

File No.: 04-1000-20-2021-299

September 28, 2021

s.22(1)

Dear s.22(1)

Re: **Request for Access to Records under the Freedom of Information and Protection of Privacy Act (the "Act")**

I am responding to your request of June 9, 2021 for:

**The following records in regards to The June 9, 2021 Council Report Transfer of Parks Development Cost Levies (DCL) to the Property Endowment Fund for the Burrard Slopes Park Expansion, Designation of Permanent Park and Approval of a Capital Budget for Deconstruction which states on page 4 "The PEF Properties have been appraised by an independent third party professional appraiser, and valued at \$41,150,000":**

- **Record of the said appraisal;**
- **Terms of Reference for the appraisal;**
- **Invoices for the work done by the appraiser**

**Date range for the records: September 1, 2020 to June 9, 2021.**

All responsive records are attached.

Under section 52 of the Act, and within 30 business days of receipt of this letter, you may ask the Information & Privacy Commissioner to review any matter related to the City's response to your FOI request by writing to: Office of the Information & Privacy Commissioner, [info@oipc.bc.ca](mailto:info@oipc.bc.ca) or by phoning 250-387-5629.

If you request a review, please provide the Commissioner's office with: 1) the request number (#04-1000-20-2021-299); 2) a copy of this letter; 3) a copy of your original request; and 4) detailed reasons why you are seeking the review.

Yours truly,

[Signature on file]

**Barbara J. Van Fraassen, BA**  
**Director, Access to Information & Privacy**

[Barbara.vanfraassen@vancouver.ca](mailto:Barbara.vanfraassen@vancouver.ca)  
453 W. 12th Avenue Vancouver BC V5Y 1V4

\*If you have any questions, please email us at [foi@vancouver.ca](mailto:foi@vancouver.ca) and we will respond to you as soon as possible. Or you can call the FOI Case Manager at 604.871.6584.

Encl.

:kt

**Hypothetical Appraisal of an  
Assumed Vacant Light Industrial/Office  
Development Property**



**located at:**

**1630 & 1670 West 5th Avenue,  
Vancouver, BC**

**effective date of valuation:**

**May 1, 2020**

**prepared for:**

**City of Vancouver**

July 13, 2020

**CWPC Reference No: 15235-0420**

City of Vancouver  
Real Estate Services  
Real Estate and Facilities Management  
507 West Broadway, Suite 320  
Vancouver, BC V5Z 0B4

**Attention: Mr. Andrew Newman, Associate Director**

**Re: Hypothetical Appraisal of an Assumed Vacant Light Industrial/Office Development Property**  
**Located at 1630 & 1670 West 5th Avenue, Vancouver, BC**

In accordance with your request, I have provided a narrative appraisal report estimating the current market value of the above referenced property. It is my understanding that this appraisal is required for internal transfer purposes.

The subject property comprises eight adjacent legal lots forming an irregular, panhandle-shaped property located on the south side of West 5th Avenue, between Pine and Fir Streets, with additional frontage to Pine Street and backs onto the Arbutus Greenway, in the Burrard Slopes neighbourhood of Vancouver. The property has a combined gross site area of  $\pm 48,991$  square feet ( $\pm 1.125$  acres) with frontage of  $\pm 250.05$  feet along West 5th Avenue and  $\pm 62$  feet along Pine Street. The property extends for  $\pm 356$  feet along the Arbutus Greenway.

The property is zoned IC-1 (Light Industrial), which is intended to permit light industrial uses that are generally compatible with one another and with adjoining residential or commercial districts. The maximum density under the IC-1 zoning is a 3.0 Floor Space Ratio (FSR). The subject property is situated within the "Burrard Slopes Production, Distribution and Repair (PDR) Area" of the City's Metropolitan Core Jobs and Economy Land Use Plan and is within the Broadway Plan area.

I note that there may be potential after the new Broadway Plan is finalized to achieve a higher density on the subject property through rezoning to a CD-1 zone. The potential density achievable on the subject property in the future is unknown; therefore I have valued the property on the basis of the 3.0 FSR permitted under the IC-1 zoning. Any value associated with speculation for additional density has been internalized within my valuation conclusions.

The property is currently improved with four warehouse buildings constructed circa 1936 to 1974. However, I have been instructed by the City of Vancouver (the "Client") to assume the property is vacant and unimproved as of the effective date of valuation. Perusal of the title certificates for the subject property indicates several registered legal notations and charges and liens. However, I have been instructed by my Client that the charges will be cleared prior to the internal transfer of the property. Therefore, I have assumed the property is free and clear from any legal encumbrances as of the effective date of appraisal. Further, I have been instructed to assume the property's eight legal lots have been assembled and are ready for development as of the effective date of valuation. Based on the above, the appraisal is "hypothetical".

The Direct Comparison Approach was used to estimate the property's market value. As a result of my research and analysis, I am of the opinion that the current "hypothetical" market value of the subject property, subject to the Hypothetical Conditions, Extraordinary and Standard Assumptions and Limiting Conditions and the Terms of Reference herein, as at May 1, 2020, is:

<b>LAND VALUE RANGE ESTIMATE - 1630 &amp; 1670 WEST 5TH AVENUE, VANCOUVER</b>			
	<b>LOW</b>	<b>MID</b>	<b>HIGH</b>
Site Area (sq.ft.)	48,991	48,991	48,991
Density (Max FSR - IC-1 Zoning)	3.00	3.00	3.00
Buildable Area (sq.ft.)	146,973	146,973	146,973
Value \$/Buildable Sq.Ft.	<b>\$270.00</b>	<b>\$275.00</b>	<b>\$280.00</b>
Estimated Value	\$39,682,710	\$40,417,575	\$41,152,440
<b>Rounded</b>	<b>\$39,680,000</b>	<b>\$40,420,000</b>	<b>\$41,150,000</b>
Price Per Sq.Ft. Site Area	<b>\$810</b>	<b>\$825</b>	<b>\$840</b>

A midpoint "hypothetical" value conclusion of:

**FORTY MILLION FOUR HUNDRED TWENTY THOUSAND DOLLARS**  
**(\$40,420,000)\***

**\*Significant Value Uncertainty**

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organization as a "Global Pandemic" on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries. Market activity is being impacted in many sectors. As at the valuation date (effective date), we consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of value.

**Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances on which to base a judgement. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of this property under frequent review.**

My report has been prepared for the exclusive use of the City of Vancouver for internal transfer purposes. Your attention is directed to the Assumptions and Limiting Conditions and the Terms of Reference herein.

I am unaware at this stage of any third party (parties) that is likely to see or rely on the report and liability in this respect or for any other use is expressly denied. Thank you for giving me the opportunity to prepare this report.

Respectfully submitted,

**CWPC Property Consultants Ltd.**

Per: Reagan Stinson  
B.Com (hons), AACI, P.App, MBA



# photographs of the subject property



**West 5th Ave Looking West (Subject on Left)**



**West 5th Ave Looking East (Subject on Right)**



**Pine Street/West 5th Ave Intersection Looking South**



**Pine Street Looking North (Subject on Right)**



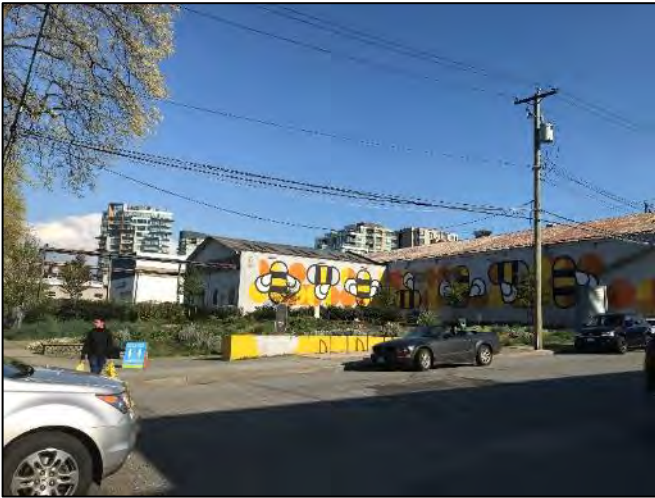
**1630 West 5th Avenue Looking SW from  
West 5th Ave**



**1670 West 5th Avenue Looking SE from  
West 5th Ave**



# photographs of the subject property



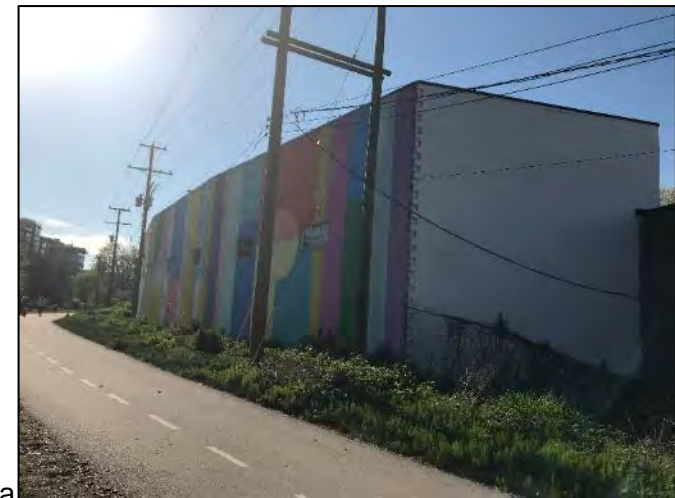
Looking SE at 1670 West 5th Ave from Pine St.



Looking East at 1670 West 5th Ave from Pine St.



Looking East along Arbutus Greenway  
(1670 West 5th Ave on Left)



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Looking West along Arbutus Greenway at  
1630 West 5th Avenue



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## **addenda**

Appendix “A” Copy of the Title Information

Appendix “B” Copies of the Legal Plans

Appendix “C” Copy of the IC-1 Zoning Bylaw

Appendix “D” Qualifications of the Appraiser

## 1.0 SUMMARY OF FACTS AND CONCLUSIONS

<b>Effective Date of Valuation:</b>	May 1, 2020						
<b>Type of Property:</b>	Assumed vacant and unimproved land assembly comprised of eight existing adjacent legal lots						
<b>Civic Address:</b>	1630 & 1670 West 5th Avenue, Vancouver, BC						
<b>Legal Descriptions:</b>	<p>Lot C (Explanatory Plan 9969); Amended Lot 5 (See 228155L); Lots 3 and 4; Lots 17 to 20, Except the Vancouver and Lulu Island Railway Company Right of Way Shown on Miscellaneous Plan 218, Block 269 District Lot 526 Plan 590</p> <p>Parcel Identifiers: 015-221-148, 015-221-091, 015-221-059, 015-221-075, 015-220-893, 015-220-915, 015-220-974, 015-221-008</p>						
<b>Site Area (Combined):</b>	±48,991 square feet (±1.125 acres)						
<b>2020 Property Assessments (Combined):</b>	<table> <tr> <td>Land:</td><td>\$ 29,409,000</td></tr> <tr> <td>Improvements:</td><td>\$ <u>4,000</u></td></tr> <tr> <td>Total:</td><td>\$ 29,413,000</td></tr> </table>	Land:	\$ 29,409,000	Improvements:	\$ <u>4,000</u>	Total:	\$ 29,413,000
Land:	\$ 29,409,000						
Improvements:	\$ <u>4,000</u>						
Total:	\$ 29,413,000						
<b>2019 Gross Property Taxes (Combined):</b>	\$0 (Assumed to be Property Tax Exempt)						
<b>Zoning:</b>	IC-1 (Industrial District)						

### CONCLUSIONS

<b>Highest and Best Use:</b>	A light industrial warehouse/office development with underground parking in accordance with the IC-1 zoning and city planning guidelines. There may be potential after the new Broadway Plan is finalized to achieve a higher density on the subject property through rezoning to a Comprehensive Development (CD-1) zone. However, the potential density achievable in the future is unknown.
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**SUMMARY OF FACTS AND CONCLUSIONS (continued)**

**Estimated “Hypothetical” Value Range:**

<b>LAND VALUE RANGE ESTIMATE - 1630 &amp; 1670 WEST 5TH AVENUE, VANCOUVER</b>			
	<b>LOW</b>	<b>MID</b>	<b>HIGH</b>
Site Area (sq.ft.)	48,991	48,991	48,991
Density (Max FSR - IC-1 Zoning)	3.00	3.00	3.00
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Value \$/Buildable Sq.Ft.	<b>\$270.00</b>	<b>\$275.00</b>	<b>\$280.00</b>
Estimated Value	\$39,682,710	\$40,417,575	\$41,152,440
<b>Rounded</b>	<b>\$39,680,000</b>	<b>\$40,420,000</b>	<b>\$41,150,000</b>
Price Per Sq.Ft. Site Area	<b>\$810</b>	<b>\$825</b>	<b>\$840</b>

**Final Estimate of “Hypothetical” Value: \$40,420,000\***

**\*Significant Value Uncertainty**

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organization as a “Global Pandemic” on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries. Market activity is being impacted in many sectors. As at the valuation date (effective date), we consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances on which to base a judgement. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of this property under frequent review.

## 2.0 OVERVIEW AND TERMS OF REFERENCE

### **TERMS OF REFERENCE**

CWPC Property Consultants Ltd. (CWPC) has been retained by City of Vancouver (the “Client”) to prepare an appraisal report to estimate the market value of the fee simple interest in the subject property legally described herein as of May 1, 2020 (the “Effective Date of Valuation”). The function of this report is to provide the Client with an estimate of the property’s current market value for internal transfer purposes.

### **HYPOTHETICAL CONDITIONS**

The property is currently improved with four warehouse buildings constructed circa 1936 to 1974. However, I have been instructed by the Client to assume the property is vacant and unimproved as of the effective date of valuation. Perusal of the title certificates for the subject property indicates several registered legal notations and charges and liens. However, I have been instructed by my Client that the charges will be cleared prior to the internal transfer of the property. Therefore, I have assumed the property is free and clear from any legal encumbrances as of the effective date of appraisal. Further, I have been instructed to assume the property’s eight legal lots have been assembled and are ready for development as of the effective date of valuation. Based on the above, the appraisal is “hypothetical”.

### **EXTRAORDINARY ASSUMPTIONS AND LIMITING CONDITIONS**

- **Significant Value Uncertainty - The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organization as a “Global Pandemic” on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries. Market activity is being impacted in many sectors. As at the valuation date (effective date), we consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances on which to base a judgement. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of this property under frequent review.**



**OVERVIEW AND TERMS OF REFERENCE (continued)**

- The inspection does not constitute a technical inspection of the land and is not to be interpreted as such;
- No environmental reports have been provided by the Client for the subject property. However, I have been instructed by the Client to assume the subject property is environmentally clean;
- An exterior inspection of the subject property from the lot lines was completed on April 20, 2020; however, I have been instructed by my client to provide an estimate of value for the property with an effective date of May 1, 2020. I assume there has been no material change to the subject's site condition subsequent to my inspection.

**SCOPE OF APPRAISAL**

I have completed a narrative, self-contained appraisal report in accordance with the Canadian Uniform Standards of Professional Appraisal Practice ("The Standards") as adopted by the Appraisal Institute of Canada as of January 1, 2020. In the preparation of this appraisal, I have conducted a market analysis including the following:

- Reagan Stinson, B.Com (hons), AACI, P.App, MBA, conducted an inspection of the subject property from the lot lines on April 20, 2020;
- The photographs contained herein reflect the status of the property as of the effective date of valuation;
- Land title information maintained by the BC Land Title and Survey Authority and obtained through the client was reviewed. For the purpose of this appraisal, the property has been appraised as though free and clear of encumbrances and charges;
- The Property's 2020 property assessments and 2019 municipal taxes were obtained from BC Assessment online computer services;
- The site area and dimensions were taken from City of Vancouver, BC Assessment and Legal Plan information;
- Zoning and community planning information was obtained from the City of Vancouver's online computer services and correspondence with City Planning staff;
- In estimating the Highest and Best Use for the property, I have analyzed data compiled in the Market Area Description, Site Description and Zoning and Planning sections of this report.

**OVERVIEW AND TERMS OF REFERENCE (continued)**

Market data used in this report includes, but is not necessarily limited to, information obtained from the following sources:

- Multiple Listing Service of the Real Estate Board of Greater Vancouver;
- Record data maintained by B.C. Assessment;
- Data from the Realnet Database;
- File data maintained by CWPC and other appraisers; and
- Discussions with realtors, developers, and persons knowledgeable of the market place.

**STATEMENT OF COMPETENCY**

The professional staff at CWPC Property Consultants Ltd., and Reagan Stinson, B.Com (hons), AACI, P.App, the appraiser responsible for the valuation, have experience in the valuation of industrial/commercial development land. In this regard, I have the knowledge and experience to complete this appraisal assignment and have appraised and analyzed this type of property before.

