

THE SCIENCE OF VALUATION

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At best, property valuation in Canada is regarded as an educated guess. It's a sobering thought; we slog through years of university education on the subject, embark on a multi year post graduate training program, join professional societies and take their courses, invest millions of dollars in clever software and data acquisition, spend decades practicing our craft, ... yet we know less about the subject than just about anybody who has rented, purchased or sold real estate, or thought about doing so. Why is that? Is it because everybody who embarks on a real estate career is pretty dim? Dear God, we never thought of that!

over again, again ... make a fortune. How difficult is that? Not difficult at all apparently, thousands do it and nary a real estate degree between them. Proof positive that real estate knowledge is bunk, an unnecessary encumbrance that impedes the creative urge to splurge. On the other hand ...

Those Opposed to the Motion

"Education is the most powerful weapon which you can use to change the world."

Nelson Mandela

Those in Favour of the Motion

"It is a miracle that curiosity survives formal education."

Albert Einstein

Real estate is tangible; you can touch, smell and taste it. Real estate is ... well real. You beguile your banker into loaning you the money, buy the land, build the building, rent the space, refinance it, do it all over again, and again ... make a fortune. Better still, buy a building somebody else has built, batter your banker into submission, buy the property with OPM, refinance it, do it all

We admire property developers; they deserve a special place in heaven: rarely do they get the acclamation they deserve, disapprobation is more commonly their lot. Yet without them the world would be a much poorer place. They take enormous risks: their projects take years to come to fruition; conceived when economic conditions are sunny they often rise into clouds of unremitting gloom. Happily optimism is an occupational hazard: to a developer, a glass is always half full. Until suddenly one day it isn't. Remember 1990? Oh sorry, you weren't in the work force then. Well we hate to be Banquo's ghost at the feast but 1990 was the year the financial tsunami hit our shores sweeping away a generation of property developers, real estate investors and most of Canada's trust companies. Oh dear, you *can* go wrong in real estate then, if like Icarus you fly too close to the sun.

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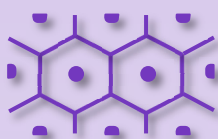
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Informed Opinions: the Product of Trained Minds

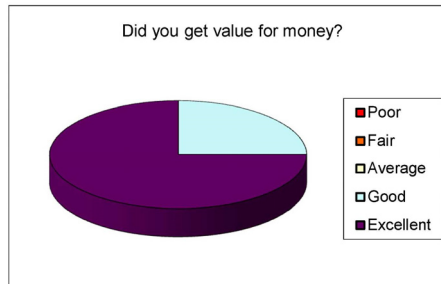
“Learning is not attained by chance; it must be sought for with ardour and attended to with diligence.”

Abigail Adams

Real estate education has but a tenuous hold in Canada. Only two universities, UBC and York teach it, yet it is taught extensively worldwide outside our borders. Why is that? Education needs a champion, usually a professional association that initiates it at university level then nurtures and promotes it through sponsored research and publicity. The Royal Institution of Chartered Surveyors fulfills that role in the United Kingdom and countries outside North America. In the United States the Appraisal Institute is a major publisher of real estate texts and a vehicle for promoting university research. In Canada we lack professional bodies of that stature: the organisations here instead focus their efforts on attempting to legitimise themselves through legislation ... attempts that have been largely still born; only New Brunswick and Nova Scotia have been bamboozled into introducing self regulated licensing for appraisers. There are welcome signs now however that the industry is starting to respond. Timothy Price, Chairman of Brookfield Asset Management Inc., his wife and Brookfield Partners Foundation have just donated \$4.0 million to York University to help establish the Brookfield Centre in Real Estate & Infrastructure.

