APPRAISAL REPORT

25 Prince Edward Avenue
Pointe-Claire (Québec)

O/File 652289E

PARIS, LADOUCEUR & ASSOCIÉS INC.
ÉVALUATEURS IMMOBILIERS PROFESSIONNELS

June 10, 2022

Mrs. Cindy Fisher
Coordinator – Planning Advisory Committee - Urban Planning
City of Pointe-Claire
451, Saint-Jean Boulevard
Pointe-Claire, Québec
H9R 3J3

Subject	Valuation report for demolition purposes, relating to the new and depreciated replacement cost, as well as the estimate of the potential renovation costs
Location	25 Prince Edward Avenue, Pointe-Claire (Québec).
O/File	652289E

Dear Mrs. Ficher:

In compliance with the mandate extended to us, with reference to by-law PC-2818 relating to the demolition of buildings, we have carried out an an estimate of the new and depreciated replacement cost of the above-mentioned building. In addition, we made an estimate of the potential renovation costs of this building. Note that these estimates will have to be validated with specialized contractors.

The property under study refers to a one-story detached house on concrete blocks and poured concrete foundation built in 1932, according to information listed on the municipal assessment role (2020-2021-2022) of the City of Montreal. The building is of standard quality. The living area is 1,065 square feet. Following the visit and inspection, we are of the opinion that several components are at the end of their useful life and will have to be replaced, not to mention the numerous deficiencies observed in the building and which will have to be corrected. Of particular note are the obvious problems with the structure of the building. The house sits on a 6,955 square foot rectangular lot.

For information purposes, the property was sold on September 23, 2021 for $425,000 under registration number 26 685 389 in the Quebec Land Registry.

Following our visit to the building, considering its general condition and with reference to the conclusions of Mrs. Louise Coutu, architect, in her diagnostic inspection report (file no 1982-2022-02-16), we have come to the following conclusions:

Replacement Cost New	$211,000	(± $198.12/square foot)
Depreciated Replacement Cost (71% of depreciation)	$62,000	(± $58.21/square foot)
Estimated Renovation Cost	$75,000	

You will find, in the following pages, a brief physical description of the building under study, the photographs taken at the time of our visit, on February 16, 2022, the detailed breakdown of the replacement cost new and the estimated physical depreciation. You will also find an estimate of the renovation costs for this building. It should be noted that at the time of writing this report, no bids from specialized contractors were available. Thus, the estimated amount for the building renovation must be interpreted with reservations and confirmed by the expertise of specialized contractors.

We hope that the content of this report will be useful, in accordance with your wishes and to your complete satisfaction.

Best regards.

PARIS, LADOUCEUR & ASSOCIATES INC.

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 : 2022.06.15 08:33:09 -04'00'

Alain Legault,
Senior technician

Luc Héroux, Ch. App.
Chartered Appraiser

AL/LH/dk

att.: Expertise

Photographs of the Subject Property

Front view of the building

Left side view of the building

Photographs taken on February 16, 2022, by Alain Legault

PHOTOGRAPHS OF THE SUBJECT PROPERTY (cont.)

Right side view of the building

Rear view of the building

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1 Descriptive Data

1.1 DESCRIPTION OF THE REAL ESTATE

PROPERTY ADDRESS	25 Prince Edward Avenue, City of Pointe-Claire (Québec)
CADASTRAL DESCRIPTION	Lot 4 251 073 — Québec cadastre
TYPE OF PROPERTY	Detached one-story building of standard quality built on a concrete blocks and piled foundation. The ground floor is composed of a living room, a kitchen, two bedrooms, a bathroom and a washing room. The residence is based on a crawl space.
BUILDING DATE	1932 (according to information listed on the municipal assessment role of the City of Montreal)
ECONOMIC LIFE	55 years
EFFECTIVE AGE	90 years
APPARENT AGE	52 years
REMAINING ECONOMIC LIFE	3 years
GENERAL CONDITIONS	Based on the complete visit of the building, as well as on the diagnostic inspection report (file no 1982-2022-02-16) prepared by Mrs. Louise Coutu, architect, we estimate that the physical condition of the premises is below average in relation to its age. Indeed, several components are at the end of their useful life and significant deficiencies have been observed and will have to be corrected.
BUILDING AREA	Ground floor 1,065 square feet Crawl space 525 square feet
LAND AREA	6,955 square feet and rectangular in shape
ZONING	Ra 47
PUBLIC SERVICES	The site under study is provided with some services offered by the City of Pointe-Claire (aqueduct, sanitary sewer, storm sewer, paving, curbs and lighting).

