APPRAISAL REPORT

10, Claremont Avenue
Pointe-Claire (Quebec)

O/File 630662E

PARIS, LADOUCEUR & ASSOCIÉS INC.
ÉVALUATEURS IMMOBILIERS PROFESSIONNELS

March 4, 2020

Ms. Naomi Lane
Coordinator – Planning Advisory Committee - Urban Planning
City of Pointe-Claire
451 Saint-Jean Boulevard
Pointe-Claire, Québec
H9R 3J3

Subject	Demolition Assessment Report, covering the new and depreciated replacement cost, as well as the estimated potential renovation costs of the building located at 10, Claremont Avenue, Pointe-Claire (Quebec).
O/File	630662E

Madam,

Following the contract you have given us, with reference to By-law PC-2818 concerning the demolition of immovable property, we have estimated the new and depreciated replacement cost of the building mentioned above. In addition, we have estimated the potential renovation costs of this building. Note that these estimates will have to be validated with specialized contractors.

The property being appraised is a detached two- storey house, on concrete foundation, built in 1939, based on information recorded on the City of Montreal's municipal assessment roll (2020-2021-2022). Extensions and enlargements would have been made to the building after construction. The building is of standard quality and has a attached single garage. The living area is 1,627 square feet on the ground floor and 1,287 square feet on the second floor, totalling 2,914 square feet of living area. The building under study is in good general condition but several components are at the end of their useful life and will have to be replaced, not to mention the many identified defects. Note that the house is vacant but does not seem abandoned. The house resides on a uniform 19,497 square feet of property, but would also include a portion of land that provides access to water..

For information purposes, the property was sold on August 7, 2019, without legal warranty, for $935,000, Registration Number 24814395 in the Quebec Land Registry.

Following our visit to the building, considering its general condition and referring to the conclusions of Louise Coutu, architect, in her diagnostic inspection report (ref. file 1835-2020-02-03-1), we came to the following conclusions:

Replacement cost as new	**$460,000 (± $158/ft²)**
Depreciated replacement cost (66% depreciation)	**$157,000**
Estimated renovation cost	**$173,000**

Vincent Ladouceur, É.A. | Jean Ronco, É.A. | Nataniel Desjardins, É.A. | Mélanie Vézina, É.A. | Joëlle Thauvette, AACI, P.APP. | Martin Bisaillon, É.A.
Daniel Ryan, É.A. | Luc Héroux, É.A. | Noémi Létourneau, É.A. | Stéphane Monette, É.A. | Marie-Claude Farmer, É.A. | Chanelle Morand, É.A.
Tél. 450-963-2777 | 514 385-4417 | Téléc. 450 963-2221
centrale@parisladouceur.ca
63, rue de la Pointe-Langlois, Laval (Québec) H7L 3J4
PARISLADOUCEUR.CA

On the following pages, you will find a brief physical description of the building being appraised, photographs taken at the time of our visit on February 3, 2020, a detailed breakdown of the replacement cost and estimated physical depreciation. You will also find an estimate of the cost of renovating this building. It should be noted that at the time of the writing of this report, no bids from trade contractors were available. Thus, the estimated amount for the renovation of the building must be interpreted with reservations and supported by the appraisals of specialized contractors.

We hope that this will be in accordance with your wishes and to your complete satisfaction. Best regards,

PARIS, LADOUCEUR & ASSOCIÉS INC.

Signature numérique de joelle thauvette
DN : c=CA, o=CENTRE DE CERTIFICATION DU QUEBEC, ou=ICE-AIC APPRAISAL INSTITUTE OF CANADA, ou=AACI, serialNumber=913193, cn=joelle thauvette
Date : 2020.05.15 12:47:07 -04'00'

Joëlle Thauvette AACI, P.App.
Chartered Appraiser

JT/ac

att.: Expertise

Subject photographs

Building front view

Building side view

Photographs taken on February 3, 2020, by Joëlle Thauvette, AACI

SUBJECT PHOTOGRAPHS (cont.)

Building rear view

Building side view

Photographs taken on February 3, 2020, by Joëlle Thauvette, AACI

Table of Contents

1 Descriptive data

1.1 DESCRIPTION OF THE REAL ESTATE

ADRESS	10, Claremont Avenue, Pointe-Claire
CADASTRAL DESCRIPTION	Lots 4 253 175-1, 6 314 535, 6 314 536 – Québec cadastre
TYPE OF PROPERTY	Two-storey residence of standard quality, on concrete foundation. On the ground floor we find an entrance, an office, a toilet room, a living room, a dining room, a laundry space, a kitchen and a large family room with a fireplace. On the second floor, we find two complete bathrooms as well as five bedrooms. The basement includes a portion arranged as a service basement. The excess is a crawl space that is difficult to access. There is also a simple attached garage.
YEAR OF CONSTRUCTION	1939 (based on the City of Montreal's appraisal roll)
ECONOMIC LIFE	60 years
ACTUAL AGE	81 years
APPARENT AGE	45 years
REMAINING ECONOMIC LIFE	15 years
GENERAL CONDITION	Based on the inspection of the building as a whole, as well as the diagnostic inspection report (ref. file 1836-2020-02-03-2), prepared by Ms. Louise Coutu, architect, we estimate that the physical condition of the premises is below the average for its age. The building is in good general condition but several components are at the end of their useful life (windows, exterior cladding, roof shingles, etc.). Several defects have been noted and should be corrected.

