

A Rental Appraisal

of the Land

Located at

**Millbank Road (VR419)
Vancouver, British Columbia**

For

The City of Vancouver

as at

May 1, 2002

May 1, 2003

May 1, 2004

May 1, 2005

by

Larry Dybvig, AACI, FRICS, MAI

Grover, Elliott & Co. Ltd.

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Real Estate Appraisers and Counsellors

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October 27, 2009
Our File: 2009-0339-V

Attention: Mr. Michael Flanigan

Dear Sir,

Re: Millbank Road (VR419)
Vancouver, British Columbia

In accordance with your instructions, we have appraised the fee simple interest of the land component of this real property, based on the existing use and development density. Our estimate of the annual net market rental value of the property as at May 1, 2002 is:

**THREE HUNDRED AND FIFTY THOUSAND SEVEN HUNDRED AND FOURTY
FOUR DOLLARS**
(\$350,744)

As at May 1, 2003 is:

**FOUR HUNDRED AND FOUR THOUSAND DOLLARS FIVE HUNDRED AND FIFTY-
ONE DOLLARS**
(\$404,551)

As at May 1, 2004 is:

**FOUR HUNDRED AND SEVENTY NINE THOUSAND SIX HUNDRED AND FIFTEEN
DOLLARS**
(\$479,615)

As at May 1, 2005 is:

**FIVE HUNDRED AND TWENTY TWO THOUSAND TWO HUNDRED AND NINETY
SEVEN DOLLARS**
(\$522,297)

The accompanying appraisal report contains research, data and analyses that support our estimate of the market value. Our opinions are subject to the Assumptions and Limiting Conditions contained within this report and in Appendix 1.

We prepared this report exclusively for the City of Vancouver for rent-setting purposes. We are unaware of any third parties that are likely to see or rely on the report, and expressly deny liability in this respect or for any other use.

Thank you for allowing us to be of assistance with this matter. If you have any questions or comments, please contact our office.

Respectfully submitted,

GROVER, ELLIOTT & CO. LTD.

per:



Larry Dybvig, AACI, FRICS, MAI

/rm

Encl.

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SUMMARY

Location

The site is located on the south side of Millbank with frontages along Ferry Row, Sawcut and Greenchain along False Creek South in the Fairview neighbourhood of Vancouver, British Columbia.

The Site

The site is irregular in shape with an area of 53,143± square feet or 1.22 acres.

The Improvements

A three-storey multiple-family townhouse structure. The net building area is 61,225 square feet and comprises 48 units ranging in size from 825 to 1,722 square feet. Our appraisal excludes the improvements.

Land Use Controls

The site is zoned FCCDD- False Creek Comprehensive Development District.

Highest and Best Use as if Vacant

Multifamily development, pursuant to the applicable land use controls, and as market conditions permit

Dates of Value Estimate

May 1, 2002, May 2, 2003, May 1, 2004 and May 1, 2005; the date of property inspection was April 21, 2006

Rental Valuation

2002 - **\$350,744** net per annum, land only, based on the existing use and development density.

2003 - **\$404,551** net per annum

2004 - **\$479,615** net per annum

2005 - **\$522,297** net per annum

THE ASSIGNMENT

Intended Use of the Appraisal

We have prepared this report in accordance with instructions obtained from Michael Flanigan, exclusively for the City of Vancouver, for rent setting purposes. We are unaware of any third parties that are likely to see or rely on this report and expressly deny liability for unauthorized reliance.

Purpose of the Appraisal

The purpose of this report is to provide our estimate of the current market rent of the fee simple interest in the subject property as at the May 1, 2002, May 1, 2003, May 1, 2004 and May 1, 2005 effective dates of this appraisal.

This appraisal discusses market value and market rent. An accepted Canadian definition of market value is “the most probable price which a property should bring in a competitive and open market as of the specified date under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.”¹

An accepted appraisal definition² of market rent follows:

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the specified lease agreement including term, rental adjustment and revaluation, permitted uses, use restrictions, and expense obligations; the lessee and lessor each acting prudently and knowledgeably, and assuming consummation of a lease contract as of a specified date and the passing of the leasehold from lessor to lessee under conditions whereby:

1. Lessee and lessor 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.

1. *Canadian Uniform Standards of Professional Appraisal Practice* : Appraisal Institute of Canada, 2005, Ottawa, Ont.), line 6143
2. *Dictionary of Real Estate Appraisal*, Fourth Edition, Appraisal Institute, Chicago, 2003

4. The rent payment is made in terms of cash in Canadian dollars, and is expressed as an amount per time period consistent with the payment schedule of the lease contract.
5. The rental amount represents the normal consideration for the property leased unaffected by special fees or concessions granted by anyone associated with the transaction.

The fee simple estate is absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the government powers of taxation, eminent domain (expropriation), police power and escheat (the right of the government that gives the state titular ownership of a property when its owner dies without a will or any determinable heirs).³ This is the most comprehensive form of ownership. It gives a "bundle of rights" that allows the owner the right to use the property, to sell it, to lease it, to enter it, or to give it away. It also includes the right to refuse to take any of these actions. A fee simple interest excludes existing financing and leases.

Scope of Assignment

The scope of this assignment included:

- An inspection of the exterior of the property on several occasions, including April 21, 2006 when we took the photographs herein.
- A review of land use control information obtained through the City of Vancouver's website and zoning bylaw.
- Investigations into market activity from sources including the local real estate board, Land Titles office transactions, real estate agents, vendors and purchasers active in the market, and our corporate real estate database.
- Appraisal and market analyses as described later herein.

³ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 4th ed. s.v. "fee simple estate." (Chicago: Appraisal Institute, 2002). CD-ROM.

Technical Investigations

We did not complete technical investigations such as:

- a technical review of the utility servicing;
- a site survey;
- investigations into the bearing, percolation or other qualities of the soils;
- an environmental review;
- an archaeological survey; or
- a hydrological study.

The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we assumed to be correct. Any party wishing to rely on this report should confirm the source of any important information herein as well as the assumptions that underlie any significant conclusion.

Hypothetical Conditions

Our appraisal of the land only assumes that the property is vacant and available for development. In fact, the property is improved.

We have valued the property based on the existing use and density, pursuant to our instructions, which are consistent with our understanding of the lease. In fact, current development proposals in the South East False Creek area contemplate development densities in the order of 3.5 FSR.

We have assumed that the soil and groundwater are free from contamination, adverse substances and adverse conditions. We do not know if these might be contaminated; however, the City of Vancouver has indemnified the owners of the property for any contamination effects.

Extraordinary Limiting Condition

We did not review the title or any charges registered against the property. For the purpose of this appraisal, we have assumed that the title is free and clear of any charges against it.

Type of Analysis

This narrative appraisal report complies with the Canadian Uniform Standards of Professional Practice of the Appraisal Institute of Canada. We have competence in this type of appraisal analysis and have valued this class of real property before.

PROPERTY INFORMATION

Civic Address

Various, fronting on Millbank, Saw Cut, Greenchain and Ferry Row, in Vancouver, British Columbia

Legal Description

Lot 9, False Creek, Vancouver District Plan 16003.

Title Information and Encumbrances

We understand the **City of Vancouver** is the registered owner. We did not investigate any charges on the title and assumed the property is free and clear any charges registered against it, save for the ground lease considered herein.

Subject to the limitations of this assignment and based on our interviews, client-supplied information and our review of the title search print, we believe that title encumbrances do not materially affect the value of the property except as discussed specifically herein. However, we did not obtain a legal opinion of the state of title or any of the encumbrances, we lack qualifications in this area and we have not read the documents registered against title. Our appraisal therefore assumes that title is good and marketable and that encumbrances do not affect the value of the appraised interest.

The Lease

The City of Vancouver leased the subject lands to Franz Stanzl Construction in 1977 for a term of 60 years. The developer subsequently constructed strata-titled, multiple family housing on the land that was sold as individual units on the market place. The lease states that neither the said lands nor the buildings should be used for any purpose except that of self-contained residential apartments, retail stores, a community centre and other facilities ancillary thereto and connected therewith unless approved by the lessor in writing.

At the end of the term, by forfeiture, default or lapse of time, the lessee shall surrender the said lands and the buildings to the lessor in the condition in which they were required to be kept by the lessee under the provision of the lease. Upon such surrender, the lessee shall assign to the

lessor the benefit of all leases, licenses, agreements and other agreements and rights benefiting the said lands, the building or the lessee's interest therein.

Title to the ownership of the buildings and all alterations, additions, changes, substitutions or improvements thereto shall be vested in the lessee at all times during the term. The title to and ownership of the building will become vested in the lessor either by forfeiture, default or lapse of time under the terms of this lease in which event the building shall become the absolute property of the lessor free of all encumbrances.

ASSESSMENTS AND TAXES

The property is the subject of strata subdivision. It is neither assessed nor taxed separately, but rather pursuant to the subdivision. Actual value assessments for this strata subdivision, as provided by British Columbia Assessment for 2006 are as follows:

Strata Lot	Improvements	Land	Total	Gross Taxes 2005
1	56,900	178,000	234,900	1,213.61
2	101,000	308,000	409,000	2,121.78
3	58,500	178,000	236,500	1,213.02
4	81,000	274,000	355,000	1,830.70
5	65,800	209,000	274,800	1,405.06
6	96,500	287,000	383,500	1,996.01
7	63,300	218,000	281,300	1,449.99
8	96,200	280,000	376,200	1,954.88
9	63,500	218,000	281,500	1,451.20
10	82,600	288,000	370,600	1,919.35
11	63,100	223,000	286,100	1,502.09
12	109,000	386,000	495,000	2,581.94
13	63,400	223,000	286,400	1,478.54
14	97,000	291,000	388,000	2,022.76
15	69,500	213,000	282,500	1,444.39
16	96,800	280,000	376,800	1,956.48
17	65,800	167,000	232,800	1,159.30
18	95,400	303,000	398,400	2,055.50
19	65,900	149,000	214,900	1,111.79
20	85,900	231,000	316,900	1,651.23
21	111,000	370,000	481,000	2,504.90
22	92,600	228,000	320,600	1,636.45
23	79,200	211,000	290,200	1,465.75
24	80,300	190,000	270,300	1,350.97
25	88,200	200,000	288,200	1,423.23
26	98,100	261,000	359,100	1,800.55
27	87,300	196,000	283,300	1,397.87
28	54,300	114,000	168,300	839.26
29	80,400	190,000	270,400	1,378.60
30	101,000	263,000	364,000	1,837.89
31	116,000	256,000	372,000	1,891.79
32	56,300	119,000	175,300	875.63
33	78,900	191,000	269,900	1,346.77
34	115,000	247,000	362,000	1,882.19
35	98,100	255,000	353,100	1,773.79
36	82,800	246,000	328,800	1,668.78
37	81,600	277,000	358,600	1,890.13
38	81,200	265,000	346,200	1,780.39
39	58,200	166,000	224,200	1,151.93
40	84,000	288,000	372,000	1,912.76
41	57,300	167,000	224,300	1,146.52

Strata Lot	Improvements	Land	Total	Gross Taxes 2005
42	86,300	265,000	351,300	1,795.76
43	57,100	167,000	224,100	1,169.43
44	96,000	243,000	339,000	1,733.88
45	109,000	99,600	208,600	1,087.43
46	81,100	292,000	373,100	1,932.92
47	60,700	165,000	225,700	1,163.10
48	<u>104,000</u>	<u>333,000</u>	<u>437,000</u>	<u>2,291.68</u>
Total	3,953,100	11,168,600	15,121,700	77,649.97

These actual values reflect the opinion of British Columbia Assessment of the market value of the property as at July 1, 2005 based on the physical condition of the property as of October 31, 2005. Assessors disregard encumbrances such as leases and financing, and can base their assessments on mass appraisal techniques such as multiple regression analysis and on dated inspection information. Consequently, actual values can be a less precise estimate of market value than provided by a full appraisal.

HISTORY AND USE

Leasing History

Between 1976 and 1982, the City of Vancouver issued head leases on the South False Creek subject development lands to developers, which constructed multiple family housing on the land, registered strata subdivisions and sold the individual units on the marketplace. This led to 48 strata lots, and presumably 48 residences under Strata Plan VR419 registered March 1976. According to the strata plans, the project has a total area of 61,225 square feet or 1,276 square feet per unit. The total area reflects a floor space ratio of 1.22. Almost all of the units have since resold at least once. The land leases called for ongoing rental payments, which the owners of individual units paid on a monthly basis. The amount of the rental payments varied from unit to unit, and would reflect the unit entitlements and the total rent for the overall parcel. The City entered into similar agreements with several developers of strata projects on other False Creek sites.

The leases provided for a fixed annual rental amount for the overall property, which adjust at specified dates during the life of the lease. Rent is to reflect the use set out in the lease, being self-contained residential accommodation, according to Section 5.01 of the ground lease reviewed. For the subject projects, the first of the 10-year rent renewal periods where rents are to be set at market levels occurs in September 2006.

According to Schedule C of VR419, the lessee had several options for rental payments:

- 1) Pay the basic rent as a set amount for the first three years of the lease, then go to annual adjustments based on 75% of the percentage increase in personal disposable income less 3%;
- 2) Have the rent set for the first five years, then increase for the last 25 years;
- 3) Fixed rents for 30 years;
- 4) Payment of the rent in advance for the remaining term of the lease, i.e. for 60 years from September 1977 to September 2036, at what appears to the present value for the 30-year fixed rents, projected for 60 years, at a discount rate of 8.47%.

The present annual rent payment for VR419 based on the year-30 fixed rent is approximately \$81,565.86 with rents ranging between \$939.24 and \$2,519.64 per unit.

At the outset of the lease, we are instructed that the City allowed strata unit purchasers to prepay their lease. In the early 1990's, the City again decided to offer tenants the right to prepay the remainder of their lease payments, and commissioned real estate appraisers to calculate the prepayment amounts. The amount of the prepayment varied from unit to unit and for some units was later revised and adjusted. Tenants were under no obligation to accept the prepayment; we understand that owners of about 23 of the units in this project elected to prepay their remaining rent. The option to prepay the lease was not available after 2001.

Present and Historic Use

Present use is as a three-storey multi-family, town home structure, with strata title tenure, subject to a ground lease. To our knowledge, the original developers sold all of the units, which now are widely held, with little or no multiple unit ownership.

The property is located in the Fairview Slopes neighbourhood, adjacent to False Creek. From the early 1920s to the early 1960s, Fairview Slopes⁴ was zoned for three-storey apartments and throughout the 1950s, the area south of Broadway developed as an apartment district. Broadway, as well as Granville and Cambie Streets, became important neighbourhood commercial strips. At the same time, the Slopes were rezoned to industrial use, and some houses were replaced with small industries.

The 1970s were a time of dramatic change for both False Creek and Fairview Slopes. City Council in 1973 adopted policies that laid out guidelines for redeveloping False Creek; these required a range of housing to provide a social mix that reflected the City's income and social composition. The City also decided to retain ownership of most of South False Creek, the area containing the subject properties.

Concurrent with the planning for South False Creek, plans to redevelop Granville Island were also being considered. In 1972, the Federal Government transferred administration for the 15-hectare (37 acres) island from the National Harbours Board to Canada Mortgage and Housing Corporation and a movement to rejuvenate the site started to gain momentum. Early in 1976 the

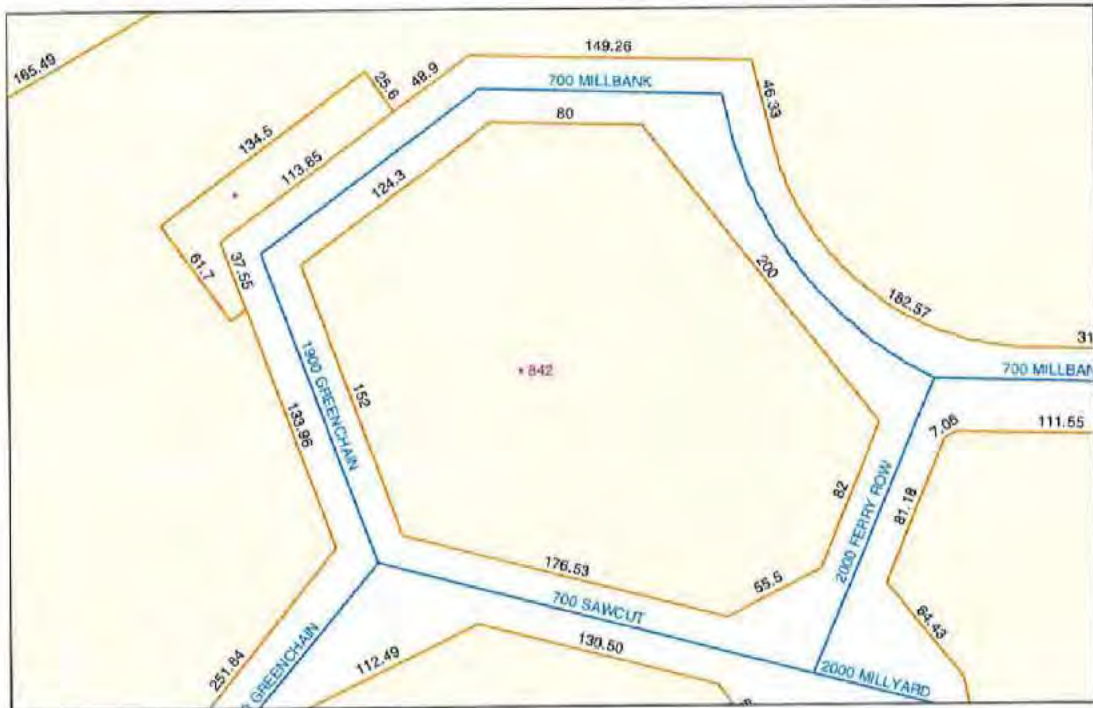
4 excerpted from City records - see
http://www.city.vancouver.bc.ca/community_profiles/fairview/history.htm

Granville Island Trust was formed to advise on the Island's future. The first phase of the Island's redevelopment, the Public Market, opened in 1979, soon followed by the Maritime Market, Emily Carr College of Art, theatres, artist's studios, craft galleries and restaurants.

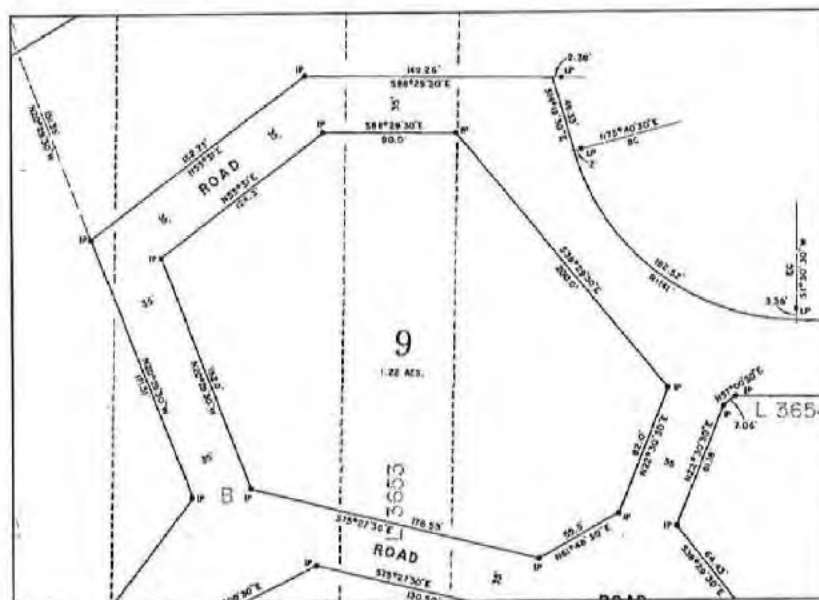
As the City's plans for False Creek took shape, pressure arose to redevelop the Slopes for high-density uses. The area was rezoned in 1972 from industrial to residential/commercial. Fairview Heights, a small fifteen-block area extending north of Vancouver Hospital and Health Sciences Centre (formerly Vancouver General Hospital), was rezoned in 1984 from a duplex to a low-rise apartment zone. Since then the area has been extensively redeveloped providing additional housing opportunities for those employed in the downtown core and with Vancouver Hospital.

Construction of the projects occurred in the late 1970's and early 1980's, and this is reflected in their design and materials of construction. Building codes and construction practises were changing during this time, and some projects of this vintage "leaked."

Shape and Size



The site is irregular with a frontage or south boundary along Sawcut of $176.6\pm$ feet or $53.8\pm$ metres, a southeast boundary or frontage along Ferry Row of $137.5\pm$ feet or $41.9\pm$ metres, a north boundary or frontage along Millbank of $404.3\pm$ feet or $123.2\pm$ metres and a west boundary or frontage along Greenchain of $152.0\pm$ feet or $46.33\pm$ metres. The gross site area is $53,143.0\pm$ square feet or $1.22\pm$ acres, according to registered plan 16003.



Topography

The site is level and at grade with the adjacent road and surrounding development. Area grade falls to the north, at the False Creek waterfront, and rises south of 6th Avenue, at the Fairview slope.

Soil Conditions

We have not been provided with a soil survey for the subject site and we have not commissioned one. For the objective of this report, we have assumed that the bearing, percolation and other characteristics of the land are adequate to permit development under the present land use controls, without undue and costly site preparation or engineering.

We did not observe any contaminants or hazardous materials at the property and do not have the knowledge or qualifications to detect the existence of such materials on or in the property. Historically, industrial uses - which have been associated with adverse groundwater and soil conditions - existed in the False Creek area. Our value estimate assumes that no contaminants or hazardous materials exist on, in or near the property that would cause a loss in value. We recommend retaining an expert in these matters if doubt exists regarding the quality of the soils or groundwater.

Access

Pedestrians can access the property along Millbank Lane, Greenchain and Sawcut. Primary vehicle entry to and egress from the site is available via Millyard Road.

The major east-west arterial route through the Fairview area is south of the subject along West 6th Avenue, connecting with West 2nd Avenue to the east and West 4th Avenue to the west.

Major north-south arterial routes include Cambie Street to the east providing direct access to Downtown Vancouver via the Cambie Street Bridge, Oak Street to the west and Granville Street farther west, also providing access downtown.

Street Improvements

Millbank has a dedicated width of 35 feet along the subject property and is part of the seawall along False Creek South. Greenchain, Sawcut and Ferry Row all have dedicated widths of 35 feet, are asphalt paved and allow for pedestrian access only.

Moberly Road is asphalt paved curb to curb, two lanes in width with concrete sidewalks and ornamental street lighting. Visitor parking is accessed via Moberly Road and is southeast of the subject. Traffic signals control the intersection of Moberly Road and Sixth Avenue.



View east along Millbank



View west along Millbank



View west along Moberly Road



View east along Moberly Road

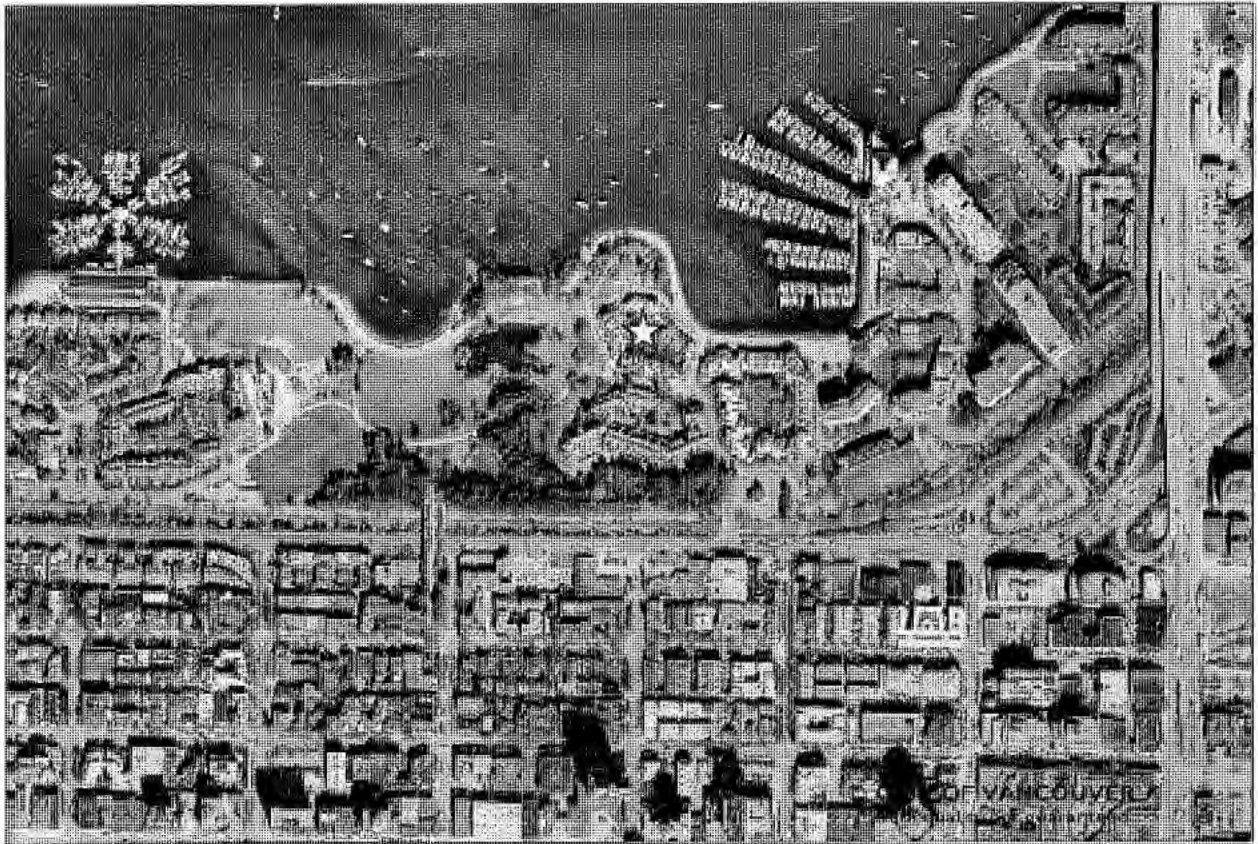


View north along Ferry Row

Utilities

Utility services typical of an urban community are available in the area, including municipal water and domestic sewer, storm water drainage, electricity, natural gas, telephone and television cable.

Surrounding Developments



The subject property is on the south shore of the False Creek basin. The immediate surrounding area is predominantly multifamily, low-rise, wood-frame or mid-rise concrete developments with some commercial at grade. Commercial developments are concentrated on Granville Island to the west and 6th Avenue to the south. 6th Avenue and up in the Fairview area is primarily medium-rise residential, often with commercial use at street level.

Directly west of the property is Destination Park, separating the Heather and Spruce neighbourhoods. South and east of the property are three-storey low-rise apartment buildings, with commercial at grade in the development to the east. Heather Civic Marina is to the northeast.

False Creek Elementary is on the west side of Destination Park, within a five-minute walking distance. Two blocks southeast of the property is a bus loop providing public transit.



Multifamily development to the east



Heather Marina to the northeast



Multifamily development to the south



Destination Park to the west

PHOTOGRAPHS



View southwest of subject



View west of the subject



Western elevation



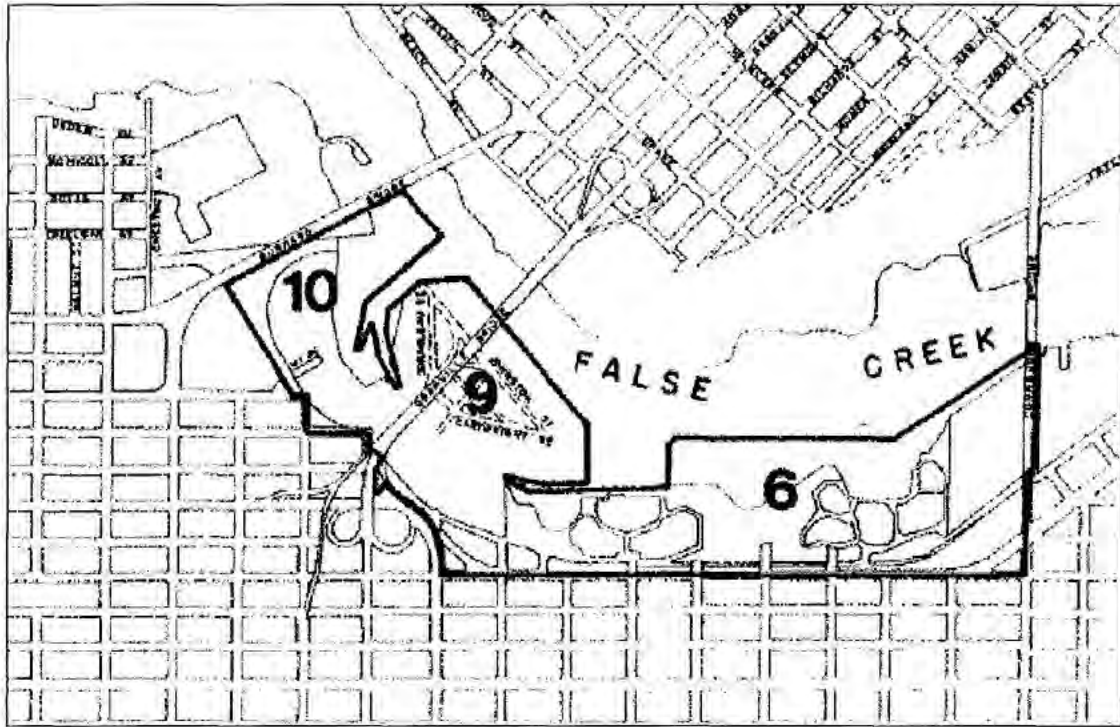
View east of subject



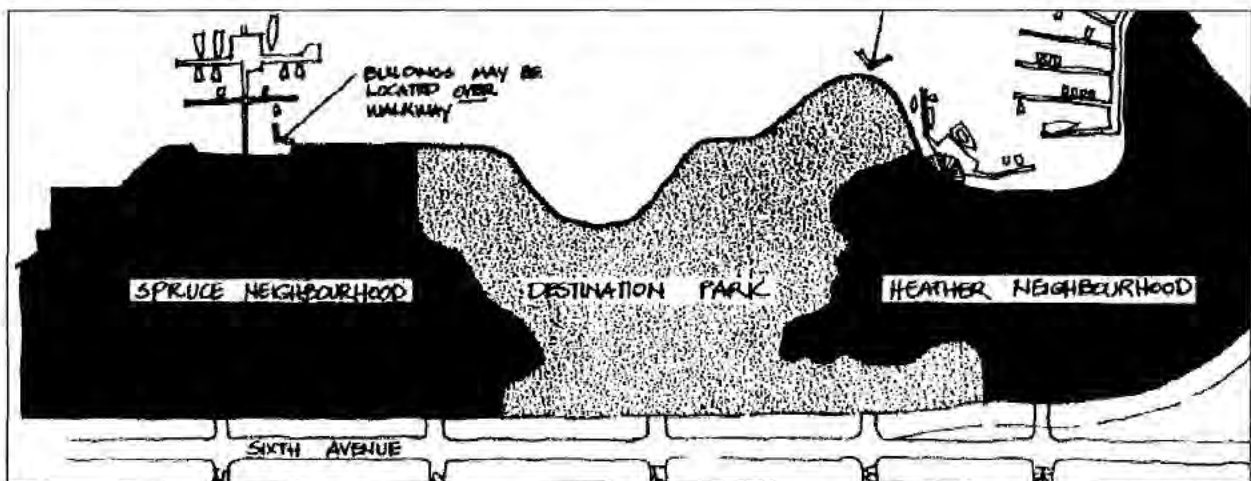
View southwest of property

LAND USE CONTROLS

The subject property is zoned FCCDD, False Creek Comprehensive Development District. The intent of the zone is to regulate development in a portion of that part of the City of Vancouver for which the zoning district is described as "False Creek Comprehensive Development District (FCCDD)" adopted in 1974.



The subject property is within Sub-Area 6, which comprises two major neighbourhoods, on the west the Heather Neighbourhood and on the east the Spruce Neighbourhood with Destination Park separating the two.



The Phase 1 policy calls for residential development at densities of 45 to 65 units per acre, which requires a blend of apartment and townhouse densities, along with related uses such as school and park facilities. The policy calls for building heights of 65 to 120 feet. Based on policy documents downloaded from the City's website, no significant changes appear to have occurred to these policies. Given the pattern of recent development in South East False Creek, it is likely that the City would adopt higher development densities if it revisited the land use controls today.

