

**Narrative Appraisal of an
18 Unit Apartment Building
Located at:**

**1384-1386 King Street West
City of Toronto**

**As at
December 1, 2022**



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Prepared For:

TMR BAYVIEW CORPORATION



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January 13, 2023

TMR Bayview Corporation
44 Upjohn Road
Toronto, Ontario
M3B 2W1

ATTENTION: MR. TERRY TSIANOS

Dear Sir;

**RE: NARRATIVE APPRAISAL OF AN
18 UNIT APARTMENT BUILDING
LOCATED AT
1384-1386 KING STREET WEST,
CITY OF TORONTO
OUR FILE NO. TO-1122-029.DM**

As per your request, the enclosed report contains our valuation of the above property.

The purpose of the appraisal is to estimate the current market value of the subject property as at our effective date. The intended use of this report is to assist in placing first mortgage financing for the property.

The intended user of this report is TMR Bayview Corporation and the document or its findings are not to be relied upon in any manner by any third party. All liability is denied for any unauthorized use of this report by any other party, for any other purpose.

The property rights appraised are of the Leased Fee Interest and the effective date of our valuation is December 1, 2022.

We physically viewed the property on December 1, 2022 completed various research and analyses, and have considered the Highest and Best Use in the final determination of value.

Based on the studies undertaken as part of this assignment we have concluded the current market value of the Leased Fee Estate in the subject property, as at December 1, 2022, is:

\$5,010,000.00
(FIVE MILLION AND TEN THOUSAND DOLLARS)

Extraordinary Assumptions & Limiting Conditions

As of the date of this report Canada and the Global Community is experiencing unprecedented measures undertaken by various levels of government to curtail health related impacts of the Covid-19 Pandemic. The duration of this event is not known. There is potential for negative impact with respect to micro and macro-economic sectors, as well as upon various real estate markets.

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.

We were only permitted to view 3 units in the subject building. We have assumed those units not viewed are occupied as reported and are in average or similar condition to those viewed with no deficiencies.

The market value estimate above is subject to all the following Assumptions and Limiting Conditions, and should not be relied on without reference to them.

The following report contains the data, analysis and conclusions supporting our valuation, and consists of 65 pages in the body of the report plus exhibits and Addenda.

We trust you will find this report to be satisfactory, and that it fulfils its intended purpose.

Respectfully submitted,

SCHAUFLEER REALTY ADVISORS LTD.



David P. Maddiss AACI, P.APP
APPRAISER



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PHOTOGRAPHS



1384-1386 KING STREET WEST – FRONT (SOUTH) ELEVATION



1384-1386 KING STREET WEST – EAST ELEVATION



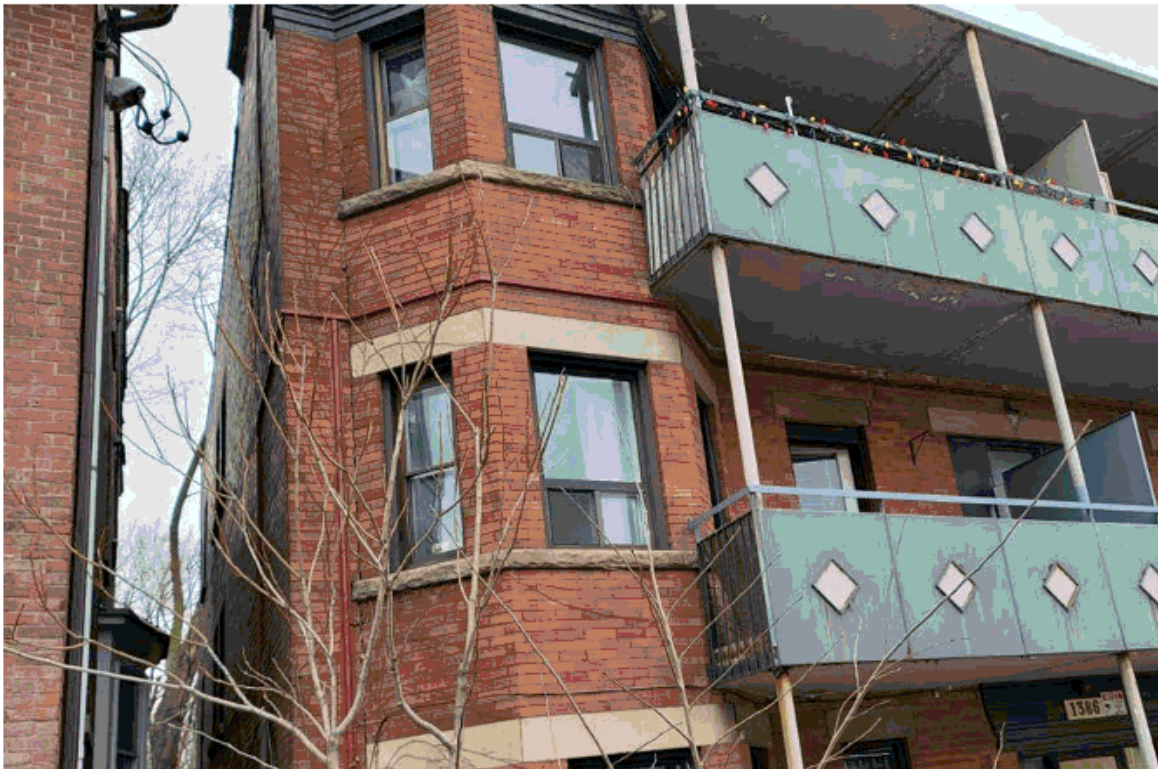
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PHOTOGRAPHS



1384-1386 KING STREET WEST – REAR (NORTH) ELEVATION



1384-1386 KING STREET WEST – WEST ELEVATION



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SUMMARY OF SALIENT FACTS

PROPERTY ADDRESS:	1384-1386 King Street West, City of Toronto
EFFECTIVE DATE:	December 1, 2022
LEGAL DESCRIPTION:	Lots 1-4, 7, Registered Plan 1263 City of Toronto
SITE AREA:	7,558 sq ft (0.17 ac)
IMPROVEMENTS:	3-storey apartment building dating from 1912 and having 18 units.
UNIT MIX	6 x Bachelor 6 x 1-Bedroom <u>6</u> x 2-Bedroom 18 Total
PLANNING:	Neighbourhoods
ZONING:	R – Residential Detached Zone
PROPERTY RIGHTS APPRAISED:	Leased Fee Estate
PURPOSE OF THE APPRAISAL:	To estimate the current market value of the subject property, as at our effective date.
INTENDED USE OF THE APPRAISAL:	To assist in placing first mortgage financing for the property.
CLIENT & INTENDED USER:	TMR Bayview Corporation
HIGHEST AND BEST USE:	Continuation of the existing use as an apartment building.
INCOME APPROACH:	\$5,010,000.00
DIRECT COMPARISON APPROACH:	\$5,130,000.00 to \$5,610,000.00
FINAL ESTIMATE OF VALUE:	<u>\$5,010,000.00</u>



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UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

The certification that appears in this 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.



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UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

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.



UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

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. 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 insurance 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.



CERTIFICATION

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

- The statements of fact contained in this report are true and correct;
- 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;
- 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 with respect to the parties involved with this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- 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.
- My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the CUSPAP.
- I have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with CUSPAP;
- Except as herein disclosed, no one has provided significant professional assistance to the person(s) signing this report;
- As of the date of this report the undersigned has fulfilled the requirements of the AIC's Continuing Professional Development Program;
- The undersigned is a member in good standing of the Appraisal Institute of Canada.

PROPERTY IDENTIFICATION

ADDRESS: 1384-1386 King Street West, Toronto

LEGAL DESCRIPTION: Lots 1-4, 7, Registered Plan 1263,
City of Toronto

BASED UPON THE DATA, ANALYSES AND CONCLUSIONS CONTAINED HEREIN, THE MARKET VALUE OF THE LEASED FEE INTEREST IN THE PROPERTY AS AT DECEMBER 1, 2022 IS ESTIMATED AT **\$5,010,000.00**

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.

APPRAISER



David P. Maddiss AACI, P.App.
Date of Report: January 13, 2022
Member #: 905388
Site Visit Completed: Yes
Date of Site Visit: December 1, 2022



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DEFINITION OF THE APPRAISAL ASSIGNMENT

Description of the Subject Property

The subject property comprises a 7,758 sq ft (0.17 acre) site located on the northwest corner of King Street West and Close Avenue, in the Parkdale neighbourhood of Toronto. The site is improved with a 3-storey apartment building dating from 1912 with 18 apartment units.

The property is municipally known as 1384-1386 King Street West, City of Toronto.

Purpose and Intended Use of the Appraisal

We have been requested to estimate current market value of the subject property as at our effective date. The intended use of this report is to assist in placing first mortgage financing for the property.

Client & Intended User

TMR Bayview Corporation.

Definition of Market Value

Market Value as defined in Section 3.48 of the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP 2022) and as used in this Report is:

The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in 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 the seller each acting prudently, knowledgeably, and for self-interest, assuming that neither is under duress.

Reasonable Exposure Time

Exposure time may be defined as follows:

The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.

Our value estimate assumes an approximate exposure time for the subject property of 3 to 6 months at a list price close to market value.



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DEFINITION OF THE APPRAISAL ASSIGNMENT

Property Rights Appraised

The property rights appraised are those of the Leased Fee Estate.

Effective Date

The effective date of this appraisal is December 1, 2022.

Scope of Appraisal

As part of the above assignment we carried out investigations of the following scope:

- David P. Maddiss carried out a site visit on December 1, 2022. The exterior of the subject property was viewed as well as common areas and 3 of the apartments.

Our appraisal assumes the unviewed units are occupied as reported and in similar condition to those units viewed.

- Assessment data was obtained from the Municipal Property Assessment Corporation (MPAC).
- Land Registry data was obtained using Teranet's POLARIS records.
- We reviewed the subject Rent Roll, leases and Profit & Loss Statements provided to us.
- A survey was provided and reviewed.
- Relevant Planning, Zoning, and other land use restrictions were investigated at the City of Toronto, along with any other municipal data that pertained to the valuation.
- A canvass of the subject market was conducted in order to ascertain current market data. Information gathered included recent sales and lease data, development activity, investment data, and supply and demand for this type of property.

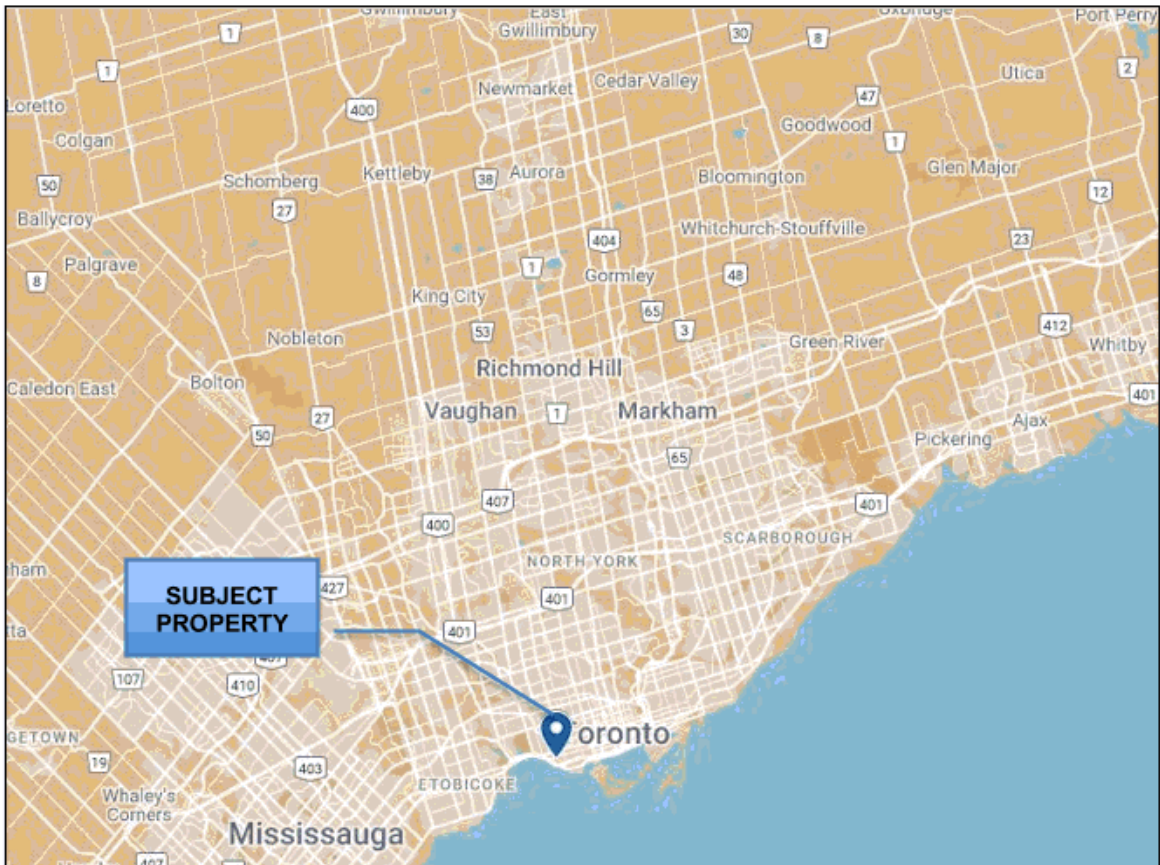
The above sales data was verified in the local Land Registry Office and analysed.



