

Canada Games Park

Preliminary Financial and Operational Assessment

Update to November 2017 Report
September 6, 2019



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Scope of Review



Scope of Review

Introduction

- In March 2017, Niagara Region was announced as host of the 2021 Canada Games, a high-level multi-sport event held every two years alternating between the Canada Winter Games and Canada Summer Games. In support of this event, a multi-sport athletics facility is proposed to be developed on lands leased from Brock University. This facility, and the lands upon which it would be constructed, is to be known as “Canada Games Park” (“CGP”, the “Project” or the “Facility”).
- In October 2017, PricewaterhouseCoopers LLP (“PwC”) was retained by the 2021 Canada Games Host Society (“CGHS”) and the City of St. Catharines (the “City”) to assist in evaluating the CGP, and specifically to assist identifying the potential capital costs and potential operating metrics associated with the Facility following its potential handover to the City after the completion of the Games. PwC issued its report in November 2017.
- Since PwC issued its *Preliminary Financial and Operational Assessment* Report, the CGHS, the City of St. Catharines, the City of Thorold and the Regional Municipality of Niagara have continued to advance the planning and design of the Facility.
- With the Facility now at a more advanced stage of design and costing, CGHS again retained PwC to update its November 2017 Report to reflect the realities of the Facility as it is currently envisioned.

Scope of Work

The scope of work completed by PwC included the following:

- Obtained and examined revised plans, drawings and cost estimates for the Project;
- Held discussions with the Project’s architects, engineers and cost consultants to better understand the revised plans;

- Obtained and evaluated other business, financial and operating plans prepared by staff of Brock University, the City of St. Catharines, the City of Thorold and / or the Regional Municipality of Niagara;
- Held discussions with Brock University, City of St. Catharines, City of Thorold and Niagara Region officials who prepared those business, financial and operating plans;
- Held discussions with Brock University athletics and recreation staff, and with City of St. Catharines and City of Thorold parks and recreation staff, to understand current use and programming requirements for the Project;
- Held discussions with City of St. Catharines and City of Thorold parks and recreation staff to understand current use and programming trends at city-run facilities (including rates and fees);
- Undertook additional research, as required;
- Evaluated the operating assumptions utilized in the November 2017 Report and made adjustments / updates as necessary; and
- Updated the preliminary operating proforma for the Facility.

Scope of this Report

- This Report provides an update to the “Preliminary Financial and Operational Assessment” report prepared by PwC and dated November 2017.

Report Limitations

This Preliminary Report is for the 2021 Canada Games Host Society. Permitted recipients of this report include Brock University, the City of St. Catharines, the City of Thorold and the Regional Municipality of Niagara.

Any person who is not an addressee of this Report, or has not been acknowledged as a recipient of this Report in our Engagement Letter with the CGHS, or who has not signed and returned to PwC a Release Letter, is not authorized to have access to this Preliminary Report.



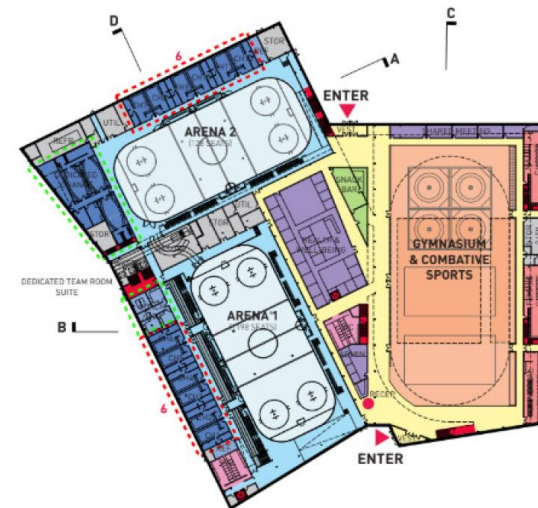
Project Description



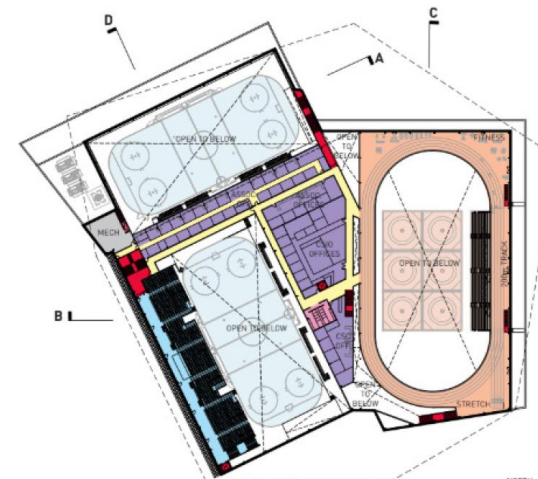
Project Description

Indoor Facilities

- CGP is envisioned to occupy a building footprint in the range of 155,000 square feet and contain roughly 180,400 square feet of space on two levels. Uses / facilities to be included in the Facility are:
 - A twin-pad arena (80,000 square feet):
 - one ice pad with approximately 1,000 fixed-seats, serving as the home arena for Brock University's men's and women's varsity hockey teams;
 - a second pad with approximately 200 seats;
 - during the summer season, it is envisioned that both ice pads would be utilized for indoor floor uses (box lacrosse and ball hockey);
 - A "quad gymnasium (measuring some 35,100 square feet) with a 200 metre track circling the gymnasium on a second level;
 - A regional centre for the Canadian Sport Institute – Ontario ("CSIO") of approximately 6,000 square feet;
 - A 10,000 square foot health and wellness centre (the Brock Centre for Health & Wellness);
 - Approximately 9,000 square feet of additional office space (including office space for various sport groups and organizations);
 - Approximately 1,000 square feet of food service areas; and
 - Lobby, circulation and building administration space (39,000 square feet).



GROUND FLOOR PLAN



SECOND FLOOR PLAN



Project Description

Outdoor Facilities

- Outdoor facilities at CGP are planned to include:
 - a 400 metre running track with interior grass field;
 - an area for athletics (jumping / throws) and storage;
 - temporary seating for the track facility;
 - a beach volleyball facility with six courts;
 - an open air bike pavilion connecting the Project to nearby trails.
- Additional facilities include:
 - parking for approximately 1,540 cars (with roughly 260 used for the CGP and 1,280 used by Brock).