The Heather Neighbourhood

The Heather Neighbourhood is planned as a mixed life-style residential area. Non-residential uses include a marina, community facilities and some commercial facilities. The neighbourhood area encompasses 19.318 acres with the development area being 10.96 acres. The number of residential units is not to exceed 650 units or an average net density of 60 units per acre. The Site coverage in development areas is not to exceed 65%.

Significant Area Future Development

The Canada Line

The transportation corridor connecting downtown Vancouver with Richmond is one of the busiest in Greater Vancouver and home to one-third of the region's jobs and 20 percent of its population. The Canada Line will include 16 stations, and provision for three future stations located to serve the dense and growing neighbourhoods along the corridor. The projected completion date is September of 2009.

The Canada Line will provide a north-south link needed to help enhance the regional network, creating a safe, fast and reliable rapid transit system. The line will connect with the existing Expo and Millennium rapid transit lines, West Coast Express and SeaBus at Waterfront Station. The Canada Line provides for a future connection with a Millennium Line extension to Broadway and Cambie Street. The project also includes a park-and-ride facility and a bus exchange at the Bridgeport Station; a second bus exchange will be provided at the Richmond Terminus Station.

The Canada Line consists of a fully grade-separated alignment that will run from downtown Vancouver to Richmond Centre and the Vancouver International Airport.

Starting at Waterfront Station, the Canada Line will run beneath Granville Street, False Creek and Cambie Street and will remain underground until 63rd Avenue. Between 63rd and 64th Avenues, the Line will transition from an underground to an elevated guide way, extending south across the North Arm of the Fraser River to Bridgeport Station. From this station, two separate lines will provide service along elevated guide ways, one to central Richmond and one to the Airport.

Annual boarding (one-way rides) is projected to range from 28 to 38 million in 2010 with modest annual growth over the following years of 1% to 1.5%. This translates into 2010 trips at 75,000 to 100,000 boardings per day.

Plans indicate that the False Creek Station location will be near the Cambie and 2nd Avenue interchange, a few minutes' walk to the subject property. Moberly Road will become a primary access point from the station to the Seawall area.



Because of Skytrain, the Cambie Corridor should experience sustained long-term growth superior to areas not gaining rapid transit service. In addition, the Olympic village is located in the Second Avenue/Main Street area, and will provide long-term market, affordable and social housing as well as a modest commercial component. Further development in the Southeast False Creek area will surround Athlete's Village. In summary, population and access should increase and the Seawall will remain a strong attraction for leisure traffic, thereby positively influencing future values.

Southeast False Creek Development Area



The vision for the area is for a community in which people live, work, play and learn in a neighbourhood designed to maintain and balance the highest possible levels of social equity, liveability, ecological health and economic prosperity. The community will be mixed-use with a focus on residential uses. Development of the lands will continue up to and beyond the Olympic Games. According to the City of Vancouver, when fully built out the area will have 6.5 million square feet of residential development. Housing stock will comprise of approximately 6,200 units with an estimated population ranging from 10,000 to 12,000 people.

The Southeast False Creek Official Development Plan By-law and two accompanying Council Reports (Financial Strategy and Sustainability Targets and Indicators) were approved by Vancouver City Council at Public Hearing on March 1, 2005 and enacted on July 19, 2005.

Construction of the Olympic Village began early in 2007 with construction expected to be complete by October 2009.

Athlete's Village



The area will be a mixed-use community contributing 1,100 residential units (250 of which will be affordable housing). During the Olympic Games, the area will house up to 2,800 athletes and officials.

Based on the information available to us, the subject development appears to conform to the land use controls.

Most provincial municipalities have also adopted official community plans, area plans and other planning devices that supplement their zoning bylaws. The process for developing an Official Community Plan ("OCP") typically involves considerable social, economic and demographic research and an extensive public consultation process. OCPs serve to express municipal aspirations for future land uses within its borders, guide capital budgeting and direct the handling of rezoning applications. In British Columbia, municipalities generally do not rezone properties for a use or development scale that is contrary to the OCP; rezonings of this nature first require an amendment to the OCP.

Unlike most provincial municipalities, the City of Vancouver does not have an OCP. As a result, the F.C.C.D.D. zoning by-law is the main document governing the site. Municipal councils can change only some aspects of the land use controls that apply to certain properties. Provincial, regional and federal controls that also affect development include:

MARKET OVERVIEW VANCOUVER

Geography

Vancouver is the largest city in the province of British Columbia and is surrounded by water on three sides. Vancouver is bordered on the north by Burrard Inlet, on the west by English Bay, on the south by the Fraser River and to the east by the municipality of Burnaby. The city encompasses an area of 28,700 acres and is a major Pacific Ocean seaport and an international and national distribution centre, served by Vancouver International Airport, the Port of Vancouver and VIA Rail Canada.



Source: Microsoft Streets and Trips

- environmental and fisheries regulations;
- heritage policies;
- public health, building and fire codes; and,
- highways and transit plans.

The mandate for this appraisal did not require research into all of the land use regulations that possibly apply. Further, existing land use controls do not always bind regulators, who can develop new policy and rescind or modify existing land use policies. Municipal planning officials and independent planning consultants can assist with specific questions on land use matters.

Population⁵

Year	Vancouver	% Change	GVRD	% Change	BC	% Change
1991	485,646	-	1,602,502	-	3,373,464	-
1996	536,511	10.47%	1,906,492	18.97%	3,874,276	14.85%
1997	545,373	1.65%	1,954,523	2.52%	3,948,544	1.92%
1998	550,433	0.93%	1,984,743	1.55%	3,983,077	0.87%
1999	556,863	1.17%	2,013,201	1.43%	4,011,342	0.71%
2000	563,114	1.12%	2,041,339	1.40%	4,039,198	0.69%
2001	569,473	1.13%	2,073,662	1.58%	4,078,447	0.97%
2002	572,113	0.46%	2,095,113	1.03%	4,115,413	0.91%
2003	576,226	0.72%	2,114,061	0.90%	4,154,591	0.95%
2004	579,716	0.61%	2,131,340	0.82%	4,201,867	1.14%
2005	583,267	0.61%	2,155,880	1.15%	4,254,522	1.25%

Source: BC Stats

The population of Vancouver has been increasing steadily over the past ten years with a median increase of 1.03% per year. A total increase of 8.7% occurred between 1996 and 2005, compared to a 13.08% increase for the Greater Vancouver Regional District (GVRD) and 9.81% increase for British Columbia. The constraint on population growth for Vancouver is a shortage of incremental development rights, for the City is almost fully built out. Current city planners envision accommodating through higher densities on redevelopments in and near the downtown. The GVRD population is growing more rapidly than that of British Columbia; however Vancouver's growth is slower than British Columbia indicating it is the cities outside of Vancouver that are the main contributors to the GVRD's growth. This is due to the greater availability of developable land and increased density opportunities in the suburbs.

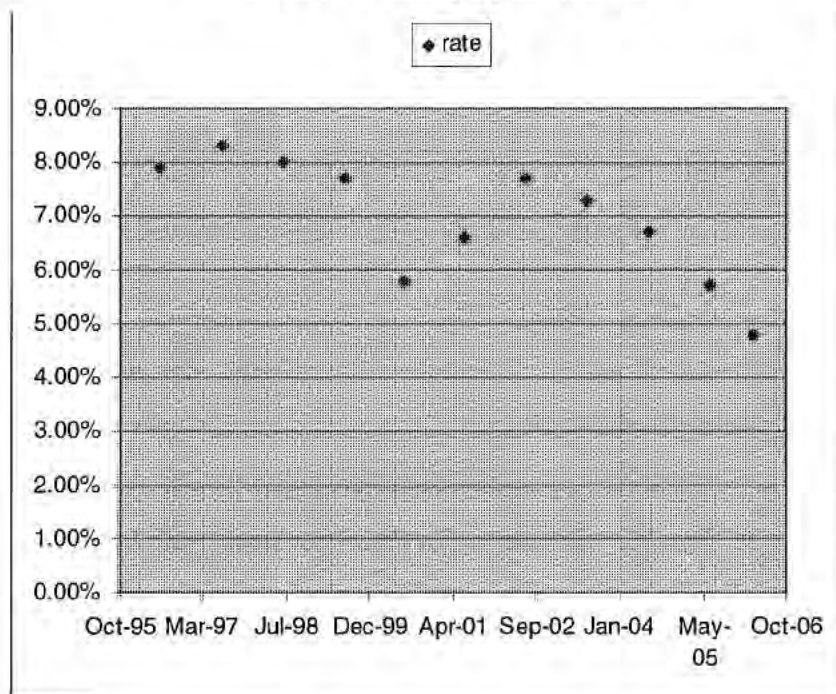
⁵ Statistics presented herein pertain to the effective dates of this valuation; no attempt has been made to provide information that is more current, for such would be irrelevant to the assignment.

Vancouver Unemployment Rate

Year	Unemployment Rate	% Change
1996	7.90%	
1997	8.30%	5.06%
1998	8.00%	-3.61%
1999	7.70%	-3.75%
2000	5.80%	-24.68%
2001	6.60%	13.79%
2002	7.70%	16.67%
2003	7.30%	-5.19%
2004	6.70%	-8.22%
2005	5.70%	-14.93%
Mar-06	4.8%	-15.79%
Average	7.17%	

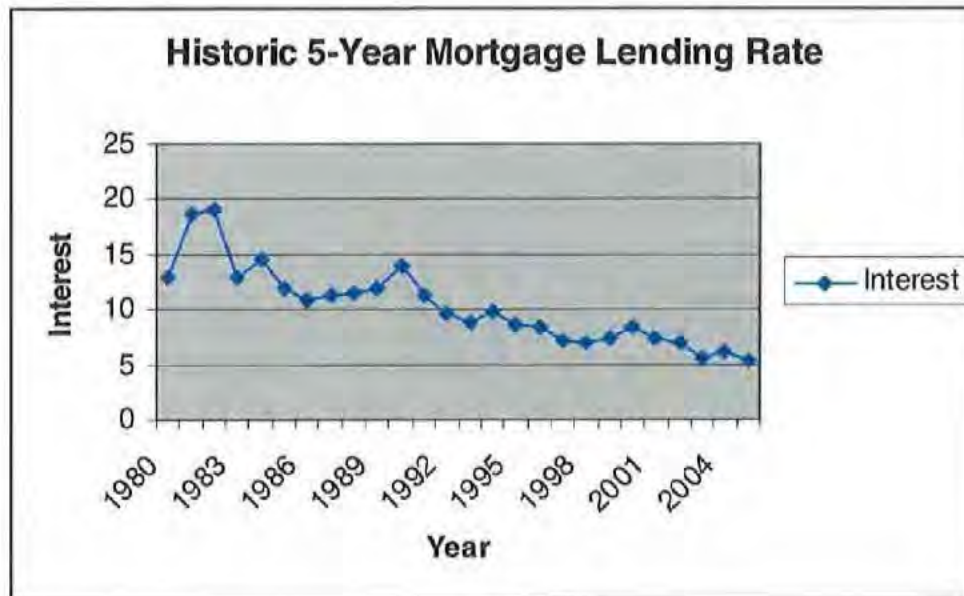
Source: Statistics Canada, Labour Force Survey (Annual Averages)

Vancouver Unemployment Rate



The unemployment rate for Vancouver as at March 2006 was at 4.8%, the lowest rate in the past 10 years. From 2002 to 2005, the employment rate was on a steady decline at rates of 7.7%, 7.3%, 6.7% and 5.7% respectively. Statistics Canada reports that British Columbia had seen the fastest job-growth rate of all provinces in 2006 with the largest job gains occurring in retail and wholesale trade due in part to the rising incomes and population growth in B.C.

Interest rates



Source: Bank of Canada

A lower interest rate allows buyers to spend more on their home as the interest component of their mortgage payment is less; when interest rates increase, buyers will have less to spend on their homes as the payment will rise due to higher interest expense. Due to the effect on affordability, as interest rates rise, sale volumes decline relative to supply, placing downward pressure on home prices will decrease; as rates fall, prices usually increase. The 5-year mortgage interest rate was as follows as of April from 2002 to 2005: 7.45%, 6.65%, 6.15% and 6.05%. Rates were decreasing year over year during this time and as a result, the residential market increased in strength.

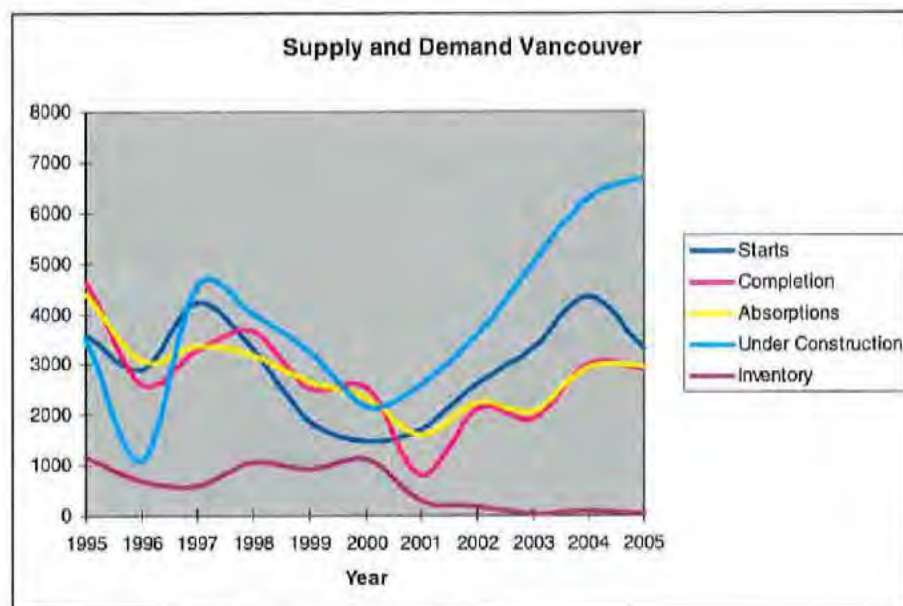
House Price Index



Source: Greater Vancouver Real Estate Board

The Greater Vancouver Real Estate Board produces a House Price Index (HPI) each month for detached homes, attached homes and apartments. The HPI is achieved by dividing the median price of homes for the month by the median price of homes in June 1991, when the index began, and then multiplying by 100. The HPI relates to the change in price relative to June 1991. The HPI in January 2006 for Vancouver was approaching 200, signifying that prices have nearly doubled since 1991. From 1992 to 2001, house prices remained relatively stable as shown in the chart above. From 2002 to 2006, prices were increasing year over year.

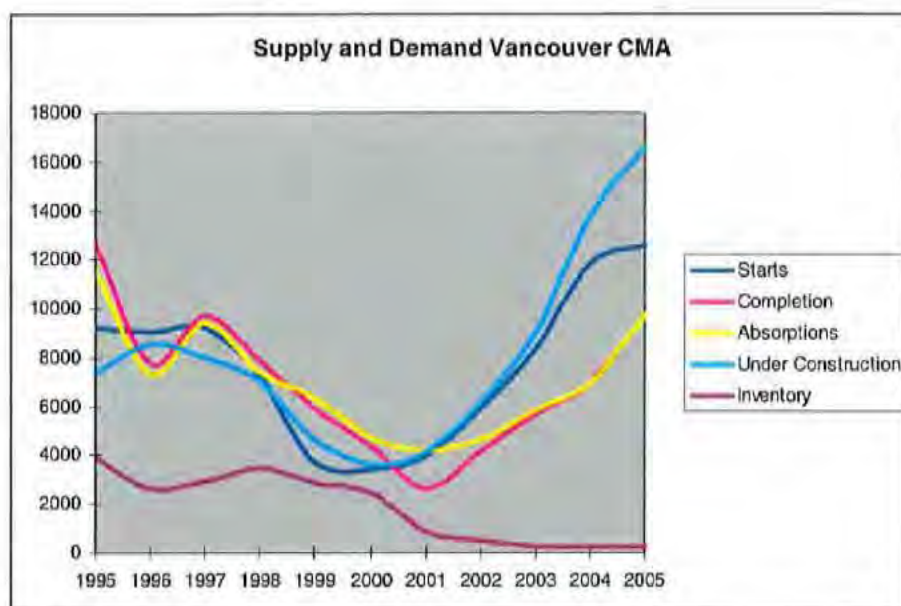
Demand and Supply



Source: CMHC Housing Reports

The chart above illustrates the supply and demand for condominiums and townhomes in Vancouver. Units-under-construction have been rising since 2000; the inventory of complete and unoccupied units has been falling since 2000 indicating a strong demand for condominiums. The fact that the inventory has been decreasing as the supply increases is one indicator that demand is outpacing supply. This condition creates upward pressure on price levels. This trend continued to occur from 2001 to 2005 at the same time that prices continued to increase year over year.

Vancouver apartment and townhouse starts have begun declining. From 2004 to 2005, starts fell from 4,329 to 3,308, or a decrease of 23.6%. Canada Mortgage and Housing senior market analyst Cameron Muir states, "Ongoing supply-side constraints will moderate homebuilding activity over the next two years. Competition for skilled labour and rapidly rising construction costs will continue to be significant impediments for homebuilding."



Source: *Canada Mortgage and Housing*

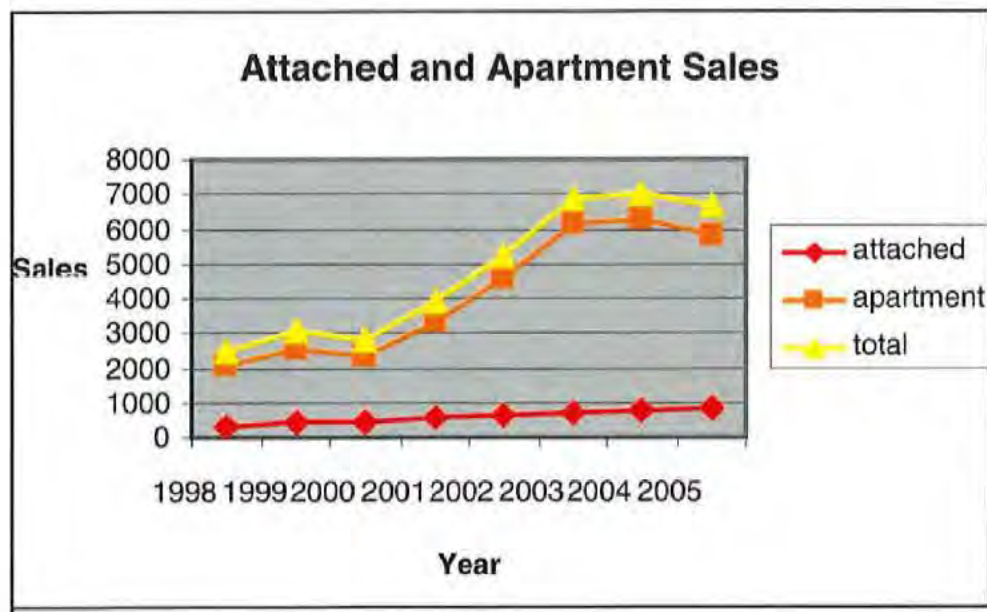
The Vancouver region has been showing a pattern similar to the City of Vancouver with the main difference being that housing starts and completions are still rising in the Vancouver CMA where in Vancouver they have begun declining. This is due in part to the decreasing supply of land and increasing land values in the City of Vancouver. Because of the higher land values, many families are moving to more affordable housing in Vancouver's suburbs, leading to an overall increase in the region's starts, completions and absorptions.

The sales-to-new listings ratio is another indicator of the relative balance between demand and supply in the existing home market. In markets where sales are high relative to new listings, potential buyers have less choice and typically have less bargaining power. Canada Mortgage and Housing has stated that a sales-to-new listings ratio above 50% is associated with rising prices, a "sellers' market." Based on the chart below, from 2001 to 2006 the sales to new listings ratio was above 50% suggesting a "sellers" market over this entire time. As at February 2006, the Real Estate Board of Greater Vancouver reported the percentage of sales to listings at 69% for apartments on Vancouver's westside.



Source: Real Estate Board of Greater Vancouver

Another measure of the strength of Vancouver's housing market is the number of sales transactions occurring. The greater Vancouver Real Estate Board publishes monthly statistics on the number of sales for detached, attached and apartment units. Results are as follows for the number of attached and apartment sales in Vancouver's westside in 1998-2005:



Source: Greater Vancouver Real Estate Board

The number of attached and apartment sales transactions began increasing steadily in 2000. By 2003, the number of sales in Vancouver's westside had more than doubled to 6,891 sales compared to only 2,794 in 2000. As at December 2005, the Greater Vancouver Real Estate Board had recorded 6,693 sales for the year.

HIGHEST AND BEST USE

An accepted definition of highest and best use is “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.”⁶

The highest and best use of a property is an economic concept that measures the interaction of four criteria: legal permissibility, physical possibility, financial feasibility and maximum profitability. Estimating the highest and best use of a property is a critical appraisal component that provides the valuation context within which market participants and appraisers select and analyze comparable market information.

An appraiser considers highest and best use of the property “as if vacant” separately from the highest and best use of the property “as improved.” This is because the highest and best use of the site, as if vacant and available for development determines the value of the land, even if the property's existing improvements may not represent the highest and best use of the site.

An accepted definition of the highest and best use of a land or site is “the use among all reasonable alternative uses that yields the highest present land value, after payment for labour, capital and co-ordination. The conclusion assumes that the parcel of land is vacant or can be made vacant by demolishing any improvements.”⁷

Zoning policies in place contemplate use of the property as FCCDD, False Creek Comprehensive Development District.

Changing the land use controls requires approval by municipal council of a rezoning. Given the nature of development in the area and the pattern of municipal land use policy, we consider the prospect of achieving a rezoning to another use as unlikely. Current city policy favours higher densities in the areas near the downtown core. Were the subject precinct to be redeveloped today, the Southeast False Creek policies for the lands east of Cambie suggest that the housing form would likely be mostly apartment in a low to mid-rise format, and density would be higher,

⁶ Canadian Uniform Standards, line 6640.

⁷ IBID, line 6658

in the order of 3.5 FSR. For the purposes of this analysis, we have assumed that the existing use and density reflects the legally permissible level.

For the purposes of our analysis, we have assumed that the non-financial title limitations do not restrict use of the site beyond the restraints of the land use controls.

Market values and rents for residential properties in the neighbourhood are sufficient to retire the cost of construction, adequately compensate the developer and to provide a positive return to the underlying land.

The site size, utility servicing, exposure and topography generally suit the requirements of development. Based on the surrounding development pattern we have assumed that soil conditions could support development as contemplated under the land use controls without undue or costly site preparation.

Consequently, we conclude that highest and best use of the site, as if vacant and available, entails development pursuant to the applicable land use controls, and as market conditions permit. (For the purpose of this analysis, we have assumed that the existing use and development density is the maximum permitted on the property.)

The highest and best use of a property as improved is “multiple-family residential”, the use that should be made of an improved property in light of the existing improvements and the ideal improvement described at the conclusion of the analysis of highest and best use as though vacant.”⁸

⁸ Larry Dybvig, et al., *The Appraisal of Real Estate Second Canadian Edition* (A joint publication of the Appraisal Institute of Canada and the US Appraisal Institute: UBC Real Estate Division, 2002) 5.12-5.13

VALUATION

Introduction

Our mandate is to estimate the market rent of the subject site as of May 1st of 2002, 2003, 2004 and 2005, for the purpose of aiding rental negotiations for the next term in this long-term leasehold arrangement. We have assumed that the existing use and density are the maximum permitted on the site.

Market rent is interpreted to mean the most probable fixed annual minimum rent for the land determined in accordance with generally accepted appraisal principles and methods and having regard to the privileges and obligations contained in the lease. Lease agreements on multifamily residential lands such as the subject typically involve long lease terms, in the order of 50 to 99 years; with periodic rent reviews and renewal options at market rent. Leases are most often written on a triple net or absolute net basis, with the lessee being responsible for all operating, maintenance and repair expenses as well as property taxes and insurance. Long-term land rent generally has a relationship to the underlying land value.

An appraiser may value land⁹ that is vacant and available for development in various ways:

- 1) Direct comparison,
- 2) Extraction,
- 3) Allocation
Income capitalization, divided into two direct capitalization techniques:
- 4) Land residual
- 5) Ground rent capitalization, and
One yield capitalization technique:
- 6) Discounted cash flow analysis (subdivision development analysis)

Direct comparison relates current market activity to the site being valued. Extraction, a variety of abstraction, deducts the depreciated value of the buildings from a sale price to show vacant land value. Allocation, employed when comparable sales evidence is scarce, relies upon a typical land-value-to-property-value ratio. The direct capitalization techniques entail the

9 Appraisal of Real Estate, 2nd Canadian Edition, Appraisal Institute of Canada, Ottawa, 2002, chapter 13

capitalization of income from a single year of property operation. Land residual allocates net revenue from an improved property into its component parts of first, the building, with the residual to the land. Ground rent capitalization converts net lease payments into capital value. The yield capitalization technique explicitly recognizes time-value-of-money considerations. Subdivision development applies to undeveloped acreage where a potential urban development represents the highest and best use of the land. The analyst considers cash flows over the construction and the marketing stages.

There is an established market for freehold land in the residential neighbourhoods surrounding False Creek. The City of Vancouver has a number of leasehold properties throughout the City, typically leased for multifamily development purposes. In the instance of the subject and a number of other local projects, these lands are held under arrangements whereby the rents are paid annually and periodically reviewed. Most projects, though, entail prepaid leases.

Two appraisal methodologies are commonly considered when examining annual land rent for strata development sites: the Direct Comparison method, in which rents on similar sites are analyzed and compared to the subject, and the Rate Times Value method, in which a rate of return is applied to the estimated land value.

Property values are location specific and there is scant information on comparable non-prepaid multifamily land leases involving including truly comparable sites in Vancouver. As a general comment, in our research into comparable land leases, all of the residential data found entailed rents that were determined based on the Rate times Value method, an observation that confirms the validity of the method. We concluded that direct comparison would not provide a value indication that is meaningful and reliable over the dates of interest. Our analysis therefore involves the Rate times Value method for which good evidence is available.

Rate times Value

In general, the reliability of this method depends on the availability of appropriate information on land values and ground rental conversion rates.

Land Value

We surveyed the Vancouver area for evidence of recent sales, listings or offers to purchase on properties that provide useful benchmarks of value for the subject property, emphasizing transactions that are recent sales. Important criteria include:

- Transaction dates near 2002, 2003, 2004 and 2005 the effective dates
- Settings near False Creek
- Similar parcel size
- Similar development potential (density and housing form)
- Similar density, measured in terms of FSR (the basis on which multifamily land trades in Vancouver)
- Similar relationship to the water and to water views.

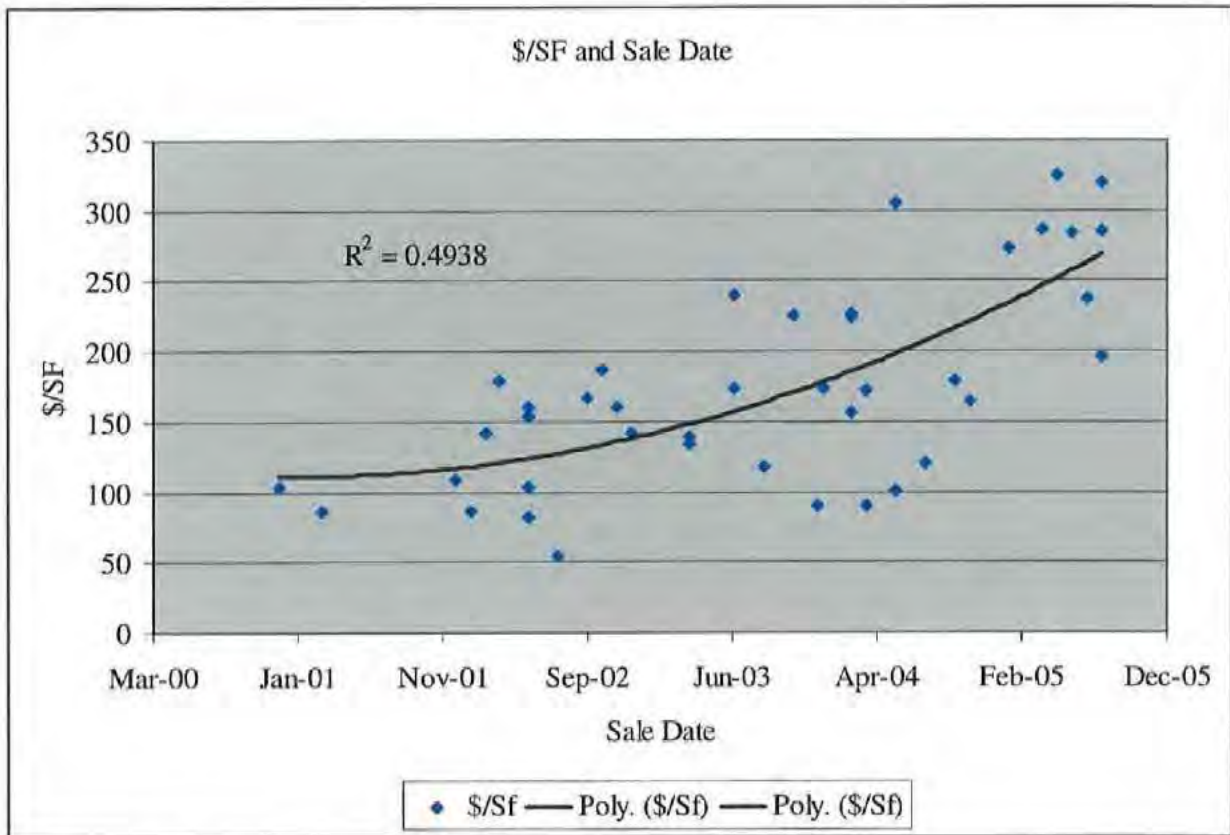
Our mandate for this appraisal involves five effective dates. For ease in presentation, we set out transactions relevant to any of these dates in a single table that summarizes each transaction. An addendum to this report contains supporting information on this data.

