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Monastyrski, Kandace GTH

From: Wagar, Blair GTH <FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=BWAGAR>
Sent: Tuesday, November 27, 2012 1:40 PM
To: Staats, Paul GTH
Subject: FW: CDI Draft - Land Assembly_Nov 2012 v2

From: Wagar, Blair GTH
Sent: November 27, 2012 12:28 PM
To: Dekker, Chris GTH
Subject: FW: CDI Draft - Land Assembly_Nov 2012 v2

Chris,

Attached is the CDI sent to Swystun yesterday.

From: Wagar, Blair GTH
Sent: November 26, 2012 2:08 PM
To: Swystun, Blair CIC
Cc: Dekker, Chris GTH; Eckert, Jody GTH; Lemmerick, Mark GTH; Staats, Paul GTH
Subject: CDI Draft - Land Assembly_Nov 2012 v2

Blair,

As per Chris's email, here is the draft CDI regarding land assembly.



From: Dekker, Chris GTH
Sent: November 26, 2012 11:28 AM
To: Wagar, Blair GTH
Cc: Eckert, Jody GTH; Lemmerick, Mark GTH; Staats, Paul GTH
Subject: RE: Land Assembly_Nov 2012 v2

Blair Swystun is the contact in CIC. Please provide him with our early draft ASAP.

I will be on the road shortly and available by c phone.

Chris

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Monastyrski, Kandace GTH

From: Wagar, Blair GTH
Sent: Tuesday, November 27, 2012 5:20 PM
To: Baker, Cam ECON
Cc: Dekker, Chris GTH
Subject: Land Assembly_Nov 2012 v(5).docx
Attachments: Land Assembly_Nov 2012 v(5).docx

Cam.....sorry this is the right version

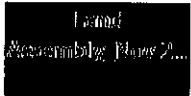
16(1)

Monastyrski, Kandace GTH

From: Dekker, Chris GTH
Sent: Tuesday, November 27, 2012 4:24 PM
To: Wagar, Blair GTH; Eckert, Jody GTH
Subject: Land Assembly_Nov 2012 v4 (2)

Importance: High

Proof and format this version immediately and forward to Cam Baker at breakneck speed.



16(1)

BRIEFING NOTE

Land Purchase and Dewdney Avenue Interchange Preliminary Design

ISSUE:

The preliminary design and land use requirements of the Dewdney Avenue Interchange required revisions to the GTH Master Land Use Plan and 2012-13 Business Plan.

RECOMMENDATION:

It is recommended that;

1. the GTH not proceed with the purchase of the two parcels of land identified in the 2012-13 Business Plan and remove the \$4.26 million from the budget forecast.
2. That MHI be directed to assemble these parcels as soon as possible to ensure the property is protected for the West Bypass corridor and Dewdney Avenue Interchange requirements.
3. That MHI and the GTH work together to design a free flow connection between the GTH and the West Regina Bypass.

BACKGROUND:

The initial draft of the GTH Master Land Use Plan developed by our planning consultant identified two parcels of land outside the current GTH footprint as the primary location for a free flow access to the West Regina Bypass and the GTH's commercial service hub (which includes a truck staging area).

Based on the recommendations in the draft Master Land Use Plan, the GTH included the assembly of this land as part of the 2012-13 business plan. At that time the GTH was forecasting \$2.2 million to acquire the two parcels of land based on previous appraisals.

In the process of acquiring the two parcels, the GTH learned that a prospective buyer had registered an interest on title based on a conditional sales agreement. Given these interests, the GTH was not able to move forward with an offer to purchase these parcels until the interest on title was removed (ie the sale was complete). The GTH has also learned that the possibility of achieving a sale agreement within our budget was unlikely. The current appraised price for these parcels is estimated to be between \$15,000 and \$20,000 per acre (approx \$4.26 million) and it is expected that an offer to purchase based on this value will be refused by the owners.

In addition to the financial constraint, MHI has provided new information about the preliminary design and land use requirements for the Dewdney Avenue interchange. The design is estimated to consume the majority of the two identified parcels for construction of the interchange and eliminates a direct free flow access to the West Regina Bypass.

Based on MHI's preliminary design and land use requirements, the initial location for the commercial service hub is no longer compatible or feasible and new location within the existing

GTH footprint has been identified. Given this information, the GTH's Master Land Use Plan was modified to ensure alignment with the regional transportation infrastructure plans lead my MHI.

The GTH has concerns with the preliminary design of the Dewdney Avenue interchange as it does not provide direct free flow access to the GTH footprint. MHI has recently engaged an engineering firm (Associated Engineers) to conduct an analysis of this design to determine how it could be improved to better meet the needs of the region. Officials from MHI and the City of Regina are on the Steering Committee for the review process and the GTH has been listed as a stakeholder and will be part of the Steering Committee's consultations.

ANALYSIS/IMPLICATIONS:

Right now the GTH has forecasted \$4.26M to purchase these parcels but has recommended to the Board of Directors that we not proceed with the purchase given the uncertainty in the land that will be available for development after the interchange is designed. The secondary issue is the financial resources required to obtain the property will create a high risk of exceeding the GTH's current \$40 million borrowing limit.

CONFIDENTIAL/SENSITIVE INFORMATION:

This briefing note does contain confidential and sensitive information.

Monastyrski, Kandace GTH

From: Wagar, Blair GTH <FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=BWAGAR>
Sent: Tuesday, November 27, 2012 1:38 PM
To: Fedyk, Winter FI
Cc: Koshman, Debbie GS
Subject: RE: CDI re Land
Attachments: Site Map.docx

No problem Winter. CIC asked us to extend the deadline past noon to allow them more time to do their internal due diligence. Chris is leading the charge on this right now. I expect I will see a draft of the CDI later this afternoon at this point. I've attached a map of the parcels that the GTH as secured a conditional option to purchase through our commercial broker. Please hold the map in strict confidence as we are seeing significant speculation take place in the area which is one of the main reasons for the CDI.

From: Fedyk, Winter FI
Sent: November 27, 2012 1:22 PM
To: Wagar, Blair GTH
Cc: Koshman, Debbie GS
Subject: RE: CDI re Land

Just checking on when you think the CDI might be available to share. Sorry to harass you, but I am being harassed myself...

Meantime, do you have a map that highlights the land in question?

From: Wagar, Blair GTH
Sent: Tuesday, November 27, 2012 9:26 AM
To: Fedyk, Winter FI
Cc: Koshman, Debbie GS
Subject: RE: CDI re Land

Winter,

Here is some background information that may help you to keep things moving.

As part of the long-term land assembly plan, the GTH's 2012-13 Business Plan identified the need to acquire two parcels of land immediately east of the GTH footprint. This was based partially on the understanding that the provincial government required the land to complete the highway infrastructure for the West Regina Bypass and that any remaining developable land would be incorporated into the GTH footprint. The assembly of this land would enable the Province to have ownership and control over the land and protect the corridor from uncomplimentary development. This would allow the Province to strategically plan for future development consistent with the mandated land use and maximize the infrastructure investment that have been made to date to enable the GTH as an instrument of global trade.

The GTH received direction from its Board of Directors to begin to assemble the lands in May 2012. An assembly team made up of representatives from Central Services, Ministry of Highways and Infrastructure (MHI) and the GTH was established. While in the appraisal process, it was determined that the two parcels of land in question had an accepted Offer to Purchase with a closing date of January 2013. Because MHI would

require most of this land, there was an existing offer to purchase, and land prices had increased beyond the current funding capacity of the GTH, the Board subsequently agreed that the GTH should allow the province to pursue the purchase of the lands in question.

From: Fedyk, Winter FI
Sent: November 27, 2012 8:40 AM
To: Wagar, Blair GTH
Cc: Koshman, Debbie GS
Subject: RE: CDI re Land

Thanks. Finance Minister is mostly concerned with what the parcel of land is, and what it will be used for. If you could send a few paragraphs on that this morning while we wait for the CDI to be ready for sharing, that would be much appreciated.

Winter

From: Wagar, Blair GTH
Sent: Monday, November 26, 2012 5:40 PM
To: Fedyk, Winter FI
Cc: Koshman, Debbie GS
Subject: CDI re Land

Hi Winter,

Spoke with Chris – we will share the CDI but it will not be ready until after we brief our Minister as he has not seen a draft yet. The recommendation and options are being developed with CIC now and we don't expect we will briefing our Minister until late morning tomorrow (Nov 27th) at the earliest.

Blair

Blair Wagar
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Global Transportation Hub
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Regina, Saskatchewan, Canada S4P-4K5
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(306) 798-4600 Fax
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Sisters

**APPRAISAL REPORT
VACANT LAND
116.86 ACRES
10001 DEWDNEY AVENUE
SE CORNER OF DEWDNEY AVENUE AND CONDIE ROAD
NW 20-17-20-W2
REGINA, SASKATCHEWAN**

**AS AT
JUNE 15, 2012**

PREPARED BY:

**PETER M. LAWREK, B.A. AACI, P.APP
LJB LAWREK JOHNSON BIRD APPRAISALS & CONSULTING LTD.
2126 ROSE STREET
REGINA, SASKATCHEWAN**

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June 15, 2012

Saskatchewan Ministry of Government Services

2nd Floor, 1920 Rose Street

Regina, Saskatchewan

S4P 0A9

Attention: Mr. Alfred G. Bernstein,
Director
Accommodation Services

Dear Sir:

RE: Appraisal Report
Vacant Land
10001 Dewdney Avenue
SE corner of Dewdney Avenue and Condie Road
116.86 acres
NW 20-17-20-W2
Parcel #165025414
Regina, Saskatchewan

In accordance with your instructions, we have prepared an appraisal report of the above land. The purpose of the appraisal is to estimate the market value of the land as at June 15, 2012. The date of inspection was June 10, 2012. The intended use of the appraisal is to assist the client in the possible purchase of the subject land.

We have personally inspected the property and have analyzed all available information considered pertinent. Based on this inspection and analysis the market value as at June 15, 2012 is estimated to be:

Two Million Three Hundred and Thirty Seven Thousand (\$2,337,000) Dollars

or

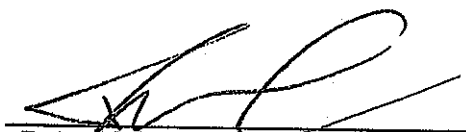
\$20,000/acre x 116.86 acres

This appraisal report is based on the following assumptions:

- 1) The Government of Saskatchewan will control development approval on this land as opposed to the City of Regina.
- 2) The Global Transportation Hub will not allow services and roads to be extended from the GTH land to the subject land.
- 3) Saskatchewan Highways and Infrastructure will require all of the subject land (116.86 acres) for a Dewdney Avenue interchange.

The report which follows outlines the market data collected and analyzed and the appraisal methods employed.

Respectfully Submitted,
LJB Lawrek Johnson Bird Appraisals and Consulting Ltd.



Peter M. Lawrek, B.A. AACI, P.App

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PART TWO - BASIS OF THE APPRAISAL

Client and Intended Use of the Report

The report is intended for use only by the client, Saskatchewan Ministry of Government Services and others as determined by the client. This report is intended for to assist the client in the possible purchase of the subject land. Use of this report by others is not intended by the appraiser and any liability in this respect is strictly denied.

Purpose of the Assignment

To estimate the market value of the land as at the effective date.

Property Rights Appraised

Fee Simple ownership subject to any leases outlined in this report.

Type of Report

Short Narrative, current value.

Effective Date of Value

June 15, 2012

Definition of Market Value

As defined by the Appraisal Institute of Canada in the Canadian Uniform Standards of Professional Appraisal Practice.

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of the specified date and the passing of title from seller to buyer under conditions whereby:

- 1) buyer and seller are typically motivated;
- 2) both parties are well informed or well advised, and acting in what they consider their own best interests;
- 3) a reasonable time is allowed for exposure in the open market;
- 4) payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto;
- 5) the price represents the normal consideration for the property sold unaffected by special creative financing or sales concessions granted by anyone associated with the sale."

Market value as defined by International Valuation Standards 2000:

"Market value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

Scope of Work

Inspection

We inspected the property. The identification of the property also involved a review of mapping prepared by the local municipality, and our earlier files on the property. The photographs were taken on the date of inspection.

Type of Analysis

This appraisal complies with the Standards of the Appraisal Institute of Canada and the International Valuation Standards. We are competent in this type of appraisal analysis and have appraised this type of property previously.

Data Research

We received our instructions from the client who provided information on the property. Publications produced by the municipality provided information on applicable land use controls. Sources of market evidence included, as appropriate, the local real estate board, Land Title Office transactions - including those reported by local assessors, real estate agents, vendors and purchasers active in the market. The Information Services Corporation provided information on the state of title.

Audits and Technical Investigations

We did not complete technical investigations such as:

- Detailed investigations or engineering review of the plans of the structure;
- An environmental review of the property;
- A site or building survey;
- Investigations into the bearing qualities of the soils
- Audits of financial and legal arrangements concerning the leases

Verification

The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct. The mandate for the appraisal did not require a report prepared to the standard appropriate for court purposes or for arbitration, so we did not fully document or confirm by reference to primary sources all information herein.

Assumptions & Limiting Conditions

1. The client to whom this report is addressed may use it in deliberations affecting the subject property only, and in so doing, the report should not be extracted, but used in its entirety.
2. While expert in appraisal matters, the author is not qualified and does not purport to give legal advice. It is assumed that:
 - a) The legal description as furnished by the Land Titles Office is correct;
 - b) Title to the property is good and marketable;
 - c) There are no encroachments, encumbrances, restrictions, leases or covenants that would in any way affect the valuation, except as expressly noted herein;
 - d) The existing use is a legally conforming use which may be continued and the required building permits have been acquired for all improvements;
 - e) Rights of way, easements or encroachments over other real property and leases or other covenants noted herein are legally enforceable.

Because these assumptions have been made, no investigation, legal or otherwise, has been undertaken which would verify these assumptions except as expressly noted herein.

3. The author is not a qualified surveyor. Sketches, drawings, diagrams, photographs etc. are presented in this report for the limited purpose of illustration and are not to be relied upon in themselves.
4. The author is not qualified to give engineering advice. It is assumed that there are no patent or latent defects in the subject improvements, that no objectionable materials such as Urea Formaldehyde foam are present, that they are structurally sound and in need of no immediate repairs, unless expressly noted within this report. No soil tests have been done, nor have tests been done of the heating, plumbing, electrical, air-conditioning or other systems and, for the purpose of this opinion, they are assumed to be in good working order.
5. No investigation has been undertaken with the local zoning office, the fire department, the buildings inspector, the health department or any other government regulatory agency unless such investigations are expressly represented to have been made in this report. The subject property must comply with such government regulations and, if it does not comply, its non-compliance may affect market value. To be certain of compliance, further investigations may be necessary.

6. Neither possession of this report nor a copy of it carries with it the right of publication. All copyright is reserved to the author and is considered confidential by the author and his client. It shall not be disclosed, quoted from or referred to, in whole or in part, or published in any manner, without the express written consent of the appraiser. This is subject only to confidential review by the Appraisal Institute of Canada.
7. Market data has been obtained, in part, from documents at the land registry office, or as reported by the real estate board. As well as using such documented and generally reliable evidence of market transactions, it was also necessary to rely on hearsay evidence. Except as noted herein, a reasonable attempt has been made to verify all such information.
8. Because market conditions, including economic, social and political factors, change rapidly and, on occasion, without warning, the market value expressed as of the date of this appraisal cannot be relied upon to estimate the market value as of any other date except with further advice of the appraiser.
9. The compensation for services rendered in this report does not include a fee for court preparation or court appearance, which must be negotiated separately. However, neither this nor any other of these limiting conditions is an attempt to limit the use that might be made of this report should it properly become evidence in a judicial proceeding. In such a case, it is acknowledged that it is the judicial body which will decide the use of the report which best services the administration of justice.
10. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.
11. Extraordinary Limiting Condition
One or two of the three traditional approaches to value may have been excluded. The reasons for any exclusion are explained in this report.
12. Extraordinary Assumption
Refer to Letter of Transmittal regarding any assumptions.

PART THREE - FACTUAL INFORMATION

Identification of the Property / Title Information

Address: 10001 Dewdney Avenue
Regina, Saskatchewan
Legal Description: NW 20-17-20-W2 Parcel #165025414
Title Information: Refer to Certificate of Title in the Supporting Data section
Sales History

Owned by the current owners since at least June 18, 1996. There is currently an accepted offer to purchase registered on the title by 139 Land Corporation.

Area, City and Neighbourhood Data

Province of Saskatchewan Data

Location: Located in Western Canada between Alberta to west and Manitoba to east
Population: 1,067,612 Jan.1/12 (Sask. Gov't Bureau of Statistics)
Size: 250,000 square miles
Key Economic Sectors: Agriculture: the original economic base
Manufacturing: Manufacturing shipments were \$12.6 billion in 2011 while international exports of manufactured goods was \$5.0 billion in 2011, an increase of 35.0 per cent from 2010. (Statistics Canada)
Mining: Sask. is the 3rd largest non-fuel mineral producing province in Canada. Saskatchewan accounted for 15.6% of the value of total Canadian mineral production in 2009. At just over \$6.9 billion, Saskatchewan's value of production was second largest in Canada in 2010. Saskatchewan's mineral exploration spending is third largest in Canada.
Oil & Gas: 2nd highest oil producing province, 3rd highest natural gas producing province
Advanced Technology: Approximately 14,000 people in some 300 Saskatchewan companies generate more than \$1 billion a year, providing innovative products and services in telecommunications, digital communications, software development, monitoring and remote sensing, computerized banking, geomatics, health and environmental systems
Research: 1/3 of Canada's ag-biotech research takes place in Sk.
- CLS (synchrotron) in Saskatoon is one of the 2 most powerful of its kind in N. America.
- Weyburn has the world's first and largest carbon capture and sequestration project.
One of the cheapest places to do business in the world
One of the best educated in Canada - nearly 50% of employees have a post secondary education.
60% of exports go to USA, 40% to the rest of the world. In 2011 more than half of Saskatchewan exports were mining, oil and gas related. Mining, oil and gas accounted for \$16.7 billion of the \$29.7 billion in exports. 62% of Saskatchewan's international exports went to USA, and 38% to the rest of the world. In 2010, more than half of Saskatchewan exports were mining, oil and gas related. Mining, oil and gas accounted for \$13.2 billion of the \$23.7 billion in exports.
Summary: Saskatchewan has experienced slow but steady growth. GDP statistics:

<i>(f) average of the nine major forecasters</i>									
Canada	3.1%	3.0%	2.8%	2.3%	0.6%	-2.6%	3.1%	2.5%	2.7%
Real GDP growth rates, in basic prices, chained 2002 dollars									
Saskatchewan	4.7%	2.8%	-1.4%	3.5%	4.9%	-4.2%	2.5%	3.7%	3.5%
<i>Source: Statistics Canada. GDP by Industry, CANSIM table 379-0025.</i>									
	2004	2005	2006	2007	2008	2009	2010	2011 (F)	2012 (F)

City Data

Regina:

- Capital of Province of Saskatchewan
- 100 miles north of the US border near the south end of the province
- Located on Trans Canada Highway

Economic Base:

- Agriculture service
- Retail and distribution centre
- High civil service numbers
- Some of the largest employers are Viterra (grain company), Evraz Inc. Na (steel plant), Co-op Oil Refinery, Canada Life Insurance, Farm Credit Corporation

Unemployment Rate May 2012 (Seasonally Adjusted)

Regina	3.9%
Saskatchewan	4.5%
Canada	7.3%
Saskatoon, Saskatchewan	5.6%
Winnipeg, Manitoba	5.4%
Edmonton, Alberta	4.9%
Calgary, Alberta	4.9%

Source: <http://www40.statcan.ca/l01/cst01/lfs03-eng.htm>

Industries/Sectors that Drive the Regina Economy

- 1) Evraz Inc. Na. steel plant (formerly Interprovincial Steel Company, IPSCO): They employ approx. 1,000 full time employees. They have been expanding and expect continued growth in the future.
- 2) Co-op Oil Refinery and Upgrader: They have 610 full time employees. They have been expanding and should continue to grow in the future.
- 3) Head Office of Viterra grain company (formerly Saskatchewan Wheat Pool). They employ approx. 440 full time employees
- 4) Western Canada Regional Head Office of Canada Life Insurance: Approx. 700 employees. No expansion expected.
- 5) Head Office of Farm Credit Canada: Moved from Ottawa to Regina in about 1992. Approx. 400 Full time employees
- 6) Government of Saskatchewan: They are the largest user of Regina office space. SaskPower Corp. employs approx. 1,000 full time employees in Regina, SaskEnergy Inc. employs about 450 full time employees, SaskTel employs approx. 2,069 full time employees. All of the Crown Corporations have grown in recent years and predict continued growth in the near future.
- 7) Government of Canada: They have a substantial number of employees in Regina.
- 8) As of January 2012 the Global Transportation Hub (GTH) total investment in infrastructure is \$504 million. The GTH current employees 420 employees and will employee up to 800 by the end of 2012. Companies such as, Canadian Logistics Services, Yanke, Loblaw's and AFI Distribution Group will operate out of the GTH.