Building Components	Size	
Twin Pad Arena	68,000 sf	6,300 m ²
Quad Gymnasium plus track	48,000 sf	4,500 m ²
Brock Centre for Health & Well-Being	9,700 sf	900 m ²
CSIO	6,000 sf	700 m ²
Additional Office / Leased Space	9,000 sf	800 m ²
Food Service / Circulation / Administration	39,700 sf	3,700 m ²
TOTAL BUILDING AREA	180,400 sf	16,900 m²

Outdoor Sport Facilities	Estimated Land Area	
Track and Grass Field	164,300 sf	15,300 m ²
Beach Volleyball	36,500 sf	3,400 m ²
Storage	2,200 sf	200 m ²
Cycling & Environmental Sustainability	1,600 sf	150 m ²
TOTAL OUTDOOR AREA	204,600 sf	19,050 m²



Potential Utilization



Potential Utilization

Arenas - Winter

- Based on discussions with the City of St. Catharines and the City of Thorold, we understand that each city will commit to closing one ice pad and will agree to transfer that utilization to CGP. As such, most of the “Prime Time ice” (i.e., between 5pm and 11pm on weekdays and between 8am and 11pm on weekends) would be utilized
- In addition, we understand that Brock University will commit to using CGP for its varsity Men’s and Women’s hockey teams. These teams would be provided five-hour blocks of Prime Time ice (generally Friday evenings, Saturday afternoons / evenings and / or Sunday afternoons) for games. Teams would also be provided with two two-hour time blocks (primarily Monday through Thursday) for practices. Finally, Brock would be provided with ice time for various intramural sports, including hockey (Sunday through Thursday from 11pm to 1am), as well as Prime Time and Non-Prime Time hours for figure skating and ringette.
- Additional Prime Time (defined above) and Non-Prime Time (generally 7am to 5pm on weekdays and after 11pm on weekdays and on weekends) would be programmed with ice rentals to various sport groups (whether minor boys and girls hockey, ringette, figure skating, speed skating, sledge hockey, etc.), as well as to various adult hockey organizations from both St. Catharines and Thorold.
- In addition, it is presumed that if a private operator were utilized, they could establish their own men’s and women’s hockey leagues (competitive and recreational, day-time and evenings, assuming availability of ice and demand), charging players a rate (per team or per player) which includes ice, jerseys, referees, timekeepers and on-line stats / standings. Such use would serve to increase overall facility utilization.
- Finally, it is assumed that various “drop in” events could be staged during Non-Prime Time hours, including shinny and “stick and puck”.
- Utilization of the ice pads is assumed to average 65% over the winter season, with Prime Time averaging 97.5% and Non-Prime Time approximately 35% to 40% driven by rentals from St. Catharines and Thorold groups and by Brock University.
- During the summer season, it is assumed that one ice pad would have its ice removed on or about April 1, while the second would have its ice removed on or about May 1, allowing for dry-floor use for box lacrosse and ball hockey. Ice would be reinstalled on or about August 15 each year, allowing for pre-season training camps and other hockey skills camps to be run.
- At such utilization levels, they are projected to be comparable, albeit slightly higher than utilization levels currently being realized in St. Catharines and Thorold arena facilities.
- Average rental rates charged at the Facility are assumed to be \$200 per hour (excluding HST) for Prime Time and \$140 per hour (excluding HST) for Non-Prime Time during both the winter and summer seasons.

Arenas - Summer

- As noted above, ice is assumed to be taken out for the summer period, allowing the Facility to be used for dry-floor uses, including box lacrosse and ball hockey.
- Per a discussion with local lacrosse officials, we understand that sufficient demand would exist during weeknight Prime Time to utilize both areas for an approximately three-month period (weekend Prime Time would not generally be demanded).
- Utilization of the various ice pads is assumed to average 40% over the summer season, with Prime Time averaging 60% and Non-Prime Time approximately 25%.

Potential Utilization

Arenas – Summer (continued)

- Average rental rates charged at the Facility are assumed to be \$150 per hour (excluding HST) for Prime Time and \$100 per hour (excluding HST) for Non-Prime Time during the summer season.

Quad Gymnasium

- As noted in PwC's November 2017 report, City of St. Catharines staff and CGHS provided the results of a survey of some 42 potential user groups of the CGP. This survey enquired about their potential utilization of the various CGP facilities, as well as provided background information on the size of their organization (number of participants) and facility use requirements (time of year and day / night / weekend requirements).
- In addition, Brock has indicated a desire to utilize all Non-Prime Time hours at three of the gymnasium's courts (Monday through Friday).
- Based on the foregoing, it was estimated that the gymnasium could achieve utilization during Prime Time periods of approximately 80% and achieve overall utilization of between 50% and 55% during the winter season.
- During the summer season, the gymnasium's utilization was assumed to fall. As such, it was assumed that the gymnasium would achieve Prime Time utilization of approximately 60% and overall utilization of between 40% and 45% during the summer period.
- Assumed rental rates are \$125 (excluding HST) per hour during Prime Time and \$75 (excluding HST) in Non-Prime Time.

Canadian Sport Institute - Ontario

- It is assumed, based on rents which the CSIO pays at both the Toronto Pan Am Sport Centre and Milton Velodrome, that they would pay \$25 per square foot (gross) for the 6,000 square feet they would occupy in this component of the Project.

Brock Centre for Health & Well-Being

- It is assumed that the 9,700 square foot Brock Centre for Health & Well-Being would also pay rent in the range of \$25 per square foot (gross), allocated between base rent of \$14 per square foot (on a five-year basis) and \$11 per square foot for facility operating costs recoveries (on a pro-rata basis). Facility operating cost recoveries are assumed to increase annually.

Additional Office / Leased Space

- It is assumed other office / leased space (totaling some 9,000 square feet) would also pay rent in the range of \$25 per square foot (gross), allocated between base rent of approximately \$12 per square foot (on a five-year basis) and roughly \$13 per square foot for facility operating costs (on a pro-rata basis). Facility operating cost recoveries are assumed to increase annually. A 10% vacancy allowance is also assumed for this space.