1.2 BUILDING TECHNICAL DESCRIPTION

EXCAVATION	Mass excavation
FOUNDATION	Piled foundation Concrete blocks
SLAB ON GROUND	Poured concrete on gravel
FRAME	Load-bearing wooden walls
STRUCTURAL FLOORS	Wooden structure
EXTERIOR WALLS	Painted steel cladding
FIREPLACE	Not applicable
DOORS AND WINDOWS	Insulated steel exterior doors with glazing PVC casement windows Aluminum sliding windows Wooden sash windows
ROOF	Roof covered with asphalt shingles Wooden and aluminum soffits Mineral wool isolation
ELECTRICITY	200 A electrical inlets with circuit breaker panel Recessed and incandescent lighting
HEATING/COOLING	Fuel oil forced hot air heating system Electric wall baseboard Dryer outlet
PLUMBING	Copper, ABS and cast iron plumbing Lavatory (1) Washbasin on cabinet (1) Sunken bathtub (1) Single stainless steel sink (1) 40 gallon gas hot water tank

1.2 BUILDING TECHNICAL DESCRIPTION (cont.)

WALLS AND PARTITIONS	Placoplatre
	Plaster
	Ceramic
	Wood paneling
	Brick
FLOOR FINISHES	Wooden slats
	Ceramic tiles
	Carpet
CEILINGS	Placoplatre
	Plaster
	Stucco
	Wood
KITCHEN	Melamine kitchen cabinets
	Laminated counters
	Single steel sink
	Kitchen hood
	Dishwasher
EXTERIOR LANDSCAPING	Gravel path
	Lawn
	Trees
	Shrubs
	Porch and wooden staircase
	Wooden ramp
	Wooden patio

1.3 PROPERTY ASSESSMENT AND REALTY TAX

TRIENNIAL ROLE	2020-2021-2022
REGISTRATION NUMBER	8234-07-4915-7-000-0000
MARKET REFERENCE DATE	2018-07-01
LAND VALUE	$219,700
BUILDING VALUE	$110,300
PROPERTY TOTAL VALUE	$330,000

1.3.1 SUMMARY OF OWNERSHIP

REGISTRATION NUMBER	26 685 389
SELLER	June Oberst (Robinson)
BUYER	9300-6161 Québec Inc. représented by Mr. Jean Houde
SALE DATE	2021-09-23
SALE PRICE	$425,000
COMMENTS	Without legal warranty

1.4 BUILDING GENERAL DESCRIPTION

Following our site visit and with reference to the diagnostic inspection report (file no 1982-2022-02-16) prepared by Mrs. Louise Coutu, architect, you will find below a summary of the deficiencies observed in the buildings. Please refer to the mentioned inspection report for the complete set of these deficiencies.