Population History:

(Source: City of Regina)

June, 1981	163,217
June, 1992	184,050
June, 2000	189,400
June, 2005	192,800
June, 2006	194,100
June, 2007	195,000
June, 2008	199,000
June, 2009	200,000
June, 2010	202,000
June, 2011	205,000

Local Economy:

The Regina economy is relatively strong and growing.

Real Estate Market**Residential:**

Relatively strong market. Highest demand is for low to mid range homes.

Multi-Family:

Good demand by investors due to low interest rates and low vacancy rates. Vacancy rate 0.6%. (CMHC April/12). Strong demand by tenants.

Industrial/ Warehouse:

Good demand especially for smaller buildings. Vacancy rate less than 3%.

Office:

Good demand by investors and tenants

Dec. 31, 2002 vacancy rate was	7.00%
Dec. 31, 2005	4.39%
June 30, 2006	3.69%
Dec. 31, 2006	3.63%
June 30, 2007	3.28%
Dec. 31, 2007	3.05%
June 30, 2008	2.41%
Dec. 31, 2008	1.95%
July 31, 2009	1.73%
Dec. 31, 2009	2.72%
Sept. 2010	2.50%
March 2011	2.17%
Sept. 2011	1.73%
March 2012	1.63%

Retail:

Relatively good demand for high quality locations. Overall retail vacancy rate is less than 3%.

Comments:

The overall real estate market is relatively good

Demand for Subject Property:

Relatively good demand for land like the subject.

Number & Value of Building Permits Issued, Total, Regina, Historical

Year	Number	Value (\$000's)
1990	1,751	102,791.7
1995	1,221	100,651.7
2000	1,462	113,331.8
2005	1,670	241,529.0
2006	1,919	276,927.9
2007	2,186	337,685.6
2008	2,387	342,372.1
2009	2,307	458,354.2
2010	2,539	426,790.7
2011	2,790	547,721.3
2012 (5 mths)	1,250	240,183.5

Source: City of Regina, Urban Development

Housing Starts, Regina CMA, Historical

Year	Single Detached	Multiples	Total
1990	320	151	471
1995	323	48	371
2000	459	156	615
2005	572	316	888
2006	749	237	986
2007	864	534	1,398
2008	979	396	1,375
2009	569	361	930
2010	708	639	1,347
2011	958	736	1,694
2012 (5 mths)	486	758	1244

Neighbourhood

Refer to the maps in the Supporting Data section. The subject land is located at the southwest corner of Dewdney Avenue and the proposed new West Regina Bypass and extends west to Condie Road which is only a dirt trail south of Dewdney Avenue. Condie Road is a dead end at the railway tracks to the south. The subject land is immediately east of the Global Transportation Hub and both the subject and the Hub are within the Regina city limits. The Hub was annexed into the City of Regina in 2009 and will be used for large warehouses and railway shipping.

Neighbouring Properties

North (across Dewdney Ave.):

Farmland and future industrial subdivision

South:

Farmland

East:

The proposed West Regina Bypass will be immediately adjacent to the subject and then the Canadian Pacific Railway and then vacant land (Saskimay First Nation) with a gas station in the northeast corner.

West (across Condie Rd.):

Vacant land in Global Transportation Hub.

Conclusion:

The neighbourhood is a good location for the subject land.

Description of Land & Site Analysis

Location	Southwest corner of Dewdney Avenue and the proposed West Regina Bypass extending west to Condie Road.
Land Size:	116.86 acres
Services:	City of Regina 600 mm (24 inch) water line on Dewdney Avenue but direct connection to this line is not allowed. The nearest water and sewer is on the Global Transportation Hub lands but the GTH will not allow adjacent land owners to connect to GTH services. The water line to the GTH originates from north of the airport. The sewer system for the GTH goes directly to the City lagoons west of Regina. According to the City of Regina it is not feasible to extend a new water and sewer line from the City of Regina to the subject land.
Topography:	Generally Level, adequate drainage
Access:	Direct access from Dewdney Avenue which is a paved road.. Condie Road (dirt trail) to the west side.
Traffic Flow:	Dewdney Avenue traffic is increasing substantially due to traffic to and from the Global Transportation Hub.
Easements:	Refer to the Neighbourhood Map in the Supporting Data section. It shows the 2 petroleum pipeline easements that cross the land which would make development difficult. The area of the 2 pipelines is approx. 11.78 acres.
Conclusion:	Good access and exposure.

Assessment and Taxes

	Assessed Value	Taxable Assessment	Property Taxes
2011	\$ 136,800	\$ 75,200	\$ 1,785.38
2012	\$ 136,800	\$ 75,200	\$ 1,840.61

Note: The subject land is assessed as agriculture land until it is developed. The effective date of the assessment is June 30, 2006. The last general reassessment was 2009 and is done every 4 years.

Land Use Controls / Zoning

According to the City of Regina Zoning Bylaw No. 9250, the subject property is zoned:

UH - Urban Holding

This zone is designed to protect lands required for future urban development from premature subdivision and development.

PART FOUR - ANALYSES & CONCLUSIONS

Characteristics of the Market

There is a good demand for land like the subject. There are very few competing sites currently for sale.

Principle of Highest and Best Use

Definition: That reasonably probable and legal use of vacant land or an improved property which is physically possible, appropriately supported, financially feasible and that results in the highest value.

The highest and best use of a property is a major factor affecting market value. The value of a property results from its use and varies with the present and prospective, actual and anticipated profit.

Highest and best use can be simply stated as that use likely to produce the greatest net return over a given period of time.

Criteria for determining highest and best use include:

- 1) The use must be legal and in compliance with zoning and building restrictions.
- 2) The use must be within the realm of probability; a likely one, not speculative or conjectural.
- 3) A demand for such use must exist.
- 4) The use must be profitable.
- 5) The use must provide the highest net return to the land.
- 6) The use must produce the return for the longest possible time.

This appraisal report is based on the following assumptions:

- 1) The Government of Saskatchewan will control development approval on this land as opposed to the City of Regina.
- 2) The Global Transportation Hub will not allow services and roads to be extended from the GTH land to the subject land.
- 3) Saskatchewan Highways and Infrastructure will require all of the subject land (116.86 acres) for a Dewdney Avenue interchange.

Based on these assumptions (in particular the Saskatchewan Highways requirement) and the fact that the subject land has substantial pipeline easements, the subject land cannot be developed. The pipeline easement area cannot be used and a minimum building setback of 10 meters is required. The only possible buyer is Saskatchewan Highways and Infrastructure. This would be the Highest and Best use.

Land Value Estimate by the Direct Comparison Approach

This method involves the gathering, analyzing and comparing of data on similar properties that have been sold recently in the vicinity of the subject property.

This approach to value affirms the principle of substitution which briefly states that a prudent purchaser will not pay more for a property than it would cost to buy an equally desirable substitute, provided that there is no delay in making substitution.

The following land sales are analyzed:

Index No. 1

Location:	One mile north of Regina city limits SE 16-18-19-W2 Parcel #110907479 NE corner of Fleet St. extension and Inland Drive extension R.M. of Sherwood #159
Sale Price:	\$1,000,000 (Conditional Sale)
Sale Date:	June 2011
Land Size:	160 acres
Zoning:	Agriculture
Sale Price Per Acre:	\$6,250
Seller:	Hellen Marie Husum
Comments:	Purchaser intends to create industrial subdivision

Index No. 2

Location:	One mile east of Regina city limits ¼ mile north of Trans Canada Highway #1 Portion of NW 24-17-19-W2 Parcel #164917828 Northeast of CTV television station, to east of Twin Arenas
Sale Price:	\$275,000
Sale Date:	May 18, 2011 Title #140711217
Land Size:	17.64 acres
Zoning:	Agriculture
Sale Price Per Acre:	\$15,590
Seller:	Eastview Tower Investment Inc.
Buyer:	Brandt Properties Ltd.
Comments:	Much of this land has a ravine. Purchaser also purchased adjacent property with building from different seller (K.R. Holdings).

Index No.3

Location:

LSD 2 (Ext 6) Parcel #111618570

Portion of SE 18-18-19-W2

½ mile east of intersection of Inland Drive and Hwy#6 North, immediately east of Sherwood Industrial Park

R.M. of Sherwood #159, ½ mile north of Regina city limits

Sale Price:

\$1,675,000

Sale Date:

January 16, 2012 title #141688637

Land Size:

40.1 acres

Zoning:

Agriculture

Sale Price Per Acre:

\$41,771

Seller:

Calvin & Patricia Kelly

Buyer:

101196187 Saskatchewan Ltd.

Comments:

Buyer intends to use for industrial subdivision

Index No. 4

Location:

NE 19-17-20-W2

R.M. of Sherwood #159

SW corner of Dewdney Avenue and Condie Road
Purchased for the Global Transportation Hub on west side of Regina

Sale Price:

\$1,720,290

Sale Date:

April 9, 2010 title # 139101410

Land Size:

156.36 acres

Zoning:

Agriculture

Sale Price Per Acre:

\$11,002

Seller:

James & Patricia Tanner

Buyer:

Gov't of Saskatchewan

Comments:

This is the expropriated price. Seller did not agree and the price might be settled in court. Within Regina city limits at time of title transfer. Price was based on appraised value effective Nov/09.

Index No. 5

Location:

SE 19-17-20-W2

R.M. of Sherwood #159

½ mile south of Dewdney Avenue on Condie Rd.
Purchased for the Global Transportation Hub on west side of Regina

Sale Price:

\$1,098,685

Sale Date:

April 9, 2010 title #139101421

Land Size:

159.61 acres

Zoning:

Agriculture

Sale Price Per Acre:

\$6,884

Seller:

James & Patricia Tanner

Buyer:

Gov't of Saskatchewan

Comments:

This is the expropriated price. Seller did not agree and the price might be settled in court. Within Regina city limits at time of title transfer. Price was based on appraised value effective Nov/09. 8.84 acre petroleum pipeline easement runs diagonally through this land.

Index No. 6

Location:

S.E. corner of Courtney St. and 13th Ave.
 Portion NW 15-17-20-W2
 Portion SW 22-17-20-W2
 Portion SE 22-17-20-W2
 Within Regina Saskatchewan city limits
 6115 - 15th Avenue adjacent (to NW) of Regina
 airport

Land Size:

NW 15-17-20-2	150.52 acres
Parcel W, Plan 101153854	22.19 acres
Parcel C, Plan AV4763	1.65 acres
Lots 6-19, Plan AV3899	1.00 acres
Parcel A, Plan AV3899	36.37 acres
Parcel Z, Plan 101153854	3.26 acres
Parcel B, Plan AV9763	<u>2.78 acres</u>
Total	217.77 acres

Sale Date:

Aug/09

Sale Price:

Feb. 5/10 title transfer #138867774 etc.

Zoning:

\$2,613,240

Sale Price Per Acre:

UH – Urban Holding

Comments:

\$12,000

Seller: Stanley Taylor & 3-T Farms Ltd.

Buyer: Regina Airport Authority.

Index No.7

Location:

Portion of 2000 McCarthy Boulevard North
 Portion NW 11-18-20-W2 (parcel # 163519634)
 Portion NE 11-18-20-W2 Parcel #164370078
 Block B Plan 101976352
 NW Corner of Regina
 Starting to east of McCarthy Blvd. and north of
 Diefenbaker Drive.

Sale Price:

\$2,760,000

Sale Date:

Ptn NW 11: January 21, 2009 Title # 136886383

Ptn NE 11 (Block B Plan 101976352): November
10, 2009 Title #138346296

Land Size:

Ptn NW 11:	90.00 acres
Ptn NE 11:	<u>30.00 acres</u>
	120.00 acres

Zoning:

UH – Urban Holding

Sale Price Per Acre:

\$23,000

Comments:

Seller: Kinwest Developments Ltd.

Buyer: Mark and Rita Gelger for long term
residential and commercial development

Index No. 8Location:

Wellman Estates Land, northwest Regina
 SW 9-18-20-W2 158.49 acres
 LSD 11, 12 & 13 in NW 4-18-20-W2 119.62 acres
 SW 4-18-20-W2 159.36 acres
 Parcel A Plan 86R66653
 (Portion of E ½ 5-28-30-W2) 159.81 acres
 All within Regina city limits except for SW 9 and
 Parcel A
 Just west of NW corner of 9th Ave. North &
 Courtney Street. North of Westhill and west of
 Sherwood Estates.

Sale Price:

\$15,500,000

Sale Date:

Signed February 3, 2011

Land Size:

597.28 acres

Zoning:

UH: Urban Holding for land inside city limits

A: Agriculture for land in R.M.

Sale Price Per Acre:

\$25,953

Comments:

At date of purchase buyer expects to service this
 land starting in about 2023. Purchase price paid in
 3 equal installments over 3 years.

Buyer:

Dundee Developments

Seller:

101154534 Sask. Ltd. (Wellman family)

Index No 9Location:

NE 14-17-19-W2
 South-east Regina within city limits
 South of Victoria Avenue
 North of Arcola Ave.
 Immediately east of Sask. Housing
 Corporation land which is immediately east
 of Windsor Park.

Sale Price:

\$4,000,000

Sale Date:

January 2011 agreement

May 2012 possession date (no title transfer
 as of May 14, 2012)

Land Size:

153.51 acres

Note: City of Regina owns additional 6.15
 acre strip through middle of land which is
 former railway land.

Zoning:

UH: Urban Holding

Sale Price Per Acre:

\$26,057

Comments:

Future residential subdivision

Seller:

Knox Metropolitan United Church

Buyer:

Regina land developer

Index No. 10

Location:

NW 18-18-19-W2

R.M. of Sherwood #159

Parcel #110907491

One mile north of Regina city limits

North of Sherwood Industrial Park

East Side of Highway #6 North

\$2,695,000 (asking price was \$2,695,000)

June 28, 2011 on MLS

Title transfer August 4, 2011 (#141030762)

107.78 acres

Agriculture

\$25,005

King Farm Syndicate Holding Inc.

Degelman Industries Ltd. who will immediately use

20 acres for yard storage. Degelman plant is

located to west across Highway #6.

Highest previous offer was \$1,500,000

(\$13,917/acre) June 2011 by an industrial

subdivision developer. This is a high sale due to

special motive.

Sale Price:

Sale Date:

Land Size:

Zoning:

Sale Price Per Acre:

Seller:

Buyer:

Comments:

Index No. 11

Location:

SE 14-17-19-W2

Within Regina City Limits

South east corner of Regina

North of Arcola Ave. & South of Victoria Ave.

\$5,200,000

July 3, 2008 Title No. 135919604

159.52 acres

Urban Holding

\$32,598

Seller: Robert Shaw, Robin McKenzie

Evengreen Development Corporation. At the time of

purchase this land was thought to be approx. 5

years from development.

Sale Price:

Sale Date:

Land Size:

Zoning:

Sale Price Per Acre:

Comments:

Buyer:

Index No. 12

Location:

SE 7-18-19-W2, SW 7-18-19-W2

Within north city limits of Regina. Situated west of Winnipeg Street and north of the CP Railroad tracks. It is adjacent (to north) to the new Kensington Greens residential development.

Zoning:

UH – Urban Holding

Land Size:

SW 13.35 acres
SE 121.86 acres
Total 135.24 acres

Sale Date:

SE: April 16, 2009 Title #137231737

SW: May 26, 2009 Title #137466973

Sale Price:

\$2,130,030

Sale Price Per Acre:

\$15,750

Comments:

Seller: Vorpahl Volle Farm Syndicate Holdings Ltd.

Buyer: Earth King 135 Ventures Ltd.

SE \$1,919,767 transferred April 16/09

SW to transfer at a later date.

Index No. 13

Location:

LSD 1, 7 & 8 in SE 18-18-19-W2

R. M. of Sherwood #159

North of Regina

Northwest corner of Inland Drive and Winnipeg St. North.

Sale Price:

\$2,000,000

Sale Date:

January 2012, title transferred March 13, 2012

#141892746, etc.

Land Size:

120.36 acres

Zoning:

A - Agriculture

Sale Price Per Acre:

\$16,617

Comments:

Seller: Orville and Evelyn Williams

Buyer: DBR Developments Ltd. who intends to use for industrial subdivision.

Index No. 14

Location:

SW 21-17-18-W2

Southeast corner of Highways #1 and #362 which is the Pilot Butte access road.

4 miles east of Regina

RM of Edenwold #158

Sale Price:

\$2,198,210

Sale Date:

October 31, 2008 Title No. 136593085

Land Size:

141.26 acres

Zoning:

Agriculture

Sale Price Per Acre:

\$15,561

Seller:

Denise Oman et al

Buyer:

Cindercrete Products Limited. Intended for highway commercial at front and residential development at rear (south)

Index No. 15

Location:

5 miles east of Regina city limits

NW 22-17-18-W2

Parcel #110908065

North Service Road Trans Canada Highway #1

R.M. of Edenwold #158

Across Highway from Great Plains Industrial Park.

Across road to east of Balzer's Canada Inc.

Sale Price:

\$2,950,000 (asking price was \$3,200,000)

Sale Date:

June 20, 2011 MLS

Title transfer August 4, 2011 (#14027612)

Land Size:

141.27 acres

Zoning:

Agriculture

Sale Price Per Acre:

\$20,882

Seller:

Emerald Plains Properties Inc.

Buyer:

Aquila Holdings Ltd. (owned by Carson Energy) who intends to use portion for their own new building and use remainder for a light industrial/commercial subdivision

Comments:

Sask. water line is nearby and also natural gas and electricity

Index No. 16

Location:

SW 20-17-18-W2

½ mile west of Southwest corner of Highways #1
and #362 which is the Pilot Butte access road.

4 miles east of Regina

RM of Edenwold #158

Sale Price:

\$3,250,000

Sale Date:

May 4, 2012 Title #142139998

Land Size:

133.58 acres

Zoning:

Agriculture

Sale Price Per Acre:

\$24,330

Seller:

Ronald & Mildred Leonard

Buyer:

Gary L. Redhead Holdings Ltd.

Index No. 17

Location:

SE 20-17-18-W2

Southwest corner of Highways #1 and #362 which
is the Pilot Butte access road.

4 miles east of Regina

RM of Edenwold #158

Asking Price:

\$4,750,000

Land Size:

140.98 acres

Zoning:

Agriculture

Asking Price Per Acre:

\$33,693

Seller:

Ronald & Mildred Leonard

Index No. 18

Location:

2201 Condie Road

SW 20-17-20 W2

½ mile south of Dewdney Avenue to the west of the
future West Regina Bypass.