Track / Track Infield

- Based on the results of the survey provided by the City and CSG Host Society, it was estimated that utilization of the track would be somewhat limited. It was assumed that the track would be available at no charge to walkers / runners during certain times during the day. The track would, however, be reserved for high performance athletes and clubs at other times, paying a reserve rate of \$75 per hour. Facility rentals to clubs, local school boards and other organizations for meets could also be secured for the assumed \$75 per hour rate (\$500 per day).

Beach Volleyball

- PwC's previously-issued November 2017 Report assumed that utilization of the beach volleyball courts could achieve utilization levels of approximately 60% during summer Prime Time hours. Rental rates were assumed at \$10 per hour per court.

Potential Utilization

Beach Volleyball (continued)

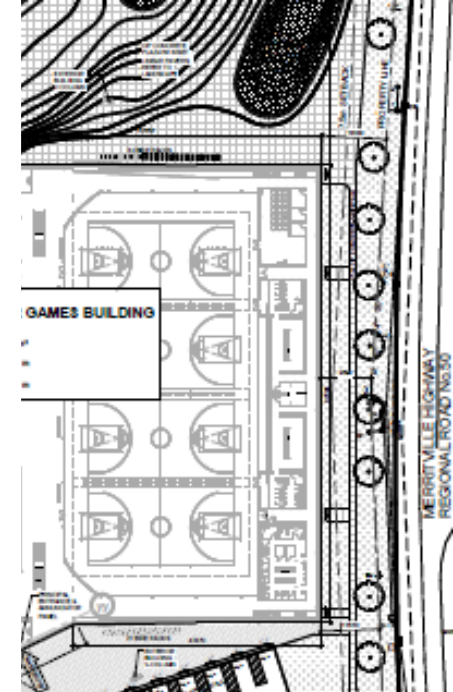
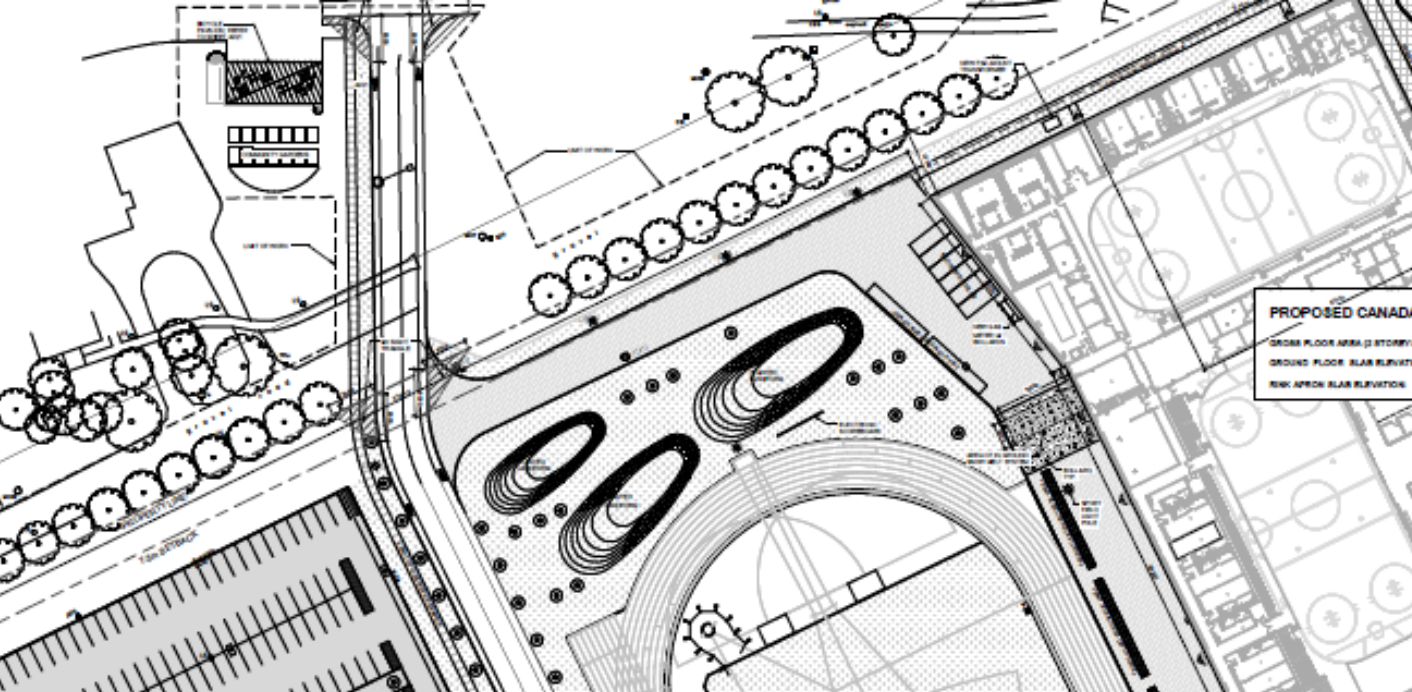
- Based on discussions with the Ontario Volleyball Association (“OVA”), we understand that the OVA has entered into multi-year agreements with a number of municipalities to gain exclusive access to beach volleyball courts. While paying a fee of approximately \$1,000 per court for the exclusive right to use those facilities, the OVA also assumes responsibility to replacing the sand in the courts, as well as maintaining / replacing the volleyball nets and poles.
- For the purpose of this updated assessment, it is assumed that the beach volleyball courts would be exclusively leased to the OVA for \$6,000 per season, with the OVA responsible to maintaining the sand and sports equipment.