### 3.0 DEFINITION OF TERMS

#### **PROPERTY RIGHTS APPRAISED**

The property rights appraised in this report is the leased fee estate, which can be defined as:

*"When an owner in fee simple leases his or her interest in a property to a second party (the lessee) a partial estate is created. The fee simple owner becomes the lessor and his or her interest is known as the leased fee estate."<sup>1</sup>*

The fee simple interest can be defined as:

*"The greatest interest an individual can own in land, or complete ownership in law, subject only to the governmental powers of taxation, expropriation, escheat and police powers."*

#### **DEFINITION OF MARKET VALUE**

Section 3.44 of the "Canadian Uniform Standards of Professional Appraisal Practice" (2020 Standards), defines Market Value as:

*"The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and the seller each acting prudently, knowledgeably, and for self-interest, assuming that neither is under duress."*

#### **DEFINITION OF EXPOSURE TIME**

Exposure time, as specified by "The Standards", means the estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal. Based on my experience and interviews with market participants, an exposure time of three to nine months (cash sale) immediately prior to the date of appraisal is considered reasonable for real estate similar to the subject. This timing is typical of similar investment real estate at this time and assumes the site is ready for development.

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<sup>1</sup> Appraisal Institute, "The Appraisal of Real Estate, Second Canadian Edition", 2002.

#### 4.0 IDENTIFICATION OF THE SUBJECT PROPERTY

The Subject Property comprises eight adjacent legal parcels (registered owner is the City of Vancouver, 453 West 12th Avenue, Vancouver, BC) as follows:

1630 & 1670 WEST 5TH AVENUE, VANCOUVER SUBJECT PARCELS				
#	Civic Address	Title Number	PID	Legal Description
1	1630 West 5th Avenue	GC159317	015-221-148	LOT C (EXPLANATORY PLAN 9969) BLOCK 269 DISTRICT LOT 526 PLAN 590
2	1630 West 5th Avenue	GC159316	015-221-091	AMENDED LOT 5 (SEE 228155L) BLOCK 269 DISTRICT LOT 526 PLAN 590
3	1670 West 5th Avenue	K27729	015-221-059	LOT 3 BLOCK 269 DISTRICT LOT 526 PLAN 590
4	1670 West 5th Avenue	GC159315	015-221-075	LOT 4 BLOCK 269 DISTRICT LOT 526 PLAN 590
5	1670 West 5th Avenue	K27975	015-220-893	LOT 17, EXCEPT THE VANCOUVER AND LULU ISLAND RAILWAY COMPANY RIGHT OF WAY SHOWN ON MISCELLANEOUS PLAN 218, BLOCK 269 DISTRICT LOT 526 PLAN 590
6	1670 West 5th Avenue	GC159318	015-220-915	LOT 18, EXCEPT THE VANCOUVER AND LULU ISLAND RAILWAY COMPANY RIGHT OF WAY SHOWN ON MISCELLANEOUS PLAN 218, BLOCK 269 DISTRICT LOT 526 PLAN 590
7	1670 West 5th Avenue	GC159319	015-220-974	LOT 19, EXCEPT THE VANCOUVER AND LULU ISLAND RAILWAY COMPANY RIGHT OF WAY SHOWN ON MISCELLANEOUS PLAN 218, BLOCK 269 DISTRICT LOT 526 PLAN 590
8	1670 West 5th Avenue	GC159320	015-221-008	LOT 20, EXCEPT THE VANCOUVER AND LULU ISLAND RAILWAY COMPANY RIGHT OF WAY SHOWN ON MISCELLANEOUS PLAN 218, BLOCK 269 DISTRICT LOT 526 PLAN 590

#### REGISTERED CHARGES AND LEGAL NOTATIONS

Perusal of the title certificates for the subject property indicates several registered legal notations and charges and liens. However, I have been instructed by my Client that the charges will be cleared prior to the internal transfer of the property. Therefore, I have assumed the property is free and clear from any legal encumbrances as of the effective date of appraisal.

Copies of the Certificates of Title are included in the addenda as Appendix "A."



**IDENTIFICATION OF THE SUBJECT PROPERTY (continued)**

**PROPERTY HISTORY**

According to BC Assessment records, the property has been held in long-term ownership by the client. To the best of my knowledge the Property is not currently listed for sale, nor am I aware of any pending offers to purchase the Property.

**PROPERTY ASSESSMENTS**

The property is located within the City of Vancouver, in the Fairview sub-area, administered by the Greater Vancouver office of BC Assessment. The 2020 'Actual Value' assessment and 2019 gross property taxes for the subject site are summarized below.

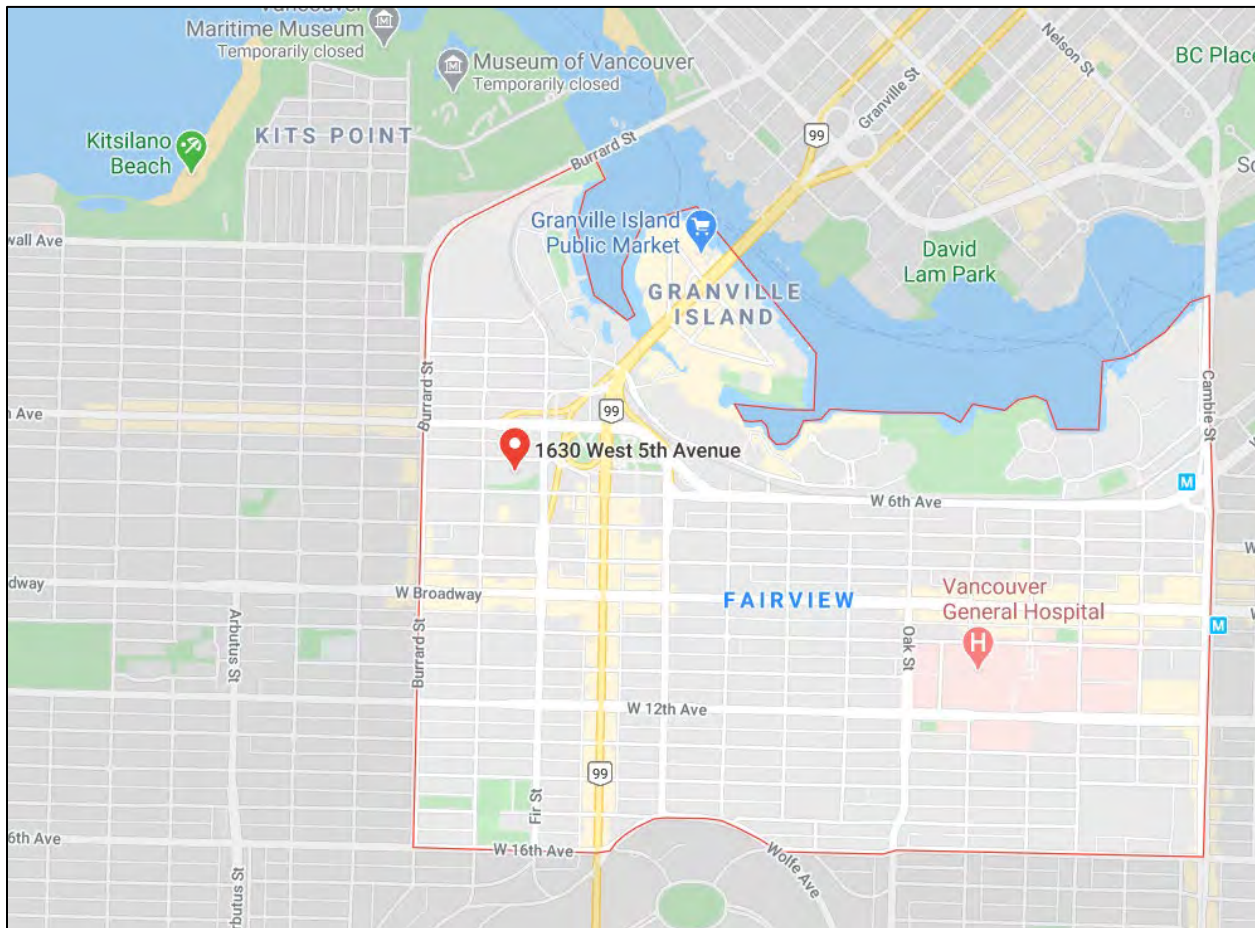
1630 & 1670 WEST 5TH AVENUE, VANCOUVER SUBJECT PARCELS					
Parcel	Civic Address	2020 Land Assessment	2020 Improvement Assessment	2020 Total Assessment	2019 Property Taxes
1	1630 West 5th Avenue	\$ 16,087,000	\$ 1,000	\$ 16,088,000	\$ -
2	1630 West 5th Avenue				
3	1670 West 5th Avenue	\$ 3,991,000	\$ 1,000	\$ 3,992,000	\$ -
4	1670 West 5th Avenue	\$ 3,993,000	\$ 1,000	\$ 3,994,000	\$ -
5	1670 West 5th Avenue	\$ 5,338,000	\$ 1,000	\$ 5,339,000	\$ -
6	1670 West 5th Avenue				
7	1670 West 5th Avenue				
8	1670 West 5th Avenue				
<b>Total</b>		<b>\$ 29,409,000</b>	<b>\$ 4,000</b>	<b>\$ 29,413,000</b>	<b>\$ -</b>

**Comments:**

The "Actual Assessed Value" indicated above reflects the opinion of BC Assessment as to the market value of the fee simple interest in the subject property as at July 1, 2019, on the basis of its physical condition as at October 31, 2019. The valuations published by BC Assessment are typically based upon mass appraisal techniques and their inspection data may be somewhat dated. Therefore, the "values" reported by BC Assessment can be less precise than a detailed narrative appraisal prepared on an individual property (or group of properties) as at a specific date, based on a current inspection. Therefore, the assessed value is provided for administrative purposes only and will not directly affect the conclusions reported herein.

## 5.0 MARKET AREA DESCRIPTION

The subject property is located in the Fairview area of Vancouver, and more specifically, the Burrard Slopes neighbourhood on the south side of West 5th Avenue between Fir and Pine Streets, with additional frontage to Pine Street. The location of the subject is identified on the area map illustrated below.



Burrard Street, Granville Street, West 4th Avenue and West Broadway are major arterials in the subject neighbourhood. West 4th Avenue (one block north of the subject) and West Broadway (four blocks south of the subject) are east-west arterial routes providing access between the University of British Columbia and the City of Vancouver. The streets experience heavy pedestrian traffic as well as high vehicle traffic volumes. West 4th Avenue is a prime retail strip with a dense surrounding population base and relatively high disposable income levels. Burrard and Granville Streets extend north-south and provide direct access to the Downtown Core.

**MARKET AREA DESCRIPTION (continued)**

Approximately one block west of the subject property, to the west of Burrard Street, is the Kitsilano area. Kitsilano Beach and Pool are located approximately one and a half kilometres northwest of the subject. Overall, the subject has good proximity to commercial establishments located along Burrard and Granville Streets, the West 4th Avenue commercial node and Granville Island (located approximately 750 metres northeast).

The subject area is predominantly improved with one- to three-storey buildings of varying sizes and ages accommodating retail, showroom, office, service and light industrial uses, including automotive uses. The area known as the “Armoury District”, comprises West 1st, 2nd and 3rd Avenues between Burrard and Granville Streets, two blocks north of the subject, and was previously known for automotive service providers and high-end vehicle dealerships; however, over the past decade, architects, interior designers, retailers, including high end furniture vendors, and cafés have moved to the area.

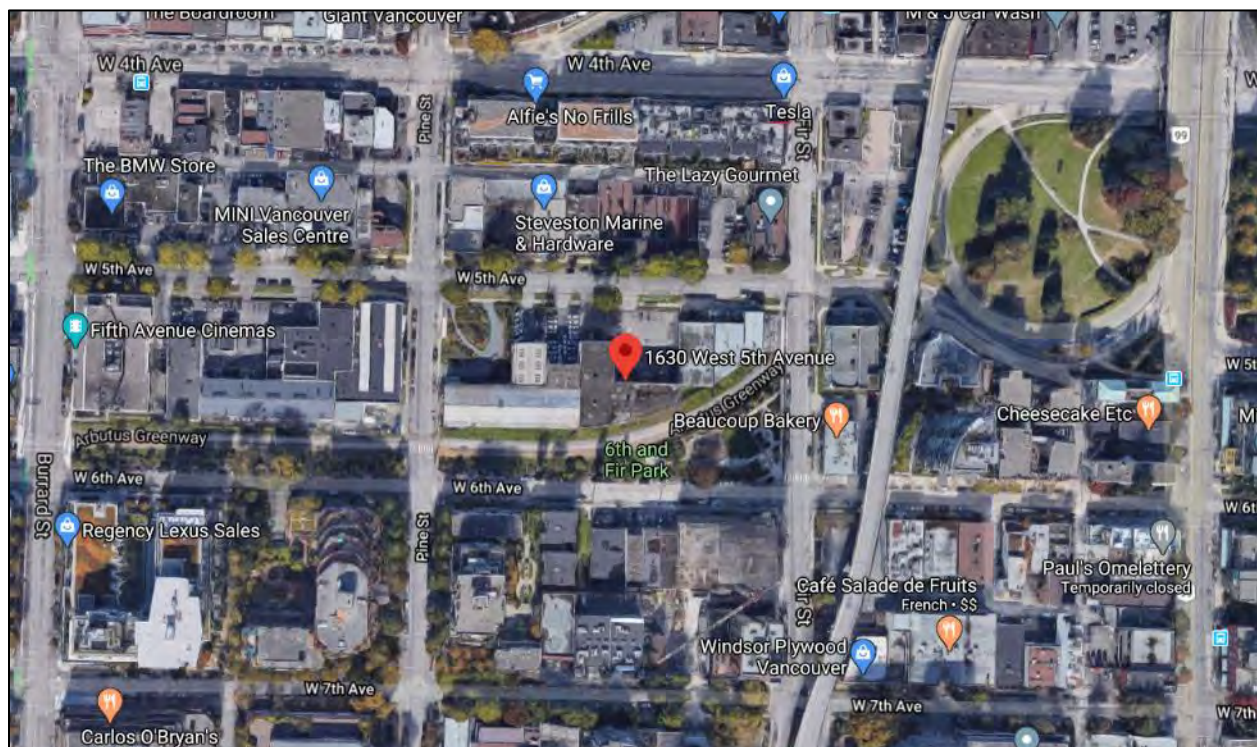
Given the desirable location within proximity to various shopping districts, the waterfront and the Downtown Core, the area has transitioned into a desirable mixed-use area including multi-family residential strata and rental development. Recent development includes the following:

- “Art of 6th”, located at the southwest corner of West 6th Avenue and Fir Street, located one half block southeast of the subject, is a 12-storey residential high-rise with 99 rental apartment units. The building completed construction in late 2018 and was reportedly fully leased up as of the end of 2019;
- “West Five”, located at the northwest corner of West 5th Avenue and Burrard Street, approximately one block west of the subject, is a five-storey, mixed-use strata building constructed circa 2017 with ground floor commercial space and 24 condominium apartment units on the upper floors;
- “6th and Fir”, located on the north side of West 6th Avenue, approximately one-half block east of the subject, is a 17-storey residential high-rise constructed circa 2013 with 50 condominium apartment units;
- “Kits 360”, located at the northeast corner of West 7th Avenue and Burrard Street, approximately two blocks southwest of the subject and directly adjacent to the Fir Street off-ramp, is a ten-storey, mixed use strata building constructed circa 2013 with 254 residential condominium apartment and townhouse units with ground floor commercial space.



## MARKET AREA DESCRIPTION (continued)

Directly east of the subject are older light industrial warehouse/office buildings. Directly west of the subject is a pop-up park with seating and extensive greenery located at the southeast corner of West 5th Avenue and Pine Street. Across Pine Street to the west is a large warehouse development occupied by the BMW Store's automotive service branch. To the north of the subject across West 5th Avenue are older single and two-storey light industrial and commercial/office buildings. The Arbutus Greenway (see description on following page) extends immediately south of the subject. A municipal park "6th and Fir Park", at the northwest corner of West 6th Avenue and Fir Street, is located directly south of the Arbutus Greenway and includes a children's playground with playground equipment, landscaped area and picnic table seating. The Pine Street Community Gardens are also located to the south of Arbutus Greenway and directly west of the 6th and Fir Park.



## RAPID TRANSIT LINE

The Millennium Line Broadway Extension (MLBE) Project, now known as the Broadway Subway Project, will extend from the existing VCC-Clark SkyTrain Station on an elevated guideway for ±700 metres, then will travel beneath Broadway for approximately five kilometres to a new terminus station at Arbutus Street.



