

**LAND
APPRAISAL REPORT**

**OF THE LAND
LOCATED AT**

**809 Lakeshore Drive
Cold Lake, AB**

PREPARED FOR

**City of Cold Lake
tmaraiyesa@coldlake.com**

PREPARED BY

**Colleen Hoolahan
DAR/Certified Appraisal Reviewer**

January 29, 2019

City of Cold Lake

The purpose of this appraisal and appraisal report is to ascertain and report the market value, as defined in this appraisal report, of the subject land and improvements thereon, located at 809 Lakeshore Drive, Cold Lake, Alberta in fee simple, for the function of mortgage financing.

Fee simple is an absolute fee, a fee without limitations to any particular class of heirs or restrictions, but subject to the limitations of eminent domain, escheat, police power, and taxation. It is an inheritable estate.

The appraiser has personally viewed the subject property on January 29, 2019 and has gathered and analyzed all the data obtained from the local real estate board, the Multiple Listing Service, the public record, and the appraiser's own files. The appraiser has omitted a cost approach analysis as it is considered inapplicable and inappropriate for this type of appraisal assignment.

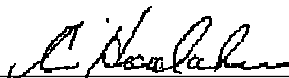
This appraisal and appraisal report has been completed in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP).

It is the opinion of the appraiser that the market value of the subject property as of January 29, 2019, is:

One Hundred Twenty-Six Thousand Dollars

\$126,000

THIS REPORT CONTAINS AND IS SUBJECT TO specific terminology descriptions, conditions, and special limitations which affect the stated opinion of market value, the use, and the intended user of the report. Please carefully read, and pay particular attention to all of these descriptions, conditions, and special limitations.



Colleen Hoolahan
DAR/Certified Appraisal Reviewer

LAND APPRAISAL REPORT

File No. 19-030

SUBJECT

Borrower

City of Cold Lake

Census Tract

Map Reference

Property Address

809 Lakeshore Drive

City

Cold Lake

Prov.

AB

Postal Code

Legal Description

Lot 9 Blk A PI 2859EO

Sale Price

Date of Sale

Loan Term

yrs.

Property Rights Appraised

☒ Fee

☐ Leasehold

☐ De Minimus PUD

Actual Real Estate Taxes

1225.57 (2018) (yr.)

Loan charges to be paid by seller

Other sale concessions

Lender/Client

City of Cold Lake

Address

tmaraiyesa@coldlake.com

Occupant

Vacant Land

Appraiser

Colleen Hoolahan

Instructions to Appraiser

Market value of vacant lot.

NEIGHBOURHOOD

Location

☒ Urban

☐ Suburban

☐ Rural

Built Up

☒ Over 75%

☐ 25% to 75%

☐ Under 25%

Growth Rate

☐ Fully Dev.

☐ Rapid

☒ Steady

☒ Slow

Property Values

☐ Increasing

☒ Stable

☐ Declining

Demand/Supply

☐ Shortage

☒ In Balance

☐ Over Supply

Marketing Time

☐ Under 3 Mos.

☐ 4-6 Mos.

☒ Over 6 Mos.

Present Land Use

☐ % 1 Family

☐ % 2-4 Family

☐ % Apts

☐ % Condo

☐ %Commercial

☐ % Industrial

☐ % Vacant

☐ % Mixed

Change in Present Land Use

☒ Not Likely

☐ Likely

☐ Taking Place(*)

(*)From

To

Predominant Occupancy

☒ Owner

☐ Tenant

☐ % Vacant

Single Family Price Range

275000

to

400000

Predominant Value

350000

Single Family Age

5

yrs. to

yrs.

40+

Predominant Age

25

yrs.

Employment Stability

Good

Avg

Fair

Poor

Convenience to Employment

Convenience to Shopping

Convenience to Schools

Adequacy of Public Transportation

Recreational Facilities

Adequacy of Utilities

Property Compatibility

Protection from Detrimental Conditions

Police and Fire Protection

General Appearance of Properties

Appeal to Market

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise)

Subject is located in the central quadrant of the City of Cold Lake (North). Subject is located across the road from the marina boat launch and is located next to a large bed & breakfast (Lakeshore Inn). Immediate area comprises of single family homes, duplexes, condo's, church and vacant lots. No adverse influences observed.

