APPRAISAL REPORT

117, de Dieppe Avenue
Pointe-Claire (Quebec)

O/File 648399E

PARIS, LADOUCEUR & ASSOCIÉS INC.
ÉVALUATEURS IMMOBILIERS PROFESSIONNELS

November 8, 2021

Ms. Cindy Fisher
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 117 de Dieppe Avenue, Pointe-Claire (Quebec).
O/File	648399E

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 under study is a one-and-a-half-storey detached house on a concrete block foundation and cast in situ concrete, built in 1949, according to the information entered on the municipal assessment roll (2020-2021-2022) of the City of Montreal. An attached garage extension was subsequently added. The building is of standard quality. The living area is 1,050 square feet. Note that the house is unoccupied. Following our visit and inspection, we believe that several components are at the end of their useful life and will need to be replaced, not to mention the many deficiencies observed in the building which will need to be corrected, such as the significant problems with the concrete blocks' foundation. The house sits on 18,967 square feet of regular shape.

For information purposes, the property was sold on February 2, 2021, for $870,000, Registration Number 26 035 380 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 1951-2021-08-31), we came to the following conclusions:

Replacement cost as new	**$245,000 (± $233/ft²)**
Depreciated replacement cost (68% depreciation)	**$79,000 (± $75/ft²)**
Estimated renovation cost	**$196,000**

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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 August 31, 2021, 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.

Alain Legault,
Senior Technician

Signature numérique de Luc Heroux
DN : c=CA, o=CENTRE DE CERTIFICATION DU QUEBEC, ou=ORDRE DES EVALUATEURS AGREES DU QUEBEC, ou=MEMBRES, serialNumber=3216, cn=Luc Heroux
Date : 2021.11.24 10:48:32 -05'00'

Luc Héroux, C. App.,
Chartered Appraiser

AL/LH/dk

att.: Expertise

Subject photographs

Building front view

Building rear view

Photographs taken on August 31, 2021, by Alain Legault

SUBJECT PHOTOGRAPHS (cont.)

Building rear view

Building right side view

Photographs taken on August 31, 2021, by Alain Legault.

Table of Contents

1 Descriptive data

1.1 DESCRIPTION OF THE REAL ESTATE

ADDRESS	117, de Dieppe Avenue, Pointe-Claire
CADASTRAL DESCRIPTION	Lot 2 527 967 – Québec cadastre
TYPE OF PROPERTY	One-and-a-half-storey detached residence of standard quality, on a concrete foundation, with an attached garage. We find, on the ground floor; a living room, a dining room, a kitchen, as well as a bathroom. On the second floor, there are two bedrooms and a bathroom. The basement is finished; there is a family room, a small kitchen, a shower room and a mechanical room.
YEAR OF CONSTRUCTION	1949 (based on the City of Montreal's appraisal roll)
ECONOMIC LIFE	60 years
ACTUAL AGE	72 years
APPARENT AGE	42 years
REMAINING ECONOMIC LIFE	18 years
GENERAL CONDITION	Based on the inspection of the building as a whole, as well as the diagnostic inspection report (ref. file 1951-2021-08-31) prepared by Ms. Louise Coutu, architect, we estimate that the physical condition of the premises is below average for its age. Indeed, several components are at the end of their useful life and several deficiencies have been observed and need to be corrected.

BUILDING SURFACE AREA		
	Ground floor	720 square feet
	Second floor	330 square feet
	Total	1,050 square feet
	Basement (finished)	720 square feet

LOT AREA	18,967 square feet, of regular shape
ZONING	RA39
PUBLIC SERVICES	The property benefits from some the services offered by the City of Pointe-Claire (water supply, sanitary sewer, storm sewer, paving, kerbs and lighting).