Within Regina City Limits

Asking Price:

\$3,933,000

Land Size:

87.4 acres

Zoning:

UH – Urban Holding

Asking Price Per Acre:

\$45,000

Seller:

McNally Enterprises Ltd.

Listing Agent:

Bill Babey (Colliers International) 789-8300

Index No. 19

Location:

NW 5-18-20-W2
 SW 5-18-20 W2
 Block B, Plan 89R66653
 North of 9th Avenue North, the future West Regina
 Bypass runs through the property. Just west of
 Pinkie Road.

West of Regina

R.M. of Sherwood #159

Asking Price:

\$8,599,500

Land Size:

NW: 158.76 acres

SW: 158.69 acres

Block B: 160.30 acres

Total 477.75 acres

Zoning:

AG1 – Agriculture

Asking Price Per Acre:

\$18,000

Seller:

Estate of James Marshall Wellman

Listing Agent:

Paul Mehlsen/Micky Schmitz (NAI Commercial)
 525-3344

Index No. 20

Location:

All of Section 26-17-21-W2

Northwest of the Global Transportation Hub with
 frontage on Dewdney Ave.

R.M. of Sherwood #159

Asking Price:

\$4,347,000

Land Size:

NW: 153.88 acres

SW: 156.60 acres

NE: 153.65 acres

SE: 156.87 acres

Total 621.00 acres

Zoning:

AG1 – Agriculture

Asking Price Per Acre:

\$7,000

Seller:

Mary Sandra Dorosz (SW & NW), Muriel Joyce
 Morris (SE & SE)

Listing Agent:

Darcy Skwara (Colliers International) 789-8300

Index No. 21

Location:

South portion of SW 5-17-20-W2
 North side of Highway #1
 ½ mile west of future West Regina Bypass
 Interchange
 West of Regina

Conditional Sale:

R.M. of Sherwood #159

Land Size:

\$1,350,000 (May/12)

Zoning:

Total of approx. 60 acres

Sale Price Per Acre:

AG1 – Agriculture

Asking Price Per Acre:

\$22,500

\$50,000 (asking \$125,000 per acre for proposed lots)

Seller:

Ailsby Enterprises Inc.

Listing Agent:

Darcy Skwara (Colliers International) 789-8300

Note:

- 1) An application has been brought to the RM of Sherwood to change the zoning to Highway Commercial (currently pending)
- 2) A gas pipeline runs immediately to the north of the property.

Index No. 22

Location:

NE 32-16-20-W2

Southwest corner of Highway #1 and the future
 West Regina Bypass Interchange
 West of Regina

Asking Price:

R.M. of Sherwood #159

Land Size:

\$1,970,800

Zoning:

Approx. 49.27 acres

Asking Price Per Acre:

AG1 – Agriculture

Seller:

\$40,000

Florence Marion & Lyle Francis Denton

Listing Agent:

Bill Babey (Colliers International) 789-8300

Note:

Listing shows a total of 140 acres but the government has expropriated 2 parcels for a total of 90.77 acres.

Index No. 23

Location:

Westport Industrial Park
 NW & NE 16-17-20-W2
 Immediately west of City of Regina Airport, south of
 CP Railway and east of Pinkie Rd.
 and the Regina City limits

R.M. of Sherwood #159

\$1,970,800

Asking Price:

Land Size:

NW 156.65 acres

NE 139.37 acres

Total 296.02 acres

Zoning:

Asking Price Per Acre:

AG1 – Agriculture

\$45,000

Seller:

Listing Agent:

Marathon Development Corp.

Ryan Babey (Colliers International) 789-8300

Index No. 24

Location:

SE 30-17-20-W2

North side of Dewdney Avenue immediately north of
 the Global Transportation Hub at the NE corner of
 Dewdney Ave. and Condie Rd.

R.M. of Sherwood #159

\$7,500,000

Asking Price:

Land Size:

159.06 acres

Zoning:

Asking Price Per Acre:

AG1 – Agriculture

\$47,152

Seller:

Listing Agent:

James Paul Farley

Linda Boxall 536-1489

Index No. 25

Location:

Portion of SW 24-18-20-W2

North of Sherwood Industrial Park

West of Highway #6

Properties on Sherwood Road are immediately
 south

1 mile north of Regina

RM of Sherwood #159

Asking Price:

Land Size:

\$5,950,000

117.8 acres

Zoning:

Asking Price Per Acre:

Agriculture

\$50,509

Seller:

Kinwest Developments Ltd., Rolo Farms Ltd. &

CityView Acres Ltd.

parcel

Index No.26

Location: SW 06-18-18-W2 R.M. of Edenwold #158
 SE 01-18-19-W2 R.M of Sherwood #159
 NE 01-18-19-W2 R.M of Sherwood #159
 NW 01-18-19-W2 R.M of Sherwood #159
 1½ miles West of Regina City Limits
 North side of Hwy #46

Asking Price/Size:

SW 06	\$2,500,000	153.43 acres
SE 01	\$2,500,000	152.18 acres
NE 01	\$2,500,000	159.39 acres
NW 01	<u>\$2,500,000</u>	<u>157.82 acres</u>
Total	\$10,000,000	622.82 acres

Zoning: Agriculture
 Asking Price Per Acre: \$16,056
 Comments: Seller: Torhill Estates Ltd.
 Listing Agent: Linda Boxall (conditional sale near asking price)

Index No. 27

Location: NE 8-17-20-W2
 Just west of City of Regina Airport
 and the Regina City limits at the SW corner of
 Centre Road and the future West Regina Bypass.
 R.M. of Sherwood #159

Sale Price: \$2,304,720
 Sale Date: December 2011, Title transfer in June 2012.
 Land Size: 104.76 acres
 Zoning: AG1 – Agriculture
 Sale Price Per Acre: \$22,000
 Seller: McNally Enterprises Ltd.
 Buyer: Undisclosed

Index No.28

Location: LSD 13 15-17-18-W2 R.M of Edenwold #158
 LSD 14 15-17-18-W2 R.M of Edenwold #158
 Immediately south of Great Plains Industrial Park.
 Hwy # 362 is one mile west.

Sale Price/Size:

LSD 13	\$ 500,000	39.33 acres
LSD 14	<u>\$ 500,000</u>	<u>39.86 acres</u>
Total	\$1,000,000	79.19 acres

Sale Date: May 2, 2012
 Zoning: AR – Agriculture
 Asking Price Per Acre: \$12,628
 Comments: Seller: Geoge & Joan Peslari
 Buyer: Great Plains Leaseholds Ltd.

Note: The buyer is the developer of the Great Plains Industrial Park who intends to use the land for expansion. There are buildings on the site that were given no value and will be removed.

Index No. 29

Location:

NE & NW 21-17-20-W2

Portions of SE & SW 21-17-20-W2

Just west of the RCMP training grounds and northwest of the Regina City airport within the Regina City limits. Dewdney Avenue is to the north, Pinkie Road is to the west, Courtney Street is to the east and 13th Avenue is to the south.

\$11,825,000 x 50% = \$5,912,500

Early 2012

550 acres

UH – Urban Holding

\$21,500

Seller: Sherwood Multitech Estates Ltd.

Buyer: Land developer purchased 50% interest based on \$21,500/acre for 100% interest

Sale Price:

Sale Date:

Land Size:

Zoning:

Sale Price Per Acre:

Seller:

Buyer:

Index No.30

Location:

SW 12-17-19-W2

NW 12-17-19-W2

SW 13-17-19-W2

NW 13-17-19-W2

R.M of Sherwood #159

Immediately west of Regina City Limits

East side of Tower Road

Sale Price/Size:

SW 12	\$1,824,055	149.96 acres
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NW 12	\$1,643,790	135.14 acres
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SW 13	\$ 881,376	72.46 acres
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NW 13	<u>\$1,562,901</u>	<u>128.49 acres</u>
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Total	\$5,912,122	486.05 acres
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Sale Date:

Zoning:

Sale Price Per Acre:

Comments:

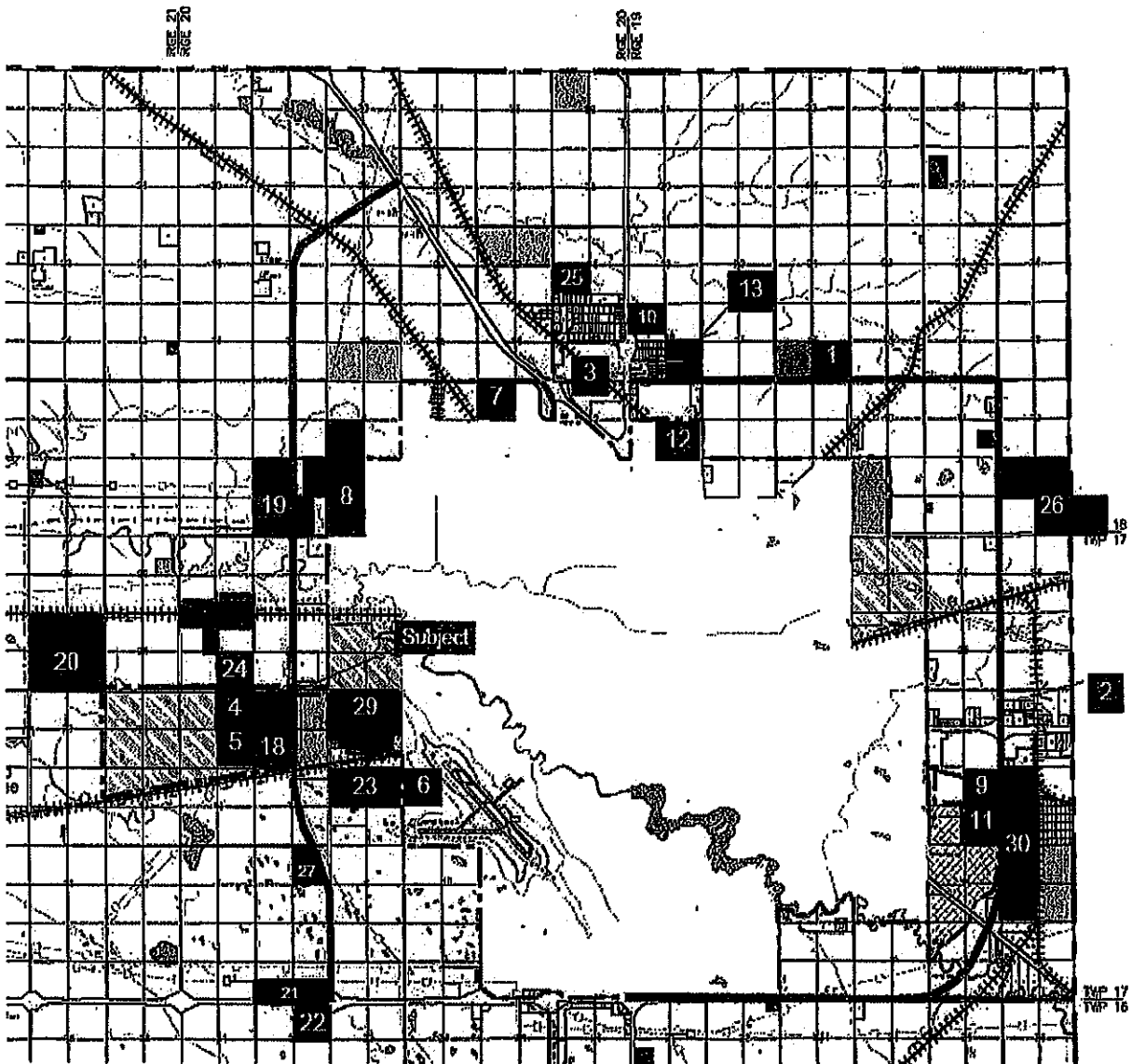
February 21, 2012, title #'s 141813682,

AG1 – Agriculture

\$12,164

Seller: John Fahlman

Buyer: Long Lake Investment Inc.



Indexes 14 - 17 & 28 are located east of the City of Regina in the R.M. of Edenwold to the north and west of Great Plains Industrial Park and are not on this map.

Sales Analysis Table

Index	Sale Date	Acres	Zoning	Sale Price Per Acre	
1	Jun-11	160	Agriculture	\$	6,250
2	May-11	17.64	Agriculture	\$	15,590
3	Jan-12	40.10	Agriculture	\$	41,771
4	Apr-10	156.36	Agriculture	\$	11,002
5	Apr-10	159.61	Agriculture	\$	6,884
6	Aug-09	217.77	Urban Holding	\$	12,000
7	Jan-09	120	Urban Holding	\$	23,000
8	Feb-11	597.28	Agriculture/UH	\$	25,953
9	Jan-11	153.51	Agriculture/UH	\$	26,057
10	Jun-11	107.78	Agriculture	\$	25,005
11	Jul-08	159.52	Urban Holding	\$	32,598
12	Apr-09	135.24	Urban Holding	\$	15,750
13	Jan-12	120.36	Agriculture	\$	16,617
14	Oct-08	141.26	Agriculture	\$	15,561
15	Jun-11	141.27	Agriculture	\$	20,882
16	May-12	133.58	Agriculture	\$	24,330
17	Asking	140.98	Agriculture	\$	33,693
18	Asking	87.40	Urban Holding	\$	45,000
19	Asking	477.75	Agriculture	\$	18,000
20	Asking	621	Agriculture	\$	7,000
21	May/12 C/sale	60	Agriculture	\$	22,500
22	Asking	49.27	Agriculture	\$	40,000
23	Asking	296.02	Agriculture	\$	45,000
24	Asking	159.06	Agriculture	\$	47,152
25	Asking	117.8	Agriculture	\$	50,509
26	Asking	622.82	Agriculture	\$	16,056
27	Dec-11	104.76	Agriculture	\$	22,000
28	May-12	79.19	Agriculture	\$	12,628
29	Early-12	550	Urban Holding	\$	21,500
30	Feb-12	486.05	Agriculture	\$	12,164
Median				\$	21,750
Minimum				\$	6,250
Maximum				\$	50,509

Analysis and Conclusion – Land Value

Smaller sites and corner sites generally sell for a higher price per acre than larger and interior sites. The land sales analyzed have a range of \$6,250 to \$50,509 per acre with a median of \$21,750.

Index 2 (\$15,590) is inferior.

Indexes 4 (\$11,002) and Index 5 (\$6,884) are the expropriated prices of land for the Global Transportation Hub along Dewdney Avenue. They are immediately west of the subject land. Index 4 has Dewdney Avenue frontage and Index 5 is immediately south of Index 4 and has a pipeline easement. Index 5 had a lower price due to the lack of exposure and the pipeline easement. Index 4 & 5 prices were based on Nov/09 values and land prices have since increased.

Index 8 (\$25,953) is larger. It is intended for residential subdivision development.

Index 10 (\$25,005) is considered a high sale due to a motivated buyer.

Index 13 (\$16,617) is inferior.

Index 16 (\$24,330) is on Hwy #1 east of Regina.

Indexes 17 – 25 (\$7,000 - \$50,000) are asking prices for land in the subject area and north of Regina, north of Sherwood Industrial Park. Index 18 (\$45,000) is located immediately south of the subject and is smaller. It is only an asking price. Index 20 (\$7,000) is very large. Index 21 has a conditional sale at \$22,500 per acre. Index 24 (\$47,152) is located north of the GTH along the north side of Dewdney Avenue just west of the subject.

Index 26 (\$16,056) is a recent deal of a larger parcel along Hwy #46 which is an inferior location.

Index 27 (\$22,000) is located to the south of the subject at the southwest corner of Centre Road and the future West Regina Bypass. It is only slightly smaller but is a slightly inferior location. It is a recent deal and has no pipelines.

Index 29 (\$21,500) is located to the east of the subject along Dewdney Ave. It is larger but is a superior location.

The subject has 2 pipeline easements that cross near the middle of the parcel which severely restricts potential development for a commercial / industrial subdivision. The restrictions on development of this land and the Saskatchewan Highways requirement are also factors. However, the subject land does have Dewdney Avenue frontage and is adjacent to the Global Transportation Hub. Based on this analysis and with consideration to all factors the market value estimate of the subject land is:

116.86 acres x \$ 20,000 per acre = \$ 2,337,200

Rounded to

\$ 2,337,000

Exposure and Marketing Time Analysis

Exposure Time

The estimated length of time the property being appraised would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal.

Marketing Time

Amount of time it might take to sell the property at the concluded market value during the period immediately after the effective date of the appraisal.

Conclusion

Based on a review of comparable sales and interviews with Realtors the estimate of market value is based on a 6 month exposure period. This would also be the marketing time.

Appraiser's Certification

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

- 1) The statements of fact contained in this report are true and correct.
- 2) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions.
- 3) I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
- 4) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- 5) My engagement in and compensation for this assignment were not contingent upon developing and reporting predetermined results, the amount of the value estimate, or a conclusion favouring the client;
- 6) My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) and the International Valuation Standards (IVS);
- 7) I have the knowledge and experience to complete the assignment competently;
- 8) I have made a personal inspection of the property that is the subject of this report.
- 9) No one provided significant professional assistance to the person signing this report.
- 10) The Appraisal Institute of Canada has a mandatory continuing professional development program for designated members. As of the date of the report I have fulfilled the requirements of the program.
- 11) I am a member in good standing of the Appraisal Institute of Canada
- 12) Effective Date of Appraisal: June 15, 2012
- 13) Date of Inspection: June 10, 2012
- 14) Date of Report/Certification: June 15, 2012
- 15) Location: 10001 Dewdney Avenue
NW 20-17-20-W2
Regina, Saskatchewan
- 16) Estimate of Market Value: \$2,337,000

Certified and Inspected by: 

Peter M. Lawrek, B.A., AACI, P. App.

Appraiser's Qualifications

Peter M. Lawrek

May, 1975 - University of Regina, Bachelor of Arts Degree (Economics).

December, 1981 - AACI (Accredited Appraiser Canadian Institute) from the Appraisal Institute of Canada.

July, 1975 - September, 1979 - Employed with the Canada Mortgage and Housing Corporation as an Appraiser/Program Administrator. September, 1979 - present - independent appraiser specializing in Industrial, Commercial, Agricultural and Investment properties.

Have appeared as an expert witness in Court of Queen's Bench and at Surface Rights Arbitration Board hearings.

Chairman, Regina Chapter, Appraisal Institute of Canada 1983-1984 and 1984-1985.

President, Saskatchewan Association, Appraisal Institute of Canada 1987-1988.

Member of Executive Committee Saskatchewan Association, Appraisal Institute of Canada 1983 - 1993.

Member of Sask. Assn. Professional Development Committee since early 1999.

Member of Editorial Advisory Board, National Publications Committee, Appraisal Institute of Canada (1983-1985) and member of National Membership Services Committee (1985-86). Member of the National Admissions Committee (1989-90).

Member of Appraisal Institute National Adjudicating Committee 1999 - 2010 including 2 year term as Chair.

Member of Appraisal Institute National Appeal Committee since September 2011.

Regina area farm owner and past operator.

Licensed member of the Association of Regina Realtors.