In order to provide real estate careers for the bright young minds that graduate from the commerce programs of Atlantic Canada universities we started our own in-house training program about 25 years ago. It has grown into a seven year program which includes 27 training modules (500 hours), the University of British Columbia’s Diploma in Urban Land Economics (DULE) and Bachelor of Business in Real Estate (BBRE) degree, together with structured on the job training under the guidance of a Mentor. Everybody who joins us, irrespective of whether they already have other post graduate degrees or diplomas and training in disciplines such as planning or GIS, is enrolled in the program. This ensures a common

base of knowledge throughout our seven Divisions. We currently have 14 staff in the program and are pretty proud of them ... and of those who have completed it (most of whom are still with us). The results speak for themselves: twice a year we poll clients for whom we have done work during the prior six month period and ask them to rate our efforts on a five point scale (“poor”, “fair”, “average”, “good”, “excellent”). We post the unexpurgated responses on our web site at <http://www.turnerdrake.com/newsresearch/Rating.asp>. Take a look. Ah! You think ... that’s because you have a Property Tax Division and clients love saving money so naturally they think you are wonderful. That’s true, we do save them lots of money but the response is equally favourable across all our Divisions. This is what clients think of our Valuation Division (the results are from our June poll):



Our training program provides clients with access to professionals trained to think outside the box ... and that is important in Atlantic Canada ... more so than the rest of the country. Take property valuation for example. In this Region the difference between a strong and weak market for a specific property is frequently the presence of a single purchaser. In order to determine market value it is therefore necessary to first identify the type of purchaser that would buy the property ... and whether they exist. Properties frequently have substantially different values whether vacant or occupied. The region only has two supermarket chains so if a store is declared redundant it will have no value as a supermarket because the other chain will usually be excluded from purchasing it (even if they were interested). In order to value it, our Valuation Division has to determine the next best alternative use for which purchasers exist ... fortunately our Brokerage Division maintains a current database on purchasers, their requirements and fiscal capacity, but it is still necessary to research the market. Planning constraints too are frequently

an issue because the alternate use may require rezoning or have different parking or site circulation requirements than the existing use so we have to call on our Planning Division for assistance. Contrast that process with the exercise undertaken by provincial assessors and many appraisers ... they deploy a mechanical appraisal process (a.k.a. “the three approaches to value”) based on the assumption that purchasers exist even though such is often not the case ... consequently the resultant appraisal lacks relevance. Thinking outside the box is a critical part of the valuation process but it requires training and access to other resources. Fortunately it usually results in a conclusion that adds value to the assignment ... in addition to providing a realistic opinion of value.

Without Data, An Opinion is Just a Guess

What does your gut tell you? Absolutely nothing? Ours neither, but thank you for asking! Unfortunately, in order to provide valuation advice, we have to rely on our brains rather than our bowels, and for that you need raw data ... lots of it ... plus the personnel and software to acquire, store, retrieve and process it into a product that can be used as the building block for a reliable opinion. Atlantic Canada is unique, it is data deprived. Sales information is gathered by the government as a by product of the deed transfer tax process. It is released to the provincial assessment authorities for their use in the property tax process. In provinces outside the Region it is then sold, sometimes through third parties to the general public. However in Atlantic Canada there has always been a reluctance to share sales data with the taxpayer: the provincial assessment departments are terrified that doing so will unleash a flood of successful property tax appeals if taxpayers are provided with the information on which their assessments are based. However in February 2008, the New Brunswick ombudsman took the assessment authority, Service New Brunswick to task for this policy and in a refreshingly frank report ruled that *“in order for property owners to effectively challenge the assessed value, they must have access to the information used in setting the assessed value”*. About a year later SNB started to release sales information; Nova Scotia followed suit three years later in 2012. Prince

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Edward Island's provincial government shyly started to make the information public on their paid Geolink service ... but only to the determined. Each property has to be searched individually to ascertain if it has sold, a time intensive manual process that is extremely expensive since the province also levies multiple search fees by *property* ... Searches can take weeks, cost thousands of dollars even if no sales are discovered. Newfoundland also makes sales information available but only by a manual search on a property by property basis using their online subscription service. Only Nova Scotia allows bulk downloads. None of the provinces provide "attribute" data such as property type, building size, age, etc. thus ensuring that it cannot be utilised directly to support an assessment appeal.