1.2 TECHNICAL DESCRIPTION OF THE BUILDING

EXCAVATION	Mass excavation
FOUNDATIONS	Concrete blocks Poured concrete
FLOOR SLAB	Poured concrete on a gravel bed
FRAME	Wood load-bearing walls
STRUCTURAL FLOORS	Wooden structure
EXTERIOR WALLS	Vinyl
DOORS AND WINDOWS	Exterior steel door with glass partition Exterior timber door with glass partition Wooden and aluminum patio door Fixed wooden windows Wooden garage door
ROOF COMPOSITION	Roof covered with asphalt shingles Aluminum soffits Aluminum gutters Mineral wool insulation
ELECTRICITY	200 A electrical inputs with circuit breakers Incandescent and recessed lighting
HEATING / AIR CONDITIONING	Oil and electric hot air heating system 30,000 BTU heat pump Dryer outlet Bathroom fans

1.2 TECHNICAL DESCRIPTION OF THE BUILDING (cont.)

PLUMBING	Copper, ABS and cast iron
	Cabinets (3)
	Sinks on cabinet (3)
	Built-in bathtub
	Acrylic shower (2)
	40 gallon electric hot water tank
	Steel washing basin
WALLS AND PARTITIONS	Painted plasterboard
	MDF finished wall panels
	Wood slats
	Ceramic
	Upholstery
	OSB particle boards
	Stucco
FLOOR FINISHES	Wooden slats
	Ceramic tiles
	Granite tiles
	Uphosltery
	Parquetry
CEILING FINISHES	Painted plasterboard
	Stucco
	Unfinished section (open)
KITCHEN FINISHES	Hardwood cabinet
	Soft wood kitchen cabinet
	Laminate counter
	Double steel sink
	Steel sink
	Hood
	Dishwasher

1.2 TECHNICAL DESCRIPTION OF THE BUILDING (cont.)

OUTDOOR LANDSCAPING	Asphalt driveway
	Lawn
	Trees
	Shrubs
	Wooden stairs
	Wooden sidewalk
	Wooden ramp
	Wooden patio

1.3 MUNICIPAL APPRAISAL

THREE-YEAR ROLE	2020-2021-2022
SERVICE NUMBER	8035-42-9910-1-000-0000
MARKET REFERENCE DATE	2018-07-01
LAND VALUE	$356,800
BUILDING VALUE	$103,000
PROPERTY VALUE	$459,800

1.3.1 PROPERTY HISTORY

REGISTRATION NUMBER	26 035 380
SELLER	David Bachelor
BUYERS	Nicolas Chaaya et Rebecca Spagnolo
SALE DATE	2021-02-02
SALE PRICE	$870,000
COMMENTS	Without legal warranty

1.4 GENERAL BUILDING CONDITION

Following our on-site visit and with reference to the diagnostic inspection report (ref. file 1951-2021-08-31) 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**: several cracks are observed on the block and poured concrete foundation walls. Follow the recommendations of an engineer to repair or replace these foundations.

  In addition, water infiltration and stains are observed at the foundations of the garage. It is possible that there is no French drain or that it is old. Have the foundations inspected and install a French drain if necessary.

- **Concrete slab:** the mechanical room's slab is irregular.

- **Floor joists**: there are possible traces of mould on joists and floorboards in the basement. Plan to carry out an expert assessment and follow the recommendations.

  Traces of mould are also observed on the floor structure along some exterior walls. Follow the recommendations in the "Exterior cladding" section.

- **Garage structure**: the garage and its roof are sagging. Call in a structural engineer if necessary to check its condition.

- **Exterior cladding**: vinyl cladding covers the exterior walls. We believe this cladding to be old and without ventilation.

- **Flashing and sealing**: There is no flashing above most wall openings or between the various sidings. Plan to add compliant flashing when repairing the exterior cladding.

  The sealing joints have deteriorated in several places. Reseal where required.

- **Doors and windows**: the rear door has reached the end of its useful life. Plan to replace it. Replace the patio door as well.