FOUNDATIONS	We note the probable absence of foundation walls V P/V N/V N/A and concrete blocks. The crawl space was not accessible at the time of the inspection. Only the service cellar located at the rear right of the crawl space was accessible by a narrow staircase. As the aluminum exterior wall cladding appears to drop to the ground and there is a trap door at the bottom of the left wall, we are led to believe that it is possible, as is the case with several houses of the same age in Pointe-Claire, that there are generally no foundation walls (except for the service cellar built later). These buildings usually sit on beams placed around the perimeter of the building supported at the corners and mid-point by concrete columns. Only access to the crawl space or the removal of part of the lower wall covering of the walls would confirm this. If you want to keep the building and renovate it, call on a structural engineer to check the situation and the corrective work to be done to solidify the structure of the building.
FLOOR SLAB	The concrete slab is thinner than usual and should be replaced.
FLOOR JOISTS	We noticed that the floors were uneven. This condition is common with older buildings and a reflection their age and the building techniques of their time. In fact, the floor structure is weak. If you are keeping the building, hire a structural engineer to reinforce the floor structure.
EXTERIOR CLADDING	The aluminum covering is partially torn off on the left side. A ventilation opening on the rear wall in the service cellar staircase is not sealed. Moreover, despite the presence of snow, we noticed that the aluminum covering of the walls probably went down to the ground. This often means that there are generally no real foundation walls (except for the installation of the service cellar). Correct the various shortcomings to ensure airtightness and waterproofing. Note that if you are replacing the exterior cladding of the walls, it would be appropriate to follow the current requirements to ventilate the back of the cladding so as to ensure the drying of the wall cavity.
FLASHINGS AND SEALS	There are no flashings above most wall openings or between the various sidings. Plan to add compliant flashings when repairing the exterior cladding.

1.4 BUILDING GENERAL DESCRIPTION (cont.)

DOORS AND WINDOWS	The windows have reached their useful life. Plan a complete repair of windows and patio doors.
TERRACES, BALCONIES AND PORCHES	The front gallery and the guardrail are collapsed. In addition, the gallery surface is made of painted OSB panels, which is not adequate for an exterior surface partially exposed to the weather. Furthermore, as the surface does not allow water to flow, it will deteriorate even more quickly due to water retention along the railing. Plan a repair of the whole.
SOFFITS	Clear soffits and check ventilation.
OUTDOOR LAYOUT	Plan to modify the slope of the land for drainage towards the street.
ROOF CLADDING	The roof needs to be replaced shortly.
GUTTERS	Roof overhangs are missing gutters. Have gutters installed at the bottom of each roof slope as well as outlets at the bottom of the gutters.
FLASHINGS	Proceed to install new flashings.
PLUMBING	Inspection of plumbing components was limited by the lack of running water in the system. Faults, not related in this report, may exist in the untested plumbing system. We suggest that you turn on all the plumbing to make sure the system is operational before rehabilitating the building,. The plumbing in an inhabited building tend to fail after a period of disuse.
ELECTRICITY	We noticed electrical cables without a protective cover. Remove the cables or insert them into junction boxes. Plan an upgrade. Attach the free junction box to a structural element. Replace unprotected outlets with GFCI outlets. Have the outlets and grounding checked by an electrician.
HEATING AND AIR-CONDITIONING	No specific comments to make following the inspection. The furnace is abandoned in the basement. Our inspection did not reveal any clues concerning as to the presence of a fuel oil storage tank buried in the ground near the house which would have been used to supply a heating system. We also did not notice any pipe that would be abandoned and that could have contaminated the ground under the concrete slab of the service cellar.
FIREPLACE	We noticed a fireplace in the living room. The hearth is disused since there is no chimney.

1.4 BUILDING GENERAL DESCRIPTION (cont.)

FLOOR FINISHES	The floor covering in the entrance portico is carpeted, which is not waterproof or snowproof. Plan to replace the carpet with a waterproof surface like ceramic tiles.
WALLS AND CEILINGS	We observe portions of walls to be repaired, holes in gypsum walls as well as repairs in progress. Execute all the work left. We noticed sagging of the material placed on the ceiling of the living room. Plan for a repair.
INSULATION AND VENTILATION	We notice that the soffits are poorly ventilated. Carry out the necessary work.

The building under study, of standard quality, is in poor condition and requires several upgrades. Several significant components are at the end of their useful life (windows, exterior cladding, etc.) and will have to be replaced. Similarly, several building deficiencies were noted and will have to be corrected. Note, in particular, structural problems and the absence of a foundation wall.

