

APPRAISAL OF



LOCATED AT:

2220 Stanley Ave
Niagara Falls, ON L2E 6S4

FOR:

City of Niagara Falls
4310 Queen Street
Niagara Falls, ON L2E 6X5

BORROWER:

GROWTH SOCIAL HOUSE INC.

AS OF:

August 1, 2024

BY:


Patrick Riganelli

RESIDENTIAL LAND APPRAISAL REPORT

Colliers International Niagara

FILE NO.: 2220 Stanley Ave, NF

REFERENCE:

CLIENT	CLIENT: City of Niagara Falls	APPRAISER	AIC MEMBER: Patrick Riganelli	
	ATTENTION:		COMPANY: Colliers International Niagara	
	ADDRESS: 4310 Queen Street Niagara Falls, ON L2E 6X5		ADDRESS: 82 Lake St St. Catharines, ON	
	E-MAIL:		E-MAIL: Patrick.Riganelli@colliers.com	
	PHONE: _____ OTHER: _____		PHONE: _____ OTHER: _____	

SUBJECT	PROPERTY ADDRESS: 2220 Stanley Ave CITY: Niagara Falls PROVINCE: ON POSTAL CODE: L2E 6S4
	LEGAL DESCRIPTION: See Attached Addendum Source: GeoWarehouse, Site Plan
	MUNICIPALITY AND DISTRICT: City of Niagara Falls, Regional Municipality of Niagara
	ASSESSMENT: Land \$ 258,000 Assessment Date: 1-Jan-16 Taxes \$ _____ Year _____
EXISTING USE: Newly Created Residential Building Lot "As if the Day Before the Date of Severance"	

ASSIGNMENT	NAME: GROWTH SOCIAL HOUSE INC. Name Type: Owner
	PURPOSE: <input checked="" type="checkbox"/> To estimate market value <input type="checkbox"/> _____
	INTENDED USE: <input type="checkbox"/> First mortgage financing only <input type="checkbox"/> Second mortgage financing only <input type="checkbox"/> Conventional <input checked="" type="checkbox"/> Estimate of Market Value for Parkland Dedication
	INTENDED USERS (by name): See Attached Addendum
	REQUESTED BY: <input checked="" type="checkbox"/> Client above <input type="checkbox"/> Other _____
	VALUE: <input type="checkbox"/> Current <input type="checkbox"/> Retrospective <input checked="" type="checkbox"/> Prospective <input type="checkbox"/> Update of original report completed on _____ with an effective date of _____ File No. _____
	PROPERTY RIGHTS APPRAISED: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Condominium/Strata <input type="checkbox"/> _____
	IS THE SUBJECT A FRACTIONAL INTEREST, PHYSICAL SEGMENT OR PARTIAL HOLDING? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (if yes, see comments) _____
	APPROACHES USED: <input checked="" type="checkbox"/> DIRECT COMPARISON APPROACH
	EXTRAORDINARY ASSUMPTIONS & LIMITING CONDITIONS <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES (see attached addendum)
HYPOTHETICAL CONDITIONS <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES (see attached addendum. A hypothetical condition requires an extraordinary assumption)	
JURISDICTIONAL EXCEPTION <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES (see attached addendum)	

NEIGHBOURHOOD	NATURE OF DISTRICT: <input checked="" type="checkbox"/> Residential <input type="checkbox"/> Commercial <input type="checkbox"/> Industrial <input type="checkbox"/> Agricultural <input type="checkbox"/> _____	From	To	
	TYPE OF DISTRICT: <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural <input type="checkbox"/> Recreational <input type="checkbox"/> _____	AGE RANGE OF PROPERTIES (years):	0	75
	TREND OF DISTRICT: <input type="checkbox"/> Improving <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Transition <input type="checkbox"/> Deteriorating <input type="checkbox"/> _____	PRICE RANGE OF PROPERTIES:	\$ 450,000	\$ 1,200,000
	BUILT-UP: <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25 - 75% <input type="checkbox"/> Under 25% <input type="checkbox"/> Rural	MARKET OVERVIEW: Supply: <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Low		
	CONFORMITY Size: <input type="checkbox"/> Larger <input type="checkbox"/> Similar <input type="checkbox"/> Smaller <input type="checkbox"/> _____	Demand: <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Low		
	COMMENTS:	PRICE TRENDS: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining		
	<p>The subject neighbourhood is located in north Niagara Falls close to the urban boundary. Boundaries can be loosely delineated as Highway 405 to the north, St. Paul Avenue to the west, Mountain and Portage Rds to the south, and the Sir Adam Beck Hydro Station Reservoir to the east. Rural residential uses exist to the north of the subject property with generally executive residential uses to the west and south west, and a small infill subdivision directly south.</p>			

SITE AND IMPROVEMENTS	SITE DIMENSIONS: 69.50' x 268.24'	UTILITIES: <input checked="" type="checkbox"/> Telephone <input checked="" type="checkbox"/> Natural Gas <input checked="" type="checkbox"/> Storm Sewer <input checked="" type="checkbox"/> Sanitary Sewer <input type="checkbox"/> Septic
	LOT SIZE: 27,777 Unit of Measurement Sq Ft	<input type="checkbox"/> Open Ditch <input type="checkbox"/> Holding Tank <input type="checkbox"/> _____
	Source: Site Plan	WATER SUPPLY: <input checked="" type="checkbox"/> Municipal <input type="checkbox"/> Private Well <input type="checkbox"/> _____
	TOPOGRAPHY: Flat and Level	FEATURES: <input type="checkbox"/> Gravel Road <input checked="" type="checkbox"/> Paved Road <input type="checkbox"/> Lane <input type="checkbox"/> Sidewalk <input checked="" type="checkbox"/> Curbs
	CONFIGURATION: L-Shaped	<input type="checkbox"/> Street Lights <input checked="" type="checkbox"/> Cablevision <input type="checkbox"/> _____
	ZONING: R1E - Residential (Single Family Detached)	ELECTRICAL: <input checked="" type="checkbox"/> Overhead <input type="checkbox"/> Underground <input type="checkbox"/> _____
	Source: _____	LANDSCAPING: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor
	OTHER LAND USE CONTROLS (see comments): OP: Residential	CURB APPEAL: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor
	USE CONFORMS: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO (see comments)	
	ASSEMBLAGE: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES (see comments)	
TITLE SEARCHED: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO (see comments and limiting conditions)		

COMMENTS	<p>The subject property is located just inside the urban boundary of the north end Niagara Falls, adjacent to a Hydro corridor and with close proximity to the Sir Adam Beck Hydro Station Reservoir. The proposed subject site is being considered "As if the Day Before the Date of Severance" from a larger parent parcel improved with a 1950s brick bungalow dwelling. The subject site is proposed to be an L-shaped parcel mainly clear and presently improved with sod and some mature trees along the perimeter. Stanley Avenue is a well travelled north-south conduit with the Hwy 405 on-ramp located 1km north.</p>

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REFERENCE:

HIGHEST AND BEST USE	EXISTING USE: Vacant R1E Single Family Residential Building Lot
	ANALYSES AND COMMENTS: The highest and best use is considered to be a continuation of the current use until economic conditions dictate residential property development.

SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
	Description	\$ Adjustment	Description	\$ Adjustment	Description	\$ Adjustment
2220 Stanley Ave Niagara Falls, ON L2E 6S4	6100 Curlin Cres Niagara Falls, ON		8884 Angie Rd Niagara Falls, ON		7341 Majestic Trail Niagara Falls, ON	
DATA SOURCE	GeoWarehouse		GeoWarehouse		GeoWarehouse	
DATE OF SALE	27-May-24		24-May-24		6-May-24	
SALE PRICE	\$ 385,000		\$ 262,500		\$ 340,000	
DAYS ON MARKET	private sale		private sale		private sale	
LIST PRICE	n/a		n/a		n/a	
Approx KMs to Subject	7.0 kms North		11.0 kms NE		12.0 kms North	
LOCATION	Avg/hydro field		new subdivision		new subdivision	
SITE DIMENSIONS/LOT SIZE	69.50' x 81.76'		50.89' x 108.45		35.21' x 118.98'	
ZONING/LAND USE CONTROLS	R1E		R1F		R3-1116	
TOPOGRAPHY	Flat/L-shape		Flat/Rectangular		Flat/Rectangular	
VIEW	None		None		Trail/no rear nbrs	
SF	27,777 Sq. Ft.		5,845 Sq. Ft.		4,133 Sq. Ft.	
Lot location	interior/setback		interior/corner		interior	
Serviced	At road		Serviced		Serviced	
Max Lot Covg	45% covg		45% covg		55% covg	
\$SP/FF	\$7,565/FF		\$7,455/FF		\$9,424/FF	
ADJUSTMENTS (Gross\$, Net\$)	Gross: \$ 0 Net: \$ 0		Gross: \$ 0 Net: \$ 0		Gross: \$ 0 Net: \$ 0	
ADJUSTMENTS (Gross%, Net%)	Gross: 0.0 % Net: 0.0 %		Gross: 0.0 % Net: 0.0 %		Gross: 0.0 % Net: 0.0 %	
ADJUSTED VALUES	\$ 385,000		\$ 262,500		\$ 340,000	

DIRECT COMPARISON APPROACH	ANALYSES AND COMMENTS: See Attached Addendum

ESTIMATED VALUE BY THE DIRECT COMPARISON APPROACH (rounded): \$ 325,000

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REFERENCE:

HISTORY	SUBJECT SOLD WITHIN 3 YEARS OF EFFECTIVE DATE: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO ANALYSES OF SALE TRANSFER HISTORY: (minimum of three years) Subject purchased March 8, 2024 as part of a larger 0.74 Acre parent parcel improved with a renovated 1,113 sf single family detached bungalow. Marketed as potential for 3 single family detached building lots, subject to City approval. Listed on Niagara MLS at \$899,900 and sold after 37 Days on Market (DOM).
	SUBJECT LISTED WITHIN 1 YEAR OF EFFECTIVE DATE: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO SUBJECT CURRENTLY LISTED: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO ANALYSES OF AGREEMENTS FOR SALE, OPTIONS, LISTINGS OR MARKETING OF THE SUBJECT: (minimum of one year) Subject as a whole, unsevered 0.74 Acre site with bungalow was listed for sale October 2023 at \$949,900, expired after 90 DOM. Relisted January 2024 at \$899,900, expired after 37 DOM. Sale offer included newly renovated bungalow dwelling and proposed 3 lots total. For the purposes of this appraisal, and since the listing, the subject site being considered as if a single, single family detached building lot.
EXPOSURE TIME	ANALYSES OF REASONABLE EXPOSURE TIME: Value estimate is based on 30 to 90 days marketing time, which is considered to be normal for the area. A review of the comparable properties has revealed that they have been generally offered on the market for one to three months before ultimately selling.
RECONCILIATION AND FINAL VALUE	RECONCILIATION AND FINAL ESTIMATE OF VALUE: Final estimate of value is based on the Direct Comparison Approach. This approach is based on the fact that an informed purchaser will not pay more than the cost of acquiring an existing property with the same utility. It is best to use this approach when there is an active market, able to supply sufficient quantities of reliable data that can be verified from reliable sources. It is relatively unreliable in an inactive market, or in estimating the value for a property for which there are no good comparable sales available.
	IMPORTANT NOTE: IN THE CASE WHERE THIS REPORT IS BEING USED FOR FINANCING PURPOSES, THE MORTGAGE APPLICANT IS NOT ENTITLED TO A COPY OF THE REPORT. THE LENDER/CLIENT TO WHOM THIS REPORT WAS ORIGINALLY SENT IS EXPRESSLY FORBIDDEN FROM FORWARDING THE REPORT TO ANY THIRD PARTY, INCLUDING THE MORTGAGE APPLICANT. IF THIS REPORT IS FORWARDED IT CANNOT BE RELIED UPON UNLESS RECEIVED DIRECTLY FROM THE APPRAISER. IF THE MORTGAGE APPLICANT RECEIVES A COPY IT IS FOR PERSONAL FILES ONLY.
	UPON REVIEWING AND RECONCILING THE DATA AND ANALYSES AND CONCLUSIONS, THE MARKET VALUE OF THE INTEREST IN THE SUBJECT PROPERTY AS AT August 1, 2024 (Effective Date of the Appraisal) IS ESTIMATED AT \$ 325,000 COMPLETED ON _____ (Date of Report) As set out elsewhere in this report, this report is subject to assumptions and limiting conditions, the verification of which is outside the scope of this report.
DEFINITIONS	DEFINITION OF MARKET VALUE: The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress. (Appraisal of Real Estate, Third Canadian Edition.2010) Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: buyer and seller are typically motivated; both parties are well informed or well advised, and acting in what they consider their own best interests; a reasonable time is allowed for exposure in the open market; payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.
	DEFINITION OF MARKET RENT (if applicable): The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. (International Valuation Standards 2017)
	DEFINITION OF HIGHEST AND BEST USE: The reasonably probable use of real property, that is physically possible, legally permissible, financially feasible, maximally productive and that results in the highest value. (CUSPAP 2018) See Attached Addendum
SCOPE	The scope of the appraisal encompasses the due diligence undertaken by the appraiser (consistent with the terms of reference from the client, the purpose and intended use of the report) and the necessary research and analyses to prepare a report in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) of the Appraisal Institute of Canada. The following comments describe the extent of the process of collecting, confirming and reporting data and its analyses, describe relevant procedures and reasoning details supporting the analyses, and provide the reason for the exclusion of any usual valuation procedures. The appraisal issue that is the focus of this engagement has been discussed and defined with the client, the work required to solve the issue planned, and the necessary market data acquired, analyzed and reconciled into an estimate of market value in a manner typically expected in a "form" report. The specific tasks and items necessary to complete this assignment include a summary of the following:
	<ol style="list-style-type: none"> 1. assembly and analyses of relevant information pertaining to the property being appraised, including listing and acquisition particulars if acquired within three years prior to the effective date of the appraisal; 2. a site visit and observation of the subject property and the surrounding area; 3. assembly and analyses of pertinent economic and market data; 4. an analyses of land use controls pertaining to the subject property; 5. an analyses of "Highest and Best Use", or most probable use; 6. a discussion of the appraisal methodologies and procedures employed in arriving at the indications of value; 7. inclusion of photographs, maps, graphics and addendum/exhibits when deemed appropriate; and 8. reconciliation of the collected data into an estimate of the market value or the market value range as at the effective date of the appraisal. All data considered appropriate for inclusion in the appraisal is, to the best of our knowledge, factual. Due to the type of property being appraised and the nature of the appraisal issue, the findings have been conveyed in this "form" format. Other: There was a cursory inspection of the Subject Property made by the author of this report. There were no surveys, water or soil tests performed. There are no warranties, specific or implied, with regard to quality of workmanship or materials, soundness of structure, function of mechanicals or appliances that have been noted in this report. Both insurability and a clear and marketable title are assumed. All information gathered in the formulation of this report has been garnered from office files, MLS archives, MPAC assessments, along with conversations with contractors, realtors and owners when available.