  Many wood and aluminum windows have also reached the end of their useful life and should be replaced shortly. Some sliding aluminum windows are difficult to slide, replace them.

- **Terraces, balconies and porches**: the front and rear porches are degraded. Plan a complete overhaul. At the same time, install guardrails and handrails.

- **Soffits:** Clear the soffits and verify the ventilation.

- **Exterior landscaping**: the wall at the entrance of the garage moved. Plan to repair it at the same time as the asphalt driveway.

- **Roofing**: shingles are getting old. Plan to replace them shortly.

1.4 GENERAL CONDITION OF THE BUILDING (cont.)

- **Gutters**: we noted missing eaves gutters. Have gutters installed at the bottom of each roof slopes as well as downspouts and outlets at the bottom of the gutters.

- **Flashings**: reseal the flashing between the chimney and the roof.

- **Plumbing**: several small plumbing jobs need to be planned in order to properly optimize water management.

  Replace two cracked handbasins.

  Plan to install anti-water hammers under each plumbing fixture. Have the plumbing lines inspected by a competent plumber, as there are some deficiencies.

- **Electricity**: we noted the presence of unprotected abandoned electrical cables. Remove abandoned cables or insert them in junction boxes. Plan an upgrade.

  Secure the junction box that is free to a structural member.

  Replace unprotected outlets with GFCI outlets. Have outlets and groundings checked by an electrician.

- **Heating and ventilation**: several convectors are missing. Reinstall them.

  An old fuel oil line is abandoned along a wall, contact a decontamination specialist to determine if it is appropriate to conduct an environmental test.

- **Chimney:** install a counter flashing between the roof and the chimney

- **Flooring:** several ceramic and granite tiles are cracked and poorly bonded. Plan to install new tiles.

- **Walls and ceilings**: there are portions of the wall to be repaired, holes in the gypsum walls as well as repairs in progress. Complete all of the work.

  Traces of water infiltration are noticed in the cupboard under the roof. Follow the recommendations in the "roofing" section and replace soiled materials.

  Traces of water infiltration are also observed in the basement. Remove materials soiled by moisture.

- **Stairs and railings**: There are no handrails in the staircase leading to the basement. Perform corrective work.

- **Interior doors:** Install closet door.

- **Insulation and ventilation**: there is expanded insulation in the basement. Replace all of the expanded polystyrene type insulation.

  Plan for decontamination, then new insulation, following the presence of vermin in the building.

  Fix the exterior damper on the left side wall.

1.4 GENERAL CONDITION OF THE BUILDING (cont.)

- **Asbestos:** Possibility of asbestos in basement stucco ceilings.

The building under study, of standard quality, is in an average general condition and requires several upgrades. Several significant components are at the end of their useful life (windows, roof shingles, exterior cladding, etc.) and will need to be replaced. Likewise, several deficiencies in the building were noted and will need to be corrected. Note, in particular, the major cracks in the concrete block foundation walls and the poor condition of the attached garage structure. Despite the absence of a structural engineer's external opinion, considering the current state of the building, we recommend the replacement of this portion of the foundation, including the lifting of the building and the removal of the old concrete blocks.

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 **$245,000** based on the *Marshall & Swift Valuation Services* cost manual, published by *CoreLogic*. This value corresponds to **approximately $233.00** 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 **68%**, taking into account the general condition of the building. This indicates a depreciated building value of **$79,000**. Note that this depreciation takes into consideration that the building is of standard quality, that most of the components are at the end of their useful life and that several deficiencies 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	$7 253	80%	$1 451
Frame	$5 529	65%	$1 933
Floor structure	$16 573	70%	$4 974
Floor cover	$17 766	64%	$6 377
Ceilling	$4 836	51%	$2 370
Wall finition	$2 361	51%	$1 157
Interior construction	$71 715	74%	$18 293
Plumbing	$14 782	51%	$7 243
Electricity	$11 729	56%	$5 139
Heating/cooling/ventillation	$9 014	51%	$4 417
Exterior wall composition	$39 830	51%	$19 517
Roof	$16 754	65%	$5 895
Miscellanous	$1 157	83%	$196
Annexes (balcony, terraces, ramps)	$25 482	100%	$0
Total	$244 781	68%	$78 963
Total (rounded)	**$245 000**	**68%**	**$79 000**

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 1941-2021-06-23), 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, possible presence of asbestos, presence of pyrite under the slab, etc.).