**MARKET AREA DESCRIPTION (continued)**

In total there will be six new stations at approximately Great Northern Way, Main Street, Cambie Street, Laurel Street, Granville Street (approximately 650 metres from the subject) and Arbutus Street. A future phase of investment will connect rapid transit all the way to the University of British Columbia's Point Grey Campus.

The Province indicates that "Construction will begin in 2020 and the new extension will open in 2025." On September 18, 2019, the Ministry of Transportation and Infrastructure announced the future locations of the six new stations. The South Granville Station will be located at the northeast corner of Broadway and Granville Street.

**ARBUTUS GREENWAY CORRIDOR**

The Arbutus Greenway is located adjacent to the subject property and is a former Canadian Pacific Railway corridor that was purchased by the City of Vancouver in 2016. This former railway corridor is proposed by the City of Vancouver to be turned into the Arbutus Greenway, *"a future, north-south transportation corridor that will connect people, parks and communities, from False Creek to the Fraser River."* According to the City of Vancouver the land was purchased for *"the purpose of creating a high-quality public space for walking, cycling and other non-motorized modes of transportation. A streetcar route is also part of our long-term vision for the greenway."*

According to the City, the greenway will be constructed in phases with the first phase of construction (2019 to 2022) potentially including the following list, with construction potentially commencing in 2019, subject to availability of funding.

- Construction of a new southern extension to Hudson Street Park on the Fraser River;
- Construction of a northern extension to False Creek and the seawall via Pine Street and West 1st Avenue;
- Detailed design and construction of Zone 3, from West 16th to King Edward Avenue;
- Detailed design and construction of Zone 8, from Southwest Marine Drive to Milton Street;
- Short-term spot improvements to enhance safety and comfort;
- Collaboration between City and Park Board staff on greenway integration with parks.

**MARKET AREA DESCRIPTION (continued)**

According to the City's current Implementation Strategy, the subject is located in Character Zone #1: Harvest Table (Fir Street to West Broadway). The plan is to construct two character zones during each capital plan cycle leading to completion of the entire greenway by 2034. The Arbutus Greenway in the vicinity of the subject property is currently paved and used as a pedestrian and bicycle path.

**SUMMARY**

In summary, the subject's Burrard Slopes location provides easy access to the downtown core and is in close proximity to Burrard Street, West 4th Avenue, Granville Street, the Broadway Corridor, and West 2nd Avenue. Overall, the area is well located in relation to Vancouver's downtown core and major transportation routes, including the future Broadway Subway.

## 6.0 SITE DESCRIPTION

### DIMENSIONS AND SHAPE

The subject property (outlined in green on the map below) from the City of Vancouver's online mapping system (VanMap) consists of an irregular-shaped assembly comprised of eight adjacent legal lots. The property has a combined gross site area of  $\pm 48,991$  square feet ( $\pm 1.125$  acres) with frontage of  $\pm 250.05$  feet along West 5th Avenue and  $\pm 62$  feet along Pine Street. The property extends for  $\pm 356$  feet along the Arbutus Greenway. In determining the area content and dimensions of the property, I have relied on BC Assessment online records, Legal Plans VAP 590 and VAP 9969rx and the City of Vancouver's online map. According to BC Assessment records, the total site area is  $\pm 48,991$  square feet ( $\pm 1.125$  acres).



### TOPOGRAPHY

The subject site and the surrounding area are generally level with no major changes in elevation from one point to the next.

**SITE DESCRIPTION (continued)****STREET IMPROVEMENTS/ACCESS**

The subject property fronts onto the south side of West 5th Avenue and the east side of Pine Street. The subject property also backs onto the Arbutus Greenway.

West 5th Avenue is a two-lane, two-way paved road with concrete curbs, sidewalks, treed landscaping and street lighting. There is metered parking on both sides of the street.

Pine Street is a two-lane, two-way paved road with concrete curbs, sidewalks, and street lighting. There is metered and unmetered parking on the east side of the street and unmetered parking on the west side of the street. Overhead wiring extends along the south side of West 5th Avenue and the east side of Pine Street.

The Arbutus Greenway in the immediate vicinity of the subject property is currently paved and used as a pedestrian and bicycle path.

Pedestrian and vehicular access to the subject property is from West 5th Avenue and Pine Street.

**SOIL CONDITIONS/ENVIRONMENTAL**

I have not been provided with any geotechnical study or soil analysis, nor was one commissioned in conjunction with this assignment. It is assumed in this appraisal that soil conditions and the underlying geology are adequate to support development to the site's highest and best use. No opinion is expressed by the appraiser regarding actual soil conditions as this requires the services of a qualified engineer.

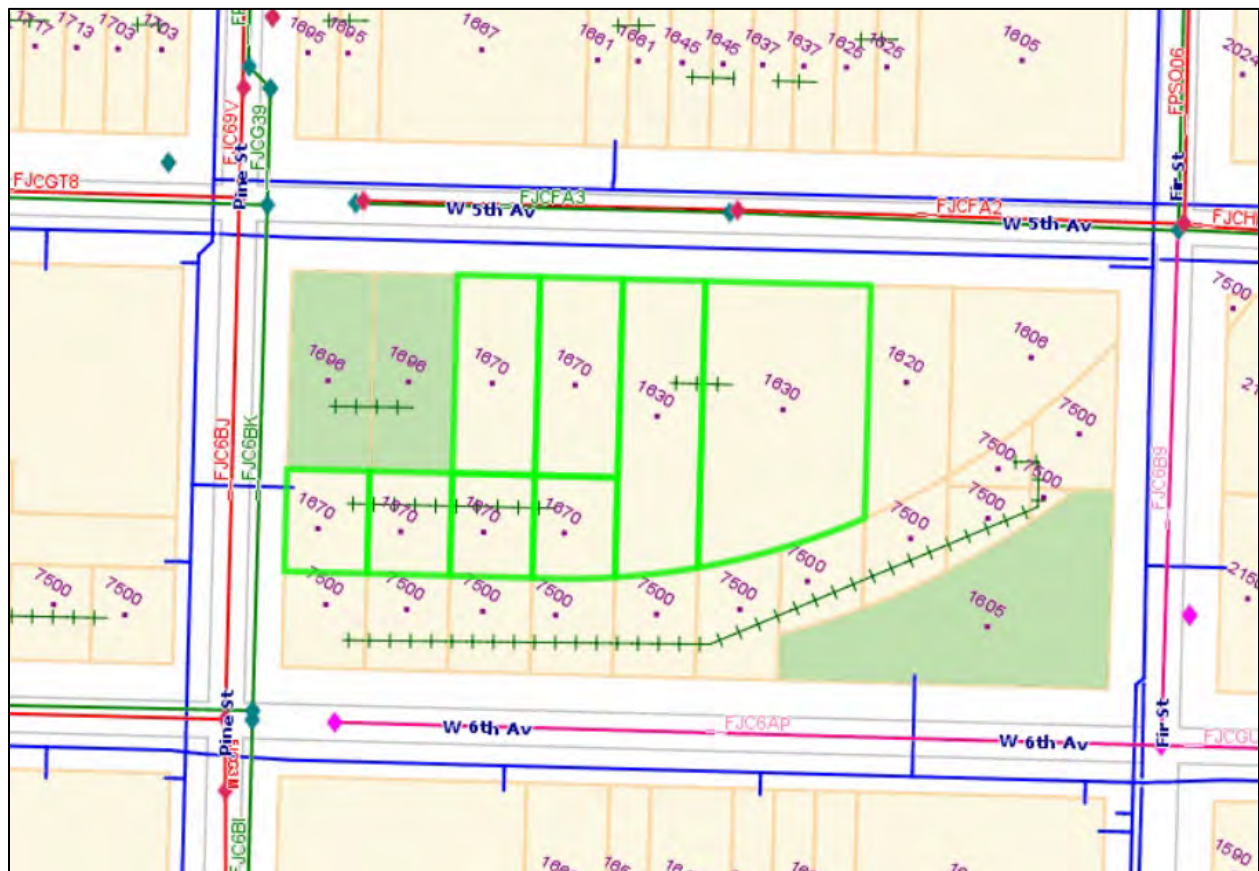
The client did not provide me with any reports regarding the presence or absence of any toxic substances on the subject site. For the purpose of this appraisal, I assume the site is not contaminated from the presence of toxic substances or environmentally sensitive waste products. Neither the appraiser nor CWPC Property Consultants Ltd. are qualified to detect such substances, the presence of which could materially affect the value of the property. It has been assumed that environmental issues, if any, have been dealt with accordingly.



## SITE DESCRIPTION (continued)

### SERVICES

According to information obtained from the City of Vancouver's GIS VanMap, water mains, storm water drains and sanitary sewer lines run along West 5th Avenue and Pine Street. The map below illustrates the location of these services in relation to the subject development site, outlined in green. Water mains are depicted in blue, sanitary mains in red, combined sewer mains in pink and storm water drains in green.



No representations are made concerning engineering and servicing requirements, as this requires the services of a qualified engineer. I was not provided with any engineering reports regarding the servicing capacity in the area. For the purpose of this appraisal I assume the current municipal services available to the subject site are adequate for future development. However, it is my understanding that for the site to be developed, the developer would generally incur additional costs for servicing the site.

**SITE DESCRIPTION (continued)****EXISTING IMPROVEMENTS**

The property is currently improved with four warehouse buildings constructed circa 1936 to 1974. Given my instructions from the City of Vancouver to assume the property is vacant and unimproved and ready for development as of the effective date of valuation, I have not commented further on the details of the existing improvements, nor have they been inspected.

## 7.0 ZONING AND PLANNING

### EXISTING ZONING

Under the City of Vancouver's Zoning Bylaw No. 3575, the subject is zoned IC-1 (Industrial). The intent of the IC-1 zoning is "to permit light industrial uses that are generally compatible with one another and with adjoining residential or commercial districts. It is also the intent to permit advanced technology industry, industry with a significant amount of research and development activity, and commercial uses compatible with and complementing light industrial uses." Permitted uses include cultural and recreational, manufacturing, office, retail, service, transportation and storage, utility and communication and wholesale. Conditionally permitted uses include a dwelling unit for a caretaker or watchmen for the building or a residential unit associated with forming an integral part of an artist studio.

Below is a zoning map illustrating the subject property's current zoning and zoning for neighbouring properties. A copy of the IC-1 zoning bylaw is included in the addenda as Appendix "C".



**ZONING AND PLANNING (continued)**

The maximum building height within the subject's IC-1 zone is 18.2 metres ( $\pm 59.7$  feet). The permitted FSR under the IC-1 zoning shall not exceed 3.0; however, the maximum FSR shall be 1.0 for all uses other than manufacturing uses, transportation and storage uses and Wholesaling – Class A. The maximum FSR may be increased to 1.5 for an office use ancillary to manufacturing, subject to conditions. The floor area for retail uses, including accessory retail, shall not exceed 1,000 square metres ( $\pm 10,764$  square feet) and the floor area for a lounge use accessory to a Brewing or Distilling use shall not exceed 80 square metres ( $\pm 861$  square feet).

Setback requirements are specified within the IC-1 zoning document. No front or side yards appear to be required for the subject; however, a rear yard with a minimum depth of 3.1 metres shall be provided, except that where the rear of the site abuts a lane, this required minimum depth shall be decreased by the lane width between the rear property line and the ultimate centre line of the lane.

**METROPOLITAN CORE JOBS AND ECONOMY LAND USE PLAN**

The subject property is not situated within an existing Official Development Plan (ODP) area of Vancouver; however, it is located within an area under the Metropolitan Core Jobs and Economy Land Use Plan (MLUP).

The goal of the MLUP is to ensure there is enough development and transportation capacity to accommodate future job growth and economic activity in the Metro Core. The subject property is situated within the Burrard Slopes Production, Distribution and Repair (PDR) Area, an area under review in the Metro Core Study. The PDR area “provides diverse space and relatively lower rent compared to areas that permit extensive retail, office and residential uses. These characteristics attract key production, service and repair businesses that support the Metro Core economy. Some examples of these businesses in the Burrard Slopes PDR area include: car repair shops, food manufacturing and catering, film and sound studios, architecture and design firms, and digital printing.”<sup>2</sup>

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<sup>2</sup> <http://vancouver.ca/docs/planning/metro-core-jobs-and-economy-study.pdf>

**ZONING AND PLANNING (continued)**

The intent of the area is to “Enhance and strengthen Burrard Slopes PDR area’s role of providing centrally located, affordable production, distribution and repair by providing opportunities to increase job density through additional office and service uses.”<sup>3</sup>

Some of the pertinent policy directions within this area include:

- Strengthen the primarily production, distribution and repair (light industrial) function of the area;
- Allow limited residential development as per the Burrard Slopes Rezoning policy, with a focus on compatibility with light industrial and production, distribution and service uses;
- Maintain the current limits on retail uses;
- Increase the range of permitted service and office uses;
- Increase permitted office and service densities;
- Explore parking strategies and standards that support sustainable transportation modes; visitor and business/customer needs; and re-use of existing industrial buildings.

**BROADWAY PLAN, INTERIM REZONING POLICY & DEVELOPMENT CONTRIBUTION EXPECTATIONS**

A new Broadway area plan “Broadway Plan” is proposed for the Broadway Corridor generally from Clark to Vine Streets and 1st Avenue to 16th Avenue. The subject property is situated within this area. According to the City of Vancouver’s website, “The 30-year plan will focus on opportunities to integrate new housing, jobs, and amenities around the new Broadway Subway.”<sup>4</sup>

The planning process, including public engagement, is expected to take approximately two years and the process was launched in March 2019. The following Guiding Principles for the Broadway Plan were endorsed by City Council on October 22, 2019, and set direction for the creation of the Broadway Plan:

- Support Affordable, Diverse, Equitable and Inclusive Complete Neighbourhoods;
- Support Reconciliation with First Nations and Urban Indigenous Peoples;
- Foster a Robust and Diverse Economy;
- Demonstrate Leadership in Sustainability and Resilience;

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<sup>3</sup> ibid

<sup>4</sup> <https://vancouver.ca/home-property-development/broadway-plan.aspx>

**ZONING AND PLANNING (continued)**

- Encourage Contextual Design;
- Recognize and Enhance the Area's Distinctive Neighbourhoods and Places;
- Enhance Broadway as a Great Street;
- Provide and Support Healthy Transportation Options;
- Create and Enhance Parks and Public Spaces.

The City's website indicates, "Phase 2 of work on the Broadway Plan will move forward with developing growth scenarios and emerging directions which will be presented to the public in early 2020. Once a preferred set of directions has been selected and tested with the public, a draft plan will be created and presented to Council for consideration by the end of 2020." However, it is my understanding that delivery has been delayed by at least six months, suggesting the draft plan will be presented to Council in mid-2021.

The "Broadway Planning and Associated Interim Policies" report for the Broadway Planning area was presented to, and approved by, Council on June 18, 2018. The report includes the terms of reference for the Broadway Planning Program, the Interim Rezoning Policy for the Broadway area and a Development Contribution Expectations in Areas Undergoing Community Planning (DCE) policy.

Under the Interim Rezoning Policy, rezoning applications will generally not be considered in the Broadway Plan Study area while planning is underway; however, there are exceptions, which include:

- Active rezoning applications prior to the adoption of the Policy;
- Rezoning applications for projects involving 100% social and supportive housing, or community care facilities or group residences; and
- Rezoning applications under exceptional circumstances.

My discussion with the City's Planning department indicated that an exceptional circumstance may include a scenario where the property is integrating a transit station.

In an effort to limit land speculation along the Broadway corridor, the City has established an interim Development Contribution Expectations (DCE) policy. The Policy provides buyers and sellers of land along the Broadway Corridor with clarity regarding the City's priorities for the area and expectations for contributions towards amenities and affordable housing.



**ZONING AND PLANNING (continued)**

Within the subject's Burrard Slopes IC zoned area, the DCE policy is to "Prioritize job space" and "Do not consider adding residential use". Following the completion of the planning program, the DCEs will be "revisited to reflect the densities, mix of uses and amenity needs in the planning area." The DCEs are then updated and incorporated into the CAC policy for the planning area.

The Interim Rezoning Policy and Development Contribution Expectations in Areas Undergoing Community Planning (DCE) Policy will be in effect until the new Broadway Plan has been completed and approved, estimated for mid-2021.

My recent correspondence with the City Planner indicated that the subject's area will be reviewed as part of the Broadway Plan. My past discussions with the Planner also indicated the City may consider increased density for the area; however, as they are still early in the planning process, the City cannot confirm if additional density would be approved. The Planner suggested any development potential for the site at this time would fall under the existing IC-1 zoning.

## 8.0 HIGHEST AND BEST USE

The definition of "Highest and Best Use" is as follows:

*"the reasonably probable use of Real Property, that is physically possible, legally permissible, financially feasible and maximally productive, and that results in the highest value."*

Source: Canadian Uniform Standards of Professional Appraisal Practice, 01/2020.