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REFERENCE:

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This report is prepared only for the client and authorized users specifically identified in this report and only for the specific use identified herein. No other person may rely on this report or any part of this report without first obtaining consent from the client and written authorization from the authors. Liability is expressly denied to any other person and, accordingly, no responsibility is accepted for any damage suffered by any other person as a result of decisions made or actions taken based on this report. Liability is expressly denied for any unauthorized user or for anyone who uses this report for any use not specifically identified in this report. Payment of the appraisal fee has no effect on liability. Reliance on this report without authorization or for an unauthorized use is unreasonable.
2. Because market conditions, including economic, social and political factors, may change rapidly and, on occasion, without warning, this report cannot be relied upon as of any date other than the effective date specified in this report unless specifically authorized by the author(s).
3. The author will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The property is appraised on the basis of it being under responsible ownership. No registry office search has been performed and the author assumes that the title is good and marketable and free and clear of all encumbrances. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property's owner or identifying the property owned by the listed client and/or applicant provided by the appraiser is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.
4. Verification of compliance with governmental regulations, bylaws or statutes is outside the scope of work and expertise of the appraiser. Any information provided by the appraiser is for informational purposes only and any reliance is unreasonable. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.
5. No survey of the property has been made. Any sketch in this report shows approximate dimensions and is included only to assist the reader of this report in visualizing the property. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.
6. This report is completed on the basis that testimony or appearance in court concerning this report is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to: adequate time to review the report and related data, and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the author has no knowledge of any hidden or unapparent conditions (including, but not limited to: its soils, physical structure, mechanical or other operating systems, foundation, etc.) of/on the subject property or of/on a neighbouring property that could affect the value of the subject property. It has been assumed that there are no such conditions. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the author. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.
8. The author is not qualified to comment on detrimental environmental, chemical or biological conditions 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 which may include but are not limited to moulds and mildews or the conditions that may give rise to either. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. It is an assumption of this report that the property complies with all regulatory requirements concerning environmental, chemical and biological matters, and it is assumed that the property is free of any detrimental environmental, chemical legal and biological conditions that may affect the market value of the property appraised. If a party relying on this report requires information about or an assessment of detrimental environmental, chemical or biological conditions that may impact the value conclusion herein, that party is advised to retain an expert qualified in such matters. The author expressly denies any legal liability related to the effect of detrimental environmental, chemical or biological matters on the market value of the property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources the author considered reliable. Unless otherwise stated herein, the author did not verify client-supplied information, which the author believed to be correct.
10. The term "inspection" refers to observation only as defined by CUSPAP and reporting of the general material finishing and conditions observed for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only.
11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The author has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The author has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this visual inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the author.
12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The author acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the author's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the author's privacy policy and in accordance with the PIPEDA.
13. The author has agreed to enter into the assignment as requested by the client named in this report for the use specified by the client, which is stated in this report. The client has agreed that the performance of this report and the format are appropriate for the intended use.
14. This report, its content and all attachments/addendums and their content are the property of the author. The client, authorized users and any appraisal facilitator are prohibited, strictly forbidden, and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
15. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the author can be reasonably relied upon.
16. This report form is the property of the Appraisal Institute of Canada (AIC) and for use only by AIC members in good standing. Use by any other person is a violation of AIC copyright.
17. Where the intended use of this report is for financing or mortgage lending or mortgage insurance, it is a condition of reliance on this report that the authorized user has or will conduct lending, underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender or insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct loan underwriting or insuring due diligence similar to the standards set out by the Office of the Superintendent of Financial Institutions (OSFI), even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition. Any reliance on this report without satisfaction of this condition is unreasonable.

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

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 impartial and unbiased professional analyses, opinions and conclusions;
3. I have no past, present or prospective interest in the property that is the subject of this report and no personal and/or professional interest or conflict of with respect to the parties involved with this assignment;
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 is not contingent upon developing or reporting predetermined results, the amount of value estimate, a conclusion favouring the client, or the occurrence of a subsequent event;
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);
7. I have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP);
8. No one has provided professional assistance to the members(s) signing this report;
 The following individual provided the following professional assistance:
9. As of the date of this report the undersigned has fulfilled the requirements of the Appraisal Institute of Canada (AIC)'s Continuing Professional Development Program;
10. The undersigned is a member/are all members in good standing of the Appraisal Institute of Canada. Where applicable this report is co-signed in compliance with CUSPAP. Where a report bears two signatures, both the signing appraiser and co-signing appraiser assume full responsibility for this report.

PROPERTY IDENTIFICATION

ADDRESS: 2220 Stanley Ave CITY: Niagara Falls PROVINCE: ON POSTAL CODE: L2E 6S4

LEGAL DESCRIPTION: See Attached Addendum

CERTIFICATION

BASED UPON THE DATA, ANALYSES AND CONCLUSIONS CONTAINED HEREIN, THE MARKET VALUE OF THE INTEREST IN THE PROPERTY DESCRIBED,


AS AT August 1, 2024 (Effective Date of the Appraisal) IS ESTIMATED AT \$ 325,000

AS SET OUT ELSEWHERE IN THIS REPORT, THIS REPORT IS SUBJECT TO CERTAIN ASSUMPTIONS AND LIMITING CONDITIONS, THE VERIFICATION OF WHICH IS OUTSIDE THE SCOPE OF THIS REPORT.