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 **$211,000** based on the *Marshall & Swift Valuation Services* cost manual, published by *CoreLogic*. This value corresponds to **about $198.12** 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 curable depreciation

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 incurable depreciation

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 **71%**, taking into account the general condition of the building. This indicates a depreciated building value of **$62,000**. Note that this depreciation takes into consideration that the building is of standard quality, that some 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

Actual Building Components	Replacement Cost	Physical Depreciation (%)	Depreciation Replacement Cost
Footing/Excavation/Wall Foundation	$15,961	73%	$4,309
Frame	$7,900	73%	$2,133
Floor Structure	$15,791	73%	$4,264
Floor Covering	$21,255	69%	$6,625
Ceilings	$5,436	73%	$1,468
Wall Finishes	$6,089	25%	$4,569
Interior Construction	$41,963	73%	$11,330
Plumbing	$15,162	73%	$4,094
Electricity	$8,316	73%	$2,245
Heating/Cooling/Ventilation	$5,451	73%	$1,472
Exterior Walls	$20,720	66%	$6,946
Roof	$25,394	73%	$6,856
Miscellanous	$7,244	92%	$597
Annexes (balcony, terraces, ramps)	$14,173	64%	$5,085
Total	$210,856	71%	$61,992
Rounded Total	**$211,000**	**71%**	**$62,000**

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 (file no 1982-2022-02-16), prepared by Mrs. 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 in the gypsum finish, presence of pyrite under the slab, etc.)

Table 2 — Approximate Renovation Cost of the Building

Building Components	Estimated Renovation Cost
Foundation Wall/Slab/French drain/Insulation	$6,500
Exterior Vinyl Siding Repair	$11,500
Windows Replacement	$17,000
Rear Terrace and Shed	$8,500
Roof	$5,500
Land Slope and Paving Stone	$6,000
Gutters/Outlets/Flashings	$1,500
Plumbing Work	$1,500
Electrical Work	$1,500
Miscellaneous (flashings, window caulking, chimney flashing, minor gypsum repair, cracks repair, chimney flue insulation, etc.)	$2,000
Subtotal	**$61,500**
Contingencies (± 15%)	$9,225
Subtotal	$70,725
Taxes	$10,591
Total	$81,316
Rounded Total	**$81,000**

We estimate the approximative renovation cost at **$75,000** (taxes and contingencies included). Note that this amount does not include costs related to:

- Possible removal of asbestos in gypsum and stucco, and decontamination (hypothetical work);
- Possible presence of mold and decontamination (hypothetical work);

3 Conclusion

3.1 CORRELATION

In conclusion, the replacement cost of the building was estimated at **$211,000** based on the *Marshall & Swift Valuation Services* cost manual, published by *CoreLogic*.

Based on the site visit and with reference to the inspection report (file no 1982-2022-02-16), prepared by Mrs.Louise Coutu, architect, we estimate the **overall physical depreciation of the building at 71%**, taking into account its general condition. This provides us with a **depreciated building value of $62,000**. Note that this depreciation considers that the building is of standard quality, that some components are at the end of their useful life and that deficiencies have been identified.

Additionally, at your request, we estimated the potential cost of the renovations at **$75,000**, 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 February 16, 2022.
- 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.

We, the undersigned, Alain Legault, senior technician, and Luc Héroux, chartered appraiser, certify that to the best of our 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 & ASSOCIATES 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 : 2022.06.15 08:33:34 -04'00'

Luc Héroux, Ch. App.
Chartered Appraiser

Subject Photographs

Facade

Surroundings

Photographs taken on February 16, 2022, by Alain Legault

SUBJECT PHOTOGRAPHS (cont.)

Courtyard

Front porch

SUBJECT PHOTOGRAPHS (cont.)

Living room

Kitchen

SUBJECT PHOTOGRAPHS (cont.)

Bathtroom

Bathroom

SUBJECT PHOTOGRAPHS (cont.)

Bedroom

Bedroom

SUBJECT PHOTOGRAPHS (cont.)

Water infiltration

Water infiltration

SUBJECT PHOTOGRAPHS (cont.)

Window to replace

Rear view of the building

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