Table 2 – Approximate renovating cost of the building

Items	Estimated Cost (lump sum to be validated)
Foundation wall/concrete slab/French drain/insulation	$75 000
New garage	$37 000
Vinyl repair	$1 500
Windows to replace	$18 000
porch and front staircase	$1 600
patio and rear staircase	$3 400
Asphalt driveway	$3 000
Gutters	$1 000
General plumbing work	$1 500
Electric work	$1 500
Entrance and kitchen tiles	$1 500
Bathroom walls tiles	$1 000
Others (flashings, opening windows limiter, shrub cutting, chimney flashing, minor gypsum repair, cracks repair, cabinet doors, hood duct insulation, etc.)	$2 000
Subtotal	$148 000
Contingencies (±15 %)	$22 200
Subtotal	$170 200
Taxes	$25 487
TOTAL	$195 687
Total (rounded)	**$196 000**

We therefore estimate the cost of the renovations to be approximately $196,000 (including taxes and contingency costs). Note that this amount does not include:

- Possible removal of asbestos in the gypsum and the stucco (hypothetical work)
- Possible removal of mold (hypothetical work)
- Possible removal of vermin im the buil;ding and garage (hypthetical work)
- Possible removal of heating oil spill under the slab (hypthetical work)

3 Conclusion

3.1 CORRELATION

In conclusion, the replacement cost of the building was estimated at **$245,000** 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 1951-2021-08-31), prepared by Louise Coutu, architect, we estimate the overall physical depreciation of the building at **68%**, taking into account its general condition. This provides us with a depreciated building value of **$79,000**. Note that this depreciation takes into consideration that the building is of standard quality, that certain components are at the end of their useful life and that deficiencies have been identified. We should particularly note the important foundation problems.

Additionally, at your request, we estimated the potential cost of the renovations at **$196,000**, subject to validation by specialized contractors. This cost does not include some hypothetical work, as mentioned on the previous page.

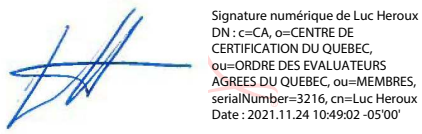
3.2 CERTIFICATION

I certify that I:

- Alain Legault, technician, have personally visited the property being appraised on August 31, 2021.
- 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, Luc Héroux, C. App., on this 8th day of Novembre 2021, 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.