So how do we utilise it, given that the raw data is useless of itself? We employ three full time equivalent personnel to gather the data and feed it into our proprietary information technology platform CompuVal® ... together with a programmer to maintain and continually upgrade it to take advantage of emerging data sources and new technologies such as satellite and three dimensional aerial photography. Since none of the provinces geo-reference the properties our system utilises a number of location indicators to address this problem. In areas with building footprint and zoning maps CompuVal®'s clever algorithms combine the mapping information with unit values to determine if the sale is raw land or an improved property ... and then makes an educated guess at the property type, which is then later verified manually if we do not have the property in our data base. Once the property has been geo-referenced CompuVal® searches its databases for a match (within five years of the sale date) and populates the sales record with "preliminary" property attribute data from the matching property record. This information is later verified manually. Does this sound time consuming and expensive? You bet your life it is! So why do we do it? Well, we all have opinions, most of which are probably worthless unless they are based on accurate information and tools are available to analyse and apply the results in a meaningful way. Market Value is a mutual decision by two parties each looking in opposite directions: sellers look to past sales as

their benchmark; purchasers look to future benefits. In order to accurately value property it is therefore necessary to have sufficient comparable past sales *together with the tools to accurately project that sales data to the valuation date* to capture the seller's perspective. The present value of future benefits, the purchaser's objective, is usually measured by discounting the future income to the valuation date. This requires accurate data on current rents and discount rates *together with the tools to accurately forecast future income*. The dominant driver of future income in Atlantic Canada is demographics, specifically the "baby boomer" cohort. Baby boomers comprise one third of the country's population but their role is even greater in this Region. Our Economic Intelligence Unit studies demographics and its impact here for use by our Valuation Division.

We are data driven: we have the technological tools to aggregate information from multiple sources, sift through it, uncover the drivers behind the region's real estate markets, and provide clients with pertinent real estate advice. To date we have invested over \$2.0 million in software development and continue to enhance CompuVal® to take advantage of new data sources as they emerge ... because an opinion without data is little more than a guess.

Quality Control: Our Cost, Not Our Clients'

There is no national quality standard for appraisals in Canada ... appraisal falls under provincial jurisdiction. One organisation, the Appraisal Institute of Canada (AIC) has produced a self proclaimed *Canadian* Uniform Standards of Professional Appraisal Practice (CUSPAP), in reality a watered down version of the federally mandated American Uniform Standards of Professional Appraisal Practice (USPAP). [The latter is produced and updated by the Appraisal Foundation, a body which is independent of any appraisal organisation.] Originally the Appraisal Institute of Canada adopted USPAP but quickly abandoned it. The AIC had started its own professional insurance program, apparently believing that it would be a profitable venture: CUSPAP replaces the USPAP standard with a "reasonable appraiser" test and has since introduced further modifications to reduce insurance

liability. There is an obvious conflict of interest if you control the Standard against which your members' professional liability is measured and you also run the insurance program. In our experience the professional standards courses in both countries have now diverged; in Canada the emphasis is increasingly on avoiding liability. As a consequence of the foregoing some institutions, such as the major banks, set out their own standards in addition to CUSPAP. The standards in use worldwide are the Royal Institution of Chartered Surveyors Valuation Standards (RICS Red Book) and the International Valuation Standards (IVS). Both are "principle based" i.e. if it doesn't pass the smell test it is probably wrong; unlike the USPAP/ CUSPAP Standards which are "form based" i.e. tick the box. The RICS Red Book now incorporates the IVS and they, and USPAP, are converging. In our experience the RICS Red Book is the strongest Standard so we comply with all of the foregoing. The RICS also has an auditing program for Regulated Firms such as ourselves but as yet, it is weak.

Because our service lines extend well beyond valuation we implemented our own quality control system several decades ago and upgraded it to the international ISO 9001 standard in 2000. It governs everything we do ... well almost everything, bathroom breaks are excluded ...