<p>APPRAISER</p> <p>SIGNATURE: <u>Patrick Riganelli</u></p> <p>NAME: <u>Patrick Riganelli</u></p> <p>AIC DESIGNATION/STATUS: <input type="checkbox"/> Candidate Member <input type="checkbox"/> CRA, P.App <input checked="" type="checkbox"/> AACI, P.App Membership # <u>911970</u></p> <p>DATE OF REPORT/DATE SIGNED: <u>July 8, 2024</u></p> <p>PERSONALLY INSPECTED EXTERIOR OF THE SUBJECT PROPERTY: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>DATE OF INSPECTION: <u>June 28, 2024</u></p> <p>LICENSE INFO: (where applicable) _____</p> <p>NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.</p> <p>SOURCE OF DIGITAL SIGNATURE SECURITY: _____</p> <p>ATTACHMENTS AND ADDENDA: <input type="checkbox"/> ADDITIONAL SALES <input checked="" type="checkbox"/> EXTRAORDINARY ASSUMPTIONS/LIMITING CONDITIONS <input type="checkbox"/> NARRATIVE <input checked="" type="checkbox"/> PHOTOGRAPHS <input checked="" type="checkbox"/> MAPS <input type="checkbox"/> SCOPE OF WORK</p>	<p>CO-SIGNING AIC APPRAISER (if applicable)</p> <p>SIGNATURE: _____</p> <p>NAME: _____</p> <p>AIC DESIGNATION/STATUS: <input type="checkbox"/> CRA, P.App <input type="checkbox"/> AACI, P.App Membership # _____</p> <p>DATE OF REPORT/DATE SIGNED: _____</p> <p>PERSONALLY INSPECTED EXTERIOR OF THE SUBJECT PROPERTY: <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>DATE OF INSPECTION: _____</p> <p>LICENSE INFO: (where applicable) _____</p> <p>NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.</p>
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RESIDENTIAL LAND APPRAISAL REPORT

REFERENCE: Colliers International Niagara FILE NO.: 2220 Stanley Ave, NF

CLIENT	CLIENT: <u>City of Niagara Falls</u>	APPRAISER	AIC MEMBER: <u>Patrick Riganelli</u>	 Appraisal Institute of Canada
	ATTENTION: _____		COMPANY: <u>Colliers International Niagara</u>	
	ADDRESS: <u>4310 Queen Street</u>		ADDRESS: <u>82 Lake St</u>	
	<u>Niagara Falls, ON L2E 6X5</u>		<u>St. Catharines, ON</u>	
	E-MAIL: _____		E-MAIL: <u>Patrick.Riganelli@colliers.com</u>	
	PHONE: _____ OTHER: _____		PHONE: _____ OTHER: _____	

EXTRAORDINARY ASSUMPTIONS & LIMITING CONDITIONS
 See Attached Addendum

EXTRAORDINARY ITEMS ADDENDUM

HYPOTHETICAL CONDITIONS
 This appraisal assumes the hypothetical condition of the proposed subject property being severed from the larger parent parcel; failing which, the appraiser reserves the right to alter the final estimate of market value.

JURISDICTIONAL EXCEPTION
 None noted.

ADDENDUM

Borrower: GROWTH SOCIAL HOUSE INC.

File No.: 2220 Stanley Ave, NF - JI 24

Property Address: 2220 Stanley Ave

Case No.:

City: Niagara Falls

Province: ON

Postal Code: L2E 6S4

Lender: City of Niagara Falls

Legal Description

PT TWP LT 18 STAMFORD AS IN R0702079 ; NIAGARA FALLS (Parent Parcel) with subject being Part 2; Legal Description to be updated upon finalization of severance

Intended Users

For the exclusive use of the City of Niagara Falls, not for release to third party users.

Direct Comparison Approach Conclusions

Market Outlook:

A recent residential market outlook report published December 2023 by ReMax Niagara indicates projections for 2024 of a buyers' market, with the average residential sales price increasing 3.5% year over year, and the average sale price projected to come in at +/- \$725,000.

NAR Report:

The Niagara Association of Realtors June 2024 market report reflected on May 2024 data, noting the overall MLS® HPI composite benchmark price for the Niagara Region decreased 1.5% to \$653,900 from May 2023. The MLS® Home Price Index (HPI), tracks price trends far more accurately than is possible using average or median price measures.

Niagara Falls was noted to have 299 listings in May 2024, up from 248 in May 2023. However, sales were down 6.10%, decreasing to 123 in May 2024 from 131 in May 2023. Average Days on Market have increased to 38 from 25 the preceding year. The average HPI Benchmark Price for Niagara Falls is down to \$641,800, a 2.40% decrease from \$657,300 in May 2023.

Nearby Sales:

In the previous 200 days the appraiser was unable to locate sales of similar, larger single family detached infill lots within north Niagara Falls.

Active Listings:

Presently, there is 1 nearby active listing nearby, located at Lot 2-3151 Montrose Road (±6.4 kms w), a ±60' x ±91.8' lot (±4843 sf) with R1E zoning, located on the west side of Montrose Road, east of Mount Carmel. Located within a new, infill proposed development site consisting of 3-4 single family detached lots and 9 townhouse dwellings. Asking price for the lot is \$389,500 (\$80.43/sf) and the site has been listed for 130 days without selling.

DCA Analysis:

Due to the lack of recent transactions, there are very few truly comparable properties sold in terms of location, size and zoning. Therefore, the appraisers have expanded the search to include older sales, sites outside of the immediate subject neighbourhood, and sales of varied lot sizes and zoning.

The selected sales vary in terms of size, location, zoning and servicing, but represent the best available at the time of this report. These sales range from ±\$5,083 to ±\$9,613 per front foot of land with an average rate of \$7,725 per front foot of land.

The Direct Comparison Approach is based on the principle of substitution. This principle states that no one would pay more for the subject property than the value of similar properties in the market. In active markets with a large number of sales that are physically similar comparables, this approach is generally a good indicator of value. Reflecting market behaviour, the market value of the subject property will be estimated by comparing sales to the subject property on a Price per Front Foot basis.

The adjustment process deals with factors such as property rights, financing, date of sale/market conditions, location, motivation, physical characteristics, economic factors, use characteristics, and non-realty components. It is noted that economic factors, use characteristics and non-realty components are not considered significant within this valuation.

ADDENDUM

Borrower: GROWTH SOCIAL HOUSE INC.	File No.: 2220 Stanley Ave, NF - JI 24
Property Address: 2220 Stanley Ave	Case No.:
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Lender: City of Niagara Falls	

The adjustment factors needed to be accounted for in the adjustment process are difficult to precisely quantify. Time/market condition adjustments seem to be the only type of adjustment that can be estimated with any degree of accuracy through the use of MLS statistics, and sometimes paired sales and re-sales if available etc. Location adjustments are difficult to estimate due to a lack of sufficient current data, and in some cases, historic location data information is the only information that can be used, provided that the neighbourhoods haven't changed significantly. Likewise, motivational adjustments can be difficult to apply in a quantitative analysis, as in some market segments there are insufficient transactions of this nature, particularly in the recent market.

As a result, a trend has developed towards qualitative adjustments in which general market factors logically point to a direction of adjustment that can't be precisely supported on a quantitative basis with any degree of reliability. The qualitative adjustment process has been applied in the following adjustment analysis with measures of market support provided where available. In some cases, the magnitude of adjustment can only be refined to whether a sizeable or a normal or lower level of anticipated adjustment is required. This qualitative adjustment process has been considered in the following analysis. The typical adjustments are abbreviated in the following table.