Many factors and appraisal principles become a consideration in the determination of "highest and best use." These include government regulations, supply, demand, anticipation, balance, surplus productivity, contribution, competition, etc. The definition also includes the presumption that the use is in keeping with the zoning and legal requirements.

The concept of "highest and best use" recognizes that land use patterns can change over a given period and that the optimum use of a site is determined by need or demand at any given point in time. Elements affecting value that are dependent upon events or a combination of occurrences that, while within the realm of possibility, are not shown to be reasonably probable should be excluded from consideration. This is also the case if the intended use is dependent on the uncertain act of another person.

### **LOCATION**

The subject property is located in the Burrard Slopes neighbourhood of the Fairview area of Vancouver. More specifically, the subject is situated midblock on the south side of West 5th Avenue between Pine and Fir Streets with secondary frontage to Pine Street. The subject is in close proximity to Burrard Street, West 4th Avenue, Granville Street, the Broadway Corridor, and West 2nd Avenue, and has easy access to the downtown core. Overall, the area is well located in relation to Vancouver's downtown core and major transportation routes, including the future Broadway Subway.

The subject area is predominantly improved with one- to three-storey buildings of varying sizes and ages accommodating retail, office, service and light industrial uses including automotive uses. There are also several multi-family projects in the area.

**HIGHEST AND BEST USE (continued)****SITE CHARACTERISTICS AND LAND USE**

The subject property comprises a ±48,991-square-foot (±1.125-acre), irregular panhandle-shaped assembly comprised of eight adjacent legal lots with frontage of ±250.05 feet along West 5th Avenue and ±62 feet along Pine Street. The property does not have rear lane access but has extensive exposure (±356 feet) to the Arbutus Greenway. The subject site and the surrounding area are generally level with no major changes in elevation from one point to the next. Municipal services are available to the subject site and are assumed to be adequate for future high density development.

The property is zoned IC-1 (Industrial District), which allows for a range of uses including warehouse, wholesale, office and retail, and currently supports up to 3.0 FSR. I note there is market speculation there may be increased density in the area upon the adoption of the Broadway Plan with the potential for a change in permitted land use offering opportunities for market rental housing or market condominiums. However, at this time, the potential for this increased density and use change can not be confirmed. Information available online from the City of Vancouver shows the subject parcels are intended for a future larger neighbourhood park development.

**MARKET**

In terms of the light industrial and office markets, the consensus, having reviewed several industrial and office research reports, is a positive forecast for these markets with a new office development cycle and positive changes being experienced in the Mount Pleasant Industrial Area, False Creek Flats (including Great Northern Way) and surrounding Broadway Corridor.

These areas have seen tightening vacancy, increasing lease rates, and growing demand from a number of tech firms. Despite significant supply being developed or proposed to be developed, much of the space has already been pre-leased or sold. The confirmation of the Broadway SkyTrain construction has further enhanced investor interest within the area.

The British Columbia Real Estate Association (BCREA) has developed the “Commercial Leading Indicator (CLI)” that forecasts changes in broad commercial real estate activity. BCREA’s research shows that the variables that compose the CLI reliably forecast BC commercial real estate activity at a lag of two to four quarters. The index is revised each quarter, due to revision in the underlying data.

**HIGHEST AND BEST USE (continued)**

In its June 2020 CLI report, BCREA notes the following:

*“The BCREA Commercial Leading Indicator (CLI) was down sharply in the first quarter of 2020 from 134.2 to 123.2, reflecting the slowdown prompted by the COVID-19 pandemic. Compared to the same time last year, the index was down by 4.8 per cent.”*

Q1 Highlights within the June 2020 report are:

- *Economic activity started to feel the impact of the pandemic in March, as declines were reported in manufacturing sales (-2.4%), retail sales (-0.5%), and wholesales (-0.1%).*
- *Employment fell by about 13,500 jobs in key commercial real estate sectors for the first time since the summer of 2018 and by about 1,830 jobs in manufacturing.*
- *Financial markets entered a full meltdown in late February amid growing fears of the potential impact of the COVID-19 pandemic. The panic sent Canadian REIT prices lower and led to a spike in risk premiums, causing a tightening of private sector credit conditions.*

**SUMMARY**

Based on the existing zoning and size of the site, it is my opinion that the Highest and Best Use of the subject site, as though vacant, would be light industrial warehouse/office development with underground parking in accordance with the IC-1 zoning and city planning guidelines.

I note there may be potential after the new Broadway Plan is finalized to achieve a higher density on the subject property than the current 3.0 FSR under the IC-1 zoning through rezoning to a Comprehensive Development (CD-1) zone. However, the potential density achievable in the future is unknown. Any value associated with speculation for additional density has been internalized within my valuation conclusion.

## **9.0 APPRAISAL METHODOLOGY**

I have been instructed to value the subject property with the objective of estimating the current hypothetical market value of its fee simple interest, as if vacant and unimproved and ready for development.

There are six methods of valuing vacant land. These methods are identified as the Direct Comparison Approach, Abstraction Method, Extraction Method, Subdivision Development Method, Land Residual Technique, and Ground Rent Capitalization Method. In this report, I have utilized the Direct Comparison Approach.

### **THE DIRECT COMPARISON APPROACH**

The Direct Comparison Approach involves the process of comparing the subject property with others of similar character that have sold of recent date. In the absence of recent sales, the comparison must involve similar properties that are currently offered for sale, or ones on which an offer has been made. These latter forms of sales data are not usually as reliable or relevant as transactions that have actually been consummated.

The Direct Comparison Approach implies the Principle of Substitution, which affirms that a prudent person will not pay more for a property than the cost to buy an equally desirable substitute. In a Market Value appraisal, it has direct pertinence and importance, as it involves the study of actions of buyers and sellers in the marketplace. The reliability of the results is directly attributable to the quality of the sales data available, i.e., its relevancy, and the ability of the appraiser to properly interpret the data and make appropriate adjustments to equate differences.

## 10.0 DIRECT COMPARISON APPROACH

The comparables comprise sales and listings of holding and development properties zoned a mix of IC-1, I-1, IC-3 and C-2B, with a potential density of 2.5 to 3.0 FSR, located within the subject's Burrard Slopes area and nearby Mount Pleasant industrial neighbourhood. A summary chart illustrating comparable land sales, contracts, listings and rejected offers is provided on the following pages. The dates of sale of the comparables range from April 2018 to November 2019. The price per square foot of site area ranges from \$748 to \$1,450 and the price per square foot of buildable area ranges from \$294 to \$580.

Based on my research of industrial/commercial land transactions in the subject's area and discussion with local real estate professionals, I have considered adjustments to the comparables for differences in location, including corner or mid-block orientation, exposure, size, shape, assembly requirements, zoning, holding value, and changes in the market since the date of sale. While the comparables are not identical to the subject, they are considered to provide a reasonable value indication for the subject property after appropriate adjustments.

There are a limited number of recent light industrial/office land sales within the subject's Burrard Slopes neighbourhood; therefore, it was necessary to expand my search to other comparable neighbourhoods of Vancouver. The Mount Pleasant neighbourhood is considered by many market participants to be the most desirable light industrial area in the City of Vancouver; however, my recent discussions with industrial and commercial property agents suggest the subject's Burrard Slopes neighbourhood is generally commensurate with Mount Pleasant or may even be superior. Based on the above, I have not made a location adjustment between these two neighbourhoods.

In regards to site size adjustments, the general consensus previously held was that "as site size increases, the price per acre decreases, everything else held equal." Further, sites capable of higher density development will frequently achieve lower values on a per buildable basis, however, they typically achieve a higher value per acre of site area. However, the shrinking supply of industrial development land in Metro Vancouver has led to "premiums" being placed on larger parcels for development, due to their scarcity in the marketplace and the economies and efficiencies of developing larger sites. However, the subject's considerably larger investment size would limit the number of potential purchasers; therefore, a size adjustment has been considered.



**DIRECT COMPARISON APPROACH (continued)**

I note the subject has potential for subdivision into smaller parcels, which would reduce the size adjustment considered.

In regards to time adjustments, my discussions with industrial real estate brokers indicates that although there is a limited supply of vacant or redevelopment industrial/office sites in the area, the demand for industrial/office land in the subject's immediate and nearby area began to slow in approximately summer 2018. Agents indicate there is less interest for bare land and purchasers are seeking properties that have both redevelopment potential and good holding income.

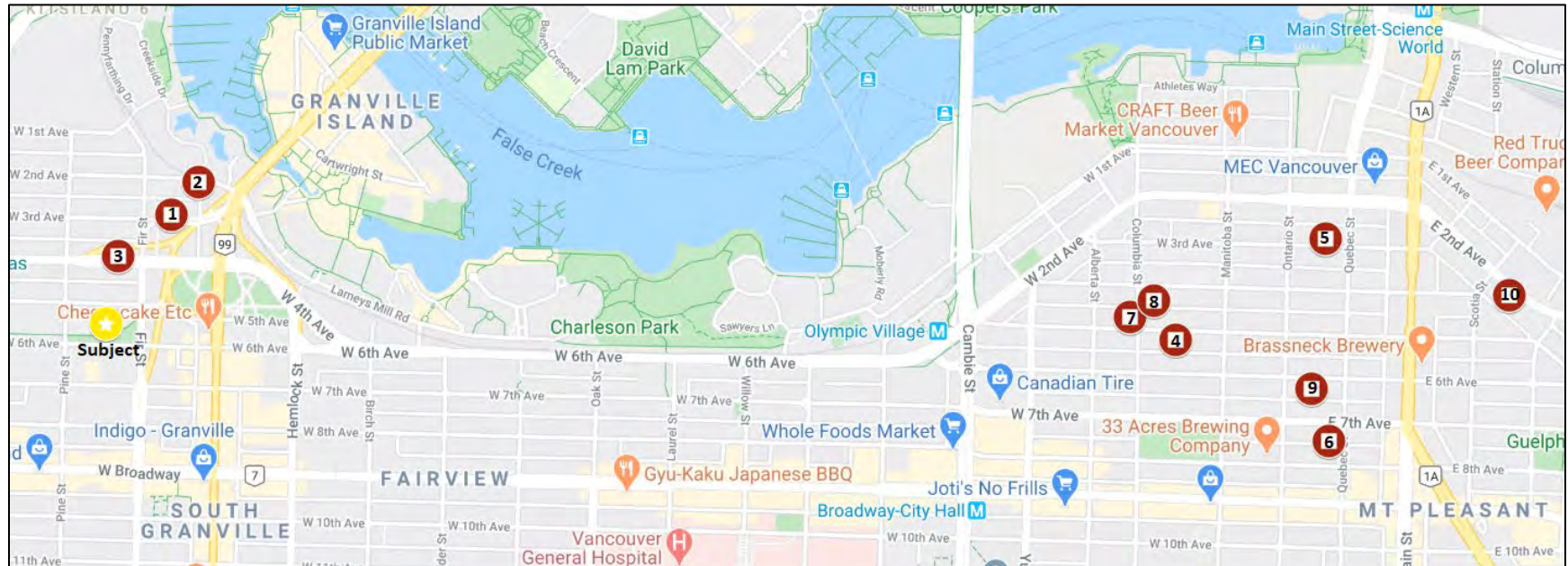
**As instructed by my client, I have assumed the subject property is vacant and unimproved and does not offer any holding income.**

As noted previously in the report, there may be potential after the new Broadway Plan is finalized to achieve a higher density on the subject property, than the current 3.0 FSR under the IC-1 zoning through rezoning to a Comprehensive Development (CD-1) zone. However, the potential density achievable in the future is unknown. All the comparables are also identified as being within the Broadway Plan area, and therefore, also have the potential to achieve a higher density upon rezoning. However, specific to the subject's Burrard Slopes neighbourhood, I note there is market speculation there could be potential for a change in permitted land use offering opportunities for market rental housing or market condominiums.

A comparable map illustrating the locations of the comparable properties is provided on the following page.

**DIRECT COMPARISON APPROACH (continued)**

**COMPARABLE LAND LOCATION MAP**



**DIRECT COMPARISON APPROACH (continued)**

LAND COMPARABLES						
No.	Address	Sale Price Sale Date	Site Area (Sq.Ft.)	Price Sq.Ft. Site Area	Price/Sq.Ft.	Comments
					Buildable Existing Zoning FSR	
BURRARD SLOPES						
1	1545 West 3rd Avenue Vancouver	\$12,800,000 Nov-19	11,790	\$1,086	\$362  IC-1 3.0 FSR	Located on the north side of W 3rd Avenue, east of Fir Street in the Armoury District. Rectangular-shaped site with ±100 feet of frontage improved with a ±10,818 sq.ft., two-storey, single-tenant commercial building that was constructed circa 1966 and renovated circa 1978. The building has ceiling heights up to 16 feet, HVAC and venting throughout, 600-amp, 3-phase power, and two rear loading doors (van height dock). Ten surface parking stalls are provided at the rear of the property. At the time of sale the property was reported to be fully leased until April 2020 with a reported NOI of \$324,520. The listing agent reported the current rent is at market and the sale was negotiated approximately two to three months prior to closing. The property was acquired by Lazy Gourmet, which intended to occupy the building. The property previously sold in April 2018 to Anthem Properties for \$11,300,000.
2	1502 & 1508 West 2nd Avenue Vancouver	\$12,750,000 Aug-19	8,796	\$1,450	\$580  C-2B 2.5 FSR	Located on the north side of W 2nd Avenue, east of Fir Street in the Armoury District. Rectangular-shaped site with 75 feet of frontage improved with a three-level, multi-tenant retail/office building (±13,909 sq.ft.) that was constructed circa 1970. The building has high ceiling heights on all floors, high end office build out, ground floor retail spaces, an elevator and exclusive deck on the 3rd floor. Eighteen surface parking stalls are provided at the rear of the property. The listing agent reported the building was fully tenanted at the time of sale with four or five tenancies and all leases had demo clauses. The reported NOI was \$348,619. However, reportedly the purchaser (The Hynes Group) plans to hold the property. The listing agent reported the sale was negotiated a few months prior to closing.
3	1635 West 4th Avenue Vancouver	\$6,000,000 Apr-18	8,020	\$748	\$299  C-2B 2.5 FSR	Located on the north side of West 4th Avenue, west of Fir Street, at the foot of the Granville Bridge off ramp. Slightly irregular-shaped site improved with a single-storey, single-tenant commercial building (±3,240 sq.ft.) constructed circa 1956 with renovations completed circa 1995. The property includes 12 surface parking stalls. At the time of sale, the building was fully leased by the Granville Island Veterinary Hospital. The estimated NOI was reportedly \$140,000 and the lease term expired at the end of 2019; however, as of the effective date of appraisal, the tenant was still occupying the building. Purchased by Aragon Properties Ltd., a residential developer.

**DIRECT COMPARISON APPROACH (continued)**

LAND COMPARABLES						
No.	Address	Sale Price Sale Date	Site Area (Sq.Ft.)	Price Sq.Ft. Site Area	<u>Price/Sq.Ft.</u>	Comments
					<u>Buildable</u> Existing Zoning FSR	
MOUNT PLEASANT						
4	144 West 5th Avenue Vancouver	<b>\$11,900,000</b> Current Listing	0.277 12,068	<b>\$986</b>	<b>\$329</b>  I-1 <b>3.00 FSR</b>	Located on the south side of West 5th Avenue, located three blocks from both Cambie Street and Main Street, ±750 metres from the Olympic Village SkyTrain station. Comprises two rectangular-shaped legal lots improved with a ±13,068 sq.ft. two-storey concrete building built circa 1960. The building is serviced with a loading dock and an elevator, with parking available at the rear. The building has a clear ceiling height of 12 to 13 feet on the main level and 11 feet on the second level. The site is currently leased to an automotive repair shop on the main level and a clothing store on the second level. The property has been listed since approximately early 2019. According to the agent, there was an offer to purchase the property in March 2019 that was countered by the owner; however, the offer and counter offer prices were not disclosed.
5	43 East 3rd Avenue Vancouver	<b>\$11,980,000</b> Current Listing  <b>\$11,500,000</b> Mar-19 Reported Approximate Contract Price (Collapsed May 2019)	0.277 12,078	<b>\$992</b>  <b>\$952</b>	<b>\$331</b>  <b>\$317</b>  I-1 <b>3.00 FSR</b>	Located midblock on the north side of East 3rd Avenue just of west of Quebec Street, ± 750 metres from the Main Street-Science World SkyTrain station. Comprises a rectangular-shaped site that is currently used for parking. The agent indicated there is a small amount of holding income for the site. The agent indicated the property was under contract (negotiated in March 2019) with subjects to be removed in mid-May; however, the purchaser requested a 30-day extension for the subject removal and the deal collapsed as the vendor would not grant the extension. An agent not directly involved with the deal reported that the site had been under contract for approximately \$11,500,000. The listing agent confirmed the contract price was in that range.
6	2323 Quebec Street Vancouver	<b>\$38,000,000</b> Jan-19 (Closed)	0.832 36,234	<b>\$1,049</b>	<b>\$350</b>  I-1 <b>3.00 FSR</b>	Located at the SW corner of Quebec Street and East 7th Avenue, ±1 km from the Broadway City Hall SkyTrain station and ±350 metres from a future Broadway Subway SkyTrain station. Comprises a rectangular-shaped legal lot improved with a fully leased, two-level concrete building constructed circa 1967 with a net leasable area of ±49,918 square feet. The property includes 46 surface parking stalls. The property was marketed for sale as a redevelopment property with holding income at below market rates. The existing income at the time of sale was reported by the agent to indicate a 2.4% cap rate.