SITE

Dimensions

Irregular - see Plot Map

= 8536 ± Sq Ft

☒ Corner Lot

Zoning Classification

LC - Lakeshore Commercial

Present Improvements

☒ Do

☐ Do Not Conform to Zoning Regulations

Highest and Best Use

☐ Present Use

☒ Other (specify)

Developed with improvements allowed within the current zoning

Public

Other (Describe)

Elec.

☒

Gas

☒

Water

☒

San. Sewer

☒

☒ Underground Elec & Tel

OFF-SITE IMPROVEMENTS

Str.Address

☒ Public

☐ Private

Surface

Maintenance

☐ Public

☐ Private

☒ Storm Sewer

☒ Curb/Gutter

☐ Sidewalk

☒ Street Lights

Topo

Level

Size

8536 ± Sq Ft

Shape

Irregular - see Plot Map

View

Some view of the lake

Drainage

Storm Sewer

Comments (favorable or unfavorable including any apparent adverse easements, encroachments or other adverse conditions)

Fairly typical lot size for the immediate area. Site is level. No adverse easements or encroachments observed or registered.

MARKET DATA ANALYSIS

The undersigned has recited three recent sales of properties most similar and proximate to the subject and has to be considered these in the market analysis. The description includes a dollar adjustment, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more favorable than subject property, a minus (-) adjustment is made, thus reducing the indicated value of the subject, if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	809 Lakeshore Drive Cold Lake (North)	1501 Horseshoe Bay Estates Cold Lake (North)		1601 Horseshoe Bay Estates Cold Lake (North)		807-11 Avenue Cold Lake (North)	
Proximity to subject		3.68 NW		3.77 NW		0.37 SW	
Sales Price	\$		\$ 135,000		\$ 169,900		\$ 125,000
Price \$/Sq. Ft.	N/A		135,000		169,900		125,000
Data Source		MLS System / 381 Days		MLS System / 261 Days		MLS System / 153 Days	
Date of Sale and	DESCRIPTION	DESCRIPTION	+(-) Adjust.	DESCRIPTION	+(-) Adjust.	DESCRIPTION	+(-) Adjust.
Time Adjustment		April 12, 2018		Active (15%list to sell) -25,485		Active (15%list to sell) -18,750	
Location	Lakeshore Drive-Marina Area	Horseshoe Bay Est		Horseshoe Bay Est		2.5 ± Blocks S. of Subject	
Site/View	8536 ± Sq Ft	23,121 SqFt ±	-15,000	27,147 SqFt ±	-15,000	5791 SqFt ±	5,000
View	Average View of Lake	Average View of Lake		Average View of Lake		No View of Lake 20,000	
	Municipal Services	Municipal Services		Municipal Services		Municipal Services	
Sales or Financing							
Concessions							
Net Adj. (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 15,000	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 40,485	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 6,250
Indicated Value		Gross:	11.1	Gross:	23.8	Gross:	35.0
of Subject		Net:	-11.1	Net:	-23.8	Net:	5.0
			\$ 120,000		\$ 129,415		\$ 131,250

Comments on Market Data

See next page for Conclusions.

Comments and Conditions of Appraisal

The Sales Comparison Approach best models the current market.

Final Reconciliation

Value is with an active marketing period of 90 to 180 days.

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE SUBJECT PROPERTY AS OF

January 29, 2019

to be

126000

RECONCILIATION

Appraiser Signature

Supervisor Signature (if applicable)

Appraiser Name

Colleen Hoolahan

Supervisor Name

☐ Did

☐ Did Not Physically Inspect Property

Date Report Signed

02/01/2019

Date Report Signed

State Certification #

Member # 0615-19

State

State Certification #

State License #

State

State License #

State

Form produced using ACI software, 800.234.8727 www.aciweb.com

VAL Appraisals

LAND2 09182009

LAND APPRAISAL REPORT

File No. 19-030

The undersigned has recited three recent sales of properties most similar and proximate to the subject and has to be considered these in the market analysis. The description includes a dollar adjustment, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more favorable than subject property, a minus (-) adjustment is made, thus reducing the indicated value of the subject, if a significant in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