LOCATION ANALYSIS

Regional

The subject property is located centrally within the Greater Toronto Area (GTA), in the east part of the City of Toronto. The new City of Toronto was created in January 1998 by the amalgamation of the former City of Toronto, with the Cities of North York, Etobicoke, Scarborough, and York, and the Borough of East York.



The City of Toronto is a densely built-up urban area with an estimated population of 2,794,000 (2021). It comprises the industrial, financial, and economic centre of the Greater Toronto Area (GTA).

Toronto is bounded on the west by the City of Mississauga in Peel Region, on the north by the City of Vaughan and City of Markham in York Region, on the east by the City of Pickering in Durham Region, and on the south by Lake Ontario.

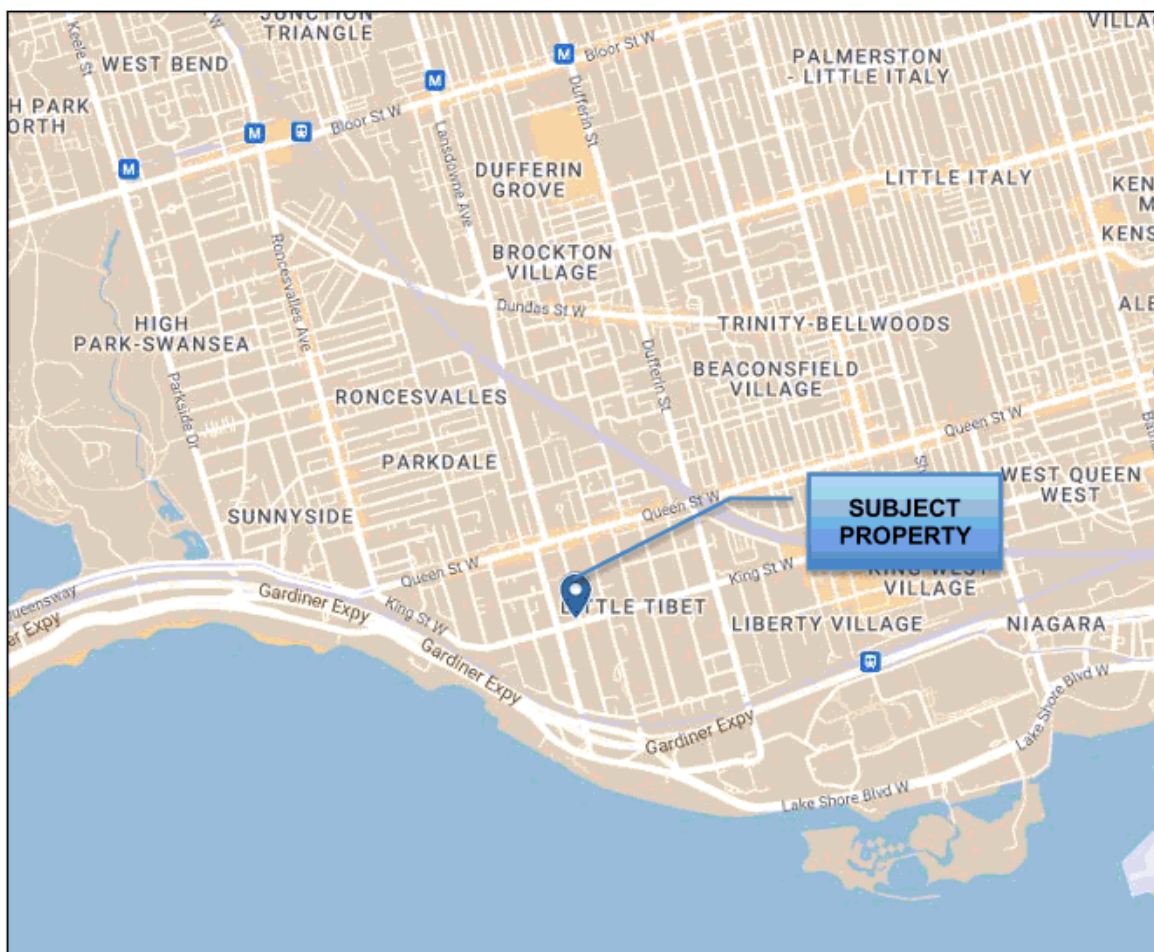


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LOCATION ANALYSIS

Local

The subject property is located in the central portion of the City of Toronto, to the west of the Downtown, along the King Street West mixed use strip in the modest Parkdale residential neighbourhood.



This area dates back to the last century, and has historically been dominated by the Centre for Addiction and Mental Health and marginal retail and service uses, but has been experiencing new interest and revitalization over the last 15 years as the more fashionable shops, galleries, and restaurants have migrated west from the more traditional core of the Queen Street West commercial strip east of Bathurst Street.

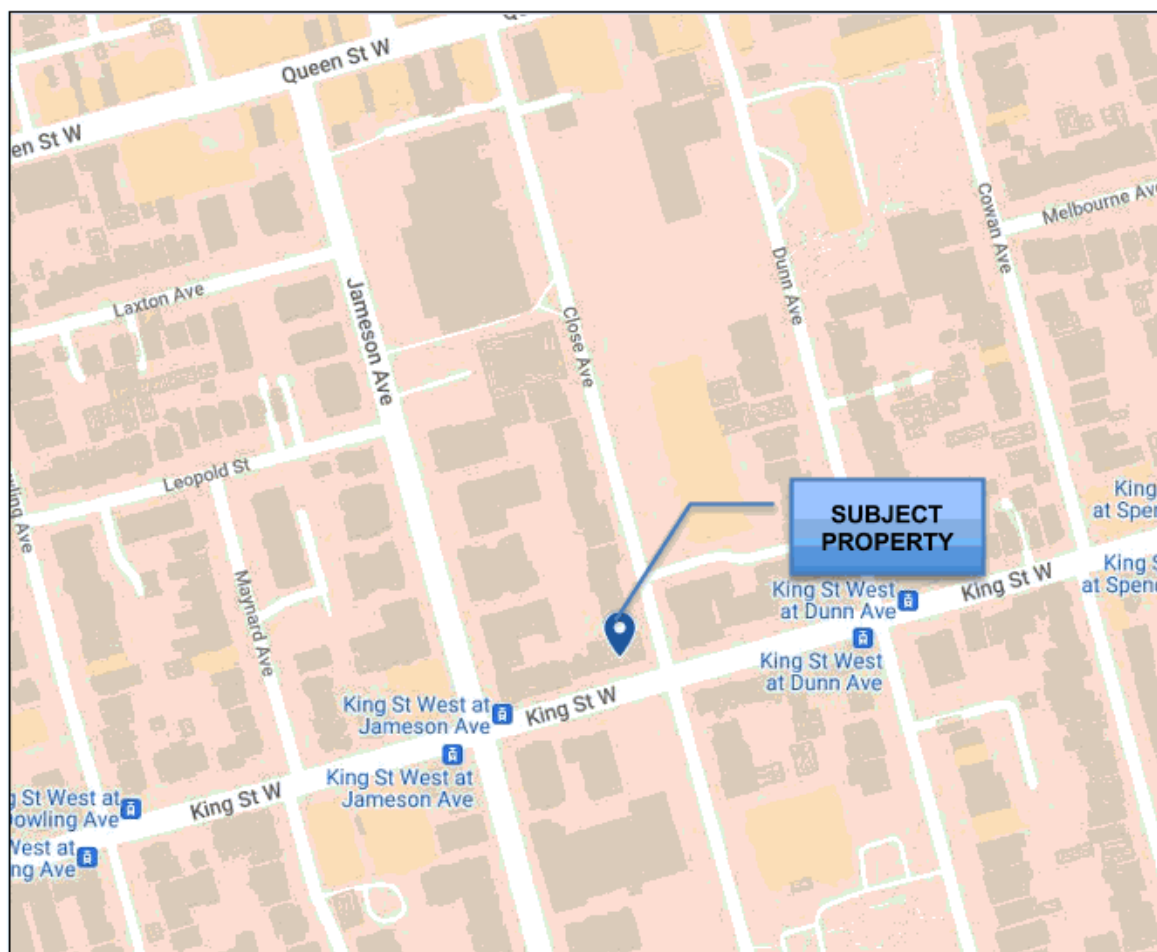


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LOCATION ANALYSIS

The east part of the Parkdale area had its image significantly enhanced with the \$6.0 million renovation of the old Drake Hotel at 1150 Queen Street West, which is now a boutique hotel, with performance space, lounge, sushi bar and one of the City's most popular night spots.

The subject property is located west of this centre of revitalization, in a largely residential part of King Street West on the northwest corner of King Street West and Close Avenue.



East and west of the subject are older lower rise apartment buildings and residences many of which had been converted to apartment uses. South of the subject across King Street West is Close Avenue Parkette and Queen Victoria School. Immediately east of the subject across Close Avenue is Holy Family Church.



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LOCATION ANALYSIS

The area's side streets north and south of the subject comprise older detached residential buildings contemporary to the subject, many of which have been converted to multiple unit dwellings. These larger, older houses have sporadically been renovated, but gentrification has yet to take a strong hold in the subject area. Higher density apartment uses are located to the south of King Street West.

The subject has access to local roads serving the Parkdale neighbourhood. It is served by the TTC's King Street streetcar with a stop located in front of the subject, with on-street parking on King Street West. The Gardiner Expressway is located a short distance to the south and is accessible via Lake Shore Boulevard to the south.



DESCRIPTION OF THE SITE

Legal Description

The subject property is legally described as Lots 1-4, 7 on Registered Plan 1263, City of Toronto.

Under the Province of Ontario's Land Registry and Information System (POLARIS) the subject property is identified by the PIN 21340-0139.