Type and Size of Adjustment	Abbreviation
No Adjustment Required	NIL
Offset impact to Price per Unit ±	OFFSET
Very Slight Negative Impact to Price per Unit±	V. SLT. NEG.
Slight Negative Impact to Price per Unit±	SLT. NEG.
Negative Impact to Price per Unit±	NEG.
Large Negative Impact to Price per Unit±	LRG. NEG.
Very Large Negative Impact to Price per Unit±	V. LRG. NEG.
Very Slight Positive Impact to Price per Unit±	V. SLT. POS.
Slight Positive Impact to Price per Unit±	SLT. POS.
Positive Impact to Price per Unit±	POS.
Large Positive Impact to Price per Unit±	LRG. POS.
Very Large Positive Impact to Price per Unit±	V. LRG. POS.

The comparable sales will now be discussed further.

Comparable 1 (\$7,565/front foot) is a May 2024 sale of an infill lot with a smaller frontage, requiring downwards adjustment for economies of scale. Overall lot size is significantly smaller. Corner lot is considered inferior, requiring upwards adjustment. Located 7kms south of subject. Zoning and lot coverage are considered similar. Lot shape is considered superior, requiring downwards adjustment. Location in a conforming newly constructed subdivision is considered superior, overall location, and serviced lot are considered superior, requiring downwards adjustments. All factors considered; with emphasis on economies of scale, this sale indicates an estimate of market value below \$7,564 per front foot of land is applicable to the subject.

Comparable 2 (\$7,455/front foot) is a May 2024 sale of an infill lot with significantly smaller frontage, requiring large downwards adjustment for economies of scale. Overall lot size is significantly smaller. Located 11 kms southwest of Subject. Zoning and lot coverage are considered similar. Lot shape is considered superior, requiring downwards adjustment. Location in a conforming newly constructed subdivision is considered superior, overall location and serviced lot are considered superior, requiring downwards adjustments. All factors considered; with emphasis on economies of scale, this sale indicates an estimate of market value below \$7,455 per front foot of land is applicable to the subject.

Comparable 3 (\$9,424/front foot) is a May 2024 sale of an infill lot with significantly smaller frontage, requiring large downwards adjustment for economies of scale. Located 12 kms south of the Subject. Overall lot size is significantly smaller. Zoning and lot coverage are considered superior at 55%, requiring downwards adjustment. Lot shape is considered

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superior, requiring downwards adjustment. Location in a conforming newly constructed subdivision is considered superior, overall location against a walking trail, and serviced lot are considered superior, requiring downwards adjustments. All factors considered; with emphasis on economies of scale, this sale indicates an estimate of market value below \$9,424 per front foot of land is applicable to the subject.

Comparable 4 (\$5,083/front foot) is a March 2024 sale of an infill lot with a slightly smaller frontage, requiring slight downwards adjustment for economies of scale. Located 20 kms south of the subject. Overall lot size is significantly smaller. Zoning and lot coverage are considered similar. Lot shape is considered superior, requiring downwards adjustment. Location as an infill lot is considered similar however, overall location and serviced lot are considered superior, requiring downwards adjustments. All factors considered; with emphasis on economies of scale, this sale indicates an estimate of market value below \$5,083 per front foot of land is applicable to the subject.

Comparable 5 (\$7,209/front foot) is a February 2024 sale of an infill lot with significantly smaller frontage, requiring large downwards adjustment for economies of scale. Located 7 kms south of the Subject. Overall lot size is significantly smaller. Zoning and lot coverage are considered similar. Lot shape is considered superior, requiring downwards adjustment. Location in a conforming newly constructed subdivision is considered superior, overall location and serviced lot are considered superior, requiring downwards adjustments. All factors considered; with emphasis on economies of scale, this sale indicates an estimate of market value below \$7,209 per front foot of land is applicable to the subject.

Comparable 6 (\$9,613/front foot) is an older, May 2022 sale of an infill lot with a significantly smaller frontage, requiring downwards adjustment for economies of scale. Downwards adjustment for time. This comparable offers the closest proximity to the subject at 1.7 kms south. Overall lot size is significantly smaller. Zoning is slightly superior. Services at lot line and lot coverage are similar. Lot shape is considered superior, requiring downwards adjustment. Location as an infill lot is considered similar however, overall location is considered superior, requiring downwards adjustment. All factors considered; with emphasis on economies of scale and time, this sale indicates an estimate of market value below \$9,613 per front foot of land is applicable to the subject.

The subject property is a proposed $\pm 69.50' \times \pm 268.24'$ L-Shaped residential infill lot located adjacent to a hydro-corridor and located on a well travelled road with proximity to Highway 405 & the Sir Adam Beck Hydro reservoir. Lot has yet to have services laterally completed. Nearby uses are a mix of residential, multi-residential and light industrial.

The appraiser has applied a value to the subject site as a result of the Adjustment Factors discussed previously. The appraisers consider a price point near the average of the market range to be applicable due to the factors previously discussed. As such, the appraiser has estimated the prospective market value "As if the Day Before the Date of Severance" of the subject property at a rounded \$4,676 per front foot.

Applied to the Subject Property "As if Severed":

$\pm 69.50'$ frontage x \$4,676 per front foot = \$325,000 (RND)

Additional Definitions

The highest and best use of the subject property is a continuation of its current use until economic conditions dictate residential development.

Extraordinary Assumptions and Limiting Conditions

We assume no responsibility for loans made where the borrower lacks the ability or motivation to repay the loan or where the lender has not followed prudent lending practices.

Values contained in this appraisal are based on market conditions as at the time of this report. This appraisal does not provide a prediction of future values. In the event of market instability and/or disruption, values may change rapidly, and such potential future events have NOT been considered in this report. As this appraisal does not and cannot consider any changes to the property appraised or market conditions after the effective date, readers are cautioned in relying on the appraisal after the effective date noted herein.

The client specifically requested a valuation assuming the proposed subject property is severed from the larger parent parcel, given the conditional severance consent by the City of Niagara Falls. The appraiser has relied upon site plan

ADDENDUM

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information as provided by the client. Therefore, this report also analyzes a hypothetical scenario which assumes the proposed subject property is severed from the larger parent parcel; failing which, the appraiser reserves the right to alter the final estimate of market value.

The appraiser has assumed that the subject property has no abnormal site servicing costs, external servicing issues, sufficient municipal sanitary and water capacity for a proposed development, is environmentally clean, and proper geo-technical soil stability. Should these assumptions prove inaccurate, the appraiser retains the right to adjust the herein contained market valuation.

The prospective effective date of the appraisal is assumed one day prior to the consent of severance, being an assumed August 1, 2024.