ITEM	SUBJECT	COMPARABLE NO. 4		COMPARABLE NO. 5		COMPARABLE NO. 6	
Address 809 Lakeshore Drive Cold Lake (North)							
Proximity to subject							
Sales Price	\$		\$		\$		\$
Price \$/Sq. Ft. N/A							
Data Source							
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION	+(-) Adjust.	DESCRIPTION	+(-) Adjust.	DESCRIPTION	+(-) Adjust.
Location	Lakeshore Drive-Marina Area						
Site/View	8536 ± Sq Ft						
View	Average View of Lake						
	Municipal Services						
Sales or Financing Concessions							
Net Adj. (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 0	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 0	<input type="checkbox"/> + <input type="checkbox"/> -	\$
Indicated Value of Subject		Gross: 0.0 Net: 0.0	\$ 0	Gross: 0.0 Net: 0.0	\$ 0	Gross: Net:	\$

Comments on Market Data

Subject is located in the central quadrant of the City of Cold Lake (North). Subject is located across the road from the marina boat launch and is located next to a large bed & breakfast (Lakeshore Inn).

Fairly typical lot size for the immediate area. Site is level.

From the onset let us point out that timely sales data of similar properties proximal to subject was extremely limited. A very limited number of vacant lots have sold on the open market.

The foregoing one sale and two active listings are, in the appraiser's opinion, the best indicators of market value.

Sale # 1 is a large lot located in Horseshoe Bay Estates. This property has an obstructed view of the lake, similar to subject. Sale # 1 occurred in April 2018; however the appraiser has no strong evidence that the market has changed for this type of property; therefore no time adjustment has been made.

Comparable # 2 is an active listing, of a large lot located in Horseshoe Bay Estates. This property has an obstructed view of the lake, similar to subject. A 15% downward list to sell adjustment has been applied.

Comparable # 3 is an active listing, of a small lot located in approximately 2.5 blocks south of subject. This property has no view of the lake. A 15% downward list to sell adjustment has been applied.

Adjustments were made for site size and views.

Market value tends to the mid range of the adjusted values.

PROPERTY SALES HISTORY

No sales activity on subject property in the last three years. Currently to our knowledge subject is not listed for sale nor does it have a pending offer.

This property was last listed for sale in 2015 / 2016 for 407 days with the final list price being \$159,900.00.

The appraiser has not performed any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three year period immediately preceding acceptance of this assignment.

GENERAL COMMENTS

For the purpose of this appraisal report, the highest and best use is defined as that legally permitted use for which there is a demand, and is most likely to produce the greatest net return, tangible or intangible, to the subject property, while utilizing the property as a whole. The subject property **is Vacant Land** and it is the opinion of the appraiser that this activity constitutes the highest and best use.

The income approach to value was not considered as no properties similar to the subject, in the subject market area, were predominately leased at the time of sale. It is therefore, impossible to determine a legitimate rent multiplier figure necessary in calculating a valid income approach value.

The appraiser assumes that all information describing the insulation, and the water and sewer systems supplied by the owner of other sources, is correct. This information was not verified by the appraiser.

Cost Data (If Applicable)

The cost approach calculations were based on current information published by the Marshall & Swift Company and were adjusted for geographical location, climatic conditions, seismic zones, and wind factors. Physical depreciation was calculated using the modified effective age/life method, utilizing **Marshall & Swift Cost Manual** as a base. The accrued depreciation includes any applicable functional and external obsolescence. The land value was determined from an analysis of the most recent sales of similar but undeveloped land in the subject market area, and by the abstraction method utilizing the comparables incorporated in the sales comparison analysis.

Sales Comparison Data

The date of sale figures reflect the actual contract date of each comparable. The condition adjustment reflects both the incurable and the curable physical depreciation and was calculated by a comparison of the effective age of the subject's improvements to that of the respective comparable. The difference of the respective depreciation rates was then applied to the abstracted value of the improvements only. The gross living area adjustments reflect both size and room differences. These adjustments have been calculated by abstracting from the sales price of each comparable, the market value of all items which do not contribute to the actual Gross Living Area of the house itself. The residual was then divided by the size of the respective house to arrive at an average market value per square foot or meter. The values thus derived from each of the comparables were correlated with the depreciated cost of the subject to arrive at the actual adjustment rate utilized.