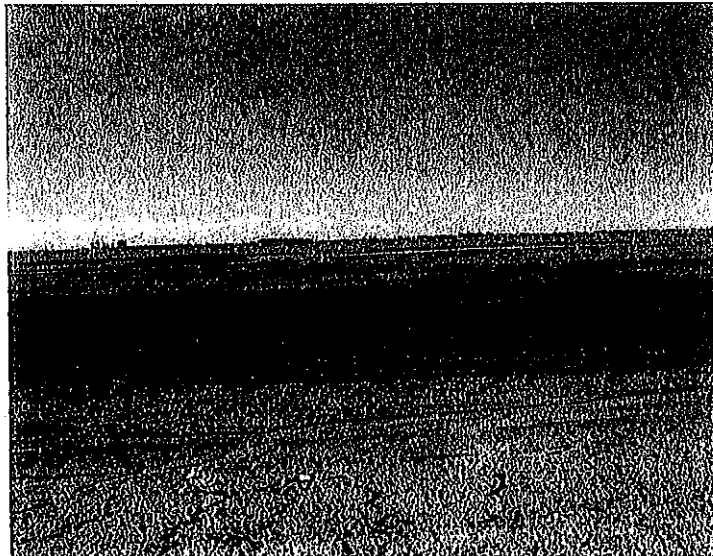
Client list includes, City of Regina, City of Weyburn, City of Estevan, Province of Saskatchewan, Government of Canada, Texaco, Royal Bank, Imperial Oil, Ford of Canada, Toronto Dominion Bank, Bank of Montreal, Canadian Imperial Bank of Commerce, Credit Union Central, Dome Petroleum, Home Oil, Crown Zellerbach, various Trust companies, Shell Oil, Touche Ross, Esso Canada, Petro Canada, Canada Mortgage & Housing Corporation, Saskatchewan Housing Corporation, Saskatchewan Dept. of Highways, Metropolitan Trust, Harvard Developments, Greystone Investments, numerous national investment fund companies and trust companies.

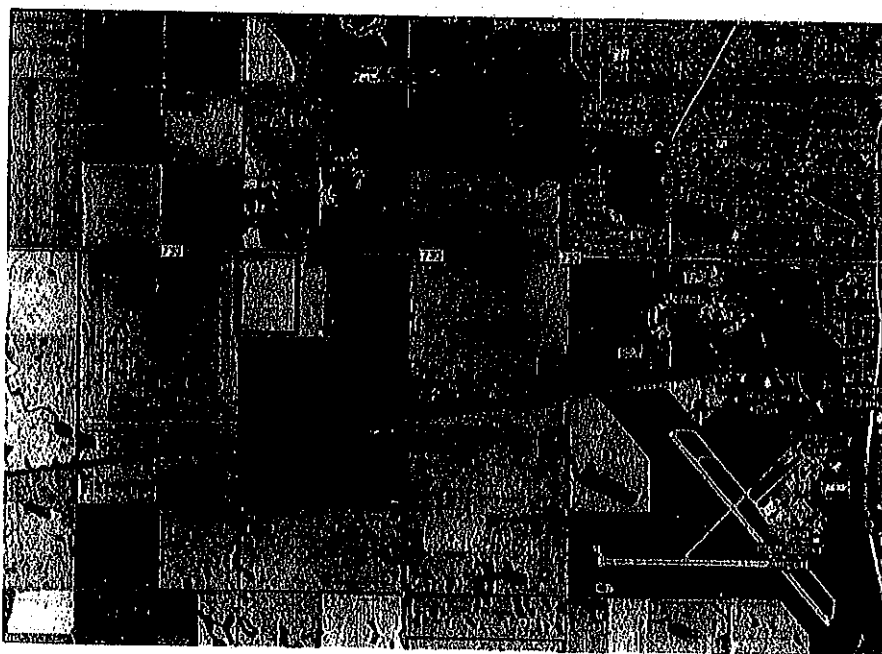
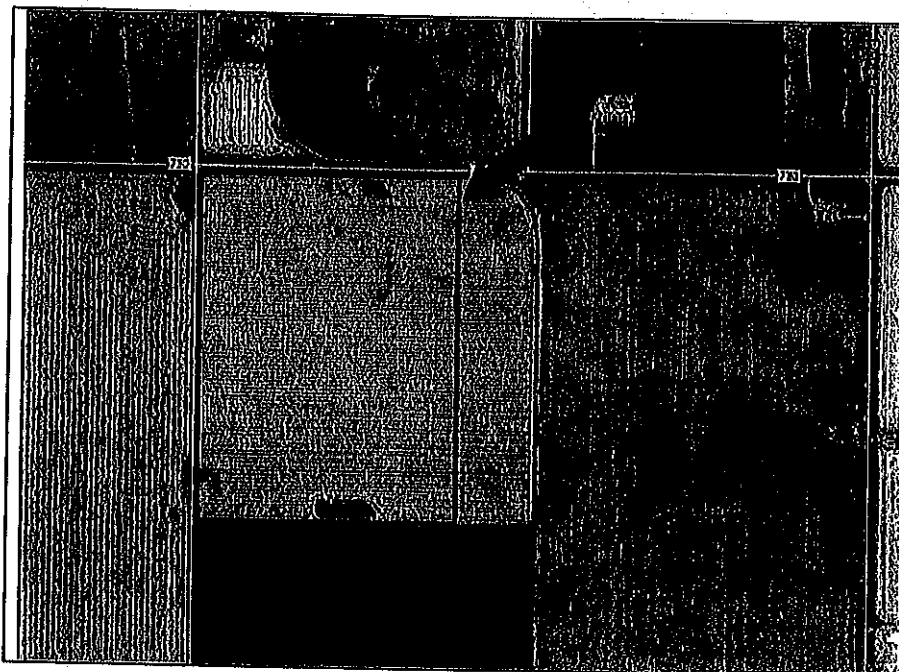
Qualifications of Peter M. Lawrek, Appraiser (Cont'd)

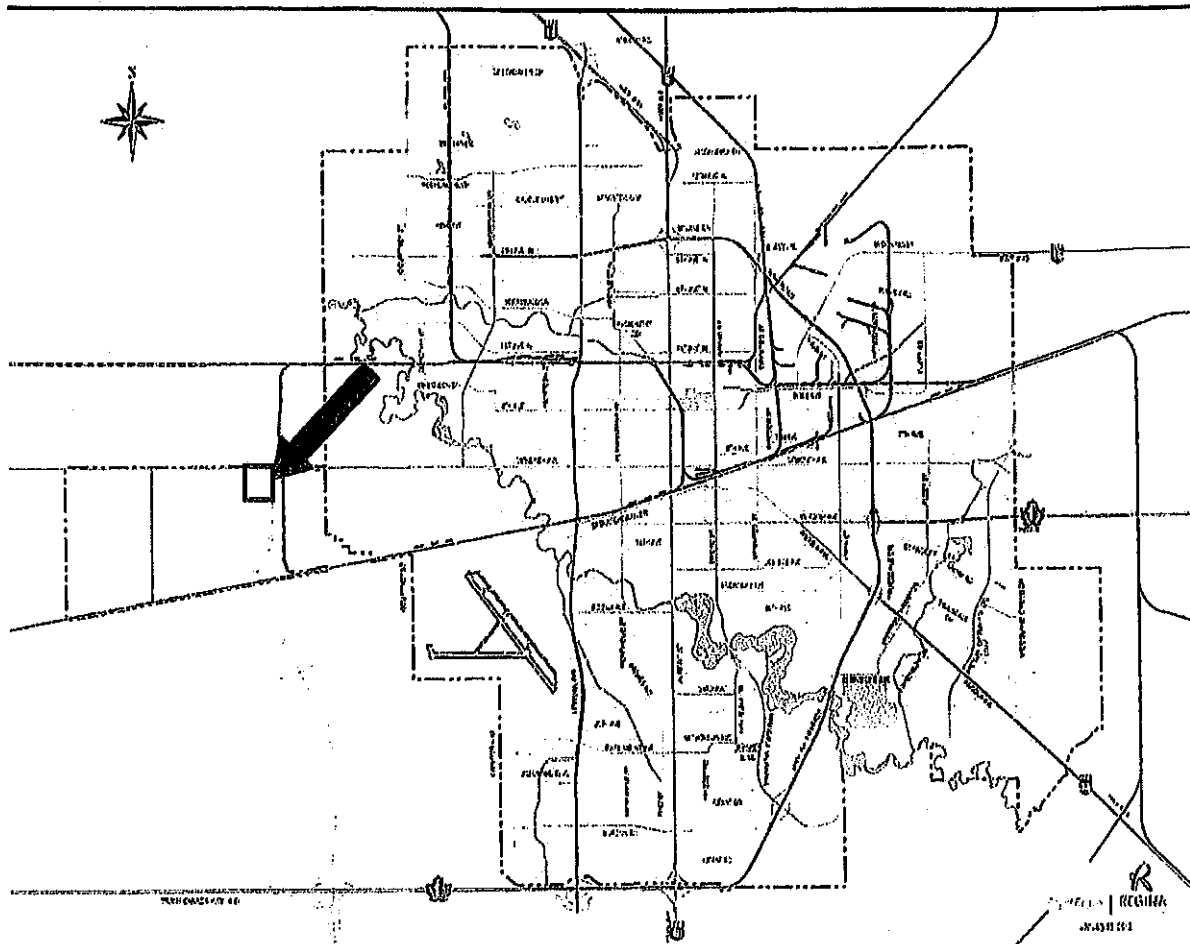
Major Appraisals Completed:

- McCallum Hill Centre - Tower I, Regina - 20 storey hi-rise office tower, 161,500 rentable sq.ft.
- Bank of Montreal Tower, Regina - 13 storey office tower, 140,000 rentable sq.ft.
- McCallum Hill Centre Parkade 5 stories, 433 stalls.
- Park Plaza office building, 54,000 sq.ft.
- Sherwood Place Office Complex, 220,000 sq.ft.
- Saskatchewan Place office building, 84,000 sq.ft.
- Midtown Centre - Regina (now known as Scotia Place) - 130,000 sq.ft. hi-rise office/retail centre plus 12 level parkade.
- Canada Post Building 2150 - 2200 Saskatchewan Drive - Regina - 193,000 sq.ft. multi-storey.
- S.G.I. Office Tower - Regina - 184,000 sq.ft. plus 220 stall underground parkade.
- Toronto Dominion Bank Office Tower - Regina - 145,000 sq.ft. plus underground parkade.
- Reed Stenhouse Office Building, 2201 11th Avenue - Regina - 57,500 sq.ft.
- Park Centre Office Building, Hillsdale St. & Wascana Parkway - Regina - 54,000 sq.ft plus underground parkade.
- General Motors Office/Warehouse, 580 Park St. - Regina - 80,000 sq.ft.
- Gold Square retail/office complex, Albert. St. & Parliament Ave. - Regina - 31,000 sq.ft.
- Carling Corner, retail mall, Albert St. & 4th Ave. - Regina - 36,000 sq.ft.
- Avon Shopping Centre, Avonhurst Drive & Albert St. - Regina - 80,000 sq.ft.
- Dominion Bridge Steel Plant - Regina - 58,000 sq.ft. on 23 acres
- Gardiner Village - Regina - 84 unit multi-family rental
- 2001 Cornwall St. - Regina - 118 unit apartment plus main floor commercial and parkade
- Taylor Motors - Regina - 34,000 sq.ft. automobile dealership
- Wheaton Chev Olds - Regina - 20,000 sq.ft.
- MacCosham Warehouse, 1502 Quebec St. - Saskatoon - 143,000 sq.ft.
- Titan Building, Henderson Drive - Regina - 100,000 sq.ft.
- MacCosham Warehouse, 316 1st Ave. E - Regina, - 55,000 sq.ft.
- Regina Golf Course Lands - Public Works Canada
- Numerous automobile dealerships in Saskatchewan
- Various country hotels, motels, motor inns, restaurants, car washes, gas bars, roller rinks.
- Variety of partial taking and expropriation appraisals
- Farmland across Saskatchewan including 50,000 acre White Bear Indian Land Claim Appraisal, 20,000 acre appraisals for Rafferty Dam acquisition for Souris Basin Development Authority.
- Grasslands National Park Lands Appraisals for Public Works Canada, over 50,000 Acres.
- City of Weyburn, appraisal for flood control land assembly project.
- Numerous smaller retail strip malls, office buildings and industrial buildings.
- James Tires Centres - 11 locations in Saskatchewan
- S.G.I. Claims Centre, Broad St. - Regina.
- Marathon Realty (C.P.R.) Lands - Regina

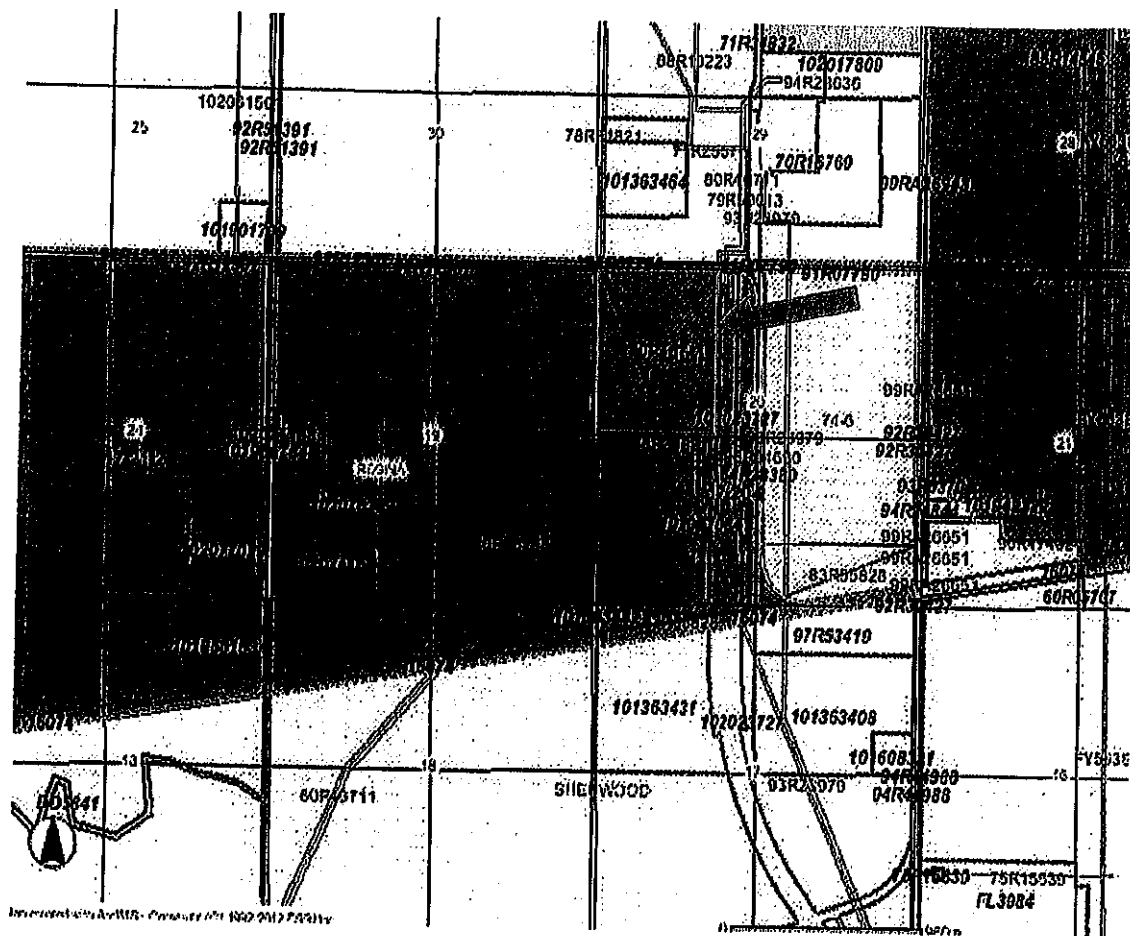
SUPPORTING DATA

Photographs**Northwest Corner of Subject Land Looking South****Northeast Corner of Subject Land Looking South**

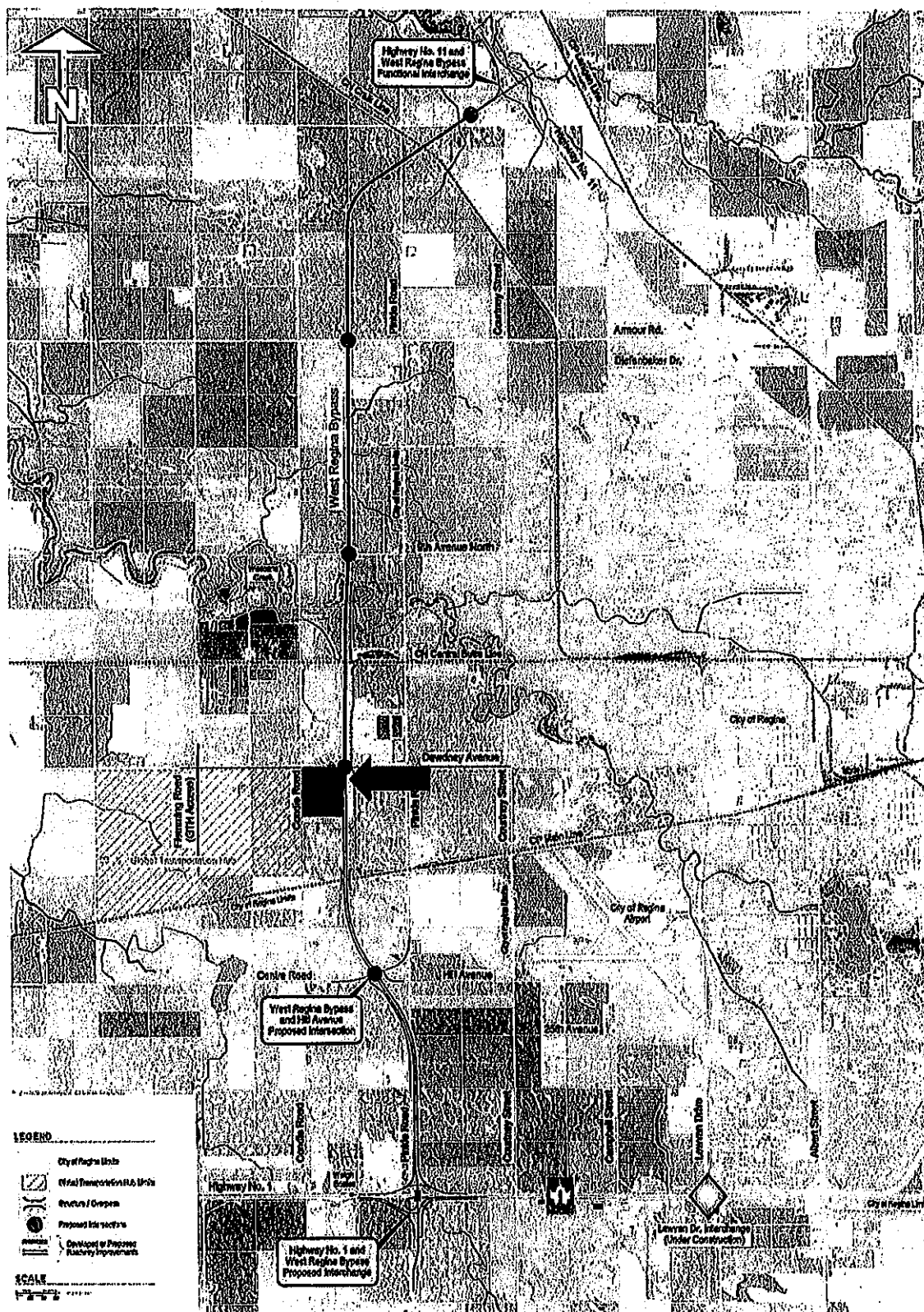
Aerial Photo

City Map

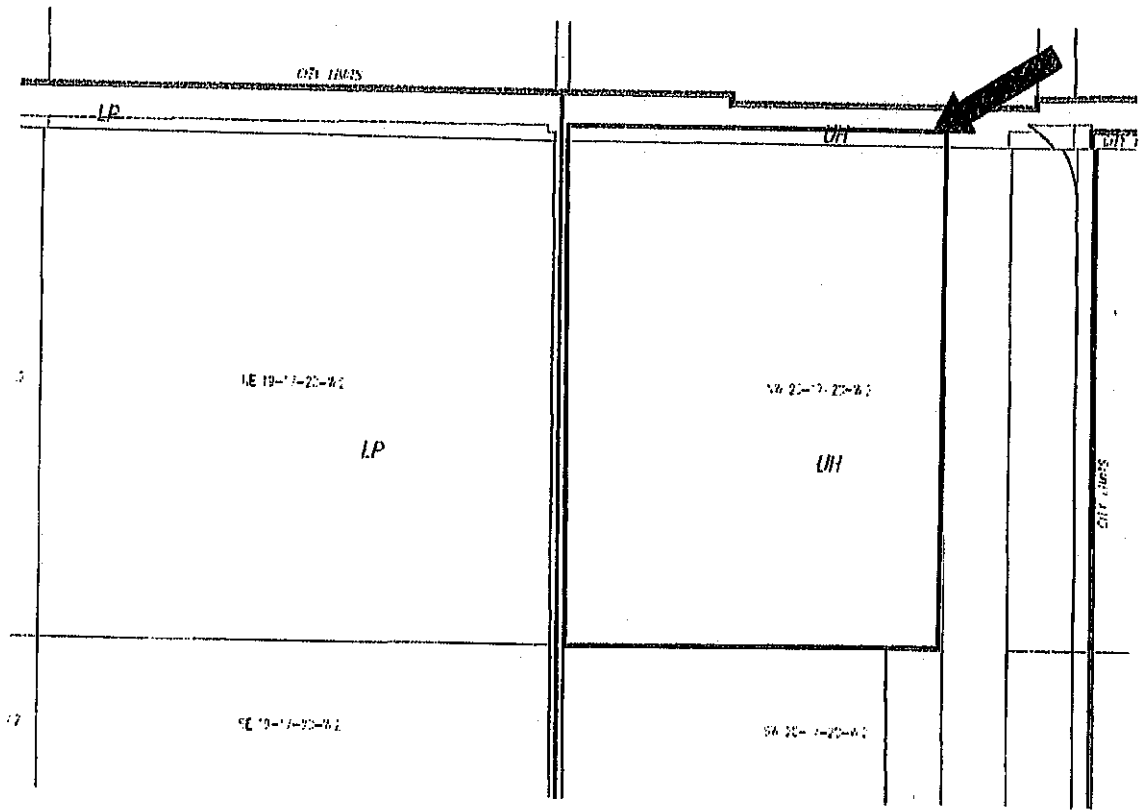
Neighbourhood Map



West Regina Bypass Map



Zoning Map





Certificate of Title

Province of Saskatchewan Land Titles Registry Title

Title #: 139832927

As of: 29 May 2012 13:14:48

Title Status: Active

Last Amendment Date: 21 Mar 2012

15:14:28.137

Parcel Type: Surface

Issued: 24 Sep 2010 09:31:10.393

Parcel Value: N/A

Title Value: N/A

Municipality: CITY OF REGINA

Converted Title: 96R32979

Previous Title and/or Abstract #: 104382288

SISTERS OF OUR LADY OF THE MISSIONS INC. is the
registered owner of Surface Parcel #165025414