BUILDING SURFACE AREA

Ground floor	1,627 square feet
Second floor	1,287 square feet
Tota	2,914 square feet
Garage	184 square feet
Basement	Unfinished / Crawl space

LOT AREA	19,497 square feet, of regular shape

* Note that the area under municipal evaluation is different, but must include lot 4 253 175-1 which allows access to water, which we do not have details. *

1.1 DESCRIPTION OF THE REAL ESTATE (cont.)

ZONING	RA19
PUBLIC SERVICES	The property benefits from all the services offered by the City of Pointe-Claire (water supply, sanitary sewer, storm sewer, paving and lighting).

1.2 TECHNICAL DESCRIPTION OF THE BUILDING

EXCAVATION	Mass excavation and trench
FOUNDATIONS	Poured concrete
FLOOR SLAB	Poured concrete
FRAME	Wood load-bearing walls
STRUCTURAL FLOORS	Wooden structure
EXTERIOR WALLS	Concrete panel covered with plaster
DOORS AND WINDOWS	Glazed wooden entry doors Double steel rear door with window Steel rear door with window Aluminum storm door with mosquito net Wood / aluminum sash windows Casement wood / aluminum windows Light well window
ROOF COMPOSITION	Roof covered with asphalt shingles Aluminum or wooden soffits Mineral wool insulation
ELECTRICITY	200 A electrical inputs with circuit breaker Incandescent and fluorescent lighting
HEATING / AIR CONDITIONING	Oil central air heating system Bathroom fan Dryer outlet Oil tank Electric baseboards
PLUMBING	Copper, ABS, cast iron and steel Cabinets (3) Built-in bathtubs (2) Pedestal sink Wash tank Sink on single and double cabinet 60 gallon electric water heater

1.2 TECHNICAL DESCRIPTION OF THE BUILDING (cont.)

WALLS AND PARTITIONS	Painted plasterboard
	Ceramic
	Wood paneling
	Picture rails
FLOOR FINISHES	Wooden slats
	Ceramic
	Vinyl
	Wooden stairs and handrails
CEILING FINISHES	Painted plasterboard
	Suspended ceiling
	Acoustic tiles
KITCHEN FINISHES	Softwood and melamine cabinet
	Laminate counter
	Double steel sinks
	Dishwasher
	Microwave hood
MISC.	Wood fireplace
	Alarm system
	Electric garage door
	Ceiling fan
OUTDOOR LANDSCAPING	Paved driveway
	Lawn
	Mature trees
	Shrubs
	Entrance gate
	Mesh fence
	Wooden fence
	Shed
	Stone front porch
	Paved terrace
	Inground pool
	Single attached garage

1.3 MUNICIPAL APPRAISAL

THREE-YEAR ROLE	2020-2021-2022
SERVICE NUMBER	8032-99-2098-9-000-0000
MARKET REFERENCE DATE	2018-07-01
LAND VALUE	$780,100
BUILDING VALUE	$207,600
PROPERTY VALUE	$987,700

1.3.1 PROPERTY HISTORY

REGISTRATION NUMBER	24 814 395
SELLER	Marjorie Curtis-Hamilton Harding
BUYER	James Lee
SALE DATE	2019-08-07
SALE PRICE	$935,000
COMMENTS	With quality guarantee. Lots 6,314,535 and 6,314,536 only. No mention on lot 4 253 175-1 or any right of way to water as it appears in the municipal assessment.

1.4 GENERAL BUILDING CONDITION

Following our on-site visit and with reference to the diagnostic inspection report (ref. file 1835-2020-02-03-1) prepared by Louise Coutu, architect, the following is a summary of the building defects that have been identified. Please refer to the above-mentioned inspection report for the complete set of these defects.

- **Foundation**: We note traces of blooms and moisture on the front right wall in the basement. It is possible that there is no French drain or that the existing one is deteriorated. It may be wise to install a French drain, waterproof the foundation and insulate it from the outside if necessary. Call in a specialist.

  We note a crack on the right side wall. This crack extends into the wall covering, indicating a structural problem. Conduct an expert assessment to determine the measures to be taken to stabilize the wall.

- **Concrete slab**: We also note traces of blooms and moisture on the concrete slab. Follow the recommendations for the installation of a French drain.

  We note traces of water infiltration on the garage slab. Monitor the slope of the floor in front of the garage and replace the weatherstripping.

- **Floor joists**: Many floors are not level. Before correcting, check with an engineer to ensure that the structure is examined and stabilized.