Specialist Skills: A Broader Perspective

Oh, life used to be so simple. When we valued a property we consulted the zoning by-law to verify the allowable uses. If we had a question we simply contacted the planning officer. Now planning officers shelter behind call centres and getting an interpretation of an ambiguous zoning by-law, a City Charter provision involving subdivision issues, or an opinion on the probability of a rezoning is ... difficult. It is likely to generate the response that an answer will only be forthcoming when a formal application for the variance is submitted. Planning has just got much more complicated, and as a distinct profession has come of age, in this Region. Simple questions no longer begat simple answers and litigation has rendered the informal opinion of old a thing of the past. Just because a piece

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of land is zoned “commercial” does not necessarily render it usable for commercial use. Traffic considerations may militate against access if it is too close to a bend or intersection. The municipality’s policy on sewer and water servicing, or a desire to focus development in the urban core, may preclude development regardless of zoning. In the urban core the movement to “form” from “use” based planning introduces much more flexibility into the planning process and the requirement for much more planning expertise. Use based zoning is sclerotic; the by-law requirements do not contain the flexibility to accommodate every site, are a compromise and are usually outdated as soon as they are implemented. Form based zoning focuses instead on the bigger picture by considering the physical form of the proposed development and its relationship and role in the neighbourhood rather than the uses to be accommodated on the site. However since values are generated by the amount and type of use, planning input is increasingly a critical input in the valuation process. That is one reason why we opened a Planning Division two years’ ago. Demographics also drive value especially as the leading edge of the “baby boomer” cohort, currently one third of the country’s population, reaches retirement. Our Economic Intelligence Unit team study the demographic impact on existing and future demand for office, industrial, retail, institutional and residential space in the Atlantic Region. Our Lasercad® Division too has a role in the valuation process: we undertake sample audits to verify that the spaces shown on the leases are correct ... or not. Property taxes are usually the second largest expense faced by the owner after the mortgage payments. We add value to a valuation assignment by advising the owner when the opportunity exists to reduce their tax load. Our Property Tax Division currently reviews \$4.5 billion of property assessments each year, the majority of which are in this Region. Our Brokerage Division provides a whiff of reality, straws in the wind that often cannot be replicated by raking through the dying embers of past transactions. They are in contact with the players, vendors, purchasers, landlords and tenants on a daily basis. Our Valuation Division relies on all of these specialist skills, including the Geographic Information System (GIS) expertise practiced by our EIU team to formulate their value opinions ... amazing really, it makes one wonder what they do for themselves.

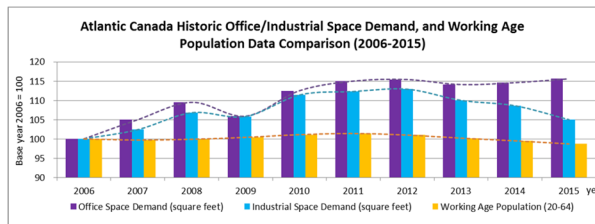
Local Presence: A National Outlook

We have offices in St. John’s, Charlottetown, Saint John, Toronto and we staff them all from Halifax. Why? To do otherwise would be to dilute the eclectic mix of expertise and ideas we have so painstakingly assembled there. It’s a case of the whole being greater than the sum of its parts. And it works. Bring different minds to a common problem and ideas spark off each other. A valuation of woodland facilitated by GIS expertise to create value maps results in tax savings that, in a single year, far outweighs the cost of the assignment. So why have five offices apart from the fact that it provides a fixed base fitted out with our IT equipment? It gives us a physical footprint in each

province and even though we are in each province every week that appears to be important to clients ... and they are Number One!

ECONOMIC INTELLIGENCE UNIT

Two Thirds of Everything



Data Source: Turner Drake and Partners Ltd.

As Dr. David Foot observed in his seminal work “Boom Bust & Echo”, published in 1996, demographics explain two thirds of everything. Canada and the Atlantic Provinces in particular, are impacted like no other by the baby boomer generation. The latter are so large, just under one third of the country’s population, that they drive demand for real estate. As the baby boomers move through their life cycle, so they move property values. We are therefore in the unique position of being able to predict what will happen with property values by studying the BBs ... well, two thirds of what will happen anyway. The history of real estate ... and its future ... is intimately tied to this group. Which is why our Economic Intelligence Unit spends so much time looking at demographics.