Storage and Cycling

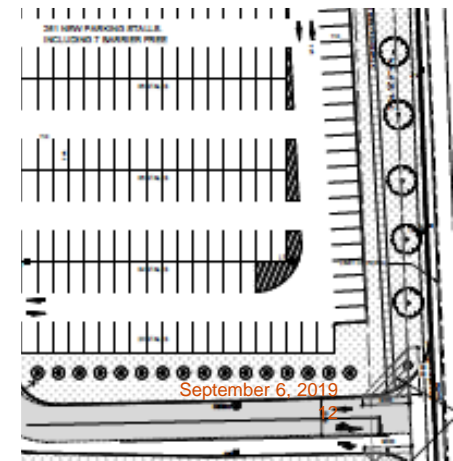
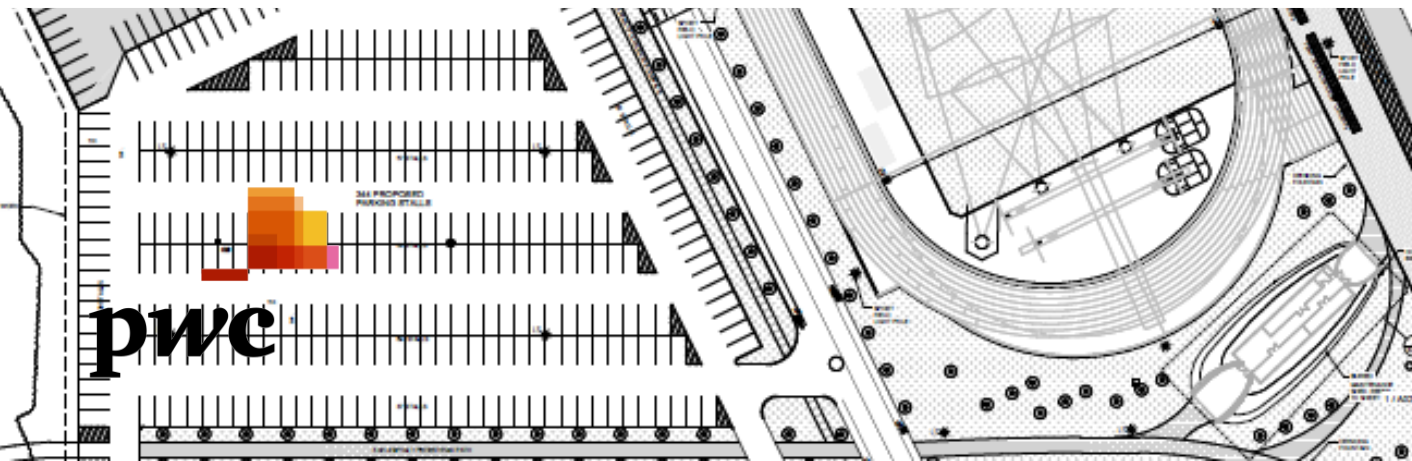
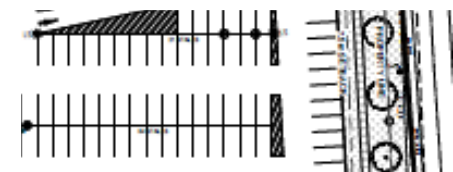
- Similar to PwC’s November 2017 Report, no revenue is assumed from the storage and cycling facilities.

Exclusive Dressing Rooms

- The Arena components are assumed to include dressing rooms for Brock’s Men’s and Women’s varsity hockey teams (plus coaches’ offices).
- For the purpose of this assessment, no revenue has been assumed from the exclusive assignment of this space to Brock.



Operating Assumptions



Operating Assumptions

Operating Proforma

- In assessing how the Project could potentially operate, PwC reviewed and revised the multi-year proforma cash flow model previously prepared to depict the potential operations of this Facility. In deriving a proforma cash flow model, PwC benchmarked the operations of similar facilities, including facilities in St. Catharines and Thorold, to identify a range of estimates for Facility use, revenue and operating expenditures.
- As noted previously, PwC again assumed that operating revenue from arena programming would only be derived from ice rentals; revenues received by operating leagues have not been included and are presumed to provide additional income should a third party operator be retained.

Operating Revenue

Utilization

- Facility utilization is assumed to occur as outlined above.

Facility Rental Rates

- Facility rental rates are assumed as outlined above.

Concessions / Vending Revenue

- For the purpose of this assessment, it has been assumed that total net revenue from concessions, vending and dining could approximate \$75,000 per year, with such revenue being generated by the Facility self-operating the concessions.
- Brock University has expressed a desire to operate the Facility's concessions / food and beverage operations; a business case should be prepared by Brock illustrating the level of gross and net revenue projected to be generated, and the base rent and additional rent that would be paid to the Facility from such an arrangement (for example, from a lease / concession to Brock).

Facility Sponsorships and Advertising

- It has been assumed revenues from the sale of advertising (on scoreboards, the ice resurfacers, on the rink dashboards, on the ice surfaces, and within the interior spaces of the building), and from sponsorships (including naming rights of certain Project components, product exclusivities, etc.) could amount to some \$40,000 to \$45,000 per year.
- Major sponsorships (such as naming rights for the CGP and capital fundraising) have not been included.

Parking

- Revenue from parking has not been assumed

Estimated Operating Revenue

- Based on the foregoing, it is preliminarily estimated that the CGP Project could generate in the range of \$2.199 million in gross income annually, with the majority of this income being derived from ice rentals.
- It should be noted that the ability of the Project to achieve these projected levels of revenue will be dependent upon a number of factors, including:
 - the City of St. Catharines and the City of Thorold each agreeing to close at least one arena facility;
 - local lacrosse organizations agreeing to utilize CGP for its summer programming at the rates noted; and
 - the Facility being able to secure office, medical clinic and sport organization tenants at the rates assumed herein.
- Should these events not occur, there will be risk in the ability of the Project to generate the projected level of revenue.

Operating Assumptions

Operating Revenue (continued)

- Additional revenue from leagues and events organized by a third-party operator could be expected but have not been assumed in this report.

Operating Expenses

- Operating expenses have again been divided into the following categories for comparison with operating information from other facilities. Expense categories include salaries and benefits, utility costs, building repair and maintenance costs, office and administrative costs (including marketing), facility contract costs, equipment maintenance and repairs costs, insurance, property taxes and capital reserves.

Staffing

- Salaries and benefit costs were benchmarked from comparable facilities (both public and private). Salary and benefits are projected to approximate \$1.310 million annually. Staffing positions assumed include:
 - General Manager (1);
 - Scheduler / Assistant / Marketing (2);
 - Operations Manager (1);
 - Lead Hand (3);
 - Operations Staff (6); and
 - Part-time staff (8 FTE).

Utilities

- Costs for utilities (electricity, natural gas, propane and water) have been estimated to approximate some \$700,000 per year.