  Floor joists and decks appear to be attacked by insects. Have an exterminator carry out an expert assessment and, if necessary, eradicate them. Then have an engineer inspect the structures.

  We note the presence of what could be mold on the floor joists in the basement. Proceed with a test and estimate the cost of cleaning.

  Traces of water can be found near the front wall in the basement. Make sure the front wall is waterproof (flashing, floor, front door, etc.).

  There are traces of water around the toilet on the ground floor under the floor. Make sure the toilet is watertight.

- **Beams and columns**: Fix the steel post that supports the staircase hopper. Make sure that the slab is sufficient to support the loads.

- **Roof structure**: We note what may be mold on the roof deck and rafters. Proceed with a test and estimate the cost of cleaning.

  We observe sagging at the bottom of the right rear roof slope. Monitor the situation and call a structural engineer if necessary.

  There are several signs of water infiltration in the attic. Check for water tightness. Note that according to the "Seller's Declaration" consulted, the roof is old.

1.4 GENERAL BUILDING CONDITION (cont.)

- **Exterior cladding**: The wall cladding is too close to the floor in some places. Adjust the floor slopes. We notice significant deficiencies in the installation of the exterior wall covering. We recommend that the wall cladding be re-installed on many walls. In addition, we note several cracks that could result from improper installation.

  A portion of the right side wall is bulging. Open the wall and correct any deficiencies.

  There are also marks on the left front and rear wall covering that could be related to water infiltration. We recommend that exploratory tests be carried out.

- **Flashing and seals**: The sealing joints are deteriorated and/or missing in a few places and need to be redone.

  There is no flashing over most of the openings and water infiltration has been noted. Plan to install flashings at the same time as the new wall covering is installed.

- **Doors and windows**: Replace the garage door that has reached its service life and is not waterproof. Replace most windows that have exceeded their useful life in the short term.

  Install weather stripping on the back door.

  Traces of water infiltration are noted on windows in the rear wall upstairs. Follow the recommendations in the "flashing" section.

- **Eaves, fascias and sub-fascias**: Some roof sub-fascias are not ventilated. Follow the recommendations under "roof ventilation".

- **Exterior layout**: Inspection limited by snow. Please pay particular attention to the slopes of the land near the building.

  Add a fence around the pool, if required by the City.

- **Roof**: Snow prevents us from viewing the condition of the roof. Note that according to the "Seller's Declaration" consulted, the roof covering is old. Furthermore, we note that the shingles are very damaged on the gables. Plan a complete renovation.

- **Eavestroughs**: Some roof slopes do not have eavestroughs. Have eavestroughs installed on each roof slope, downspouts and outlets to keep surface water away from the foundation.
  The slope of the front right gutter is reversed. Attempt to restore it to the proper slope.

- **Flashings and parapets**: Counter flashings are installed on the surface of the aluminium cladding, which is bad. Plan to replace them when the exterior cladding is replaced.

1.4 GENERAL BUILDING CONDITION (cont.)

- **Plumbing**: Several small plumbing jobs need to be planned in order to properly optimize water management. The sink in the upstairs bathroom is rusted. Replace it. You must also install water hammer arrestors under each plumbing fixture. The basement floor drain seems blocked or is not a drain. Correct the situation. Install a check valve at the floor drain. There is no holding tank in the garage. Plan for the cost of installation. Replace the hot water tank that has reached the end of its service life.

- **Electricity**: The grounding of the electrical system is not properly secured. Have a master electrician modify the installation. Joints have been made using a marrette inside the panel, which is prohibited. Correct the situation. Have an electrician inspect the electrical installations to ensure proper installation methods. Cables are connected together without junction boxes in the basement. Have this corrected. An electrical outlet in the bathroom is poorly secured to the wall. Some outlets have no grounding. Fix the bathroom light fixture.

- **Heating**: Air circuits circulate in the crawl space near the floor, which is inadequate. Move those ducts. The flue has an inverted slope. Restore the slope to prevent gas from flowing back inside. Also correct insufficient fire protection around the flue perimeter.

  We note the presence of an abandoned fuel oil pipe under the slab. A leak could have contaminated the soil. Consult an expert and conduct an environmental test.

  Note that the oil tank is nearing the end of its useful life and should be replaced if the oil heating system is retained.

  The masonry chimney has begun to bulge, which could indicate interior damage. Call in a mason to stabilize and repair it.

- **Floor covering**: Plan to have ceramic flooring work done in the second-floor bathroom and the main-floor powder room.

  Wooden slats of the parquet flooring on the ground floor have gaps possibly due to a beam under an old exterior wall.

  The floor of the laundry room sags under the steps. Call in an engineer to check the condition of the structure and crawl space. Reinforce the floor if necessary.

- **Wall and ceiling**: Control water infiltration into the laundry room before repairing the walls.
  In addition, grout joints around the bathtub are cracked. Replace the seals to ensure watertightness.
  Seal the ceiling around the plumbing vent in the enclosed room above the upstairs bathroom.