Every twelve months our EIU measures the supply and demand for every office and industrial building available for rent, with an area of 5,000 ft.² or more, located in the six major centres of Atlantic Canada ... a total of 38 million ft.². They undertake a smaller survey during the intervening six months. It is the most comprehensive survey ever undertaken in the region and they have done it now for the past nine years. This is not a sample survey, broker’s opinion or guesstimate. It is a formal procedure employing a survey instrument specifically designed and tested for the purpose, which is then sent to the entire universe of properties. It costs approximately \$96,000 per year to conduct the surveys. Primary response rates vary between 81% and 100%. We use secondary sources to complete the remaining properties. A copy of the survey is available to everybody who participates in that section. This is a useful quality control mechanism: recipients are quick to point out inconsistencies. The results are recorded in a purpose designed database ... part of the family that comprises our CompuVal® information technology platform.

The graph above shows aggregate office and industrial demand in the Atlantic Provinces (St. John’s, HRM, Charlottetown, Moncton, Saint John, Fredericton) gleaned from our surveys. It also details the total Working Age Population (age 65 and over) in the region as measured by Statistics Canada for the 2006, 2011 and 2016 censuses (we have interpolated for the

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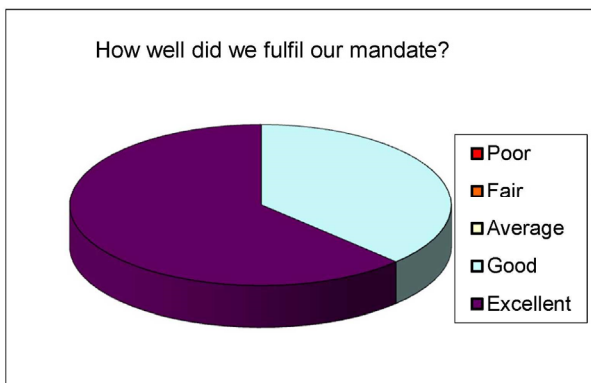
intervening years). In order to make a meaningful comparison between area and population we have reduced all of the metrics to 2006 Base = 100. Aggregate Working Age Population for Atlantic Canada peaked in 2011. We have entered a new era. Prior to 2012 any overbuilding would be absorbed by population growth: such is no longer the case. Post 2011 overbuilt space can only be rented by cannibalising tenants from other buildings. As demand falls because of our declining working age population the rate at which cannibalising occurs will increase. If new building supply exceeds the rate at which older space is taken out of service, property values will fall ... and so will the tax base ... and for an extended time period in locations such as the Halifax Central Business District. If you own property in this or similar locations our Property Tax Division can assist you. (Nova Scotia has changed the base date for the 2017 tax year from January 1st 2015 to January 1st 2016 so we should be able to remediate your assessed value this fall if the assessment authority goes ahead with its 2017 pre-roll).

🌐 For more information on our Economic Intelligence Unit, visit our corporate web site www.turnerdrake.com → Corporate Site → Economic Intelligence Unit. If you would like to keep up to date on your changing world visit www.turnerdrake.com → News & Research → TDP Trends.



LASERCAD DIVISION

How We Measure Up?



The chief reason tenants sue landlords is the improper allocation of Common Area space, closely followed by improper measurement of the Usable Area: that anyway has been our experience as expert witnesses for disgruntled tenants. The Building Owners and Managers Association (BOMA) Standard Methods of Measurement for office, industrial (and now) retail space do not cover every situation so a measure of sound judgement is required in ensuring the proper allocation of Common Area. Allocating a portion of the public washrooms and corridors designed to serve the second floor office space, to ground floor retail units each with their own “in store” washrooms, is unlikely to find favour with the Court. In similar vein allocating corridors designed to serve one building to tertiary space that does not benefit from it, located in

another, albeit connected structure, can be the cause of friction and lead to expensive arbitration or court proceedings.