Examples of land sales meeting one or more of these criteria follow:

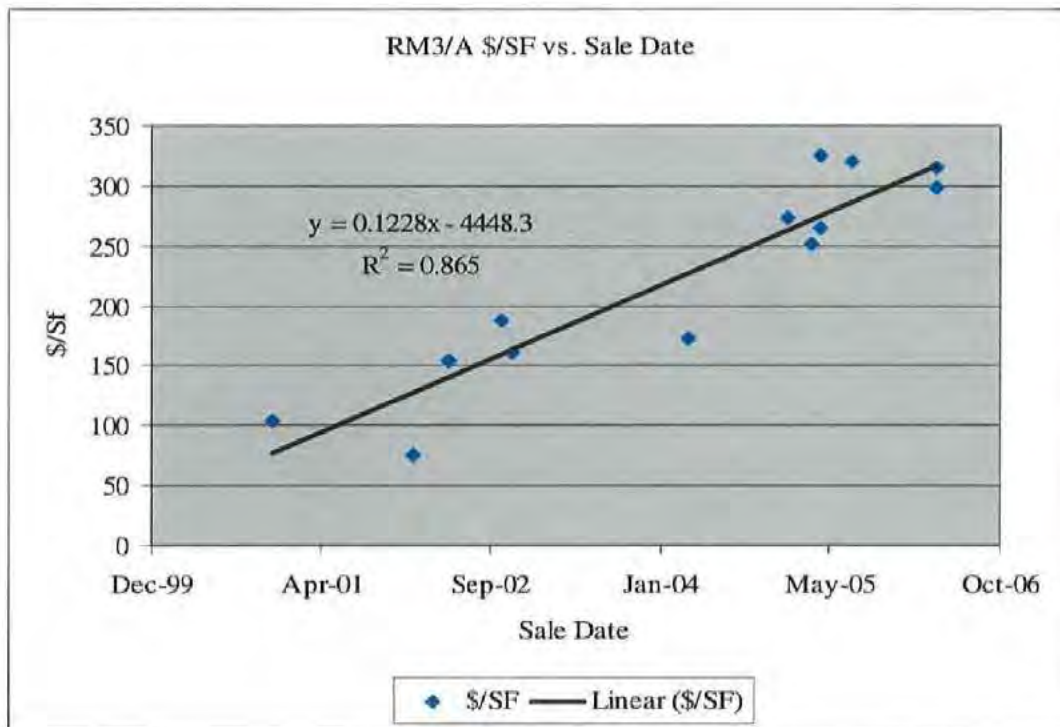
Index	Address	Zoning	Sale Date	Sale Price	Size (SF)	\$/LSF	FSR	\$/SF buildable
1	1586 West 11th Avenue	RM-3	Dec-00	645,000	6,251	103.19	1.85	55.78
2	296 East 12th Avenue, 2835 - 2855 Sophia Street	CD-1	Mar-01	1,945,000	22,712	85.64	2.75	31.14
3	736/56 West 14th Avenue	RM-4	Dec-01	1,366,000	12,502	109.26	1.45	75.35
4	7250 Oak Street (aka 999 West 57th Avenue)	RS-1	Jan-02	4,800,000	55,400	86.64	1.19	73.11
5	1400 Block West 6th Avenue and West 7th Avenue	C-3A	Feb-02	17,200,000	121,667	141.37	3.00	47.12
6	2750 - 2780 Alma Street and 3677 West 12th Avenue	C-2	Mar-02	2,015,000	11,230	179.43	2.50	71.77
7	1250 West 6th Avenue	FM-1	May-02	850,000	10,302	82.51	1.50	55.01
8	926/30 West 16th Avenue	RM-4	May-02	835,000	8,054	103.67	1.45	71.50
9	1356 - 1366 West 13th Avenue	RM-3	May-02	1,930,000	12,502	154.38	1.85	83.45
10	2135 to 2165 West 10th Avenue	C-7	May-02	4,000,000	24986	160.09	2.25	71.15
11	1169 West Cordova Street	CD	Jun-02	16,095,960	42,950	374.76	5.28	70.98
12	939 Main Street	FC-1	Jul-02	3,200,000	58,701	54.51	3.00	18.17
13	2010 West 1st Avenue	RM-4	Sep-02	1,002,500	6,011	166.77	1.45	115.01
14	1605 - 1617 West 14th Avenue	RM-3	Oct-02	2,350,000	12,558	187.13	1.80	103.96
15	1411 to 1427 West 11th Avenue	RM-3	Nov-02	2,000,000	12,502	159.98	1.80	88.88
16	2929 Laurel Street	RM-4	Dec-02	3,560,000	25,003	142.38	1.45	98.20
17	926/30 West 16th Avenue	RM-4	Apr-03	1,070,000	7,985	134.01	1.45	92.42
18	600 - 636 West 6th Avenue (now 2201 Ash Street)	FM-1	Apr-03	3,060,000	22002	139.08	1.50	92.72
19	1475 Howe Street	FCCDD	Jul-03	3,600,000	15,002	239.97	4.50	53.33
20	1628 to 1656 West 7th Avenue	C-3A	Jul-03	2,998,000	17272	173.58	3.30	52.60
21	854 - 864 West 6th Avenue	FM-1	Sep-03	2,600,000	21980	118.29	1.50	78.86
22	1438-1460 Arbutus Street	RM-4	Nov-03	2,245,000	9,950	225.63	1.45	155.61
23	2828 Yew Street	C-7	Jan-04	3,250,000	18731	173.51	2.25	77.12
24	696 West 16th Street	C-2	Mar-04	918,000	4,086	224.67	2.50	89.87
25	1946-1956 West 5th Avenue	RM-4	Mar-04	2,025,000	9,000	225.00	1.45	155.17
26	1661 West 8th Avenue	C-3A	Mar-04	2,500,000	10,999	227.29	3.00	75.76
27	1695 Main Street	M-2	Mar-04	6,782,000	41,857	155.82	3.00	51.94
28	1610 West 10th Avenue	RM-3	Apr-04	1,075,000	6,250	172.00	1.45	118.62
29	1101 West Cordova Street	CD-1	Jun-04	25,469,405	42,166	604.00	5.22	116.00
30	1661-1675 West 8th Avenue	C-3A	Jun-04	8,390,000	27,500	305.09	3.00	102.00
31	2703 - 2771 Guelph Street	RM-4	Jun-04	2,500,000	24,742	101.04	1.45	70.00
32	2620 Quebec Street	RM-4	Aug-04	1,577,500	13,068	120.71	1.45	83.00
33	240-250 West 10th Avenue	RM-4	Oct-04	2,055,000	11,446	179.54	1.45	124.00
34	730-780 West 12th Avenue (aka 2851 Heather Street)	CD-1	Nov-04	17,676,500	107,637	164.22	1.98	83.00

Index	Address	Zoning	Sale Date	Sale Price	Size (SF)	\$/LSF	FSR	\$/SF buildable
35	1436-1466 West 14th Avenue (now 1468 West 14th Avenue)	RM-3	Jan-05	7,690,000	28,125	273.42	1.85	148.00
36	3837-3851 West 4th Avenue	RM-3A	May-05	5,775,000	17,815	324.17	1.45	224.00
37	587 West 7th Avenue	C-3A	Jun-05	3,400,000	11,983	283.73	3.00	95.00
38	1648-1698 West 4th Avenue	C-2B	Jul-05	6,849,994	28,880	237.19	2.50	95.00
39	1315, 1337 and 1345 West 11th Avenue	RM-3	Aug-05	12,000,000	37,496	320.03	1.85	173.00
40	2725 Sophia Street and 254 East 11th Avenue	C-3A	Aug-05	4,750,000	24,263	195.77	3.00	65.00
41	505-525 West Broadway	C-3A	Aug-05	3,500,000	12,256	285.57	3.00	95.00

Due to a strengthening residential market over the 2002 to 2006 time period, sale prices for residential development land increased significantly. We have plotted the sale price per square foot and the sale date of the comparables above (with the exclusion of the outliers).



According to the trend line in the scatter plot above, prices more than doubled from May 2002 to May 2005. A wide variance in data exists as the zoning and allowable floor space ratio varies from comparable to comparable. We have plotted the sale price for RM3/3A- and RM4-zoned sites that sold over this time period. These sites will have the same floor space ratio and should therefore narrow the variability. All sales have a location on the west side of Vancouver.



Both charts suggest that prices nearly doubled over this four-year period. Using the formulas from each chart the compounded monthly increase is 1.87% and 1.83% while the compounded yearly increase equates to 24.94% and 24.26% respectively.

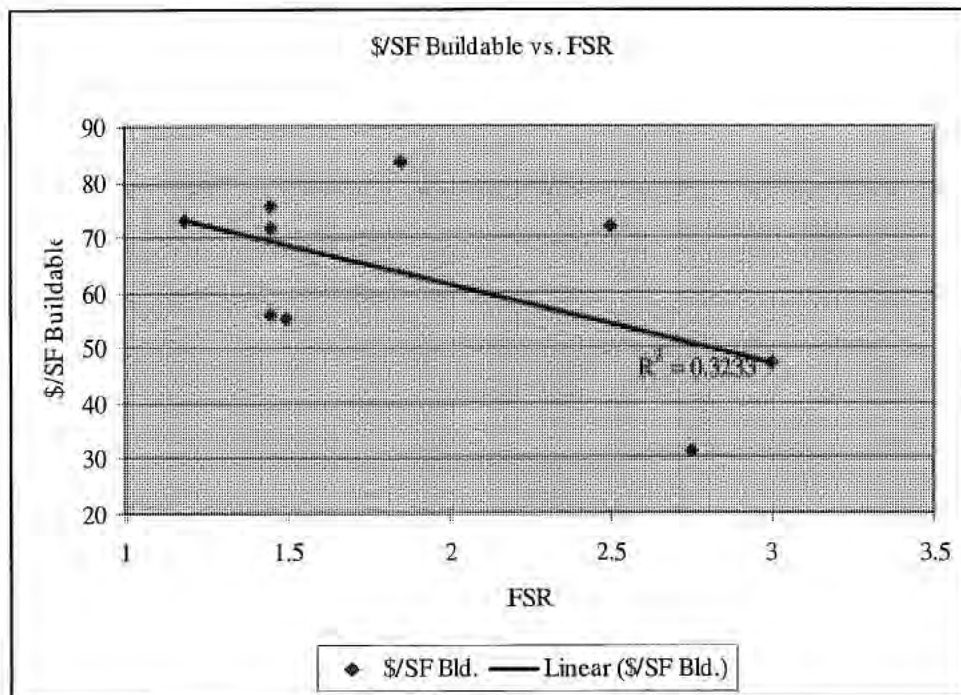
May 1, 2002 Value

We begin the land value as of May 1, 2002. The best comparables will be Index No. 1 through Index No. 9 as summarized in the chart below:

Summary Table								
Index	Address	Zoning	Sale Date	Sale Price	Size (SF)	\$/SF	FSR	\$/SF Bld.
1	1586 W 11th Ave	RM-3	Dec-00	645,000	6,251	103.19	1.85	55.78
2	296 E 12th Ave	CD-1	Mar-01	1,945,000	22,712	85.64	2.75	31.14
3	736/56 W 14th Ave	RM-4	Dec-01	1,366,000	12,502	109.26	1.45	75.35
4	7250 Oak Street	RS-1	Jan-02	4,800,000	55,400	86.64	1.19	73.11
5	1400 Block W 6th	C-3A	Feb-02	17,200,000	121,667	141.37	3.00	47.12
6	2750 - 2780 Alma St	C-2	Mar-02	2,015,000	11,230	179.43	2.50	71.77
7	1250 West 6th Ave	FM-1	May-02	850,000	10,302	82.51	1.50	55.01
8	926/30 W 16th Ave	RM-4	May-02	835,000	8,054	103.67	1.45	71.50
9	1356 - 66 W 13th	RM-3	May-02	1,930,000	12,502	154.38	1.85	83.45
	minimum			645,000	6,251	82.51	1.19	31.14
	median			1,930,000	12,502	103.67	1.45	71.50
	average			3,509,556	28,958	116.23	1.86	62.69
	maximum			17,200,000	121,667	179.43	3.00	83.45

The nine sales above traded between December 2000 and May 2002. Sales prices ranged from \$645,000 to \$17,200,000. Prices per square foot were in the range of \$83 to \$179 with a median and average of \$104 and \$116 respectively while rates per square foot buildable ranged from \$31 to \$83 per square foot with a median and average of \$72 and \$63 per square foot.

In general as the floor space ratio increases, the sale price per square foot buildable decreases. The chart below displays this trend using the sales comparables above. The subject has an FSR of 1.15, below the comparables and with a superior location to all of the comparables. As such, the subject should have a rate per square foot buildable above the \$83.45 per square foot for Index No. 9.



Index No. 1 is an RM-3 zoned site located east of Fir Street on the south side of West 11th Avenue. The property sold in December 2000 for \$645,000 or \$103.19 per square foot. Based on the maximum FSR of 1.85, the transaction reflects a rate of \$55.78 per square foot buildable. This comparable has an inferior location and an older sale date, requiring upward adjustments; overall, this is a lower limit at \$104 per square foot.

Index No. 2 is a comprehensive development zoned site south and east of the subject at East 12th Avenue and Sophia Street. The site was zoned for special needs congregate housing, oriented toward the seniors sector of the market. The property sold in March 2001 for \$1,945,000 or \$85.64 per square foot. Based on a 2.75 FSR the sale reflects a rate per square foot buildable of \$31.14. The location is greatly inferior to the subject and will be a clear lower limit at \$86 per square foot.

Index No. 3 relates to a 12,502 square foot, RM-4 zoned multiple-family development site located on the south side of West 14th Avenue between Heather and Willow Streets. The property sold in December 2001 for \$1,366,000 or \$109.26 per square foot. Based on the 1.45 maximum FSR allowed under the RM-4 designation, the transaction reflects a rate of \$75.35 per square foot buildable. This comparable has a desirable location like the subject; however, the

square feet of gross area, representing an actual floor space ratio of 3.27 based on the net site area (70,936± square feet).

Phase 2 comprised 90 residential units (including 14 townhouses), with Phase 3 involving 173 residential units in a mid-rise and 20-storey high-rise format, together with 4,556 square feet of ground floor retail space along Granville Street. The density on the overall site (263 units) is 94.9 units per net acre, for a FSR of 3.0.

The overall rates are \$141 per square foot of net site area, \$47.12 per buildable square foot, and \$65,399 per unit. Due to the much higher FSR of 3.0 and a desirable location close to the subject with potential water views from higher elevations, this comparable will be an upper limit for the subject at \$141 per square foot of land.

Index No. 6 relates to an 11,230 square foot C-2 zoned residential development site located on the corner of Alma Street and West 12th Avenue. The property sold in March 2002 for \$2,015,000 or \$179 per square foot. Based on the 2.50 FSR allowable the transaction reflects an overall rate of \$71.77 per square foot buildable. With a desirable location and much higher floor space ratio, Index No. 6 is an upper limit at \$179 per square foot of land.

Index No. 7 is a vacant and unimproved property located on the south side of West 6th Avenue, west of Alder Crossing, in the Fairview neighbourhood of Vancouver. The property sold in May 2002 for \$850,000 or \$82.52 per square foot of land, representing a price per buildable square foot of \$55.02. A lower limit for the subject.

Index No. 8 is a development property located on the south side of West 16th Street, west of Laurel Street in the Fairview neighbourhood of Vancouver. The property sold in May 2002 for \$835,000 or \$103.70 per square foot, representing a price per square foot buildable of \$71.52. The property is located along West 16th Avenue, a local collector route. As such, at \$104 per square foot this will be a lower limit for the subject.

Index No. 9 is a 12,502 square foot redevelopment site located on the south side of West 13th Avenue, east of Hemlock Street in Vancouver. The site was improved with an old ten-unit

apartment building and a rental conversion. The property sold in May 2002 for \$1,930,000 or \$154 per square foot. Based on the 1.85 floor space ratio allowable, the transaction reflects a rate of \$83.45 per square foot buildable. The developer was able to secure an additional 0.47 in density due to the restoration of the heritage home. A 13-storey high-rise development was subsequently constructed. Overall, this will be an upper limit at \$154 per square foot with a higher floor space ratio and a similarly desirable location without water views.

Based on the analysis above, the subject should fall in the range of \$110 and \$140 per square foot of land. Given that the floor space ratio is considerably lower than the comparables above, a rate towards the lower end of this range is appropriate at \$120 per square foot. A rate of \$120 per square foot results in a rate per square foot buildable of approximately \$105. At \$120 per square foot value as of May 1, 2002 is equal to **\$6,377,160.**

May 1, 2003 Value

We turn now to the value as of May 1, 2003 where Indices No. 10 to No 18 are the best overall comparables. The chart below summarizes these indices.

Index	Address	Zoning	Sale Date	Sale Price	Size (SF)	\$/SF	FSR	\$/SF Bld.
10	2135 to 2165 West 10th Avenue	C-7	May-02	4,000,000	24986	160.09	2.25	71.15
11	1169 West Cordova Street	CD	Jun-02	16,095,960	42,950	374.76	5.28	70.98
12	939 Main Street	FC-1	Jul-02	3,200,000	58,701	54.51	3.00	18.17
13	2010 West 1st Avenue	RM-4	Sep-02	1,002,500	6,011	166.77	1.45	115.01
14	1605 - 1617 West 14th Avenue	RM-3	Oct-02	2,350,000	12,558	187.13	1.80	103.96
15	1411 to 1427 West 11th Avenue	RM-3	Nov-02	2,000,000	12,502	159.98	1.80	88.88
16	2929 Laurel Street	RM-4	Dec-02	3,560,000	25,003	142.38	1.45	98.20
17	926/30 West 16th Avenue	RM-4	Apr-03	1,070,000	7,985	134.01	1.45	92.42
18	600 - 636 West 6th Avenue (now 2201 Ash Street)	FM-1	Apr-03	3,060,000	22,002	139.08	1.50	92.72
	Minimum			1,002,500	6,011	55	1.45	18.17
	Median			3,060,000	22,002	160	1.80	92.42
	Average			4,037,607	23,633	169	2.22	83.50
	Maximum			16,095,960	58,701	375	5.28	115.01

The comparables sold between May 2002 and April 2003 with sale prices ranging from \$1,002,500 to \$16,095,960. Sales prices range from \$55 to \$375 per square foot of land with a

or \$54 per square foot. Based on the 3.0 FSR allowable, the transaction reflects a rate of \$18 per square foot buildable. This index has an inferior location and will be an overall lower limit at \$54 per square foot.

Index No. 13 is a 6,014 square foot, RM-4 vacant residential development site located on the corner of Maple Street and West 1st Avenue. The property sold in September 2002 for \$1,002,500 or \$167 per square foot. Based on the 1.45 FSR allowable, the transaction reflects a rate of \$115 per square foot buildable. A six-unit townhouse development was constructed on the site in 2004. Overall, this comparable has a very desirable location located three blocks from Kitsilano beach and a similar though slightly higher FSR at 1.45. Overall, at \$167 per square foot of land this will be an upper limit.

Index No. 14 is a 0.288-acre residential parcel of land located on the northeast corner of Fir Street and in the Fairview neighbourhood of Vancouver. The property sold in January 2003 for \$2,350,000 or \$187.16 per square foot, representing a price per unit of \$60,256 and a price per square foot buildable of \$72.98. The comparable has a desirable location in the Fairview area; however, the site will only benefit from views in a high-rise situation and from the upper floors. With a potential floor space ratio of 1.8, this will be an upper limit for the subject at \$187 per square foot of land; the buildable rate at \$103.96 needs an upward adjustment due to the FSR.

Index No. 15 is a 12,500 square foot RM-3 residential property located on the north side of West 11th Avenue, west of Hemlock Street in the Fairview area of Vancouver. The assembly closed in November 2002 and March 2003. This sale was part of an overall site assembly of 12,500 square foot of land assembly including 1411, 1417, 1423 and 1427 West 11th Avenue. The proposed development is 15 units, with eight duplex units in the four existing heritage structures. The entire development site was assembled for a total price of \$2,000,000, which represents a price per square foot of \$160, price per buildable square foot of \$88.96 and price per unit of \$133,333. Overall, at \$160 per square foot of land, this will be a slight upper limit.

Index No. 16 is a 25,003 square foot, RM-4 zoned development site located at the southwest corner of Laurel Street and West 13th Avenue in Vancouver. The property sold in December 2002 for \$3,560,000 or \$142 per square foot. Based on the 1.45 allowable FSR, the transaction

reflects a rate of \$98.19 per buildable square foot. The comparable has an inferior location but a slightly higher floor space ratio. At \$142 per square foot of land, this will be a slightly lower limit.

Index No. 17 is an apartment development site along West 16th Avenue, in Fairview. This interior site had old houses generating revenue of \$3,625 per month. The property sold as a share sale, in April of 2003 for \$1,070,000 or \$133.98 per square foot of land. The transaction represented a price of \$92.40 per square foot buildable and \$66,875 per unit. The property earlier sold in May 2002 for \$835,000. The resale reflects an increase of 28% in about a year. This comparable has an inferior location to the subject and will be a lower limit at \$134 per square foot of land.

Index No. 18 is a development site located on the southwest corner of West 6th Avenue and Ash Street, in Fairview. This 22,000 square foot site is exposed to considerable traffic, mostly from 6th Avenue. An offer to purchase was reported in April 2003 for \$3,060,000 or \$139.09 per square foot of land, representing \$87,429 per unit and \$85.59 per square foot buildable. At the time of offer, the site contained two old commercial buildings that contributed little to overall value. The purchaser intended to build a 35-unit multiple-family residential development. This comparable is the closest to the subject in terms of location. The location is inferior however with a greater distance from the water and a location on a much busier street. The site benefits from a higher FSR at 1.5 and will therefore be a good overall comparable at \$140 per square foot of land.

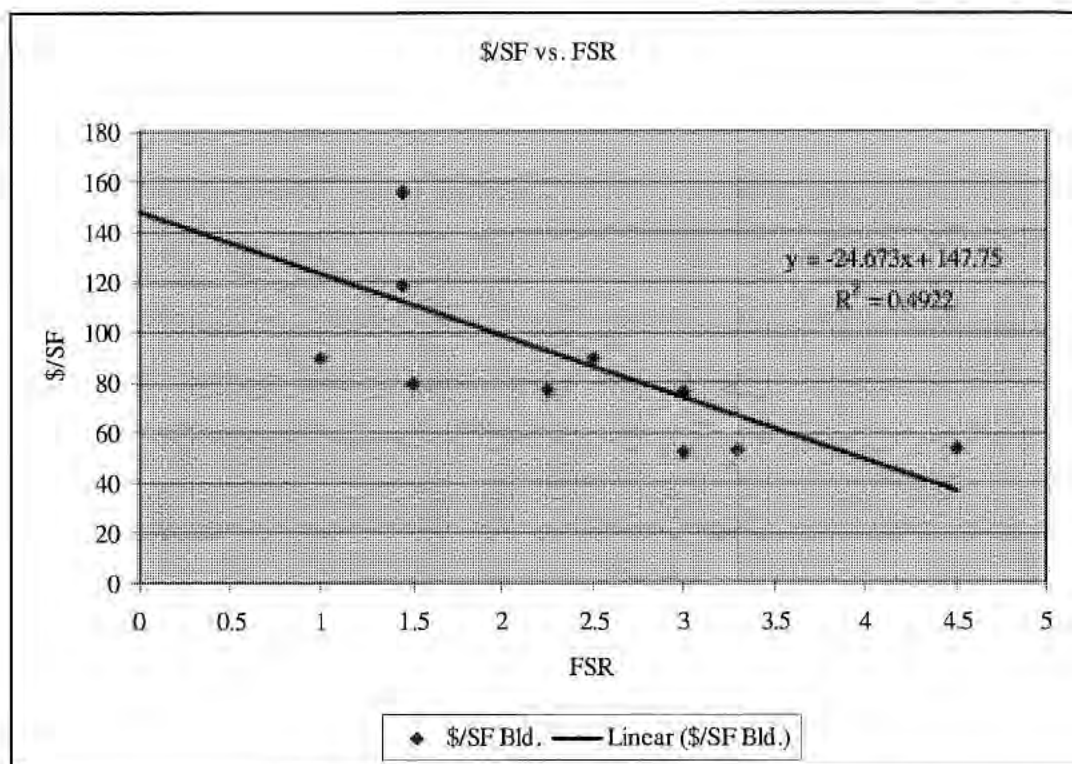
Based on the analysis above the subject should fall in the range of \$135 and \$160 per square foot. At \$145 per square foot, value as at May 1, 2003 is equal to **\$7,705,735**. This results in a rate of \$126 per square foot buildable, consistent with the data found.

‘May 1, 2004 Value’

We turn now to the value as of May 1, 2004 where Indices No. 19 to No 28 are the best overall comparables. The chart below summarizes these indices.

Index	Address	Zoning	Sale Date	Sale Price	Size (SF)	\$.SF	FSR	\$/SF Bld.
19	1475 Howe Street 1628 to 1656 West	FCCDD	Jul-03	3,600,000	15,002	239.97	4.50	53.33
20	7th Avenue 854 - 864 West 6th	C-3A	Jul-03	2,998,000	17272	173.58	3.30	52.60
21	Avenue 1438-1460	FM-1	Sep-03	2,600,000	21,980	118.29	1.50	78.86
22	Arbutus Street	RM-4	Nov-03	2,245,000	9,950	225.63	1.45	155.61
23	2828 Yew Street 696 West 16th	C-7	Jan-04	3,250,000	18731	173.51	2.25	77.12
24	Street 1946-1956 West	C-2	Mar-04	918,000	4,086	224.67	2.50	89.87
25	5th Avenue 1661 West 8th	RM-4	Mar-04	2,025,000	9,000	225.00	1.45	155.17
26	Avenue	C-3A	Mar-04	2,500,000	10,999	227.29	3.00	75.76
27	1695 Main Street 1610 West 10th	M-2	Mar-04	6,782,000	41,857	162.03	3.50	46.29
28	Avenue	RM-3	Apr-04	1,075,000	6,250	172.00	1.85	95.55
	Minimum			918,000	4,086	118.29	1.45	46.29
	Median			2,550,000	13,001	199.13	2.38	77.99
	Average			2,799,300	15,513	194.20	2.48	88.02
	Maximum			6,782,000	41,857	239.97	4.50	155.61

The comparables sold between July 2003 and April 2004 with sale prices ranging from \$918,000 to \$6,900,000. Sale prices range from \$118 to \$240 per square foot with a median and average of \$199 and \$194 respectively. Rates per square foot buildable are between \$52 and \$156 with a median and average of \$78 and \$89. Again, we have plotted the sale price per square foot buildable and FSR to see if rates decreased as the FSR increased.



Index No. 19 is situated along the 1400 block of Howe Street, near False Creek and impacted by the Granville Bridge on-ramps. The property sold in July 2003 for \$3,600,000 or \$240 per square foot of land. Based on the allowable floor space ratio of 4.5, the transaction indicated a rate of \$53.33 per square foot buildable. The property has a desirable location in the False Creek North area and will have unobstructed water views from higher elevations. The site has a much higher density than that of the subject and high-rise development is permitted. At \$240 per square foot of site, this is an upper limit for the subject.

Index No. 20 is a development site in the 1600 block of West 7th Avenue. This four-lot assembly is proposed for redevelopment with an 11-storey townhouse and high-rise concrete multiple-family residential development. The proposed floor space ratio was 3.30 (3.0 plus a 10% heritage density transfer). The property sold in July 2003 for \$2,998,000 or \$173.60 per square foot. The rate per square foot buildable is \$57.87, based on a 3.0 floor space ratio per the land use controls. The location is inferior to the subject; however, the density is greater, overall at \$174 per square foot of land, this will be a slight lower limit for the subject.

Index No. 21 is a 21,981 square foot FM-1 zoned multiple family residential development site located on the south side of West 6th Avenue, west of Willow Street, in Fairview. West 6th Avenue in this location is a busy street. The former "McIver's Appliances" site sold in September 2003 with a development permit in place for a 52-unit low-rise multifamily development that included a small commercial component. The sale price of \$2,600,000 represented \$118.28 per square foot of land, a price per unit of \$50,000 and a price per square foot buildable of \$72.28, based on the maximum 1.5 FSR. With an inferior location to the subject, this will be a lower limit at \$118 per square foot of land.

Index No. 22 is a three-lot assembly located on the east side of Arbutus Street, north of Cornwall Avenue, with a location across from Kitsilano Beach. The properties sold between November 2003 and April 2004 for an aggregate price of \$2,245,000. The trade showed an average rate of \$225.63 per square foot of site and \$155.63 per saleable square foot. The location with a close proximity to the water is similar to the subject and with an RM4 zoning this comparable has a higher FSR at 1.45; therefore, this sale will be a slight upper limit at \$226 per square foot of land.

Index No. 23 is a redevelopment site purchased by PCI at the southeast corner of West 12th Avenue and Yew Street. The property was under contract as at January 2004 for \$3,250,000 or \$77 per square foot buildable (\$174 per square foot of site). Proposed for the site was a 35-unit multiple family development. With an inferior location, this will be a lower limit for the subject at \$174 per square foot of land.

Index No. 24 is a multiple family development site located on the southeast corner of West 16th Avenue and Heather Street, in the Fairview neighbourhood of Vancouver. The property sold in March 2004 for \$918,000 or \$225 per square foot of land. Based on the proposed development, the sale price represents a price per unit of \$114,750. With a maximum floor space ratio of 2.5, the sale represents a price per buildable square foot of \$90. The property has a much higher FSR at 2.5 and will thus be an upper limit at \$225 per square foot of land.

Index No. 25 is a 9,000 square foot assembly located on the south side of West 5th Avenue, west of Cypress Street. The properties traded in March 2004 for \$2,025,000 or \$225 per square foot. Based on a maximum allowable floor space ratio of 1.45, the trade reflects a rate of \$155.17 per square foot buildable. At \$225 per square foot of land, this will be a slight upper limit for the subject with a desirable Kitsilano location and a higher FSR.

Index No. 26 is a 10,999 square foot, C3-A zoned redevelopment site located on the north side of West 8th Avenue between Fir and Pine Streets. At the time of sale, the property was improved with a two-level plus basement commercial office building. The adjacent property owner acquired the property in March 2004 for \$2,500,000 or \$227 per square foot. Based on the maximum FSR of 3.0, the transaction reflects a rate of \$75.76 per buildable square foot. Overall, the sale is an upper limit for the subject at \$227 per square foot with a much higher allowable FSR at 3.0.

Index No. 27 is a redevelopment site bound by Main Street, East 1st Avenue and Quebec Street, in East Vancouver. The improved parcel traded in March 2004 at \$6,782,000 or \$46.30 per buildable square foot at the anticipated maximum floor space ratio at 3.50. The original offer at \$6,782,000 was reduced by \$260,000 to account for anticipated environmental costs. At \$162 per square foot, this will be a lower limit for the subject with an inferior location.

Index No. 28 is situated in the 1600 Block of West 10th Avenue in Fairview. The April 2004 sale at \$1,075,000 showed rates of \$172 per square foot of site and \$118.62 per square foot buildable. At \$172 per square foot, this will be a lower limit for the subject.

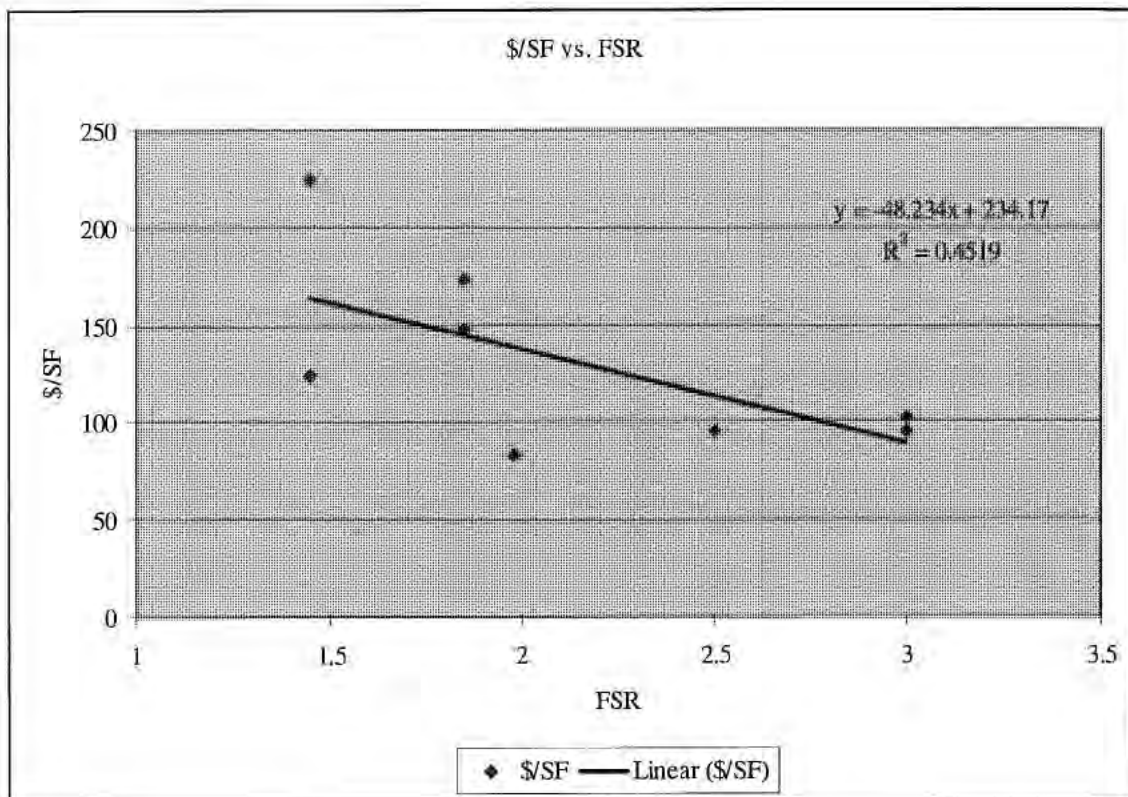
Based on the analysis above, the subject should fall in the range of \$175 and \$225 per square foot. Index No. 22 is the best comparable in terms of a location near the water (at Kitsilano Beach) and a lower allowable FSR at 1.45. The location and FSR are superior to the subject and as such the property should lie towards the lower end of the range established above. A rate of \$190 per square foot results in a rate per square foot buildable of approximately \$165. At \$190 per square foot value as of May 1, 2004 is equal to **\$10,097,170.**

‘May 1, 2005 Value’

We turn now to the value as of May 1, 2005 where Indices No. 29 to No 41 are the best overall comparables. The chart below summarizes these indices.