- **Cabinets and countertops**: There are traces of water infiltration under the kitchen countertop and around the bathroom sink. Plan to replace the kitchen countertop and ensure that the bathroom countertop is watertight.

1.4 GENERAL BUILDING CONDITION (cont.)

- **Interior doors**: The garage door leading to the house is missing a door closer and weatherstripping.

- **Asbestos**: Possible presence of asbestos in hanging ceiling tiles and in the joints of old gypsum plaster. Have a test done and follow the recommendations.

- **Garage**: Install a carbon monoxide alarm in the garage.
  Further, water infiltration is observed at the roof structure and through the exterior walls. Check the watertightness of the building envelope.

- **Insulation and ventilation**: Insulation of the attic appears insufficient. Add more.
  The attic access hatch is not insulated and has no seal. Correct the situation.

  Some old eavestroughs are not ventilated or only slightly ventilated. Monitor the situation in winter for the development of icicles. If this is the case, call in a specialist.

  Crawl spaces appear poorly ventilated. Install a heat recovery unit (HRV) and heat these areas.
  Foundation walls are not insulated. When installing the French drain, we suggest insulating the foundations from the outside.

  The insulation on the floors of the extension is poorly installed and falls off. Arrange for work to replace the insulation.

  The air damper of the dryer is blocked by the wall covering. Clear the damper.

The building being assessed, which is of standard quality, is in good general. Its interior components are obsolete and at the end of their useful life (windows, exterior cladding, roofing shingles, etc.) and should be replaced. Furthermore, several defects have been noted and should be corrected.

2 Analysis

2.1 BUILDING REPLACEMENT COST AND DEPRECIATION

The replacement cost as new must be distinguished from the cost of reproduction and represents the cost of replacing a building (and improvement) with one of equal value (based on current construction standards and equivalent and commonly available materials).

The replacement cost of the building was estimated at **$460,000** based on the *Marshall & Swift Valuation Services* cost manual, published by *CoreLogic*. This value corresponds to **approximately $158.00** per square foot of living space.

2.1.1 DEPRECIATION MEASUREMENT

The application of the cost method includes the measurement of the various forms of depreciation and obsolescence that cause a loss in value of the building, in relation to its value in new condition. The various forms of depreciation are as follows:

- Physical depreciation (curable or incurable)
- Functional depreciation (curable or incurable)
- Economic depreciation

Physical depreciation curable

Curable physical depreciation generally results from deferred maintenance, i.e., the need for a buyer to carry out in the very short term the repairs or replacements required for the building to return to its normal state of maintenance and become competitive again.

Physical depreciation incurable

Incurable physical depreciation is the general deterioration of building materials caused by the aging of the building. Generally, it is the deterioration of building components that cannot be repaired at a cost less than or equal to the increase in value caused by this repair. Incurable physical depreciation is measured using the age-life method for each of the building's components, using the *Marshall & Swift* table.

For the purposes of this report, we estimated the physical depreciation (curable and incurable) at **66%**, taking into account the general condition of the building. This indicates a depreciated building value of **$157,000**. Note that this depreciation takes into consideration that the building is of standard quality, that several components are at the end of their useful life and that several defects have been identified.

2.1.1 DEPRECIATION MEASUREMENT (cont.)

Table 1 – Replacement cost and depreciation

Composants of actual building	Replacement cost	Physical depreciation (%)	Depreciation replacement cost
Footing/excavation/wall foundation	57 304 $	60%	22 922 $
Frame	15 656 $	60%	6 262 $
Floor structure	29 332 $	61%	11 485 $
Floor cover	36 123 $	64%	13 020 $
Ceilling	12 522 $	60%	5 009 $
Wall finition	3 634 $	60%	1 454 $
Interior construction	90 272 $	60%	36 109 $
Plumbing	27 219 $	60%	10 887 $
Electricity	19 696 $	60%	7 878 $
Heating/cooling/ventillation	12 256 $	60%	4 902 $
Exterior wall composition	118 426 $	80%	23 685 $
Roof	26 436 $	67%	8 673 $
Miscellanous	9 865 $	0%	3 946 $
Annexes (balcony, terraces, ramps)	1 260 $	60%	504 $
Total	459 999 $	66%	156 735 $
Total (rounded)	**460 000 $**	**66%**	**157 000 $**

2.2 ESTIMATED RENOVATION COST

At your request, we have estimated the potential renovation costs of the building, based on our visit and with reference to the building's diagnostic inspection report (ref. file 1836-2020-02-03-2), prepared by Louise Coutu, architect. Note, however, that the estimated amount for this work is approximate and will have to be validated with specialized contractors. Some hypothetical defects observed should be the subject of more specific expert appraisals and are not included in the renovation costs (possible presence of mold and decontamination, possible presence of harmful insects and extermination work, possible presence of asbestos, possible fuel oil contamination, etc.).