Improper measurement of Usable Area frequently arises when the building owner commissions their architect to certify the space and the latter utilise their construction drawings rather than taking on-site measurements: it is surprising how often “as built” dimensions differ from the originating plans. Then there is the question of which BOMA Standard applies. Should retail space be measured to the BOMA Retail Standard when it is located in an office building? There is a touching faith in architects and surveyors ... many of whom are unfamiliar with measurement standards of any description. Then there is the confusion between Rentable and Usable Area. Most tenants are dismayed to find they occupy the latter but pay rent based on the former ... a fact that becomes readily apparent when they whip out their mini-laser (now on sale at participating retail outlets). Happily you will have covered this eventuality in your lease pro-forma. More difficult to comprehend are landlords who suffer the same confusion. In a recent audit of office buildings we discovered that the average Rentable Area represented in the lease was misstated by 10.1%. Of course being an “average error” it probably cancelled out in the landlord’s calculations but the tenants being overcharged by 10.1% are likely to be outraged ... while the tenants being undercharged are unlikely to mention the fact. A number of years ago we measured an office portfolio for its new purchaser who could spot a bargain when they saw one. During their due diligence they had noticed that the lease rent per square foot was at market, but the vendor was relying on Usable rather than Rentable Area for their rental calculations. The new purchaser was able to pick up a bonus 22,338 ft.² of Rentable Area, worth about \$2.5 million in capital value on lease rollover or renewal.

Keeping current pays: the latest (2010) BOMA Office Standard allows landlords to capture more of the Common Area than previous editions, as Building Common Area.

ISO 9001:2008 And All That Stuff.

Everything we do ... well almost everything ... is governed by a quality system registered to the international ISO 9001:2008 standard...and every six months we publish the results of a client satisfaction survey on our corporate web site, warts and all, at www.turnerdrake.com → Corporate Site → News & Research → Quality Ratings . We are the only space measurement firm registered to ISO 9001 in Atlantic Canada and one of only two (we believe) in the Greater Toronto Area. We work to a measurement accuracy of 1 cm and a closing error of 2% *per room*; and we do it the hard way, on-site with lasers and shoe leather. Our Lasercad® measurement team are keen young things, the ink barely dry on their degrees. Ambitious too; ahead lie seven (or nine) gruelling years in our own training program. We hire direct from university, and this being the Atlantic region where jobs are scarce, are

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able to pick from the cream of graduates. We then train them in each aspect of real estate before we let them loose on assignments. Lasercad® is the first step of the program that involves 27 training modules (500 hours), UBC's BBRE degree and on the job training under the eagle eye of a Mentor. Clients of our Lasercad® Division benefit from trained, smart, individuals who can think on their feet ... teeth brushed, cheeks polished, hair combed ... by golly but for the lack of the good book they could be on a mission to save your soul rather than mundanely measuring your space. So be nice to them: they could be your sons or daughters. We promise they will be on site within two working days (earlier if you are caught short). Once you are our client we will provide you with your own encrypted Client Area on our web site so that you can order the assignment and forget about it (no chance of your email going astray) ... or if you are born to worry you can monitor progress of the assignment from job initiation through to completion. When the job is complete and you have received a certified copy of the plans, we will also store a copy on your Client Area, for free, so that you can refer to them 24/7 should the spirit move you.

Last year our Lasercad® team measured 1.8 million square feet of office, industrial, retail and residential space, but they would like to do more...much more. They have student loans to feed, another degree to earn, and the world to conquer. Visit our corporate web site www.turnerdrake.com → Corporate Site → Lasercad® Space Measurement for the full Monty ... or meet Manager Mathieu Chaput at www.turnerdrake.com → Corporate Site → Team Leaders. You can also email him your space measurement questions at mchaput@turnerdrake.com (English, French or Korean only please).

EGG HEAD AWARD



R. Greg Kerry
B.Comm DULE

Well, we didn't know until we saw the certificate that Greg is really Richard. No matter, we are delighted to announce that Richard Gregory Kelly has been awarded the Diploma in Urban Land Economics (DULE) by the University of British Columbia.