Index	Address	Zoning	Sale Date	Sale Price	Size (SF)	\$/SF	FSR	\$/SF Build
29	1101 West Cordova Street	CD-364	Jun-04	25,469,405	42,166	604	5.22	116
30	1661-1675 West 8th Avenue	C-3A	Jun-04	8,390,000	27,500	305	3.00	102
31	2703 - 2771 Guelph Street	RM-4	Jun-04	2,500,000	24,742	101	1.45	70
32	2620 Quebec Street	RM-4	Aug-04	1,577,500	13,068	121	1.45	83
33	240-250 West 10th Avenue	RM-4	Oct-04	2,055,000	11,446	180	1.45	124
34	730-780 West 12th Avenue (aka 2851 Heather Street) 1436-1466 West 14th Avenue (now 1468 West 14th Avenue)	CD-1	Nov-04	17,676,500	107,637	164	1.98	83
35	Avenue)	RM-3	Jan-05	7,690,000	28,125	273	1.85	148
36	3837-3851 West 4th Avenue	RM-3A	May-05	5,775,000	17,815	324	1.45	224
37	587 West 7th Avenue	C-3A	Jun-05	3,400,000	11,983	284	3.00	95
38	1648-1698 West 4th Avenue	C-2B	Jul-05	6,849,994	28,880	237	2.5	95
39	1315, 1337 and 1345 West 11th Avenue	RM-3	Aug-05	12,000,000	37,496	320	1.85	173
40	2725 Sophia Street and 254 East 11th Avenue	C-3A	Aug-05	4,750,000	24,263	196	3.00	65
41	505-525 West Broadway	C-3A	Aug-05	3,500,000	12,256	286	3.00	95

The comparables sold between June 2004 and August 2005 with sale prices ranging from \$1,577,500 to \$25,469,405. Sales prices range from \$101 to \$604 per square foot with a median and average of \$273 and \$261 respectively. Rates per square foot buildable are between \$65 and \$224 with a median and average of \$95 and \$113. Again, we have plotted the sale price per square foot buildable and FSR to see if rates decreased as the FSR increased. We removed Index No. 1, a clear outlier, and comparables with an east side location:



Index No. 29 is the sale of part of Marathon Lands, the Harbour Green neighbourhood. The property is part of a land assembly with 1169 and 1139 West Cordova Street. The overall area is zoned to allow 188 units and 226,656 square feet of residential development, reflecting an overall FSR of 5.28. The 42,166 parcel traded in June 2004 for \$25,469,405 or \$604 per square foot. Based on the 5.28 FSR, the transaction reflects a rate of \$116 per square foot buildable. The comparable has a superior location to the subject in the Coal Harbour area with the site benefiting from water views. At \$604 per square foot of site, this comparable is a clear upper limit.

Index No. 30 is the reported June 2004 sale of a 27,500 square foot assembly located on the northeast corner at Pine Street and West 8th Avenue. The property was under contract for \$8,390,000 or \$101.70 per buildable square foot, based on a floor space ratio of 3.0. A development with a floor space ratio of 3.3 has been approved, reflecting a rate of \$92.45 per buildable square foot. Of note is that the vendor was responsible for the relocation of a number of tenants in the two office buildings that improved the assembly. At \$305 per square foot and a much higher FSR than the subject, this will be a clear upper limit.

Index No. 31 is a 24,742 square foot RM-4 zoned site on the west side of Guelph Street between East 11th Avenue and East 12th Avenue, in the Mount Pleasant area of Vancouver. The purchaser is Parklane Ventures, a residential developer. The June 2004 transaction for \$2,500,000 represents a price per square foot of \$101.04 and \$69.68 per square foot buildable. With a clear inferior location, this comparable is a lower limit at \$101 per square foot of land.

Index No. 32 is the sale of adjacent lots with a total size of 13,068 square feet, located on the corner of Quebec Street and East 10th Avenue. The August 2004 transaction at \$1,577,500 represents a price per square foot of \$120.71 and a price per square foot buildable of \$83.25. An east side location in Vancouver makes this index a clear lower limit for the subject at \$121 per square foot.

Index No. 33 traded in October 2004 for \$2,055,000. The property is located at the southeast corner of West 10th Avenue and Alberta Street. The sale price showed rates of \$179.54 per square foot of site, \$123.82 per square foot buildable and \$97,857 per unit, based on the proposed 21-unit development. At \$180 per square foot of site, the comparable is a lower limit for the subject with an inferior location to the subject.

Index No. 34 refers to the April 2004 sale (closing date) of the old nurses' residence at the Vancouver General Hospital. The site, which occupies the southwest corner of West 12th Avenue and Heather Street, sold for \$17,676,500 or \$164.22 per square foot. Proposed for the site was a 230-unit multiple family residential development with a buildable area of 212,997 square feet. The transaction reflected a rate of \$82.99 per buildable square foot. An upward adjustment is required for time as the site was under contract well before the closing date considering that the trade did not close until after a public hearing was held.

Index No. 35 refers to a 28,125 square foot, RM-3 zoned property located on the south side of West 14th Avenue, east of Granville Street. The three-lot assembly closed between January and April of 2005. The purchase price was \$7,690,000, which reflects rates of \$167,174 per unit, \$273.42 per square foot of site and \$147.80 per buildable square foot, based on a 1.85 floor space ratio. At \$273 per square foot of land, this will be an upper limit for the subject with a good location and a higher FSR than the subject.

Index No. 36 is a three-lot redevelopment assembly located on the north side of West 4th Avenue, between Highbury Street and Wallace Street near Jericho Beach. The properties were improved with three wood frame apartment building containing 32 units. A permit was obtained in July 2006 to demolish the existing improvements. In August 2006, a permit was obtained to construct a four-storey, 30-unit development with a gross area of 26,199 square feet. The May 2005 trade at \$5,775,000 reflected rates of \$324.17 per square foot of site and \$220.43 per square foot buildable, based on the proposed development. The property is located two blocks from Jericho Beach Park and at \$324 per square foot will be an upper limit for the subject, which has a lower FSR.

Index No. 37 pertains to a development site located on the north side of West 7th Avenue, west of Cambie Street. The property was listed in November 2004 for \$3,800,000 and sold (closed) in June 2005 for \$3,400,000 or \$283.33 per square foot of land. Based on the 37,846 square foot, eight-storey development proposed for the site the transaction reflected a rate of \$92.27 per buildable square foot. The comparable benefits from a desirable location in the Fairview Slopes area and is close to the subject. Based on the zoning at the time of sale the property had a potential FSR of 3.00. Because of the higher FSR, at \$283 per square foot of site, this index is an upper limit for the subject.

Index No. 38 refers to a 28,880 square foot assembly on the southeast corner of West 4th Avenue and Pine Street. The property traded in July 2005 for a total consideration of \$6,849,994, \$237.19 per square foot or \$94.88 per square foot buildable. The comparable has a less desirable location than that of the subject; however, the FSR is higher at 2.5. These are offsetting; the price per square foot of land is considered a good indicator for the subject.

Index No. 39 pertains to an assembly of three properties totalling 37,496 square feet on the northwest corner of West 11th Avenue and Birch Street in the Fairview neighbourhood of Vancouver. At the time of the sale, the overall property was improved with a rental conversion dwelling and two low-rise apartment buildings. Polygon is proposing a 12-storey high-rise development with a maximum floor area of 69,368 square feet. A building permit was obtained in July 2006 for the development. The properties were assembled in August 2005 for \$11,973,002, \$320.03 per square foot or \$172.99 per square foot buildable. Due to the higher density and high-rise potential, the site is an upper limit for the subject at \$320 per square foot.

Index No. 40 refers to a four-lot assembly on the southwest corner of Sophia Street and East 11th Avenue in Mount Pleasant. The property traded in August 2005 for \$4,750,000 or \$195.77 per square foot of site area. Based on the 81-unit, 73,369 square foot, eight-storey multiple-family residential development proposed, the trade reflects rates of \$64.74 per square foot buildable and \$58,642 per unit. Due to the inferior location, the comparable is a lower limit for the subject at \$196 per square foot of site area.

Index No. 41 refers to a piece of a larger redevelopment site located at the corner of Cambie Street and West Broadway. This portion of the assembly sold in August 2005 for \$3,500,000 or \$285.57 per square foot. Based on a maximum allowable floor space ratio of 3.0, the transaction reflected a rate of \$95.19 per buildable square foot. Due to the much higher floor space ratio, the comparable will be an upper limit at \$286 per square foot.

Based on the analysis above, the subject should fall in the range of \$200 and \$275 per square foot. Index No. 38 is a good indicator at \$237 per square foot suggesting a rate near the middle of this range is appropriate. A rate of \$240 per square foot results in a rate per square foot buildable of approximately \$209. At \$240 per square foot value as of May 1, 2005 is equal to **\$12,754,320.**

Ground rental conversion rate

While the City has at various times adopted policies respecting ground rental conversion rates, it often relies on real estate appraisal advice. We routinely interview officials of property owners (usually government or quasigovernment in character) respecting their land use policies: the majority who monitor the marketplace rely on appraisal advice for properties of material value. Properties of nominal value are often rented using administratively simple policies, involving "zone" values or assessed land value.

2002 Land Rent Study

Municipality or Agency	Land Rent Formula
City of Richmond	The City of Richmond has minimal land leasing activity. One lease negotiated some years ago has a 9.5% yield rate based on market value of the land, with periodic reviews based on current land value with the same 9.5% yield. A City representative is of the opinion the current yield would be in the order of 6.5% to 7.5% because of lower market expectations in today's economy.
City of Vancouver	The City of Vancouver has a number of long-term residential land leases on False Creek. Recent lease renewals were based on a yield rate of 6%, down from the 8% used a few years ago. The City also has a number of industrial land leases, usually on short terms. In those cases, rents are based on what the market will bear, such as \$1.00 per square foot of land area.
City of Surrey	Land rents are based on a broad range of yield rates from 6% to 9%, with the lowest rate applicable to institutional or quasi-public agencies. Surrey negotiated a couple of leases on the Fraser River recently at 9% of estimated land value. Industrial land rents are consistently negotiated at 8% of market value of the land. The 8% rate has not changed in recent years.
Land & Water B.C. Inc. (formerly B.C. Assets & Land Corporation)	This agency of the Provincial Government advises that industrial lands are leased at 8% of market value. A lower rate of 7.5% is used if land is held under a license rather than a lease, and a zonal rate applies to water lot leases.
Vancouver Port Authority	The Port Authority historically used an 8% yield rate against estimated land values. The Authority no longer uses this formula but rather bases rents on what the market will bear, established by negotiation. Its competition is other ports rather than conventional industrial lands in neighbouring municipalities thus the rate times value formula is not a realistic basis to establish land rent.
Fraser River Harbour Commission	The Fraser River Harbour Commission typically charges 8% of market value.

Municipality or Agency	Land Rent Formula
Canadian Pacific Railway	CPR has historically used a 10% yield rate but in many cases has not kept current with land values, thus this rate may be artificially high. A spokesperson for the railway is of the opinion the yield rate will keep pace with the general economy, but indicates CPR would not charge less than 8% of current market value. Rail users may be charged preferential rents.
CN Rail	CNR applies different yield rates to rail users versus non-rail users, with preferential rates applicable to rail users. CNR targets a yield rate of 12% on non-rail land leases.
BC Rail	BC Rail uses 10% consistently and reviews lease rates every two years. The review period was reduced to two years from five years about eight years ago, to keep pace with changing market conditions.

2006 Land Rent Study

Municipality or Agency	Land Rent Formula
City of Richmond	<p>Market rates depend on the land and its use. Yield rates range between 6.5% and 9% and are based on a survey put together by Colliers International in 2003. Agricultural lands are at the very low end of this range. Industrial lands are lower as well with rates ranging between 6% and 6.75%. General commercial and residential would be at the higher end. The City of Richmond has a portfolio of about 108, which include community leases (community function in return for the space) as well as a number of minimal leases.</p> <p>The City has only three commercial buildings. Two of them are fully leased with a rate of return of approximately 8.5% and the last slated for demolition.</p>
City of Vancouver	6% is used to determine prepayment for residential land (in the past it was 8%) and was used circa 2003 in the False Creek area. Commercial renewals are based on a yield rate of 6%. The City did not have any industrial land leases at this time.

Municipality or Agency	Land Rent Formula
City of Surrey	<p>Land rents are generally between 5-6% of fee value. At the lower end will be problem sites, such as those that have poor access, no utilities or limited utilities. Surrey has minimal leasing activity, approximately one or two per year. Farmland rents are generally between 2-3% of fee value. Industrial land rents in the past were consistently negotiated at 8%, and many long-term tenants have this rate.</p> <p>Recent industrial land leases have been based on a rate of 5%. Two such examples include Fraser Pulp Chips and S and R Sawmills, which lease land along the river in Port Kells at a rate of 5%.</p>
Land & Water B.C. Inc. (formerly B.C. Assets & Land Corporation)	<p>This agency of the Provincial Government advises that industrial lands are leased at 8% of market value. A lower rate of 7.5% is used if land is held under a license rather than a lease, and a zonal rate applies to water lot leases.</p> <p>According to the Residential Land Use Policy (effective date August 16, 2004), the annual rental for urban and residential and permanent residential leases is 5% of BCA actual land value with a minimum annual rent of \$500.</p>
Vancouver Port Authority	<p>No rental factor - a percentage of hypothetical land value is not used. Fixed and variable charges are by way of negotiation having regard to the subsidized ports immediately south of the border.</p>
Canadian Pacific Railway	<p>CPR has historically used a 10% yield rate but in many cases has not kept current with land values, thus this rate may be artificially high, however, more efforts are now being made to keep up with the market value of adjoining property. CPR would not charge less than 8% of current market value. CPR does not use a set formula with many of their land being leased for very short-term purposes. Most land leased out by the CPR is atypical.</p>
CN Rail	<p>CNR applies different yield rates to rail users versus non-rail users, with preferential rates applicable to rail users- but market rates are always attempted to be achieved. CNR traditionally targets a yield rate of 12% on non-rail land leases; however, this yield rate may be high right now. CN Rail's lease portfolio has shrunk dramatically over the years as it has sold off a lot of their land across the Lower Mainland and Canada.</p>

Municipality or Agency	Land Rent Formula
BC Rail	BC Rail has maintained a rate of 10% consistently for the past ten years and reviews lease rates every two years to keep pace with changing market conditions. Five-year reviews will be used occasionally, but the standard is two years.
Corporation of Delta	Upgraded some of the current leases to current market rent, which is determined by what other Agricultural land in the area is leased for.
District of North Vancouver	Have not had any new leases in a while. There are no new long-term leases. The rent for the existing long-term leases in place is based on a percentage of their rents. Short-term rentals are determined by market rates in the surrounding area.
Fraser River Harbour Commission	Charge 8% of the utility value. Hire Public Works Canada to water lot zonal value every three years. Then they do a rental through utility formula. Example: a dock is solid and will be 100% of the zonal value and then they will charge 8% of that. A tie up/ship berths may be 50% of the zonal value times 8%. Typically do not tamper with the 8% or zonal value-these things are convention, but they will look at the utility of the water lot and may reduce if for example the habitat is sensitive, or if there is wave action - in other words reduced utility may reduce value.
City of Burnaby Real Estate Department	<p>Leased some agricultural land recently in the Big Bend area- not many comparables in the area so they looked at agricultural lease rates from other municipalities. The City of Burnaby had a couple of parcels leased previously and went a little higher than those rates.</p> <p>Currently .49 acres of commercial land is rented to the movie industry for \$880/month (zoned M-2) or \$10,560/annum. .44 acre of agricultural land is rented on Marine Drive to a greenhouse grower for \$1,300 a year plus applicable taxes. Air structure is a \$1.00 a year. Water lots use the formula set out by Fraser Harbour Commission. The values are all over, as they politically motivated, not in the business of renting out at market.</p> <p>No residential vacant land as it is absorbed by parks. There have been no residential land leases in a long time. In the past, they were only granted to not-for-profit organizations and a long-term basis (e.g. 60 years) at 75% of market value of the vacant land.</p> <p>The City of Burnaby currently has one industrial land lease and used a market comparison approach to determine the rent.</p>

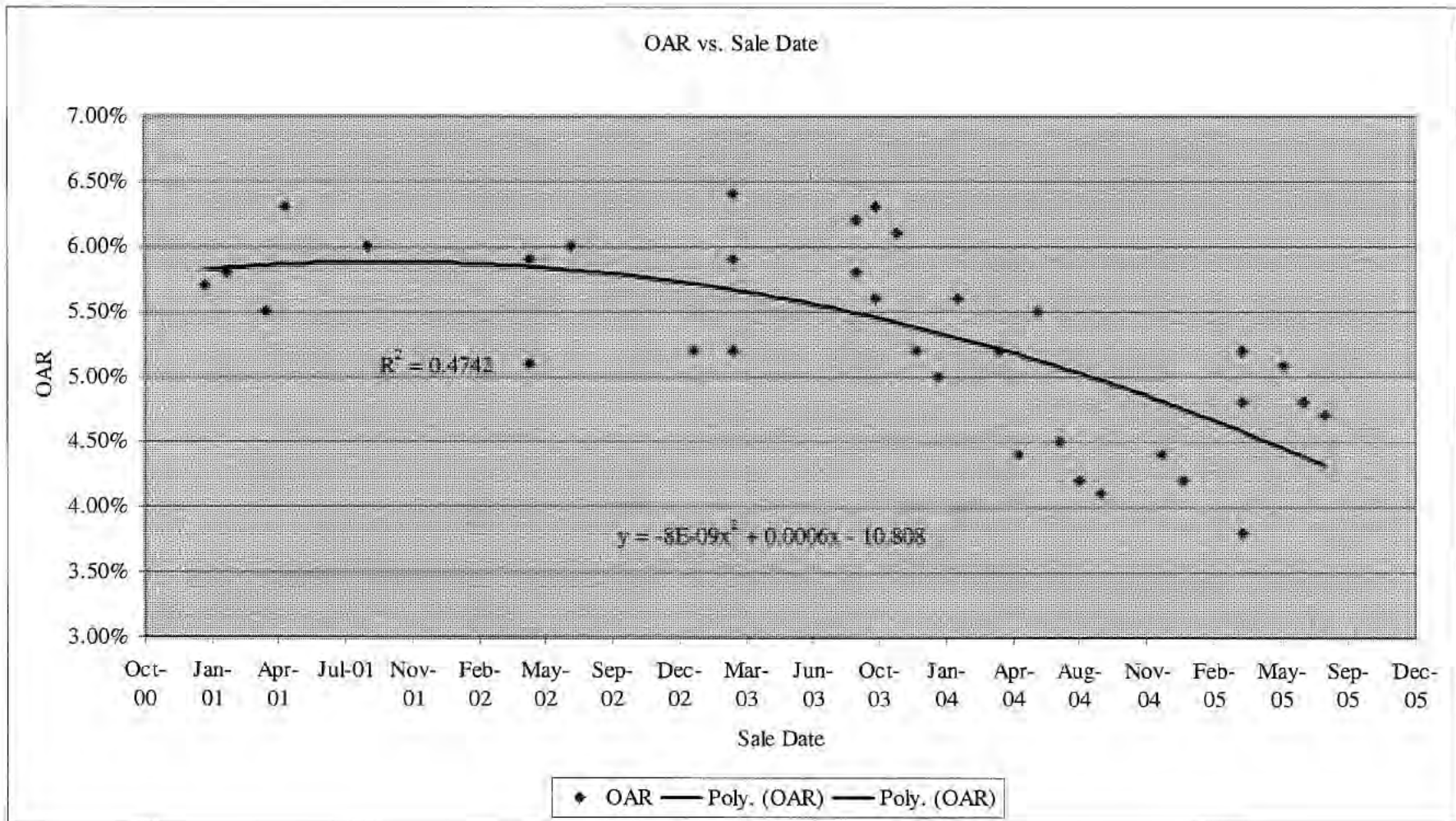
Municipality or Agency	Land Rent Formula
City of New Westminster	Assessed value is relied upon (they consider assessed value to be representative of market value). The City does very few land leases. Most leases are with another government agency.

The various municipalities and agencies surveyed suggest an overall range in yield rates of 6% to 12%, with the province charging as low as 4.5% for rural and remote locations. Industrial rates fall within a narrower range of 8% to 12%, with the preponderance of evidence suggesting 8%. These surveyed rates are as at 2006. Based on a land rent survey completed in 2002, The City of Vancouver had been using residential rates in the range of 6% to 8% in the 1998-2002 period, while the City of Richmond had been using rates of 6.5% to 7.5% as of 2002. Overall, many of the municipalities or agencies have kept the same rates over the 2002 to 2006 period. In our experience, the public sector trails the private sector in setting their rates.

One can gain insight into ground rental conversion rates by examining the overall rates associated with sales of improved multifamily residential rental properties. These improved sales generally show higher rates than appropriate for long-term land leases, due to the need to recapture depreciating building assets. The data is particularly insightful, because the transactions reflect actual investor "going in" rate of return requirements; the frequency of transactions facilitates the examination of trends. Representative sales of improved residential properties include the following.

Index	Address	Area	Sale Date	Sale Price	OAR
1	1122 Haro Street	West End	Aug-00	7,614,900	6.87%
2	1021 Harwood Street	West End	Oct-00	16,380,000	6.12%
3	1215 Beach Avenue	West End	Nov-00	6,300,000	5.29%
4	941 West 13th Avenue	Fairview	Jan-01	3,982,350	5.70%
5	2120 West 44th Avenue	Kerrisdale	Feb-01	6,150,000	5.80%
6	950 Gilford Street	West End	Apr-01	3,975,000	5.50%
7	1434 Burnaby Street	West End	May-01	7,650,000	6.30%
8	1120 Barclay Street	West End	Sep-01	7,985,000	6.00%
9	2170 West 44th Avenue	Kerrisdale	May-02	7,234,998	5.10%
10	1947 Pendrell Street	West End	May-02	6,840,000	5.90%
11	3300 Oak Street	Cambie	Jul-02	5,670,000	7.10%
12	525 West 14th Avenue	Fairview	Jul-02	3,045,000	6.00%
13	2155 West 44th Avenue	Kerrisdale	Nov-02	5,590,000	4.20%
14	1498 Harwood Street	Downtown	Jan-03	6,550,000	5.20%
15	2266 West 1st Avenue	Kitsilano	Mar-03	4,195,227	5.20%
16	2830 Hemlock Street	Fairview	Mar-03	3,595,000	6.40%
17	5976 Tisdall Street	Cambie	Mar-03	8,200,000	5.90%
18	55 East 14th Avenue	Mount Pleasant	Sep-03	3,060,000	5.80%
19	1011 Beach Avenue	West End	Sep-03	28,000,000	4.20%
20	1288 Broughton Street	West End	Sep-03	5,400,000	6.20%
21	1705 West 12th Avenue	Fairview	Oct-03	3,140,000	5.60%
22	1750 Davie Street	West End	Oct-03	9,600,000	6.30%
23	2130 West 3rd Avenue	Kitsilano	Nov-03	3,350,000	6.10%
24	670-692 West 45th Avenue	Fairview	Dec-03	7,994,000	5.20%
25	1550 Vine Street & 2275 York Ave	Kitsilano	Jan-04	4,600,000	5.00%
26	1890 Haro Street	West End	Feb-04	5,446,925	5.60%
27	1306 Cardero Street	West End	May-04	3,102,000	4.40%
28	1076 West 14th Avenue	Fairview	Jun-04	6,250,000	5.50%
29	1848 West 3rd Avenue	Kitsilano	Jul-04	5,275,000	4.50%
30	1580 Haro Street	West End	Aug-04	7,875,000	4.20%
31	2280 Cornwall Avenue	Kitsilano	Sep-04	4,750,000	4.10%
32	5815 Yew Street	Kerrisdale	Dec-04	15,600,000	4.40%
33	2280 Cornwall Street	Kitsilano	Jan-05	4,650,000	4.20%
34	1885 Barclay Street	West End	Apr-05	5,600,000	4.80%
35	1419 Harwood Street	West end	Apr-05	5,500,000	3.80%
36	1228 Nicola Street	West end	Apr-05	12,500,000	5.20%
37	5951 Balsam Street	Kerrisdale	Jun-05	12,883,250	5.08%
38	1461 Harwood Street	West End	Jun-05	5,350,000	4.09%
39	1298 West 10th Avenue	Fairview	Jul-05	7,000,000	4.80%
40	2086 West 2nd Avenue	Kitsilano	Jul-05	3,950,000	4.28%
41	1540 Burnaby Street	West End	Aug-05	3,450,000	4.70%
42	2090 Comox Street	West End	Aug-05	7,888,000	4.09%

The 42 comparables above have sale dates between November 2000 and August 2005 with overall rates ranging from 3.8% to 7.1% with a median of 5.2% and an average of 5.25%. The trend over this time has been a decrease in overall rates. This is primarily due to the falling interest rates in the financial market place, which likely contributed to the large increases in underlying land values as seen previously. Multifamily rental rates have increased over this time as well but not to the same extent as land values causing a downward pressure on overall rates. We have plotted the sale date and overall rate for the comparables above, excluding the outliers.



Simply calculating the intercept of the best-fit line in the chart above suggests that the average overall rates as at May 2002, 2003, 2004 and 2005 were 5.8%, 5.6%, 5.2% and 4.5% respectively. The chart also demonstrates that overall rates fell slightly from 2001 to 2003 and then fell more sharply between 2003 and 2005.

‘May 1, 2002 Rate’

The best comparables for the May 2002 date will be Indices No. 1 to No. 10 as shown in the table below.

Index	Address	Area	Sale Date	Sale Price	OAR
1	1122 Haro Street	West End	Aug-00	7,614,900	6.87%
2	1021 Harwood Street	West End	Oct-00	16,380,000	6.12%
3	1215 Beach Avenue	West End	Nov-00	6,300,000	5.29%
4	941 West 13th Avenue	Fairview	Jan-01	3,982,350	5.70%
5	2120 West 44th Avenue	Kerrisdale	Feb-01	6,150,000	5.80%
6	950 Gilford Street	West End	Apr-01	3,975,000	5.50%
7	1434 Burnaby Street	West End	May-01	7,650,000	6.30%
8	1120 Barclay Street	West End	Sep-01	7,985,000	6.00%
9	2170 West 44th Avenue	Kerrisdale	May-02	7,234,998	5.10%
10	1947 Pendrell Street	West End	May-02	6,840,000	5.90%
	Minimum				5.10%
	Median				5.85%
	Average				5.86%
	Maximum				6.87%

Index No. 1 relates to a 12-storey concrete apartment development located between Bute Street and Haro Street in the West End area. The property sold in August 2000 for \$7,614,900 and at an overall rate of 6.87%.

Index No. 2 is the October 2000 sale of the 22-storey high-rise development known as 'Carlton Court', which is in the 1000 Block of Harwood Street in the West End of Vancouver. The building was constructed in 1977 and had undergone upgrades prior to the sale. The property traded for \$16,380,000 and at an overall rate of 6.12%.

Index No. 3 refers to the sale of an 11-storey, concrete apartment development located in a prime Beach Avenue setting between Bute Street and Jervis Street in the West End area. The property sold in November 2000 for \$6,300,000. The sale was a share purchase structure with the price reflecting an overall rate of 5.3%.

Index No. 4 relates to a three-storey apartment building with 38 suites located on the north side of West 13th Avenue, between Laurel Street and Oak Street in the Fairview area. The property traded in January 2001 for \$3,982,350 and at an overall rate of 5.7%.

Index No. 5 pertains to a 46-unit wood frame apartment building located in the Kerrisdale area east of Yew Street. The property was constructed in 1964 with an FSR of 1.18. The development sold in February 2001 for \$6,150,000 and at an overall rate of 5.8%.

Index No. 6 is the April 2001 sale of a 43-year-old seven-storey apartment building along Guildford Street in the West End of Vancouver. The building contains 38 units mostly in a one-bedroom format. The sale was at \$3,975,000, while the corresponding overall rate was 5.52%.

Index No. 7 relates to a 12-storey high-rise development known as the "Crystal Court Apartments," located in the West End of Vancouver. The property was constructed in 1970 and contains 83 units. The May 2001 transaction was at \$7,650,000 and showed an overall rate of 6.29%.

Index No. 8 is the September 2001 sale of the 'Cameo Manor', an 11-storey high-rise apartment building along Barclay Street in the West End of Vancouver. The development was constructed circa 1962 and includes exercise room, meeting room, 45 underground parking stalls and two elevators. The adjusted sale of \$8,050,000 represents an overall rate of 6.03%.

Index No. 9 is a four-storey apartment building in Kerrisdale, a superior location. The development contains 51 units and was constructed in 1964. The property sold in May 2002 for \$7,234,998, resulting in an overall rate of 5.1%.

Index No. 10 relates to the May 2002 sale of the 'Belmac Apartments', a 10-storey plus penthouse apartment development built in 1969. There are 56 suites, mostly one-bedrooms, and an underground parking garage that accommodates 28 stalls. The property traded at an adjusted price of \$6,840,000, which equates to an overall rate of 5.86%.

Overall rates range from 5.1% to 6.9%, with a median and average of 5.9%. These rates include a rate of return on the land and building investment, as well as recapture of the depreciating improvement asset. All of the indicators require a negative adjustment to reflect a land-only lease situation, but as discussed above, some of the rates require upward adjustment for other factors.

Based on the above, after consideration for the existing strong market conditions, income characteristics, location and relative size, a realistic ground rental conversion rate will lie in the order of 5.25% to 5.75%. According, we adopt a rate of 5.5% for the purpose of the Rate-Times-Value method.

Market rent by the Rate-Times-Value method as at May 1, 2002 is estimated as follows:

\$6,377,160 times 5.5% is \$350,744

This rent is equivalent to \$7,307 per unit per year, and \$5.73 per square foot of building.

‘May 1, 2003 Rate’

We turn now to the best comparables for the May 2003 date comprising Indices No. 11 to Index No. 17.

Index	Address	Area	Sale Date	Sale Price	OAR
11	3300 Oak Street	Cambie	Jul-02	5,670,000	7.10%
12	525 West 14th Avenue	Fairview	Jul-02	3,045,000	6.00%
13	2155 west 44th avenue	Kerrisdale	Nov-02	5,590,000	4.20%
14	1498 Harwood Street	Downtown	Jan-03	6,550,000	5.20%
15	2266 West 1st Avenue	Kitsilano	Mar-03	4,195,227	5.20%
16	2830 Hemlock Street	Fairview	Mar-03	3,595,000	6.40%
17	5976 Tisdall	Cambie	Mar-03	8,200,000	5.90%
	Minimum				4.20%
	Median				5.90%
	Average				5.71%
	Maximum				7.10%

Index No. 11 pertains to the sale of a 50-year old, three-storey apartment building comprising 50 units located along Oak Street near West 17th Avenue. The property sold in July 2002 for \$5,670,000 and at an overall rate of 7.1%.

Index No. 12 relates to the sale of an older four-storey apartment building with 33 suites located on the north side of West 14th Avenue between Cambie Street and Ash Street. The property sold in July 2002 for \$3,045,000 and an overall rate of 6%.

Index No. 13 refers to an eleven-storey concrete apartment development on the north side of West 44th Avenue, east of Yew Street in the Kerrisdale area. The property was constructed in 1965 and required approximately \$300,000 for deferred maintenance specific to water penetration in the underground parking. The property sold in November 2002 for \$5,590,000 or \$4.2%.

Index No. 14 is a 16-storey high-rise apartment building along Harwood Street in downtown Vancouver. The development was constructed in 1965 and comprises 55 units. The property traded in January 2003 for \$6,550,000, with a corresponding overall rate of 5.18%.

Index No. 15 is a well-maintained apartment block with recent suite, plumbing and roof upgrades. The property is located two blocks away from Kits beach and north-facing units on the top three floors have mountain views. Rents include heat and appear somewhat below market levels. The March 2003 sale at \$4,195,227 shows an overall rate of 5.2%.

Index No. 16 is a three-storey apartment building located on the southeast corner of Hemlock Street and West 12th Avenue, in the Fairview neighbourhood of Vancouver. The property sold in March 2003 for \$3,595,000 or \$99,861 per unit, representing an overall rate of 6.40%.