**DIRECT COMPARISON APPROACH (continued)**

LAND COMPARABLES						
No.	Address	Sale Price Sale Date	Site Area (Sq.Ft.)	Price Sq.Ft. Site Area	<u>Price/Sq.Ft.</u>	Comments
					<u>Buildable</u> Existing Zoning FSR	
MOUNT PLEASANT						
7	205 West 5th Avenue & 2045 Columbia Street Vancouver	<b>\$10,600,000</b> Dec-18 (Closed)	0.266 11,573	<b>\$916</b>	<b>\$305</b>  I-1 <b>3.00 FSR</b>	Located at the NW corner of Columbia Street and West 5th Avenue, ±600 metres from the Olympic Village SkyTrain station. The property comprises two legal lots (±8,194 sq.ft. and ±3,379 sq.ft.) separated by a city lane. The larger parcel is improved with a ±11,950-sq.ft. two-storey industrial/office building. The smaller parcel is improved as a parking site. The property was listed in spring 2018 with significant interest reported by the listing agent. The agent reported the deal was firm in August. There was no official list price; however, the agent had indicated a minimum bid price of \$300 per buildable sq.ft. The property sold to Rendition Developments Inc.
8	150 & 170 West 4th Avenue & 2004 Columbia Street Vancouver	<b>\$32,000,000</b> Feb-20 (Closed) Nov-18 (Contract)	0.832 36,234	<b>\$915</b>	<b>\$294</b>  I-1 <b>3.00 FSR</b>	Located at the SE corner of Columbia and West 4th Avenue, ±600 metres from the Olympic Village SkyTrain station. Comprises five adjacent rectangular-shaped lots improved with a vacant, two-storey industrial building (±15,982 sq.ft.) and an adjacent public parking lot. The site was listed in June 2018 and there was no official asking price. The listing agent previously reported six offers had been received approximately two weeks after with an accepted subject offer in place. The agent recently reported the original offer did not come together and a new deal was under contract as of November 2018. The property sold to Dayhu Group of Companies and the sale closed in February 2020. Prior to the date of sale, a development application was submitted to the City to construct a 109,490-square-foot, four-storey mixed-use development with industrial space on the first floor, office space on the second through fourth floors, and two level below grade parking garage. The development has an FSR of 3.00.
9	30 & 34 East 6th Avenue Vancouver	<b>\$13,700,000</b> May-19 (Closed)	0.277 12,078	<b>\$1,134</b>	<b>\$378</b>  I-1 <b>3.00 FSR</b>	Located on the south side of East 6th Avenue, one block west from Main Street, ±1km from the Broadway City Hall SkyTrain station, and ±500 metres from a future Broadway Subway SkyTrain station. Comprises a rectangular-shaped lot with improved with a ±24,644 sq.ft., three-storey, multi-tenant, commercial building constructed circa 1975. The building has a clear ceiling height of nine to thirteen feet. It is serviced with one elevator, two drive-in doors and contains 25 secured covered parking spaces on the lower level. Subsequent to the sale the building was reported to be leased by a mix of local businesses. The property was purchased by Wesgroup Properties, which is reportedly completing significant renovations to the building. The space is currently being marketed for lease.



**DIRECT COMPARISON APPROACH (continued)**

LAND COMPARABLES						
No.	Address	Sale Price Sale Date	Site Area (Sq.Ft.)	Price Sq.Ft. Site Area	<u>Price/Sq.Ft.</u>	Comments
					<u>Buildable</u> Existing Zoning FSR	
MOUNT PLEASANT						
10	338 East 2nd Avenue Vancouver	\$18,200,000 Nov-19 (Closed)	0.465 20,268	\$898	\$299  IC-3 3.00 FSR	Located on the south side of E 2nd Avenue just east of Scotia Street, ±750 metres from the Main Street-Science World SkyTrain station, and approximately one to two blocks from a future Broadway Subway SkyTrain station. Comprises a rectangular-shaped site improved with a fully leased, commercial building constructed circa 1968. At the time of sale the property was reported to be fully leased to Lordco Parts, with an NOI of \$289,900 indicating a cap rate of approximately 1.6%. The lease expires in June 2021 and has a demolition clause with 9 months written notice. Discussion with the listing agent and the purchaser's agent indicated the site was under contract in approximately January/February 2019 and subject conditions were removed mid-June 2019. The purchaser's agent reported there was some minor site contamination in the range of \$200,000 to \$400,000, with costs to be assumed by the purchaser. The property is situated outside of the False Creek plan area, and the purchaser's agent indicated that ground floor commercial space with upper floor artist studios would be required.

## DIRECT COMPARISON APPROACH (continued)

**Comparable One (1545 West 3rd Avenue)** is the November 2019 sale of a  $\pm 11,790$ -square-foot, rectangular-shaped, IC-1-zoned site with  $\pm 100$  feet of frontage on the north side of West 3rd Avenue, east of Fir Street, in the Armoury District, approximately three blocks northeast of the subject. At the time of sale the site was improved with a two-storey, single-tenant commercial building constructed circa 1966 and renovated circa 1978. The building has ceiling heights up to 16 feet, HVAC and venting throughout, 600-amp, three-phase power, and two rear van-height dock loading doors. Ten surface parking stalls are provided at the rear of the property. At the time of sale the property was reported to be fully leased at market rent until April 2020. The purchase price of \$12,800,000 indicates a value of **\$362 per buildable square foot** based on the maximum 3.0 FSR under the existing zoning. The property was acquired by Lazy Gourmet, which intended to occupy the building. The comparable provides evidence of value for the subject property given its recent sale date and close proximity; however, downward adjustments are warranted for the comparable's holding value, regular shape and smaller size. Overall, a lower price per buildable square foot is supported for the subject property.



**Comparable Two (1502 & 1508 West 2nd Avenue)** is the August 2019 sale of an  $\pm 8,796$ -square-foot,



rectangular-shaped, C-2B-zoned site with  $\pm 75$  feet of frontage located on the north side of West 2nd Avenue, east of Fir Street, approximately four blocks northeast of the subject. The C-2B zoning permits a lower maximum FSR of 2.5. At the time of sale the property was improved with a three-level, multi-tenant retail/office building constructed circa 1970.

## DIRECT COMPARISON APPROACH (continued)

The building has high ceiling heights on all floors, high-end office build-out, ground floor retail spaces, an elevator and an exclusive deck on the third floor. Eighteen surface parking stalls are provided at the rear of the property. The listing agent reported the building was fully tenanted at the time of sale with approximately four or five tenancies and all the leases had demolition clauses. However, the purchaser reportedly plans to hold the property. The property sold for \$12,750,000, or **\$580 per buildable square foot**, based on the maximum FSR under the current zoning. Downward adjustments for the comparable's regular shape, smaller size, lower permitted maximum density and significant holding value support a significantly lower price per buildable square foot for the subject property.

**Comparable Three (1635 West 4th Avenue)** is the April 2018 sale of an irregular-shaped, ±8,020-square-foot, C-2B-zoned lot located on the north side of West 4th Avenue, west of Fir Street, at the foot of the Granville Bridge off ramp, and one block north of the subject. At the time of the sale the property was improved with a ±3,240-square-foot, single-storey, single-tenant commercial building constructed circa 1956 with renovations completed circa 1995. The property has ±150 feet of frontage to West 4th Avenue and includes 12 surface parking stalls. At the time of sale, the building was fully leased by the Granville Island Veterinary Hospital. The estimated net income was reportedly \$140,000 and the lease term expired at the end of 2019; however, I note as of the effective date of appraisal, the tenant appeared to still be occupying the building. The property was purchased by Aragon Properties Ltd., a residential developer. The negotiation date could not be confirmed, but is assumed to be at least a few months prior to the closing in April 2018. The sale price of \$6,000,000 indicates a value of **\$299 per buildable square foot**. Downward adjustments for the comparable's smaller size, superior exposure, holding value and lower permitted density are warranted; however, these adjustments are partially offset by the overall improvement in the market since early 2018. Overall a value slightly lower than \$299 per buildable square foot is supported for the subject property.





## DIRECT COMPARISON APPROACH (continued)

**Comparables Four to Nine** comprise late 2018 to early 2020 sales of I-1 zoned sites in the Mount Pleasant industrial area to the east of the subject property. Industrial office development with a maximum 3.0 FSR, commensurate with the subject's IC-1 zoning, is permitted.

**Comparable Four (144 West 5th Avenue)** is a current listing of a  $\pm 12,068$ -square-foot, rectangular-shaped site located on the south side of West 5th Avenue, approximately three blocks from both Cambie Street and Main Street in the Mount Pleasant industrial area. The site is improved with a  $\pm 13,068$ -square-foot, two-storey concrete building built in 1960. The building is serviced with a loading dock and an elevator and parking is available at the rear of the building. The building has a clear ceiling height of 12 to 13 feet on the main level and a ceiling height of 11 feet on the second level. The building is currently leased to an automotive repair shop on the main level and a clothing store on the second level. The asking price for the property is \$11,900,000, or **\$329 per buildable square foot**. According to the agent, there was an offer to purchase the property in March 2019 that was countered by the owner; however, the offer and counteroffer prices were not disclosed. Downward adjustments for the comparable's holding income, current listing status, smaller size and regular shape support a lower price per buildable square foot for the subject.



**Comparable Five (43 East 3rd Avenue)** is the current listing and collapsed March 2019 contract of a  $\pm 12,078$ -square-foot lot located mid-block on the north side of East 3rd Avenue just west of Quebec Street and one block from Main Street. The property comprises a rectangular-shaped site currently used for parking. I note the buildings indicated on the aerial have since been demolished; however, there is a small amount of holding income for the site.



## DIRECT COMPARISON APPROACH (continued)

The current asking price of \$11,980,000 equates to a value of **\$331 per buildable square foot**. The listing agent indicated the property was under contract (negotiated in approximately mid-March 2019) with subjects to be removed in mid-May; however, the purchaser requested a 30-day extension for the subject removal and the deal collapsed as the vendor would not grant the extension. An agent not directly involved with the deal reported that the site had been under contract for approximately \$11,500,000, which equates to **\$317 per buildable square foot**. The listing agent confirmed the reported contract price was in that range. The March 2019 contract provides evidence for the subject's land value given its assumed vacant status; however, downward adjustments are supported for the comparable's holding income, regular shape, smaller size and current market conditions. Overall a lower value than \$317 per buildable square foot is warranted for the subject property.

**Comparable Six (2323 Quebec Street)** is the January 2019 sale of a ±36,234-square-foot, rectangular-



shaped lot located at the southwest corner of Quebec Street and East 7th Avenue. At the time of sale, the site was fully improved with a fully leased, two-level concrete building constructed circa 1967. The property includes 46 surface parking stalls. The property was marketed for sale as a redevelopment property with holding income at below market rates. The property sold for \$38,000,000, or **\$350 per buildable square**

**foot**. The listing agent indicated that the higher value reflected the property's holding income. Downward adjustments for the comparable's corner location, regular shape, holding income and current market conditions, support a lower price per buildable square foot for the subject property.

**Comparable Seven (205 West 5th Avenue & 2045 Columbia Street)** is the December 2018 sale of an ±11,573-square-foot site located at the northwest corner of Columbia Street and West 5th Avenue. The property comprises two legal lots (±8,194 square feet and ±3,379 square feet) separated by a city lane. The larger parcel is improved with a ±11,950-square-foot, two-storey, industrial/office building. The smaller parcel is currently improved as a parking site.



## DIRECT COMPARISON APPROACH (continued)

The property was listed in spring 2018 with significant interest reported by the listing agent. The agent reported the deal was firm in August 2018. There was no official list price; however, the agent had indicated a minimum bid price of \$300 per buildable square foot. The property sold for \$10,600,000, or \$305 per buildable square foot. Downward adjustments for current market conditions, the comparable's corner location, smaller size and holding value are warranted; however, these adjustments are generally offset by the comparable's inferior configuration. Overall, a slightly lower price per buildable square foot is supported for the subject property.



**Comparable Eight (150 & 170 West 4th Avenue & 2004 Columbia Street)** is the February 2020 sale



of a ±36,234-square-foot site located at the southeast corner of Columbia Street and West 4th Avenue. The property is improved with a vacant, two-storey industrial building comprising ±15,982 square feet and an adjacent public parking lot. The site was listed in June 2018 and there was no official asking price. The listing agent previously reported six offers had been received approximately two weeks after with an

accepted subject offer in place. The agent recently reported the original offer did not come together and a new deal was under contract as of November 2018. The property sold for \$32,000,000, or **\$294 per buildable square foot**. Downward adjustments for declining market conditions subsequent to late 2018 and the comparable's regular shape, superior corner exposure and potential holding income support a slightly lower price per buildable square foot for the subject property.

## DIRECT COMPARISON APPROACH (continued)

**Comparable Nine (30 & 34 East 6th Avenue)** is the May 2019 sale of a ±12,078-square-foot rectangular-shaped site located on the south side of East 6th Avenue, one block west from Main Street. At the time of sale the site was improved with a ±24,644 square-foot, three-storey, multi-tenant, commercial building constructed circa 1975. The building has a clear ceiling height of nine to thirteen feet. It is serviced with one elevator, two drive-in doors and contains 25 secured covered parking spaces on the lower level. The property sold for \$13,700,000, or **\$378 per buildable square foot**. Subsequent to the sale the building was reported to be leased by a mix of local businesses. The property was purchased by Wesgroup Properties, which is reportedly completing significant renovations to the building. The space is currently being marketed for lease. Downward adjustments for the comparable's existing building value, regular site shape and smaller size support a lower price per buildable square foot for the subject property.



**Comparable Ten (338 East 2nd Avenue)** is the November 2019 sale of a ±20,268-square-foot, rectangular-shaped site located on the south side of East 2nd Avenue just east of Scotia Street, approximately 750 metres from the Main Street-Science World SkyTrain station, and approximately one to two blocks from a future Broadway Subway SkyTrain station. The property is zoned IC-3, which permits a maximum 3.0 FSR, commensurate with the subject's IC-1 zoning; however, under the IC-3 zone, upper floor residential artist studios are conditionally permitted. At the time of sale the site was improved with a service commercial building constructed circa 1968.



**DIRECT COMPARISON APPROACH (continued)**

At the time of sale the property was reported to be fully leased to Lordco Parts and the lease expires in June 2021 and has a demolition clause requiring nine months written notice. Discussion with the listing agent and the purchaser's agent indicated the site was under contract in approximately January/February 2019 and subject conditions were removed mid-June 2019. The purchaser's agent reported there was some minor site contamination with remediation costing in the range of \$200,000 to \$400,000, (to be assumed by the purchaser). The property is situated outside of the False Creek plan area, and the purchaser's agent indicated that ground floor commercial space with upper floor artist studios would be required by the City. The property sold for \$18,200,000, or **\$299 per buildable square foot**. Downward adjustments for the comparable's regular shape and superior zoning allowing for upper floor residential artist studios are warranted; however, these adjustments are partially offset by the reported onsite contamination.

**Summary**

In estimating a value per square foot of buildable area for the subject property, I have analyzed the comparables with consideration to the following items:

- The subject has a strong location within the Burrard Slopes neighbourhood on the south side of West 5th Avenue between Fir and Pine Streets, with additional frontage to Pine Street and also backing onto the Arbutus Greenway;
- The subject is located ±650 metres from the future Broadway Subway Granville Street station;
- The subject site consists of an irregular-shaped assembly comprised of eight adjacent legal lots with a combined gross site area of ±48,991 square feet (±1.125 acres);
- The assembly has extensive frontage of ±250.05 feet along West 5th Avenue and ±62 feet along Pine Street and extends for ±356 feet along the Arbutus Greenway;
- The property is zoned IC-1 (Industrial District), which allows for a range of uses including warehouse, wholesale, office and retail, and currently supports up to 3.0 FSR; however, I note there is market speculation there may be increased density in the area upon the adoption of the Broadway Plan with the potential for a change in permitted land use offering opportunities for market rental housing or market condominiums;
- As instructed by my client, I have assumed the subject property is vacant and unimproved and does not offer any holding income;

**DIRECT COMPARISON APPROACH (continued)**

- Land values for light industrial/office redevelopment properties in the area continued to increase to approximately the third quarter of 2018 and then decreased slightly to approximately early fall 2019, with market conditions generally stabilizing to the effective date of appraisal, warranting adjustments for market conditions. However, the light industrial/office market in the subject's general area is still strong, as evidenced by the current end-unit strata pricings, as well as rising lease rates and declining vacancies. I note that my recent discussions with industrial real estate agents active in the Metro Vancouver market suggest there will likely be downward influence on industrial land values given the current COVID-19 pandemic; however, the impact at this time is unknown.

