAVEAT
062181822)

4025UL 27/02/1974 CAVEAT
CAVEATOR - ARC RESOURCES LTD.
ATTN: YVAN CHRETIEN, V.P. LAND
2100, 440-2 AVE SW
CALGARY
ALBERTA T2P5E9
" AFFECTS PART OF THIS TITLE "

(DATA UPDATED BY: CHANGE OF NAME 032162448)

(DATA UPDATED BY: TRANSFER OF CAVEAT
062254437)

782 256 814 08/11/1978 CAVEAT
RE : EASEMENT
CAVEATOR - THE TOWN OF DRAYTON VALLEY.
" AFFECTS PART OF THIS TITLE "

(CONTINUED)

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

CERTIFICATE OF TITLE:

ENCUMBRANCES, LIENS & INTERESTS

PAGE 4

012 233 356 +7

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

942 387 456 16/12/1994 CAVEAT
RE : RIGHT OF WAY AGREEMENT
CAVEATOR - EVERGREEN GAS CO-OP LTD.
C/O BROWNLEE FRYETT
2200, COMMERCE PLACE
10155-102 ST, ATTN RAYMOND GUY MIKI
EDMONTON
ALBERTA T5J3X7
AGENT - RAYMOND GUY MIKI
" AFFECTS PART OF THIS TITLE "

962 334 168 04/12/1996 CAVEAT
RE : DEVELOPMENT AGREEMENT PURSUANT TO MUNICIPAL
GOVERNMENT ACT
CAVEATOR - THE MUNICIPAL DISTRICT OF BRAZEAU NO.
77.
5516 INDUSTRIAL ROAD
BOX 77
DRAYTON VALLEY
ALBERTA T7A1R1
AGENT - RITA MATTHEWS

972 371 624 02/12/1997 CAVEAT
RE : SEE CAVEAT
CAVEATOR - LEWIS LEONARD WILLIAMS
CAVEATOR - ELVIE LOUISE WILLIAMS
BOTH OF:
BOX 6777
DRAYTON VALLEY
ALBERTA T7A1S2
AGENT - MAE L CHOW

002 227 042 10/08/2000 CAVEAT
RE : DEVELOPMENT AGREEMENT PURSUANT TO MUNICIPAL
GOVERNMENT ACT
CAVEATOR - THE MUNICIPAL DISTRICT OF BRAZEAU NO.
77.
5516 INDUSTRIAL RD
PO BOX 77
DRAYTON VALLEY
ALBERTA T7A1R1
AGENT - KEN GWOZDZ

032 095 489 18/03/2003 UTILITY RIGHT OF WAY
GRANTEE - THE TOWN OF DRAYTON VALLEY.
AS TO PORTION OR PLAN:0321349

132 300 606 23/09/2013 CAVEAT
RE : LEASE INTEREST UNDER 20 ACRES

(CONTINUED)

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

CERTIFICATE OF TITLE:

ENCUMBRANCES, LIENS & INTERESTS
PAGE 5
REGISTRATION # 012 233 356 +7
NUMBER DATE (D/M/Y) PARTICULARS

CAVEATOR - ARC RESOURCES LTD.
ATTN SURFACE RIGHTS DEPT
1200, 308-4 AVE SW
CALGARY
ALBERTA T2P0H7
AGENT - VANESSA WALSH

132 348 520 28/10/2013 UTILITY RIGHT OF WAY
GRANTEE - ARC RESOURCES LTD.

TOTAL INSTRUMENTS: 018

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 13 DAY OF MAY,
2014 AT 07:58 A.M.