Table 2 – Approximate renovating cost of the building

Items	Estimated Cost (lump sum to be validated)
French drain/membrane/isolation	28 000 $
Structural reinforcement	8 000 $
Chimney masonry work	2 000 $
Exterior sidding	30 000 $
Windows, doors and garage door	35 000 $
Roof shingles	10 000 $
Gutters	1 500 $
Fence for pool security	4 000 $
Isolation	1 000 $
General plumbing work/ hot-water tank	3 000 $
General electrical work	2 000 $
Bathroom and powder tiles	2 000 $
kitchen counter	1 000 $
Others (fix post in the basement, invert duct, close the ceiling around the vent, garage door seailing and opening system, attic access, heating to crwal space and HRV, etc)	3 000 $
Subtotal	130 500 $
Contingencies (±15 %)	19 575 $
Subtotal	150 075 $
Taxes	22 474 $
TOTAL	172 549 $
Total (rounded)	**173 000 $**

We therefore estimate the cost of the renovations to be approximately $173,000 (including taxes and contingency costs). Note that this amount does not include:

- Possible removal of mold and asbestos (hypothetical work)
- Pest extermination work
- Fuel oil soil decontamination

3 Conclusion

3.1 CORRELATION

In conclusion, the replacement cost of the building was estimated at **$460,000** based on the *Marshall & Swift Valuation Services* cost manual, published by *CoreLogic*.

Based on the site visit and with reference to the inspection report (ref. file 1835-2020-02-03-1), prepared by Louise Coutu, architect, we estimate the overall physical depreciation of the building at **66%**, taking into account its general condition. This provides us with a depreciated building value of **$157,000**. Note that this depreciation takes into consideration that the building is of standard quality, that several components are at the end of their useful life and that several defects have been identified, including irregularities in the structure.

Additionally, at your request, we estimated the potential cost of the renovations at **$173,000**, subject to validation by specialized contractors. This cost does not include some hypothetical work, as mentioned on the previous page.

3.2 CERTIFICATION

I certify that I:

- Have personally visited the property being appraised on December 9, 2019.
- Have not based my remuneration on a pre-determined conclusion of value.
- Have researched, to the best of my ability, the information contained in this report.
- Have no present or future interest in the properties covered by this appraisal report and no personal relationship with respect to the parties involved.
- Have not deliberately omitted or overlooked any material facts in connection with this appraisal.
- Have conducted this appraisal in accordance with the rules of the Appraisal Institute of Canada's Code of Professional Ethics.

I, the undersigned, Joëlle Thauvette, AACI P. App., on this 4TH day of March 2020, certify that to the best of my knowledge, the information contained in this report including the analyses, opinions and conclusions resulting therefrom is accurate, limited by the assumptions and reservations set out herein.

PARIS, LADOUCEUR & ASSOCIÉS INC.

Signature numérique de joelle thauvette
DN : c=CA, o=CENTRE DE CERTIFICATION DU QUEBEC, ou=ICE-AIC APPRAISAL INSTITUTE OF CANADA, ou=AACI, serialNumber=913193, cn=joelle thauvette
Date : 2020.05.15 12:47:25 -04'00'

Joëlle Thauvette AACI, P. App.
Professional Appraiser

Subject photographs

Entrance as seen from the street

Entrance

Photographs taken on February 3, 2020, by Joëlle Thauvette, AACI.

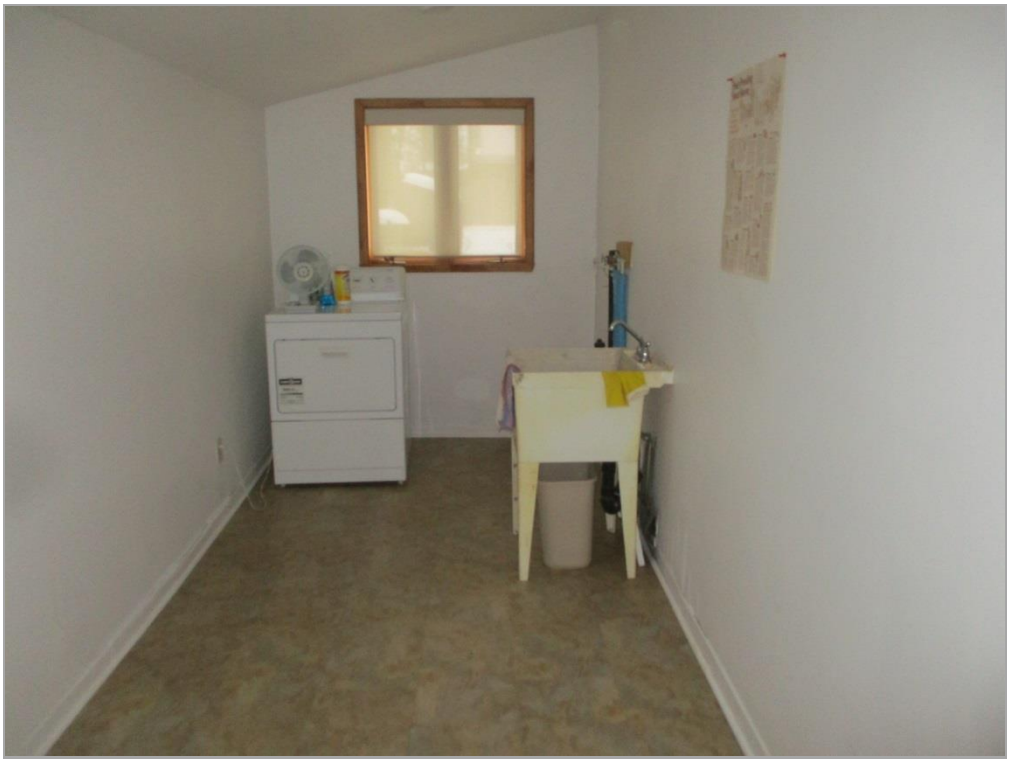
SUBJECT PHOTOGRAPHS (cont.)