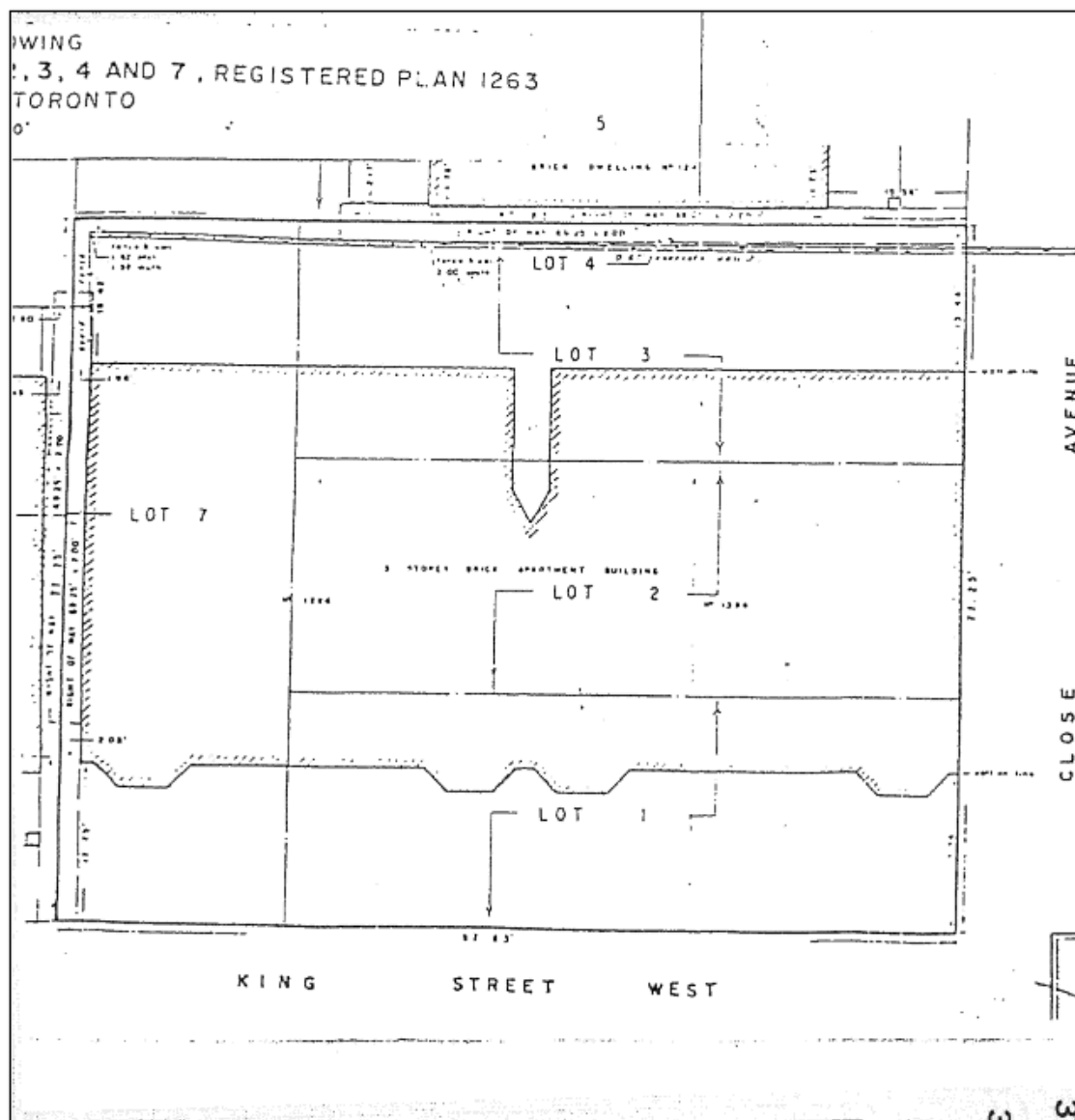


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DESCRIPTION OF THE SITE

SURVEY



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DESCRIPTION OF THE SITE

Characteristics

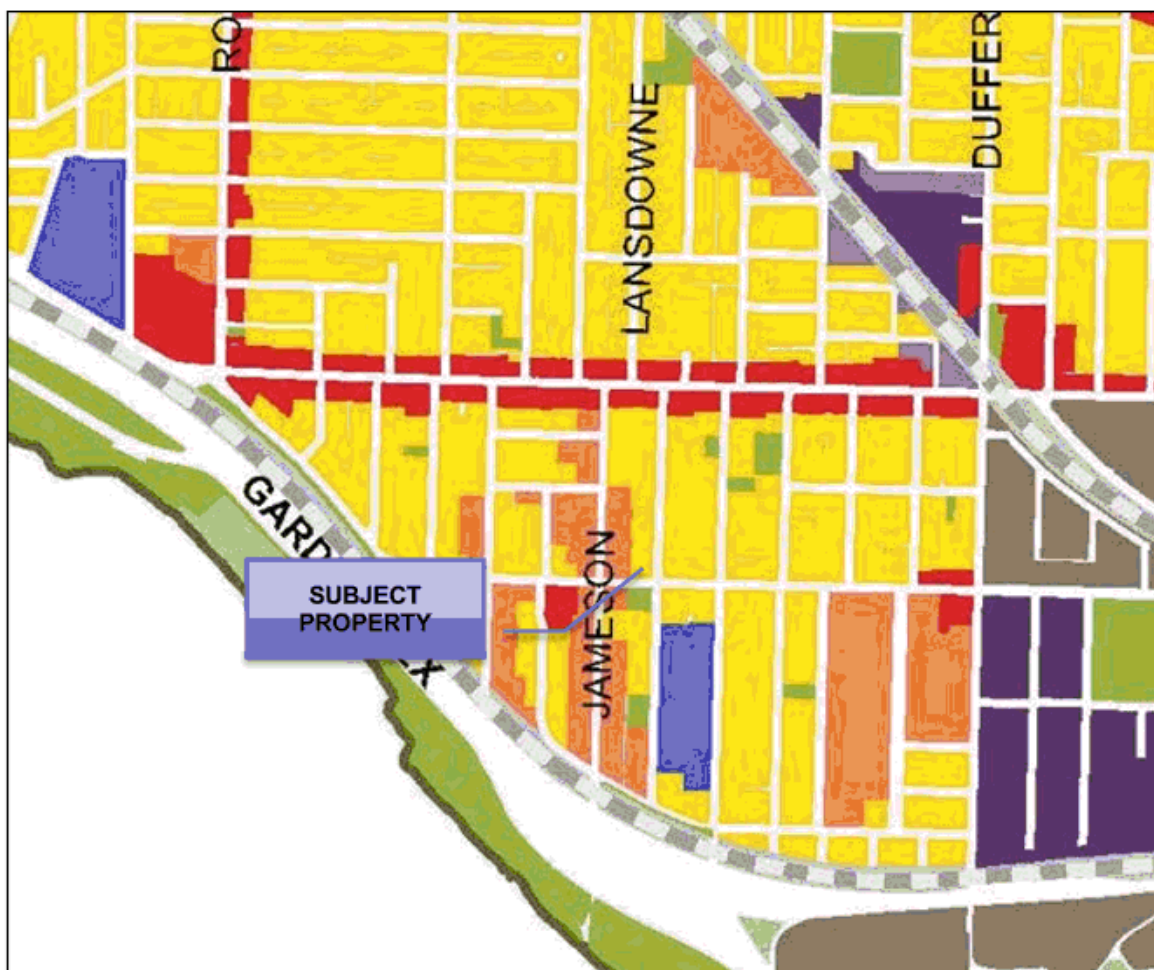
Based on the above description and our site visit of the property, and available documentation, the subject site has the following characteristics:

Shape:	Rectangular
Frontage:	97.83 ft on the north side of King Street East. 77.25 ft on the west side of Close Avenue
Depth:	114.12 ft at its north limit
Access:	King Street West
Topography:	The subject site is generally level and at grade with King Street West, Close Avenue and the adjacent ownerships.
Soils:	Although soil tests were not conducted by this office, it is assumed that in view of the size of the structures on the site and surrounding developments, soils within the area are capable of handling reasonably heavy building loads.
Contamination:	No Environmental Reporting was provided to us.
	<u>For the purposes of our appraisal, we have assumed that the property is free from all environmental liabilities.</u>
Services:	Full municipal services are available to the property.
Easements/ROW:	Subject to and together with a right of way as in CT859090.



Planning

The Official Plan for the City of Toronto: *Toronto Plan*, as amended, designates the subject lands as part of a **Neighbourhoods**.



Neighbourhoods contain a full range of residential uses within lower scale buildings, as well as parks, schools, local institutions and small-scale stores and shops serving the needs of area residents. Lower scale residential buildings in Toronto's *Neighbourhoods* consist of detached houses, semi-detached houses, duplexes, triplexes and townhouses as well as interspersed walk-up apartments that are four storeys or less.

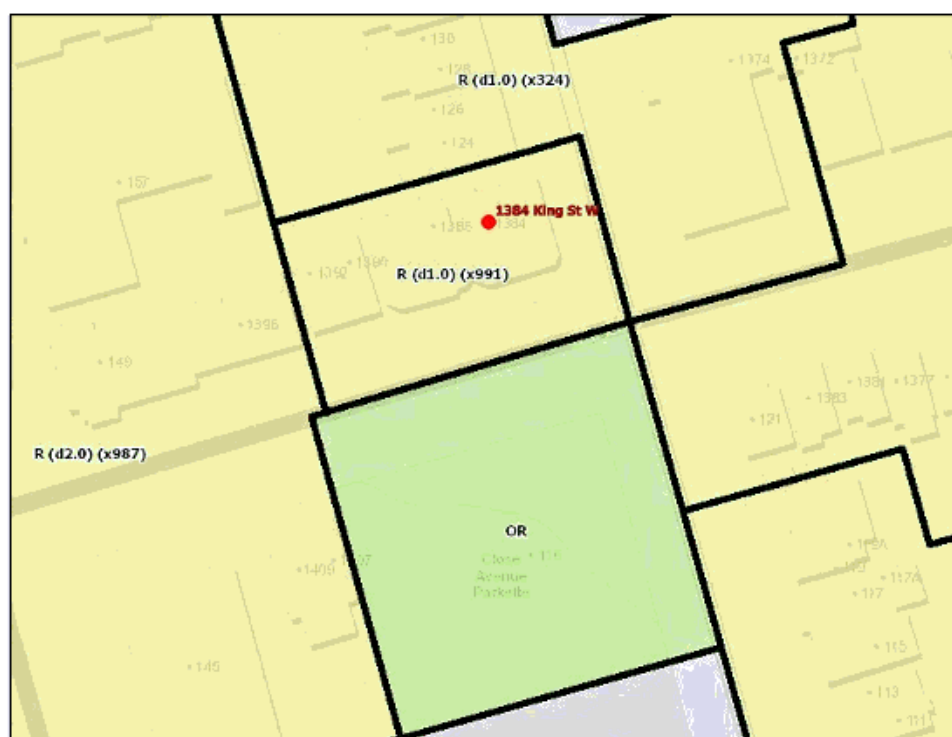


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Zoning

The City of Toronto Zoning By-law 569-2013, as amended, zones the subject property:

R (d1.0) (x991) – Residential



R is a residential zoning that allows for dwelling units in a permitted building, which includes detached house, semi-detached house, townhouse, duplex, triplex, fourplex, and apartment building.

Institutional and public uses are also permitted subject to conditions.

d1.0 Maximum floor space index of 1.0 times the site.

X991 The subject must comply with exception 900.2.10(7), which provides performance standards for institutional uses.

Based on the above the subject does not appear to comply with the floor space index requirement, however, the subject improvements predate the current zoning. We therefore assume the subject to be legal non-conforming.



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DESCRIPTION OF IMPROVEMENTS

David P. Maddiss conducted a site visit on December 1, 2022 and viewed the exterior of the subject property, as well as a sample of its units. Based on this site visit the improvements are described as follows:

Age:	Built 1912								
Height:	3-storeys								
Unit Count:	<table style="margin-left: 20px;"> <tr> <td>Bachelors</td> <td style="text-align: right;">6</td> </tr> <tr> <td>1-Bedroom Apts.-</td> <td style="text-align: right;">6</td> </tr> <tr> <td>2-Bedroom Apts.-</td> <td style="text-align: right;"><u>6</u></td> </tr> <tr> <td>TOTAL</td> <td style="text-align: right;">18</td> </tr> </table>	Bachelors	6	1-Bedroom Apts.-	6	2-Bedroom Apts.-	<u>6</u>	TOTAL	18
Bachelors	6								
1-Bedroom Apts.-	6								
2-Bedroom Apts.-	<u>6</u>								
TOTAL	18								
Foundation:	Masonry								
Exterior Walls:	Brick								
Roof:	Flat roof with skylights Soffits, flashing and eaves replaced in 2019 at a cost of \$26,000.								
Framing:	Masonry and concrete								
Windows:	Single pane and double glazed units in metal frames								
HVAC:	Boiler and radiators Electric Air conditioning units noted.								
Electricity:	400 amp service Separate meters								
Plumbing:	Copper and plastic lines and drains where viewed.								
Elevator:	No								
Balconies:	8 balconies (for front suites)								
Life/Safety:	Each floor is equipped fire pull stations.								