Building Repairs & Maintenance

- Building repairs and maintenance include expenditures associated with the day-to-day upkeep of the Facility, including janitorial

expenses, cleaning supplies, minor building repairs, other maintenance, etc. Annual costs associated with such expenditures have been estimated to approximate \$200,000 annually.

Office / Administration / Marketing

- Office, administration and marketing costs include expenditures for advertising, bank charges, office supplies, professional fees, telephone charges, etc. Annual costs associated with such expenditures have been estimated to be in the range of \$75,000 per year.

Contracts

- Contracts relate to third-party service arrangements for building operations, snow removal, etc. Annual costs associated with such expenditures have been estimated to be in the range of \$125,000 per year.

Cleaning

- An allowance has been assumed for a third-party cleaning contract based on discussions with Brock University, the City of St. Catharines, the City of Thorold and the Regional Municipality of Niagara. Based on discussions with a private venue manager, and acknowledging that some staffing duties and building repairs and maintenance expenses include cleaning and janitorial, an allowance of \$200,000 has been assumed.

Security

- Our understanding is that the Facility, given its location on Brock University property, will require on-site security (whether through a direct arrangement with Brock University or through a contracted service). An allowance of \$100,000 has been assumed for security.

Operating Assumptions

Operating Expenses (continued)

Equipment maintenance and rental

- Equipment maintenance and rental expenditures are associated with the maintenance and repair of major building systems and equipment, including ice resurfacers, engineers fees, and equipment rental costs. Annual costs associated with such expenditures have been estimated to be in the range of \$100,000 per year.

Insurance

- Insurance costs have been estimated to be in the range of \$100,000 per year.

Property Taxes

- The obligation of the Facility to pay property taxes will ultimately be dependent upon the ownership of the Facility. For the purposes of this assessment, it is assumed that the Facility will be exempt from the payment of municipal property taxes, including the education portion of property taxes.
- Leased office space is assumed to be separately assessed, with the tenants of such space responsible for the payment of property taxes.

Grounds Maintenance

- Given the Project sits on a large site area, an additional allowance of \$75,000 is assumed for grounds maintenance.

Capital Reserves

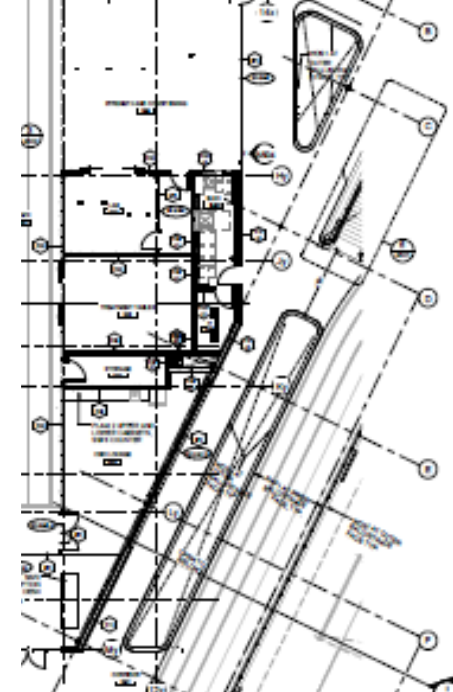
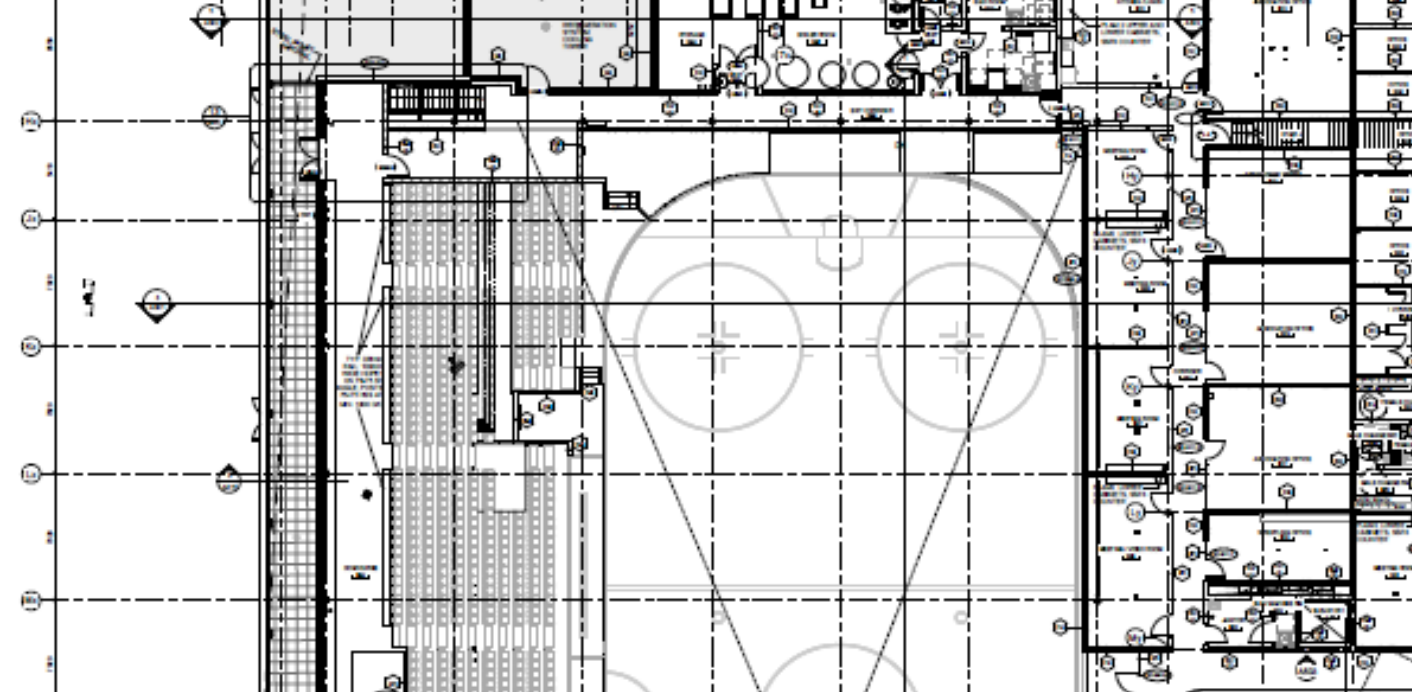
- A Capital Reserve allowance, representing a specific reserve account set up to fund future capital improvements or repairs, has been estimated using practices adopted in other arena facilities, and is based on a yearly allocation based on the hard capital cost of the building. A capital reserve allowance of \$1.125 million (based on 1.5% of the estimated hard costs only of the Project, estimated to be in the range of \$75.0 million) has been assumed.