Office

Living Room

Photographs taken on February 3, 2020, by Joëlle Thauvette, AACI.

SUBJECT PHOTOGRAPHS (cont.)



Laundry Room

Garage

Photographs taken on February 3, 2020, by Joëlle Thauvette, AACI.

SUBJECT PHOTOGRAPHS (cont.)

Dining Room

Kitchen

Photographs taken on February 3, 2020, by Joëlle Thauvette, AACI.

SUBJECT PHOTOGRAPHS (cont.)

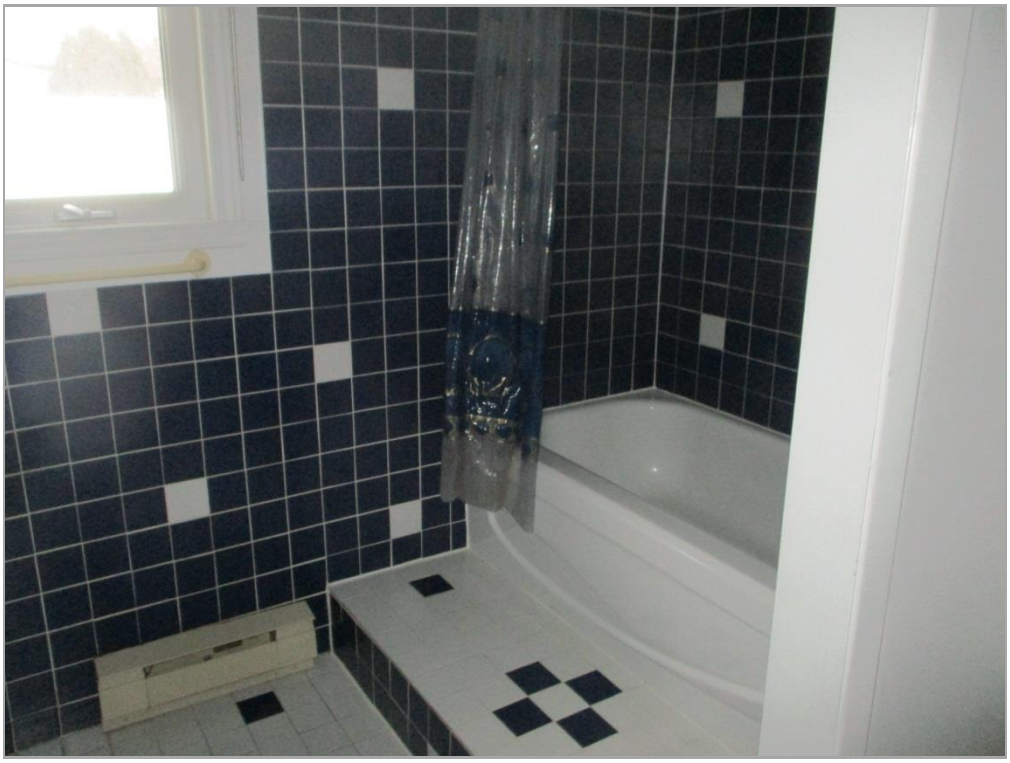
Family Room

Bedroom

Photographs taken on February 3, 2020, by Joëlle Thauvette, AACI.

SUBJECT PHOTOGRAPHS (cont.)