SPECIAL LIMITATIONS

This APPRAISAL REPORT has been prepared for the sole and exclusive use and benefit of **City of Cold Lake** (hereinafter referred to as the client). Any use of this report by anyone other than the client or for any purpose or function other than the original intent, invalidates the findings and voids all results and or conclusions.

All analysis, opinions, and conclusions were developed, and this appraisal report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) and the code of ethics of the Canadian National Association of Real Estate Appraisers.

It is assumed that the utilization of land and any improvements thereon, are within the boundaries of the property lines of the described property and that there is no encroachment or trespass, unless otherwise stated in the appraisal report.

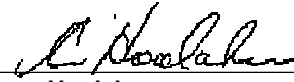
It is assumed that the subject property is in full compliance with all applicable Federal, State/Provincial, and local environmental regulations and laws unless otherwise stated in the appraisal report.

It is assumed that all required licenses, consents, or any required legislative or administrative authority from any local, State/Provincial, Federal, or private entity or organization, have been acquired and or renewed for any use upon which the value opinion in the appraisal report is based.

It is assumed that any lease encumbrances pertaining to the subject property are legally binding contracts between the lessee and the lessor and that all information transmitted to the appraiser concerning these lease contracts is accurate and correct. Although this appraisal report may include information concerning the physical improvements being appraised, including their adequacy and or condition, it should be understood that this information is provided only for use as a general guide in the valuation of the subject property and is not to be construed as a complete or detailed physical report. The observed condition of the roof, exterior walls, foundation, interior walls, floors, heating system, plumbing, insulation, electrical system, and any other of the mechanical system or physical components of the improvements is based on a casual viewing only. **No detailed inspection was made.** The improvements were not checked for current building code violations unless otherwise noted in the appraisal report. If such an inspection is required, the client is advised to retain the services of an expert in this field.

Comments: **This appraisal and appraisal report was completed by a member in good standing with CNAREA and licensed with RECA.**

APPRAISER:

Signature: 
Name: **Colleen Hoolahan**
Designation: **DAR/Certified Appraisal Reviewer**
Date Signed: **02/01/2019**

SUPERVISORY APPRAISER (only if required):

Signature: _____
Name: _____
Designation: _____
Date Signed: _____

☐ DID ☐ DID NOT VIEW PROPERTY

SCOPE OF THE APPRAISAL

The Scope of the Appraisal contains the necessary research and analysis to prepare a report in accordance with its intended use. The following are comments which describe the extent of the procedures used in the collection, confirmation and reporting of the information involved in preparing this report.

Collection and confirmation of data consisted of the following:

1. A personal site viewing was performed on January 29, 2019 by Colleen Hoolahan. The appraisal and appraisal report were completed by Colleen Hoolahan.
2. Site area taken from the Plot Map.
3. Property assessment and taxes, and land use classification are sourced from the corresponding municipality/town.
4. Supportive market information regarding comparable properties is obtained through the Edmonton Real Estate Board and Land Sales from the Northern Alberta Land Data System. Comparable market information was confirmed with either the listing selling realtor or other participants who are knowledgeable of the transaction details.
5. The market value includes the 5 % GST if applicable.
6. The property rights appraised are those of the owners in the Fee Simple Estate and the effective date of the Appraisal is January 29, 2019.
7. Occupancy and site history of the subject is described below.

OCCUPANCY AND SITE HISTORY

Subject is vacant land.

REASONABLE EXPOSURE TIME

An estimate of market value is related to the concept of reasonable exposure time. Exposure time is the property's estimated marketing time prior to a hypothetical sale at market value on the effective date of appraisal. It is a retrospective function of asking price, property type, and past market conditions; and encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. Reasonable exposure time is one of the necessary elements in the most market value definition, although it is not intended to be a prediction of a specific date of sale as it may be expressed as a range.