Index No. 17 pertains to the February 2003 sale of the 'Shannon Towers', a nine-storey concrete apartment building along Tisdall Street in the Oakridge neighbourhood of Vancouver. The development was built in 1960 and contains 45 units. Project amenities include an indoor pool, elevator and common laundry facility. The transaction was at \$8,200,000, with a corresponding overall rate of 5.91%.

Overall rates range from 4.2% to 7.1%, with a median and average of 5.9% and 5.7%, respectively. These rates include a rate of return on the land and building investment, as well as recapture of the depreciating improvement asset. All of the indicators require a negative adjustment to reflect a land-only lease situation, but as discussed above, some of the rates require upward adjustment for other factors.

Based on the above, after consideration for the existing strong market conditions, income characteristics, location and relative size, a realistic ground rental conversion rate will lie in the order of 5% to 5.5%. According, we adopt a rate of 5.25% for the purpose of the Rate-Times-Value method.

‘May 1, 2004 Rate’

Market rent by the Rate-Times-Value method as at May 1, 2003 is estimated as follows:

\$7,705,735 times 5.25% is \$404,551

This rent is equivalent to \$8,428 per unit per year, and \$6.61 per square foot of building.

We turn now to the best comparables for the May 2004 date comprising Indices No.18 to Index No. 27.

Index	Address	Area	Sale Date	Sale Price	OAR
18	55 East 14th Avenue	Mt. Pleasant	Sep-03	3,060,000	5.80%
19	1011 Beach Avenue	West End	Sep-03	28,000,000	4.20%
20	1288 Broughton Street	West End	Sep-03	5,400,000	6.20%
21	1705 West 12th Avenue	Fairview	Oct-03	3,140,000	5.60%
22	1750 Davie Street	West End	Oct-03	9,600,000	6.30%
23	2130 West 3rd Avenue	Kitsilano	Nov-03	3,350,000	6.10%
24	670-692 West 45th Avenue	Fairview	Dec-03	7,994,000	5.20%
25	1550 Vine St & 2275 York Ave	Kitsilano	Jan-04	4,600,000	5.00%
26	1890 Haro Street	West End	Feb-04	5,446,925	5.60%
27	1306 Cardero Street	West End	May-04	3,102,000	4.40%
	Minimum			3,060,000	4.20%
	Median			5,000,000	5.60%
	Average			7,369,293	5.44%
	Maximum			28,000,000	6.30%

Index No. 18 is a three-storey apartment building located on the north side of East 14th Avenue, east of Ontario Street in Vancouver. The building sold for \$3,060,000; however, it required approximately \$150,000 in capital expenditures for replumbing and interior water damage, suggesting an adjusted sale price of \$3,210,000. With a net operating income of \$185,809, the adjusted sale price represents an adjusted overall rate of 5.79%.

Index No. 19 pertains to the September 2003 sale of the 'Martello Tower' complex, a 32-storey high-rise development along Beach Avenue in the West End of Vancouver. The building was constructed in 1968 and has an underground parking garage and one elevator. The expense ratio appears high at 40%, which is reflected in the overall rate of 4.21%. The transaction involved the acquisition of the holding company for \$28,000,000 and the subsequent sale of the real estate assets for a reported \$29,250,000.

Index No. 20 is a September 15, 2003 sale of a six-storey reinforced concrete apartment building located at the northeast corner of Broughton and Burnaby Streets. The building contains 42 suites, 18 underground parking stalls and an elevator. The property sold for \$5,400,000, resulting in an overall rate of 6.2%.

Index No. 21 represents a three storey, wood frame building on the northwest corner of West 12th Avenue and Pine Street in Vancouver. The property sold in October 2003 for \$3,140,000 or an overall rate of 5.63%.

Index No. 22 is the October 2003 sale of the 'English Bay Towers', a 12-storey development constructed circa 1964. There are 90 units of bachelor and junior one-bedroom formats. The building had some deferred maintenance issues and above average vacancies. The purchaser intended to upgrade the suites and re-lease at higher rents. The property traded for \$9,600,000 resulting in an overall of 6.3%.

Index No. 23 is a three-storey plus penthouse walk-up apartment block located on the south side of West 3rd Avenue in Kitsilano. The building contains 22 recently renovated suites and is in good condition. The November 2003 sale at \$3,350,000 reflects an overall rate of 6.1%.

Index No. 24 pertains to the December 2003 sale of a 31-unit, multiple-family residential rental development on the south side of West 45th Avenue, west of Tisdall Street, in Kerrisdale. The property sold for \$7,994,000, indicating an overall rate of 5.2%.

Index No. 25 represents two three-storey, wood frame apartment buildings located on the northeast corner of Vine Street and York Avenue. The properties, which comprise a total of 33 units, sold in January 2004 for \$4,600,000. Based on an estimated stabilized net income of \$230,000 the transaction showed an overall rate of 5.0%.

Index No. 26 is the February 2004 sale of the 'El Navaro' development, which was constructed in 1958 and contains 42 units. The transaction was at \$5,446,925, resulting in an overall rate of 5.6%.

Index No. 27 refers to a 23-unit apartment building located on the southeast corner of Cardero Street and Harwood Street. The property was under contract in May 2004 for \$3,102,000. The trade indicated an overall rate of 4.5%.

Overall rates range from 4.2% to 6.3%, with a median and average of 5.6% and 5.4%, respectively. These rates include a rate of return on the land and building investment, as well as recapture of the depreciating improvement asset. All of the indicators require a negative adjustment to reflect a land-only lease situation, but as discussed above, some of the rates require upward adjustment for other factors.

Based on the above, after consideration for the existing strong market conditions, income characteristics, location and relative size, a realistic ground rental conversion rate will lie in the order of 4.5% to 5%. According, we adopt a rate of 4.75% for the purpose of the Rate-Times-Value method.

Market rent by the Rate-Times-Value method as at May 1, 2004 is estimated as follows:

$\$10,097,170 \text{ times } 4.75\% \text{ is } \$479,615$

'May 1, 2005 Rate'

This rent is equivalent to \$9,992 per unit per year, and \$7.83 per square foot of building.

We turn now to the best comparables for the May 2005 date comprising Indices No.28 to Index No. 42.

Index	Address	Area	Sale Date	Sale Price	OAR
28	1076 West 14th Avenue	Fairview	Jun-04	6,250,000	5.50%
29	1848 West 3rd Avenue	Kitsilano	Jul-04	5,275,000	4.50%
30	1580 Haro Street	West End	Aug-04	7,875,000	4.20%
31	2280 Cornwall Avenue	Kitsilano	Sep-04	4,750,000	4.10%
32	5815 Yew Street	Kerrisdale	Dec-04	15,600,000	4.40%
33	2280 Cornwall Street	Kitsilano	Jan-05	4,650,000	4.20%
34	1885 Barclay	West End	Apr-05	5,600,000	4.80%
35	1419 Harwood Street	West end	Apr-05	5,500,000	3.80%
36	1228 Nicola Street	West end	Apr-05	12,500,000	5.20%
37	5951 Balsam	Kerrisdale	Jun-05	12,883,250	5.08%
38	1461 Harwood Street	West End	Jun-05	5,350,000	4.09%
39	1298 West 10th Avenue	Fairview	Jul-05	7,000,000	4.80%
40	2086 West 2nd Avenue	Kitsilano	Jul-05	3,950,000	4.28%
41	1540 Burnaby Street	West End	Aug-05	3,450,000	4.70%
42	2090 Comox Street	West End	Aug-05	7,888,000	4.09%
Minimum					3.8%
Median					4.4%
Average					4.5%
Maximum					5.5%

Index No. 28 is a 26-unit, low-rise, apartment building located on the south side of West 14th avenue, one block west of Oak Street in the Fairview area. The property sold in June 2004 for \$6,250,000 or at an overall rate of 5.5%.

Index No. 29 is a 41-unit apartment building located on the south side of West 3rd Avenue, west of Burrard Street. The property sold in July 2004 for \$5,275,000. The transaction indicated an overall rate of 4.5%.

Index No. 30 is a nine-storey high-rise development on Haro Street in the West End. It traded in August of 2004 for \$7,875,000. The capitalization rate of 4.2% is reduced by the premium associated with high-rise developments.

Index No. 31 is located in Kitsilano directly across from Kits Beach on Cornwall Avenue in Vancouver. The subject property sold in September 2004 for \$4,750,000, with a 4.1% overall rate.

Index No. 32 refers to the December 2004 sale of an 83-unit, 14-storey, high-rise apartment building on the west side of Yew Street, north of 43rd Avenue in the Kerrisdale neighbourhood of Vancouver; the site measures 33,106 square feet and has RM-3 zoning. The building contained 15 studios, 55 one-bedroom units and 13 two-bedroom units and was reportedly in good condition at the time of the sale. The property traded for \$15,600,100, while the overall rate was 4.4%.

Index No. 33 is a 24-unit apartment building located on a 12,000 square foot RM-4 zoned site on Cornwall Avenue in the Kitsilano area of Vancouver. A January 2005 offer for \$4,650,000 closed in April 2005. The offer reflects an overall rate of 4.2%. Rents were regarded as below market at the time of the sale.

Index No. 34 is a 14-storey, concrete high-rise apartment building in the West End. The property was listed in July 2004 for \$12,875,000, eventually selling in April of 2005 for \$12,500,000. The transaction reflected an overall rate of 5.2%.

Index No. 35 pertains to a 42-unit, seven-storey concrete apartment building on an 8,646 square foot RM5-A zoned site, midblock on the north side of Harwood Street, west of Broughton, in the West End neighbourhood of Vancouver. The property traded in April 2005 for \$5,500,000. The overall rate was 3.83%, expenses at \$2,987 a unit are reasonable, but reflect a high operating expense ratio of 37%, demonstrating that rents are low, thus depressing the overall rate.

Index No. 36 involves a 50-year-old five-storey concrete apartment building located on the northeast corner of Barclay and Gilford Streets. Hollyburn Properties acquired the property from an estate. This 41-suite property has mostly bachelor units, and occupies a small 8,712 square foot RM-5B zoned site. Closing in April of 2005, this \$5,600,000 sale yielded a 4.8% overall rate.

Index No. 37 is Bermuda Manor, a 67-unit three-storey wood frame apartment in Kerrisdale; The 49,500 gross square foot improvement represents a 1.33 FSR on the 36,920 square foot RM-3 zoned site - maximum density would be 1.45 FSR. Estimated at 35 to 40 years in age, the June 2005 sale at \$12,883,250 represents a 5.08% overall rate.

Index No. 38 is an older four-storey mill and masonry apartment at the corner of West 10th Avenue and Birch Street, in Vancouver's Fairview neighbourhood. This 69-suite apartment sits on a 12,632 square foot RM-3 zoned site, and albeit clean had significant deferred maintenance at the time of sale. The July 1, 2005 sale at \$7,000,000 produced an overall rate of 5.7% and an 11.7 EGIM, based on the income profile "as is."

Index No. 39 pertains to a 22-unit, wood-frame apartment building on Burnaby Street in the West End of Vancouver. The property traded in December 2005 for \$3,450,000. The transaction reflected an overall rate of 4.7%.

Index No. 40 refers to a four-storey, 28-unit apartment building located on the south side of West 2nd Avenue in the Kitsilano area. The property sold in July 2005 for \$3,950,000. The transaction indicated an overall rate of 4.3.

Index No. 41 is a ten-storey, 38-suite apartment building on the northeast corner of Nicola Street and Harwood Street, in Vancouver's West End. The RM-5 zoned site is small, at only 9,432 square feet, but it offers views from the upper levels. Closing in December of 2005, the \$5,350,000 sale yielded an overall rate of 4.1%, with expenses at a high 37.3%.

Index No. 42 is a six-storey apartment building on the south side of Comox Street, west of Chilco. This 41-suite apartment project occupies an 11,921-square foot RM-5B zoned site. The property closed in August 2005 at a price of \$7,888,000, representing an overall rate of 4.1% overall rate, an expense ratio of 32.1% and an EGIM of 16.6%.

Overall rates range from 3.8% to 5.5%, with a median and average of 4.4% and 4.5%, respectively. These rates include a rate of return on the land and building investment, as well as recapture of the depreciating improvement asset. All of the indicators require a negative adjustment to reflect a land-only lease situation, but as discussed above, some of the rates require upward adjustment for other factors.

Based on the above, after consideration for the existing strong market conditions, income characteristics, location and relative size, a realistic ground rental conversion rate will lie in the order of 3.9% to 4.3%. According, we adopt a rate of 4.1% for the purpose of the Rate-Times-Value method.

Market rent by the Rate-Times-Value method as at May 1, 2005 is estimated as follows:

\$12,754,320 times 4.1% is **\$522,927**

This rent is equivalent to \$10,894 per unit per year, and \$8.54 per square foot of building.

CERTIFICATION

Re: Millbank Road, (VR 419), Vancouver, British Columbia

We hereby certify that, except as otherwise noted in the preceding analysis, 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 are our personal impartial, and unbiased professional analyses, opinions and conclusions;
- we have no present or prospective interest or bias in the subject property, and no personal interest or bias with respect to the parties involved;
- our engagement in and compensation for this assignment were not contingent upon developing or reporting predetermined results, 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;
- we have the knowledge and experience to complete this assignment competently;
- as of the date of this report, the undersigned has fulfilled the requirements of The Appraisal Institute of Canada Continuing Professional Development Program for designated members and candidate members;
- no one provided significant professional assistance to the person signing this report; Andrea Franz assisted with factual research and report drafting.
- the undersigned personally inspected the subject property on April 21, 2006;
- based upon the data, analyses and conclusions contained herein, the annual net market rental value of the interest in the property described, as at May 1, 2002 is estimated at:

THREE HUNDRED AND FIFTY THOUSAND SEVEN HUNDRED AND FOURTY FOUR DOLLARS
(\$350,744)

As at May 1, 2003 is:

FOUR HUNDRED AND FOUR THOUSAND DOLLARS FIVE HUNDRED AND FIFTY-ONE DOLLARS
(\$404,551)

As at May 1, 2004 is:

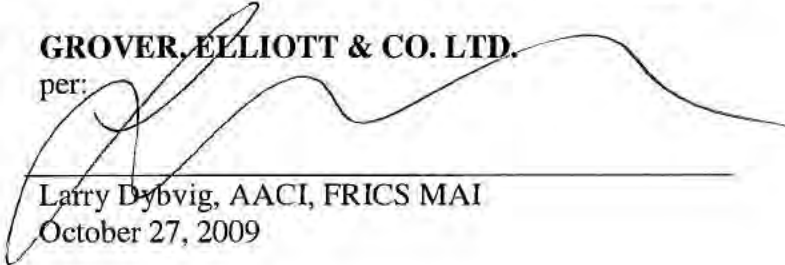
FOUR HUNDRED AND SEVENTY NINE THOUSAND SIX HUNDRED AND FIFTEEN DOLLARS
(\$479,615)

As at May 1, 2005 is:

FIVE HUNDRED AND TWENTY TWO THOUSAND TWO HUNDRED AND NINETY SEVEN DOLLARS
(\$522,297)

GROVER, ELLIOTT & CO. LTD.

per:



Larry Dybvig, AACI, FRICS MAI
October 27, 2009

ASSUMPTIONS AND LIMITING CONDITIONS

Appendix 1

Re: Millbank Road (VR419) Vancouver, British Columbia

The only party who may rely on the opinions expressed in this report is the specified intended user. This report assumes that only the intended user specified herein will rely upon it, and only for the intended use stated herein. No one else may rely on this report without the written consent of the appraiser, which we may not provide retroactively. We expressly deny any legal liability for unauthorized reliance and for any other use.

The basis of the opinions and estimates herein is information gathered from various sources considered reliable and believed to be correct.

We assume no responsibility for factors relating to the legal description, state of title or for unapparent conditions of the property not brought to our attention that might affect value.

We have included plans and sketches for visual reference only. We cannot assume responsibility for the accuracy of such illustrations where the basis was third party sources.

The client or identified third parties provided figures in this report relating to land and floor areas unless stated otherwise. Incorrect land and floor areas could render our analysis and conclusions invalid.

The economic conditions and outlook current at the date of valuation form the basis of our opinions and conclusion of value. Because market conditions, including economic, social and political factors change rapidly, and, on occasion, without warning, it could be misleading to rely on the market value estimate expressed herein as of any other date except with the further advice from the appraiser, for which advice we will accept no responsibility unless made formally and confirmed in writing.

We undertook no investigation with the local zoning office, the fire department, the building inspector, the health department or any other government regulatory agency except as expressly described in this report. The subject property must comply with such government regulations. Any non-compliance may affect market value. Confirming compliance could require further investigations.

We were not provided with studies of hazardous materials or contaminated land, and we were not authorized to commission such studies. We therefore offer no opinion with respect to the status of the lands or soils. We assume no responsibility for any such conditions or for any specialized expertise or engineering knowledge required to discover, remove or eliminate them.

- 2 -

We recommend retaining an expert in this field if doubt exists about the quality of the soils or groundwater.

The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or

future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.

Except as this report specifically notes otherwise, our conclusions presume that the appraised property is free and clear of all liens or encumbrances except normal mortgage financing. Our valuation excludes the cost to retire the mortgage obligation.

Our report presumes that adequate fire, peril and liability insurance are available to cover any reasonable use of the property, at costs and terms that have been typical over the years.

The liability of Grover, Elliott & Co. Ltd. for a claim related to professional service provided pursuant to this service in either contract negligent misrepresentation or tort, including the owner's, officers, employees or subcontractors of the firm is limited to the extent that such liability is covered by the Appraisal Institute of Canada's errors and omissions insurance in effect from time to time, which is available to indemnify the company and its appraisers at the time the claim is made and not more than two years after the services are rendered.

No one should rely on this report in any context other than that in which we present it. Use in excerpted or partial form could mislead.

Possession of this report, or a copy of it, does not carry the right to reproduction or publication, in full or in part. No one other than the identified intended user can use this report for its stated purpose. No one can use this report for any other purpose without our written consent. Exceptions exist for due process of law and for confidential review by the Appraisal Institutes of Canada and the United States.

Attendance at any legal proceedings with respect to this report, and any fees and expenses for preparation and attendance requires our prior agreement. However, neither this nor any other limiting condition is an attempt to limit the use that a judicial body might make of this report should it properly become evidence in duly constituted proceedings. In such a case, the judicial body will decide the use of the report that best serves the administration of justice.

This report is valid only if it bears the original signature of the author.

We cannot monitor changes to our reports once they leave our office, nor can we prevent changes, additions or deletions in copies of our reports. We recommend that people intending to rely on our report do so only after reading an original copy in its entirety. With the prior consent of our client, we will provide an original of this report.

Addenda for:
VR442, VR419, VR514
VR466 & VR588

Index No. 1 (Land)

Property Identification

Address	1586 West 11th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lot 6, Block 390, District Lot 526, Plan 991

PID	015-013-260
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Land Data

Lot Size	6,251 square feet or 0.144 acres
Zoning	RM-3, Multiple Dwelling
Buildable Area (Allowable)	9,064 square feet

Sale Data

Date	~December 2000 (closed)
Price	\$645,000
Instrument Number	BR142729
Vendor	Beulah Evelyn Miller and Kenneth & Michael Miller, ASO's
Purchaser	Handmade Development Corporation - Developer, Don Van Vleit, ASO

Remarks

Old house on property, just east of Fir Street, value in land. Price per square foot buildable calculated on the maximum FSR of 1.85. Subsequent to the date of sale a Development Application was submitted to the City of Vancouver Planning Department on June 19, 2001 regarding the development of an eight unit multi-family residential building with underground parking. This development was completed in 2003.

Indicators

Price/Acre	\$4,494,774
Price/SF	\$103.19
Price/Buildable SF	\$55.78(Based on FSR 1.85) Allowed

Index No. 2 (Land)

Property Identification

Property Name	Cavell Gardens
Address	296 East 12th Avenue, 2835 - 2855 Sophia Street, Vancouver
Neighbourhood	Mount Pleasant
Legal Description	Lot 1, Plan LMP25725 and Parcel 1, Plan LMP25293; both of Block 114, District Lot 301, Group 1, NWD
PID	023-226-811 and 023-226-790

Land Data

Lot Size	22,712 square feet or 0.521 acres
Zoning	CD-1, Comprehensive Development
OCP Designation	Comprehensive Development
Buildable Area (Allowable)	62,459 square feet
Units (Allowable)	130
Units (Planned)	130

Sale Data

Date	~March 2001 (closed)
Price	\$1,945,000
Instrument Number	BR067444/45
Vendor	Kevin Plaza Holdings Ltd. and KMB Development Corporation - John Svoboda, ASO
Purchaser	Cavell Gardens Ltd. - Peter Bieg, Lawyer

Remarks

Land only, zoned for special needs congregate housing for seniors. Prior to the date of sale building permits BU412714 & BU412715 had been issued by the City of Vancouver for construction of a seniors housing development. The development will consist of one seven-storey building and one five-storey building containing a total of 130 units of rental congregate housing for seniors. Suite mix is reportedly 59 studio units, 51 one-bedroom units and 20 shared units.

Indicators

Price/Acre	\$3,730,341
Price/SF	\$85.64
Price/Buildable SF	\$31.14 (Based on FSR 2.75) Allowed
Price/Unit	14,962(249.3 Units/Acre)

Index No. 3 (Land)

Property Identification

Address	736/56 West 14th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lots 4 and 5, Block 458, District Lot 526, Plan 2118

Land Data

Lot Size	12,502 square feet or 0.287 acres
Zoning	RM-4, Multiple Dwelling
OCP Designation	Maximum 1.45 FSR
Buildable Area (Planned)	1 square feet

Sale Data

Date	~December 2001 (closed)
Price	\$1,366,000
Purchaser	Braebern Developments Ltd.

Remarks

Old house, interior site. Maximum buildable potential of 18,125 square feet at 1.45 FSR. In 2003, the "Braebern" was completed; a 23-unit four-storey apartment development.

Indicators

Price/Acre	\$4,759,582
Price/SF	\$109.26
Price/Buildable SF	\$75.35 (Based on FSR 1.45) Allowed

Index No. 4 (Land)

Property Identification

Address	7250 Oak Street (aka 999 West 57th Avenue), Vancouver
Neighbourhood	South Cambie
Legal Description	Lot 2, Block 16A, District Lot 526, Group 1, New Westminster District Plan LMP53218

PID	025-372-378
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Land Data

Lot Size	55,400 square feet or 1.272 acres
Zoning	RS-1, One-Family Dwelling District
OCP Designation	(proposed CD-1, Maximum 1.185 FSR)
Buildable Area (Planned)	61,000 square feet
Units (Planned)	92

Sale Data

Date	Under Contract ~January 2002 (closed April 2002)
Price	\$4,800,000
Instrument Number	BT131836
Vendor	The Governing Council of The Salvation Army - Linda Bond, Vice-Chairman
Purchaser	Sunrise of Vancouver Ltd. - Thomas Newell, President

Remarks

Proposed rectangular lot at northeast corner of Oak Street and West 57th Avenue to be subdivided off from existing legal parcel of 109,771± square feet. Existing owner (The Salvation Army) to retain the north half with existing improvements as a shelter. Improvements on south half to be demolished and the purchaser is proposing a high end assisted living apartment complex. Non-strata rental at projected \$4,000 per month per unit. Property was successfully rezoned to CD-1 (410) effective April 2002; allowing an maximum FSR of 1.1.

The purchaser (Sunrise) has just completed similar development on North Shore. Rezoning in final stages awaiting only subdivision and demolition. Agent reports that the entire site has been on the market for more than four years. Offers from major developers for condominium use three to four years ago in the \$11 to \$11.7 million range (\$83 to \$85 per square foot buildable) that were not accepted. After market decline, only offers in the very low \$70's were received, with the current purchaser outbidding condominium uses.

Indicators

Price/Acre	\$3,774,178
Price/SF	\$86.64
Price/Buildable SF	\$78.69 (Based on FSR 1.10) Planned
Price/Unit	52,174(72.3 Units/Acre)

Index No. 5 (Land)

Property Identification

Property Name	Portico Phase II and III
Address	1400 Block West 6th Avenue and West 7th Avenue, Vancouver
Neighbourhood	False Creek
Legal Description	Lots 1 and 2, Block 291, District Lot 526, Group 1, Plan 46946
PID	024-826-324 and 024-826-332

Land Data

Lot Size	121,667 square feet or 2.793 acres
Zoning	C-3A, Commercial

Sale Data

Date	~February 2002 and August 2000
Price	\$17,200,000
Adjustments	
Instrument Number	BP183893/BT6363
Vendor	Southam Inc. - Donald Ross, ASO
Purchaser	Bosa Development Corp. - Nat Bosa, ASO

Remarks

Lot 1 (West - Phase 3) - 0.659 hectares (70,936 square feet or 1.63± acres)

Lot 2 (East - Phase 2) - 0.460 hectares (49,516 square feet or 1.14± acres)

Total - 1.119 hectares (120,452 square feet or 2.77± acres)

The south component of two city blocks also bounded by Granville Street and Hemlock Street consisting of the former "Pacific Press" site owned by Southam Inc. for an extensive period of time and were fully under contract (dated January 31, 1997) with subsequent amendments. The total purchase price was \$31,784,208 for both Blocks, of which the "North Site" purchase price (closing 1998) was \$14,584,208, and the "South Site" total purchase price is \$17,200,000 with the closing extended due to market conditions. The allocation to the Phase 2 site (Lot 2) was \$6,272,109.59, closing July 31, 2000, with the price for the Phase 3 site (Lot 1) being \$10,927,890.41, to close January 2002. The transaction described relates to the site in its initial raw and unsubdivided state.

The site offers very good northern view aspects and very good access characteristics. It is our understanding that the extensive associated off-site construction costs associated with the overall project are to the City's account, and only the normal development cost charge of \$5 per square foot of floor space ratio area will apply. The property has received development permit and building permit approval for a mixed use development in two phases, with a gross building area for floor space ratio purposes of 365,000 square feet. Phase 2 or the easterly component (Lot 2) will consist of 133,100 square feet of gross area, representing an actual floor space ratio of 2.69 based on the net site area (49,516± square feet). Phase 3 will consist of the balance, or 231,900 square feet of gross area, representing an actual floor space ratio of 3.27 based on the net site area (70,936± square feet).

Phase 2 will comprise 90 residential units (including 14 townhouses), while Phase 3 will have 173 residential units in a mid-rise and 20 storey high-rise format, together with 4,556 square feet of ground floor retail space along Granville Street. The density on the overall site (263 units) is 94.9 units per net acre.

FSR - 3.0

Indicators

Price/Acre	\$6,158,032
Price/SF	\$141.37

Index No. 6 (Land)

Property Identification

Property Name	Almond Park
Address	2750 - 2780 Alma Street and 3677 West 12th Avenue, Vancouver
Neighbourhood	Kitsilano
Legal Description	Amended Lots 24 and 26, Block 72, District Lot 540, Plan 560
PID	003-726-878 and 015-248-097

Land Data

Lot Size	11,230 square feet or 0.258 acres
Zoning	C-2, Commercial
Buildable Area (Allowable)	28,074 square feet

Sale Data

Date	~March 2002 (closed)
Price	\$2,015,000
Adjustments	
Instrument Number	BT103808/09
Vendor	Almond Park Properties Ltd.
Purchaser	Almond Park Mews Inc.
Financing	New - Peoples Trust Company - \$1,400,000

Remarks

A single storey retail building and a residential duplex improved the site on Alma Street and a six unit apartment building improved the West 12th Avenue site. The site was redeveloped to "20 on the Park" a 12-unit townhouse development that was completed in 2004

Indicators

Price/Acre	\$7,816,137
Price/SF	\$179.43
Price/Buildable SF	\$71.77 (Based on FSR 2.50) Allowed

Index No. 7 (Land)

Property Identification

Address	1250 West 6th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lots 5 & 6, Except the South 10 feet and the North 7 feet, Block 293, District Lot 526, Plan 590

PID	025-422-103
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Land Data

Lot Size	10,302 square feet or 0.237 acres
Zoning	FM-1, Multiple Dwelling (Fairview Slopes)
Buildable Area (Allowable)	15,453 square feet

Sale Data

Date	~May 2002 (closed)
Price	\$850,000
Instrument Number	BT171764/65
Vendor	Nettwerk Productions Ltd. (25%), Nettwerk Property Management, Sarah McLachlan Entertainment Corp.
Purchaser	Listraor (West Sixth) Development Corporation - Craig Rowland, ASO
Financing	New - MCAP Financial Corporation - \$3,050,000

Remarks

A vacant and unimproved property located on the south side of West 6th Avenue, west of Alder Crossing. A building permit was issued for a four-storey townhouse development, comprising 18 residential units. Buildable potential of 15,450 square feet, calculated at the maximum 1.50 FSR. The 18-unit townhouse development, "Silver" was completed in 2003.

Indicators

Price/Acre	\$3,594,080
Price/SF	\$82.51
Price/Buildable SF	\$55.01 (Based on FSR 1.50) Allowed

Index No. 8 (Land)

Property Identification

Address	926/30 West 16th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lots 13 and 14, Block 496, District Lot 472, Plan 1618
PID	014-527-146, 014-007-517

Land Data

Lot Size	8,054 square feet or 0.185 acres
Zoning	RM-4, Multiple Dwelling
OCP Designation	Maximum 1.45 FSR
Buildable Area (Allowable)	11,679 square feet

Sale Data

Date	~May 2002 (closed)
Price	\$835,000
Adjustments	
Instrument Number	BT187865, BT187866
Vendor	Malmo Holdings Ltd. - Lee Pon, AASO
Purchaser	647557 B.C. Ltd. - Tony Gubbels, ASO

Remarks

A development property located on the south side of West 16th Street, west of Laurel Street in the Fairview neighbourhood of Vancouver. Interior site, old houses on the site. Maximum buildable potential of 11,675 square feet at the maximum 1.45 FSR.

Indicators

Price/Acre	\$4,515,955
Price/SF	\$103.67
Price/Buildable SF	\$71.50 (Based on FSR 1.45) Allowed

Index No. 9 (Land)

Property Identification

Address	1356 - 1366 West 13th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lots 4 & 5, Block 432, District Lot 526, Plan 1276
PID	006-215-866, 006-215-912

Land Data

Lot Size	12,502 square feet or 0.287 acres
Zoning	RM-3, Multiple Dwelling
Buildable Area (Allowable)	18,127 square feet
Buildable Area (Planned)	1 square feet

Sale Data

Date	~May 2002 (closed July 2002)
Price	\$1,930,000
Instrument Number	BT275048-49
Vendor	L.I.I. Investments Ltd. - Kimberly Ip, ASO
Purchaser	Menkis Enterprises Ltd. - Leon Menkis, ASO

Remarks

A low rise apartment building located on the south side of West 13th Avenue, east of Hemlock Street in Vancouver. It is improved with an older ten suite apartment and rental conversion, however, purchased for redevelopment. The purchaser of the property went on to restore the heritage home and demolish the rental conversion. A 13-storey high-rise development was constructed on the east portion of the site containing 36 units. A bonus density of 5,910 square feet was approved in exchange for the restoration of the heritage home.

Indicators

Price/Acre	\$6,724,739
Price/SF	\$154.38
Price/Buildable SF	\$83.45 (Based on FSR 1.85) Allowed

Index No. 10 (Land)

Property Identification

Address	2135 to 2165 West 10th Avenue, Vancouver
Neighbourhood	Kitsilano
Legal Description	Lots 14 to 17, Block 344, District Lot 526, Plan 2300
PID	002-625-377

Land Data

Zoning	C-7, Commercial
FSR Permitted Under Zoning	Maximum 2.25 FSR

Sale Data

Date	~May 2002
Price	\$4,000,000
Adjustments	

Remarks

North side of West 10th Avenue between Arbutus and Yew Streets in Kitsilano - directly across from neighbourhood park associated with the "Carlings" redevelopment. Rectangular four lot assembly with older one storey commercial buildings, acquired from different owners. Proposed for the site was a seven storey concrete residential strata building with two levels of parking by Adera. Total of 65 suites and 73 parking stalls. Allowable FSR of 2.25.