We assume the subject building has been retrofitted in full compliance with Fire and Building Code requirements.

Lay-out: The subject comprises 2 x attached walk-up apartments with 2 entrance lobbies, which are connected as a single building in the Basement.



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DESCRIPTION OF IMPROVEMENTS

The building has front lobby areas off King Street West leading to common stairwells and halls. Common areas have tile floors, drywall walls with wainscoting and drywall ceilings.

The mail area, tenant storage lockers, laundry and mechanical areas are located in the Basement.



Entrance and Lobby



Stairwell

The building has a full basement that is unfinished and used for mechanical areas, laundry facilities and storage lockers for the units. We noted what appeared to be water leakage in the Basement mechanical areas. **This appraisal assumes any active water leaking is minor in nature.**



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DESCRIPTION OF IMPROVEMENTS



Laundry Room



Tenant Lockers



Basement Storage / Water leak



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DESCRIPTION OF IMPROVEMENTS

We were provided access to Units 8, 9, & 10 in the building.

We assume all other suites are in similar condition with similar quality finishes and typical lay-outs.

Apartment 8 comprises a 1-bedroom unit with a living room, updated kitchen, and bedroom area and up-dated 4 piece bathroom.

Finishes include laminate and tile floors, and painted drywall walls and ceilings.



Apartment #8 – Living Room



Apartment #8 – Kitchen



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DESCRIPTION OF IMPROVEMENTS



Apartment #8 – Bedroom

Apartment 9 comprises a 1-bedroom unit with a living room, kitchen, and a 4-piece bathroom.

Finishes include hardwood, laminate, and tile floors, and painted drywall walls and ceilings.



Apartment #9 – Living Room



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DESCRIPTION OF IMPROVEMENTS

Apartment #9 – Kitchen



Apartment #9 – Bedroom

Apartment 10 comprises a 1-bedroom unit with a living room, kitchen, and a renovated 4-piece bathroom.

Finishes include hardwood, vinyl, and tile floors, and painted drywall walls and ceilings.



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DESCRIPTION OF IMPROVEMENTS



Apartment #10 – Livingroom



Apartment #10 – Kitchen



Apartment #10 – Bedroom



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DESCRIPTION OF IMPROVEMENTS

Overall Condition: Overall the subject building is an older building, which is in good condition for its age. We were provided invoices demonstrating ongoing repairs and updates including some updated washrooms, doors, and most notably soffits, flashing and eaves in 2019 at a cost of \$26,000.

We noted cracks and damaged masonry around the exterior.



Damaged masonry

Site Improvements: No on site parking is available. The subject has front fencing and lawns.



Front Lawn



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ASSESSMENT AND TAXES

According to the records of the Municipal Property Assessment Corporation (MPAC) the subject property was assessed as follows:

Roll Number:	19 04 021 270 03400 00000
Assessed Frontage:	97.83 ft
Assessed Depth:	77.25 ft
Assessed Area:	7,558 sq ft
2016 Assessed Value:	\$2,728,000.00
2023 Assessment:	\$2,728,000.00 (phased-in)
2022 Taxes:	\$29,827.52 (as per tax bill)

The City of Toronto will not release tax balances to the public. This appraisal assumes the subject property's realty taxes are in good standing with no arrears.



OWNERSHIP AND OCCUPANCY

Title

The registered owner of the subject property is TMR Bayview Corporation who acquired title to the subject property on April 29, 2011. Consideration paid for the property at this time was \$1,700,000.00.

Listing History

Our search of the Toronto Real Estate Board's MLS records revealed the following listing activity involving the subject property in the last 3 years:

MLS W5001064	26-11-2020	#9	For Lease	\$1,700 per month + hydro
	26-01-2021		Expired	

To the best of our knowledge the subject property is not currently offered for sale, or subject to any Offers, or Agreements of Purchase and Sale.

Occupancy

The provided Rent Roll (*see Addendum B*), the subject is fully occupied as follows:

1384-1386 King Street West – Rent Profile		
Unit Type	Rent	Total per Annum
Bachelor (6 units)	\$ 820.00 to \$1,200.00 + hydro	\$ 75,003.48
1-Bedroom (6 units)	\$1,048.15 to \$1,700.00 +hydro	\$ 97,946.40
2-Bedroom (6 units)	\$1,114.01 to \$2,200.00 + hydro	\$ 104,875.68
Total Unit Income		\$ 277,825.56
Laundry Income*		\$ 2,688.00
Total Gross Income		\$ 280,514.00 (Rounded)

*Laundry Income per most recent 2021 Profit & Loss Statement.



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HIGHEST AND BEST USE

Definition

The principle of Highest and Best Use is fundamental to the Value of the real estate. Land resources are at their Highest and Best use when they are used in such a manner as to provide the optimum return to their operators or to society. Depending upon the criteria used, this return may be measured in strictly monetary terms, in intangible or social values, or in some combination of these values.

It is the reasonably probable and legal use, which is physically possible, appropriately supported, financially feasible, and is that use which results in the maximum value of the property.

Those factors which have the greatest influence on the Highest and Best Use attributable to the subject site are: its location, site size, the zoning, and the prevailing supply/demand situation.

Highest and Best of the Site as if Vacant

The subject property comprises a 7,758 sq ft site located in the established residential neighbourhood of Parkdale to the west of Downtown Toronto, on the northwest corner of King Street West and Close Avenue.

The subject site is surrounded by apartment and multi-unit residential buildings as well as older single family residences. It is planned Neighbourhoods and zoned R – Residential, which permits a wide range of residential and institutional uses. The subject use conforms to the character of the area which is stable, but experiencing gentrification, as older buildings and units are being acquired and re-positioned to more modern accommodations with higher rents.

Based on the above the Highest and Best Use of the vacant subject site is as a residential development site.



*HIGHEST AND BEST USE***Highest and Best Use as Improved**

The subject site is improved with a 3-storey walk-up apartment building dating from 1912 with 18 apartment units. Its unit mix comprises 6 x Bachelors, 6 x 1-bedroom units, and 6 x 2-bedroom units.

The complex has been well maintained, and was reported to have been continuously updated over its life, with updates reported to apartments as they become vacant. We were provided invoices demonstrating minor repairs, as well as unit updates. It is in good condition for its age, with substantial remaining economic life estimated at 30 to 35 years.

The property has a good location in the Parkdale area of Toronto, in close proximity to other residential uses. The building is in conformity with the character of the neighbourhood.

Based on the above and with regard to all the characteristics of the subject property it is our opinion that the Highest and Best Use for the subject property is the continuation of its existing use as an apartment building.



APPROACHES TO VALUE

In estimating the market value of a parcel of real estate, it is usual to have regard to three approaches to value before reaching a conclusion as to its worth. These approaches are:

The Cost Approach which represents the cost to replace at current prices, the site, the building and other improvements with an equally desirable substitute having equal utility. It may or may not represent the cost of reproducing a replica.

The Direct Comparison Approach which involves the comparison of sales of somewhat similar and competitive buildings on the basis of the quantity and quality of the space provided.

The Income Approach which is based upon the capitalization of the anticipated future net earnings from the property.

Conclusion as to Approaches

The subject is a leased investment property and the Income Approach has been our primarily approach to value.

We have also undertaken the Direct Comparison Approach as a corroborative approach.



INCOME APPROACH

Developing the Income Approach involves capitalizing the net income that a property is capable of generating into a present value using an appropriate method and generally following these steps:

- 1 An estimation of the total gross income that the property is capable of generating is undertaken. An amount for likely vacancies and bad debts is deducted resulting in the property's Effective Gross Income (EGI).
- 2 The total annual operating expenses necessary to maintain the income stream is estimated. For many commercial, office and industrial properties, where rents are commonly paid net to the Landlord, expenses for management and maintenance must still be reflected.
- 3 The Net Operating Income (NOI) is calculated by deducting Operating Expenses as calculated above from the Effective Gross Income.
- 4 An appropriate capitalization rate and method of capitalization are selected.
- 5 An indication of value is arrived at by applying the appropriate capitalization rate to the subject property's Net Operating Income.

Gross Income Estimate

Based on the provided Rent Roll (see Addendum B) the subject is 100% occupied and generating an annual rental income of \$277,826.00. The 2021 Profit & Loss statement (see Addendum C) reports laundry income of \$2,688.

Total Annual Gross Income is currently \$280,514.00 per annum.

The subject rents are as follows:

Bachelor	\$820 to \$1,200 + hydro
1-Bedroom	\$1,048.15 to \$1,700 + hydro
2-Bedroom	\$1,114.01 to \$2,200 + hydro

We were provided with historic Profit & Loss Statements (see Addendum C). The Profit & Loss Statements report Gross Income for the subject to be \$271,524 in 2021, \$257,267 in 2020, which demonstrates increasing rents.



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INCOME APPROACH

Apartment Rents

Canada Mortgage and Housing Corporation (CMHC) reports the following trends in apartment rents in the subject market effective their last report of February 2022:

TORONTO (WEST) - AVERAGE APARTMENT RENTS

Year	Bachelor Average Rents	1-Bed Average Rents	2-Bed Average Rents	Overall Average Rents
2021	\$1,106	\$1,429	\$1,803	\$1,691
2020	\$1,049	\$1,381	\$1,650	\$1,660
2019	\$ 986	\$1,399	\$1,602	\$1,615
2018	\$ 948	\$1,238	\$1,483	\$1,499

The above generally shows increasing rents across all unit types in the subject west Toronto area over the last 4 years. The rental market had seen increasing vacancies and downward pressure during 2020-2021 in the height of Covid, although this no longer appears to be the case.

Rentals.ca reported in December 2022 that average rents across the City of Toronto had increased 23% year over year for 1-bedroom units and 20.7% year over year for 2-bedroom units.

In addition to the above we uncovered leases and offerings of units in the neighbourhood, as follows:



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INCOME APPROACH

LEASE RATE SURVEY - APARTMENTS

No.	Address	# / Bedrooms	Date	Rent per month
1	70 Melbourne Ave (6 units)	Bachelor	01-22 to 06-22	\$1,350 inclusive to \$1,475 inclusive
2	70 Melbourne Ave (4 units)	Bachelor	07-22 to 09-22	\$1,475 inclusive to \$1,700 + hydro
3	31 Springhurst Ave – Basement	Bachelor	09-22	\$1,850 + utilities
4	1340 King Street West #301	1-Bedroom	12-22	\$2,600 + hydro
5	1340 King Street West #302	1-Bedroom	09-22	\$2,450 + hydro
6	1367 King Street West – Basement	1-Bedroom	07-22	\$1,600 + utilities
7	1530 King Street West B2	1+1 Bedroom	10-22	\$1,700 + hydro
8	1530 King Street West	1+1 Bedroom	04-22	\$2,050 + utilities
9	1317 King Street West	2-Bedroom	06-22	\$1,690 + hydro
10	1487 King Street West #103	2-Bedroom	02-22	\$2,500 + hydro
11	1530 King Street West #101	2-Bedroom	11-22	\$2,400 + utilities
12	1540 King Street West #1A	2-Bedroom	09-22	\$2,995 + hydro
13	1540 King Street West #1B	2-Bedroom	09-22	\$3,000 + hydro
14	1546 King Street West 3 rd Floor	2-Bedroom	05-22	\$2,350 + inclusive
15	1530 King Street West #202	2+1-Bedroom	03-22	\$2,500 + utilities

Bachelor units in the subject Parkdale neighbourhood are renting for \$1,350 to \$1,850 per month, which is above the average in the CMHC survey at \$1,106 per month. The subject contract rents range from \$820 to \$1,200 + hydro and are generally below the uncovered market rents.

1 Bedroom units in the subject Parkdale neighbourhood point to rents from \$1,600 to \$2,600 per month which are also largely above the CHMC average of \$1,429 per month. Above grade units point to rates of \$1,700 to \$2,600 /month.

The contract rents for the subject 1 Bedroom units are generally below this with 4 of the 6 units generating rents as low as \$1,048 to \$1,372 per month.



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INCOME APPROACH

2 Bedroom units in the subject Parkdale neighbourhood point to rents from \$1,690 to \$3,000 per month with most the range of \$2,350 to \$2,500 and with higher rates indicated by highly renovated units. These are also largely above the most recent CHMC average of \$1,803 per month.