In appraisal theory and practice, there is a distinction relating to perspective between exposure time and marketing time; exposure time is presumed to precede the effective date of appraisal whereas marketing time is presumed to succeed the effective date. Marketing time is a prospective function of asking price, property type and anticipated market conditions.

The subject's market value estimate is based on a reasonable exposure time of 90 to 180 days at an asking price of 5 % greater than expected value. The market value conclusion should not be viewed as a full detailed narrative report. The contents are concise and briefly descriptive. The market value is based upon a review of available sales data, primarily the data listed on a "Multiple Listing Service" and private sales from office records. The MLS sales are not normally inspected nor verified unless there is a reason to doubt their accuracy. The sales data is then adjusted by way of the application of appraisal theory and experience. It is often necessary to use adjustments that are subjective to derive the current market value of the subject. In most instances the comparables were not inspected on the interior.

SUBJECT PHOTOGRAPHS

Borrower: City of Cold Lake		File No.: 19-030
Property Address: 809 Lakeshore Drive		Case No.:
City: Cold Lake	Prov.: AB	P.C.:
Lender: City of Cold Lake		



Subject Property



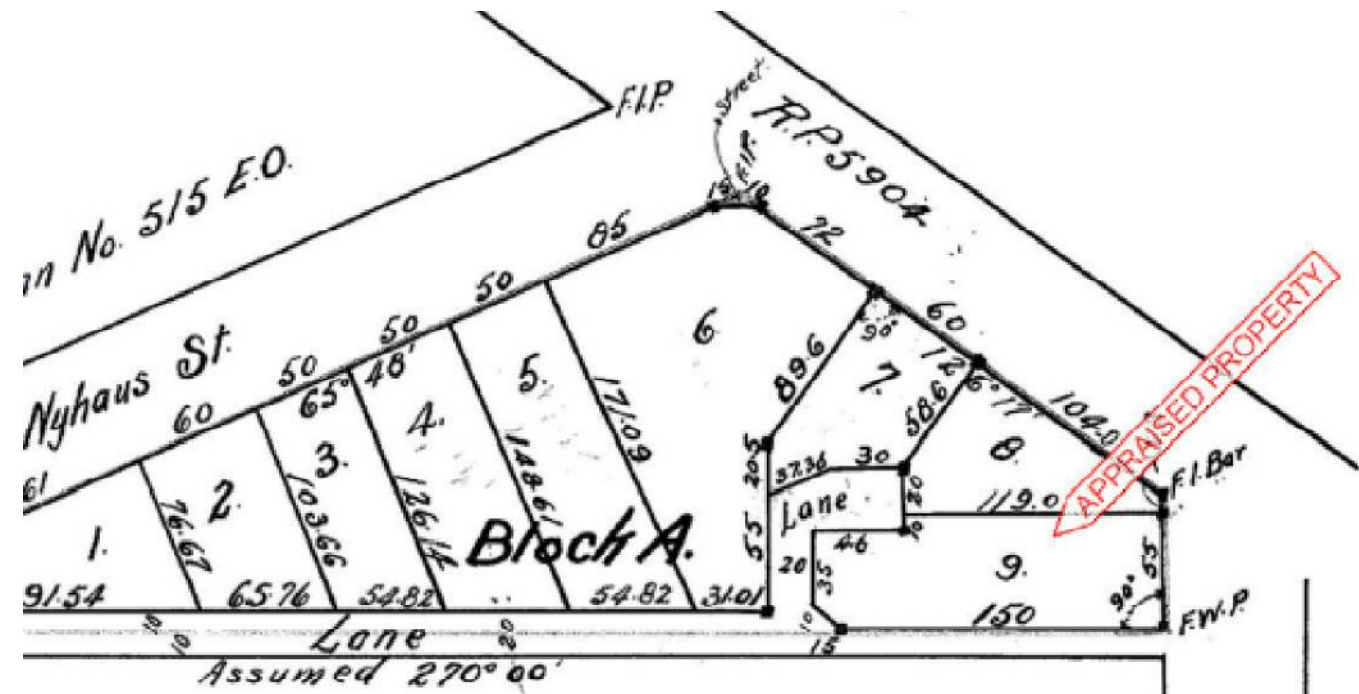
Surrounding Neighbourhood



Neighbourhood View South

PLOT MAP

Borrower: City of Cold Lake	File No.: 19-030
Property Address: 809 Lakeshore Drive	Case No.:
City: Cold Lake	Prov.: AB
Lender: City of Cold Lake	P.C.:



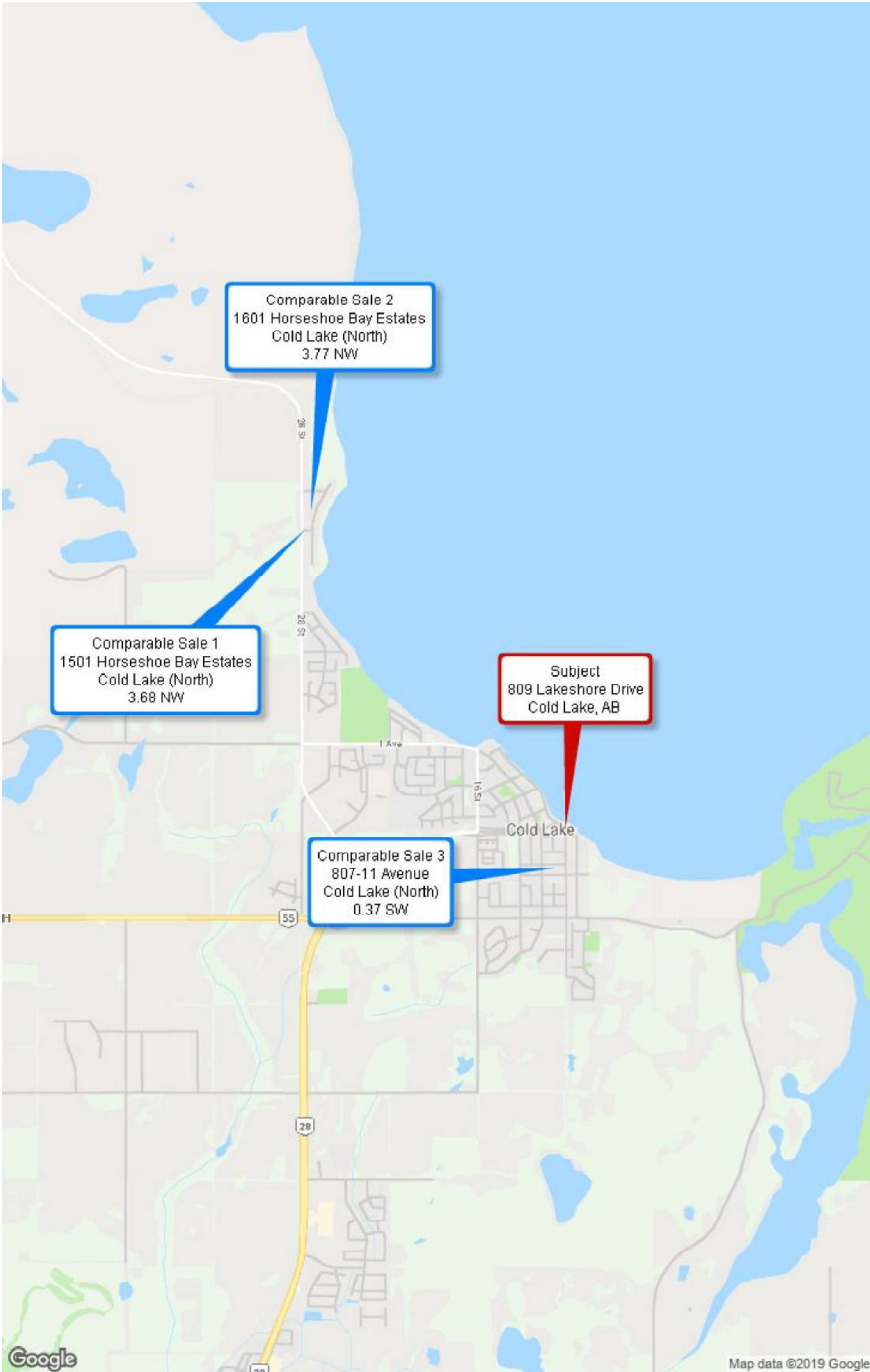
Herta Land Surveyor



I. Roy Bibeau 01

LOCATION MAP

Borrower: City of Cold Lake		File No.: 19-030
Property Address: 809 Lakeshore Drive		Case No.:
City: Cold Lake	Prov.: AB	P.C.:
Lender: City of Cold Lake		



