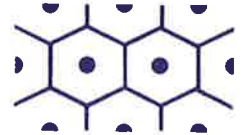


newsletter



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Update

This Newsletter is being sent to you; one of a select group of clients who own or manage property assets. Its purpose is to tell you how you can utilize our services to your financial advantage.

Perhaps our secret is already out! Our business grew at an average compound rate of 30% per annum during the recent recession. Over 80% of our work is for existing clients. Most significantly perhaps is the fact that the value conscious private sector portion has grown from 38% of our total business in 1977 to over 80% today.

Quality is Job 1

In the post war world cost and speed became the chief criteria for selecting a good or service. Many producers relegated quality to third place. It often appeared that nobody had the time to get it right first time. Some, most notably the Japanese, did not agree. Their ascendancy is due primarily to an emphasis on quality, price and speed, using a systems approach. Quality is Job 1.

We employ the same philosophy to real estate consulting and appraisal. Our appraisal report is designed as a reference manual covering all of the intangible (e.g. easements, rights of way, leases, etc.) and tangible (e.g. site and building description) aspects of your property. It can be utilized:

- (1) By you as a complete and single source of information about your property.
- (2) By us for subsequent updates when we appraise your property in the future.

A Systems Approach

"McDonalds makes hamburgers a beautiful thing". Some may not agree: but it would be hard to dispute the way they do it. They produce a consistent product, at low cost and with great speed.

We employ a systems approach to property appraisal designed to ensure that each step in the appraisal process is scheduled to avoid duplication, backtracking and downtime. It enables us to efficiently produce the comprehensive and detailed appraisal report necessary for reference and update purposes. Using this systems approach, we limit our time spent in compiling the factual data (property inspection, gathering zoning, assessment, planning, road improvements, soil survey, etc.) to 40% of total time expended on the initial appraisal. Even if we have not previously appraised the property, approximately 60% of our time will be expended on the actual valuation.

Updatability, Adaptability, Portability

On subsequent updates of our original appraisal for whatever purpose, you will realize substantial cost savings because our reports employ a standardized format. They are designed with your subsequent updating requirements in mind. In our experience, clients require a reappraisal of their property *at least every two years, and often every year*. It does not matter that the subsequent appraisal may be for a purpose different from the initial report. Our appraisal reports are designed to be *updated and adapted* to meet the particular requirement of the hour, be it for mortgage financing, assessment appeal, expropriation, asset analysis, share valuation, capital gains tax, fire insurance, etc.

Because our appraisal reports are *portable*, i.e. accepted by the majority of mortgage companies in the area, you save the time and expense of commissioning a multiplicity of appraisals from the companies from whom you may be seeking a mortgage. We are also retained by the major pension funds to undertake appraisals. While we are not aware of any bank, mortgage company, pension fund or other source of mortgage financing which does not accept our appraisal reports, we do occasionally encounter companies who are not yet familiar with us. If you should encounter such a situation, we undertake to immediately submit the appropriate documentation to them to qualify as one of their 'approved' appraisers.

Compuval

In April 1978, we established COMPUVAL, the first computerized real estate appraisal system in Atlantic Canada. It utilizes software, much of it designed by ourselves, to analyze and appraise a wide spectrum of real property. In addition, its "on line" data bases allow us to monitor property price movements and keep our finger on the pulse of the market.

Since 1978, COMPUVAL has been vastly expanded and improved. For example, much of our work comprises periodic appraisals of income producing properties, such as offices, apartment buildings, shopping centres, etc. The income and expense data for each property is now held on the computer so that it can be immediately retrieved and amended for each appraisal update. This saves both time and cost. It also enables us to carry out financial modelling so that we can assist your decision making.

An Escort Service for Property Owners

We attempt to position ourselves with a client in the same manner as an accountant or lawyer. Our appraisal reports and business philosophy are designed on the assumption of an ongoing relationship. A relationship which is financially mutually beneficial. As your source of real estate advice and assistance, we can save you money, for example through assessment appeals, and enable you to optimize the financial management of what may be your most costly asset. Many clients routinely send us their assessment notices at the beginning of each year with instructions to appeal if we consider it justified, and negotiate a reduction with the Provincial Assessor. We also advise them on their yearly fire insurance revaluations. We periodically update appraisals of their property for balance sheet and mortgage financing purposes. In the latter instance, we can save them the cost of a mortgage broker's fee. We routinely supply clients with rental advice for lease renewal; and property valuation for the disposal or purchase of property assets. We undertake bi-annual valuation of property assets for major pension funds. We negotiate with Revenue Canada on our client's behalf for Capital Gains Tax purposes. We also undertake supply and demand analyses for a variety of purposes.

Our Newsletter is circulated to clients to keep them abreast of changes in the property market or the law, which may affect their property.