Reference Land Description: NW Sec 20 Twp 17 Rge 20 W2
Extension 1

This title is subject to any registered interests set out below and the exceptions,
reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

Interest #:

152856973

CNV Easement

Value: N/A

Reg'd: 29 Aug 1978

02:10:43

Interest Register

Amendment Date: N/A

Interest Assignment

Date: 18 Jan 2012 10:23:14

Expiry Date: N/A

Holder:

TRANSGAS LIMITED

1000 - 1777 VICTORIA AVENUE

REGINA, SK, Canada S4P 4K5

Client #: 100399484

Int. Register #: 101206224

Converted Instrument #: 78R42753

Feature #: 100035098

Interest #:

152856984

CNV Easement

Value: N/A
 Reg'd: 05 Oct 1979
 02:12:29
 Interest Register
 Amendment Date: N/A
 Interest Assignment
 Date: N/A
 Expiry Date: N/A

Holder:
 KINDER MORGAN COCHIN ULC
 1500 - 1874 SCARTH STREET
 REGINA, SK, Canada S4P 4E9
Client #: 100407642
Int. Register #: 101206235
Converted Instrument #: 79R48704
Feature #: 999999

Interest #:
152856995

Public Utility Easement

Value: N/A
 Reg'd: 16 Aug 2010
 11:10:20
 Interest Register
 Amendment Date: N/A
 Interest Assignment
 Date: N/A
 Expiry Date: N/A

Holder:
 Petroleum Transmission Company
 P.O. Box 11162, Suite 1100, 1055 West Georgia Street
 Vancouver, British Columbia, Canada V6E 3R5
Client #: 100939901
Int. Register #: 116678706

Interest #:
153755062

Pipelines Act - Easement

Value: N/A
 Reg'd: 22 Dec 2010
 14:19:31
 Interest Register
 Amendment Date: N/A
 Interest Assignment
 Date: N/A
 Expiry Date: N/A

Holder:
 Kinder Morgan Cochin ULC

#68 80 Chippewa Road
 Sherwood Park, Alberta, Canada T8A 4W6
 Client #: 121164397
 Int. Register #: 117048078

Interest #:
 154124962

Public Utility Easement

Value: N/A
 Reg'd: 07 Feb 2011
 11:43:49
 Interest Register
 Amendment Date: N/A
 Interest Assignment
 Date: N/A
 Expiry Date: N/A

Holder:
 Petroleum Transmission Company
 P.O. Box 11162, Suite 1100, 1055 West Georgia Street
 Vancouver, British Columbia, Canada V6E 3R5
 Client #: 100939901
 Int. Register #: 117140442

Interest #:
 158202020

Miscellaneous Interest

Value: N/A
 Reg'd: 21 Mar 2012
 15:14:28
 Interest Register
 Amendment Date: N/A
 Interest Assignment
 Date: N/A
 Expiry Date: N/A

Claiming and interest as Purchaser
 under an accepted Offer to
 Purchase

Holder:
 139 Land Corporation
 701 Broadway Avenue
 Saskatoon, Saskatchewan, Canada S7N 1B3
 Client #: 127250849
 Int. Register #: 118170086

Addresses for Service:

Name

Address

Owner:

SISTERS OF OUR LADY OF THE 310 PROVENCHER BOULEVARD WINNIPEG,

MISSIONS INC.
Client #: 118636162

MB, Canada R2H 0G7

Notes:

Parcel Class Code: Parcel (Generic)

(incl 1st) file:

**APPRAISAL REPORT
VACANT LAND
~~87.40~~ ACRES
2201 CONDIE ROAD
½ MILE SOUTH OF DEWDNEY AVENUE
EAST SIDE OF CONDIE ROAD
SW 20-17-20-W2
REGINA, SASKATCHEWAN**

**AS AT
JUNE 15, 2012**

PREPARED BY:

**PETER M. LAWREK, B.A. AACI, P.APP
LJB LAWREK JOHNSON BIRD APPRAISALS & CONSULTING LTD.
2126 ROSE STREET
REGINA, SASKATCHEWAN**

LJB Lawrek Johnson Bird Real Estate Appraisals & Consulting Ltd.

Peter M. Lawrek B.A., AACI, P.App

2126 Rose Street

Regina, Saskatchewan

S4P 2A4

www.ljbappraisals.com

Direct (306) 721-5523

Cell (306) 536-0833

Fax: (306) 721-5532

Main Office (306) 721-5522

peterlawrek@ljbappraisals.com

June 15, 2012

Saskatchewan Ministry of Government Services

2nd Floor, 1920 Rose Street

Regina, Saskatchewan

S4P 0A9

Attention: Mr. Alfred G. Bernstein,
Director
Accommodation Services

Dear Sir:

RE: Appraisal Report
Vacant Land
2201 Condie Road
½ Mile South of Dewdney Avenue
East Side of Condie Road
87.40 acres
SW 20-17-20-W2
Parcel #166005862
Regina, Saskatchewan

In accordance with your instructions, we have prepared an appraisal report of the above land. The purpose of the appraisal is to estimate the market value of the land as at June 15, 2012. The date of inspection was June 10, 2012. The intended use of the appraisal is to assist the client in the possible purchase of the subject land.

We have personally inspected the property and have analyzed all available information considered pertinent. Based on this inspection and analysis the market value as at June 15, 2012 is estimated to be:

One Million Three Hundred and Eleven Thousand (\$1,311,000) Dollars

or

\$15,000/acre x 87.40 acres

Note: The land is currently for sale asking \$45,000 per acre.

This appraisal report is based on the following assumptions:

- 1) The Government of Saskatchewan will control development approval on this land as opposed to the City of Regina.
- 2) The Global Transportation Hub will not allow services and roads to be extended from the GTH land to the subject land.
- 3) Saskatchewan Highways and Infrastructure will require approximately 45.90 acres (53%) of the land for the proposed West Regina Bypass and borrow pits.

The report which follows outlines the market data collected and analyzed and the appraisal methods employed.

Respectfully Submitted,
LJB Lawrek Johnson Bird Appraisals and Consulting Ltd.



Peter M. Lawrek, B.A., AACI, P. App.

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PART TWO - BASIS OF THE APPRAISAL

Client and Intended Use of the Report

The report is intended for use only by the client, Saskatchewan Ministry of Government Services and others as determined by the client. This report is intended for to assist the client in the possible purchase of the subject land. Use of this report by others is not intended by the appraiser and any liability in this respect is strictly denied.

Purpose of the Assignment

To estimate the market value of the land as at the effective date.

Property Rights Appraised

Fee Simple ownership subject to any leases outlined in this report.

Type of Report

Short Narrative, current value.

Effective Date of Value

June 15, 2012

Definition of Market Value

As defined by the Appraisal Institute of Canada in the Canadian Uniform Standards of Professional Appraisal Practice.

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of the specified date and the passing of title from seller to buyer under conditions whereby:

- 1) buyer and seller are typically motivated;
- 2) both parties are well informed or well advised, and acting in what they consider their own best interests;
- 3) a reasonable time is allowed for exposure in the open market;
- 4) payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto;
- 5) the price represents the normal consideration for the property sold unaffected by special creative financing or sales concessions granted by anyone associated with the sale."

Market value as defined by International Valuation Standards 2000:

"Market value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

Scope of Work

Inspection

We inspected the property. The identification of the property also involved a review of mapping prepared by the local municipality, and our earlier files on the property.

Type of Analysis

This appraisal complies with the Standards of the Appraisal Institute of Canada and the International Valuation Standards. We are competent in this type of appraisal analysis and have appraised this type of property previously.

Data Research

We received our instructions from the client who provided information on the property. Publications produced by the municipality provided information on applicable land use controls. Sources of market evidence included, as appropriate, the local real estate board, Land Title Office transactions - including those reported by local assessors, real estate agents, vendors and purchasers active in the market. The Information Services Corporation provided information on the state of title.

Audits and Technical Investigations

We did not complete technical investigations such as:

- Detailed investigations or engineering review of the plans of the structure;
- An environmental review of the property;
- A site or building survey;
- Investigations into the bearing qualities of the soils
- Audits of financial and legal arrangements concerning the leases

Verification

The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct. The mandate for the appraisal did not require a report prepared to the standard appropriate for court purposes or for arbitration, so we did not fully document or confirm by reference to primary sources all information herein.

Assumptions & Limiting Conditions

1. The client to whom this report is addressed may use it in deliberations affecting the subject property only, and in so doing, the report should not be extracted, but used in its entirety.
2. While expert in appraisal matters, the author is not qualified and does not purport to give legal advice. It is assumed that:
 - a) The legal description as furnished by the Land Titles Office is correct;
 - b) Title to the property is good and marketable;
 - c) There are no encroachments, encumbrances, restrictions, leases or covenants that would in any way affect the valuation, except as expressly noted herein;
 - d) The existing use is a legally conforming use which may be continued and the required building permits have been acquired for all improvements;
 - e) Rights of way, easements or encroachments over other real property and leases or other covenants noted herein are legally enforceable.

Because these assumptions have been made, no investigation, legal or otherwise, has been undertaken which would verify these assumptions except as expressly noted herein.

3. The author is not a qualified surveyor. Sketches, drawings, diagrams, photographs etc. are presented in this report for the limited purpose of illustration and are not to be relied upon in themselves.
4. The author is not qualified to give engineering advice. It is assumed that there are no patent or latent defects in the subject improvements, that no objectionable materials such as Urea Formaldehyde foam are present, that they are structurally sound and in need of no immediate repairs, unless expressly noted within this report. No soil tests have been done, nor have tests been done of the heating, plumbing, electrical, air-conditioning or other systems and, for the purpose of this opinion, they are assumed to be in good working order.
5. No investigation has been undertaken with the local zoning office, the fire department, the buildings inspector, the health department or any other government regulatory agency unless such investigations are expressly represented to have been made in this report. The subject property must comply with such government regulations and, if it does not comply, its non-compliance may affect market value. To be certain of compliance, further investigations may be necessary.

6. Neither possession of this report nor a copy of it carries with it the right of publication. All copyright is reserved to the author and is considered confidential by the author and his client. It shall not be disclosed, quoted from or referred to, in whole or in part, or published in any manner, without the express written consent of the appraiser. This is subject only to confidential review by the Appraisal Institute of Canada.
7. Market data has been obtained, in part, from documents at the land registry office, or as reported by the real estate board. As well as using such documented and generally reliable evidence of market transactions, it was also necessary to rely on hearsay evidence. Except as noted herein, a reasonable attempt has been made to verify all such information.
8. Because market conditions, including economic, social and political factors, change rapidly and, on occasion, without warning, the market value expressed as of the date of this appraisal cannot be relied upon to estimate the market value as of any other date except with further advice of the appraiser.
9. The compensation for services rendered in this report does not include a fee for court preparation or court appearance, which must be negotiated separately. However, neither this nor any other of these limiting conditions is an attempt to limit the use that might be made of this report should it properly become evidence in a judicial proceeding. In such a case, it is acknowledged that it is the judicial body which will decide the use of the report which best services the administration of justice.
10. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.
11. Extraordinary Limiting Condition
One or two of the three traditional approaches to value may have been excluded. The reasons for any exclusion are explained in this report.
12. Extraordinary Assumption
Refer to Letter of Transmittal regarding any assumptions.

PART THREE - FACTUAL INFORMATION

Identification of the Property / Title Information

Address: 2201 Condie Road
Regina, Saskatchewan
Legal Description: SW 20-17-20-W2 Parcel #166005862
Title Information: Refer to Certificate of Title in the Supporting Data section

Sales History

Owned by the current owners since at least October 28, 1999. There is currently an accepted offer to purchase registered on the title by 139 Land Corporation. The land is currently for sale asking \$45,000 per acre.

Area, City and Neighbourhood Data

Province of Saskatchewan Data

Location: Located in Western Canada between Alberta to west and Manitoba to east
Population: 1,067,612 Jan. 1/12 (Sask. Gov't Bureau of Statistics)
Size: 250,000 square miles
Key Economic Sectors: Agriculture: the original economic base
Manufacturing: Manufacturing shipments were \$12.6 billion in 2011 while international exports of manufactured goods was \$5.0 billion in 2011, an increase of 35.0 per cent from 2010. (Statistics Canada)
Mining: Sask. is the 3rd largest non-fuel mineral producing province in Canada. Saskatchewan accounted for 15.6% of the value of total Canadian mineral production in 2009. At just over \$6.9 billion, Saskatchewan's value of production was second largest in Canada in 2010. Saskatchewan's mineral exploration spending is third largest in Canada.
Oil & Gas: 2nd highest oil producing province, 3rd highest natural gas producing province
Advanced Technology: Approximately 14,000 people in some 300 Saskatchewan companies generate more than \$1 billion a year, providing innovative products and services in telecommunications, digital communications, software development, monitoring and remote sensing, computerized banking, geomatics, health and environmental systems
Research: 1/3 of Canada's ag-biotech research takes place in Sk.
- CLS (synchrotron) in Saskatoon is one of the 2 most powerful of its kind in N. America.
- Weyburn has the world's first and largest carbon capture and sequestration project.
Advantage: One of the cheapest places to do business in the world
Workforce: One of the best educated in Canada - nearly 50% of employees have a post secondary education.
Trade: 60% of exports go to USA, 40% to the rest of the world. In 2011 more than half of Saskatchewan exports were mining, oil and gas related. Mining, oil and gas accounted for \$16.7 billion of the \$29.7 billion in exports. 62% of Saskatchewan's international exports went to USA, and 38% to the rest of the world. In 2010, more than half of Saskatchewan exports were mining, oil and gas related. Mining, oil and gas accounted for \$13.2 billion of the \$23.7 billion in exports.
Summary: Saskatchewan has experienced slow but steady growth. GDP statistics:

<i>(f) average of the nine major forecasters</i>									
Canada	3.1%	3.0%	2.8%	2.3%	0.6%	-2.6%	3.1%	2.5%	2.7%
Real GDP growth rates, in basic prices, chained 2002 dollars									
Saskatchewan	4.7%	2.8%	-1.4%	3.5%	4.8%	-4.2%	2.5%	3.7%	3.5%
<i>Source: Statistics Canada, GDP by Industry, CANSIM table 379-0025.</i>									
	2004	2005	2006	2007	2008	2009	2010	2011 (F)	2012 (F)

City Data**Regina:**

- Capital of Province of Saskatchewan
- 100 miles north of the US border near the south end of the province
- Located on Trans Canada Highway

Economic Base:

- Agriculture service
- Retail and distribution centre
- High civil service numbers
- Some of the largest employers are Viterra (grain company), Evraz Inc. Na (steel plant), Co-op Oil Refinery, Canada Life Insurance, Farm Credit Corporation

Unemployment Rate May 2012 (Seasonally Adjusted)

Regina	3.9%
Saskatchewan	4.5%
Canada	7.3%
Saskatoon, Saskatchewan	5.6%
Winnipeg, Manitoba	5.4%
Edmonton, Alberta	4.9%
Calgary, Alberta	4.9%

Source: <http://www40.statcan.ca/l01/cst01/lfs03-eng.htm>

Industries/Sectors that Drive the Regina Economy

- 1) Evraz Inc. Na. steel plant (formerly Interprovincial Steel Company, IPSCO): They employ approx. 1,000 full time employees. They have been expanding and expect continued growth in the future.
- 2) Co-op Oil Refinery and Upgrader: They have 610 full time employees. They have been expanding and should continue to grow in the future.
- 3) Head Office of Viterra grain company (formerly Saskatchewan Wheat Pool). They employ approx. 440 full time employees
- 4) Western Canada Regional Head Office of Canada Life Insurance: Approx. 700 employees. No expansion expected.
- 5) Head Office of Farm Credit Canada: Moved from Ottawa to Regina in about 1992. Approx. 400 Full time employees
- 6) Government of Saskatchewan: They are the largest user of Regina office space. SaskPower Corp. employs approx. 1,000 full time employees in Regina, SaskEnergy Inc. employs about 450 full time employees, SaskTel employs approx. 2,069 full time employees. All of the Crown Corporations have grown in recent years and predict continued growth in the near future.
- 7) Government of Canada: They have a substantial number of employees in Regina.
- 8) As of January 2012 the Global Transportation Hub (GTH) total investment in infrastructure is \$504 million. The GTH current employees 420 employees and will employee up to 800 by the end of 2012. Companies such as, Canadian Logistics Services, Yanke, Loblaw's and AFI Distribution Group will operate out of the GTH.

Population History:	(Source: City of Regina)
	June, 1981 163,217
	June, 1992 184,050
	June, 2000 189,400
	June, 2005 192,800
	June, 2006 194,100
	June, 2007 195,000
	June, 2008 199,000
	June, 2009 200,000
	June, 2010 202,000
	June, 2011 205,000
Local Economy:	The Regina economy is relatively strong and growing.
<u>Real Estate Market</u>	
Residential:	Relatively strong market. Highest demand is for low to mid range homes.
Multi-Family:	Good demand by investors due to low interest rates and low vacancy rates. Vacancy rate 0.6%. (CMHC April/12). Strong demand by tenants.
Industrial/ Warehouse:	Good demand especially for smaller buildings. Vacancy rate less than 3%.
Office:	Good demand by investors and tenants
	Dec. 31, 2002 vacancy rate was 7.00%
	Dec. 31, 2005 4.39%
	June 30, 2006 3.69%
	Dec. 31, 2006 3.63%
	June 30, 2007 3.28%
	Dec. 31, 2007 3.05%
	June 30, 2008 2.41%
	Dec. 31, 2008 1.95%
	July 31, 2009 1.73%
	Dec. 31, 2009 2.72%
	Sept. 2010 2.50%
	March 2011 2.17%
	Sept. 2011 1.73%
	March 2012 1.63%
Retail:	Relatively good demand for high quality locations. Overall retail vacancy rate is less than 3%.
Comments:	The overall real estate market is relatively good
Demand for Subject Property:	Relatively good demand for land like the subject.