Price/Sq.Ft. - Buildable - \$71.17

Price/Suite - \$61,538 (114 UPA)

Indicators

Price/Acre	\$6,973,501
Price/SF	\$160.09
Price/Buildable SF	\$71.15 (Based on FSR 2.25) Allowed

Index No. 11 (Land)

Property Identification

Address	1169 West Cordova Street, Vancouver
Neighbourhood	Coal Harbour
Legal Description	Lot 18 of the Public Harbour of Burrard Inlet, Plan LMP29895

PID	023-692-499
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Land Data

Lot Size	42,950 square feet or 0.986 acres
Zoning	CD, Comprehensive Development
OCP Designation	(364) add this to zoning code
Buildable Area (Allowable)	226,777 square feet

Sale Data

Date	~June 2002 (closed)
Price	\$16,095,960
Instrument Number	BT229789
Vendor	Marathon Developments Inc. - Graeme Stamp, ASO
Purchaser	Aspac Developments (Hillsboro Investment Ltd.) Robert Pearce, Senior Vice-President

Remarks

Land only, serviced, part of the Marathon lands, the Harbour Green neighbourhood, zoning permits 188 units and 226,656± square feet of residential development, FSR - 5.28. The property is part of a land assembly with 1101 and 1139 West Cordova. The property is now improved with a 24-storey high rise apartment development known as "Harbour Green One".

Indicators

Price/Acre	\$16,324,503
Price/SF	\$374.76
Price/Buildable SF	\$70.98 (Based on FSR 5.28) Allowed

Index No. 12 (Land)

Property Identification

Address	939 Main Street, Vancouver
Neighbourhood	Mount Pleasant
Legal Description	Lots 7 and 8, Plan 184 and :pts 20 and 21, Plan 5568; all of Block 23, District Lot 196 and 2037

PID	015-642-674, 015-642-682, 015-182-100 & 015-182-118
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Land Data

Lot Size	58,701 square feet or 1.348 acres
Zoning	FC-1, Commercial
OCP Designation	Maximum 3.0 FSR
Buildable Area (Allowable)	176,104 square feet

Sale Data

Date	~July 2002 (closed)
Price	\$3,200,000
Instrument Number	BT249458-61
Vendor	Greyhound Canada transportation Corp. - Chris Ensengerger, Vice-President
Purchaser	Bosa Development Corporation (640715 B.C. Ltd.) - Nat Bosa, ASO

Remarks

Irregular shaped four lot assembly with only 50 feet of frontage on Main Street and 175 feet on Quebec Street, along north side of new Milross Avenue allowance. Old Greyhound facility. Offered for sale as potential multi-family site. No quoted asking price established for the site, with offers solicited for the owner. Rezoning required to CD classification, but no application made. Preliminary discussions with City imply maximum FSR of 3.00, and lower preliminary estimates. 1998 offer was based on assessed value. (2002 assessed value at \$3,770,000). Acquired by the Citygate developer.

Indicators

Price/Acre	\$2,374,592
Price/SF	\$54.51
Price/Buildable SF	\$18.17 (Based on FSR 3.00) Allowed

Index No. 13 (Land)

Property Identification

Address	2010 West 1st Avenue, Vancouver
Neighbourhood	Kitsilano
Legal Description	Lots 19 and 20, Block 215, District Lot 526, Plan 590
PID	015-232-158

Land Data

Lot Size	6,011 square feet or 0.138 acres
Zoning	RM-4, Residential District
OCP Designation	Maximum 1.45 FSR
Buildable Area (Allowable)	8,716 square feet

Sale Data

Date	~September 2002 (closed)
Price	\$1,002,500
Adjustments	
Vendor	Klimas, Joseph, Aldona Klimas, Executrix
Purchaser	4111699 Canada Inc., Guy Sawchuk, ASO
Financing	\$1,000,000 from HSBC for prime plus 3%
Sales History	Sold - August 2002 for \$825,000

Remarks

An unimproved vacant lot located in an attractive location on the corner of Maple Street and West 1st Avenue. Maximum development density at 1.45 FSR is 8,716 square feet. Subsequent to the date of sale a six-unit townhouse development was constructed and completed in 2004.

Indicators

Price/Acre	\$7,264,493
Price/SF	\$166.77
Price/Buildable SF	\$115.01 (Based on FSR 1.45) Allowed

Index No. 14 (Land)

Property Identification

Address	1605 - 1617 West 14th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lot F (See BE344410), Block 429, District Lot 526, Plan 3557
PID	017-621-879

Land Data

Lot Size	12,558 square feet or 0.288 acres
Zoning	RM-3, Multiple Dwelling
FSR Permitted Under Zoning	2.57 maximum

Sale Data

Date	~October 2002 (closed January 2003)
Price	\$2,350,000
Adjustments	
Instrument Number	BV038265
Vendor	Fir Street Investments Ltd. - John Xinos, ASO
Purchaser	Picadilly Development Corporation - David Grewal, ASO
Financing	New - \$1,900,000 - Imor Capital Corporation (89.47%) and Tuxedo Mortgage Investment Corporation (10.53%)

Remarks

A development site on the northeast corner at Fir Street that was occupied by two 'Heritage C' multi-family dwellings at the time of the sale. A development permit had been approved November 13, 2002 to move the two dwellings to the front of the site and convert them to two, four-unit dwellings or eight units, plus construct a new 31-unit, 12-storey residential tower. Total of 39 units and 93 parking spaces. Approved gross floor area of 32,200 square feet or FSR = 2.57.

Indicators

Price/Acre	\$8,151,231
Price/SF	\$187.13

Index No. 15 (Land)

Property Identification

Address	1411 to 1427 West 11th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lots 16 and 17, Block 371, District Lot 526, Plan 991

PID	002-567-636, 015-017-281, 015-017-265 and 015-017-273
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Land Data

Lot Size	12,502 square feet or 0.287 acres
Zoning	RM-3, Medium Density Residential
FSR Permitted Under Zoning	FSR 1.8 including bonus

Sale Data

Date	~November 2002 (closed March 2003)
Price	\$2,000,000
Adjustments	
Instrument Number	BT420237
Vendor	John and Leslie McIver, Grace Leong and Leong Remodelling Inc.
Purchaser	Quigg At West 11th Properties Ltd. - Robert Quigg, ASO
Financing	New - \$1,200,000 - CIBC Mortgages - 4.797%

Remarks

A four-lot assembly on the north side of West 11th Avenue, west of Hemlock Street in Vancouver. As at March 2003, the property was improved with four single-family heritage homes. A development permit was submitted prior to the sale (DE 407142) for a proposed seven unit, four storey multiple-family building and conversion of the existing heritage homes into eight duplex units. The proposed development was 22,483 square feet in size (FSR 1.80).

Indicators

Price/Acre	\$6,968,641
Price/SF	\$159.98
Price/Buildable SF	\$88.88 (Based on FSR 1.8) Allowed

Index No. 16 (Land)

Property Identification

Address	2929 Laurel Street, Vancouver
Neighbourhood	Fairview
Legal Description	Lots 7 to 10 Inclusive, Block 436, District Lot 526, Plan 1276
PID	014-667-134, 014-667-142, 014-667-151

Land Data

Lot Size	25,003 square feet or 0.574 acres
Zoning	RM-4, Multiple Dwelling
FSR Permitted Under Zoning	Maximum 1.45 FSR
Buildable Area (Allowable)	36,255 square feet

Sale Data

Date	~December 2002 (closed)
Price	\$3,560,000
Adjustments	
Instrument Number	BT464956-59
Vendor	Provincial Rental Housing Corporation - Shayne Ramsay & Irene Young, ASOs
Purchaser	Millennium Urban Homes Ltd. - Shahram Malekyazdi, ASO
Financing	New Mortgage - \$8,000,000 - Peoples Trust Company - Prime + 2.00%

Remarks

Vacant and unimproved land located on the southwest corner of Laurel Street and West 13th Avenue in Vancouver. Subsequent to the date of sale, a development permit application was submitted for three townhouse building clusters containing a total of 26 units. The development went ahead and was completed as the "Brownstone" in 2004.

Indicators

Price/Acre	\$6,202,090
Price/SF	\$142.38
Price/Buildable SF	\$98.20 (Based on FSR 1.45) Allowed

Index No. 17 (Land)

Property Identification

Address	926/30 West 16th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lots 13 and 14, Block 496, District Lot 472, Plan 1618 (now assembled as Lot F BCP6616)
PID	now 025-713-108

Land Data

Lot Size	7,985 square feet or 0.183 acres
Zoning	RM-4, Multiple Dwelling
OCP Designation	Maximum 1.45 FSR

Sale Data

Date	~April 2003 (agreement)
Price	\$1,070,000
Adjustments	
Instrument Number	BV306876
Vendor	647557 BC Ltd.
Sales History	Sold May 2002 (closed); \$835,000, \$103.70 per square foot

Remarks

An interior site improved with holding income of \$3,625 per month. The maximum buildable potential is 11,580 square feet, based on the maximum 1.45 floor space ratio. Reported potential for 16 units. Sold as a share sale. The property earlier sold in May 2002 for \$835,000. This resale reflects an increase of 28% in about a year.

Indicators

Price/Acre	\$5,837,425
Price/SF	\$134.01
Price/Buildable SF	\$92.42 (Based on FSR 1.45) Allowed

Index No. 18 (Land)

Property Identification

Address	600 - 636 West 6th Avenue (now 2201 Ash Street), Vancouver
Neighbourhood	Fairview
Legal Description	Lot 7, Except the south 10 feet and north 7 feet now highways, Lot 8, 9 and 10, Except the south 10 feet, Block 299, District Lot 526, Plan 590.
PID	015-194-981 et al

Land Data

Zoning	FM-1, Multiple Dwelling (Fairview Slopes)
FSR Permitted Under Zoning	Max FSR - 1.50

Sale Data

Date	~April 2003 (Offer to Purchase)
Price	\$3,060,000
Adjustments	
Vendor	517627 B.C. Ltd, Nicolas Santorelli, ASO
Purchaser	6A Holdings Ltd.

Remarks

Southwest corner of the 600 Block of West 6th Avenue and Ash Street, the site contains two old commercial buildings with little contributory value. The floor space ratio is based on a 24,000 square foot site, which is inclusive of 2,000 square feet of road dedications required by the City of Vancouver. Site benefits from city and mountain views over the south end of False Creek. Development plans have since been submitted to construct a 35-unit townhouse style development underground parking. Net building area is provided at 35,752 square feet. (FSR 1.49); including enclosed patio areas, saleable area is 36,815 square feet.

Indicators

Price/Acre	\$6,058,206
Price/SF	\$139.08
Price/Buildable SF	\$92.72 (Based on FSR 1.50) Allowed

Index No. 19 (Land)

Property Identification

Address	1475 Howe Street, Vancouver
Neighbourhood	False Creek
Legal Description	Lots 23 to 27, Block 121, District Lot 541, Plan 210

PID	015-505-634
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Land Data

Lot Size	15,002 square feet or 0.344 acres
Zoning	FCCDD, Comprehensive Dev. (False Creek)
FSR Permitted Under Zoning	Maximum 4.5 FSR

Sale Data

Date	~July 2003 (closed)
Price	\$3,600,000
Instrument Number	BV275572-76
Vendor	John Skeans and 388481 B.C. Ltd. - John Skeans, ASO
Purchaser	Qualex - Landmark Projects Inc. - Reza Navabi, ASO
Financing	New - \$6,000,000 - Canadian Western Bank - Prime +1.00%

Remarks

A mid-block property, north of Beach Avenue and False Creek and west of the Granville Bridge access ramp. An old concrete block industrial building improves the site and is leased back by the vendor for a short time. Acquired for residential re-development by Qualex-Landmark Projects as a part of a four lot assembly. The purchaser went on to construct "Pomaria", a 29-storey high-rise apartment development.

Indicators

Price/Acre	\$10,452,962
Price/SF	\$239.97
Price/Buildable SF	\$53.33 (Based on FSR 4.5) Allowed

Index No. 20 (Land)

Property Identification

Address	1628 to 1656 West 7th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lots A, B, 6 and D, Block 309, District Lot 526, Plans 590, 5620 and 14269
PID	011-112-336 and 011-112-310, 010-375-881 and 007-892-659

Land Data

Lot Size	17,272 square feet or 0.397 acres
Zoning	C-3A, Commercial District
OCP Designation	Commercial District
FSR Permitted Under Zoning	Maximum 3.3 FSR

Sale Data

Date	~July 2003 (Closed November 2003)
Price	\$2,998,000
Adjustments	
Instrument Number	BV296639-40
Vendor	Derek Victor Allan and Jean Grace; 463507 B.C. Ltd. - Diana Robertson, ASO
Purchaser	Amacon Development Corporation - Marcello DeCotiis, ASO

Remarks

A land only sale with the assembly proposed for redevelopment with an 11-storey townhouse and high-rise concrete multiple-family residential development. The proposed floor space ratio is 3.30 (3.0 plus a 10% heritage density transfer). The 56-unit development known as "Virtu" was completed in 2006.

Indicators

Price/Acre	\$7,561,160
Price/SF	\$173.58
Price/Buildable SF	\$56.60 (Based on FSR 3.3) Allowed

Index No. 21 (Land)

Property Identification

Property Name	McIver's Appliances
Address	854 - 864 West 6th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lot A (Explanatory Plan 10422), Except the South 10 Feet now lane, Block 297, District Lot 526, Plan 590

PID	009-281-916
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Land Data

Lot Size	21,980 square feet or 0.505 acres
Zoning	FM-1, Fairview Multiple Family Residential
OCP Designation	Maximum 1.5 FSR

Sale Data

Date	~September 2003 (closed)
Price	\$2,600,000
Adjustments	
Instrument Number	BV352650
Vendor	Carefree Coin-Op Leasing Ltd., McIver's Appliance Sales & Service Ltd. - Leslie and John McIver, ASO
Purchaser	Larc Developments Ltd. - Richard Bordewick and Ralph Carle, ASOs
Financing	Three mortgages

Remarks

A midblock development site located on the south side of West 6th Avenue, west of Willow Street, an old 14,200 square foot commercial building on site. A development permit was in place for a 52-unit, multiple-family residential building, including 3,822 square feet of commercial space; four stories, one and half floors of parking. Buildable potential to 35,970 calculated using the maximum 1.5 floor space ratio applied to the 23,980 square foot site area prior to a lane dedication.

Indicators

Price/Acre	\$5,152,596
Price/SF	\$118.29
Price/Buildable SF	\$78.86 (Based on FSR 1.5) Allowed

Index No. 22 (Land)

Property Identification

Address	1438-1460 Arbutus Street, Vancouver
Neighbourhood	Kitsilano
Legal Description	Lots 4 to 5, Block 185, District Lot 526, Plan 2301
PID	013-930-401, 013-930-362 and 013-930-371

Land Data

Lot Size	9,950 square feet or 0.228 acres
Zoning	RM-4, Multiple Dwelling District
OCP Designation	Maximum 1.45 FSR
FSR Permitted Under Zoning	Maximum 1.45 FSR

Sale Data

Date	~November 2003 to April 2004
Price	\$2,245,000
Vendor	Beatrice Gavin, Andrew Gruft and Rhoda Ray
Purchaser	Kits Point Development Corporation, Rob Chetner, ASO

Remarks

A three lot assembly located on the east side of Arbutus Street, north of Cornwall Avenue. The properties were improved with single and multiple family buildings of nominal value. 1430 Arbutus Street sold in November 2003 (closed) for \$845,000, 1452 Arbutus Street sold in January 2004 (closed) for \$700,000 and 1460 Arbutus Street sold in April 2004 for \$700,000. The associated transfer documents were BW180310, BW036883 and BV495147, respectively. The purchaser was proposing a 10 unit townhouse development. The saleable area of the development was reported at 14,425 square feet.
Sale Price/SF Saleable - \$155.63

Indicators

Price/Acre	\$9,828,386
Price/SF	\$225.63
Price/Buildable SF	\$155.61 (Based on FSR 1.45) Allowed

Index No. 23 (Land)

Property Identification

Address	2828 Yew Street, Vancouver
Neighbourhood	Kitsilano
Legal Description	Lot 1, Block 404, District Lot 526, Plan BCP8004

PID	025-781-502
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Land Data

Lot Size	18,731 square feet or 0.430 acres
Zoning	C-7, Commercial
FSR Permitted Under Zoning	Maximum 2.25 FSR

Sale Data

Date	~January 2004
Price	\$3,250,000
Purchaser	PCI Developments

Remarks

An old two storey, wood frame office building on the southeast corner of West 12th Avenue and Yew Street. Acquired by PCI for redevelopment. Proposed improvements are to comprise a four-storey concrete multiple family building with 35 suites (81.4 unit per acre), a saleable area of 36,360 square feet and 53 underground parking stalls.

Indicators

Price/SF	\$173.51
Price/SF Saleable	\$89
Price/SF Buildable	\$77

Index No. 24 (Land)

Property Identification

Address	696 West 16th Street, Vancouver
Neighbourhood	Fairview
Legal Description	Lot 1, Block 499, District Lot 472, Plan 626, Except Plan LMP41558
PID	015-161-340

Land Data

Lot Size	4,086 square feet or 0.094 acres
Zoning	C-2, Commercial District
FSR Permitted Under Zoning	Maximum 2.5 FSR

Sale Data

Date	~March 2004 (closed)
Price	\$918,000
Adjustments	
Instrument Number	BW095823
Vendor	Sun-ih Kim - Sun-ih Kim, ASO
Purchaser	Heather View Developments Ltd. - John Scott, ASO
Financing	New mortgage - \$2,271,510 at Prime Plus 0.5% - Laurentian Bank of Canada

Remarks

A multiple family development site located on the southeast corner of West 16th Avenue and Heather Street, in the Fairview neighbourhood of Vancouver. At the time of sale the property was improved with one two storey retail/residential heritage building. Prior to the sale, a development permit had been approved for the conversion of the existing building into two Class A Artist Studios and the construction of a six unit, three storey townhouse development. Maximum buildable potential of 10,217.5 square feet at the maximum 2.5 FSR.

Price/SF Buildable - \$90

Indicators

Price/Acre	\$9,765,957
Price/SF	\$224.70
Price/Buildable SF	\$89.87 (Based on FSR 2.5) Allowed

Index No. 27 (Land)

Property Identification

Address	1695 Main Street, Vancouver
Neighbourhood	False Creek
Legal Description	Lot 7, Block E, District Lot 200A/2037, Plan 12958
PID	008-766-240

Land Data

Lot Size	41,857 square feet or 0.961 acres
Zoning	M-2, Industrial
FSR Permitted Under Zoning	Maximum 3.50 FSR

Sale Data

Date	~March 2004 (closed)
Price	\$6,782,000
Adjustments	
Downward Adjustment	\$260,000 for environmental
Effective Sale Price	\$6,522,000
Instrument Number	BW129654
Vendor	Pentad Properties Ltd. - Harry Bell-Irving and Barry Monkman, ASO
Purchaser	The Beedie Group (5265 Investments Ltd.) - Keith Beedie, ASO

Remarks

A corner site bound by Main Street, East 1st Avenue and Quebec Street. The site was improved with a 5,300 square foot Burger King restaurant lease to April 30, 2006. Offer at \$6,782,000 less \$260,000 for environmental to the account of the purchaser.
Sale Price/SF Buildable - \$44.52 (Based on a 3.5 FSR)

Indicators

Price/Acre	\$6,787,387
Price/SF	\$155.82
Price/Buildable SF	\$51.94 (Based on FSR 3.50) Allowed

Index No. 28 (Land)

Property Identification

Address	1610 West 10th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lot 9, Block 369, District Lot 526, Plan 1949

PID	003-121-542
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Land Data

Lot Size	6,250 square feet or 0.143 acres
Zoning	RM-3, Medium Density Residential
FSR Permitted Under Zoning	Maximum 1.45 FSR
Buildable Area (Allowable)	9,063 square feet

Sale Data

Date	~April 2004
Price	\$1,075,000
Adjustments	
Vendor	The Estate of Gunn
Sales History	Listed April 2003 for \$1,038,000

Remarks

A redevelopment site along West 10th Avenue. The property is presently improved with a six-unit rental revenue house that generates a reported gross holding income of \$37,200 per annum. The site was being marketed as a multiple family development site.

Indicators

Price/Acre	\$7,492,320
Price/SF	\$172.00
Price/Buildable SF	\$118.62 (Based on FSR 1.45) Allowed

Index No. 29 (Land)

Property Identification

Address	1101 West Cordova Street, Vancouver
Neighbourhood	Coal Harbour
Legal Description	Lot 20, except Part in PPlan BCP1695, of the Public Harbour of Burrard Inlet Plan LMP29895

PID	023-692-511
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Land Data

Lot Size	42,166 square feet or 0.968 acres
Zoning	CD, Comprehensive Development
OCP Designation	Zoning Code is CD-364
Units (Planned)	563

Sale Data

Date	~June 2004 (closed)
Price	\$25,469,405
Adjustments	
Instrument Number	BW291064
Vendor	FHR Properties Inc. - Graeme Stamp, ASO
Purchaser	Aspac Developments Ltd. (Hillsboro Investment Ltd.) - Lillian Y. Wong, ASO
Financing	Demand Debenture - \$20,000,000 - Big Band Holdings Limited - 12.00%

Remarks

Land only, northwest corner at Thurlow Street, maximum density of 679,951 square feet and 563 units in conjunction with 1139 and 1169 West Cordova Street, site areas of 43,821 and 44,241 square feet. Combined area for the three sites is 130,228± square feet - FSR is 5.22 overall. Proportionate area for 1101 West Cordova Street is 42,166± square feet.
Rate/Sq.Ft. Buildable - \$114.39

Indicators

Price/Unit	45,239(0.0 Units/Acre)
Price/Acre	\$26,311,419
Price/SF	\$604
Rate/Sq.Ft. Buildable	\$114.39

Index No. 30 (Land)

Property Identification

Address	1661-1675 West 8th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Extended (see below)

PID	015-208-435 and 012-461-768
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Land Data

Lot Size	27,500 square feet or 0.631 acres
Zoning	C-3A, Commercial District
FSR Permitted Under Zoning	Maximum floor space ratio of 3.0

Sale Data

Date	~June 2004 (closed February 2006)
Price	\$8,390,000
Instrument Number	BA065242/46
Vendor	680553 B.C. Ltd. - Melvin Davis, ASO
Purchaser	Intracorp
Sales History	Lots 16 & 17 Sold - March 2004 for \$2,500,000 Lots 18, A & B Sold - June 1979 for \$1,130,000

Remarks

A redevelopment site located on the northeast corner at Pine Street. The property was improved with two office buildings. The purchaser acquired the property for immediate development. Some tenants relocated at the cost of the vendor. Proposed for the site is a ten-storey residential building containing 77 units. The floor space ratio is reported at 3.3 indicating a buildable area of 90,750 square feet.

Sale Price/SF Buildable - \$101.70 based on a floor space ratio of 3.0 or \$92.45 based on the proposed development

Indicators

Price/Acre	\$13,289,826
Price/SF	\$305.09
Price/Buildable SF	\$102.00 (Based on FSR 3.0) Allowed

Index No. 31 (Land)

Property Identification

Address	2703 - 2771 Guelph Street, Vancouver
Neighbourhood	Mount Pleasant
Legal Description	Lots 10 to 16, Block 127, District Lot 264A, Plan 5129

PID	011-225-157 to 011-225-211, not inclusive
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Land Data

Lot Size	24,742 square feet or 0.568 acres
Zoning	RM-4, Multiple Dwelling
FSR Permitted Under Zoning	Maximum 1.45 FSR

Sale Data

Date	~June 2004 (closed)
Price	\$2,500,000
Adjustments	
Instrument Number	BW246716-22
Vendor	V.I.P. Mortgage Inc. - Rajeev Nijjar, ASO
Purchaser	ParkLane Ventures (5292 Investments Ltd.) - Peter Wesik, ASO
Financing	Debmand debenture - The Bank of Nova Scotia - undisclosed details

Remarks

Seven single family dwellings located on the west side of Guelph Street between East 11th Avenue and East 12th Avenue, proposed for 25 townhouses. The zoning for the north portion of the property is RM-4, and the zoning for the south portion is RM-4N. Both of these zoning classifications allow a maximum FSR of 1.45.

Indicators

Price/Acre	\$4,401,408
Price/SF	\$101.04
Price/Buildable SF	\$70.00 (Based on FSR 1.45) Allowed

Index No. 32 (Land)

Property Identification

Address	2620 Quebec Street, Vancouver
Neighbourhood	Mount Pleasant
Legal Description	Lots 1 & 2, Block 31, District Lot 302, Plan 198

PID	015-549-399
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Land Data

Lot Size	13,068 square feet or 0.300 acres
Zoning	RM-4, Multiple Dwelling District

Sale Data

Date	~August 2004 (closed)
Price	\$1,577,500
Instrument Number	Bw363879&80
Vendor	Praise International Church
Purchaser	Quebec Street Townhouse Corporation

Remarks

Two adjacent lots located on the corner of Quebec and East 10th Avenue. The property was improved with a church that was destroyed in a fire mid 2004.

Indicators

Price/Acre	\$5,258,333
Price/SF	\$120.71
Price/Buildable SF	\$83.00 (Based on FSR 1.45) Allowed

Index No. 33 (Land)

Property Identification

Address	240-250 West 10th Avenue, Vancouver
Neighbourhood	Mount Pleasant
Legal Description	Lot D & Amended Lot 2, Block N, District Lot 526, Plan 19327

PID	014-564-203 and 007-035-152
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Land Data

Lot Size	11,446 square feet or 0.263 acres
Zoning	RM-4, Multiple Dwelling District
FSR Permitted Under Zoning	1.45
Buildable Area (Allowable)	16,597 square feet
Units (Planned)	21

Sale Data

Date	~October 2004 (closed)
Price	\$2,055,000
Instrument Number	BW468147/48
Vendor	Maxam Enterprises Ltd. - Melko Dobroslavic, Angelina and Arthur Tin Ma
Purchaser	Envision Properties Ltd. - Maureen Clironomos, ASO
Financing	Demand Debenture, \$4,700,000, First Island Financial Services & Bancorp First Mortgage Fund, 11.50%
Sales History	Lot 2 - Sold 1991 for \$550,000 & 1982 for \$420, Lot D - Sold August 1985 for \$177,00 (closed)

Remarks

A two lot assembly located on the southeast corner of West 10th Avenue and Alberta Street. In April 2004 an application was submitted to construct a four-storey, 21-unit residential development with underground parking.

Indicators

Price/Acre	\$7,813,688
Price/SF	\$179.54
Price/Buildable SF	\$123.82 (Based on FSR 1.45) Allowed
Price/Unit	97,857(79.8 Units/Acre)

Index No. 34 (Land)

Property Identification

Address	730-780 West 12th Avenue (aka 2851 Heather Street), Vancouver
Neighbourhood	Fairview
Legal Description	Parcel A, Block 418, District Lot 526, Group 1, Plan BCP11349
PID	025-948-873

Land Data

Lot Size	107,637 square feet or 2.471 acres
Zoning	CD-1, Comprehensive Development (59)
FSR Permitted Under Zoning	1.98
Buildable Area (Planned)	212,997 square feet
Units (Planned)	230

Sale Data

Date	~November 2004 (closed)
Price	\$17,676,500
Instrument Number	BW520922
Vendor	Vancouver Coastal Health Authority - Janet Woodruff, ASO
Purchaser	Concert Real Estate Corporation - Lynn Copeland, ASO

Remarks

A redevelopment site located at the southwest corner of West 12th Avenue and Heather Street. The property was improved with an old-timer, eight-storey nursing residence and two single-storey health centres. Prior to the date of sale, a Development Permit (DE 408504) had gone to public hearing for the renovation and extension of the existing Vancouver General Hospital Nurses' Residence to provide a daycare, community rooms and a fitness centre at grade and residential above. In addition, the proposal includes the construction of a new six-storey residential building. The development includes a total gross floor area of approximately 212,997 square feet and 230 dwelling units. In 2007, the development known as "Tapestry" was completed with suites ranging in size from 470 to 1,363 square feet.

Sale Price/SF Buildable - \$82.99

Indicators

Price/Acre	\$7,153,582
Price/SF	\$164.22
Price/Buildable SF	\$82.99 (Based on FSR 1.98) Planned
Price/Unit	76,854(93.1 Units/Acre)

Index No. 35 (Land)

Property Identification

Property Name	Avedon
Address	1436-1466 West 14th Avenue (now 1468 West 14th Avenue), Vancouver
Neighbourhood	Fairview
Legal Description	Lots 21, 22 and 23, Except Part in Explanatory Plan 3498, Block 451, District 526, Plan 1276
Lot A (Explanatory Plan 3498), Block 451, District Lot 526, Plan 1276	
Amended Lot 25, Block 451, District Lot 526, Plan 1276	

PID	014-666-278, 014-666-294, 014-666-502, 014-666-472 and 009-770-455
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Land Data

Lot Size	28,125 square feet or 0.646 acres
Zoning	RM-3, Multiple Dwelling District
FSR Permitted Under Zoning	Maximum 1.85 FSR
Buildable Area (Allowable)	52,031 square feet
Units (Planned)	46

Sale Data

Date	Closed ~January 2005 to April 2005
Price	\$7,690,000
Instrument Number	BX432874, BX 307876, BX 307877 & BX 307878, and BX 104656
Vendor	Various
Purchaser	Polygon Group - Ralf Schmidtke and Robert Bruno, ASOs

Remarks

A three-lot assembly on the south side of West 14th Avenue, east of Granville Street. The properties were improved with three wood-frame apartment buildings. An application was submitted in March and June 2005 to allow for a 12-storey apartment development with 46 units. "Avedon" was completed in 2007.

Indicators

Price/Acre	\$11,910,272
Price/SF	\$273.42
Price/Buildable SF	\$147.80 (Based on FSR 1.85) Allowed
Price/Unit	167,174(71.2 Units/Acre)

Index No. 36 (Land)

Property Identification

Address	3837-3851 West 4th Avenue, Vancouver
Neighbourhood	Point Grey
Legal Description	Lots 39 to 41, Block C, District Lot 538, Plan 7743
PID	004-532-686, 004-532-694 and 010-543-813

Land Data

Lot Size	17,815 square feet or 0.409 acres
Zoning	RM-3A, Multiple Dwelling District
FSR Permitted Under Zoning	Maximum 1.45 FSR
Buildable Area (Allowable)	25,832 square feet
Buildable Area (Planned)	26,199 square feet
Units (Planned)	30

Sale Data

Date	~May 2005 (closed June & July 2005)
Price	\$5,775,000
Instrument Number	BX552938/39
Vendor	602561 B.C. Ltd.; Chi Ying Ching & Lee Lai Yung
Purchaser	Toyu Point Grey Developments Ltd.; Fu Tian, ASO

Remarks

A three-lot redevelopment assembly located on the north side of West 4th Avenue, west of Highbury Street and east of Wallace Street. The properties were improved with three apartment buildings with a total of 32 units. A permit was received on August 2006 to build a four-storey development with 30 units and a total gross square footage of 26,199 square feet reflecting an FSR of 1.47. The project known as "Brilla" was completed in 2008.

Indicators

Price/Acre	\$14,119,804
Price/SF	\$324.17
Price/Buildable SF	\$223.56 (Based on FSR 1.45) Allowed
Price/Buildable SF	\$220.43 (Based on FSR 1.47) Planned
Price/Unit	192,500(73.3 Units/Acre)

Index No. 37 (Land)

Property Identification

Address	587 West 7th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Parcel F, Block 300, District Lot 526, Group 1, NWD Plan BCP10130

PID	025-894-854
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Land Data

Lot Size	11,983 square feet or 0.275 acres
Zoning	C-3A, Commercial District
OCP Designation	Maximum 3.0 FSR

Sale Data

Date	~June 2005 (closed)
Price	\$3,400,000
Instrument Number	BX543688
Vendor	587 West 7th Holdings Ltd. - Frits Huckriede, ASO
Purchaser	Redekop (West 7th) Homes - Pert Redekop, ASO

Remarks

A development site located on the north side of West 7th Avenue between Cambie Street and Ash Street. A development permit No. DE407888 was issued on November 3, 2004 for an eight-storey residential building containing 35 units and two levels of underground parking with a total gross buildable area of 37,846 square feet (a floor space ratio of 3.06); 3 one-bedroom units, 4 one-bedroom-and-den, 28 two-bedroom units. The property was listed in November 2004 for \$3,800,000. "Affinity", was completed in 2006.