Bathroom



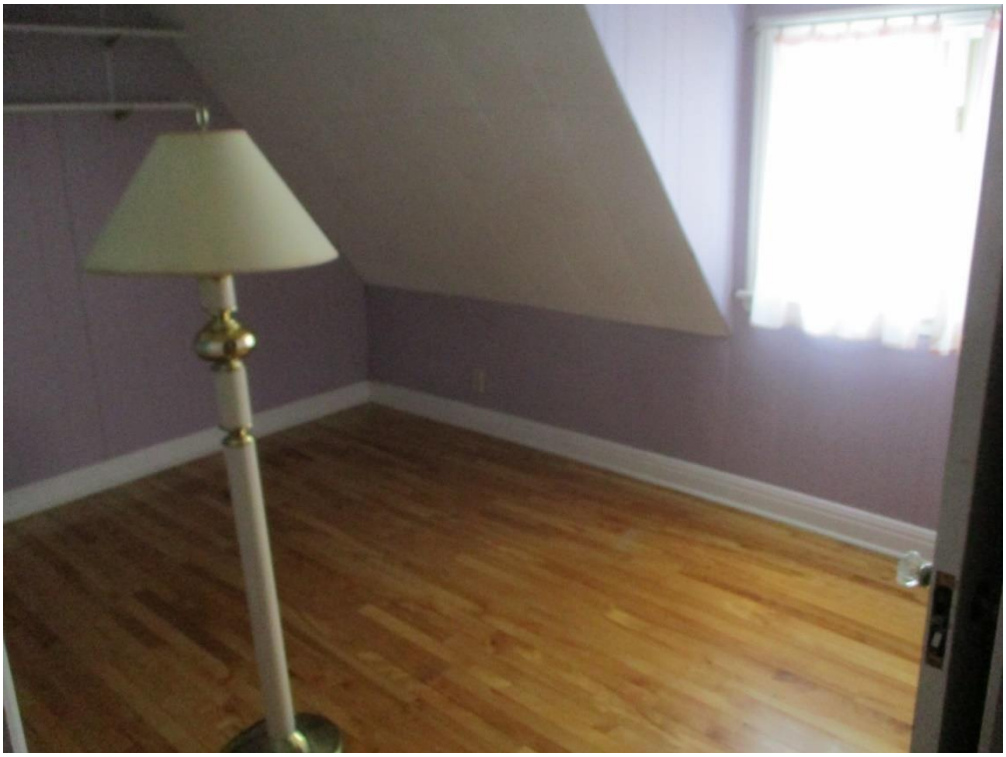
Bathroom

SUBJECT PHOTOGRAPHS (cont.)

Bedroom

Bedroom

SUBJECT PHOTOGRAPHS (cont.)

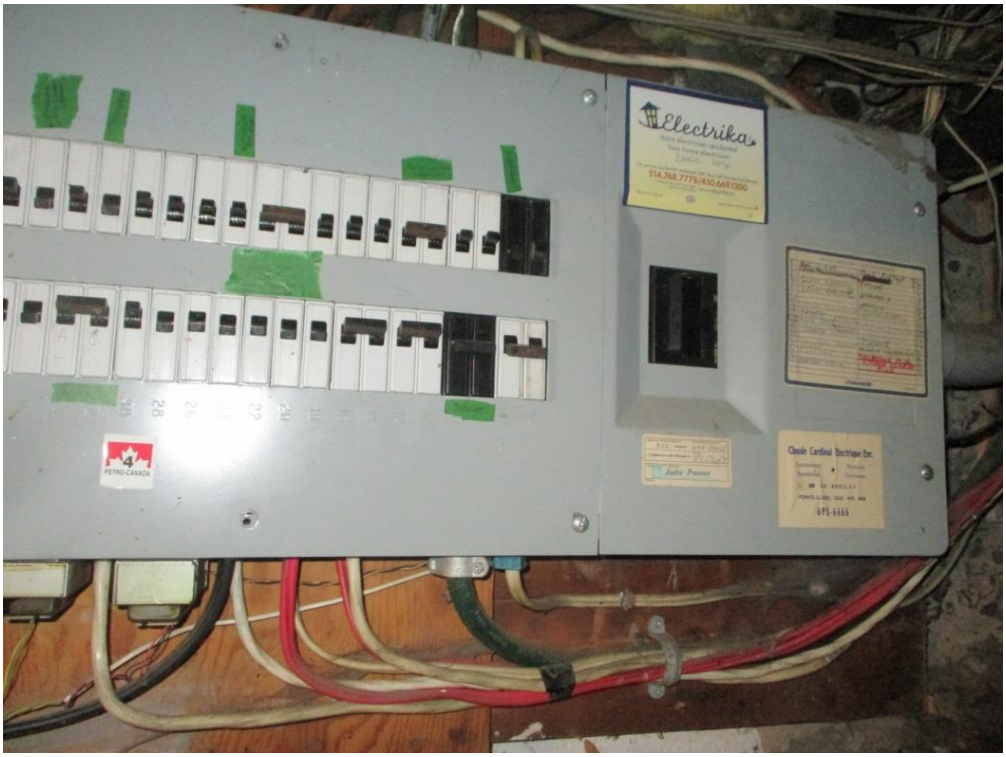


Bedroom

Bedroom

SUBJECT PHOTOGRAPHS (cont.)