Number & Value of Building Permits Issued, Total, Regina, Historical

Year	Number	Value (\$000's)
1990	1,761	102,791.7
1995	1,221	100,651.7
2000	1,462	113,331.8
2005	1,670	241,529.0
2006	1,919	276,927.9
2007	2,186	337,685.6
2008	2,387	342,372.1
2009	2,307	458,354.2
2010	2,539	426,790.7
2011	2,790	647,721.3
2012 (5 mths)	1,250	240,183.5

Source: City of Regina, Urban Development

Housing Starts, Regina CMA, Historical

Year	Single Detached	Multiples	Total
1990	320	151	471
1995	323	48	371
2000	459	156	615
2005	572	316	888
2006	749	237	986
2007	864	534	1,398
2008	979	396	1,375
2009	569	361	930
2010	708	639	1,347
2011	958	736	1,694
2012 (5 mths)	486	758	1244

Neighbourhood

Refer to the maps in the Supporting Data section. The subject land is located a ½ mile south of the southwest corner of Dewdney Avenue and the proposed new West Regina Bypass and extends west to Condie Road which is only a dirt trail south of Dewdney Avenue. Condie Road is a dead end at the railway tracks to the south. The subject land is immediately east of the Global Transportation Hub and both the subject and the Hub are within the Regina city limits. The Hub was annexed into the City of Regina in 2009 and will be used for large warehouses and railway shipping.

Neighbouring Properties

North:	Farmland then Dewdney Avenue and then farmland / future industrial subdivision
South:	Farmland and Canadian Pacific Railway
East:	The proposed West Regina Bypass will be immediately adjacent to the subject and then the Canadian Pacific Railway and then vacant land (Saskatchewan First Nation) with a gas station in the northeast corner.
West (across Condie Rd.):	Vacant land in Global Transportation Hub.
Conclusion:	The neighbourhood is a good location for the subject land.

Description of Land & Site Analysis

Location	½ mile south of the Southwest corner of Dewdney Avenue and the proposed West Regina Bypass extending west to Condie Road.
Land Size:	87.40 acres
Services:	The nearest water and sewer is on the Global Transportation Hub lands but the GTH will not allow adjacent land owners to connect to GTH services. The water line to the GTH originates from north of the airport. The sewer system for the GTH goes directly to the City lagoons west of Regina. According to the City of Regina it is not feasible to extend a new water and sewer line from the City of Regina to the subject land.
Topography:	Generally Level, adequate drainage
Access:	Condie Road (dirt trail) to the west side.
Traffic Flow:	Dewdney Avenue traffic is increasing substantially due to traffic to and from the Global Transportation Hub.
Easements:	Refer to the Neighbourhood Map in the Supporting Data section. It shows a petroleum pipeline easement in the northeast corner of approx. 1.78 acres.
Conclusion:	Poor access and limited exposure.

Assessment and Taxes

	Assessed Value	Taxable Assessment	Property Taxes
2011	\$ 120,400	\$ 66,200	\$ 392.91
2012	\$ 120,400	\$ 66,200	\$ 1,620.31

Note: The subject land is assessed as agriculture land until it is developed. The effective date of the assessment is June 30, 2006. The last general reassessment was 2009 and is done every 4 years.

Land Use Controls / Zoning

According to the City of Regina Zoning Bylaw No. 9250, the subject property is zoned:

UH - Urban Holding

This zone is designed to protect lands required for future urban development from premature subdivision and development.

PART FOUR - ANALYSES & CONCLUSIONS

Characteristics of the Market

There is a good demand for land like the subject. There are very few competing sites currently for sale.

Principle of Highest and Best Use

Definition: That reasonably probable and legal use of vacant land or an improved property which is physically possible, appropriately supported, financially feasible and that results in the highest value.

The highest and best use of a property is a major factor affecting market value. The value of a property results from its use and varies with the present and prospective, actual and anticipated profit.

Highest and best use can be simply stated as that use likely to produce the greatest net return over a given period of time.

Criteria for determining highest and best use include:

- 1) The use must be legal and in compliance with zoning and building restrictions.
- 2) The use must be within the realm of probability; a likely one, not speculative or conjectural.
- 3) A demand for such use must exist.
- 4) The use must be profitable.
- 5) The use must provide the highest net return to the land.
- 6) The use must produce the return for the longest possible time.

This appraisal report is based on the following assumptions:

- 1) The Government of Saskatchewan will control development approval on this land as opposed to the City of Regina.
- 2) The Global Transportation Hub will not allow services and roads to be extended from the GTH land to the subject land.
- 3) Saskatchewan Highways and Infrastructure will require approximately 45.90 acres (53%) of the land for the proposed West Regina Bypass and borrow pits.

Analysis

- a) Saskatchewan Highways and Infrastructure requires all of the land immediately north of the subject (NW 20) which makes a subdivision development of the subject land in conjunction with NW 20 (which has Dewdney Avenue frontage) impossible.
- b) After the Highway land requirement only 41.5 acres of the subject land will be left for development.
- c) The pipeline easement area cannot be used and a minimum setback of 10 meters is required.

Due to these factors the acreage left is probably too small to justify a separate development. The only possible buyer for development use might be the adjacent Global Transportation Hub. This would be the Highest and Best Use.

Land Value Estimate by the Direct Comparison Approach

This method involves the gathering, analyzing and comparing of data on similar properties that have been sold recently in the vicinity of the subject property.

This approach to value affirms the principle of substitution which briefly states that a prudent purchaser will not pay more for a property than it would cost to buy an equally desirable substitute, provided that there is no delay in making substitution.

The following land sales are analyzed:

Index No. 1

Location:	One mile north of Regina city limits SE 16-18-19-W2 Parcel #110907479 NE corner of Fleet St. extension and Inland Drive extension R.M. of Sherwood #159
Sale Price:	\$1,000,000 (Conditional Sale)
Sale Date:	June 2011
Land Size:	160 acres
Zoning:	Agriculture
Sale Price Per Acre:	\$6,250
Seller:	Hellen Marie Husum
Comments:	Purchaser intends to create industrial subdivision

Index No. 2

Location:	One mile east of Regina city limits ¼ mile north of Trans Canada Highway #1 Portion of NW 24-17-19-W2 Parcel #164917828 Northeast of CTV television station, to east of Twin Arenas
Sale Price:	\$275,000
Sale Date:	May 18, 2011 Title #140711217
Land Size:	17.64 acres
Zoning:	Agriculture
Sale Price Per Acre:	\$15,590
Seller:	Eastview Tower Investment Inc.
Buyer:	Brandt Properties Ltd.
Comments:	Much of this land has a ravine. Purchaser also purchased adjacent property with building from different seller (K.R. Holdings).

Index No.3Location:

LSD 2 (Ext 6) Parcel #111618570

Portion of SE 18-18-19-W2

½ mile east of intersection of Inland Drive and Hwy#6 North, immediately east of Sherwood Industrial Park

R.M. of Sherwood #159, ½ mile north of Regina city limits

Sale Price:

\$1,675,000

Sale Date:

January 16, 2012 title #141688637

Land Size:

40.1 acres

Zoning:

Agriculture

Sale Price Per Acre:

\$41,771

Seller:

Calvin & Patricia Kelly

Buyer:

101196187 Saskatchewan Ltd.

Comments:

Buyer intends to use for industrial subdivision

Index No. 4Location:

NE 19-17-20-W2

R.M. of Sherwood #159

SW corner of Dewdney Avenue and Condie Road
Purchased for the Global Transportation Hub on west side of Regina

Sale Price:

\$1,720,290

Sale Date:

April 9, 2010 title # 139101410

Land Size:

156.36 acres

Zoning:

Agriculture

Sale Price Per Acre:

\$11,002

Seller:

James & Patricia Tanner

Buyer:

Gov't of Saskatchewan

Comments:

This is the expropriated price. Seller did not agree and the price might be settled in court. Within Regina city limits at time of title transfer. Price was based on appraised value effective Nov/09.

Index No. 5Location:

SE 19-17-20-W2

R.M. of Sherwood #159

½ mile south of Dewdney Avenue on Condie Rd.
Purchased for the Global Transportation Hub on west side of Regina

Sale Price:

\$1,098,685

Sale Date:

April 9, 2010 title #139101421

Land Size:

159.61 acres

Zoning:

Agriculture

Sale Price Per Acre:

\$6,884

Seller:

James & Patricia Tanner

Buyer:

Gov't of Saskatchewan

Comments:

This is the expropriated price. Seller did not agree and the price might be settled in court. Within Regina city limits at time of title transfer. Price was based on appraised value effective Nov/09. 8.84 acre petroleum pipeline easement runs diagonally through this land.

Index No. 6

Location:

S.E. corner of Courtney St. and 13th Ave.
 Portion NW 15-17-20-W2
 Portion SW 22-17-20-W2
 Portion SE 22-17-20-W2
 Within Regina Saskatchewan city limits
 6115 - 15th Avenue adjacent (to NW) of Regina
 airport

Land Size:

NW 15-17-20-2	150.52 acres
Parcel W, Plan 101153854	22.19 acres
Parcel C, Plan AV4763	1.65 acres
Lots 6-19, Plan AV3899	1.00 acres
Parcel A, Plan AV3899	36.37 acres
Parcel Z, Plan 101153854	3.26 acres
Parcel B, Plan AV9763	<u>2.78 acres</u>
Total	217.77 acres

Sale Date:

Aug/09

Sale Price:

Feb. 5/10 title transfer #138867774 etc.

Zoning:

\$2,613,240

Sale Price Per Acre:

UH – Urban Holding

Comments:

\$12,000

Seller: Stanley Taylor & 3-T Farms Ltd.

Buyer: Regina Airport Authority.

Index No.7

Location:

Portion of 2000 McCarthy Boulevard North
 Portion NW 11-18-20-W2 (parcel # 163519634)
 Portion NE 11-18-20-W2 Parcel #164370078
 Block B Plan 101976352
 NW Corner of Regina
 Starting to east of McCarthy Blvd. and north of
 Diefenbaker Drive.

Sale Price:

\$2,760,000

Sale Date:

Ptn NW 11: January 21, 2009 Title # 136886383

Ptn NE 11 (Block B Plan 101976352): November

10, 2009 Title #138346296

Land Size:

Ptn NW 11:	90.00 acres
Ptn NE 11:	<u>30.00 acres</u>
	120.00 acres

Zoning:

UH – Urban Holding

Sale Price Per Acre:

\$23,000

Comments:

Seller: Kinwest Developments Ltd.

Buyer: Mark and Rita Geiger for long term
residential and commercial development

Index No. 8**Location:**

Wellman Estates Land, northwest Regina
 SW 9-18-20-W2 158.49 acres
 LSD 11, 12 & 13 in NW 4-18-20-W2 119.62 acres
 SW 4-18-20-W2 159.36 acres
 Parcel A Plan 86R66653
 (Portion of E ½ 5-28-30-W2) 159.81 acres
 All within Regina city limits except for SW 9 and
 Parcel A
 Just west of NW corner of 9th Ave. North &
 Courtney Street. North of Westhill and west of
 Sherwood Estates.

Sale Price:

\$15,500,000

Sale Date:

Signed February 3, 2011

Land Size:

597.28 acres

Zoning:

UH: Urban Holding for land inside city limits

A: Agriculture for land in R.M.

Sale Price Per Acre:

\$25,953

Comments:

At date of purchase buyer expects to service this
 land starting in about 2023. Purchase price paid in
 3 equal installments over 3 years.

Buyer:

Dundee Developments

Seller:

101154534 Sask. Ltd. (Wellman family)

Index No 9**Location:**

NE 14-17-19-W2
 South-east Regina within city limits
 South of Victoria Avenue
 North of Arcola Ave.
 Immediately east of Sask. Housing
 Corporation land which is immediately east
 of Windsor Park.

Sale Price:

\$4,000,000

Sale Date:

January 2011 agreement
 May 2012 possession date (no title transfer
 as of May 14, 2012)

Land Size:

153.51 acres

Note: City of Regina owns additional 6.15
 acre strip through middle of land which is
 former railway land.

Zoning:

UH: Urban Holding

Sale Price Per Acre:

\$26,057

Comments:

Future residential subdivision

Seller:

Knox Metropolitan United Church

Buyer:

Regina land developer

Index No.10**Location:**

NW 18-18-19-W2

R.M. of Sherwood #159

Parcel #110907491

One mile north of Regina city limits

North of Sherwood Industrial Park

East Side of Highway #6 North

Sale Price:

\$2,695,000 (asking price was \$2,695,000)

Sale Date:

June 28, 2011 on MLS

Land Size:

Title transfer August 4, 2011 (#141030762)

107.78 acres

Zoning:

Agriculture

Sale Price Per Acre:

\$25,005

Seller:

King Farm Syndicate Holding Inc.

Buyer:

Degelman Industries Ltd. who will immediately use
20 acres for yard storage. Degelman plant is
located to west across Highway #6.

Comments:

Highest previous offer was \$1,500,000
(\$13,917/acre) June 2011 by an industrial
subdivision developer. This is a high sale due to
special motive.

Index No.11**Location:**

SE 14-17-19-W2

Within Regina City Limits

South east corner of Regina

North of Arcola Ave. & South of Victoria Ave.

Sale Price:

\$5,200,000

Sale Date:

July 3, 2008 Title No. 135919604

Land Size:

159.52 acres

Zoning:

Urban Holding

Sale Price Per Acre:

\$32,598

Comments:

Seller: Robert Shaw, Robin McKenzie
Evengreen Development Corporation. At the time of
purchase this land was thought to be approx. 5
years from development.

Index No. 12**Location:**

SE 7-18-19-W2, SW 7-18-19-W2

Within north city limits of Regina. Situated west of Winnipeg Street and north of the CP Railroad tracks. It is adjacent (to north) to the new Kensington Greens residential development.

Zoning:

UH – Urban Holding

Land Size:

SW 13.35 acres

SE 121.86 acres

Total 135.24 acres

Sale Date:

SE: April 16, 2009 Title #137231737

SW: May 26, 2009 Title #137466973

Sale Price:

\$2,130,030

Sale Price Per Acre:

\$15,750

Comments:

Seller: Vorpahl Volle Farm Syndicate Holdings Ltd.

Buyer: Earth King 135 Ventures Ltd.

SE \$1,919,767 transferred April 16/09

SW to transfer at a later date.

Index No.13**Location:**

LSD 1, 7 & 8 in SE 18-18-19-W2

R. M. of Sherwood #159

North of Regina

Northwest corner of Inland Drive and Winnipeg St.

North.

Sale Price:

\$2,000,000

Sale Date:

January 2012, title transferred March 13, 2012

#141892746, etc.

Land Size:

120.36 acres

Zoning:

A - Agriculture

Sale Price Per Acre:

\$16,617

Comments:

Seller: Orville and Evelyn Williams

Buyer: DBR Developments Ltd. who intends to use for industrial subdivision.

Index No. 14**Location:**

SW 21-17-18-W2

Southeast corner of Highways #1 and #362 which is the Pilot Butte access road.

4 miles east of Regina

RM of Edenwold #158

Sale Price:

\$2,198,210

Sale Date:

October 31, 2008 Title No. 136593085

Land Size:

141.26 acres

Zoning:

Agriculture

Sale Price Per Acre:

\$15,561

Seller:

Denise Oman et al

Buyer:

Cindercrete Products Limited. Intended for highway commercial at front and residential development at rear (south)

Index No. 15**Location:**

5 miles east of Regina city limits

NW 22-17-18-W2

Parcel #110908065

North Service Road Trans Canada Highway #1

R.M. of Edenwold #158

Across Highway from Great Plains Industrial Park.

Across road to east of Balzer's Canada Inc.

Sale Price:

\$2,950,000 (asking price was \$3,200,000)

Sale Date:

June 20, 2011 MLS

Land Size:

Title transfer August 4, 2011 (#14027612)

141.27 acres

Zoning:

Agriculture

Sale Price Per Acre:

\$20,882

Seller:

Emerald Plains Properties Inc.

Buyer:

Aquila Holdings Ltd. (owned by Carson Energy) who intends to use portion for their own new building and use remainder for a light industrial/commercial subdivision

Comments:

Sask. water line is nearby and also natural gas and electricity

Index No. 16

Location:

SW 20-17-18-W2

½ mile west of Southwest corner of Highways #1
and #362 which is the Pilot Butte access road.

4 miles east of Regina

RM of Edenwold #158

Sale Price:

\$3,250,000

Sale Date:

May 4, 2012 Title #142139998

Land Size:

133.58 acres

Zoning:

Agriculture

Sale Price Per Acre:

\$24,330

Seller:

Ronald & Mildred Leonard

Buyer:

Gary L. Redhead Holdings Ltd.

Index No. 17

Location:

SE 20-17-18-W2

Southwest corner of Highways #1 and #362 which
is the Pilot Butte access road.

4 miles east of Regina

RM of Edenwold #158

Asking Price:

\$4,750,000

Land Size:

140.98 acres

Zoning:

Agriculture

Asking Price Per Acre:

\$33,693

Seller:

Ronald & Mildred Leonard

Index No. 18

Location:

2201 Condie Road

SW 20-17-20 W2

½ mile south of Dewdney Avenue to the west of the
future West Regina Bypass.

Within Regina City Limits

Asking Price:

\$3,933,000

Land Size:

87.4 acres

Zoning:

UH – Urban Holding

Asking Price Per Acre:

\$45,000

Seller:

McNally Enterprises Ltd.

Listing Agent:

Bill Babey (Colliers International) 789-8300

Index No. 19

Location:

NW 5-18-20-W2
 SW 5-18-20 W2
 Block B, Plan 89R66653
 North of 9th Avenue North, the future West Regina
 Bypass runs through the property. Just west of
 Pinkie Road.
 West of Regina
 R.M. of Sherwood #159
 \$8,599,500

Asking Price:

Land Size:

NW: 158.76 acres
 SW: 158.69 acres
 Block B: 160.30 acres
 Total 477.75 acres

Zoning:

Asking Price Per Acre:

Seller:

Listing Agent:

AG1 – Agriculture

\$18,000

Estate of James Marshall Wellman

Paul Mehlsen/Micky Schmitz (NAI Commercial)

525-3344

Index No. 20

Location:

All of Section 26-17-21-W2
 Northwest of the Global Transportation Hub with
 frontage on Dewdney Ave.
 R.M. of Sherwood #159
 \$4,347,000

Asking Price:

Land Size:

NW: 153.88 acres
 SW: 156.60 acres
 NE: 153.65 acres
 SE: 156.87 acres
 Total 621.00 acres

Zoning:

Asking Price Per Acre:

Seller:

Listing Agent:

AG1 – Agriculture

\$7,000

Mary Sandra Dorosz (SW & NW), Muriel Joyce

Morris (SE & SE)

Darcy Skwara (Colliers International) 789-8300

Index No. 21**Location:**

South portion of SW 5-17-20-W2
 North side of Highway #1
 ½ mile west of future West Regina Bypass
 Interchange

West of Regina
 R.M. of Sherwood #159

Conditional Sale:

\$1,350,000 (May/12)

Land Size:

Total of approx. 60 acres

Zoning:

AG1 – Agriculture

Sale Price Per Acre:

\$22,500

Asking Price Per Acre:

\$50,000 (asking \$125,000 per acre for proposed lots)

Seller:

Allsby Enterprises Inc.