ORDER NUMBER: 25943778

CUSTOMER FILE NUMBER: Impact



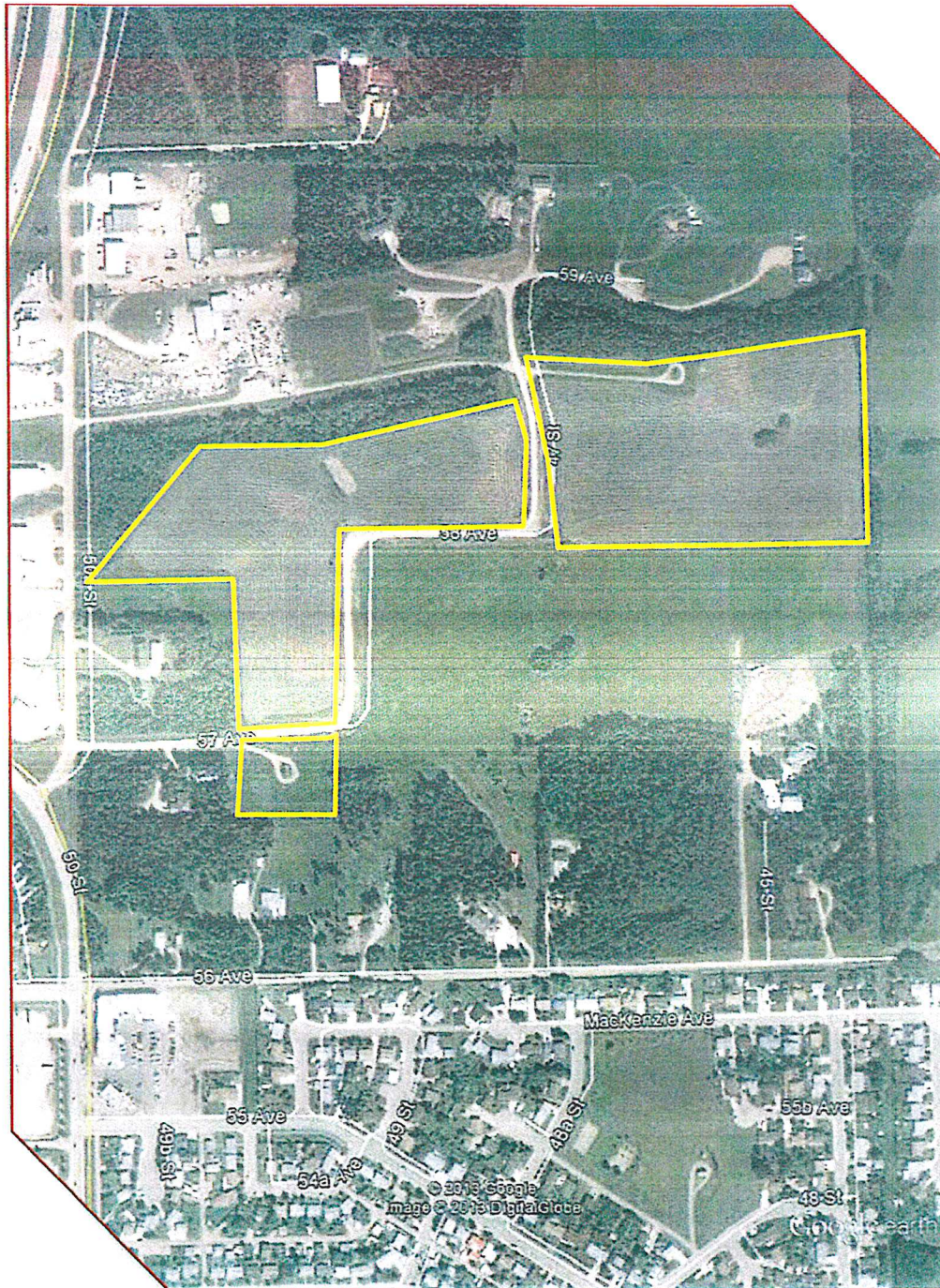
END OF CERTIFICATE