The contract rents for the subject 2 Bedroom units are generally all below this with rents ranging from \$1,114 to \$2,200 per month and with 5 of the 6 units between \$1,114 to \$1,683 per month.

We have adopted the subject contract rents in our analysis and will utilize an appropriate capitalization rate to reflect the potential for future rental increases to market as units roll-over.

Laundry income is reported at \$1,903 in 2020 and \$2,688 in 2021. We have adopted the most recent reported laundry income of \$2,688 in our analysis.

Conclusion

We have adopted the subject's reported Gross Income of \$280,514.00 per annum, including the laundry income.

Vacancy and Credit Loss

Based on the provided documentation the subject building is reported to be 100%.

It is usual that certain vacancies and credit problems will be experienced over the life of the building, and an amount must be deducted from the Gross Income Estimate to reflect these eventualities.

Current trends in apartment vacancies, as reported by CMHC, are as follows:



INCOME APPROACH

Toronto West Apartment Vacancy Rates %				
Year	Bach	1-Bed	2-Bed	Total (all types)
2021	10.9	10.0	N/A	9.2
2020	5.9	6.2	5.3	6.2
2019	2.3	2.3	2.4	2.3
2018	2.6	2.1	1.1	2.3

Vacancy rates throughout Toronto have increased over 2020 and 2021 due to the COVID pandemic – up from their historic lows around 1% to 2% to rates of 5.0% to 6.2% in 2020, and 10.00% to 10.9% in 2021, although we noted that the reported rates appear to be associated with lower quality data.

In our analysis the allowance for vacancy and credit loss is an average over the life of the asset, and more typical vacancy levels are likely to return once the current crisis subsides.

The subject is reported as fully occupied. Given the subject's good occupancy, location and condition, a normalized vacancy rate of 2.0% is estimated to be appropriate.

Operating Expenses

The various expenses that must be incurred to maintain the income stream detailed above are set out in the expense information attached in *Addendum C*.

These expenses comprise the actual outlays required to operate the building: utilities, taxes, insurance, maintenance, and management.



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INCOME APPROACH

The above expenses do not include many accounting items such as depreciation, interest and mortgage payments, which usually appear on Operating Statements, but which are not germane to our analysis.

We have reviewed the expense information available to us (see Addendum C). Expenses have been relatively stable and we have normalized the most recent expenses in our analysis as reported, except as follows:

Realty Taxes

We have adopted the most recent 2022 realty taxes of \$29,828.00 as per the tax bill.

Insurance

The expenses report \$8,241 in insurance in 2020, and \$9,084 in 2021. We have adopted the most recent reported expense of \$9,084.00

Utilities

The expenses report \$31,722 in 2020 for utilities, and \$34,117 in 2021. Q3 expenses for 2022 report utility expenses of \$29,222 for the months of January to September 22, 2022. We have adopted a normalized utility expense of \$35,000 for 2022.

Maintenance

Maintenance expenses have fluctuated and appear to include capital repairs and unit renovations. 2020 maintenance expenses were reported to be \$76,512.00, 2021 maintenance was reported to be \$51,574.00, with \$107,760 reported in 2022 from January to September 22.

We have adopted an estimated maintenance expense of \$600 /suite per annum, or \$10,800 for typical ongoing maintenance.



*INCOME APPROACH*Professional/Legal

Professional/Legal expenses have also fluctuated from \$9,153 in 2020 to \$21,348 in 2021, and with \$5,933 reported for January to September 2022. We have adopted a normalized Professional/Legal expense of \$10,000.

Management

Management expenses were reported to be \$13,266 in 2020, \$21,215 in 2021 and \$11,624 from January to September 2022.

These reported expenses represent 5% the Gross Income in 2020 and 8% of the Gross Income in 2021, and 5.6% of the January to September 2022 Gross Income.

The subject's building is owner managed. Typical management expenses range from about 3.0% to 5.0% the Effective Gross Income. Considering the above we have adopted a normalized management expense of \$12,000, which represents about 4.4% of the Effective Gross Income.

In addition to the above certain expenses will be incurred by the Landlord in the structural maintenance of the building, and an allowance must be made for this. For the purposes of this valuation we have made an allowance of 2% of the Effective Gross Income (EGI) for a Structural Reserve.

Summary:

Our Income analysis is summarized as follows:



INCOME APPROACH

**PRO FORMA OPERATING STATEMENT
1384-1386 KING STREET WEST, CITY OF TORONTO
DECEMBER 2022**

<i>Contract Rents</i>		
Rental Income		\$277,826.00
Laundry Income		<u>\$ 2,688.00</u>
TOTAL		\$280,514.00
less		
Vacancy and Credit Loss (2.0%)		<u>\$ 5,610.00</u>
EFFECTIVE GROSS INCOME		\$274,904.00
less		
<u>Reported Operating Expenses</u>		
Property Taxes (per tax bill)	\$ 29,828.00	
Insurance (per profit & loss)	\$ 9,084.00	
Utilities (normalized)	\$ 35,000.00	
Maintenance (normalized)	\$ 10,800.00	
Professional/Legal (normalized)	\$ 10,000.00	
Management (normalized)	\$ 12,000.00	
Structural Reserve (2% of EGI)	<u>\$ 5,498.00</u>	
Total	\$112,210.00	<u>\$112,210.00</u>
NET OPERATING INCOME		\$162,694.00



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INCOME APPROACH

Income Analysis

In our analysis of the subject property's income we have used the Direct Capitalization Approach.


The *Direct Capitalization* method is used to convert the subject property's Net Operating Income into an indication of value. This technique requires an Overall Capitalization rate (OCR) be derived from the analysis of sales of apartment buildings that are comparable to or competitive with the property under appraisal and applied to the subject's NOI.

We have investigated the central Toronto market for comparable income producing, multi residential properties in order to determine the most appropriate OCR for the subject property.

The most relevant indicators are detailed as follows:




INCOME APPROACH

<p>Indicator 1</p> <p>133 Dunn Avenue City of Toronto</p>	
Date of Sale	April 5, 2022
Vendor	Rhino Investments Inc.
Purchaser	Dunn South Properties Ltd.
Consideration	\$3,050,000.00
Site Area	0.20 ac (8,590 sq ft)
Improvements:	3-storey heritage building dating from 1880 converted to apartments.
Suites:	9
EGI: NOI: Operating Expense Ratio	N/A \$69,845 N/A
Average Gross Per Month: Average Net Per Month:	N/A \$647
Price Per Suite:	\$338,889
OCR:	2.3%
Comments	<p>Sale of a heritage building on the east side of Dunn Avenue, south of King Street West.</p> <p>The property was laid out with 3x 1-bedroom unit, 5x 2-bedroom units and a 3-bedroom unit. It has on site laundry and parking for 10 car.</p> <p>It appears to have sold in average condition for its age.</p>



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INCOME APPROACH

<p>Indicator 2</p> <p>556-558 Spadina Crescent City of Toronto</p>	
Date of Sale	January 6, 2022
Vendor	1810036 Ontario Ltd.
Purchaser	556 Spadina Crescent Limited
Consideration	\$5,999,900.00
Site Area	0.26 ac (11,485 sq ft)
Improvements:	3-storey heritage apartment building
Suites:	12
EGI: NOI: Operating Expense Ratio	\$289,200 \$234,241 19%
Average Gross Per Month: Average Net Per Month:	\$2,008 \$1,627
Price Per Suite:	\$499,992
OCR:	3.9%
Comments	<p>Sale of a heritage apartment building on the west side of Spadina Crescent, north of College Street.</p> <p>The building is laid out with 10x 2-bedroom units and 2x 3-bedroom units and has 12 surface parking spaces. The property has on site laundry.</p> <p>It appears to have sold in good condition for its age.</p>



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INCOME APPROACH

<p>Indicator 3</p> <p>356 Walmer Road City of Toronto</p>	
Date of Sale	September 1, 2022
Vendor	Named Individual(s)
Purchaser	Walmer Russell Hill Ltd.
Consideration	\$3,600,000.00
Site Area	0.20 ac (8,697 sq ft)
Improvements:	3-storey apartment building dating from 1936
Suites:	8
EGI: NOI: Operating Expense Ratio	\$157,521 \$122,266 22%
Average Gross Per Month: Average Net Per Month:	\$1,641 \$1,274
Price Per Suite:	\$450,000.00
OCR:	3.4%
Comments	<p>Sale of an apartment building on the west side of Walmer Road, north of Austin Terrace.</p> <p>The building is laid out with 4x 2-bedroom units and 4x 2-bedroom + Den. The property has on site laundry and a 4-car garage.</p> <p>It sold 90% vendor financed with an interest rate of 3.5% on a 2 year term.</p>



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INCOME APPROACH

<p>Indicator 4</p> <p>316-320 Lonsdale Road City of Toronto</p>	
Date of Sale	January 31, 2022
Vendor	Roar Enterprises Limited
Purchaser	316-320 Lonsdale Road Inc.
Consideration	\$17,500,000.00
Site Area	0.40 ac (17,438 sq ft) – Total
Improvements:	2x adjacent 3-storey and raised Basement apartment buildings
Suites:	42 Units
Gross Income:	N/A
NOI:	\$525,970
Operating Expense Ratio	N/A
Average Gross Per Month:	N/A
Average Net Per Month:	\$1,044
Price Per Suite:	\$416,667
OCR:	3.0%
Comments	<p>Sale of 2x adjacent apartment buildings on the north side of Lonsdale Road, east of Spadina Road.</p> <p>The buildings have 33x 1-bedroom units, 3x 2-bedroom units and 6x 3-bedroom units. The buildings have surface parking and appear to be in average condition for their age.</p> <p>The buildings were marketed with an adjacent development site but sold without the site.</p>



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INCOME APPROACH

<p>Indicator 5</p> <p>4 Newbold Avenue City of Toronto</p>	
Date of Sale	March 7, 2022
Vendor	2304484 Ontario Inc.
Purchaser	2730617 Ontario Inc.
Consideration	\$4,440,000.00
Site Area	0.25 ac (11,087 sq ft)
Improvements:	3-storey and raised basement apartment building
Suites:	12 Units
EGI: NOI: Operating Expense Ratio	\$225,000 \$155,000 31%
Average Gross Per Month: Average Net Per Month:	\$1,563 \$1,076
Price Per Suite:	\$366,667
OCR:	3.5%
Comments	<p>Sale of an apartment building on the north side of Newbold Avenue, east of Gainsborough Road in the Upper Beaches.</p> <p>The buildings comprised of 7 x 2 bedroom and 3 x 1-bedroom units and 2x bachelors with an additional bachelor, which may not be legal utilized as an office.</p> <p>It is fully leased occupied and has surface parking. It appeared to have been well maintained and sold average condition for its age.</p>



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INCOME APPROACH

<p>Indicator 6</p> <p>8 Newholm Road City of Toronto</p>	
Date of Sale	July 28, 2022
Vendor	Newholm Holdings Inc.
Purchaser	Newholm Cloverhill Ltd.
Consideration	\$8,370,000.00
Site Area	0.64 ac (28,083 sq ft)
Improvements:	3-Storey and raised basement apartment building dating from 1955
Number of Units	27
EGI NOI	N/A \$234,360
Average Gross Per Month: Average Net Per Month:	N/A \$723
Price Per Suite:	\$310,000
OCR:	2.8%
Comments	<p>The sale of a building located on the west side of Newholm Road between Kinsdale Boulevard and Cloverhill Road.</p> <p>The property is laid out with 1x bachelor unit, 13x 1-bedroom units and 13x 2-bedroom units. It has rear surface parking.</p> <p>It appeared to be in average condition for its age.</p>