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: GROWTH SOCIAL HOUSE INC.	File No.: 2220 Stanley Ave, NF - JI 24	
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Lender: City of Niagara Falls		



**FRONT VIEW OF
SUBJECT PROPERTY**

Appraised Date: August 1, 2024
Appraised Value: \$ 325,000



**REAR VIEW OF
SUBJECT PROPERTY**



STREET SCENE

Borrower: GROWTH SOCIAL HOUSE INC.
Property Address: 2220 Stanley Ave
City: Niagara Falls
Lender: City of Niagara Falls

File No.: 2220 Stanley Ave, NF - JI 24
Case No.:
Prov.: ON P.C.: L2E 6S4



hydro corridor



Facing rear of site



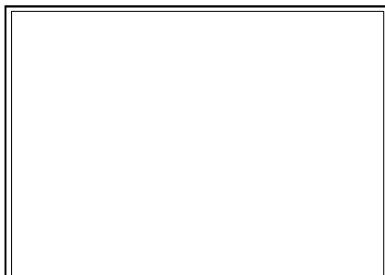
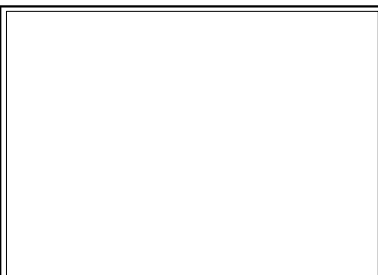
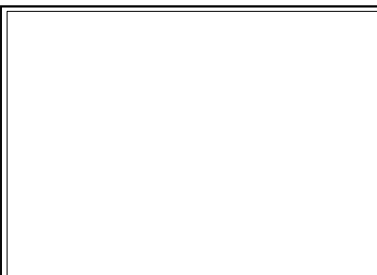
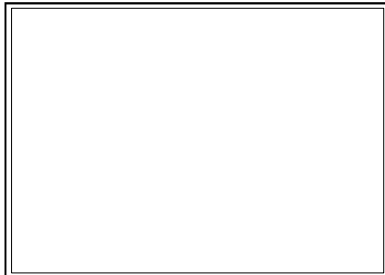
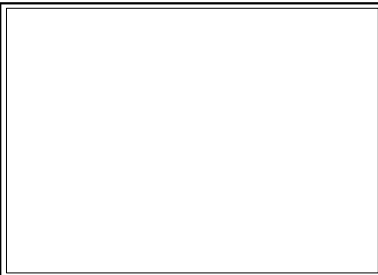
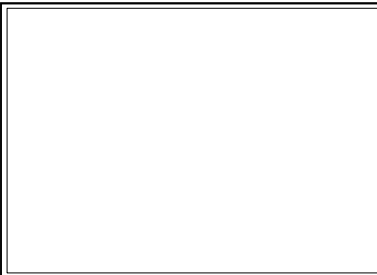
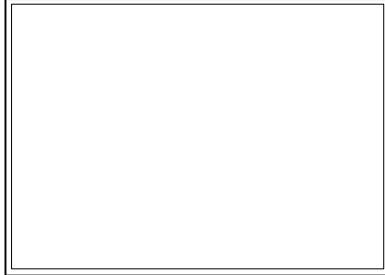
alternate street view



Interior of site



facing corridor



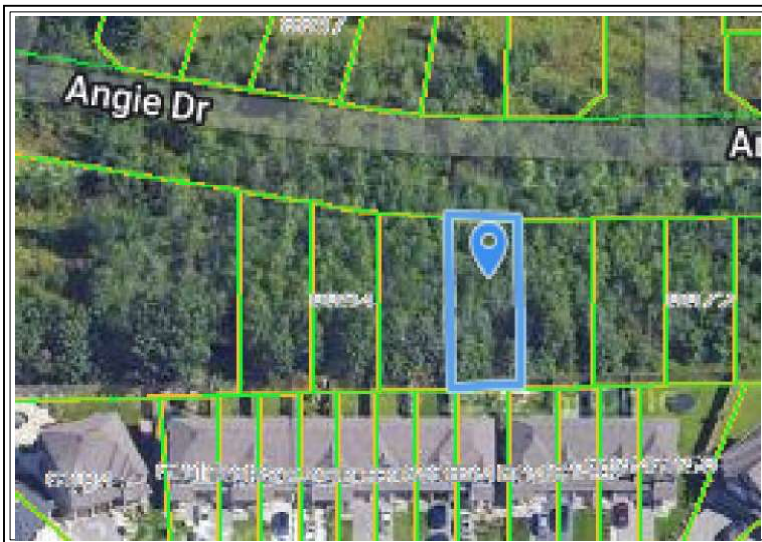
COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: GROWTH SOCIAL HOUSE INC.	File No.: 2220 Stanley Ave, NF - JI 24
Property Address: 2220 Stanley Ave	Case No.:
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Lender: City of Niagara Falls	P.C.: L2E 6S4



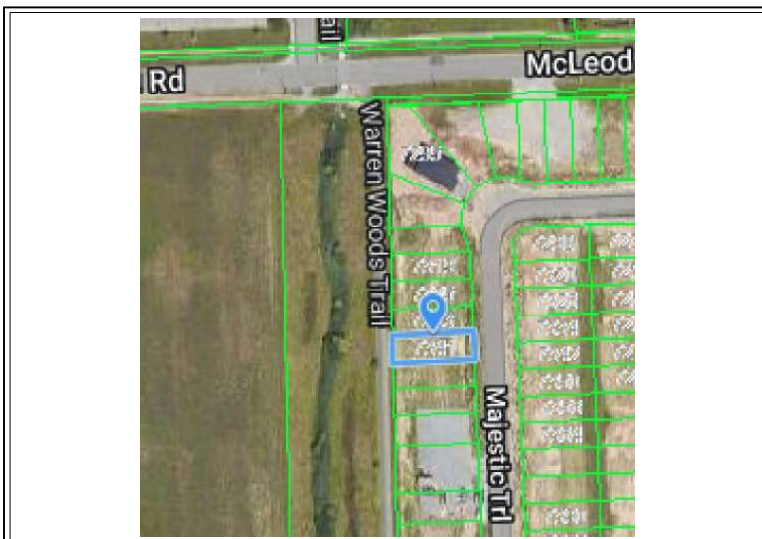
COMPARABLE SALE #1

6100 Curlin Cres
Niagara Falls, ON
Sale Date: 27-May-24
Sale Price: \$ 385,000



COMPARABLE SALE #2

8884 Angie Rd
Niagara Falls, ON
Sale Date: 24-May-24
Sale Price: \$ 262,500



COMPARABLE SALE #3

7341 Majestic Trail
Niagara Falls, ON
Sale Date: 6-May-24
Sale Price: \$ 340,000

COMPARABLE PROPERTY PHOTO ADDENDUM

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COMPARABLE SALE #4

8700 Roosevelt St
Niagara Falls, ON
Sale Date: 18-Mar-24
Sale Price: \$ 305,000



COMPARABLE SALE #5

6156 Curlin Cres
Niagara Falls, ON
Sale Date: 22-Feb-24
Sale Price: \$ 255,000



COMPARABLE SALE #6

6250 Riall St
Niagara Falls, ON
Sale Date: 16-May-22
Sale Price: \$ 375,000

LOCATION MAP

Borrower: GROWTH SOCIAL HOUSE INC.