TITLE SEARCH

Borrower: City of Cold Lake	File No.: 19-030
Property Address: 809 Lakeshore Drive	Case No.:
City: Cold Lake	Prov.: AB
Lender: City of Cold Lake	P.C.:



LAND TITLE CERTIFICATE

S
LINC SHORT LEGAL TITLE NUMBER
0018 750 265 2859EO;A;9 182 273 472

LEGAL DESCRIPTION
PLAN 2859EO
BLOCK A
LOT 9
EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE
ATS REFERENCE: 4;2;63;24;NW

MUNICIPALITY: CITY OF COLD LAKE

REFERENCE NUMBER: 072 521 532

REGISTERED OWNER(S)				
REGISTRATION	DATE (DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
182 273 472	01/11/2018	TRANSFER OF LAND	\$95,000	SEE INSTRUMENT

OWNERS

RIVER RIDGE HOLDINGS INC.
OF 54024 HIGHWAY 44
STURGEON COUNTY
ALBERTA T8T 0J4

ENCUMBRANCES, LIENS & INTERESTS		
REGISTRATION	DATE (D/M/Y)	PARTICULARS
112 281 235	07/09/2011	MORTGAGE MORTGAGEE - MATTHYS MULLER PO BOX 5380 BONNYVILLE ALBERTA T9N2G5 ORIGINAL PRINCIPAL AMOUNT: \$75,000
122 065 888	02/03/2012	MORTGAGE MORTGAGEE - MARCEL SEEWALT

(CONTINUED)

TITLE SEARCH

Borrower: City of Cold Lake	File No.: 19-030
Property Address: 809 Lakeshore Drive	Case No.:
City: Cold Lake	Prov.: AB P.C.:
Lender: City of Cold Lake	

ENCUMBRANCES, LIENS & INTERESTS			PAGE 2
REGISTRATION			# 182 273 472
NUMBER	DATE (D/M/Y)	PARTICULARS	
		MORTGAGEE - EVELYNE SEEWALT	
		BOTH OF:	
		BOX 1132	
		LLOYDMINSTER	
		SASKATCHEWAN S9V1E9	
		ORIGINAL PRINCIPAL AMOUNT: \$300,000	
172 092 060	18/04/2017	TAX NOTIFICATION	
		BY - CITY OF COLD LAKE.	
		5513-48 AVENUE	
		COLD LAKE, ALBERTA	
		T9M1A1	
172 097 726	24/04/2017	CAVEAT	
		RE : AGREEMENT CHARGING LAND	
		CAVEATOR - SANDRA BOISVERT	
		CAVEATOR - GORDON BOISVERT	
		BOTH OF:	
		49, 56021 RANGE ROAD 234	
		STURGEON COUNTY	
		ALBERTA T0A0K4	
172 187 213	20/07/2017	ORDER	
		IN FAVOUR OF - THE DIRECTOR OF EMPLOYMENT	
		STANDARDS.	
		8TH FLOOR SOUTH TOWER	
		10030-107 STREET	
		EDMONTON	
		ALBERTA T5J3E4	
		AGAINST - NORTHERN ALBERTA ESTATES INC.	
		1730, 10123 - 99 STREET	
		EDMONTON	
		ALBERTA T5J3H1	
		EMPLOYMENT STANDARDS CODE FOR \$2299.00	
TOTAL INSTRUMENTS: 005			

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 28 DAY OF
JANUARY, 2019 AT 10:25 A.M.

ORDER NUMBER: 36613675
CUSTOMER FILE NUMBER:



END OF CERTIFICATE
(CONTINUED)

TITLE SEARCH

Borrower: City of Cold Lake		File No.: 19-030
Property Address: 809 Lakeshore Drive		Case No.:
City: Cold Lake	Prov.: AB	P.C.:
Lender: City of Cold Lake		

PAGE 3
182 273 472

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