Luc Héroux, C. App.
Chartered Appraiser

Subject photographs

Front view

Neighborhood

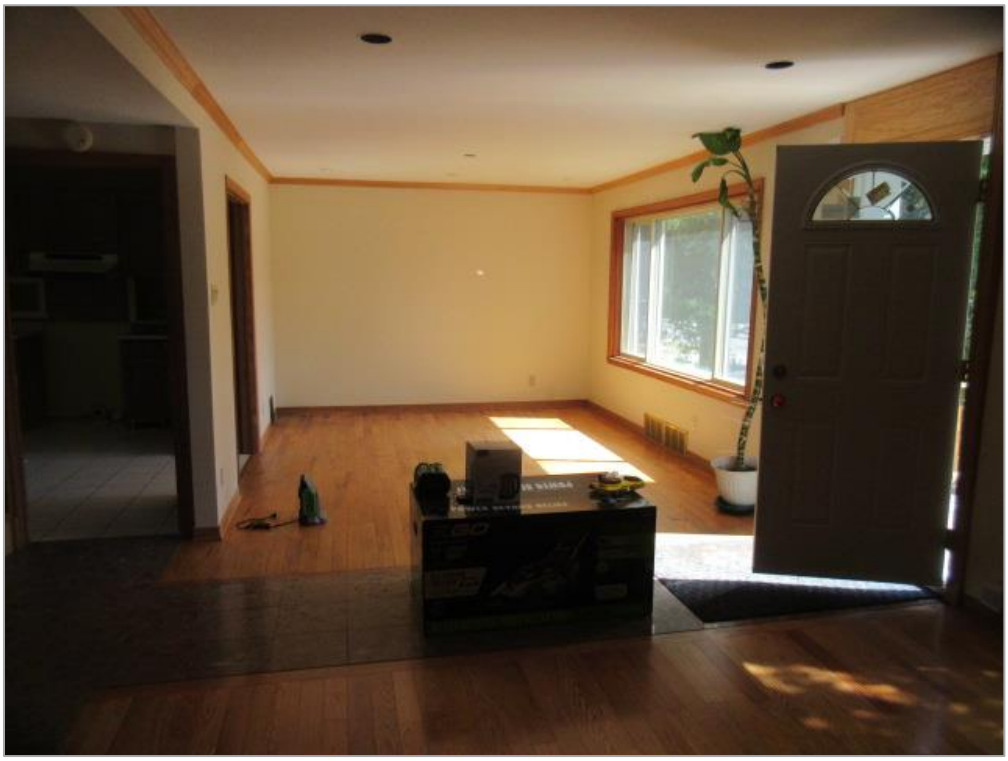
SUBJECT PHOTOGRAPHS (cont.)

Backyard

Driveway leading to garage

SUBJECT PHOTOGRAPHS (cont.)

Entrance



Living room

SUBJECT PHOTOGRAPHS (cont.)

Kitchen

Corridor and main staircase

SUBJECT PHOTOGRAPHS (cont.)

Bathroom

Rear entrance

SUBJECT PHOTOGRAPHS (cont.)

Bedroom

Bedroom

SUBJECT PHOTOGRAPHS (cont.)