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INCOME APPROACH

<p>Indicator 7</p> <p>1738 Wilson Avenue 1744 Wilson Avenue City of Toronto</p>	
Date of Sale	February 23, 2022
Vendor	2750195 Ontario Inc.
Purchaser	REII Wilson GP Inc.
Consideration	\$8,300,000.00
Site Area	0.21 ac (9,354 sq ft)
Improvements:	2x 2-storey and raised basement apartment buildings
Number of Units	20 Units
EGI: NOI: Operating Expense Ratio	N/A \$373,500 N/A
Average Gross Per Month: Average Net Per Month:	N/A \$1,556
Price Per Suite:	\$415,000
OCR:	4.5%
Comments	<p>The sale of 2x apartment buildings located on the northwest corner of Wilson Avenue and Dallner Road and on the north side of Wilson Avenue, west of Dallner Road.</p> <p>The buildings are not adjacent each other and have 4x 1-bedroom units and 16x 2-bedroom units. They appear to have sold in good condition with new windows, floors and stainless steel appliances as of 2021 reported.</p>



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<p>Indicator 8</p> <p>2419 Keele Street City of Toronto</p>	
Date of Sale	July 10, 2022
Vendor	2419 Keele St. GP Inc.
Purchaser	Wigwamen Incorporated
Consideration	\$3,365,000.00
Site Area	0.28 ac (12,023 sq ft)
Improvements:	2-storey and raised Basement apartment building dating from 1969
Suites:	12 Units
EGI:	N/A
NOI:	\$90,700
Operating Expense Ratio	N/A
Average Gross Per Month:	N/A
Average Net Per Month:	\$630
Price Per Suite:	\$280,417
OCR:	2.7%
Comments	<p>Sale of an apartment building on the east side of Keele Street, north of Lawrence Avenue West.</p> <p>The building is laid out with 1x Bachelor unit, 1x 1-bedroom unit, and 10x 2-bedroom units. The building has surface parking and reportedly sold in good condition with well below market rents.</p> <p>The property was reported sold on MLS for \$3,035,000, but the agreement was assigned to a new purchaser, who paid an additional \$330,000 assignment fee included in the above consideration.</p>



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INCOME APPROACH

<p>Indicator 9</p> <p>111 Cosburn Avenue City of Toronto</p>	
Date of Sale	June 28, 2022
Vendor	2749334 Ontario Inc.
Purchaser	MPCT DIF Cosburn Avenue Inc.
Consideration	\$7,730,000.00
Site Area	0.31 ac (13,606 sq ft)
Improvements:	3-storey and raised basement apartment building
Number of Units	23 Units
EGI: NOI: Operating Expense Ratio	\$337,572 \$203,792 40% \$738 /month average
Average Gross Per Month: Average Net Per Month:	\$1,223 \$738
Price Per Suite:	\$336,087
OCR:	2.6%
Comments	<p>The sale of a building located on the south side of Cosburn Avenue between Pape Avenue and Donlands Avenue.</p> <p>The property is laid out with 3x Bachelor units, 2x Jr 1-bedroom, 12x 1-bedroom and 6x 2-bedroom. It sold with 5 units vacant. It has surface parking for 7 cars and 9x carports.</p> <p>It appeared to be in average condition for its age.</p>



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INCOME APPROACH

<p>Indicator 10</p> <p>846-850 Broadview Avenue, City of Toronto</p>	
Date of Sale	January 12, 2022
Vendor	Broadview Apartment Ltd
Purchaser	846 Broadview Apartments Inc.
Consideration	\$8,800,000.00
Site Area	0.20 ac (8,708 sq ft)
Improvements:	3-storey and raised basement apartment buildings dating from 1927
Suites:	23
Gross Income:	\$474,612
NOI:	\$350,815
Operating Expense Ratio	26%
Average Gross Per Month:	\$1,720
Average Net Per Month:	\$1,271
Price Per Suite:	\$382,609
OCR:	4.0%
Comments	<p>Sale of an apartment building on the west side of Broadview Avenue, just north of Danforth Avenue.</p> <p>This building consists of a walk-up apartment building that was demised into 1 x bachelor, 16 x 1-bedroom, 4 x 2-bedroom, and 2 x 3-bedroom units.</p> <p>This building was fully updated and in good condition.</p>



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INCOME APPROACH

<p>Indicator 11</p> <p>849 Broadview Avenue City of Toronto</p>	
Date of Sale	August 2, 2022
Vendor	Upper Broadview Suites Ltd.
Purchaser	849 Broadview Birch Properties Inc.
Consideration	\$9,875,000.00
Site Area	0.15 ac (6,620 sq ft)
Improvements:	3-storey and raised Basement dating from 1940
Suites:	32
Gross Income: NOI: Operating Expense Ratio	N/A \$424,439 N/A
Average Gross Per Month: Average Net Per Month:	N/A \$1,105
Price Per Suite:	\$308,594
OCR:	4.3%
Comments	<p>Sale of an apartment building on the east side of Broadview Avenue, north of Pretoria Avenue.</p> <p>The building is laid out with 1x Bachelor Unit, 15x Jr. 1-bedroom units and 16x 1-bedroom units.</p> <p>The building appears to be in good condition for its age.</p>



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INCOME APPROACH

<p>Indicator 12</p> <p>2412 Queen Street East City of Toronto</p>	
Date of Sale	June 1, 2022
Vendor	Named Individual(s)
Purchaser	Queen Blantyre Ltd.
Consideration	\$4,900,000.00
Site Area	0.33 ac (14,499 sq ft)
Improvements:	4-storey apartment building dating from 1950's
Suites:	18 Units
EGI:	N/A
NOI:	\$170,802
Operating Expense Ratio	N/A
Average Gross Per Month:	N/A
Average Net Per Month:	\$791
Price Per Suite:	\$272,222
OCR:	3.5%
Comments	<p>Sale of an apartment building on the north side of Queen Street East, east of Victoria Park Avenue.</p> <p>The building is laid out with 11x 1-bedroom units and 7x 2-bedroom units.</p> <p>The property has surface parking and appears to have sold in average condition for its age.</p>



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INCOME ANALYSIS CHART

No.	Address	Number of Suites	EGI	NOI	Exp Ratio	Gross Rent /suite /month	Net Rent /suite /month	Date	Price	OCR
1	133 Dunn Avenue TORONTO	9	N/A	\$69,845	N/A	N/A	\$ 647	04-22	\$3,050,000.00	2.3%
2	556-558 Spadina Crescent TORONTO	12	\$289,200	\$234,241	19%	\$2,008	\$1,627	01-22	\$5,999,900.00	3.9%
3	356 Walmer Road TORONTO	8	\$157,521	\$122,266	22%	\$1,641	\$1,274	09-22	\$3,600,000.00	3.4%
4	316-320 Lonsdale Road TORONTO	42	N/A	\$525,970	N/A	N/A	\$1,044	01-22	\$17,500,000.00	3.0%
5	4 Newbold Avenue TORONTO	12	\$225,000	\$155,000	31%	\$1,563	\$1,076	03-22	\$4,440,000.00	3.5%
6	8 Newholm Road TORONTO	27	N/A	\$234,360	N/A	N/A	\$ 723	07-22	\$8,370,000.00	2.8%
7	1738-1744 Wilson Ave TORONOT	20	N/A	\$373,500	N/A	N/A	\$1,556	02-22	\$8,300,000.00	4.5%
8	2419 Keele Street TORONTO	12	N/A	\$ 90,700	N/A	N/A	\$ 630	07-22	\$3,365,000.00	2.7%
9	111 Cosburn Avenue TORONTO	23	\$337,572	\$203,792	40%	\$1,223	\$ 738	06-22	\$7,730,000.00	2.6%
10	846-850 Broadview Avenue TORONTO	23	\$474,612	\$350,815	26%	\$1,720	\$1,271	01-22	\$8,800,000.00	4.0%
11	849 Broadview Avenue TORONTO	32	N/A	\$424,439	N/A	N/A	\$1,105	08-22	\$9,875,000.00	4.3%
12	2412 Queen Street East TORONTO	18	N/A	\$170,802	N/A	N/A	\$ 791	06-22	\$4,900,000.00	3.5%
SP	1384-1386 King Street W TORONTO	18	\$280,514 (reported)	\$162,694 (normalized)	42%	\$1,299	\$ 753	12-22	_____	_____



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INCOME APPROACH

Capitalization Rate Analysis

The above indicators point to a close range of unadjusted OCRs for apartment investments in the subject, and surrounding central Toronto areas from about 2.3% to 4.5%.

The majority of the above point to rates of about 3.0% to 4.0% for sales of apartment buildings that generally have some potential for rental increase with the highest rates indicated by properties generating the highest rents and with the least upside potential.

Properties that commanded the lowest rates, from 2.3% to 2.8% (*Numbers 1, 6, 8, & 9*) were generating the lowest Net rents, which ranged from \$630 to \$738 /suite per month Net.

The above transactions were negotiated and closed prior to recent increases to the Bank of Canada target overnight rate which has increased from its historic low in 2021 of 0.25% to its current rate of 4.25% in December 2022 to help combat rising inflation.

We uncovered limited up-to-date sales data that can quantify any change in investors' attitudes regarding real estate investment returns, but increased borrowing costs and uncertainty in the market will typically point an up-ward pressure on Overall Capitalization Rates.

Of note is Number 1, which is the April 2022 sale of a smaller apartment building in the immediate subject Parkdale neighbourhood. The property has half the number of units of the subject, and sold generating lower rents of \$647 /suite per month, and sold in a lower interest rate environment. It commanded the lowest OCR of 2.3% and indicates a higher rate for the larger subject with its higher rents in today's higher interest rate environment.



INCOME APPROACH

In addition to the above, CBRE's Canadian Cap Rates & Investment Insights report for Q3 2022 noted that nationally, average cap rates rose in the multifamily sector in Q3 2022, which was the second quarter in a row of increases. CBRE reports multi-family cap rates to be some of the lowest of all real estate classes. More specific to the subject Toronto market, CBRE reports Low Rise A cap rates to range from 2.90 to 3.75% and Low Rise B cap rates to range from 3.10% to 4.0% for Q3 2022.

Conclusion

The subject is an 18-unit apartment building that has been well maintained with some updated units and appears to be in good condition for its age. It is fully occupied and has significant potential for rental increase as units turn over. It is well located in the established Parkdale neighbourhood.

The above indicators point to rates ranging from about 3.0% to 4.0%, with rates towards the top of this range indicated by properties with rents closer to market levels with less upside than the subject. Despite this, the sales were negotiated and closed prior to several of the most recent interest rate increases, which puts an upwards pressure on cap rates.

Considering the above, especially the subject's below market rents, and today's higher interest rate environment, we estimate an OCR in the range of 3.0% to 3.5% would be adequate to attract investment to the subject property if as leased above with our best estimate being 3.25%.

Applying this OCR to the subject property's normalized NOI of \$162,694.00 indicates a value as follows:

$$\begin{array}{rcl}
 \frac{\$162,694.00}{0.0325} & = & \$5,005,969.00 \\
 \text{Rounded to} & & \underline{\underline{\$5,010,000.00}}
 \end{array}$$



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DIRECT COMPARISON APPROACH

The Direct Comparison Approach is based on the Principal of Substitution, which in appraisal theory states that an informed purchaser will pay no more for a property than the cost of acquiring another existing property with equal utility. The value estimate is based on a study of selling, listing or offered prices for properties considered to be comparable to that under appraisal.

The assumption made in this approach is that the subject property would have been exposed to the market and would have been in competition with the comparable properties used, appealing to the same type of purchaser. Since no two properties are identical, adjustments are usually made to the market evidence in order to reflect differences between the comparables and the subject property. As most market evidence uncovered is usually historical in nature, adjustments are also required to reflect changes in market conditions over time.

Scope of Investigations

In order to ascertain recent sales involving apartment buildings such as the subject property, a canvass was made of the subject area using the Toronto Real Estate Board's MLS and POLARIS records, as well as information contained in our company library. Discussions were also had with various agents, brokers and other real estate professionals active in the real estate market in this area.

The sales data uncovered was then verified at the Land Registry Office and analysed.

Method of Analysis

The sales evidence were analysed on a rate per Suite and Gross Income Multiplier (GIM).