Facility Management Fee

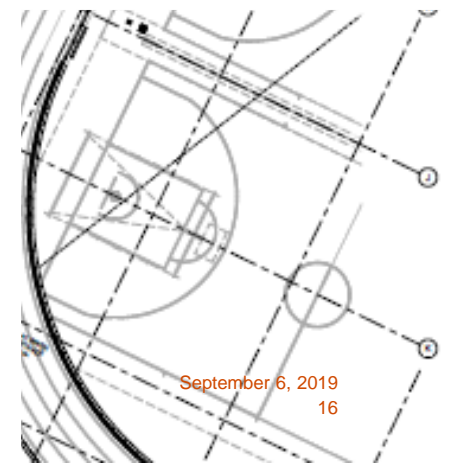
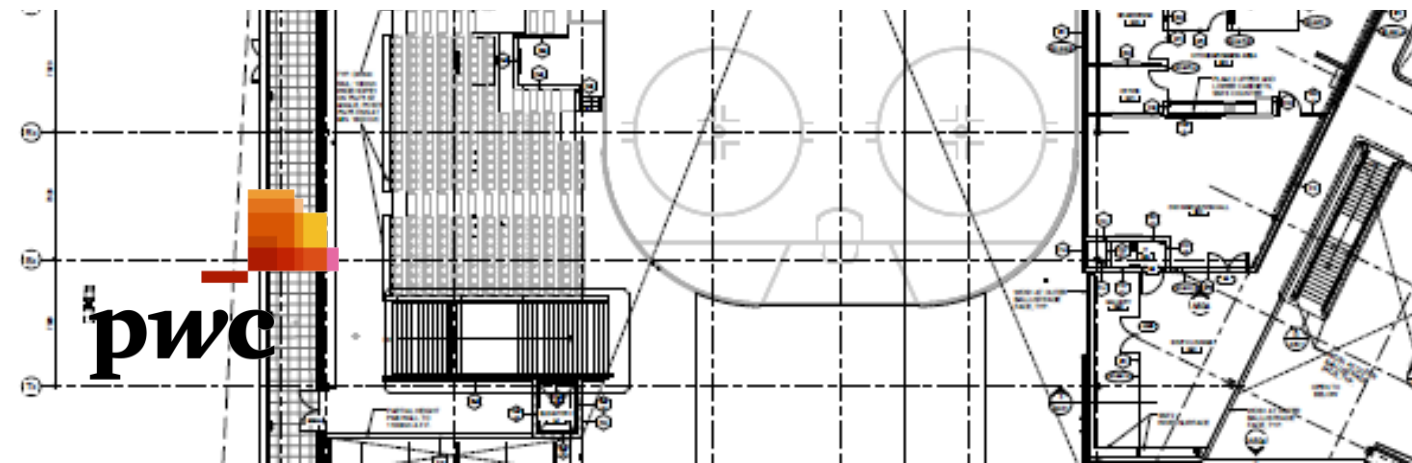
- Finally, a Management Fee, in the range of \$125,000 annually has again been assumed. This management fee represents a fee paid to a professional facility / venue management organization / company who would then be responsible for the day-to-day management, operations, programming and marketing of Facility. For greater clarity, this cost represents the fee paid to a third party management company for access to its company-wide resources, knowledge and industry-specific insights, best practices and contacts (it excludes direct salary and benefits, marketing and other costs which are direct operating charges to the Facility and have been estimated above). We understand that a decision to utilize third party management has not been made.

Estimated Operating Expenses

- Based on the foregoing, it is preliminarily estimated that the CGP Project could incur operating expenses in the range of \$4.208 million on an annual basis (\$2.958 million excluding management fees and capital reserves).



Updated Preliminary Estimated Cash Flows

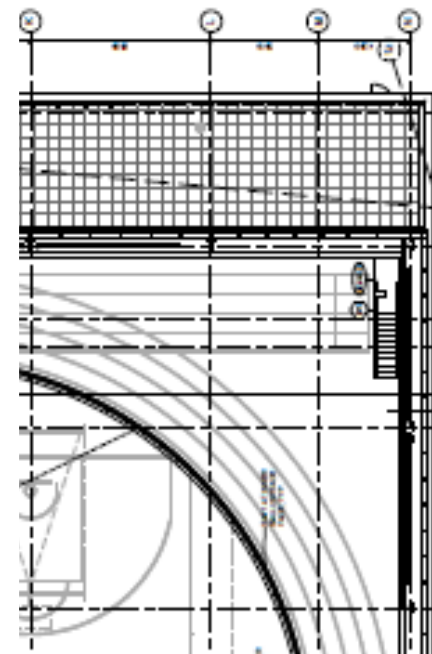
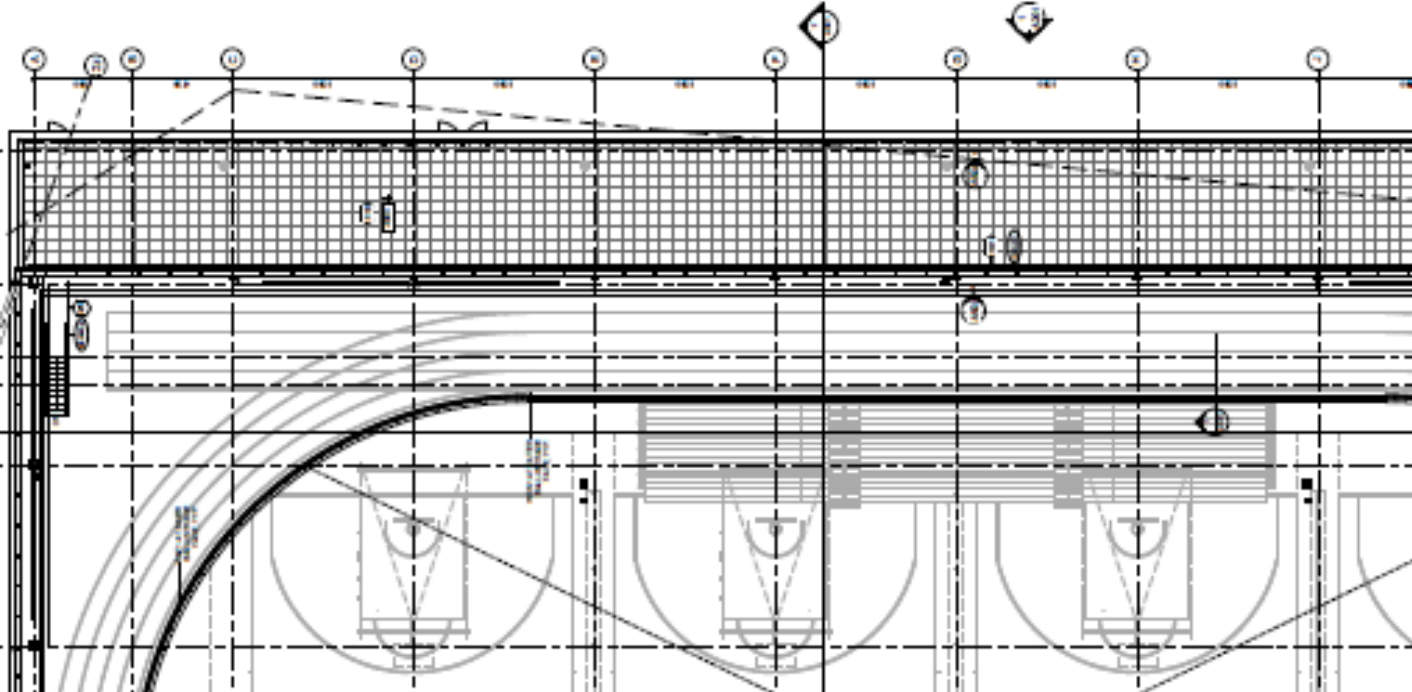