Sale Price/SF Buildable - \$92.27

Indicators

Price/Acre	\$12,359,142
Price/SF	\$283.73
Price/Buildable SF	\$95 (Based on FSR 3.0) Allowed

Index No. 38 (Land)

Property Identification

Address	1648-1698 West 4th Avenue, Vancouver
Neighbourhood	Fairview

Land Data

Lot Size	28,880 square feet or 0.663 acres
Zoning	C-2B, Commercial District
FSR Permitted Under Zoning	Maximum floor space ratio of 2.5

Sale Data

Date	~July 2005 (closed)
Price	\$6,849,994
Instrument Number	BX546076/87
Vendor	Senior Enterprises Inc. - John Senior, ASO
Purchaser	Cressey Developments (Cressey Pine Holdings) - Linda Cameron, ASO

Remarks

A multiple lot assembly on the southeast corner of West 4th Avenue and Pine Street, five older multitenant retail buildings in place. No plans or permits in place at the time of the sale.

Indicators

Price/Acre	\$10,331,816
Price/SF	\$237.19
Price/Buildable SF	\$95 (Based on FSR 2.5) Allowed

Index No. 39 (Land)

Property Identification

Address 1315, 1337 and 1345 West 11th Avenue, Vancouver
Neighbourhood Fairview
Legal Description Lot 11, Block 372, District Lot 526, Plan 991
Lot A of 13 and 14, Block 372, District Lot 526, Plan 3739
Lot 16 West Half, Lot 15, Block 372, District Lot 526, Plan 991

PID 006-493-467, 015-018-512, 012-237-841, 015-018-539, 012-237-833,
015-018-58

Land Data

Lot Size 37,496 square feet or 0.861 acres
Zoning RM-3, Multiple Dwelling District
Buildable Area (Allowable) 69,368 square feet
Buildable Area (Planned) 69,368 square feet
Units (Planned) 63

Sale Data

Date Closed ~August 2005
Price \$12,000,000
Instrument Number BX185964/69
Vendor Various
Purchaser Polygon Development 179 Ltd.; John G.R. Third, Lawyer

Remarks

An assembly on the northwest corner of West 11th Avenue and Birch Street, in Fairview. A high-rise development (see DE410086), 12 stories, 63 units one and a half levels of underground parking will benefit from excellent views towards downtown Vancouver. A building permit was obtained in July 2006 for the 12-storey development based on a 1.85 FSR or a total gross building area of 69,368. The project now known as "Sakura" was completed in 2007.

Prices as follows:

1337 West 11th Avenue (4,163 square feet) - \$791,162 or \$190 per square foot
1315 West 11th Avenue (20,833 square feet) - \$6,963,652 or \$334 per square foot
1345 West 11th Avenue (12,500 square feet) - \$4,245,188 or \$340 per square foot

Indicators

Price/Acre \$13,940,520
Price/SF \$320.03
Price/Buildable SF \$320.03 (Based on FSR 1.85) Allowed
Price/Buildable SF \$172.99 (Based on FSR 1.85) Planned
Price/Unit 190,476(73.2 Units/Acre)

Index No. 40 (Land)

Property Identification

Address	2725 Sophia Street and 254 East 11th Avenue, Vancouver
Neighbourhood	Mount Pleasant
Legal Description	Lots A, B & C, Block 115, District Lot 301, Plan 3937 & Lot 5, Block 115, District Lot 301, Plan 187

PID	009-597-891, 012-034-118, 004-845-773 and 004-845-781
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Land Data

Lot Size	24,263 square feet or 0.557 acres
Zoning	C-3A, Commercial District
FSR Permitted Under Zoning	Maximum floor space ratio of 3.0

Sale Data

Date	~August 2005 (closed)
Price	\$4,750,000
Vendor	Centurion Investment (675716 B.C. Ltd.) - Robert Wilson
Purchaser	0722051 B.C. Ltd. - William Tobin Edin, ASO

Remarks

A four lot assembly on the southwest corner of Sophia Street and East 11th Avenue. An 81-unit, 73,369 square foot, eight-storey multiple family residential development is proposed including ten townhomes at grade and 71 apartment units above. Good views are available. The vendor acquired three of the four lots in October 2004 and the remaining lot in January 2005 for \$2,830,000 or \$117 per square foot. The proposed development shows a floor space ratio of 3.02. The development known as "Stella" was completed in 2008.

Sale Price/SF Buildable - \$64.74

Indicators

Price/Acre	\$8,527,828
Price/SF	\$195.77
Price/Buildable SF	\$65 (Based on FSR 3.0) Allowed

Index No. 41 (Land)

Property Identification

Address	505-525 West Broadway, Vancouver
Neighbourhood	Fairview
Legal Description	Lots D and E, Block 340, District Lot 526, Plan 21582

PID	010-503-773 and 010-503-927
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Land Data

Lot Size	12,256 square feet or 0.281 acres
Zoning	C-3A, Commercial District

Sale Data

Date	~August 2005
Price	\$3,500,000
Instrument Number	BX266083/84
Vendor	Royal Bank of Canada - Darryl Watts, ASO
Purchaser	PCI Properties Corp. - Andrew Evans, ASO

Remarks

The corner piece of a larger 88,336 square foot assembly located at the northwest corner of West Broadway and Cambie Street. The site was improved with a three-storey bank building of 20,616 square feet, which will be demolished. Proposed for the overall assembly is a multiple storey, mixed-use complex comprising 307,930 square feet of gross area and underground parking. The development will feature 120,690 square feet of retail space, 12,000 square feet of bank space, 74,055 square feet of office space, 14,000 square feet of medical/office space, 81,185 square feet of residential space, an amenity area of 3,000 square feet, transit and mechanical space of 3,000 square feet and 619 stalls parking stalls. The net rentable or net saleable area is approximately 280,476 square feet. The proposal involves a heritage density transfer of 28,505 square feet acquired for approximately \$50 per square foot (\pm \$1,325,000).
Sale Price/SF Buildable - \$95.19 (Based on a floor space ratio of 3.0)

Indicators

Price/Acre	\$12,439,579
Price/SF	\$285.57
Price/Buildable SF	\$95 (Based on FSR 3.0) Allowed

Index No. 1 (Improved)

Property Identification

Property Name	The Cavalier
Address	1122 Haro Street, Vancouver
Neighbourhood	West End
Legal Description	Lot A (487946L) of Lot 2, Lot 3 and 4; all of Block 20, District Lot 185, Plan 92

PID	015-753-221
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Land Data

Zoning	RM-5B, Multiple Dwelling District
OCP Designation	FSR - 2.75
Frontage	122 ft along along Haro Street

Building Data

Gross Building Area	44,000 square feet
Net Area	37,948 square feet
Year Built	1964

Sale Data

Date	~August 2000 (closed)
Price	\$7,614,900
Adjustments	
Instrument Number	BP208385-88
Vendor	Dora Dann Ltd. - Henry Dann, ASO
Purchaser	Arkhu Investments Ltd. - Cecilia Khu, ASO

Income

Effective Gross Income	<u>\$742,945</u>
Net Operating Income	<u>\$523,129</u>

Remarks

A 12 storey concrete apartment building constructed in 1964. Building includes an indoor pool and sauna. Total of 84 suites: 28 bachelor @ 424 square feet; 12 junior one-bedrooms @ 424 square feet; 40 one-bedrooms @ 468 square feet; and four penthouses @ 567 square feet. Total net rentable area of 37,948 square feet, with finished area about 44,000 square feet. Total of 41 parking spaces (18 underground and 23 surface). Recent upgrades include exterior painting, new carpeting in the common areas, renovations to the sauna and pool, and some new appliances. Average rents of \$709 per month.

Indicators

FSR (Actual)	2.75
FSR (Based on Net)	2.37
Price/Gross Bldg Area	\$173.07
Price/Net Area	\$200.67
NOI/SF	\$13.79
Overall Capitalization Rate	6.9 %

Index No. 2 (Improved)

Property Identification

Property Name	Carlton Court
Address	1021 Harwood Street, Vancouver
Neighbourhood	West End
Legal Description	Lot 1, Block 12, District Lot 185, Plan 14155

PID	008-484-350
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Land Data

Zoning	RM-5A, Multiple Dwelling District
Frontage	231 ft along along Harwood Street

Building Data

Gross Building Area	84,500 square feet
Net Area	74,292 square feet
Year Built	1972

Sale Data

Date	~October 2000 (closed)
Price	\$16,380,000
Adjustments	
Instrument Number	BP236927
Vendor	Goodwood Property Investments Ltd. (Royal Trust Corp.) - Gary Trout, ASO
Purchaser	Calabash Investments Ltd. - Cecilia Khu, ASO
Sales History	Sold - July 1996 (closed) for \$12,300,000

Income

Effective Gross Income	<u>\$1,434,733</u>
Net Operating Income	<u>\$1,003,011</u>

Remarks

This is a 22 storey concrete apartment building constructed in 1972. 164 suites with the following mix: 80 - bachelor @ 420 square feet (avg.); 80 one-bedroom @ 463 square feet (avg.); four two-bedrooms @ 913 square feet (avg.). Total net rentable area of 74,292 square feet, gross building area estimated at 84,500 square feet (88% efficiency). Building has 155 secured underground parking spaces and an outdoor pool. Recent upgrades include common hallways and suite bathrooms. Rents at market (average \$836 per month), and fully occupied.

Indicators

FSR (Actual)	2.79
FSR (Based on Net)	2.46
Price/Gross Bldg Area	\$193.85
Price/Net Area	\$220.48
NOI/SF	\$13.50
Overall Capitalization Rate	6.1 %

Index No. 3 (Improved)

Property Identification

Property Name	The Beach Terrace
Address	1215 Beach Avenue, Vancouver
Neighbourhood	West End
Legal Description	Lot 1, Block 41, District Lot 185, NWD, Plan 92

Land Data

Zoning	RM-5A, Multiple Dwelling (West End)
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Building Data

Gross Building Area	32,800 square feet
Net Area	28,850 square feet
Year Built	1965

Sale Data

Date	~November 2000 (closed)
Price	\$6,300,000
Adjustments	

Income

Effective Gross Income	<u>\$505,000</u>
Net Operating Income	<u>\$333,000</u>

Remarks

11-storey 28,850 rentable square foot high-rise located near waterfront. Building was replumbed and painted. Rents were \$1.46 per square foot. Suites are broken down into five bachelor suites, 39 one-bedroom suites and five two-bedroom suites. Constructed in approximately 1965. Share purchase deal. 186 units per acre.

Indicators

FSR (Actual)	2.86
FSR (Based on Net)	2.52
Price/Gross Bldg Area	\$192.07
Price/Net Area	\$218.37
NOI/SF	\$11.54
Overall Capitalization Rate	5.3 %

Index No. 4 (Improved)

Property Identification

Property Name	Jody Apartments
Address	941 West 13th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lot B, Block 416, District Lot 526, Plan 14524

PID	007-778-759
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Land Data

Zoning	RM-3, Multiple Dwelling District
Frontage	150 ft along along West 13th Avenue

Building Data

Gross Building Area	31,500 square feet
Rentable Area	27,700 square feet
Year Built	1973

Sale Data

Date	~January 2001 (closed)
Price	\$3,982,350
Adjustments	
Instrument Number	BR003099
Vendor	Wilshire Properties Ltd. - Wing Bill Leung, ASO
Purchaser	613318 BC Ltd. - Bruno Wall, ASO

Income

Effective Gross Income	<u>\$338,277</u>
Net Operating Income	<u>\$226,233</u>

Remarks

This is a 27-year-old, three-storey apartment building with 38 suites in Fairview, close to VGH. There are 25 one-bedroom units, seven two-bedroom units and six bachelor suites. 27,700 rentable square feet, estimated 31,500 square feet of gross building area (88% efficiency) It has hot water heating and has been updated. Elevator The effective gross income is \$338,277, stabilised expenses total \$112,044 and net income is \$226,233. Sold on MLS after 11 days. Property owner pays cablevision and heat.

Indicators

FSR (Actual)	1.68
FSR (Based on Rentable)	1.48
Price/Gross Bldg Area	\$126.42
Price/Rentable Area	\$143.77
NOI/SF	\$8.17
Overall Capitalization Rate	5.7 %

Index No. 5 (Improved)

Property Identification

Property Name	Cavalier Manor
Address	2120 West 44th Avenue, Vancouver
Neighbourhood	Kerrisdale
Legal Description	Lots 1 to 4 of East part of Lot 6 and Lots 9 to 11 of west part of Lot 6, Block 16, District Lot 526, Plan 3870

PID	012-089-591
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Land Data

Zoning	RM-3, Residential District
Frontage	232 ft along along West 44th Avenue

Building Data

Gross Building Area	37,000 square feet
Rentable Area	32,595 square feet
Year Built	1964

Sale Data

Date	~February 2001 (closed)
Price	\$6,150,000
Adjustments	
Instrument Number	BR046547-54
Vendor	James Holdings Ltd. - Anthony Pappajohn, ASO
Purchaser	Cavalier Manor Holding Co. Ltd. - William Yang, ASO
Sales History	Sold - September 1992 (closed) for \$4,860,000

Income

Effective Gross Income	<u>\$487,720</u>
Net Operating Income	<u>\$357,126</u>

Remarks

A 46-unit wood frame apartment building in the Kerrisdale area of Vancouver. This is an older building (constructed in 1964) with three penthouse suites on top. FSR - 1.18.

Indicators

FSR (Actual)	1.18
FSR (Based on Rentable)	1.04
Price/Gross Bldg Area	\$166.22
Price/Rentable Area	\$188.68
NOI/SF	\$10.96
Overall Capitalization Rate	5.8 %

Index No. 6 (Improved)

Property Identification

Property Name	The Diplomat
Address	950 Gilford Street, Vancouver
Neighbourhood	West End
Legal Description	Lot 7, Block 68, District Lot 185, Plan 92

PID	014-660-181
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Land Data

Zoning	RM-5B, Multiple Dwelling District
Frontage	131 ft along along Gilford Street 66 ft along along Barclay Street

Building Data

Year Built	1959
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Sale Data

Date	~April 2001 (closed)
Price	\$3,975,000
Adjustments	
Instrument Number	BR099360
Vendor	Leemax Investments Ltd. - Wai Sing Mak, ASO
Purchaser	Madison Pacific Properties (610366 B.C. Ltd.) - Raymond Heung, President

Income

Effective Gross Income	<u>\$348,898</u>
Net Operating Income	<u>\$219,563</u>

Remarks

A 43 year old concrete apartment building with 38 suites (37 one-bedrooms, one two bedroom).

Indicators

Overall Capitalization Rate	5.5 %
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Index No. 7 (Improved)

Property Identification

Property Name	Crystal Court Apartments
Address	1434 Burnaby Street, Vancouver
Neighbourhood	West End
Legal Description	Lots 2 and 3, Block 51, District Lot 185, Plan 92

PID	015-745-490 and 015-745-503
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Land Data

Zoning	RM-5A, Multiple Dwelling District
Frontage	132 ft along along Burnaby Street

Building Data

Gross Building Area	50,300 square feet
Net Area	44,264 square feet
Year Built	1970

Sale Data

Date	~May 2001 (closed)
Price	\$7,650,000
Adjustments	
Instrument Number	BR125174/75
Vendor	Alanson Holdings Ltd. - Gloria Chan, ASO
Purchaser	Hollyburn Properties Ltd. - Paul Sander, ASO

Income

Effective Gross Income	<u>\$721,780</u>
Net Operating Income	<u>\$481,080</u>

Remarks

A 31-year-old renovated concrete apartment building, 83 suites (81 one bedrooms, two penthouses)
Reported rentable area of 44,264, gross building area estimated at 50,300 square feet (88% efficiency).

Indicators

FSR (Actual)	2.91
FSR (Based on Net)	2.56
Price/Gross Bldg Area	\$152.09
Price/Net Area	\$172.83
NOI/SF	\$10.87
Overall Capitalization Rate	6.3 %

Index No. 8 (Improved)

Property Identification

Property Name	Cameo Manor
Address	1120 Barclay Street, Vancouver
Neighbourhood	West End
Legal Description	West 60 feet of Lot 3 and all of Lot 4, Block 21, District Lot 185, Plan 92
PID	007-932-979, 007-932-995, 007-933-029

Land Data

Zoning	RM-5B, Multiple Dwelling District
OCP Designation	FSR - 2.75
Frontage	126 ft along along Barclay Street

Building Data

Gross Building Area	49,200 square feet
Net Area	43,273 square feet
Year Built	1962

Sale Data

Date	~September 2001 (closed)
Price	\$7,985,000
Adjustments	
Instrument Number	BR249857-59
Vendor	Leemax Investments Ltd. - Patrick Lee, ASO
Purchaser	Cameo Manor Apartments Ltd. - Ted Zacks, ASP

Income

Effective Gross Income	<u>\$684,972</u>
Net Operating Income	<u>\$485,787</u>

Remarks

An 11 storey concrete apartment building constructed circa 1962 located on the south side of Barclay Street, west of Thurlow Street. Comprises 83 one bedroom suites totalling 43,273 square feet, gross building area of 49,200 square feet (88% efficiency) 45 underground parking stalls and 16 surface parking spaces. Suites range from 425 to 600 square feet. The building has two elevators, an exercise room and a party room. An additional \$65,000 in closing adjustments has been added to the sale price of \$7,985,000 for an adjusted price of \$8,050,000.

Indicators

FSR (Actual)	2.98
FSR (Based on Net)	2.62
Price/Gross Bldg Area	\$163.62
Price/Net Area	\$186.03
NOI/SF	\$11.23
Overall Capitalization Rate	6.0 %

Index No. 9 (Improved)

Property Identification

Property Name	Sheridan Court
Address	2170 West 44th Avenue, Vancouver
Neighbourhood	Kerrisdale
Legal Description	Lots B and C of West Part of Lot 6, Plan 4911 and Lots 5 to 8, Plan 3870, Block 16, District Lot 526

PID	011-279-842
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Land Data

Zoning	RM-3, Multiple Dwelling District
Frontage	217 ft along along West 44th Avenue

Building Data

Year Built	1964
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Sale Data

Date	~May 2002 (closed)
Price	\$7,234,998
Adjustments	
Instrument Number	BT173904/09
Vendor	Fredrick and Ursula Vertone
Purchaser	E M V Holdings Corp. - W. Arne von Dehn, Lawyer
Sales History	Sold - August 1993 (closed) for \$5,494,998

Income

Effective Gross Income	<u>\$528,860</u>
Net Operating Income	<u>\$371,760</u>

Remarks

Kerrisdale. A four storey apartment building constructed in 1964 containing a total of 51 units (six bachelor units, 39 one-bedrooms and six two-bedrooms). Balconies, elevator and 40 vehicle parking spaces. No vacancies at the time of sale. Purchaser acquired an adjacent apartment building, Cavalier Manor, at 2120 West 44th Avenue, in February 2001 for \$6,150,000.

Indicators

Overall Capitalization Rate	5.1 %
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Index No. 10 (Improved)

Property Identification

Property Name	Belmac Apartments
Address	1947 Pendrell Street, Vancouver
Neighbourhood	West End
Legal Description	Lot 33 and East 33 feet of Lot 29, Block 70, District Lot 185, Plan 92

PID	003-871-029 and 003-871-100
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Land Data

Zoning	RM-5B, Multiple Dwelling District
Frontage	99 ft along along Pendrell Street

Building Data

Gross Building Area	30,200 square feet
Net Area	26,569 square feet
Year Built	1969

Sale Data

Date	~May 2002 (closed)	
Price	\$6,840,000	
Adjustments		
Upward Adjustment	\$10,000	Adjusted for chattels
Instrument Number	BT186356/57	
Vendor	Panorama Village Development Corp.- Leslie Macmillan, ASO	
Purchaser	Dahlia Investment Ltd. - Cecilia Khu, ASO	

Income

Effective Gross Income	<u>\$569,419</u>
Net Operating Income	<u>\$401,536</u>

Remarks

A ten storey plus penthouse concrete apartment building constructed circa 1969. Includes 28 underground parking spaces and 16 surface spaces. Rentable area of 26,569 square feet, gross building area estimated at 30,200 square feet (88% efficiency). Comprises 56 suites (54 one-bedrooms, 1 two-bedrooms, 1 one-bedroom and den penthouse). Gross potential income given as \$575,120, effective gross income of \$569,419, operating expenses of \$167,883 (29.5% of EGI and \$2,998 per suite), net income of \$401,536. Density of 288 units per acre.

Indicators

FSR (Actual)	2.33
FSR (Based on Net)	2.05
Price/Gross Bldg Area	\$226.82
Price/Net Area	\$257.82
NOI/SF	\$15.11
Overall Capitalization Rate	5.9 %

Index No. 11 (Improved)

Property Identification

Property Name	David's Court
Address	3300 Oak Street, Vancouver
Neighbourhood	Cambie
Legal Description	Lot D, Block 516, District Lot 36, Plan 12797

PID	008-809-402
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Land Data

Zoning	RM-3A, Residential District
Frontage	208 ft along along Oak Street

Building Data

Rentable Area	33,209 square feet
Year Built	34

Sale Data

Date	~July 2002
Price	\$5,670,000
Adjustments	
Sales History	Sold - October 2000 (closed) for \$4,333,000 Sold - June 1990 (closed) for \$3,730,000

Income

Effective Gross Income	<u>\$544,260</u>
Net Operating Income	<u>\$400,776</u>

Remarks

This is a 50 year old, three-storey apartment building with 50 suites. There are 31 one-bedroom units, seven two-bedroom units and 12 bachelor suites. The effective gross income was \$544,260, expenses were at 26.4% of EGI. The property also sold in October of 2000 for \$4,333,000.

Indicators

FSR (Based on Rentable)	1.28
Price/Rentable Area	\$170.74
NOI/SF	\$12.07
Overall Capitalization Rate	7.1 %

Index No. 12 (Improved)

Property Identification

Property Name	Coach House
Address	525 West 14th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lot 2, Block 440, District Lot 526, Plan 17621

PID	007-265-280
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Land Data

Zoning	RM-3, Multiple Dwelling District
Frontage	150 ft along along West 14th Avenue

Building Data

Year Built	1973
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Sale Data

Date	~July 2002 (closed October 2002)
Price	\$3,045,000
Adjustments	
Instrument Number	BT401342
Vendor	Yan Yue and Man Yin Sum
Purchaser	Krthaups Holding Ltd. - Walter Kruthaup, ASO

Income

Effective Gross Income	<u>\$264,743</u>
Net Operating Income	<u>\$182,390</u>

Remarks

This is an older, four-storey apartment building with 33 suites. There are 21 one-bedroom units and 12 bachelor suites. Elevator and electric heating. Balconies and patios. The property was on the market for 58 days.

Indicators

Overall Capitalization Rate	6.0 %
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Index No. 13 (Improved)

Property Identification

Property Name	The David Craig
Address	2155 West 44th Avenue, Vancouver
Neighbourhood	Kerrisdale
Legal Description	Lots E, F, T, U and V of Lot 7, Block 16, District Lot 526, Plan 2359

PID	013-830-872 and 013-830-945
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Land Data

Zoning	RM-3, Multiple Dwelling
Frontage	83 ft along along West 44th Avenue

Building Data

Net Area	29,073 square feet
Year Built	1965

Sale Data

Date	~November 2002 (closed)
Price	\$5,590,000
Adjustments	
Upward Adjustment	\$300,000 for deferred maintenance
Instrument Number	BT41986-89
Vendor	David Craig Apartments Ltd. - Mark Wisen and Mark Epstein, ASOs
Purchaser	Herta Cubric Field (50%) and Thomas Steven Cubric (50%)

Income

Effective Gross Income	<u>\$392,042</u>
Net Operating Income	<u>\$249,614</u>

Remarks

An eleven-storey apartment building located on the north side of West 44th Avenue, east of Yew Street. Constructed in 1965. Liveable floor area reported at 29,073 square feet. Comprises a total of 26 units: six one-bedroom, five two-bedroom, ten two-bedroom plus den and five three-bedroom. \$300,000 was required to account for deferred maintenance specific to water penetration in the underground parking.

Indicators

FSR (Based on Net)	1.52
Price/Net Area	\$202.59
NOI/SF	\$8.59
Overall Capitalization Rate	4.2 %

Index No. 14 (Improved)

Property Identification

Property Name	Curzon House
Address	1498 Harwood Street, Vancouver, Vancouver
Neighbourhood	Downtown
Legal Description	North ½ and South ½ of Lot 5, Block 52, Plan 92 & Lot C of Lot 4, Block 52, Plan 936

PID	011-206-292
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Land Data

Zoning	RM-5A, Multiple Dwelling (West End)
Frontage	66 ft along along Harwood Street

Building Data

Gross Building Area	25,556 square feet
Year Built	1965

Sale Data

Date	~January 2003 (closed)
Price	\$6,550,000
Adjustments	
Instrument Number	BV035369/71
Vendor	Perpetual Enterprises Ltd. - Che-Keung Chan, ASO
Purchaser	661574 BC Ltd. - Ludwig & Erna Schuster, ASOs

Income

Effective Gross Income	<u>\$495,000</u>
Net Operating Income	<u>\$339,473</u>

Remarks

A 16-storey concrete apartment building with 55 suites (27 bachelor and 28 one bedroom). The site has limited parking - 33 slots (twelve underground, twelve surface and nine covered). Constructed in 1965. Includes one elevator and balconies. Gross potential income is reportedly \$500,000, effective gross income of \$495,000, operating expenses of \$156,078 (31.53% of EGI and \$2,838 per suite), net income of \$338,922. Density of 229 units per acre.

Indicators

FSR (Actual)	2.44
Price/Gross Bldg Area	\$256.30
Overall Capitalization Rate	5.2 %

Index No. 15 (Improved)

Property Identification

Property Name	Pacific View Apartments
Address	2266 West 1st Avenue, Vancouver
Neighbourhood	Kitsilano
Legal Description	Lot 4 to 8 and 9, Block 213, District Lot 526, Plan 590

PID	007-715-889/007-715-919/007-715-978/007-715-994/007-716-028/007-720-793
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Land Data

Zoning	RM-2, Medium Density Multi-Family
Frontage	137 ft along along West 1st Avenue

Building Data

Gross Building Area	18,730 square feet
Gross Area	23,229 square feet
Year Built	1967

Sale Data

Date	~March 2003 (closed April 2003)
Price	\$4,195,227
Adjustments	
Instrument Number	BV129990-95
Vendor	2266 Investment Company Ltd. - Wan Shu Tsui, ASO
Purchaser	Sandy and Cecilia Chow

Income

Effective Gross Income	<u>\$317,196</u>
Net Operating Income	<u>\$218,765</u>

Remarks

A well maintained wood frame apartment block with recent suite, plumbing and roof upgrades. The building is located two blocks away from Kits beach and the top three floors have mountain views. The suite mix comprises eight 436 square foot bachelor suites with rents averaging \$608 per month (\$1.39 per square foot), 16 602 square foot one-bedroom units with rents averaging \$776 per month (\$1.29 per square foot), five 848 square foot two-bedroom units with rents averaging \$1,139 per month (\$1.34 per square foot) and one 1,380 square foot three-bedroom unit renting for \$2,115 per month (\$1.53 per square foot). Owner pays heat. The building features ample storage area and large roof deck for top floor tenants. The building efficiency is 80.6%. Utilities are located on ground floor.

Indicators

FSR (Actual)	1.14
FSR (Based on Gross)	1.41
Price/Gross Bldg Area	\$223.98
Price/Gross Area	\$180.60
NOI/SF	\$9.42
Overall Capitalization Rate	5.2 %

Index No. 16 (Improved)

Property Identification

Property Name	Laurelhurst
Address	2830 Hemlock Street, Vancouver
Neighbourhood	Fairview
Legal Description	Lots 1 & 2, Block 412, District Lot 526, Plan 1276

PID	014-681-404, 014-681-412
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Land Data

Zoning	RM-3, Multiple Dwelling District
Frontage	125 ft along along Hemlock Street

Building Data

Year Built	1926
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Sale Data

Date	~March 2003 (closed)
Price	\$3,595,000
Adjustments	
Instrument Number	BV111478/79
Vendor	Margaret Moore & Ralph Lighthouse - M. Moore & R. Lighthouse, ASOs
Purchaser	665636 B.C. Ltd.

Income

Effective Gross Income	<u>\$325,074</u>
Net Operating Income	<u>\$230,076</u>

Remarks

A three-storey apartment building located on the southeast corner of Hemlock Street and West 12th Avenue, in the Fairview neighbourhood of Vancouver.

Indicators

Overall Capitalization Rate	6.4 %
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Index No. 17 (Improved)

Property Identification

Property Name	Shannon Towers
Address	5976 Tisdall Street, Vancouver
Neighbourhood	Oakridge
Legal Description	Lot 2, Block 892, District Lot 526, Plan 9935

PID	009-611-452
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Land Data

Zoning	CD-1, Comprehensive Development
Frontage	135 ft along along Tisdall Street

Building Data

Year Built	1960
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Sale Data

Date	~February 2003 (closed)
Price	\$8,200,000
Adjustments	
Instrument Number	BV061788
Vendor	Morris Wosk
Purchaser	Hollyburn Properties Ltd. - Paul Sander, ASO

Income

Effective Gross Income	<u>\$684,615</u>
Net Operating Income	<u>\$484,249</u>

Remarks

A nine-storey, concrete apartment building located on the east side of Tisdall Street, north of West 45th Avenue. Adjacent to Oakridge Mall. Constructed in 1960. Comprises a total of 45 units: 18 one-bedroom, 21 two-bedroom, five three-bedroom and one two-bedroom penthouse. Includes 41 covered parking stalls, six surface parking stalls, two washers, two dryers, one elevator and a swimming pool.

Indicators

Overall Capitalization Rate	5.9 %
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Index No. 18 (Improved)

Property Identification

Address 55 East 14th Avenue, Vancouver
Neighbourhood Mount Pleasant
Legal Description Lots C, D & E of Lots 9 to 12, Block 47, District Lot 302, Plan 6957

PID 009-875-182, 009-886-940, 009-888-454, & 009-888-527

Land Data

Zoning RM-4, Multiple Dwelling District
Frontage 167 ft along along East 14th Avenue

Building Data

Gross Building Area 25,437 square feet
Year Built 1966

Sale Data

Date ~September 2003 (closed)
Price \$3,060,000
Adjustments
Upward Adjustment \$150,000 Capital expenditures
Instrument Number BV398325/28
Vendor K L K Enterprises Inc. - Julie Shum, ASO
Purchaser 676082 B.C. Ltd. - Parminder & Narinder Chauhan, ASO

Income

Effective Gross Income	<u>\$299,540</u>
Net Operating Income	<u>\$185,810</u>

Remarks

A three-storey apartment building located on the north side of East 14th Avenue, east of Ontario Street. The building required approximately \$150,000 in capital expenditures for replumbing and interior water damage, suggesting an adjusted sale price of \$3,210,000.

Lead 05/05-

Street improvements include concrete sidewalk, curb, street light, asphalt pavement, and storm sewer. The street traffic volume is low. Adjacent to the West side of the site is a lane. The neighbourhood is characterized by a mixture of Multi-Family Houses.

Indicators

FSR (Actual)	1.15
Price/Gross Bldg Area	\$126.19
Overall Capitalization Rate	5.8 %

Index No. 19 (Improved)

Property Identification

Property Name	Martello Tower
Address	1011 Beach Avenue, Vancouver
Neighbourhood	West End
Legal Description	Lot A, Block 14, District Lot 185, Plan 12302

PID	008-920-796
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Land Data

Zoning	RM-5A, Multiple Dwelling (West End)
OCP Designation	Max FSR - 2.20
Frontage	277 ft along along Beach Avenue

Building Data

Rentable Area	134,200 square feet
Year Built	1968

Sale Data

Date	~September 2003
Price	\$28,000,000
Adjustments	
Instrument Number	BV363126
Vendor	Skyland International Holdings Ltd., Rosanna Wong, ASO
Purchaser	No. 260 Seabright Holdings Ltd., John Cassils & Brijendra Nehru, ASO's

Income

Effective Gross Income	<u>\$1,980,000</u>
Net Operating Income	<u>\$1,180,000</u>

Remarks

A 32-storey apartment building on the northeast corner of Beach Avenue and Thurlow Street. The building contains a liveable floor area of 134,200 square feet and contains 220 units, consisting of 180 one-bedroom and 40 two-bedroom suites. The units have balconies. The development has three elevators and an underground parking garage. The transaction involved the acquisition of the holding company for \$28,000,000 and the subsequent sale of the real estate assets to the current purchaser for a reported \$29,250,000.