The comparables indicate a wide range in value from **\$294 to \$580 per square foot** of buildable site area, unadjusted. The lower end of the range is illustrated by Comparable Three at \$299 per buildable square foot, Comparable Eight at \$294 per buildable square foot and Comparable Ten at \$299 per buildable square foot. After adjustments for zoning, permitted density, site size, shape, location, holding value and market conditions, a slightly lower price per buildable square foot is supported. The upper end of the range is illustrated by Comparable Two at \$580 per buildable square foot. The comparable is a mid-2019 sale of a smaller ±8,796-square-foot, C-2B-zoned site in the Armoury District of the subject's Burrard Slopes area. Downward adjustments for the comparable's smaller size, regular shape, lower permitted maximum density and significant holding value support a lower price per buildable square foot for the subject property.

Given the subject's larger size, irregular shape, current market conditions and assumed vacant and unimproved status, I would expect a value for the subject below the lower end of the comparable's price per buildable square foot range. However, the subject's extensive exposure to the Arbutus Greenway allows for good ground floor commercial/retail appeal and suggests a value just below the comparables' range. Given the lack of recent larger size industrial land sales in the subject's area and comparable areas of Vancouver, the size adjustment is to some degree subjective. As previously discussed, the subject's larger investment size would limit the number of potential purchasers; however, there are economies with developing larger parcels. Further, the site does have the potential for subdivision into smaller parcels.



## DIRECT COMPARISON APPROACH (continued)

After consideration of all factors pertinent to value, it is my opinion the current “hypothetical” market value of the subject property, subject to the Hypothetical Conditions, Extraordinary and Standard Assumptions and Limiting Conditions and Terms of Reference herein, as of May 1, 2020, is as illustrated below:

LAND VALUE RANGE ESTIMATE - 1630 & 1670 WEST 5TH AVENUE, VANCOUVER			
	LOW	MID	HIGH
Site Area (sq.ft.)	48,991	48,991	48,991
Density (Max FSR - IC-1 Zoning)	3.00	3.00	3.00
Buildable Area (sq.ft.)	146,973	146,973	146,973
Value \$/Buildable Sq.Ft.	\$270.00	\$275.00	\$280.00
Estimated Value	\$39,682,710	\$40,417,575	\$41,152,440
<b>Rounded</b>	<b>\$39,680,000</b>	<b>\$40,420,000</b>	<b>\$41,150,000</b>
Price Per Sq.Ft. Site Area	\$810	\$825	\$840

A midpoint “hypothetical” value conclusion of:

**FORTY MILLION FOUR HUNDRED TWENTY THOUSAND DOLLARS**

**(\$40,420,000)\***

### **\*Significant Value Uncertainty**

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organization as a “Global Pandemic” on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries. Market activity is being impacted in many sectors. As at the valuation date (effective date), we consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances on which to base a judgement. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of this property under frequent review.

**DIRECT COMPARISON APPROACH (continued)**

The estimated market value under the Direct Comparison Approach indicates a price of \$825 per square foot of site area. This is in line with the comparable evidence analyzed herein between \$748 and \$1,450 per square foot of site area.

The estimate of Market Value of the property is based on an exposure time of three to nine months immediately prior to the date of appraisal.



## 11.0 CERTIFICATION

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

1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my impartial and unbiased professional analyses, opinions and conclusions;
3. I have no past, present or prospective interest in the property that is the subject of this report and no personal and/or professional interest or conflict with respect to the parties involved with this assignment;
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. My engagement in and compensation is not contingent upon developing or reporting predetermined results, the amount of value estimate, a conclusion favouring the client, or the occurrence of a subsequent event;
6. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the CUSPAP;
7. I have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with CUSPAP;
8. Except as herein disclosed, no one has provided significant professional assistance to the person signing this report;
9. As of the date of this report the undersigned has fulfilled the requirements of the AIC's Continuing Professional Development Program;
10. The undersigned is a member in good standing of the Appraisal Institute of Canada.

### **Property Identification**

Address: 1630 & 1670 West 5th Avenue, Vancouver, BC V6J 1N8

Legal Descriptions: Lot C (Explanatory Plan 9969); Amended Lot 5 (See 228155L); Lots 3 and 4; Lots 17 to 20, Except the Vancouver and Lulu Island Railway Company Right of Way Shown on Miscellaneous Plan 218, Block 269 District Lot 526 Plan 590

Parcel Identifiers: 015-221-148, 015-221-091, 015-221-059, 015-221-075, 015-220-893, 015-220-915, 015-220-974 & 015-221-008

**CERTIFICATION (continued)**

Based upon the data, analyses and conclusions contained herein, the current “hypothetical” market value of the interest in the property described as at May 1, 2020, is estimated at **\$40,420,000.\***

**\*Significant Value Uncertainty**

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organization as a “Global Pandemic” on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries. Market activity is being impacted in many sectors. As at the valuation date (effective date), we consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances on which to base a judgement. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of this property under frequent review.

As set out elsewhere in this report, this report is subject to certain assumptions and limiting conditions, the verification of which is outside the scope of this report.

Respectfully submitted,

**CWPC Property Consultants Ltd.**

Per: Reagan Stinson  
B.Com (hons), AACI, P.App, MBA

Membership #: 902569

Date of Report/Date Signed: July 13, 2020

Personally Inspected the Subject Property: Yes

Date of Inspection: April 20, 2020 (Exterior only from the lot lines)

**CERTIFICATION (continued)**

**ATTACHMENTS AND ADDENDA:**

Appendix "A" Copy of the Title Information

Appendix "B" Copies of the Legal Plans

Appendix "C" Copy of the IC-1 Zoning Bylaw

Appendix "D" Qualifications of the Appraiser

## 12.0 ASSUMPTIONS AND LIMITING CONDITIONS

The certification that appears in this report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. Under "The Standards", the following estimate of Market Value is based on an exposure time of 3 to 9 months immediately prior to the date of appraisal. This marketing timing is typical of real estate similar to the subject in the Greater Vancouver area.
2. The estimated Market Value for the subject property is based on the assumption that it would be sold on payment terms consistent with common practices in the real estate market and subject to the encumbrances outlined in this report, unless otherwise stated.
3. This report is prepared only for the client and authorized users specifically identified in this report and only for the specific use identified herein. No other person may rely on this report or any part of this report without first obtaining consent from the client and written authorization from the authors. Liability is expressly denied to any other person and, accordingly, no responsibility is accepted for any damage suffered by any other person as a result of decisions made or actions taken based on this report. Liability is expressly denied for any unauthorized user or for anyone who uses this report for any use not specifically identified in this report. Payment of the appraisal fee has no effect on liability. Reliance on this report without authorization or for an unauthorized use is unreasonable.
4. Because market conditions, including economic, social and political factors, may change rapidly and, on occasion, without warning, this report cannot be relied upon as of any date other than the effective date specified in this report unless specifically authorized by the author(s).
5. The author will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The property is appraised on the basis of it being under responsible ownership. No registry office search has been performed and the author assumes that the title is good and marketable and free and clear of all encumbrances. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property's owner or identifying the property owned by the listed client and/or applicant provided by the appraiser is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.
6. Verification of compliance with governmental regulations, bylaws or statutes is outside the scope of work and expertise of the appraiser. Any information provided by the appraiser is for informational purposes only and any reliance is unreasonable. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.

**ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

7. No survey of the property has been made. Any sketch in this report shows approximate dimensions and is included only to assist the reader of this report in visualizing the property. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.
8. This report is completed on the basis that testimony or appearance in court concerning this report is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to: adequate time to review the report and related data, and the provision of appropriate compensation.
9. Unless otherwise stated in this report, the author has no knowledge of any hidden or unapparent conditions (including, but not limited to: its soils, physical structure, mechanical or other operating systems, foundation, etc.) of/on the subject property or of/on a neighbouring property that could affect the value of the subject property. It has been assumed that there are no such conditions. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the author. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.
10. The author is not qualified to comment on detrimental environmental, chemical or biological conditions 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 which may include but are not limited to moulds and mildews or the conditions that may give rise to either. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. It is an assumption of this report that the property complies with all regulatory requirements concerning environmental, chemical and biological matters, and it is assumed that the property is free of any detrimental environmental, chemical legal and biological conditions that may affect the market value of the property appraised. If a party relying on this report requires information about or an assessment of detrimental environmental, chemical or biological conditions that may impact the value conclusion herein, that party is advised to retain an expert qualified in such matters. The author expressly denies any legal liability related to the effect of detrimental environmental, chemical or biological matters on the market value of the property.
11. The analyses set out in this report relied on written and verbal information obtained from a variety of sources the author considered reliable. Unless otherwise stated herein, the author did not verify client-supplied information, which the author believed to be correct.

**ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

12. The term “inspection” refers to observation only as defined by CUSPAP and reporting of the general material finishing and conditions observed for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only.
13. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The author has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The author has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this visual inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the author.
14. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The author acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the author’s privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the author's privacy policy and in accordance with the PIPEDA.
15. The author has agreed to enter into the assignment as requested by the client named in this report for the use specified by the client, which is stated in this report. The client has agreed that the performance of this report and the format are appropriate for the intended use.
16. This report, its content and all attachments/addendums and their content are the property of the author. The client, authorized users and any appraisal facilitator are prohibited, strictly forbidden, and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
17. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the author can be reasonably relied upon.
18. This report form is the property of the Appraisal Institute of Canada (AIC) and for use only by AIC members in good standing. Use by any other person is a violation of AIC copyright.



## **Appendix "A"**

### **Copy of the Title Information**

**TITLE SEARCH PRINT**

File Reference: PB (D. Soo)

2020-03-19, 09:22:30

Requestor: Doris Soo

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\*****Title Issued Under** SECTION 188 LAND TITLE ACT**Land Title District** VANCOUVER  
Land Title Office VANCOUVER**Title Number** GC159315  
From Title Number K27729**Application Received** 1989-12-12**Application Entered** 1990-01-11**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: CITY OF VANCOUVER  
453 WEST 12TH AVENUE  
VANCOUVER, BC**Taxation Authority** Vancouver, City of**Description of Land**  
Parcel Identifier: 015-221-075  
Legal Description:  
LOT 4 BLOCK 269 DISTRICT LOT 526 PLAN 590**Legal Notations**  
NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE BN99036  
FILED 1999-04-22**Charges, Liens and Interests** NONE**Duplicate Indefeasible Title** NONE OUTSTANDING**Transfers** NONE**Pending Applications** NONE

**TITLE SEARCH PRINT**

File Reference: PB (D. Soo)

2020-03-19, 09:22:30

Requestor: Doris Soo

\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\*

<b>Title Issued Under</b>	SECTION 188 LAND TITLE ACT
<b>Land Title District</b> Land Title Office	VANCOUVER VANCOUVER
<b>Title Number</b> From Title Number	GC159316 K27729
<b>Application Received</b>	1989-12-12
<b>Application Entered</b>	1990-01-11
<b>Registered Owner in Fee Simple</b> Registered Owner/Mailing Address:	CITY OF VANCOUVER 453 WEST 12TH AVENUE VANCOUVER, BC
<b>Taxation Authority</b>	Vancouver, City of
<b>Description of Land</b> Parcel Identifier: Legal Description:	015-221-091 AMENDED LOT 5 (SEE 228155L) BLOCK 269 DISTRICT LOT 526 PLAN 590
<b>Legal Notations</b>	NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE BN99035 FILED 1999-04-22
<b>Charges, Liens and Interests</b> Nature: Registration Number: Registration Date and Time: Registered Owner:	CLAIM OF BUILDERS LIEN BJ203836 1995-07-12 09:43 NORSON CONSTRUCTION LTD.

**TITLE SEARCH PRINT**

File Reference: PB (D. Soo)

2020-03-19, 09:22:30

Requestor: Doris Soo

Nature:	CERTIFICATE OF PENDING LITIGATION
Registration Number:	BJ312877
Registration Date and Time:	1995-10-16 15:10
Registered Owner:	NORSON CONSTRUCTION LTD. PLAINTIFF
	VS
Registered Owner:	ADRENALIN SPORTS LTD. ET AL DEFENDANTS

<b>Duplicate Indefeasible Title</b>	NONE OUTSTANDING
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<b>Transfers</b>	NONE
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<b>Pending Applications</b>	NONE
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**TITLE SEARCH PRINT**

File Reference: PB (D. Soo)

2020-03-19, 09:22:30

Requestor: Doris Soo

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

<b>Title Issued Under</b>	SECTION 188 LAND TITLE ACT
<b>Land Title District</b> Land Title Office	VANCOUVER VANCOUVER
<b>Title Number</b> From Title Number	GC159317 K27729
<b>Application Received</b>	1989-12-12
<b>Application Entered</b>	1990-01-11
<b>Registered Owner in Fee Simple</b> Registered Owner/Mailing Address:	CITY OF VANCOUVER 453 WEST 12TH AVENUE VANCOUVER, BC
<b>Taxation Authority</b>	Vancouver, City of
<b>Description of Land</b> Parcel Identifier: Legal Description:	015-221-148 LOT C (EXPLANATORY PLAN 9969) BLOCK 269 DISTRICT LOT 526 PLAN 590
<b>Legal Notations</b>	NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE BN99035 FILED 1999-04-22
<b>Charges, Liens and Interests</b> Nature: Registration Number: Registration Date and Time: Registered Owner:	CLAIM OF BUILDERS LIEN BJ203837 1995-07-12 09:43 NORSON CONSTRUCTION LTD.



**TITLE SEARCH PRINT**

File Reference: PB (D. Soo)

2020-03-19, 09:22:30

Requestor: Doris Soo

Nature:	CERTIFICATE OF PENDING LITIGATION
Registration Number:	BJ312876
Registration Date and Time:	1995-10-16 15:10
Registered Owner:	NORSON CONSTRUCTION LTD. PLAINTIFF
	VS
Registered Owner:	ADRENALIN SPORTS LTD. ET AL DEFENDANTS

<b>Duplicate Indefeasible Title</b>	NONE OUTSTANDING
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<b>Transfers</b>	NONE
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<b>Pending Applications</b>	NONE
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**TITLE SEARCH PRINT**

File Reference: PB (D. Soo)

2020-03-19, 09:22:31

Requestor: Doris Soo

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

<b>Title Issued Under</b>	SECTION 188 LAND TITLE ACT
<b>Land Title District</b> Land Title Office	VANCOUVER VANCOUVER
<b>Title Number</b> From Title Number	GC159318 K27975
<b>Application Received</b>	1989-12-12
<b>Application Entered</b>	1990-01-11
<b>Registered Owner in Fee Simple</b> Registered Owner/Mailing Address:	CITY OF VANCOUVER 453 WEST 12TH AVENUE VANCOUVER, BC
<b>Taxation Authority</b>	Vancouver, City of
<b>Description of Land</b> Parcel Identifier: Legal Description:	015-220-915 LOT 18, EXCEPT THE VANCOUVER AND LULU ISLAND RAILWAY COMPANY RIGHT OF WAY SHOWN ON MISCELLANEOUS PLAN 218, BLOCK 269 DISTRICT LOT 526 PLAN 590
<b>Legal Notations</b>	NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE BN114227 FILED 1999-05-06
<b>Charges, Liens and Interests</b>	NONE
<b>Duplicate Indefeasible Title</b>	NONE OUTSTANDING
<b>Transfers</b>	NONE
<b>Pending Applications</b>	NONE

**TITLE SEARCH PRINT**

File Reference: PB (D. Soo)

2020-03-19, 09:22:31

Requestor: Doris Soo

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

<b>Title Issued Under</b>	SECTION 188 LAND TITLE ACT
<b>Land Title District</b> Land Title Office	VANCOUVER VANCOUVER
<b>Title Number</b> From Title Number	GC159319 K27975
<b>Application Received</b>	1989-12-12
<b>Application Entered</b>	1990-01-11
<b>Registered Owner in Fee Simple</b> Registered Owner/Mailing Address:	CITY OF VANCOUVER 453 WEST 12TH AVENUE VANCOUVER, BC
<b>Taxation Authority</b>	Vancouver, City of
<b>Description of Land</b> Parcel Identifier: Legal Description:	015-220-974 LOT 19, EXCEPT THE VANCOUVER AND LULU ISLAND RAILWAY COMPANY RIGHT OF WAY SHOWN ON MISCELLANEOUS PLAN 218, BLOCK 269 DISTRICT LOT 526 PLAN 590
<b>Legal Notations</b>	NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE BN114227 FILED 1999-05-06
<b>Charges, Liens and Interests</b>	NONE
<b>Duplicate Indefeasible Title</b>	NONE OUTSTANDING
<b>Transfers</b>	NONE
<b>Pending Applications</b>	NONE