Updated Preliminarily Estimated Cash Flow

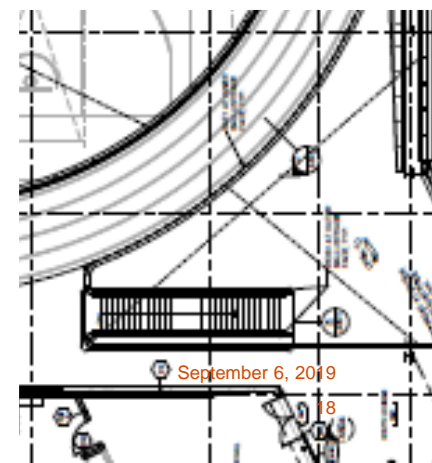
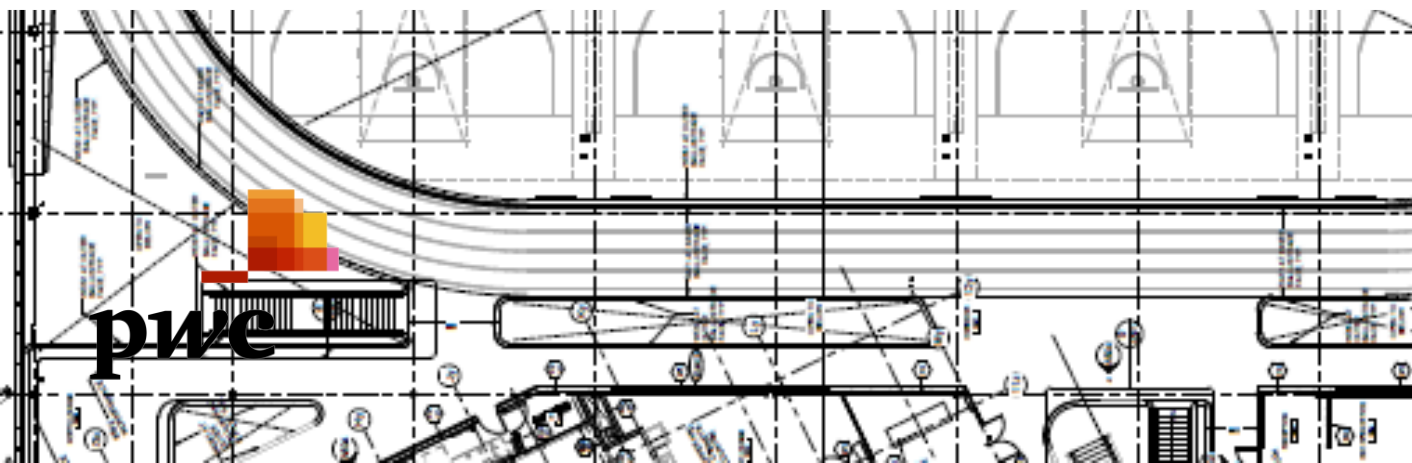
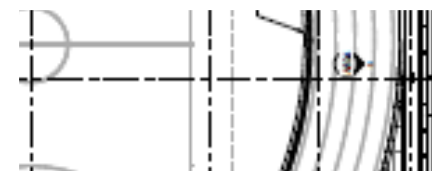
Net Facility Operations

- Based on the above presented estimates of Facility utilization, Facility rental rates, and other revenue assumptions, combined with the above presented discussion of Facility operating costs, it is preliminarily estimated that the operations of the CGP Project could generate total revenue from operations in the range of \$2.199 million in Year 1 and incur operating expenses, prior to management fees and capital reserves, in the range of \$2.958 million, yielding an operating deficit in Year 1 in the range of \$759,800.
- Including the optional venue management fees of \$125,000 and capital reserves of some \$1.125 million, the net operating position of the Project is estimated to be a deficit of \$2.010 million in Year 1.