File No.: 2220 Stanley Ave, NF - JI 24

Property Address: 2220 Stanley Ave

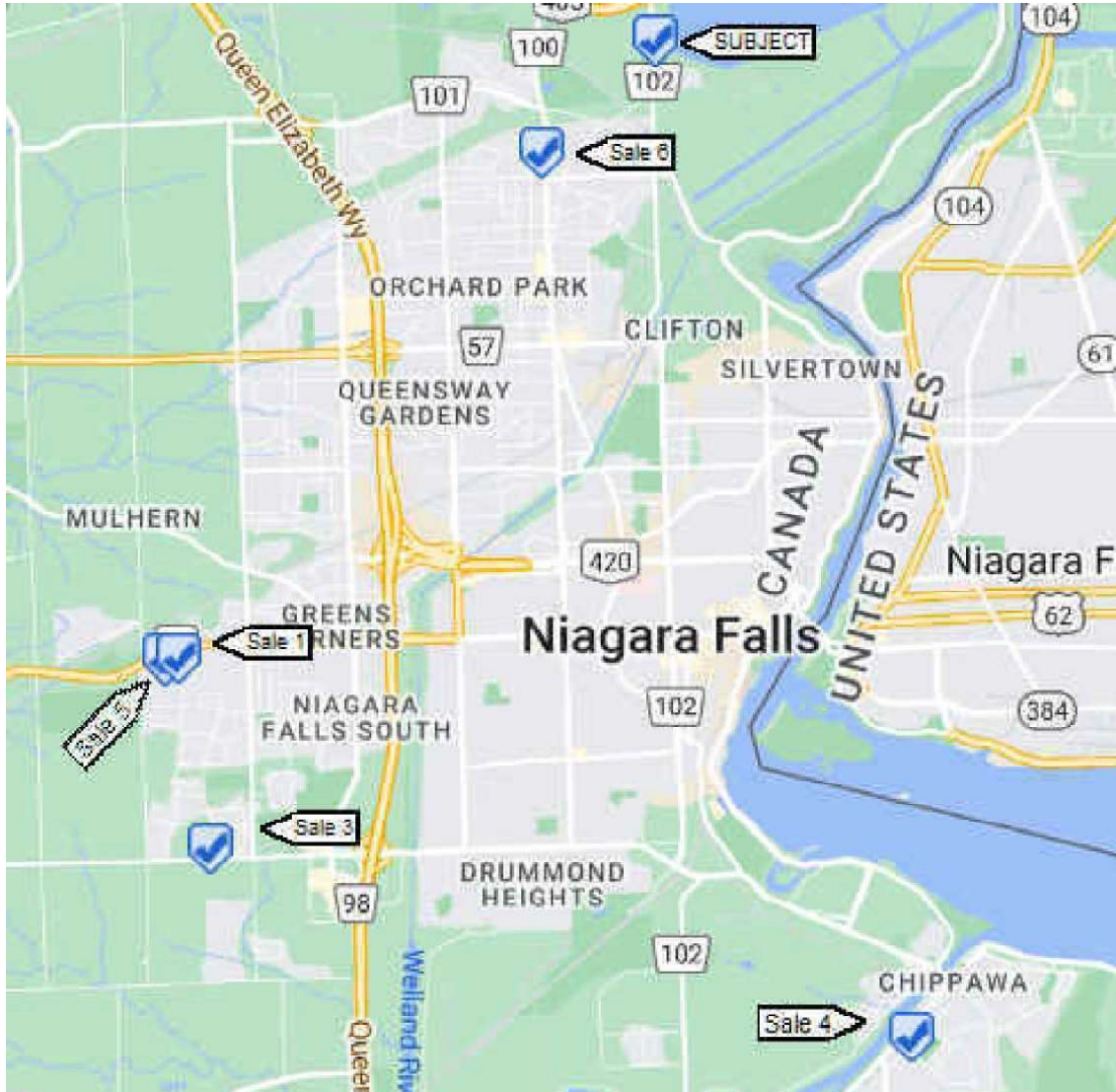
Case No.:

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AERIAL MAP

Borrower: GROWTH SOCIAL HOUSE INC.

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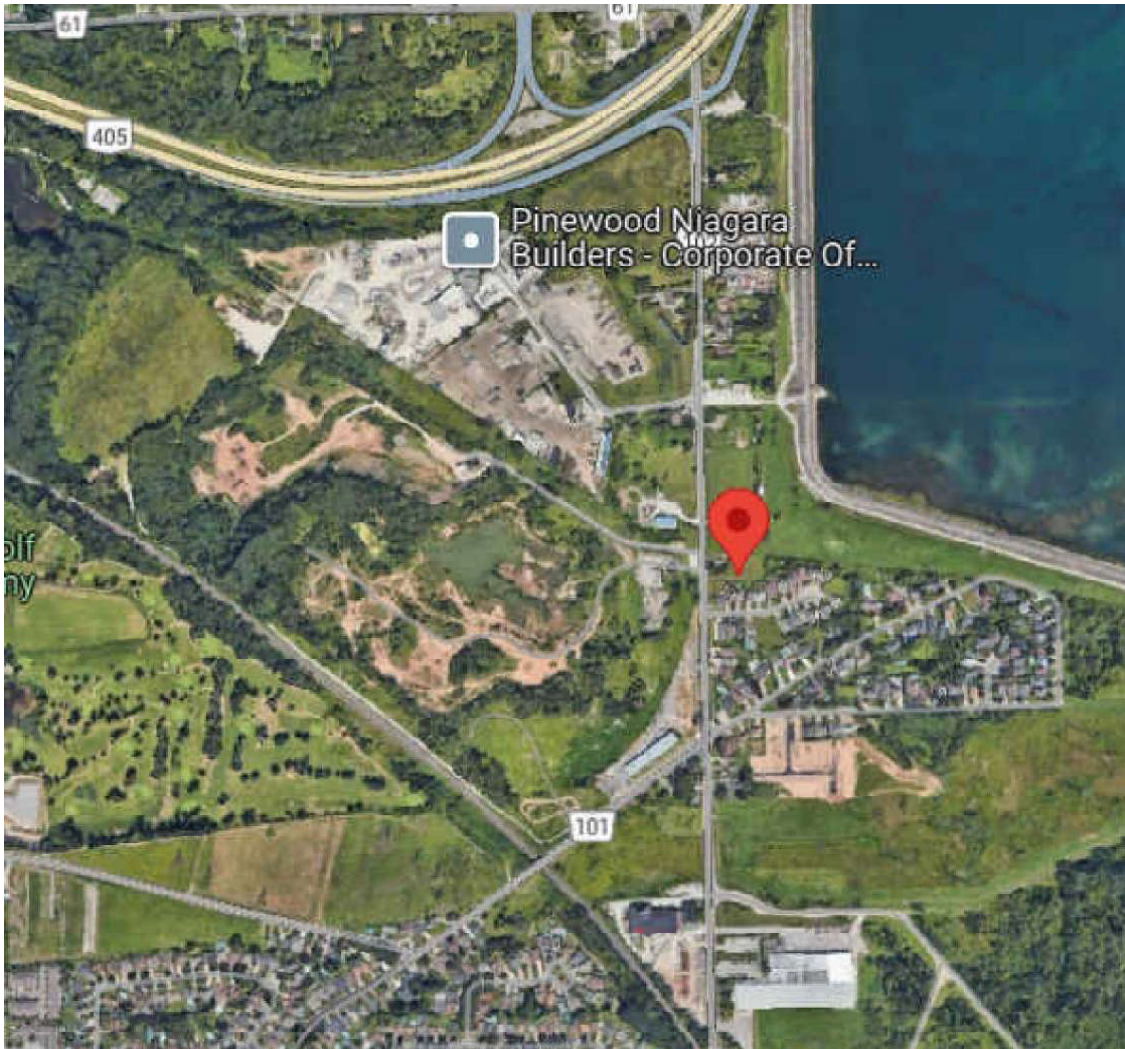
Case No.:

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Focus/Valuation Methodology

In the case of the valuation of potentially created residential development, the valuation process is guided by the parkland dedication provisions of the Planning Act, as quoted below.