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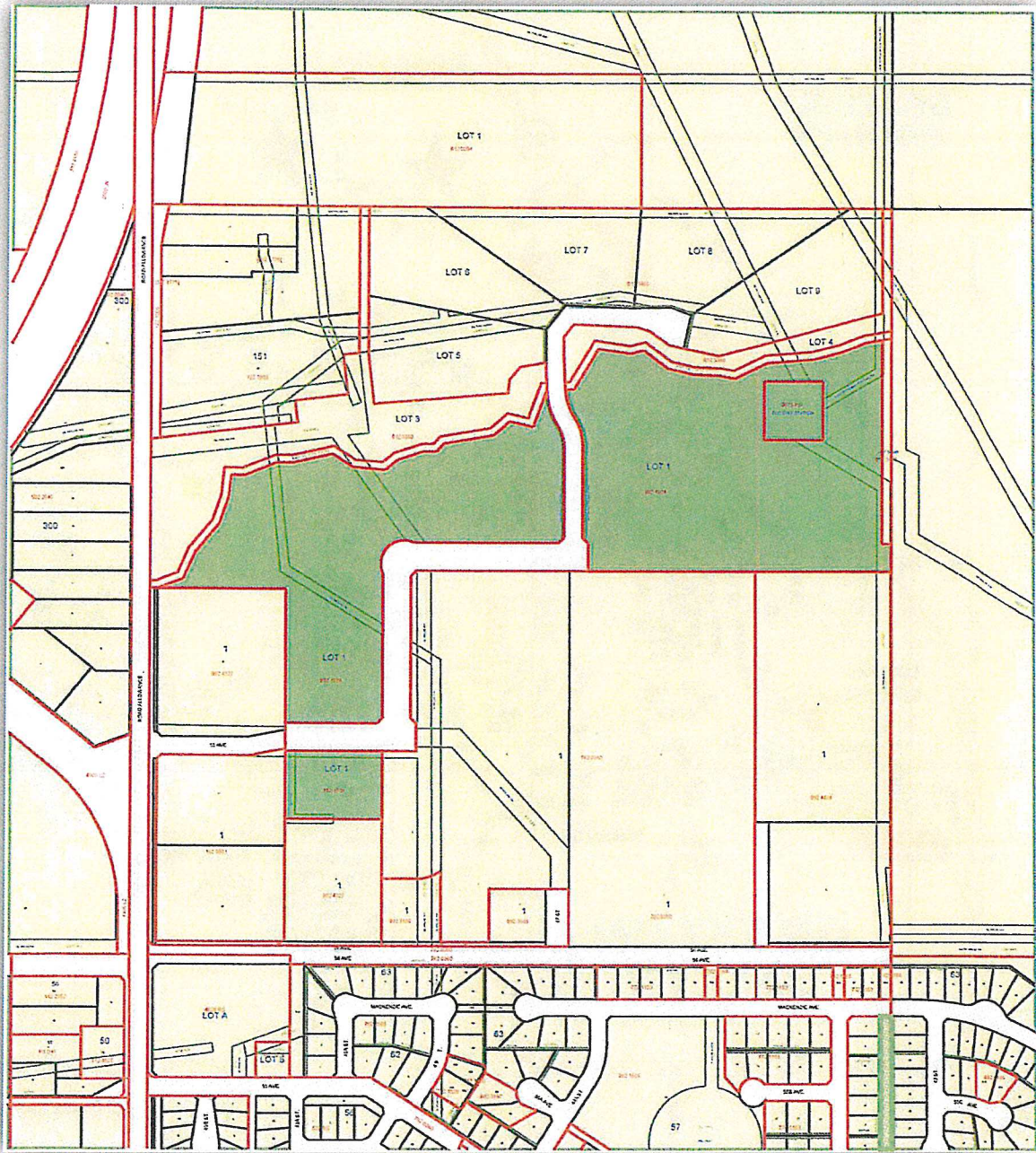
URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

AERIAL MAP:



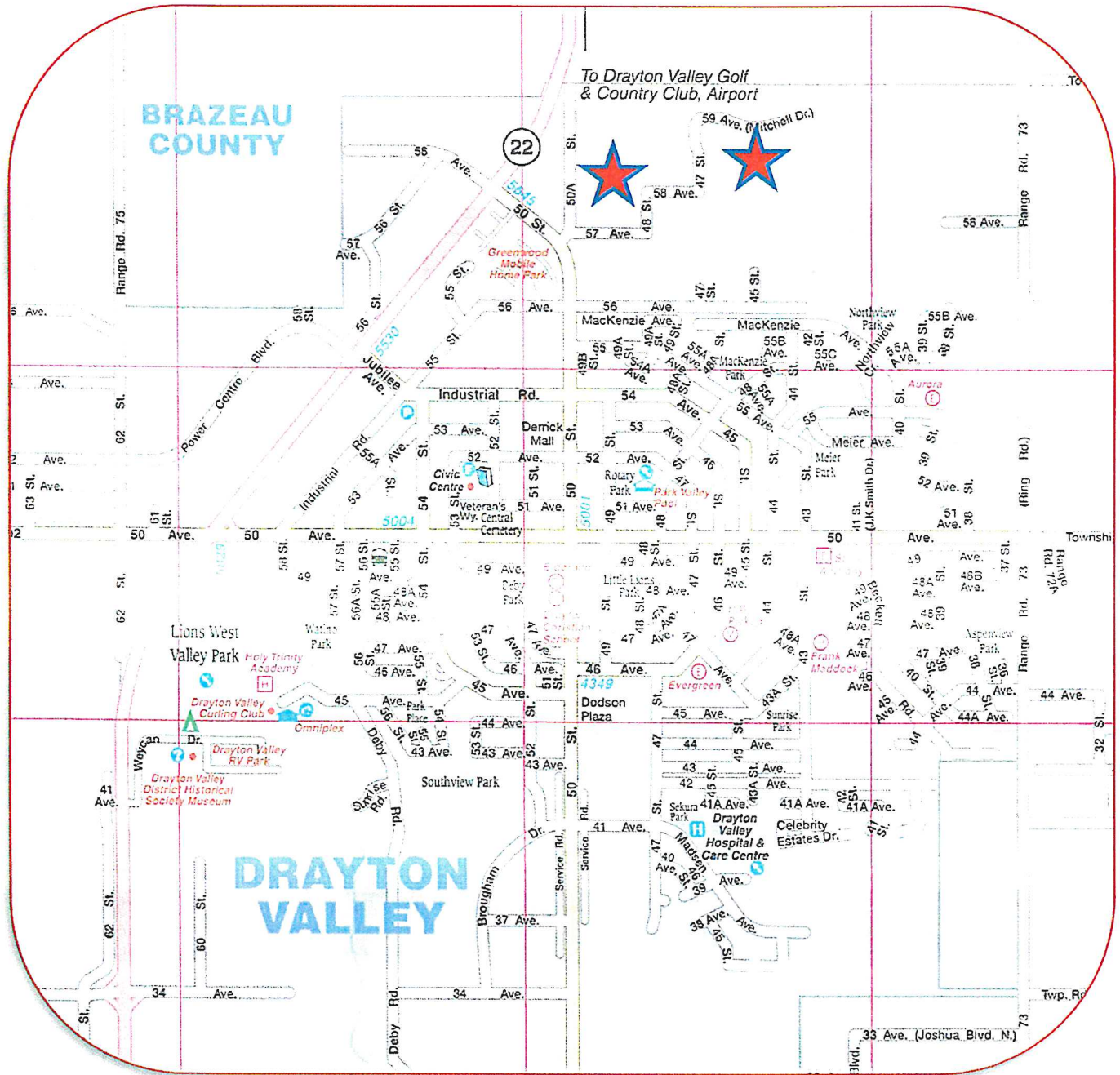
URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

SITE PLAN:



URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

NEIGHBORHOOD MAP:



URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

Photographs of Subject Property



Street view north along 47 Street



Street view west along 57 Avenue



Street view south along 47 Street



View of acreage development along 60 Avenue



View of acreage development along 60 Avenue



View of acreage development along 60 Avenue

URBAN RESERVE LAND MARKET ANALYSIS & PROPERTY VALUATION

Photographs of Subject Property



View of acreage development along 60 Avenue



View south of 58 Avenue



View of well site along 58 Avenue



View of well site along 58 Avenue



Street view of subject land from 58 Avenue



View of 2nd well site east of 47 Street