**TITLE SEARCH PRINT**

File Reference: PB (D. Soo)

2020-03-19, 09:22:31

Requestor: Doris Soo

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

<b>Title Issued Under</b>	SECTION 188 LAND TITLE ACT
<b>Land Title District</b> Land Title Office	VANCOUVER VANCOUVER
<b>Title Number</b> From Title Number	GC159320 K27975
<b>Application Received</b>	1989-12-12
<b>Application Entered</b>	1990-01-11
<b>Registered Owner in Fee Simple</b> Registered Owner/Mailing Address:	CITY OF VANCOUVER 453 WEST 12TH AVENUE VANCOUVER, BC
<b>Taxation Authority</b>	Vancouver, City of
<b>Description of Land</b> Parcel Identifier: Legal Description:	015-221-008 LOT 20, EXCEPT THE VANCOUVER AND LULU ISLAND RAILWAY COMPANY RIGHT OF WAY SHOWN ON MISCELLANEOUS PLAN 218, BLOCK 269 DISTRICT LOT 526 PLAN 590
<b>Legal Notations</b>	NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE BN114227 FILED 1999-05-06
<b>Charges, Liens and Interests</b>	
Nature: Registration Number: Registration Date and Time: Registered Owner:	EASEMENT AND INDEMNITY AGREEMENT BX138594 2005-05-11 13:12 CITY OF VANCOUVER
Nature: Registration Number: Registration Date and Time: Registered Owner:	STATUTORY RIGHT OF WAY BX138595 2005-05-11 13:12 CITY OF VANCOUVER

**TITLE SEARCH PRINT**

File Reference: PB (D. Soo)

2020-03-19, 09:22:31

Requestor: Doris Soo

Nature:	EQUITABLE CHARGE
Registration Number:	BX138596
Registration Date and Time:	2005-05-11 13:12
Registered Owner:	CITY OF VANCOUVER

<b>Duplicate Indefeasible Title</b>	NONE OUTSTANDING
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<b>Transfers</b>	NONE
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<b>Pending Applications</b>	NONE
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**TITLE SEARCH PRINT**

File Reference: PB (D. Soo)

2020-03-19, 09:22:30

Requestor: Doris Soo

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\*****Title Issued Under** SECTION 172 LAND TITLE ACT**Land Title District** VANCOUVER  
Land Title Office VANCOUVER**Title Number** K27729  
From Title Number H23951**Application Received** 1982-05-05**Application Entered** 1990-01-11**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: CITY OF VANCOUVER  
453 WEST 12TH AVENUE  
VANCOUVER, BC**Taxation Authority** Vancouver, City of**Description of Land**  
Parcel Identifier: 015-221-059  
Legal Description:  
LOT 3 BLOCK 269 DISTRICT LOT 526 PLAN 590**Legal Notations**  
NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE BN99037  
FILED 1999-04-22**Charges, Liens and Interests** NONE**Duplicate Indefeasible Title** NONE OUTSTANDING**Transfers** NONE**Pending Applications** NONE

**TITLE SEARCH PRINT**

File Reference: PB (D. Soo)

2020-03-19, 09:22:30

Requestor: Doris Soo

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

<b>Title Issued Under</b>	SECTION 172 LAND TITLE ACT
<b>Land Title District</b> Land Title Office	VANCOUVER VANCOUVER
<b>Title Number</b> From Title Number	K27975 J32532
<b>Application Received</b>	1982-05-05
<b>Application Entered</b>	1990-01-11
<b>Registered Owner in Fee Simple</b> Registered Owner/Mailing Address:	CITY OF VANCOUVER 453 WEST 12TH AVENUE VANCOUVER, BC
<b>Taxation Authority</b>	Vancouver, City of
<b>Description of Land</b> Parcel Identifier: Legal Description:	015-220-893 LOT 17, EXCEPT THE VANCOUVER AND LULU ISLAND RAILWAY COMPANY RIGHT OF WAY SHOWN ON MISCELLANEOUS PLAN 218, BLOCK 269 DISTRICT LOT 526 PLAN 590
<b>Legal Notations</b>	NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE BN114227 FILED 1999-05-06
<b>Charges, Liens and Interests</b>	NONE
<b>Duplicate Indefeasible Title</b>	NONE OUTSTANDING
<b>Transfers</b>	NONE
<b>Pending Applications</b>	NONE

## **Appendix "B"**

### **Copies of the Legal Plans**

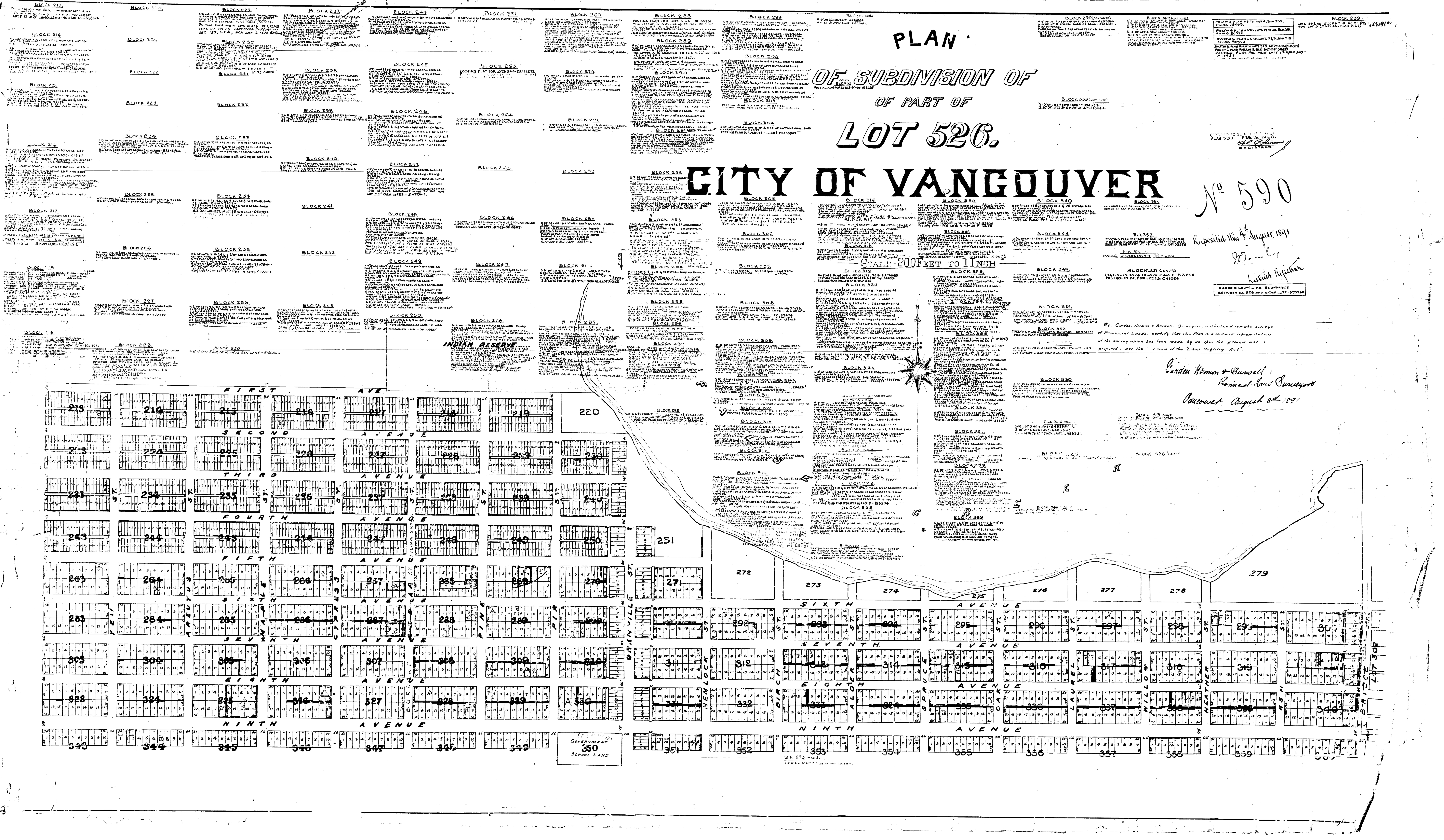


PLAN  
OF SUBDIVISION OF  
OF PART OF  
LOT 526.  
CITY OF VANCOUVER

No 590

Deposited this 4th August 1891  
Wm. Gordon  
Carter, Gordon & Burnell  
Between Lots 526 and 527

Wm. Gordon, Gordon & Burnell, Surveyors, authorized to take surveys of Provincial Lands, certify that this Plan is a correct representation of the survey which has been made by us upon the ground, and is prepared under the provisions of the "Land Registry Act".  
Witness our hands and seals at Vancouver this 22nd August 1891



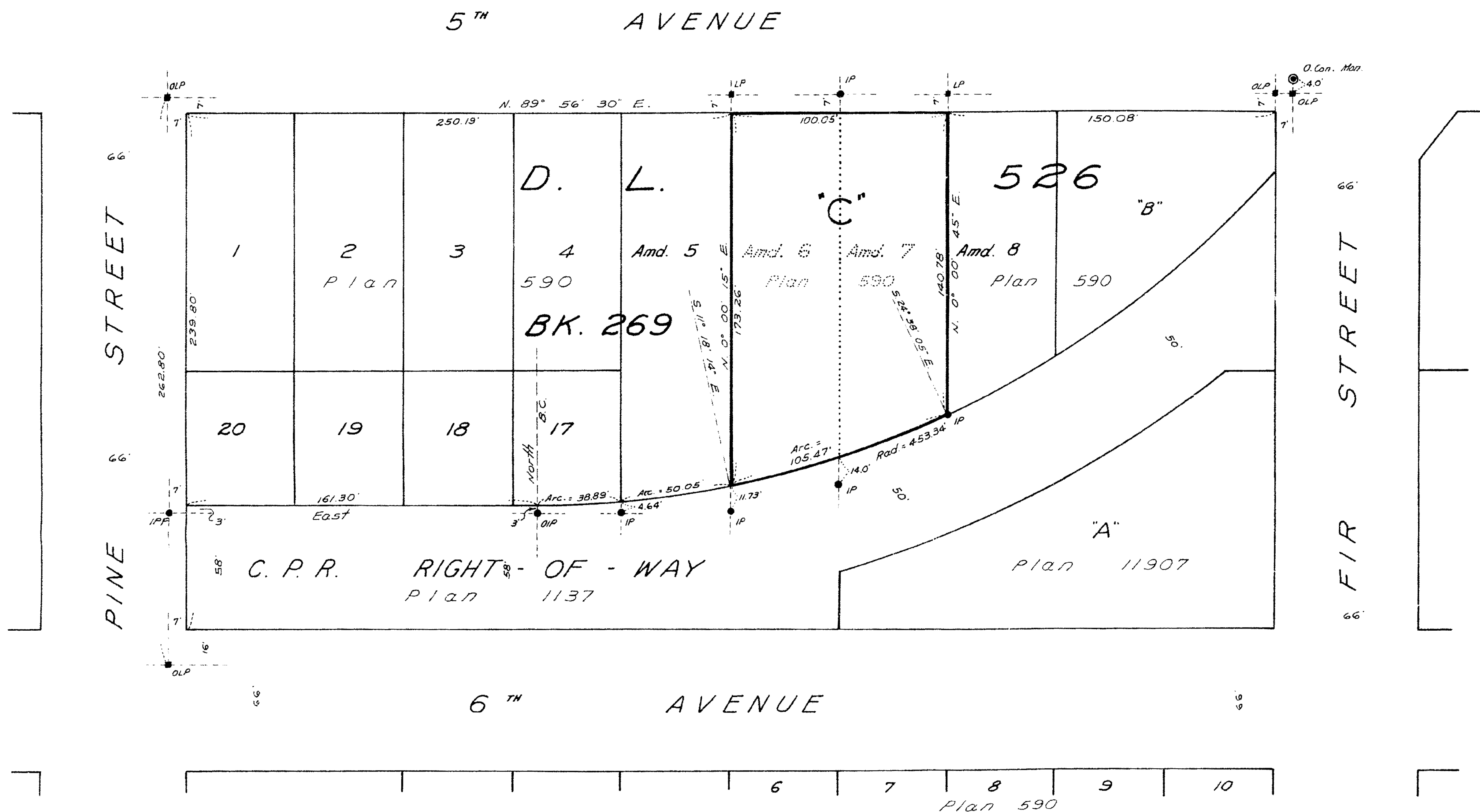


PLANS CANCELLATION ACT  
SHOWING PARCEL TO BE CREATED BY THE CANCELLATION  
OF THE INTERIOR LINES BETWEEN  
AMENDED LOT 6 AND AMENDED LOT 7 ( 79737\*)  
BLOCK 269, DISTRICT LOT 526, GROUP 1,  
NEW WESTMINSTER DISTRICT  
PLAN 590

SCALE: 1 INCH = 50 FEET

Deposited in the Land Registry Office  
 at Vancouver, B.C. this \_\_\_\_\_ day  
 of \_\_\_\_\_ 19\_\_\_\_

REGISTRAR



Approved under the Land Registry Act.

APPROVING OFFICER, DIRECTOR OF PLANNING  
 CITY OF VANCOUVER

Date: \_\_\_\_\_

LEGEND:

Bearings Astronomic and derived from  
 Plan 11907

Old Concrete Monument	found shown thus	● O. Con. Mon.
Old Iron Post	"	● OIP
Old Lead Plug	"	■ OLP
Iron Post	set	● IP
Lead Plug	"	■ LP
Iron Post	found	● IPP

Underhill & Underhill  
 Engineers & Surveyors  
 Vancouver, B.C.

Certified Correct according to Land Registry Office  
 Records and Survey on the ground.

C. D. Underhill B.C.L.S.

28<sup>th</sup> January, 1969.

DOBRA INVESTMENTS LTD.

Petitioner: R. W. Mangat, Pres.

Witness: \_\_\_\_\_

Consented to: \_\_\_\_\_

## **Appendix "C"**

### **Copy of the IC – 1 Zoning Bylaw**



IC-1 and IC-2 Districts Schedule

- 1

Intent

The primary intent of this Schedule is to permit light industrial uses that are generally compatible with one another and with adjoining residential or commercial districts. It is also the intent to permit advanced technology industry, industry with a significant amount of research and development activity, and commercial uses compatible with and complementing light industrial uses.

The general intent of external design regulations in the IC-2 District is to achieve a form of development compatible with the function and character of abutting major streets. The specific intent is to achieve building continuity that contributes a unified image to development along major streets in the IC-2 District.
- 2

Outright Approval Uses

2.1

Subject to all other provisions of this By-law, including the additional regulations in section 10.20 of this By-law, and to compliance with section 2.3 and the regulations of this Schedule, the uses listed in section 2.2 shall be permitted in the IC-1 and IC-2 Districts and shall be issued a permit.

2.2

Uses

2.2.A
  - Accessory Buildings customarily ancillary to any of the uses listed in this Schedule, except that:

(a)an accessory building must not exceed 4.6 m in height, and must not exceed 3.7 m in height measured to the highest point of the roof if a flat roof, to the deck line of a mansard roof, or to the mean height level between the eaves and ridge of a gable, hip, or gambrel roof;

(b)an accessory building must be situate in the rear yard no less than 3.1 m from the ultimate centre line of any rear or flanking lane; and

(c)an accessory building’s total floor area, measured to the extreme outer limits of the building, must not exceed 10% of the total area of the site.
  - Accessory Uses customarily ancillary to any of the uses listed in this section, but not including accessory retail use in conjunction with wholesale uses listed in section 2.2.W, provided that, unless permitted as an outright approval use pursuant to section 2.2 of this Schedule, the total floor area of all accessory uses shall not be greater than 33-⅓ percent of the gross floor area of the principal and accessory uses combined, and provided that the floor area in accessory retail use, except for accessory retail use associated with an Artist Studio, is separated by a wall from the floor area in other uses which shall be inaccessible to the general public.

2.2.C

[Cultural and Recreational]

  - Artist Studio – Class A, provided that the use must not be combined with a Residential Unit, the change of use must only apply to floor area existing as of February 26, 2013, and any additions are limited to no more than 10 percent of existing floor area.
  - Arts and Culture Indoor Event.