Listing Agent:

Darcy Skwara (Colliers International) 789-8300

Note:

- 1) An application has been brought to the RM of Sherwood to change the zoning to Highway Commercial (currently pending)
- 2) A gas pipeline runs immediately to the north of the property.

Index No. 22**Location:**

NE 32-16-20-W2

Southwest corner of Highway #1 and the future
 West Regina Bypass Interchange

West of Regina

R.M. of Sherwood #159

Asking Price:

\$1,970,800

Land Size:

Approx. 49.27 acres

Zoning:

AG1 – Agriculture

Asking Price Per Acre:

\$40,000

Seller:

Florence Marion & Lyle Francis Denton

Listing Agent:

Bill Babey (Colliers International) 789-8300

Note:

Listing shows a total of 140 acres but the government has expropriated 2 parcels for a total of 90.77 acres.

Index No. 23

Location:

Westport Industrial Park
 NW & NE 16-17-20-W2
 Immediately west of City of Regina Airport, south of
 CP Railway and east of Pinkie Rd.
 and the Regina City limits
 R.M. of Sherwood #159
 \$1,970,800

Asking Price:

Land Size:

NW 156.65 acres
 NE 139.37 acres
 Total 296.02 acres

Zoning:

Asking Price Per Acre:

Seller:

Listing Agent:

AG1 – Agriculture

\$45,000

Marathon Development Corp.

Ryan Babey (Colliers International) 789-8300

Index No. 24

Location:

SE 30-17-20-W2
 North side of Dewdney Avenue immediately north of
 the Global Transportation Hub at the NE corner of
 Dewdney Ave. and Condie Rd.
 R.M. of Sherwood #159

Asking Price:

Land Size:

Zoning:

Asking Price Per Acre:

Seller:

Listing Agent:

\$7,500,000

159.06 acres

AG1 – Agriculture

\$47,152

James Paul Farley

Linda Boxall 536-1489

Index No. 25

Location:

Portion of SW 24-18-20-W2
 North of Sherwood Industrial Park
 West of Highway #6
 Properties on Sherwood Road are immediately
 south

1 mile north of Regina

RM of Sherwood #159

Asking Price:

Land Size:

Zoning:

Asking Price Per Acre:

Seller:

\$5,950,000

117.8 acres

Agriculture

\$50,509

Kinwest Developments Ltd., Rolo Farms Ltd. &

CityView Acres Ltd.

parcel

Index No.26

Location: SW 06-18-18-W2 R.M. of Edenwold #158
 SE 01-18-19-W2 R.M of Sherwood #159
 NE 01-18-19-W2 R.M of Sherwood #159
 NW 01-18-19-W2 R.M of Sherwood #159
 1½ miles West of Regina City Limits
 North side of Hwy #46

Asking Price/Size:

SW 06	\$2,500,000	153.43 acres
SE 01	\$2,500,000	152.18 acres
NE 01	\$2,500,000	159.39 acres
NW 01	<u>\$2,500,000</u>	<u>157.82 acres</u>
Total	\$10,000,000	622.82 acres

Zoning: Agriculture
 Asking Price Per Acre: \$16,056
 Comments: Seller: Torhill Estates Ltd.
 Listing Agent: Linda Boxall (conditional sale near asking price)

Index No. 27

Location: NE 8-17-20-W2
 Just west of City of Regina Airport
 and the Regina City limits at the SW corner of
 Centre Road and the future West Regina Bypass.
 R.M. of Sherwood #159

Sale Price: \$2,304,720
 Sale Date: December 2011, Title transfer in June 2012.
 Land Size: 104.76 acres
 Zoning: AG1 – Agriculture
 Sale Price Per Acre: \$22,000
 Seller: McNally Enterprises Ltd.
 Buyer: Undisclosed

Index No.28

Location: LSD 13 15-17-18-W2 R.M of Edenwold #158
 LSD 14 15-17-18-W2 R.M of Edenwold #158
 Immediately south of Great Plains Industrial Park.
 Hwy # 362 is one mile west.

Sale Price/Size:

LSD 13	\$ 500,000	39.33 acres
LSD 14	<u>\$ 500,000</u>	<u>39.86 acres</u>
Total	\$1,000,000	79.19 acres

Sale Date: May 2, 2012
 Zoning: AR – Agriculture
 Asking Price Per Acre: \$12,628
 Comments: Seller: Geoge & Joan Peslari
 Buyer: Great Plains Leaseholds Ltd.

Note: The buyer is the developer of the Great Plains Industrial Park who intends to use the land for expansion. There are buildings on the site that were given no value and will be removed.

Index No. 29

Location:

NE & NW 21-17-20-W2
 Portions of SE & SW 21-17-20-W2
 Just west of the RCMP training grounds and
 northwest of the Regina City airport within the
 Regina City limits. Dewdney Avenue is to the north,
 Pinkie Road is to the west, Courtney Street is to the
 east and 13th Avenue is to the south.

Sale Price:

\$11,825,000 x 50% = \$5,912,500

Sale Date:

Early 2012

Land Size:

550 acres

Zoning:

UH – Urban Holding

Sale Price Per Acre:

\$21,500

Seller:

Seller: Sherwood Multitech Estates Ltd.

Buyer:

Buyer: Land developer purchased 50% interest
 based on \$21,500/acre for 100% interest

Index No.30

Location:

SW 12-17-19-W2
 NW 12-17-19-W2
 SW 13-17-19-W2
 NW 13-17-19-W2
 R.M of Sherwood #159
 Immediately west of Regina City Limits
 East side of Tower Road

Sale Price/Size:

SW 12	\$1,824,055	149.96 acres
NW 12	\$1,643,790	135.14 acres
SW 13	\$ 881,376	72.46 acres
NW 13	<u>\$1,562,901</u>	<u>128.49 acres</u>
Total	\$5,912,122	486.05 acres

Sale Date:

February 21, 2012, title #'s 141813682,

Zoning:

AG1 – Agriculture

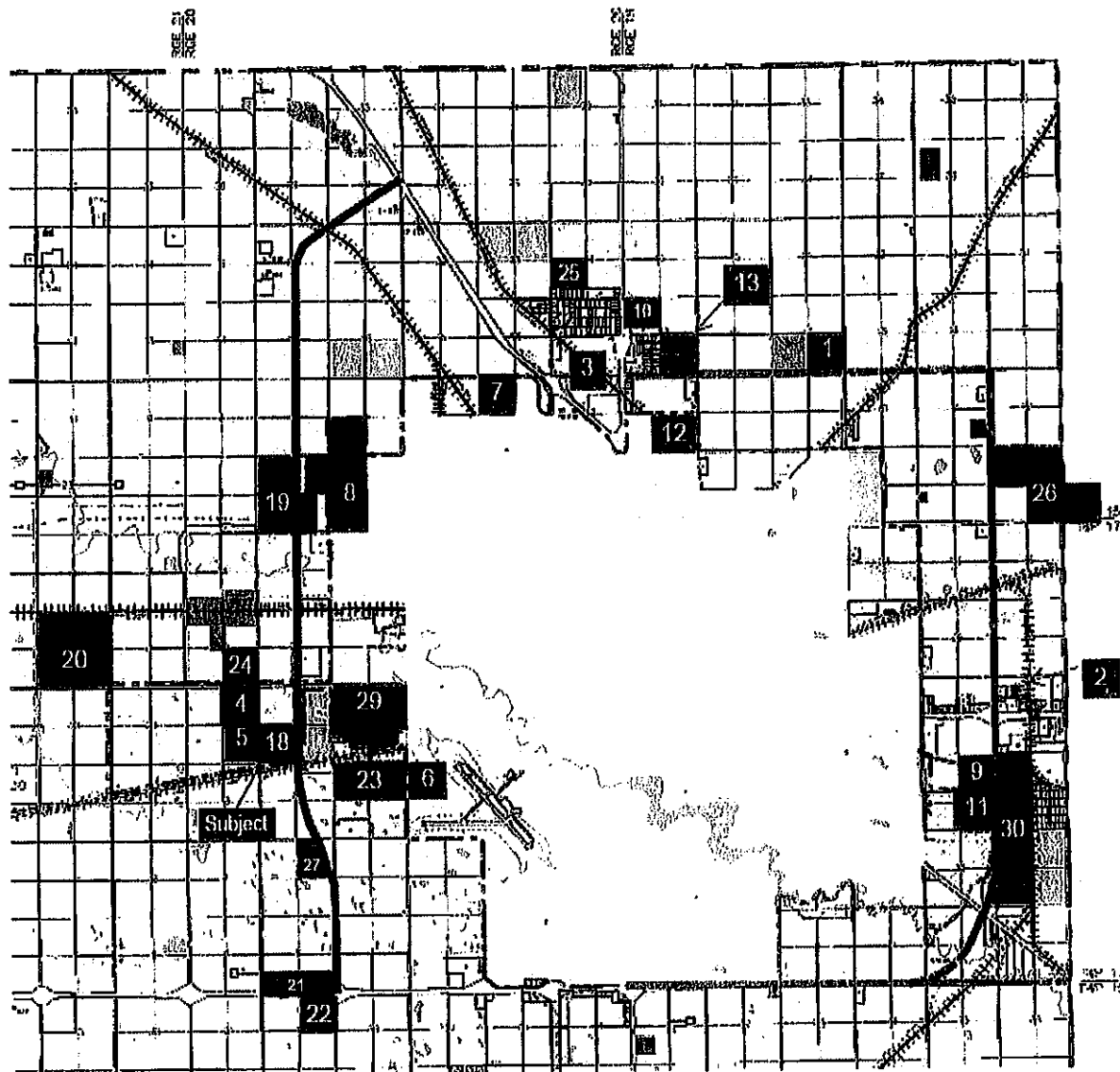
Sale Price Per Acre:

\$12,164

Comments:

Seller: John Fahlman

Buyer: Long Lake Investment Inc.



Indexes 14 - 17 & 28 are located east of the City of Regina in the R.M. of Edenwold to the north and west of Great Plains Industrial Park and are not on this map.

Sales Analysis Table

Index	Sale Date	Acres	Zoning	Sale Price Per Acre	
1	Jun-11	160	Agriculture	\$	6,250
2	May-11	17.64	Agriculture	\$	15,590
3	Jan-12	40.10	Agriculture	\$	41,771
4	Apr-10	156.36	Agriculture	\$	11,002
5	Apr-10	159.61	Agriculture	\$	6,884
6	Aug-09	217.77	Urban Holding	\$	12,000
7	Jan-09	120	Urban Holding	\$	23,000
8	Feb-11	597.28	Agriculture/UH	\$	25,953
9	Jan-11	153.51	Agriculture/UH	\$	26,057
10	Jun-11	107.78	Agriculture	\$	25,005
11	Jul-08	159.52	Urban Holding	\$	32,598
12	Apr-09	135.24	Urban Holding	\$	15,750
13	Jan-12	120.36	Agriculture	\$	16,617
14	Oct-08	141.26	Agriculture	\$	15,561
15	Jun-11	141.27	Agriculture	\$	20,882
16	May-12	133.58	Agriculture	\$	24,330
17	Asking	140.98	Agriculture	\$	33,693
18	Asking	87.40	Urban Holding	\$	45,000
19	Asking	477.75	Agriculture	\$	18,000
20	Asking	621	Agriculture	\$	7,000
21	May/12 C/sale	60	Agriculture	\$	22,500
22	Asking	49.27	Agriculture	\$	40,000
23	Asking	296.02	Agriculture	\$	45,000
24	Asking	159.06	Agriculture	\$	47,152
25	Asking	117.8	Agriculture	\$	50,509
26	Asking	622.82	Agriculture	\$	16,056
27	Dec-11	104.76	Agriculture	\$	22,000
28	May-12	79.19	Agriculture	\$	12,628
29	Early-12	550	Urban Holding	\$	21,500
30	Feb-12	486.05	Agriculture	\$	12,164
Median				\$	21,750
Minimum				\$	6,250
Maximum				\$	50,509

Analysis and Conclusion – Land Value

Smaller sites and corner sites generally sell for a higher price per acre than larger and interior sites. The land sales analyzed have a range of \$6,250 to \$50,509 per acre with a median of \$21,750.

Indexes 4 (\$11,002) and Index 5 (\$6,884) are the expropriated prices of land for the Global Transportation Hub along Dewdney Avenue. They are immediately west of the subject land. Index 4 has Dewdney Avenue frontage and Index 5 is immediately south of Index 4 and has a pipeline easement. Index 5 had a lower price due to the lack of exposure and the pipeline easement. Index 4 & 5 prices were based on Nov/09 values and land prices have since increased.

Index 2 (\$15,590) is inferior but smaller.

Index 8 (\$25,953) is larger. It is intended for residential subdivision development.

Index 10 (\$25,005) is considered a high sale due to a motivated buyer.

Index 13 (\$16,617) is inferior.

Index 16 (\$24,330) is on Hwy #1 east of Regina.

Indexes 17 – 25 (\$7,000 - \$50,000) are asking prices for land in the subject area and north of Regina, north of Sherwood Industrial Park. Index 18 (\$45,000) is the subject. It is only an asking price. Index 20 (\$7,000) is very large. Index 21 has a conditional sale at \$22,500 per acre it is superior. Index 24 (\$47,152) is located north of the GTH along the north side of Dewdney Avenue just west of the subject.

Index 26 (\$16,056) is a recent deal of a larger parcel along Hwy #46.

Index 27 (\$22,000) is located to the south of the subject at the southwest corner of Centre Road and the future West Regina Bypass. It is only larger but is a superior location. It is a recent deal and has no pipelines.

Index 29 (\$21,500) is located to the east of the subject along Dewdney Ave. It is larger but is a superior location.

The subject has a pipeline easement in the northeast corner of the parcel. The restrictions on development of this land and the Saskatchewan Highways requirement are also factors. The subject land does not have Dewdney Avenue frontage but is adjacent to the Global Transportation Hub. Based on this analysis and with consideration to all factors the market value estimate of the subject land is:

$$87.40 \text{ acres} \times \$ 15,000 \text{ per acre} = \$ 1,311,000$$

Exposure and Marketing Time Analysis

Exposure Time

The estimated length of time the property being appraised would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal.

Marketing Time

Amount of time it might take to sell the property at the concluded market value during the period immediately after the effective date of the appraisal.

Conclusion

Based on a review of comparable sales and interviews with Realtors the estimate of market value is based on a 6 month exposure period. This would also be the marketing time.

Appraiser's Certification

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

- 1) The statements of fact contained in this report are true and correct.
- 2) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions.
- 3) I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
- 4) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- 5) My engagement in and compensation for this assignment were not contingent upon developing and reporting predetermined results, the amount of the value estimate, or a conclusion favouring the client;
- 6) My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) and the International Valuation Standards (IVS);
- 7) I have the knowledge and experience to complete the assignment competently;
- 8) I have made a personal inspection of the property that is the subject of this report.
- 9) No one provided significant professional assistance to the person signing this report.
- 10) The Appraisal Institute of Canada has a mandatory continuing professional development program for designated members. As of the date of the report I have fulfilled the requirements of the program.
- 11) I am a member in good standing of the Appraisal Institute of Canada
- 12) Effective Date of Appraisal: June 15, 2012
- 13) Date of Inspection: June 10, 2012
- 14) Date of Report/Certification: June 15, 2012
- 15) Location: 2201 Condie Road
SW 20-17-20-W2
Regina, Saskatchewan
- 16) Estimate of Market Value: \$1,311,000

Certified and Inspected by: _____

Peter M. Lawrek, B.A., AACI, P. App.

Appraiser's QualificationsPeter M. Lawrek

May, 1975 - University of Regina, Bachelor of Arts Degree (Economics).

December, 1981 - AACI (Accredited Appraiser Canadian Institute) from the Appraisal Institute of Canada.

July, 1975 - September, 1979 - Employed with the Canada Mortgage and Housing Corporation as an Appraiser/Program Administrator. September, 1979 - present - independent appraiser specializing in Industrial, Commercial, Agricultural and Investment properties.

Have appeared as an expert witness in Court of Queen's Bench and at Surface Rights Arbitration Board hearings.

Chairman, Regina Chapter, Appraisal Institute of Canada 1983-1984 and 1984-1985.

President, Saskatchewan Association, Appraisal Institute of Canada 1987-1988.

Member of Executive Committee Saskatchewan Association, Appraisal Institute of Canada 1983 - 1993.

Member of Sask. Assn. Professional Development Committee since early 1999.

Member of Editorial Advisory Board, National Publications Committee, Appraisal Institute of Canada (1983-1985) and member of National Membership Services Committee (1985-86). Member of the National Admissions Committee (1989-90).

Member of Appraisal Institute National Adjudicating Committee 1999 - 2010 including 2 year term as Chair.

Member of Appraisal Institute National Appeal Committee since September 2011.

Regina area farm owner and past operator.

Licensed member of the Association of Regina Realtors.