Market Evidence

The most relevant indicators of value uncovered were previously detailed and are summarized as follows:



DIRECT COMPARISON CHART

No.	Address	Site Area	Number of Suites	No. Stories / Improvements	Gross Income	Avg Net Rent /Mo	Date	Price	Price per Suite	GIM
1	133 Dunn Avenue TORONTO	0.20 ac	3x 1-bed 5x 2-bed <u>1x 3-bed</u> 9	3-storey heritage building dating from 1880 converted to apartments.	N/A	\$ 647	04-22	\$3,050,000.00	\$338,889	N/A
2	556-558 Spadina Crescent TORONTO	0.26 ac	10x 2-bed <u>2x 3-bed</u> 12	3-storey heritage apartment building.	\$289,200	\$1,627	01-22	\$5,999,900.00	\$499,992	20.7
3	356 Walmer Road TORONTO	0.20 ac	4x 2-bed <u>4x 2-bed + Den</u> 8	3-storey apartment building dating from 1936.	\$157,521	\$1,274	09-22	\$3,600,000.00	\$450,000	22.9
4	316-320 Lonsdale Road TORONTO	0.40 ac	33x 1-bed 3x 2-bed <u>6x 2-bed</u> 42	2x adjacent 3-storey and raised basement apartment buildings	N/A	\$1,044	01-22	\$17,500,000.00	\$416,667	N/A
5	4 Newbold Avenue TORONTO	0.25 ac	2x Bach 3x 1-bed <u>7x 2-bed</u> 12	3-storey and raised basement apartment building	\$225,000	\$1,076	03-22	\$4,440,000.00	\$370,000	19.7
6	8 Newholm Road TORONTO	0.64 ac	1x Bach 13x 1-bed <u>13x 2-bed</u> 27	3-storey and raised Basement apartment building dating from 1955	N/A	\$ 723	07-22	\$8,370,000.00	\$310,000	N/A
7	1738 & 1744 Wilson Ave TORONTO	0.25 ac	4x 1-bed <u>16x 2-bed</u> 20	2x 2-storey and raised basement apartment buildings.	N/A	\$1,556	02-22	\$8,300,000.00	\$415,000	N/A
8	2419 Keele Street TORONTO	0.28 ac	1x Bach 1x 1-bed <u>10x 2-bed</u> 12	2-storey and raised basement apartment building dating from 1969	N/A	\$ 630	07-22	\$3,365,000.00	\$280,417	N/A



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DIRECT COMPARISON CHART CONTINUED...

No.	Address	Site Area	Number of Suites	No. Stories / Improvements	Gross Income	Avg Net Rent /Mo	Date	Price	Price per Suite	GIM
9	111 Cosburn Avenue TORONTO	0.31 ac	3x Bach 2x Jr 1-bed 12x 1-bed <u>6x 2-bed</u> 23	3-storey and raised basement apartment building	\$337,572	\$738	06-22	\$7,730,000.00	\$336,087	22.9
10	846-850 Broadview Ave TORONTO	0.20 ac	1x Bach 16x 1-bed 4x 2-bed <u>2x 3-Bed</u> 23	3-storey and raised basement apartment building dating from 1927	\$474,612	\$1,271	01-22	\$8,800,000.00	\$382,609	18.5
11	849 Broadview Avenue TORONTO	0.15 ac	1x Bach 15x Jr. 1-bed <u>16x 1-bed</u> 32	3-storey and raised basement apartment building dating from 1940	N/A	\$1,105	08-22	\$9,875,000.00	\$308,594	N/A
12	2412 Queen Street East TORONTO	0.33 ac	11x 1-bed <u>7x 2-bed</u> 18	4-storey apartment building dating from the 1950's	N/A	\$ 791	06-22	\$4,900,000.00	\$272,222	N/A
SP	1384-1386 King Street W TORONTO	0.17 ac	Bach. 6 1-Bed 6 2-Bed <u>6</u> 18	3-storey apartment building dating from 1912	\$280,514	\$753 (normalized)	12-22	_____	_____	_____



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DIRECT COMPARISON APPROACH

Sales Analysis

Price per Suite

The Prices per Suite being achieved for each comparable are a function of its rental characteristics. Location, age and condition, suite size, and available amenities all determine the potential Gross Rents of the asset; while its relative efficiency and operating characteristics will drive the Average Net Rent Per Suite each building is generating.

The subject's normalized Net Income is estimated at \$751 /month per suite.

The above sales of apartment buildings point to rates from about \$272,222 to \$499,992 /suite for apartment buildings from the subject Parkdale and surrounding Toronto areas that have sold through 2022.

Properties generating much higher average rents in the range of \$1,044 to \$1,627 /month per suite point to rates ranging from \$308,594 to \$499,992 /suite, with the highest rates generally indicated by higher average rents and superior locations.

Lower rates are indicated for the subject with its much lower average rents.

Properties generating lower Net rents more similar to the subject, ranging from \$630 to \$791 /month per suite commanded rates of \$280,417 to \$338,889 /suite (*Numbers 1, 6, 8, 9, & 12*).

Of note is *Number 1*, which is the April 2022 sale of a smaller building, in the immediate subject area on Dunn Avenue in Parkdale. The building comprises a converted heritage building and has half the number of units, and a superior unit mix comprising mostly larger 2 and 3-bedroom units. It sold in average condition generating lower average rents and commanded a rate of \$338,889 /unit.

A lower rate is indicated for the much larger subject with its smaller units, despite its higher average rents.



DIRECT COMPARISON APPROACH

Conclusion

The subject comprises an older apartment building that appears to have been well maintained with updates being completed as units turn over. It has a good location in the established Parkdale neighbourhood on the periphery of Downtown Toronto. It is 100% occupied generating normalized average rents of \$751 /month per suite

Based on the above, and considering all the characteristics of the subject property especially its size, location, condition, and current rental levels, it is concluded that a rate below the above range is indicated.

We estimate a rate in the range of \$270,000 to \$300,000 /suite best reflects the current market value for the ownership under appraisal at our effective date, with our best estimate being \$285,000 /suite.

Applying this rate to the subject's 28 suites indicates a value as follows:

18 suites	@ \$285,000 /suite	=	\$5,130,000.00
<u>Rounded to</u>			<u>\$5,130,000.00</u>

GRM Analysis

The sale data above indicates a close range of GRM's from 18.5 to 22.9 for properties with Gross Income information available. Considering the attributes of the subject property, we estimate a rate in the range of 19 to 21, with our best estimate being a GRM 20.

Applying a GRM of 20 to the subject's Gross Income of \$280,514.00 indicates value of \$5,610,280.00, rounded to **\$5,610,000.00**.



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CORRELATION

The above research, investigations, and analyses have indicated the following value conclusions for the subject property:

Income Approach	\$5,010,000.00
Direct Comparison Approach	\$5,130,000.00 to \$5,610,000.00

The subject property is a tenanted apartment building and as such, its main appeal in the market would be to an investor. The value arrived at by the Income Approach represents the most probable price an investor would pay for the ownership based on the property's reported rents, market rents, reported expenses, and a market based return.

The Direct Comparison Approach yielded value by comparing the subject to other multi-family residential ownerships in the Toronto area.

The above values are generally supportive of each other, however, having reviewed the data, analyses, and conclusions contained within this report, it is the value estimate provided by the Income Approach which is considered to have the greatest pertinence.

Therefore, the Market value of the Leased Fee interest in the subject property as of the effective date of this appraisal December 1, 2022, is estimated to be:

\$5,010,000.00

(FIVE MILLION AND TEN THOUSAND DOLLARS)

Extraordinary Assumptions & Limiting Conditions

As of the date of this report Canada and the Global Community is experiencing unprecedented measures undertaken by various levels of government to curtail health related impacts of the Covid-19 Pandemic. The duration of this event is not known. There is potential for negative impact with respect to micro and macro-economic sectors, as well as upon various real estate markets.

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.

We were only permitted to view 3 units in the subject building. We have assumed those units not viewed are occupied as reported and are in average or similar condition to those viewed with no deficiencies.



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ADDENDUM "A"



DAVID P. MADDISS

Professional Affiliation

AACI, P.App	Accredited Appraiser - Appraisal Institute of Canada ID #905388 Designation Granted January 18, 2021
Member	Toronto Real Estate Board 2008 to present
Member	Ontario Real Estate Association (OREA) 2008 to present
Member	Canadian Real Estate Association (CREA) 2008 to present
Member	Durham Region Association of Realtors 2008 to 2013

Education

2009-2020	<i>Sauder School of Business</i> University of British Columbia Real Estate Division Vancouver, British Columbia Diploma in Urban Land Economics
2007-2008	OREA Real Estate College Phase 1 to 3
2004-2007	Wilfred Laurier University Brantford, Ontario Honours Bachelor of Arts in Criminology
2002-2004	Mohawk College Brantford, Ontario Diploma in Police Foundations

Professional Activity

2007 to present	Schaufler Realty Advisors Ltd. 1315 Lawrence Avenue East, Suite 302 Toronto, Ontario <i>Appraiser</i>
2013 to present	Century 21 Percy Fulton Ltd. 2911 Kennedy Road Toronto, Ontario
2008 to 2013	Century 21 Netview Real Estate Inc. 14 Gibbons Street Oshawa, Ontario

Experience Synopsis

David P. Maddiss has been employed in the Real Estate Appraisal industry since 2007, and over that period of time has gained extensive experience in the valuation of Industrial, Commercial, and Investment properties of all types.

Valuations have been completed for a wide range of purposes including:

- Mortgage Financing
- Expropriation
- Land Development
- Taxation
- Power of Sale
- Litigation and Dispute Settlement
- Purchase and Sale
- Estate Planning

ADDENDUM "B"



1384 & 1386 King St West

Unit # - Style Of Unit	Monthly Rent	Yearly Rent	Name(s)
1 - 1 Bedroom	\$1,284.00	\$ 15,408.00	Ana Hall / Josh Tencyche
1A - Bachelor	\$959.29	\$ 11,511.48	Linda Sheppard / Janice
2 - 1 Bedroom	\$1,108.49	\$ 13,301.88	Maggie McCormick
2A - Bachelor	\$820.00	\$ 9,840.00	Bojana Stancic
3 - 2 Bedroom	\$1,188.14	\$ 14,257.68	Donna Breitenlohner
4 - 2 Bedroom	\$1,682.99	\$ 20,195.88	Kevin Hegge
5 - 2 Bedroom	\$1,433.99	\$ 17,207.88	Samara Liu
6 - 2 Bedroom	\$1,114.01	\$ 13,368.12	Donna Dolan
7 - 1 Bedroom	\$1,700.00	\$ 20,400.00	Samuel Adamoekun
7A - Bachelor	\$1,100.00	\$ 13,200.00	Graham Potter
8 - 1 Bedroom	\$1,048.15	\$ 12,577.80	Sarah Louise Campbell
8A - Bachelor	\$1,021.00	\$ 12,252.00	Christine Reichert
9 - 1 Bedroom	\$1,650.00	\$ 19,800.00	Randolph Peacock
9A - Bachelor	\$1,150.00	\$ 13,800.00	Katherine McFarlane
10 - 1 Bedroom	\$1,371.56	\$ 16,458.72	Kyle Purves
10A - Bachelor	\$1,200.00	\$ 14,400.00	Ed Emmanuel
11 - 2 Bedroom	\$2,200.00	\$ 26,400.00	Phonsavanah Phrasavath
12 - 2 Bedroom	\$1,120.51	\$ 13,446.12	Sarah Kinsie

Totals

\$23,152.13

\$ 277,825.56

ADDENDUM "C"