City of Vancouver

Zoning and Development By-law

1

City of Vancouver - FOI 2021-299

IC-1 and IC-2  
Page 73 of 82  
July 2019

## 2.2.M [Manufacturing]

- Bakery Products Manufacturing.
- Batteries Manufacturing.
- Chemicals or Chemical Products Manufacturing - Class B.
- Clothing Manufacturing.
- Dairy Products Manufacturing.
- Electrical Products or Appliances Manufacturing.
- Food or Beverage Products Manufacturing - Class B.
- Furniture or Fixtures Manufacturing.
- Ice Manufacturing.
- Information Communication Technology Manufacturing.
- Jewellery Manufacturing.
- Leather Products Manufacturing.
- Miscellaneous Products Manufacturing - Class B.
- Non-metallic Mineral Products Manufacturing - Class B.
- Paper Products Manufacturing.
- Plastic Products Manufacturing.
- Printing or Publishing.
- Rubber Products Manufacturing.
- Shoes or Boots Manufacturing.
- Tobacco Products Manufacturing.
- Wood Products Manufacturing - Class B.

## 2.2.O [Office]

- General Office.

## 2.2.R [Retail]

- Furniture or Appliance Store.
- Gasoline Station - Full Serve.
- Retail Store.
- Vehicle Dealer.

## 2.2.S [Service]

- Animal Clinic.
- Catering Establishment.
- Laboratory.
- Laundry or Cleaning Plant.
- Motor Vehicle Repair Shop.
- Motor Vehicle Wash.
- Photofinishing or Photography Laboratory.
- Photofinishing or Photography Studio.
- Print Shop.
- Production or Rehearsal Studio.
- Repair Shop - Class A.
- Repair Shop - Class B.
- Restaurant - Class 1, provided that total floor area does not exceed 65 m<sup>2</sup>.
- School - Arts or Self-Improvement.
- School - Business.
- School - Vocational or Trade.
- Sign Painting Shop.
- Work Shop.

2.2.T [Transportation and Storage]

- Cold Storage Plant.
- Packaging Plant.
- Storage Warehouse.

2.2.U [Utility and Communication]

- Radiocommunication Station.

2.2.W [Wholesale]

- Lumber and Building Materials Establishment.
- Wholesaling - Class A.
- Wholesaling - Class B.

2.3 Conditions of Use

2.3.1 No use listed in section 2.2 of this Schedule, except a full-serve gasoline station and a lumber store, shall be carried on other than wholly within a completely enclosed building, except for off-street parking and loading, heating and mechanical equipment, or other facilities or equipment which in the opinion of the Director of Planning are similar to the foregoing.

2.3.2 No use listed in section 2.2 of this Schedule shall involve the bulk storage, pending ultimate distribution off site, of explosives, fireworks, ammunition, matches, or flares; radioactive material; rags or cotton waste; and, except for a full-serve gasoline station, compressed gas, petroleum, coal or tar products or derivatives.

3 Conditional Approval Uses

3.1 Subject to all other provisions of this By-law, including the additional regulations in section 10.20 of this By-law, and compliance with section 3.3 and the regulations of this Schedule, the Director of Planning or the Development Permit Board may approve any of the uses listed in section 3.2 of this Schedule, with or without conditions, provided that the Director of Planning or the Development Permit Board first considers:

- (a) the intent of this Schedule and all applicable policies and guidelines adopted by Council; and
- (b) the submission of any advisory group, property owner or tenant.

3.2 Uses

3.2.A

- Accessory Uses customarily ancillary to any of the uses listed in this section, subject to the same provisions as section 2.2.A of this Schedule.
- Accessory Uses customarily ancillary to any of the uses listed in this Schedule, other than as provided for in section 2.2.A of this Schedule.

3.2.AG [Agricultural]

- Urban Farm - Class B.

3.2.C [Cultural and Recreational]

- Artist Studio, and provided that the change of use applies to floor area existing as of February 26, 2013 and additions are limited to a maximum of 10 percent of the existing floor area.
- Club.
- Fitness Centre.
- Parks and Playground.

## 3.2.DW [Dwelling]

- Dwelling Unit for a caretaker or watchman or other person similarly employed, if such dwelling unit is considered to be essential to the operation of the business or establishment.
- Residential Unit associated with and forming an integral part of an artist studio.

## 3.2.I [Institutional]

- Ambulance Station.
- Public Authority Use.
- Social Service Centre.

## 3.2.M [Manufacturing]

- Brewing or Distilling.
- Chemicals or Chemical Products Manufacturing - Class A.
- Food or Beverage Products Manufacturing - Class A.
- Linoleum or Coated Fabrics Manufacturing.
- Machinery or Equipment Manufacturing.
- Metal Products Manufacturing - Class B.
- Miscellaneous Products Manufacturing - Class A.
- Motor Vehicle Parts Manufacturing.
- Non-metallic Mineral Products Manufacturing - Class A.
- Rubber Manufacturing.
- Textiles or Knit Goods Manufacturing.
- Transportation Equipment Manufacturing.
- Vegetable Oil Manufacturing.

## 3.2.P [Parking]

- Parking Uses.

## 3.2.R [Retail]

- Farmers' Market. *Compatibility with nearby sites, parking, traffic, noise, hours of operation, size of facility, pedestrian amenity.*
- Gasoline Station - Split Island.
- Public Bike Share.

## 3.2.S [Service]

- Auction Hall.

## 3.2.T [Transportation and Storage]

- Booming Ground.
- Marine Terminal or Berth.
- Mini-storage Warehouse.
- Storage Yard.
- Taxicab or Limousine Station.
- Truck Terminal or Courier Depot.
- Weighing or Inspection Station.
- Works Yard.

- 3.2.U [Utility]
  - Public Utility.
  - Recycling Depot.
- 3.2.W [Wholesale]
  - Cardlock Fuel Station.
- 3.2.Z
  - Any other use which is not specifically listed and defined as a use in section 2 of this By-law but which the Director of Planning considers comparable in nature to the uses listed in this Schedule, having regard to the intent of this District Schedule.
  - A use which is listed in section 2.2 of this Schedule but does not comply with the condition of use in section 2.3.1.

**3.3 Conditions of Use**

- 3.3.1 No use listed in section 3.2 of this Schedule, except a split-island gasoline station and a Cardlock fuel station, shall be carried on other than wholly within a completely enclosed building unless appropriate measures are taken, to the satisfaction of the Director of Planning, to eliminate any dangerous, injurious, noxious or otherwise objectionable impact that could adversely affect the surrounding area and adjoining non-industrial districts.
- 3.3.2 No use listed in section 3.2 of this Schedule shall involve the bulk storage, pending ultimate distribution off site, of explosives, fireworks, ammunition, matches, or flares; radioactive material; rags or cotton waste; and, except for a split-island gasoline station and a Cardlock fuel station, compressed gas, petroleum, coal or tar products or derivatives.
- 3.3.3 No use listed in section 3.2 of this Schedule shall involve the storage, other than wholly within a completely enclosed building, of toxic or corrosive chemicals or acids; scrap; fungicides, herbicides or pesticides; paint, varnish, oil shellac or turpentine; grain, hops, or sugar; fish, fish oil or meal, animal oil or fat, or vegetable oil.
- 3.3.4 No use listed in section 3.2 of this Schedule shall involve the storage of goods or materials other than wholly within a completely enclosed building unless the yard or portion of the yard containing the goods or materials is enclosed by a suitable fence or wall restricting public access.
- 3.3.5 No use listed in section 3.2 of this Schedule shall involve the storage of goods or materials or the placement of machinery or of refuse or garbage receptacles other than wholly within a completely enclosed building unless adequately screened from view from any adjacent R district, or any R district across an adjacent street or lane, by evergreen planting, wall, or fence and related landscaping that is acceptable to the Director of Planning.
- 3.3.6 A lounge use accessory to Brewing or Distilling use shall be carried on wholly within a completely enclosed building.

**4 Regulations**

All uses approved under sections 2 and 3 of this Schedule shall be subject to the following regulations, except section 4.17 which shall apply only in the IC-2 District.

**4.1 Site Area -- Not Applicable.**

**4.2 Frontage -- Not Applicable.**

### 4.3 Height

- 4.3.1 The maximum height of a building shall be 18.3 m.
- 4.3.2 For any building or part of a building situated in the IC-2 District, the maximum building height at the street property line shall be 12.2 m and a building envelope shall apply, as follows:
- (a) no portion of the building shall protrude above an envelope formed by a vertical line at the street property line and a plane formed by an angle of 45 degrees measured from the vertical and having its vertex at the maximum building height permitted at the street property line;
  - (b) in the case of a corner site, the provisions of section 4.3.2(a) shall apply at both street property lines.

### 4.4 Front Yard

- 4.4.1 No front yard shall be required.

### 4.5 Side Yards

- 4.5.1 No side yard shall be required, except where the site adjoins, without the intervention of a lane, a site located in an R District, in which case a side yard with a minimum width of 1.5 m shall be provided adjoining the R District.
- 4.5.2 Where a side yard is provided, although not required, a side yard with a minimum width of .9 m shall be provided.

### 4.6 Rear Yard

- 4.6.1 A rear yard with a minimum depth of 3.1 m shall be provided, except that where the rear of the site abuts a lane, this required minimum depth shall be decreased by the lane width between the rear property line and the ultimate centre of the lane.
- 4.6.2 The Director of Planning may waive the requirement to provide a rear yard where the Director of Planning is satisfied that the site is located within an area where rear access to the site and adjacent sites is not likely to be required.

### 4.7 Floor Space Ratio

- 4.7.1 The floor space ratio shall not exceed 3.0, subject to the following:
- (a) the maximum floor space ratio shall be 1.0 for all uses other than manufacturing uses, transportation and storage uses, and Wholesaling - Class A;
  - (b) the maximum floor space ratio may be increased to 1.5 for any office use ancillary to manufacturing, provided that the principal use or uses only includes manufacturing and provided that the total floor area of all accessory uses shall not be greater than 50 percent of the gross floor area of all principal and accessory uses combined;
  - (c) the floor area in retail uses, including accessory retail, shall not exceed 1 000 m<sup>2</sup>; and
  - (d) the floor area for a lounge use accessory to a Brewing or Distilling use shall not exceed 80 m<sup>2</sup>.
- 4.7.2 The following shall be included in the computation of floor space ratio:
- (a) all floors of all buildings, both above and below ground level, to be measured to the extreme outer limits of the building.



- 4.7.3
- The following shall be excluded in the computation of floor space ratio:
- (a)

open residential balconies and any other appurtenances which, in the opinion of the Director of Planning, are similar to the foregoing, provided that the total area of all exclusions does not exceed eight percent of the residential floor area being provided;

(b)

roof decks if the Director of Planning first considers:

(i)

the design of landscape treatments;

(ii)

the effect on privacy and overlook; and

(iii)

all applicable Council policies and guidelines.

(c)

where floors are used for off-street parking and loading, the taking on or discharging of passengers, bicycle storage, heating and mechanical equipment, or uses which in the opinion of the Director of Planning are similar to the foregoing, those floors or portions thereof so used, which are at or below the base surface, provided that the off-street parking spaces do not have a length of more than 7.3 m for the purpose of exclusion from floor space ratio computation;

(d)

storage space associated with an artist studio where the space is provided below the base surface and subject to a maximum exclusion of 20 m² for each artist studio; and

(e)

amenity areas, including child day care facilities, recreation facilities and meeting rooms accessory to a residential use, to a maximum total area of 10 percent of the total permitted floor area.

4.8 to 4.16

(Reserved)

4.17

External Design

- 4.17.1
- In the IC-2 District, building continuity shall be achieved at the street property line (which is, for the purposes of this section 4.17, the property line along an abutting street but not a lane) as follows:
- (a)

no yard shall be permitted along a street property line, except for a required setback, side or rear yard, and yard established by building line;

(b)

the first storey shall include the main pedestrian entrance and facilities serving the public, such as reception area or lobby and showroom or display area, which shall be oriented with maximum visibility to the abutting street or, in the case of a corner site, the widest abutting street;

(c)

where a building occupies a corner site, architectural features, lighting, signage, and related facade characteristics shall be located so as to orient the building to the widest abutting street;

(d)

transparent window area shall comprise at least 80 percent of the exterior wall surface of the first storey along an abutting street and 40 percent of the exterior wall surface on every upper storey along an abutting street;

(e)

no portion of the floor of the first storey along an abutting street shall be more than 1.0 m above or below grade at the street property line.
- 4.17.2
- In the IC-2 District, garbage container storage areas, heating and mechanical equipment, and off-street parking and loading facilities shall be enclosed, located or screened so as not to be visible from the centre line of an abutting street.
- 4.17.3
- In the IC-2 District, any use which is not carried on wholly within a completely enclosed building, including parking use, except a full-serve or split-island gasoline station, shall be set back 1.2 m from the street property line at an abutting street and screened, so as not to be visible from the centre line of every abutting street, by evergreen planting, wall, or fence with related landscaping.

## **Appendix "D"**

### **Qualifications of the Appraiser**

**Reagan Stinson, B.Com. (hons), AACI, P.App, MBA**

**PROFESSIONAL EXPERIENCE**

**CWPC Property Consultants Ltd.**

Vancouver, BC  
2015 to Present

Director of Consulting Services at CWPC Property Consultants Ltd. (formerly Carmichael Wilson Property Consultants Ltd.). Experience in diverse properties related roles. Strong background in management, negotiations and valuation including: property leasing, acquisition and sales, property portfolio management, property negotiations and consultation, and commercial property valuation.

**BC Hydro**

Vancouver, BC  
2012-2015

Manager, Property Leasing & Sales Services. Responsible for leading and managing a team of 16 employees and contractors. The team negotiated major facility leases, licenses and acquisitions, telecommunication agreements and surplus property dispositions throughout BC.

**BC Hydro**

Vancouver, BC  
2009-2012

Senior Property Negotiator, Transmission Acquisition Services. Responsible for the negotiation and acquisition of statutory rights-of-way, fee-simple land and other property interests.

**Carmichael Wilson Property Consultants**

Vancouver, BC  
2004-2009

Senior Appraisal Consultant. Involved in all aspects of commercial appraisal and consulting work in British Columbia, with a specialization in office, retail and single-room occupancy properties in Downtown Vancouver and the Downtown Eastside.

**PROFESSIONAL LIABILITY INSURANCE**

Since 2005

Appraisal Institute of Canada (Claim Free)

**PROFESSIONAL QUALIFICATIONS**

2012

Completed Master's in Business Administration at Queens University, Kingston, Ontario

2006

Co-instructed Real Estate Investment Analysis and Advanced Income Appraisal at Langara College

2005

Awarded use of the professional designations AACI (Accredited Appraiser Canadian Institute) and P.App (Professional Appraiser) in December 2005 by the Appraisal Institute of Canada

2004

Completed Bachelor of Commerce (Urban Land Economics) degree at University of British Columbia

**VOLUNTEERING & MEMBERSHIPS**

Since 2012

Vancouver CREW - Commercial Real Estate Women

Since 2010

Salvation Army Harbour Light – Lunchtime Volunteer

2009-2011

Appraisal Institute of Canada - Vancouver Chapter Executive

203-5455 152 Street

Surrey, BC

V3S 5A5

Phone: 604-583-8889 Fax: 604-574-2856

## Invoice

**TO:** City of Vancouver  
General Manager's Office – Parks & Recreation  
2099 Beach Avenue  
Vancouver, BC V6G 1Z4

**OUR REF #:** 15235-0420  
**GST NO:** R882820673  
**DATE:** July 13, 2020

**ATTN:** Mr. Tim Collins, Supervisor, Commercial Operations

**RE:** Hypothetical Appraisal of an Assumed Vacant Industrial Development Property  
Located at 1630 & 1670 West 5th Avenue, Vancouver, BC

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<b>Professional Fees for Services Rendered</b>	<b>\$3,500.00</b>
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**Disbursements:**

Online Database Charges:  
Report Processing Fee:  
Document Search:  
Research:

**Disbursements Fixed at 4.0%**

	\$140.00
SUBTOTAL	\$3,640.00
GST @ 5%	\$182.00
LESS RETAINER	\$0.00
<b>TOTAL AMOUNT DUE</b>	<b>\$3,822.00</b>

***Payable by cheque or e-transfer to [receivables@cwpc.com](mailto:receivables@cwpc.com) and note the reference number, or:***

***Visa/Mastercard,***

***Also payable by Electronic Funds Transfer: Call 604-763-3814 or email [leanne@cwpc.com](mailto:leanne@cwpc.com)***

Please quote reference number when remitting payment.  
Thank you.

**CWPC Property Consultants Ltd.**

Per: Reagan Stinson



RS 65

Ref: Existing Client

Payment Terms: Due upon delivery - Outstanding balance will be charged 1.5% per month.  
(19.56% per annum) on outstanding balances overdue for 30 or more days.