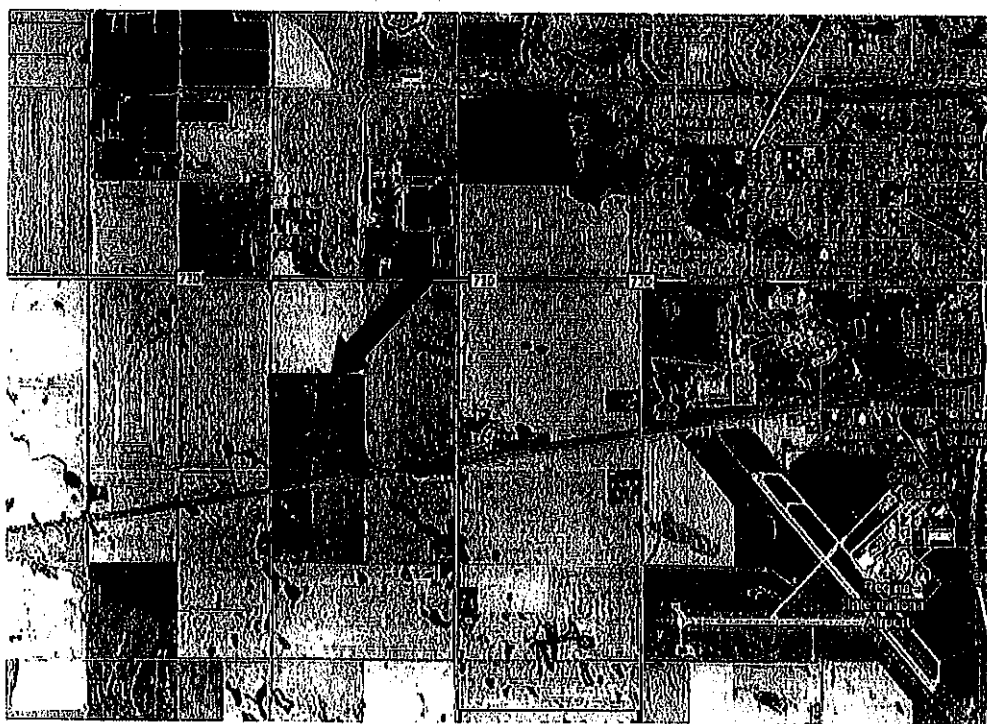
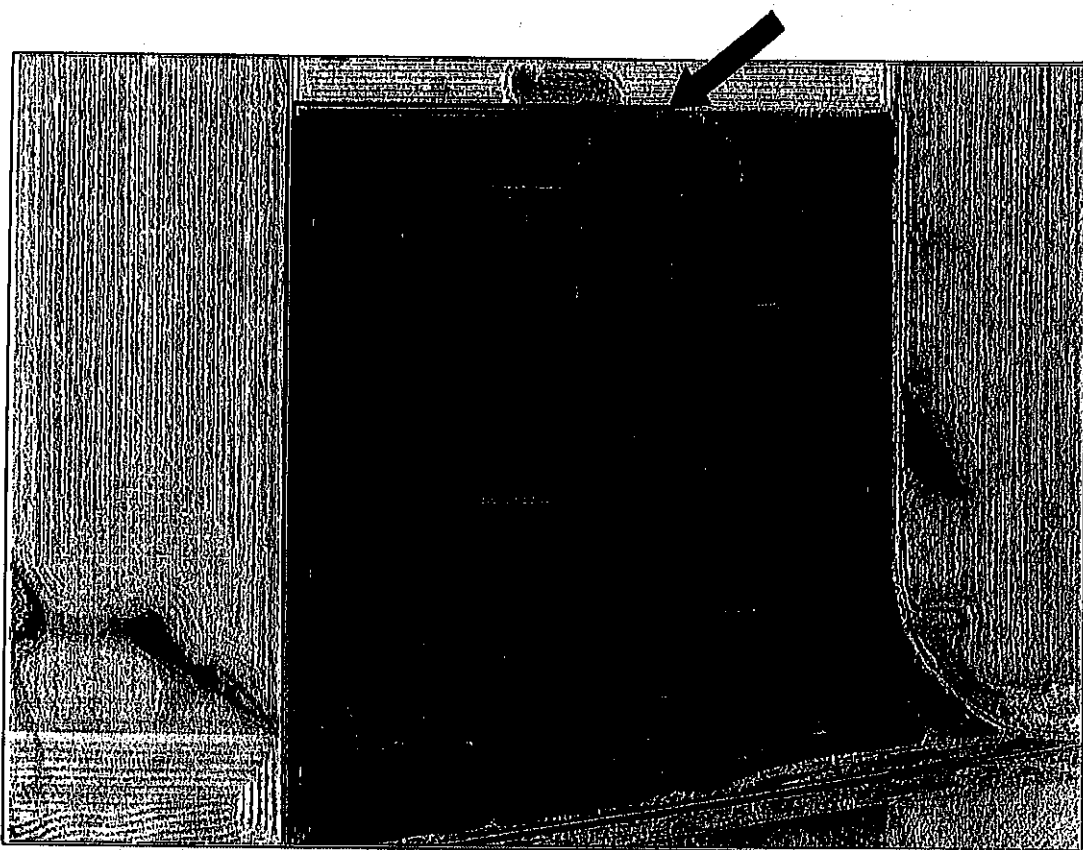
Client list includes, City of Regina, City of Weyburn, City of Estevan, Province of Saskatchewan, Government of Canada, Texaco, Royal Bank, Imperial Oil, Ford of Canada, Toronto Dominion Bank, Bank of Montreal, Canadian Imperial Bank of Commerce, Credit Union Central, Dome Petroleum, Home Oil, Crown Zellerbach, various Trust companies, Shell Oil, Touche Ross, Esso Canada, Petro Canada, Canada Mortgage & Housing Corporation, Saskatchewan Housing Corporation, Saskatchewan Dept. of Highways, Metropolitan Trust, Harvard Developments, Greystone Investments, numerous national investment fund companies and trust companies.

Qualifications of Peter M. Lawrek, Appraiser (Cont'd)

Major Appraisals Completed:

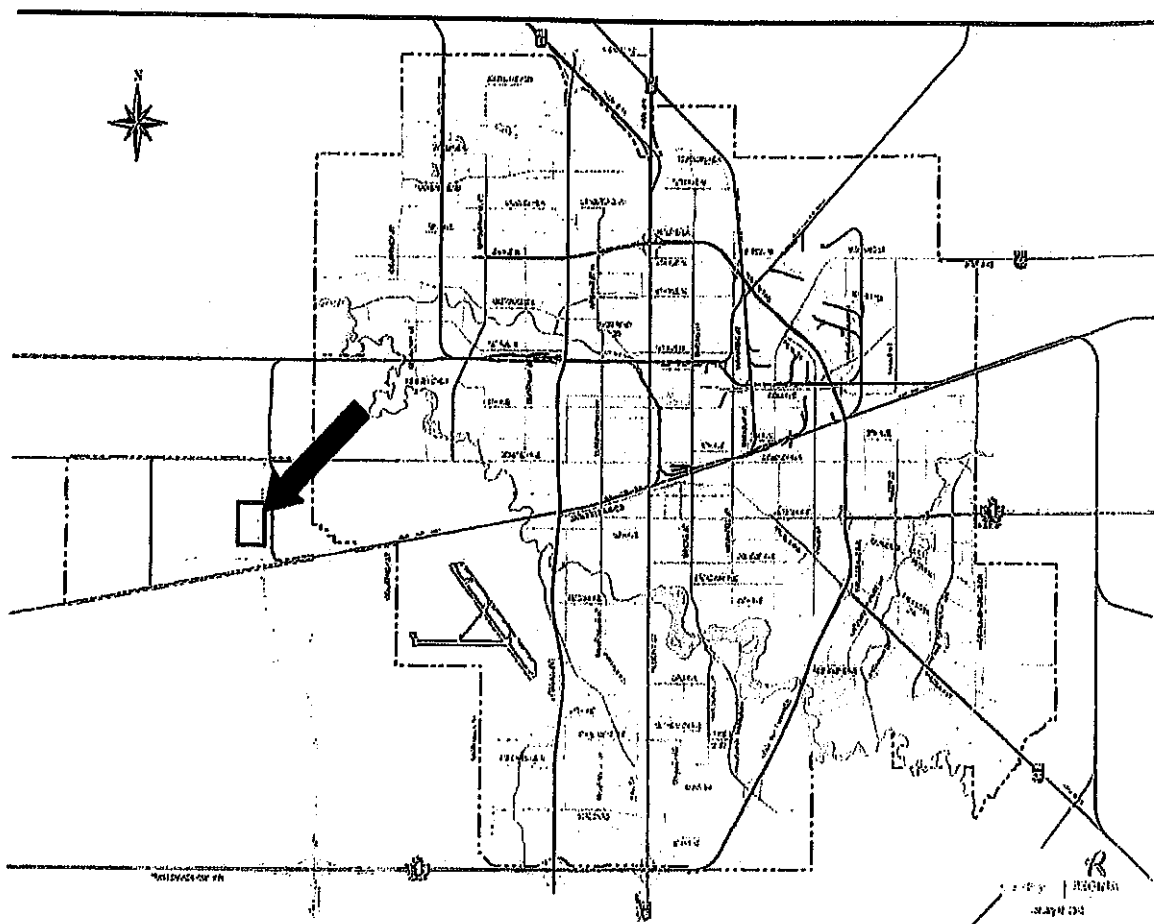
- McCallum Hill Centre - Tower I, Regina - 20 storey hi-rise office tower, 161,500 rentable sq.ft.
- Bank of Montreal Tower, Regina - 13 storey office tower, 140,000 rentable sq.ft.
- McCallum Hill Centre Parkade 5 stories, 433 stalls.
- Park Plaza office building, 54,000 sq.ft.
- Sherwood Place Office Complex, 220,000 sq.ft.
- Saskatchewan Place office building, 84,000 sq.ft.
- Midtown Centre - Regina (now known as Scotia Place) - 130,000 sq.ft. hi-rise office/retail centre plus 12 level parkade.
- Canada Post Building 2150 - 2200 Saskatchewan Drive - Regina - 193,000 sq.ft. multi-storey.
- S.G.I. Office Tower - Regina - 184,000 sq.ft. plus 220 stall underground parkade.
- Toronto Dominion Bank Office Tower - Regina - 145,000 sq.ft. plus underground parkade.
- Reed Stenhouse Office Building, 2201 11th Avenue - Regina - 57,500 sq.ft.
- Park Centre Office Building, Hillsdale St. & Wascana Parkway - Regina - 54,000 sq.ft plus underground parkade.
- General Motors Office/Warehouse, 580 Park St. - Regina - 80,000 sq.ft.
- Gold Square retail/office complex, Albert. St. & Parliament Ave. - Regina - 31,000 sq.ft.
- Carling Corner, retail mall, Albert St. & 4th Ave. - Regina - 36,000 sq.ft.
- Avon Shopping Centre, Avonhurst Drive & Albert St. - Regina - 80,000 sq.ft.
- Dominion Bridge Steel Plant - Regina - 58,000 sq.ft. on 23 acres
- Gardiner Village - Regina - 84 unit multi-family rental
- 2001 Cornwall St. - Regina - 118 unit apartment plus main floor commercial and parkade
- Taylor Motors - Regina - 34,000 sq.ft. automobile dealership
- Wheaton Chev Olds - Regina - 20,000 sq.ft.
- MacCosham Warehouse, 1502 Quebec St. - Saskatoon - 143,000 sq.ft.
- Titan Building, Henderson Drive - Regina - 100,000 sq.ft.
- MacCosham Warehouse, 316 1st Ave. E - Regina, - 55,000 sq.ft.
- Regina Golf Course Lands - Public Works Canada
- Numerous automobile dealerships in Saskatchewan
- Various country hotels, motels, motor inns, restaurants, car washes, gas bars, roller rinks.
- Variety of partial taking and expropriation appraisals
- Farmland across Saskatchewan including 50,000 acre White Bear Indian Land Claim Appraisal, 20,000 acre appraisals for Rafferty Dam acquisition for Souris Basin Development Authority.
- Grasslands National Park Lands Appraisals for Public Works Canada, over 50,000 Acres.
- City of Weyburn, appraisal for flood control land assembly project.
- Numerous smaller retail strip malls, office buildings and industrial buildings.
- James Tires Centres - 11 locations in Saskatchewan
- S.G.I. Claims Centre, Broad St. - Regina.
- Marathon Realty (C.P.R.) Lands - Regina

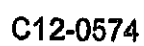
SUPPORTING DATA

Aerial Photo

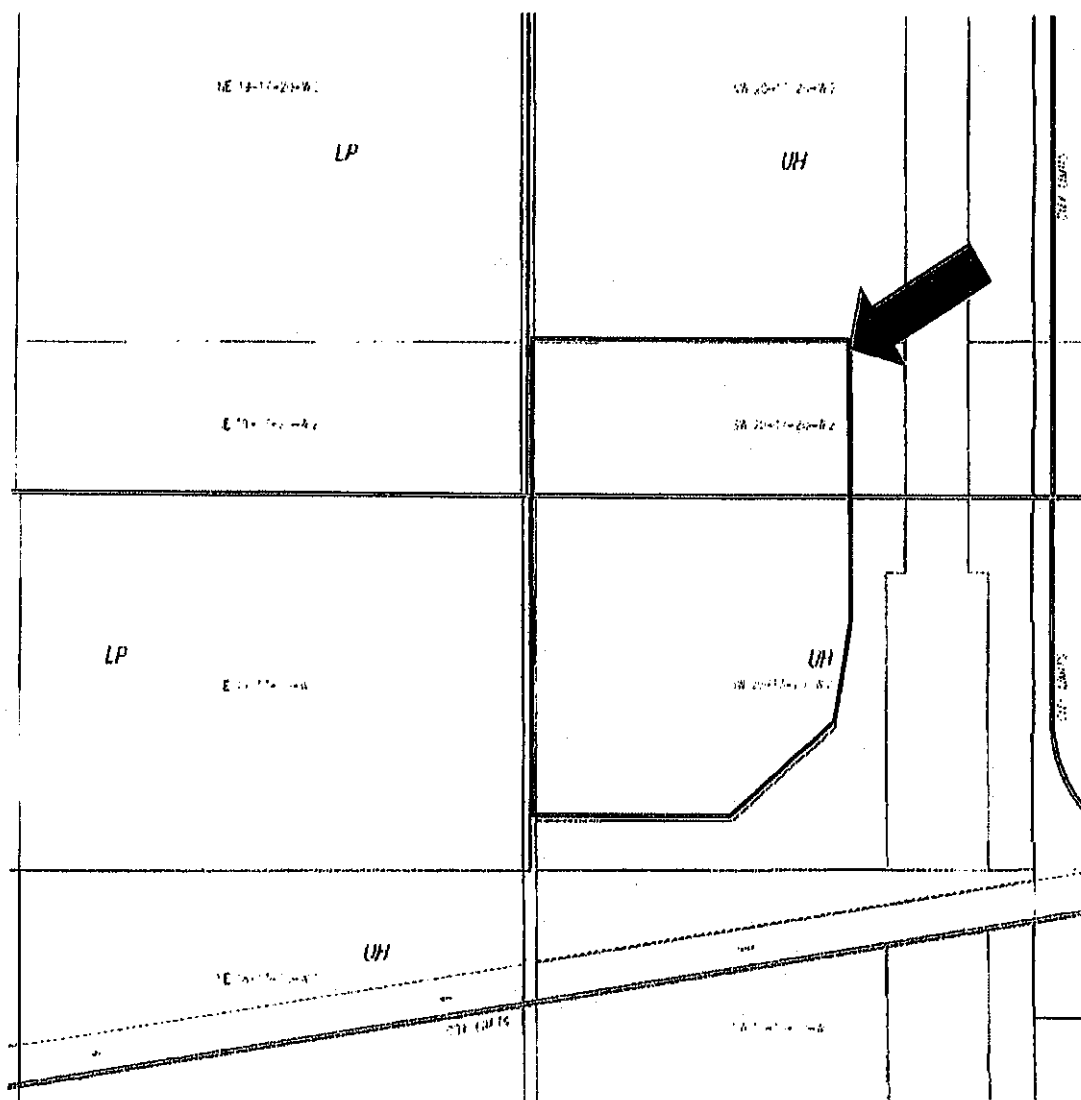
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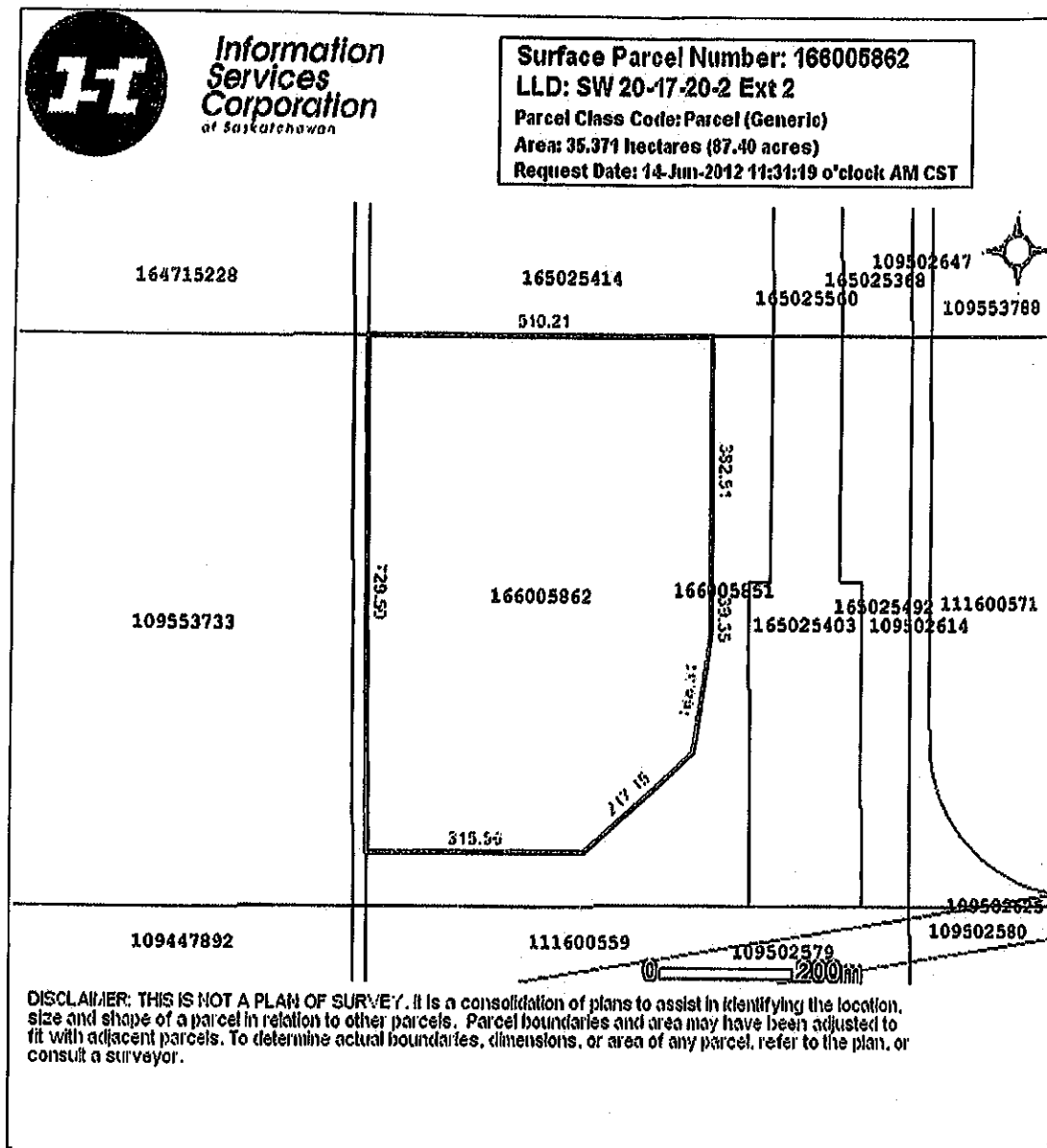
LJB Appraisals

City Map



Zoning Map



Parcel Plan

Certificate of Title**Province of Saskatchewan
Land Titles Registry Title**

Title #: 141187653 **As of:** 14 Jun 2012 11:31:01
Title Status: Active **Last Amendment Date:** 21 Mar 2012 15:10:38.590
Parcel Type: Surface **Issued:** 13 Sep 2011 11:23:57.717
Parcel Value: N/A
Title Value: N/A **Municipality:** CITY OF REGINA
Converted Title: 99RA25307
Previous Title and/or Abstract #: 139832972

MCNALLY ENTERPRISES LTD. is the registered owner of Surface
Parcel #166005862

Reference Land Description: SW Sec 20 Twp 17 Rge 20 W2
Extension 2

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

Interest #:
156281261

CNV Easement

Value: N/A
Reg'd: 29 Aug 1978 01:11:15
Interest Register
Amendment Date: N/A
Interest Assignment
Date: 18 Jan 2012 10:18:16
Expiry Date: N/A

Holder:
 TRANSGAS LIMITED
 1000 - 1777 VICTORIA AVENUE
 REGINA, SK, Canada S4P 4K5
Client #: 100399484
Int. Register #: 101206246
Converted Instrument #: 78R42754
Feature #: 100035098

Interest #:
156281272

CNV Easement

Value: N/A
Reg'd: 03 Dec 1999 00:47:08
Interest Register
Amendment Date: N/A
Interest Assignment
Date: N/A

Expiry Date: N/A**S'ly 7.5 metres****Holder:**

Saskatchewan Telecommunications
 13th Floor, 2121 Saskatchewan Drive
 Regina, Saskatchewan, Canada S4P 3Y2
Client #: 100006861
Int. Register #: 101206257
Converted Instrument #: 99RA28285

Interest #:
158201962

Miscellaneous Interest

Value: N/A
Reg'd: 21 Mar 2012 15:10:38
Interest Register
Amendment Date: N/A
Interest Assignment
Date: N/A
Expiry Date: N/A

Claiming an interest as Purchaser
 under an accepted Offer to Purchase.

Holder:

139 Land Corporation
 701 Broadway Avenue
 Saskatoon, Saskatchewan, Canada S7N 1B3
Client #: 127250906
Int. Register #: 118170064

Addresses for Service:**Name****Address****Owner:**

MCNALLY ENTERPRISES LTD.

2042 CORNWALL STREET REGINA, SK, Canada
 S4P 2K5

Client #: 100215829**Notes:****Parcel Class Code:** Parcel (Generic)

16(1)

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