Indicators

FSR (Based on Rentable)	3.11
Price/Rentable Area	\$208.64
NOI/SF	\$8.79
Overall Capitalization Rate	4.2 %

Index No. 20 (Improved)

Property Identification

Address	1288 Broughton Street, Vancouver
Neighbourhood	West End
Legal Description	Lot A of Lots 14 & 15, Block 38, District lot 185, Plan 8541
PID	004-422--261

Land Data

Lot Size	10,742 square feet or 0.25 acres
Zoning	RM-5A, Multiple Dwelling
Frontage	131 ft along along Broughton Street

Building Data

Rentable Area	33,134 square feet
Year Built	1956

Sale Data

Date	~September 2003 (closed)
Price	\$5,400,000
Instrument Number	BV 373365
Vendor	Mary & Patrick Lee, Linda Chen
Purchaser	Mason Investments Ltd. - Samuel Zalkow, ASO

Income

Effective Gross Income	<u>\$492,196</u>
Net Operating Income	<u>\$346,353</u>

Remarks

September 15, 2003 sale of a six-storey reinforced concrete apartment building located at the north-east corner of Broughton and Burnaby Streets. Building contained 42 suites, 18 underground parking stalls and an elevator. Suite mix as follows: three bachelor units averaging 450 square feet with a rent range of \$557 to \$720, 25 one-bedroom units averaging 640 square feet with a rent range of \$700 to \$940, 13 two-bedroom units averaging 1,070 square feet with a rent range of \$1,165 to \$1,350 and one penthouse unit at 1,650 square feet renting for \$2,010. In 1988, building restorations in the amount of \$500,000 included exterior painting, new roof, boiler, fire prevention system, kitchens and bathrooms.

Indicators

FSR (Based on Rentable)	3.08
Price/Rentable Area	\$169.01
NOI/SF	\$14.85
Overall Capitalization Rate	6.2 %

Index No. 21 (Improved)

Property Identification

Property Name	Pine Place
Address	1705 West 12th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lot D, Block 388, District Lot 526, Plan 17541
PID	007-270-747

Land Data

Zoning	RM-3, Multiple Dwelling District
Frontage	100 ft along along West 12th Avenue
	125 ft along along Pine Street

Building Data

Gross Building Area	13,700 square feet
Net Area	11,972 square feet
Year Built	1977

Sale Data

Date	~October 2003 (closed)
Price	\$3,140,000
Adjustments	
Vendor	Pine Street Investments Ltd.
Purchaser	Graceway Properties Ltd., Anne Kwok, ASO

Income

Effective Gross Income	<u>\$225,245</u>
Net Operating Income	<u>\$176,824</u>

Remarks

Northwest corner at Pine Street. A three storey wood frame building with stucco exterior, built in 1977. Extensive renovations include new plumbing throughout. Total of 20 units with 12 of the units have new kitchens, appliances, hardwood floors and tile in entry, kitchen and washrooms. Roof and hot water tanks replaced in 1998. Zoned electric heat. One elevator and 20 underground parking spaces. Tenants pay heat.

Indicators

FSR (Actual)	1.10
FSR (Based on Net)	0.96
Price/Gross Bldg Area	\$229.20
Price/Net Area	\$262.28
NOI/SF	\$14.77
Overall Capitalization Rate	5.6 %

Index No. 22 (Improved)

Property Identification

Property Name	English Bay Towers
Address	1750 Davie Street, Vancouver
Neighbourhood	West End
Legal Description	Lot G, Block 62, District Lot 185, Plan LMP20051

PID	019-053-029
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Land Data

Zoning	C-5, West End Commercial District
Frontage	132 ft along along Davie Street

Building Data

Year Built	1964
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Sale Data

Date	~October 2003 (closed)
Price	\$9,600,000
Adjustments	
Instrument Number	BV447451-540
Vendor	473557 B.C. Ltd. et. al. - Belanda Yuk Yee Tam, ASO
Purchaser	Hollyburn Properties Ltd. - Paul Sander, ASO

Income

Effective Gross Income	<u>\$782,472</u>
Net Operating Income	<u>\$601,832</u>

Remarks

A 12 storey, 40-year-old, reinforced concrete apartment building with secured underground parking. The building has no balconies, an outdoor swimming pool that is not in operation and two elevators. The suite mix consists of 44 bachelor units and 46 junior one-bedroom suites ranging from approximately 450 to 570 square feet. The building had some deferred maintenance and above average vacancies/roll-over. Acquired by Hollyburn Properties to upgrade and re-tenant at higher rents.

Indicators

Overall Capitalization Rate	6.3 %
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Index No. 23 (Improved)

Property Identification

Address	2130 West 3rd Avenue, Vancouver
Neighbourhood	Kitsilano
Legal Description	Lots 13 to 16, Block 234, District Lot 526, Plan 590
PID	015-364-313,330,348,356

Land Data

Zoning	RM-4, Low-rise Multiple Dwelling
Frontage	100 ft along Along West 3rd Avenue

Building Data

Year Built	1958
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Sale Data

Date	~November 2003 (closed)
Price	\$3,350,000
Adjustments	
Instrument Number	BV497967-70
Vendor	Birch Manor Ltd. - Barry Powell, ASO
Purchaser	Obion Holdings Ltd. - Robert Ellis, Lawyer

Income

Effective Gross Income	<u>\$263,485</u>
Net Operating Income	<u>\$204,251</u>

Remarks

A 45 year old three-storey plus penthouse walk-up apartment block with 22 suites and 11 parking stalls. Owner pays hot water heat. Building reportedly renovated and in excellent condition. Plumbing main lines have been replaced. Located just west of 3rd Avenue and Arbutus Street with upper northern exposed suites having views. The property was originally listed for \$3,500,000 and for \$3,700,000 in May 2003.

Indicators

Overall Capitalization Rate	6.1 %
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Index No. 24 (Improved)

Property Identification

Property Name	Tiffany Gardens
Address	670 - 692 West 45th Avenue, Vancouver
Neighbourhood	Kerrisdale
Legal Description	Lot 2 of C, Block 1008, District Lot 526, Plan 10601

PID	009-362-592
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Land Data

Zoning	CD-1, Comprehensive Development
Frontage	203 ft along along West 45th Avenue

Building Data

Gross Building Area	43,396 square feet
Year Built	1970

Sale Data

Date	~December 2003 (closed)
Price	\$7,994,000
Adjustments	
Instrument Number	BV532553
Vendor	Eason Enterprises Ltd. - Stella Kwong & Antony Choi, ASOs
Purchaser	Madison Pacific Properties (673489 B.C. Ltd.) - Raymond Heung, ASO
Sales History	Sold - July 1991 (closed) for \$7,118,000

Income

Effective Gross Income	<u>\$652,260</u>
Net Operating Income	<u>\$417,200</u>

Remarks

A 31-unit, multiple-family residential rental development on the south side of West 45th Avenue, west of Tisdall Street. The units are contained within three two-storey townhouse buildings and one three-storey apartment building. The development is reportedly well-maintained and contains extensively landscaped grounds.

Indicators

FSR (Actual)	0.63
Price/Gross Bldg Area	\$184.21
Overall Capitalization Rate	5.2 %

Index No. 25 (Improved)

Property Identification

Address	1550 Vine Street and 2275 York Avenue, Vancouver
Neighbourhood	Kitsilano
Legal Description	Lots 18 to 20, Block 193, District Lot 526, Plan 848
PID	009-281-029 and 002-850-133

Land Data

Zoning	RM-4, Medium Density Residential
Frontage	150 ft along along York Avenue
	120 ft along along Vine Street

Building Data

Year Built	1958
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Sale Data

Date	~January 2004 (closed)
Price	\$4,600,000
Adjustments	
Vendor	L.I.I. Investments - Kimberly Siu Wai Ip, ASO
Purchaser	York Street Properties Ltd. and Vine Street Properties Ltd. - David Everett, ASO

Income

Effective Gross Income	<u>\$330,000</u>
Net Operating Income	<u>\$230,000</u>

Remarks

Two three-storey, wood frame apartment buildings located on the northeast corner of Vine Street and York Avenue. 1550 Vine Street comprises 23 suites: 22 one-bedroom units and one two-bedroom unit. 2275 York Avenue consists of 10 suites: one bachelor unit, five one-bedroom suites and four two-bedroom suites. BC Assessment allocates the purchase price as being \$3,206,060 for 1550 Vine Street and \$1,393,939 for 2275 York Avenue. The portfolio sold for the asking price.

Indicators

Overall Capitalization Rate	5.0 %
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Index No. 26 (Improved)

Property Identification

Property Name	El Navaro Apartments
Address	1890 Haro Street, Vancouver
Legal Description	Lot 7, Block 67, District Lot 185, Plan 92

PID	015-739-295
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Land Data

Zoning	RM-5B, Multi-family
Frontage	66 ft along along Haro Street

Building Data

Year Built	1958
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Sale Data

Date	~February 2004 (closed)
Price	\$5,446,925
Adjustments	
Instrument Number	BW043945
Vendor	Eastwood Holding Ltd. - Dorothy Fuchs, ASO
Purchaser	Haro Street Holdings Ltd. - Chris Crosby, ASO
Sales History	Listed in August 2003 for \$7,000,000

Income

Effective Gross Income	<u>\$443,163</u>
Net Operating Income	<u>\$305,806</u>

Remarks

Six storey concrete building with secured underground parking, constructed 1954, 41 suites: 28 bachelor and 13 - one bedroom. Building has one elevator but not balconies, hot water heat.

Indicators

Overall Capitalization Rate	5.6 %
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Index No. 27 (Improved)

Property Identification

Property Name	Henry Manor
Address	1306 Cardero Street, Vancouver
Neighbourhood	West End
Legal Description	Lot 11, Block 1, District Lot 185, Plan 92

PID	009-180-371
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Land Data

Zoning	RM-5A, Multiple Dwelling District
Frontage	66 ft along along Cardero Street

Building Data

Gross Building Area	16,075 square feet
Year Built	1957

Sale Data

Date	~May 2004 (closed September 2004)
Price	\$3,102,000
Adjustments	
Instrument Number	BW420010
Vendor	Hueng Wing Yeung
Purchaser	Fairbridge Enterprises Ltd., Caroline Godoy, ASO
Sales History	Sold - September 1985 (closed) for \$850,000 Sold - January 1981 (closed) for \$805,000

Income

Effective Gross Income	<u>\$213,477</u>
Net Operating Income	<u>\$137,909</u>

Remarks

A three-storey, walk-up apartment building located on the southeast corner of Cardero Street and Harwood Street. Improvements comprise 23 units: four bachelor suites with rents ranging from \$690 to \$765 per month, 14 one-bedroom suites with rents ranging from \$655 to \$830 per month and five two-bedroom suites (including a penthouse unit) with rents ranging from \$930 to \$1,063 per month. The owner pays all heating charges. Rents are reportedly below market. There are four roof deck patios (three are private), complete laundry and storage facilities, and secured underground parking. The recent upgrades include: building repiped in 2002, roof & decks replaced (torch on) in 2000, newer hot water tank in 2001 and 14 suites have undergone extensive upgrades as well. Excellent water views from roof decks and some suites.

Indicators

FSR (Actual)	1.86
Price/Gross Bldg Area	\$192.97
Overall Capitalization Rate	4.4 %

Index No.28 (Improved)

Property Identification

Property Name	Wedgwood House
Address	1076 West 14th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lots 1 to 4, Block 455, District Lot 526, Plan 1276
PID	013-982-681, 013-982-737, 013-982-753

Land Data

Zoning	RM-3, Multiple Dwelling District
Frontage	200 ft along along West 14th Avenue

Building Data

Gross Building Area	30,790 square feet
Year Built	1967

Sale Data

Date	~June 2004 (closed)
Price	\$6,250,000
Adjustments	
Vendor	Ching & Yung Limited
Sales History	Sold - May 1989 (closed) for \$4,380,000

Income

Effective Gross Income	<u>\$415,410</u>
Net Operating Income	<u>\$342,367</u>

Remarks

"Wedgwood House" is a three-storey, concrete apartment building located in the Fairview area in the City of Vancouver. The exterior is brick and wood, it is a corner site and the gross floor area is 30,790 square feet. Owner pays heating charges. Complex has coin-operated laundry facilities available as well as one elevator. Smoke detectors and balconies for all suites. Public transit is nearby. Improvements comprise 44 suites: Six bachelor suites, 26 one-bedroom suites and 12 two-bedroom suites.

Indicators

FSR (Actual)	1.23
Price/Gross Bldg Area	\$202.99
Overall Capitalization Rate	5.5 %

Index No. 29 (Improved)

Property Identification

Property Name	The Royal
Address	1848 West 3rd Avenue, Vancouver
Neighbourhood	Kitsilano
Legal Description	Lot E & 10 & 11 & West ½, Block 237, District Lot 527, Plan 590
PID	015-260-828, 015-259-846, 015-259-862 & 015-260-844

Land Data

Zoning	RM-4, Multiple Dwelling
Frontage	163 ft along along West 3rd Avenue

Building Data

Year Built	1972
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Sale Data

Date	~July 2004 (closed)
Price	\$5,275,000
Adjustments	
Instrument Number	BW354625-28
Vendor	Tang Enterprises Ltd. - Edmund Tang & Marcus Tang, ASOs
Purchaser	Hollyburn Properties Ltd. - Stephen Sander, ASO

Income

Effective Gross Income	<u>\$354,600</u>
Net Operating Income	<u>\$236,223</u>

Remarks

A three-storey apartment building located on the west side of 3rd Avenue, west of Burrard Street. The building features a brick and stucco exterior, balconies/patios, underground parking, an elevator and in-suite storage for each unit. Tenants pay for electric heat. Most stoves and fridges were replaced in the last six years and a new intercom and domestic hot water boiler were in place. The suite mix consists of 41 suites: 12 bachelor suites, 28 one-bedroom suites and one two-bedroom suite. The asking price was \$5,400,000.

Indicators

Overall Capitalization Rate	4.5 %
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Index No. 30 (Improved)

Property Identification

Property Name	Villa Cardello
Address	1580 Haro Street, Vancouver
Neighbourhood	West End
Legal Description	West 1/2 of Lot 9 & North and South 1/2 of Lot 10 Block 45, District Lot 185, Plan 92

PID	015-773-400, 015-773-477 & 015-773-523
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Land Data

Zoning	RM-5, Multiple Dwelling District
Frontage	99 ft along along Haro Street

Building Data

Year Built	1970
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Sale Data

Date	~August 2004 (closed)
Price	\$7,875,000
Adjustments	
Instrument Number	BW402553-55
Vendor	Manfinac Enterprises Ltd. - Caroline Fung, ASO
Purchaser	Hollyburn Properties Ltd. - Stephen Sander, ASO
Sales History	Sold April 1974 for \$884,750 (closed)

Income

Effective Gross Income	<u>\$511,196</u>
Net Operating Income	<u>\$330,739</u>

Remarks

A nine storey reinforced concrete building with underground and surface parking. 61 suites: 29 - studio @ 429 to 468 square feet; 30 - 1 BR @ 588 to 625 square feet; 2 - 1 BR penthouses @ 730 square feet. 43 parking stalls (30 underground, 8 covered, 5 surface). Building has two elevators, hot water heat, balconies. Average rent of \$687 per month. Effective gross income given as \$511,196 (after 2% vacancy), operating expenses of \$180,457 (35.3% of EGI and \$2,958 per suite), net income of \$330,739.

Indicators

Overall Capitalization Rate	4.2 %
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Index No. 31 (Improved)

Property Identification

Property Name	Beach Park
Address	2280 Cornwall Avenue, Vancouver
Neighbourhood	Kitsilano
Legal Description	Lot E, Block 193, District Lot 526, Plan 846

PID	003-410-307
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Land Data

Zoning	RM-4, Multiple Dwelling
Frontage	100 ft along along Cornwall

Building Data

Gross Building Area	14,697 square feet
Year Built	1973

Sale Data

Date	~September 2004
Price	\$4,750,000
Adjustments	
Sales History	Sold - November 1985 (closed) for \$1,286,400

Income

Effective Gross Income	<u>\$283,478</u>
Net Operating Income	<u>\$195,978</u>

Remarks

Beach Park is a three-storey wood frame apartment building that was constructed in 1973. It is located in Kitsilano directly across from Kits Beach on Cornwall Avenue in Vancouver. Recent upgrades include new hall carpets, piping renewal in 1998, new domestic hot water tank and most stoves & fridges replaced in the last 13 years. Eight year old Super Hot furnace. The building has balconies or patios for each suite, secure underground parking for 31 cars, lockers, in-suite storage, elevator and bike storage area. There are 24 units with two bachelor suites with rents between \$725 and \$750 and 22 one-bedroom suites with rents ranging between \$855 to \$1,050 per month. Laundry revenue is \$3,575, or \$12.41 per unit per month. Rents include heat.

Indicators

FSR (Actual)	1.22
Price/Gross Bldg Area	\$323.20
Overall Capitalization Rate	4.1 %

Index No.32 (Improved)

Property Identification

Property Name	Park Towers
Address	5815 Yew Street, Vancouver
Neighbourhood	Kerrisdale
Legal Description	Lots 12 to 19 of Lot 10 Inclusive, Block 16, District Lot 526, Plan 2098
PID	014-059-738, -746, -754, -762 and -771

Land Data

Zoning	RM-3, Multi-Dwelling District
Frontage	264 ft along along Yew Street

Building Data

Gross Building Area	57,900 square feet
Rentable Area	50,970 square feet
Year Built	1965

Sale Data

Date	~December 2004 (closed)
Price	\$15,600,100
Adjustments	
Instrument Number	BW550561/68
Vendor	Liberty Investments Ltd., Kenneth Bagshaw, ASO
Purchaser	Brovan Title Ltd., Kathleen Taryn Brodie, ASO

Income

Effective Gross Income	<u>\$951,594</u>
Net Operating Income	<u>\$691,048</u>

Remarks

A 14-storey reinforced concrete apartment building with one level of secured basement parking, constructed in 1965, 83 suites and 80 parking spaces. Unit mix: 15 - studios @ 454 square feet; 55 - 1 BR @ 615 square feet; 13 - 2 BR @ 795 square feet. Total NRA of 50,877 square feet. Average suite rent of \$950 per month.

Indicators

FSR (Actual)	1.75
FSR (Based on Rentable)	1.54
Price/Gross Bldg Area	\$269.43
Price/Rentable Area	\$306.06
NOI/SF	\$13.56
Overall Capitalization Rate	4.4 %

Index No. 33 (Improved)

Property Identification

Property Name	Beach Park Apartment Building
Address	2280 Cornwall Avenue, Vancouver
Neighbourhood	Kitsilano
Legal Description	Lot E (P11512), Block 193, District Lot 526, Plan 848.

PID	003-410-307
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Land Data

Zoning	RM-4, Multiple Dwelling
Frontage	100 ft along along Cornwall

Building Data

Year Built	1973
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Sale Data

Date	~January 2005 (closed April 2005)
Price	\$4,650,000
Adjustments	
Instrument Number	BX431659
Vendor	Heung Wing Yeung, ASO
Purchaser	0719804 B.C. Ltd. - Les Sallay, ASO

Income

Effective Gross Income	<u>\$287,026</u>
Net Operating Income	<u>\$194,399</u>

Remarks

A 32-year-old three storey apartment building with basement located on the south side of Cornwall Avenue, between Vine Street and Yew Street, across from Kitsilano Beach Park. The building has underground parking for 31 vehicles, storage space (bikes and lockers), a laundry room and commensurate landscaping. The lowest level of the development is the basement (three split levels) devoted to parking, storage, bike storage and a laundry room. Other facilities in the basement level include the main electrical room and a boiler room. The main floor of the building has six self-contained one bedroom residential units and two self-contained bachelor units. A central 'H' shaped corridor provides access the suites. Two stairways and an elevator provide access to the basement and the upper two floors. The main floor also houses a modest lobby and the mailboxes. The second and third floors of the building each have eight self-contained one-bedroom residential units. A central 'H' shaped corridor provides access the suites. Two stairways and an elevator provide access to the basement and other floors. In total, the 24 suites are allocated as follows: two bachelor units and 22 one-bedroom units. Rents include cablevision, heat and lockers and range between \$725 and \$1,050 per month.

Indicators

Overall Capitalization Rate	4.2 %
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Index No. 34 (Improved)

Property Identification

Property Name	The Glenmore
Address	1885 Barclay Street, Vancouver
Neighbourhood	West End
Legal Description	Lot 29, Block 67, District Lot 185, Plan 92

PID	015-739-414
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Land Data

Zoning	RM-5B, Multiple Dwelling District
Frontage	66 ft along along Barclay Street

Building Data

Year Built	1955
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Sale Data

Date	~April 2005 (closed)
Price	\$5,600,000
Adjustments	
Instrument Number	BX428952
Vendor	The Estate of Ottorina Ferrario - Audrey Notte, Executor
Purchaser	Hollyburn Properties (Alberta Ltd.) - Paul Sander, ASO

Income

Potential Gross Income	\$400,644	
Vacancy & Collections Loss	\$3,947	@ 1%
Effective Gross Income	\$396,697	
Operating Expense	\$126,673	
Net Operating Income	\$270,024	

Remarks

A 50-year-old five-storey concrete apartment building with one level of secured parking. Very good west of Denman location on the northeast corner at Gilford Street. The suite mix comprises 41 units: 28 - bachelor, 12 - 1 BR, 1 - 1 BR penthouse. The building has no balconies but has one elevator and a laundry room. Rents are reportedly from \$620 to \$710 per month for bachelor units and \$865 per month and up for the one-bedrooms, penthouse at \$1,500 per month. No vacancy in recent past.

Indicators

Overall Capitalization Rate	4.8 %
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Index No. 35(Improved)

Property Identification

Property Name Sunrise Court Apartments
Address 1419 Harwood Street, Vancouver
Neighbourhood West End
Legal Description Lot 19, Block 51, District Lot 185, Plan 92

PID 015-745--660

Land Data

Zoning RM-5A, Multi-Dwelling District
OCP Designation Maximum 2.2 FSR
Frontage 66 ft along along Harwood Street

Building Data

Year Built 1959

Sale Data

Date ~April 2005 (closed June 2005)
Price \$5,500,000
Adjustments
Instrument Number BX247368
Vendor Wetemar Holdings Ltd. - Wendy Fouks, ASO
Purchaser Progressive Construction Ltd. (50%); 374857 BC Ltd. (35%); Datchet Holdings Ltd. (15%)

Income

Potential Gross Income	\$339,401	
Vacancy & Collections Loss	\$3,394	1%
Effective Gross Income	\$336,007	
Operating Expense	\$125,470	adjusted
Net Operating Income	\$210,537	

Remarks

A seven-storey reinforced concrete apartment building with underground parking, located on the north side of Harwood Street, west of Broughton Street. There are 42 suites in total, demised into 21 - bachelor units of 470 to 480 square feet and 21 - one-bedroom units of 546 to 706 square feet. Rents average \$653 per suite. Features include hardwood floors and hot water and heat are included.

Indicators

Overall Capitalization Rate 3.8 %

Index No. 36 (Improved)

Property Identification

Property Name	Nicola Place
Address	1228 Nicola Street, Vancouver
Neighbourhood	West End
Legal Description	Lot 4, Block 50, District Lot 185, Plan 92
PID	013-251-619, 013-251-678, 013-251-643

Land Data

Zoning	RM-5A, Multiple Dwelling
Frontage	132 ft along along Nicola Street

Building Data

Gross Building Area	45,793 square feet
Net Area	40,298 square feet
Year Built	1975

Sale Data

Date	~April 2005 (closed)
Price	\$12,500,000
Adjustments	
Instrument Number	BX353837/9
Vendor	1228 Nicola Apartments Ltd.; Mary Ip, ASO
Purchaser	Hollyburn Properties Ltd.; Stephen Sander ASO
Sales History	Sold - April 1990 (closed) for \$9,200,000 Sold - February 1989 (closed) for \$6,500,000

Income

Potential Gross Income	\$940,925	2003 calendar year
Vacancy & Collections Loss	\$9,409	@ 1%
Effective Gross Income	\$931,516	
Operating Expense	\$284,019	Adjusted
Net Operating Income	\$647,497	

Remarks

A 14 storey, concrete high-rise apartment building with 102 one-bedroom suites and one two-bedroom unit. Originally built as a hotel, the building has only one power meter - electricity is billed to tenants based on suite size. Rents for the one-bedroom units range between \$675 to \$835 per month. The rents include heat. The building has a sprinkler system, coin-operated laundry facilities, sauna and intercom system. Each suite contains a balcony and smoke detectors. The building has upgraded windows and was re-plumbed in 1997, re-roofed in 1998. Air conditioning exists but the landlord does not operate.

Indicators

FSR (Actual)	2.65
FSR (Based on Net)	2.33
Price/Gross Bldg Area	\$272.97
Price/Net Area	\$310.19
NOI/SF	\$16.07
Overall Capitalization Rate	5.2 %

Index No. 37 (Improved)

Property Identification

Property Name	Bermuda Manor
Address	5951 Balsam Street, Vancouver
Neighbourhood	Kerrisdale
Legal Description	Lot A of 3, Block 16, District Lot 526, Plan 3095

PID	012-384-437
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Land Data

Zoning	RM-3, Multiple Dwelling District
OCP Designation	1.45 FSR
Frontage	298 ft along along Balsam Street

Building Data

Gross Building Area	49,500 square feet
Rentable Area	44,017 square feet

Sale Data

Date	~June 2005 (closed)
Price	\$12,883,250
Adjustments	
Instrument Number	BX455515
Vendor	Barry Powell, ASO
Purchaser	Balsam BT Holdings Ltd.; James Delmotte & Graham Drexel, ASO

Income

Net Operating Income	<u>\$653,916</u>
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Remarks

An apartment building located on the southwest corner of Balsam Street and 43rd Avenue. The site is situated nearby schools, transit, parks and shopping. The hot water tank was recently replaced. The studio suites range from 507 to 602 square feet, the one-bedroom suites range from 655 to 698 square feet, the two-bedroom penthouse is 922 square feet and the the three bedroom penthouse is 1,392 square feet. The purchaser assumed existing financing having a 7.5% overall rate for a further two years, representing a penalty nearing 3.5% relative to prevailing interest rates at the time. The vendor provided interest-free financing for the same period, VTB payments of \$12,000 per month, last payment and due date of August 2007; See BX455516.

Indicators

FSR (Actual)	1.34
FSR (Based on Rentable)	1.19
Price/Gross Bldg Area	\$260.27
Price/Rentable Area	\$292.69
NOI/SF	\$14.86
Overall Capitalization Rate	5.1 %

Index No. 38 (Improved)

Property Identification

Property Name	Bay Towers
Address	1461 Harwood Street, Vancouver
Neighbourhood	West End
Legal Description	Lot 16 and 17 South Half and 18 Except East 60 Feet, Block 51, District Lot 185, Plan 92

PID	012-686-573, 012-686-603 and 012-686-638
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Land Data

Zoning	RM-5A, Multiple Dwelling District
OCP Designation	2,2 FSR
Frontage	138 ft along Harwood

Building Data

Year Built	1961
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Sale Data

Date	~June 2005
Price	\$5,350,000
Adjustments	
Instrument Number	BX295913-5
Vendor	Quint Ace Properties Inc.; Mary Ip, ASO
Purchaser	Hollyburn Properties (Alberta) Ltd.; Paul Sander ASO
Sales History	Sold April 1990 for \$3,399,999 (closed) Sold September 1989 for \$3,250,000 (closed)

Income

Potential Gross Income	\$355,147
Vacancy & Collections Loss	<u>\$3,551</u>
Effective Gross Income	\$351,596
Operating Expense	<u>\$131,106</u>
Net Operating Income	<u>\$218,931</u>

Remarks

An 10-storey apartment building located on the northeast corner of Nicola and Harwood Streets. Good views of English Bay. There are two penthouse units - 1-bedroom and 2-bedroom - each have rooftop decks.

Indicators

Overall Capitalization Rate	4.1 %
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Index No.39 (Improved)

Property Identification

Property Name	Shaughnessy Lodge
Address	1298 West 10th Avenue, Vancouver
Neighbourhood	Fairview
Legal Description	Lots 1 and 2, Block 373, District Lot 526, Plan 19991
PID	015-014-843 & 015-014-908

Land Data

Zoning	RM-3, Multi-Dwelling District
OCP Designation	1,45 FSR
Frontage	100 ft along along West 10th Avenue

Building Data

Rentable Area	38,235 square feet
Year Built	1912

Sale Data

Date	~July 2005
Price	\$7,000,000
Adjustments	
Instrument Number	BX352790-91
Vendor	The Estate of Wassa Stroshin - Alexander Stroshin, The Executor
Purchaser	1298 West 10th Ltd. - Edward Gibson, ASO

Income

Effective Gross Income	<u>\$597,692</u>
Net Operating Income	<u>\$397,513</u>

Remarks

A four-storey plus basement apartment building located on the southeast corner of West 10th Avenue and Birch Street. The owner pays the heat. Significant repairs required, estimated at \$1,320,000 over three years - asbestos removal, suite upgrades, repiping, exterior (windows, et cetera)

Indicators

FSR (Based on Rentable)	3.03
Price/Rentable Area	\$183.08
NOI/SF	\$10.40
Overall Capitalization Rate	5.7 %

Index No. 40 (Improved)

Property Identification

Address	2086 West 2nd Avenue, Vancouver
Neighbourhood	Kitsilano
Legal Description	Lots A, B and C of Lots 5 to 8, Block 225, District Lot 526, Plan 4866
PID	011-287-799/802/811 & 015-285-995

Land Data

Zoning	RM-4, Multiple Dwelling District
Frontage	125 ft along along West 2nd Avenue

Building Data

Rentable Area	19,775 square feet
Year Built	1969

Sale Data

Date	~July 2005
Price	\$3,950,000
Adjustments	
Instrument Number	BX167781
Vendor	Hui-Law Enterprises Ltd. - Stephen Yau-Kwan & Vincent Law, ASOs
Purchaser	0727632 BC Ltd. (Trustee for 0728314 BC Ltd.) - Ronald Kai Ming, ASO

Income

Effective Gross Income	<u>\$242,550</u>
Net Operating Income	<u>\$169,050</u>

Remarks

A four storey apartment building located on the south side of West 2nd Avenue, east of Arbutus Street. The building contains 27 one bedroom apartments that rent at \$660 per month and one-two bedroom apartment that rents at \$800 per month. Rents were 20% to 25% below market. The fourth floor patio has a view of West Vancouver, the ocean and mountains and downtown Vancouver.

Indicators

FSR (Based on Rentable)	1.34
Price/Rentable Area	\$199.75
NOI/SF	\$8.55
Overall Capitalization Rate	4.3 %

Index No. 41 (Improved)

Property Identification

Property Name	Carlton House
Address	1540 Burnaby Street, Vancouver
Neighbourhood	West End
Legal Description	Lot 8, Block 51, District Lot 185, Plan 92
PID	008-601-330

Land Data

Zoning	RM-5A, Multiple Dwelling District
Frontage	66 ft along along Burnaby Street

Building Data

Gross Building Area	21,632 square feet
Rentable Area	21,632 square feet
Year Built	1966

Sale Data

Date	~December 2005 (closed)
Price	\$3,450,000
Adjustments	
Vendor	Fillmore Investments Ltd. - Brenda L. Cameron, ASO
Purchaser	1540 Burnaby Street - Hugh Maddin, ASO
Sales History	Sold - July 1999 (closed) for \$1,900,000 Sold - September 1987 (closed) for \$1,005,000

Income

Effective Gross Income	<u>\$212,886</u>
Net Operating Income	<u>\$162,518</u>

Remarks

An apartment building located on the south side of Burnaby Street, west of Nicola Street. The site has visual exposure, is nearby shopping, transit, and a park. The building was renovated in 1997. The suite mix comprises five bachelor suites with rents ranging from \$680-\$700 per month, 16 one-bedroom units with rents ranging from \$770-\$810 per month and one two-bedroom suite rented at \$1,100 per month. The property sold for the asking price after six months on the market.

Indicators

FSR (Actual)	2.50
FSR (Based on Rentable)	2.50
Price/Gross Bldg Area	\$159.49
Price/Rentable Area	\$159.49
NOI/SF	\$7.51
Overall Capitalization Rate	4.7 %