"Where, on the giving of a consent, land is required to be conveyed to a municipality for park or other public recreational purposes and the council of the municipality requires the payment of money to the value of the land in lieu of the conveyance, for the purpose of determining the amount of the payment the value of the land shall be determined as of the day before the day of the giving of the consent."

This guide for the valuation has over the years lead to considerable disagreement as to the appropriate methodology, due to the vagueness of the terminology. It is clear that the intention of the Planning Act is to value the portion of the property in question, as if it was still un-severed from the parent tract. However, given that the date is "the day before the day of the giving of consent", it has been interpreted in the appraisal community that on the other hand one does not ignore the potential for severance.

Some have argued, largely unsuccessfully, that the land value should be some nominal amount based on an excess basis to the original parent parcel. (i.e. extra land for a buffer or privacy from neighbours or extra yard area for recreational purposes). This approach, however, would imply some date much further away from the day before the date of the giving of consent. Substantial work towards the creation of the severance would have been undertaken as of the date in question which would possibly not even be a consideration at some further distant or remote date. Typically, the buffer land methodology, if applied, will result in a land value that would be substantially less than the value as if a severed or a potentially severed lot and the question arises whether the market would treat the potentially severable land on such a heavily discounted basis on the day before the granting of the severance? In actual fact, this Planning Act defined situation is almost never tested in the marketplace as properties are almost never sold for logical reasons at such points.

It is your appraiser's opinion, and an opinion that is held by many in the profession, that the intent of the legislation is to value the lands in question not as buffer land with some distant potential for severance, nor as if the lot creation is necessarily a "fait de complete", but at a point between these schools of thought wherein, the potential severance recognition is given consideration, yet there are risks and costs associated with its finalization.

This methodology has been generally accepted within the appraisal community and by municipalities as well, and involves a process of estimating the future value of the severed lot and backing out from this estimate all the costs of creation and sale plus an entrepreneurial profit for the process and a risk factor for the lot's creation to arrive at a net contributory value which would be a reflection of the raw value or un-severed value of the lot on the day before consent.

Site Plan "As if Severed" - Part 2

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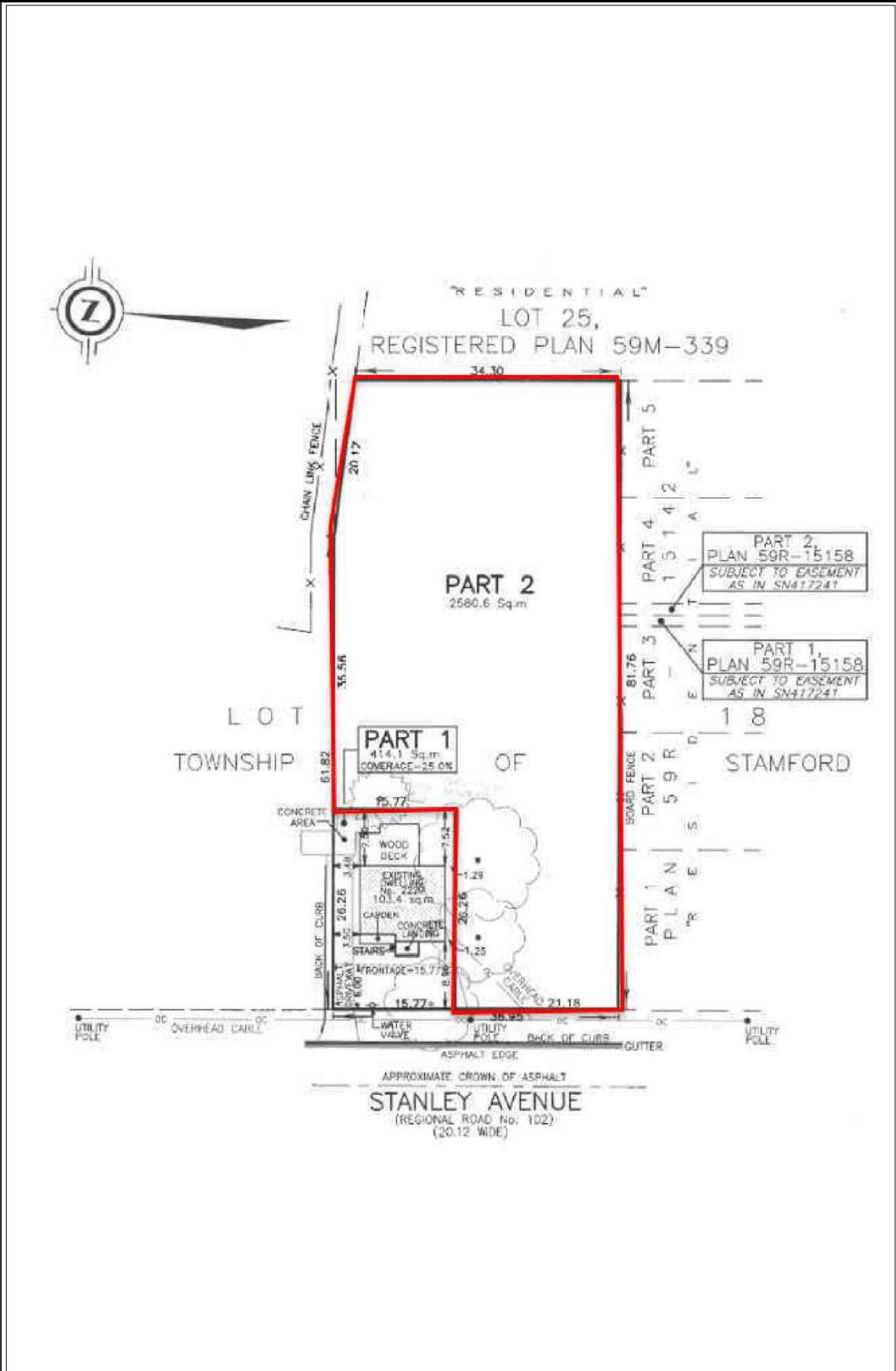
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Zoning Map - R1E - Residential (Single Family Detached)

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