Shower

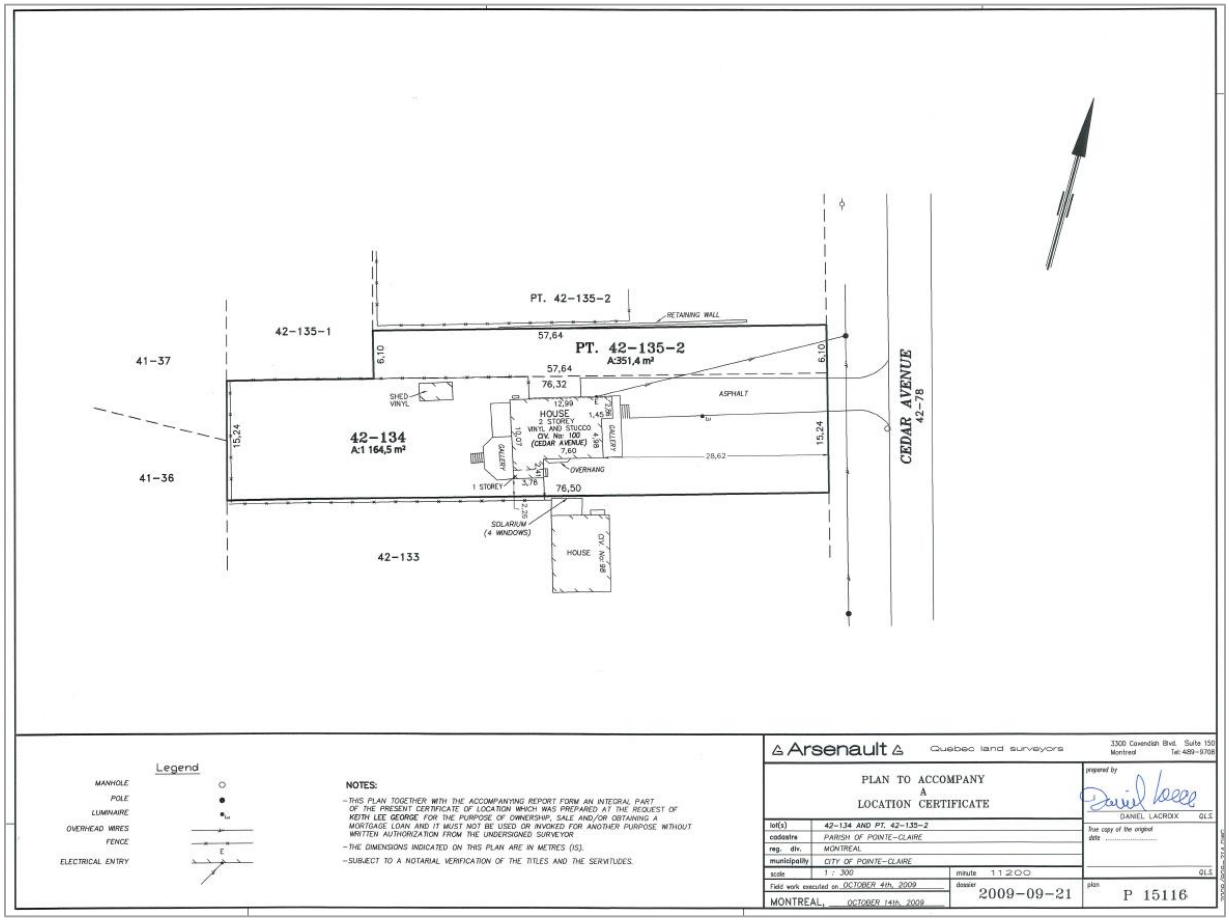
Basement and mechanical room

SUBJECT PHOTOGRAPHS (cont.)

Hot air exhaust / Oil heating system

Basement, family room

Certificate of location



Professional Qualifications

PROFESSIONAL QUALIFICATIONS – LUC HÉROUX

Academic Studies

UNIVERSITY	Université du Québec in Montreal (UQAM) BAA in Business Administration - 1997
UNIVERSITY	Université du Québec in Montréal (UQAM) BAA in Economy - 1993
COLLEGE	Édouard-Montpetit, Longueuil Diploma obtained in 1990

Advanced Classes and Seminars

- Professional obligation, ethics and professionalism
- Application of the Income Approach, financial mathematics, mortgage calculation
- Application of the Direct Comparison Method
- Application of the Cost Approach and construction techniques
- Appraisal of commercial centres
- Working file for sales analysis in the preparation of the property assessment roll
- Geomatic to appraiser service

Professional Experience

2001 TO PRESENT	Chartered appraiser for Paris, Ladouceur & Associés Inc. (financing mortgages, financial repossessions, municipal appraisal contestations, insurances and investigations).
1998 TO 2001	Chartered appraiser for Paris, Ladouceur & Associés Inc. (financing mortgages, financial repossessions, municipal appraisal contestations and for expropriation purposes, insurances and investigations).
1997	Chartered appraiser for Yvon Caron & Associates (financing mortgages, financial repossessions and insurances).
1995 TO 1997	Appraisal technician for Gagnon, Goudreau, Leduc Inc.
1995	Inspector calculator for Le Groupe Leroux
1992 TO 1994	Clerk to real estate for Canada Mortgage and Housing Corporation in Longueuil (collection of rents, repossession marketing, works supervision and administration of assets). Trainee at the market analysis for the Canada Mortgage and Housing Corporation in Longueuil (analysis and writing market data, disclosure to market participants).

Professional Association

- Chartered member of l'Ordre des évaluateurs agréés du Québec