TMR Bayview Corporation
Profit & Loss
January through September 2022

	Jan - Sep 22	Jan - Sep 21
Income		
Laundry - 1384 King	1,998.11	1,923.35
Laundry - 1741 Bayview	2,572.63	2,572.06
Parking - 1741 Bayview	5,330.00	6,310.00
Rental Income - 1384 King		
King - Unit 1	11,559.72	11,560.34
King - Unit 10	11,918.04	11,864.79
King - Unit 10A	10,800.00	10,320.00
King - Unit 11	19,800.00	18,254.28
King - Unit 12	9,978.35	9,965.07
King - Unit 1A	8,538.65	8,526.78
King - Unit 2	9,976.41	9,976.41
King - Unit 2A	7,380.00	7,380.00
King - Unit 3	10,580.62	10,566.54
King - Unit 4	15,146.91	15,146.91
King - Unit 5	12,769.91	12,752.91
King - Unit 6	9,920.49	9,907.29
King - Unit 7	15,300.00	13,950.00
King - Unit 7A	9,900.00	7,981.83
King - Unit 8	9,367.60	9,315.00
King - Unit 8A	9,189.00	9,189.00
King - Unit 9	14,850.00	13,868.12
King - Unit 9A	10,350.00	9,410.70
Total Rental Income - 1384 King	207,325.70	199,935.97
Rental Income - 1741 Bayview		
Bayview - Unit 101	13,408.74	12,868.38
Bayview - Unit 102	9,644.34	9,630.36
Bayview - Unit 103	14,310.00	12,756.98
Bayview - Unit 104	10,845.06	10,829.61
Bayview - Unit 105	10,477.62	10,477.62
Bayview - Unit 106	13,050.00	13,050.00
Bayview - Unit 107	9,515.92	9,502.92
Bayview - Unit 108	8,970.67	8,958.60
Bayview - Unit 201	13,784.28	13,577.13
Bayview - Unit 202	9,651.40	9,637.65
Bayview - Unit 203	14,329.80	12,588.92
Bayview - Unit 204	9,392.75	9,380.25
Bayview - Unit 205	13,034.00	10,800.00
Bayview - Unit 206	10,294.86	10,282.41
Bayview - Unit 207	13,695.37	13,659.03
Bayview - Unit 208	13,580.00	13,140.00
Bayview - Unit 301	9,607.87	9,595.08
Bayview - Unit 302	11,720.10	11,704.50
Bayview - Unit 303	9,393.02	9,268.32
Bayview - Unit 304	9,109.71	9,109.71
Bayview - Unit 305	11,416.51	11,399.58
Bayview - Unit 306	13,745.00	13,920.00
Bayview - Unit 307	9,918.46	9,806.12
Bayview - Unit 308	10,569.72	10,554.75
Bayview - Unit B1	10,926.50	10,911.96
Bayview - Unit B2	7,894.26	7,894.26
Total Rental Income - 1741 Bayv...	292,285.96	285,304.14
Total Income	509,512.40	496,045.52
Gross Profit	509,512.40	496,045.52
Expense		
Current Year Taxes	25,263.00	28,782.00
Dividend Expense	0.00	1,600,000.00

TMR Bayview Corporation
Profit & Loss
January through September 2022

	Jan - Sep 22	Jan - Sep 21
Expenses - 1384 King Street		
Cash Over/Short	3.10	0.64
Insurance	7,490.56	6,709.82
Interest Expense - RBC	40,251.43	32,258.06
Licensing & Fees	206.28	202.32
Management Fees	11,624.33	17,415.17
Professional / Legal Fees	5,932.50	19,370.98
Property Taxes	29,827.52	29,809.15
Purchase Expenses - 1384 King	0.00	600.00
Rent Write Off	0.00	10,909.61
Repairs/Maintenance	107,760.49	41,761.95
Utilities		
Gas Expense	17,102.90	13,581.40
Hydro Expense	2,402.28	2,648.93
Telephone	2,711.72	2,481.58
Water Expense	7,005.29	6,668.63
Total Utilities	29,222.19	25,380.54
Total Expenses - 1384 King Street	232,318.40	184,418.24
Expenses - 1741 Bayview		
Advertising	0.00	186.27
Bank Charges	2,552.05	6,312.63
Cash Over/Short	0.02	10.40
Commission	4,205.00	0.00
Insurance	7,490.52	6,709.77
Interest Expense - RBC	57,032.26	49,628.92
Interest Expense - Tenants	40.85	16.02
Licensing & Fees	0.00	1,920.91
Management Fees	15,944.07	8,492.67
Office	0.00	188.04
Professional / Legal Fees	11,031.82	19,528.81
Property Taxes	43,975.90	43,975.90
Rent Write Off	8,260.29	13,367.58
Repairs/Maintenance	28,304.61	28,024.41
Utilities		
Gas Expense	23,742.60	16,157.15
Hydro Expense	6,315.22	4,907.15
Telephone	1,836.33	1,686.96
Water Expense	23,901.24	21,274.84
Total Utilities	55,795.39	44,026.10
Total Expenses - 1741 Bayview	234,632.78	222,388.43
Total Expense	492,214.18	2,035,588.67
Net Income	17,298.22	-1,539,543.15

TMR Bayview Corporation
Profit & Loss
 January through December 2021

	Jan - Dec 21
Ordinary Income/Expense	
Income	
Laundry - 1384 King	2,687.51
Laundry - 1741 Bayview	3,110.72
Other Income - 1384 King	20.00
Parking - 1741 Bayview	8,215.00
Rental Income - 1384 King	
King - Unit 1	15,414.20
King - Unit 10	15,819.72
King - Unit 10A	13,920.00
King - Unit 11	24,854.28
King - Unit 12	13,286.76
King - Unit 1A	11,369.04
King - Unit 2	13,301.88
King - Unit 2A	9,840.00
King - Unit 3	14,088.72
King - Unit 4	20,195.88
King - Unit 5	17,003.88
King - Unit 6	13,209.72
King - Unit 7	18,900.00
King - Unit 7A	11,281.83
King - Unit 8	12,420.00
King - Unit 8A	12,252.00
King - Unit 9	18,818.12
King - Unit 9A	12,860.70
Total Rental Income - 1384 King	268,836.73
Rental Income - 1741 Bayview	
Bayview - Unit 101	17,157.84
Bayview - Unit 102	12,840.48
Bayview - Unit 103	17,526.98
Bayview - Unit 104	14,439.48
Bayview - Unit 105	13,970.16
Bayview - Unit 106	17,400.00
Bayview - Unit 107	12,670.56
Bayview - Unit 108	11,944.80
Bayview - Unit 201	18,102.84
Bayview - Unit 202	12,850.20
Bayview - Unit 203	17,358.92
Bayview - Unit 204	12,507.00
Bayview - Unit 205	14,400.00
Bayview - Unit 206	13,709.88
Bayview - Unit 207	18,212.04
Bayview - Unit 208	17,520.00
Bayview - Unit 301	12,793.44
Bayview - Unit 302	15,606.00
Bayview - Unit 303	12,395.16
Bayview - Unit 304	12,146.28
Bayview - Unit 305	15,199.44
Bayview - Unit 306	18,495.00
Bayview - Unit 307	13,103.48
Bayview - Unit 308	14,073.00
Bayview - Unit B1	14,549.28
Bayview - Unit B2	10,525.68
Total Rental Income - 1741 Bayv...	381,497.94
Total Income	664,367.90
Gross Profit	664,367.90
Expense	
Current Year Taxes	-43,557.00
Dividend Expense	1,600,000.00

TMR Bayview Corporation
Profit & Loss
January through December 2021

	Jan - Dec 21
Expenses - 1384 King Street	
Amortization Expense	67,880.00
Cash Over/Short	3.12
Insurance	9,084.41
Interest Expense - RBC	44,095.90
Licensing & Fees	202.32
Management Fees	21,214.90
Professional / Legal Fees	21,348.48
Property Taxes	29,809.15
Purchase Expenses - 1384 King	600.00
Rent Write Off	10,909.61
Repairs/Maintenance	51,573.62
Utilities	
Gas Expense	17,307.10
Hydro Expense	3,552.52
Telephone	3,357.36
Water Expense	9,900.43
Total Utilities	34,117.41
Total Expenses - 1384 King Street	290,838.92
Expenses - 1741 Bayview	
Advertising	186.27
Amortization Expense	42,119.60
Bank Charges	4,939.61
Cash Over/Short	71.15
Insurance	9,084.36
Interest & Penalty	825.99
Interest Expense - RBC	70,245.30
Interest Expense - Tenants	16.02
Licensing & Fees	1,920.91
Management Fees	13,606.41
Office	188.04
Professional / Legal Fees	21,506.31
Property Taxes	43,975.90
Rent Write Off	17,893.29
Repairs/Maintenance	36,494.38
Utilities	
Gas Expense	22,893.72
Hydro Expense	6,679.50
Telephone	2,280.35
Water Expense	31,913.34
Total Utilities	63,766.91
Total Expenses - 1741 Bayview	326,840.45
Gain On Forgivable Loan Expen...	-20,000.00
Total Expense	2,154,122.37
Net Ordinary Income	-1,489,754.47
Net Income	-1,489,754.47

TMR Bayview Corporation
Profit & Loss
 January through December 2020

	Jan - Dec 20
Ordinary Income/Expense	
Income	
Laundry - 1384 King	1,903.25
Laundry - 1741 Bayview	3,329.35
Other Income - 1384 King	142.99
Parking - 1741 Bayview	7,785.00
Rental Income - 1384 King	
King - Unit 1	15,325.14
King - Unit 10	15,819.72
King - Unit 10A	8,632.61
King - Unit 11	21,762.84
King - Unit 12	13,215.21
King - Unit 1A	11,292.90
King - Unit 2	13,206.44
King - Unit 2A	9,840.00
King - Unit 3	13,987.64
King - Unit 4	20,166.12
King - Unit 5	16,881.88
King - Unit 6	13,114.92
King - Unit 7	18,600.00
King - Unit 7A	10,566.08
King - Unit 8	12,515.00
King - Unit 8A	12,150.20
King - Unit 9	16,824.13
King - Unit 9A	11,462.84
Total Rental Income - 1384 King	255,363.67
Rental Income - 1741 Bayview	
Bayview - Unit 101	17,034.72
Bayview - Unit 102	12,741.12
Bayview - Unit 103	16,292.56
Bayview - Unit 104	14,328.56
Bayview - Unit 105	13,871.38
Bayview - Unit 106	17,400.00
Bayview - Unit 107	12,579.64
Bayview - Unit 108	11,858.96
Bayview - Unit 201	17,972.96
Bayview - Unit 202	12,751.52
Bayview - Unit 203	13,789.26
Bayview - Unit 204	12,417.24
Bayview - Unit 205	15,252.28
Bayview - Unit 206	13,611.52
Bayview - Unit 207	18,081.36
Bayview - Unit 208	17,450.00
Bayview - Unit 301	12,702.52
Bayview - Unit 302	15,494.00
Bayview - Unit 303	12,207.73
Bayview - Unit 304	12,146.28
Bayview - Unit 305	15,076.32
Bayview - Unit 306	16,440.00
Bayview - Unit 307	13,016.44
Bayview - Unit 308	13,965.56
Bayview - Unit B1	14,444.88
Bayview - Unit B2	10,525.68
Total Rental Income - 1741 Bayv...	373,452.49
Total Income	641,976.75
Gross Profit	641,976.75
Expense	
Current Year Taxes	38,369.00

TMR Bayview Corporation
Profit & Loss
January through December 2020

	Jan - Dec 20
Expenses - 1384 King Street	
Amortization Expense	70,038.00
Cash Over/Short	-5.30
Insurance	8,241.41
Interest Expense - RBC	38,222.47
Interest Expense - Tenants	348.59
Licensing & Fees	202.32
Management Fees	13,266.44
Professional / Legal Fees	9,153.00
Property Taxes	29,827.52
Rent Write Off	4,933.59
Repairs/Maintenance	76,511.50
Utilities	
Gas Expense	15,874.32
Hydro Expense	3,765.44
Telephone	3,442.05
Water Expense	8,640.36
Total Utilities	31,722.17
Total Expenses - 1384 King Street	282,461.71
Expenses - 1741 Bayview	
Advertising	124.18
Amortization Expense	42,882.30
Bank Charges	2,137.74
Cash Over/Short	2.92
Insurance	8,241.32
Interest Expense - RBC	66,744.95
Interest Expense - Tenants	441.22
Licensing & Fees	1,877.16
Management Fees	11,040.87
Office	30.00
Professional / Legal Fees	9,153.00
Property Taxes	44,866.80
Rent Write Off	1,893.28
Repairs/Maintenance	39,126.48
Utilities	
Gas Expense	17,886.23
Hydro Expense	5,824.23
Telephone	2,346.89
Water Expense	26,187.42
Total Utilities	52,244.77
Total Expenses - 1741 Bayview	280,806.99
Total Expense	601,637.70
Net Ordinary Income	40,339.05
Net Income	40,339.05