	Year 1	Year 2	Year 3	Year 4	Year 5
FACILITY REVENUE					
Revenue from Arenas	\$ 1,127,900	\$ 1,156,100	\$ 1,185,000	\$ 1,214,600	\$ 1,245,000
Revenue from Gymnasium - Brock University	98,800	101,300	103,800	106,400	109,100
Revenue from Gymnasium - Other Rentals	227,000	232,700	238,500	244,500	250,600
Revenue from Track	15,000	15,400	15,800	16,200	16,600
Revenue from Beach Volleyball	6,000	6,200	6,400	6,600	6,800
CSIO, Office Rental (base rent)	167,800	167,800	167,800	167,800	167,800
Brock Centre for Health & Well-Being (base rent)	115,400	115,400	115,400	115,400	115,400
Operating cost recoveries	323,200	332,600	342,300	352,400	362,800
Other Revenue	117,400	120,400	123,400	126,500	129,600
Total Revenue	\$ 2,198,500	\$ 2,247,900	\$ 2,298,400	\$ 2,350,400	\$ 2,403,700
FACILITY EXPENSES					
Salaries & Benefits	\$ 1,308,300	\$ 1,341,000	\$ 1,374,500	\$ 1,408,900	\$ 1,444,100
Hydro / Water / Natural Gas	700,000	735,000	771,800	810,400	850,900
Building Repairs & Maintenance	200,000	205,000	210,100	215,400	220,800
Office / Administration / Marketing	75,000	76,900	78,800	80,800	82,800
Contracts (snow, landscaping, janitorial, etc.)	125,000	128,100	131,300	134,600	138,000
Cleaning	200,000	205,000	210,100	215,400	220,800
Security	100,000	102,500	105,100	107,700	110,400
Equipment Maintenance & Rental	75,000	76,900	78,800	80,800	82,800
Insurance	100,000	102,500	105,100	107,700	110,400
Grounds Maintenance	75,000	76,900	78,800	80,800	82,800
Total Expenses	\$ 2,958,300	\$ 3,049,800	\$ 3,144,400	\$ 3,242,500	\$ 3,343,800
Net Cash Flow	\$ (759,800)	\$ (801,900)	\$ (846,000)	\$ (892,100)	\$ (940,100)
Management Fee (if a third party manager is retained)	125,000	128,100	131,300	134,600	138,000
Capital Reserve (if established and maintained)	1,125,000	1,153,100	1,181,900	1,211,400	1,241,700
Net Operating Position	\$ (2,009,800)	\$ (2,083,100)	\$ (2,159,200)	\$ (2,238,100)	\$ (2,319,800)



General Assumptions and Limiting Conditions



September 6, 2019

General Assumptions and Limiting Conditions

1. The use of any Projection made in conjunction with this Report may not be appropriate for use outside of its intended purpose. The Projection, which will not reflect actual development, economic, demographic and / or financial results, may reflect a possible scenario for the operations of the planned Canada Games Park in Thorold / St. Catharines, Ontario, during the Projection Period, given PwC's judgment as to a probable set of economic conditions, together with the hypotheses which are consistent with the purpose of the Projections. Scenarios produced in conjunction with our analysis may contain hypotheses and assumptions which are based on a set of economic conditions or anticipated courses of action that are not unreasonable, are consistent with the purpose of the projections, but which will not materialize as set out therein. The hypotheses represent plausible circumstances, but need not be, and may not have been fully supported.

Since future events are not subject to precise projections, some assumptions will not materialize in the exact form presented by our analysis. In addition, other unanticipated events and circumstances may occur which could influence the future performance of the Facility. Therefore, the level of growth which will occur in the future will vary from the analysis of prospective market and economic conditions set out therein. While there is no recourse to predicting these matters with certainty apart from informed and reasoned judgments, it must be stated that future events will lead to variations in performance which may materially alter the success and performance of the Facility. PwC does not warrant that actual results achieved during the Projection Period will be the same, in whole or in part, as those shown in the Projection. The Projection is based on hypotheses and there is a significant risk that actual results will vary, perhaps materially, from the results projected.
2. Responsible ownership and competent property management are assumed.
3. Information furnished by others upon which all or portions of this report are based, is believed to be reliable, but has not been verified in all cases. No warranty is given as to the accuracy of such information.
4. Our report and work product cannot be included, or referred to, in any prospectus, securities and exchange commission filing or other public investment document.
5. The intended use of this report is as a preliminary financial and operational assessment of the Canada Games Park to inform the 2021 Canada Games Host Society and the City of St. Catharines on the potential development and operation of Canada Games Park.
6. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, provincial, or national government or private entity or organization have been, or can readily be obtained, or renewed for any use on which the estimates provided in this report are based.
7. No investigation has been made of, and no responsibility is assumed for, the legal description or for legal matters including title or encumbrances. The site upon which the Canada Games Park is to be built and operated is assumed to be free and clear of liens, easements, encroachments and other encumbrances unless otherwise stated.
8. Full compliance with all applicable federal, provincial and local zoning, use, occupancy, environmental, and similar laws and regulations is assumed, unless otherwise stated.

General Assumptions and Limiting Conditions

9. No responsibility is taken for changes in market conditions and no obligation is assumed to revise this report to reflect events or conditions which occur subsequent to the effective date of this report.
10. Any financial structure within this report is predicated on the market conditions prevailing as of the date of this report.
11. Areas and dimensions of any property referenced in this report were obtained from sources believed to be reliable. Maps or sketches, if included in this report, are only to assist the reader in visualizing the property / site and no responsibility is assumed for their accuracy. No independent surveys were conducted.
12. It is assumed that there are no hidden or unapparent conditions of the site, subsoil, or structures that affect value. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
13. No soil analysis or geological studies were ordered or made in conjunction with this report, nor was an investigation made of any water, oil, gas, coal, or other subsurface mineral and use rights or conditions.
14. Neither PwC any individuals signing or associated with this report shall be required by reason of this report to give further consultation, to provide testimony or appear in court or other legal proceedings, unless specific arrangements thereof have been made.
15. This report has been made only for the purpose stated and shall not be used for any other purpose. Neither this report nor any portions thereof (including without limitation any conclusions as to value, the identity of PwC or any individuals signing or associated with this report, or the professional associations or organizations with which they are affiliated) shall be disseminated to third parties by any means without the prior written consent and approval of PwC.
16. We have not been engaged nor are qualified to detect the existence of hazardous material which may or may not be present on or near the property. The presence of potentially hazardous substances such as asbestos, urea-formaldehyde foam insulation, industrial wastes, etc. may affect the value of the property. The estimates presented herein are predicated on the assumption that there is no such material on, in, or near the property that would cause a loss in value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client should retain an expert in this field if further information is desired.

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