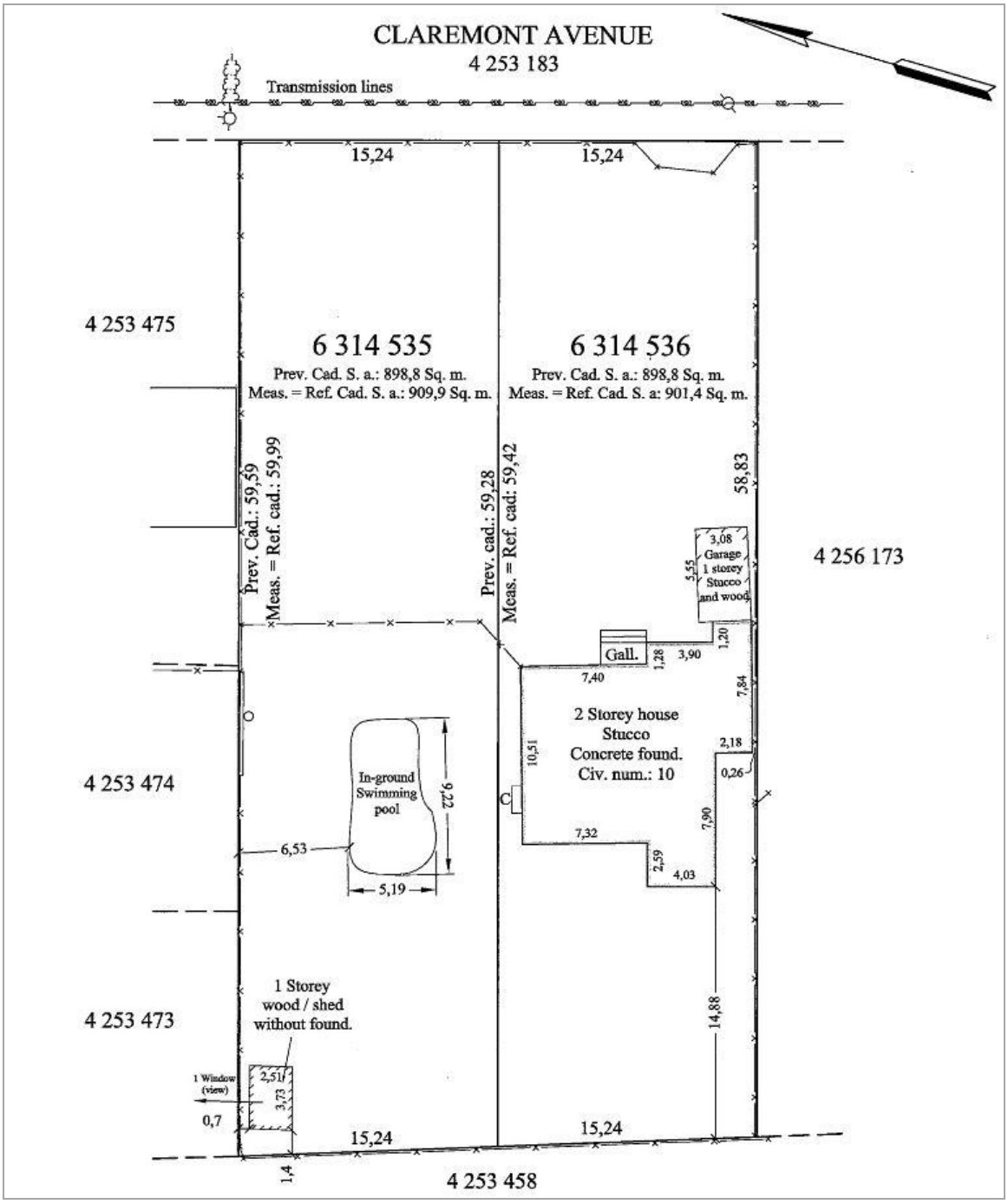
Basement



Electric Panels

Photographs taken on February 3, 2020, by Joëlle Thauvette, AACI.

Certificate of location



Professional Qualifications

PROFESSIONAL QUALIFICATIONS - JOËLLE THAUVETTE, A.A.C.I

Academic Studies

2008	Université du Québec in Montréal Certificate in Real Estate
2006	Université du Québec in Montréal BAA in Environmental Design (concentration architecture)
2002	Collège Montmorency Diploma in Arts

Professional Experience

2019 to date	Real Estate Appraiser for Paris, Ladouceur & Associates Inc. (appraisals for financing mortgages and repossessions).
2016 à 2018	Chartered appraiser for Paris, Ladouceur & Associates Inc. (appraisals for financing mortgages and repossessions).
2012 to 2015	Chartered appraiser for Paris, Ladouceur & Associates Inc. (assessment, research and analysis for expropriation purposes).
2010 to 2011	Trainee appraiser for Paris, Ladouceur & Associates Inc. (assessment, research and analysis for expropriation purposes).

Professional Association

Appraisal Institute of Canada

Professional Development

Basic concepts and Income Approach application
Basic concepts and Comparison Approach application
Basic concepts and Cost Approach application