Greg, a.k.a. Richard to his friends, joined Turner Drake in 2011 upon graduating with a Bachelor of Commerce degree, including three minors, from Mount Allison University, Sackville, New Brunswick. He is currently enrolled in the University of British Columbia's Bachelor of Business in Real Estate degree, consistently achieves 'A' grades and was awarded the DULE in 2015 (we have been a little lax in recognising the achievement). Richard, a.k.a. Greg to his colleagues, was formerly Manager of our Lasercad® space measurement division but for the past three years has successfully exercised his valuation and negotiation skills as part of our Property Tax team. Greg also heads up our Toronto office.

You can reach Greg by telephone at 416-504-1811 (GTA) 1-800-567-3033 (toll free), or visit him at www.turnerdrake.com → Corporate Site → Team Leaders. He can be reached by email at gkerry@turnerdrake.com.

GOOD GRIEF: ANOTHER EGG HEAD



Mark B. Turner
B.Comm, DULE, BBRE, MRICS, MAI, AACI

We are pleased to announce that Mark has successfully completed the 15 hour comprehensive examinations for the Appraisal Institute (of America) ... in reality four separate exams ... bathroom breaks frowned upon. Apparently it was a searing experience ... he is now an older and wiser man (well certainly older) ... but he passed and has now been awarded their MAI designation.

Mark joined us in 2000 after graduating with a Bachelor of Commerce degree from Saint Mary's University in Halifax

and embarked on our seven year real estate training program. He was awarded a Diploma in Urban Land Economics (DULE) from the University of British Columbia in 2005, and graduated with their Bachelor of Business in Real Estate degree (BBRE) in 2009. Mark gained accreditation with the Appraisal Institute of Canada (AACI) in 2006 and was admitted to the Royal Institution of Chartered Surveyors (MRICS) in 2010.

We are admirers of the Appraisal Institute. Not only is it the pre-eminent appraisal organisation in North America with a membership of 20,000 professionals, it is also the most prolific publisher of appraisal texts in the world. We have drawn heavily on their research to enhance our own appraisal and valuation products. Our reports, and information technology platform CompuVal®, incorporate AI's research and methodologies. To a large degree real estate research from abroad is relevant in Canada but AI's focus is particularly germane because our economy is so intimately tied to that of the United States. For example in 2013, stung by criticism from politicians that its members had failed to predict the 2007 market meltdown, the Appraisal Institute developed a model to gauge where each real estate market was positioned in the cycle, the better to predict bubbles and the impending bust. This is particularly pertinent in Canada because we are one of the few countries in the world to have a Baby Boomer generation. The "bust", when it occurs, will not be short-lived here because there is no cohort of similar size positioned behind the Baby Boomers to rescue overbuilt markets. We have incorporated the Appraisal Institute's predictive model into PAMS Property Portfolio Manager (Newsletter Vol. 2, No. 103), our new service offering, which will, we anticipate, substantially reduce the risk inherent in property ownership, lower the price of asset management and alert owners to opportunities before they occur.

Mark is Vice President of our Lasercad® space measurement division but spends most of his time in our Property Tax Division, protecting clients from rapacious taxation. He can be reached at markturner@turnerdrake.com or by phone at 902-429-1811 (HRM) and 1-800-567-3033 (toll free). You can visit Mark on our corporate web site at www.turnerdrake.com → Corporate Site → Team Leaders → Mark Turner



Featured Properties:



For Sale: Triplex in Trendy North End Halifax

ADDRESS	2771-2773-2775 Agricola Street
CITY	Halifax, NS
BUILDING SF	2,862 sf
LOT SIZE	1,755 sf

ZONE	Commercial
SALE PRICE	\$701,995
CONTACT	ASHLEY URQUHART, x340 RUSS ALLEN, x329



For Lease: Office or Retail/Commercial Space

ADDRESS	589 Prince Street
CITY	Truro, NS
SUITE SF	2,400 sf
PARKING	4-6 stalls

HVAC	Air Conditioned
RENT	\$3,500/month + utilities & cleaning
CONTACT	ASHLEY URQUHART, x340 RUSS ALLEN, x329

We have solutions to your real estate problems:

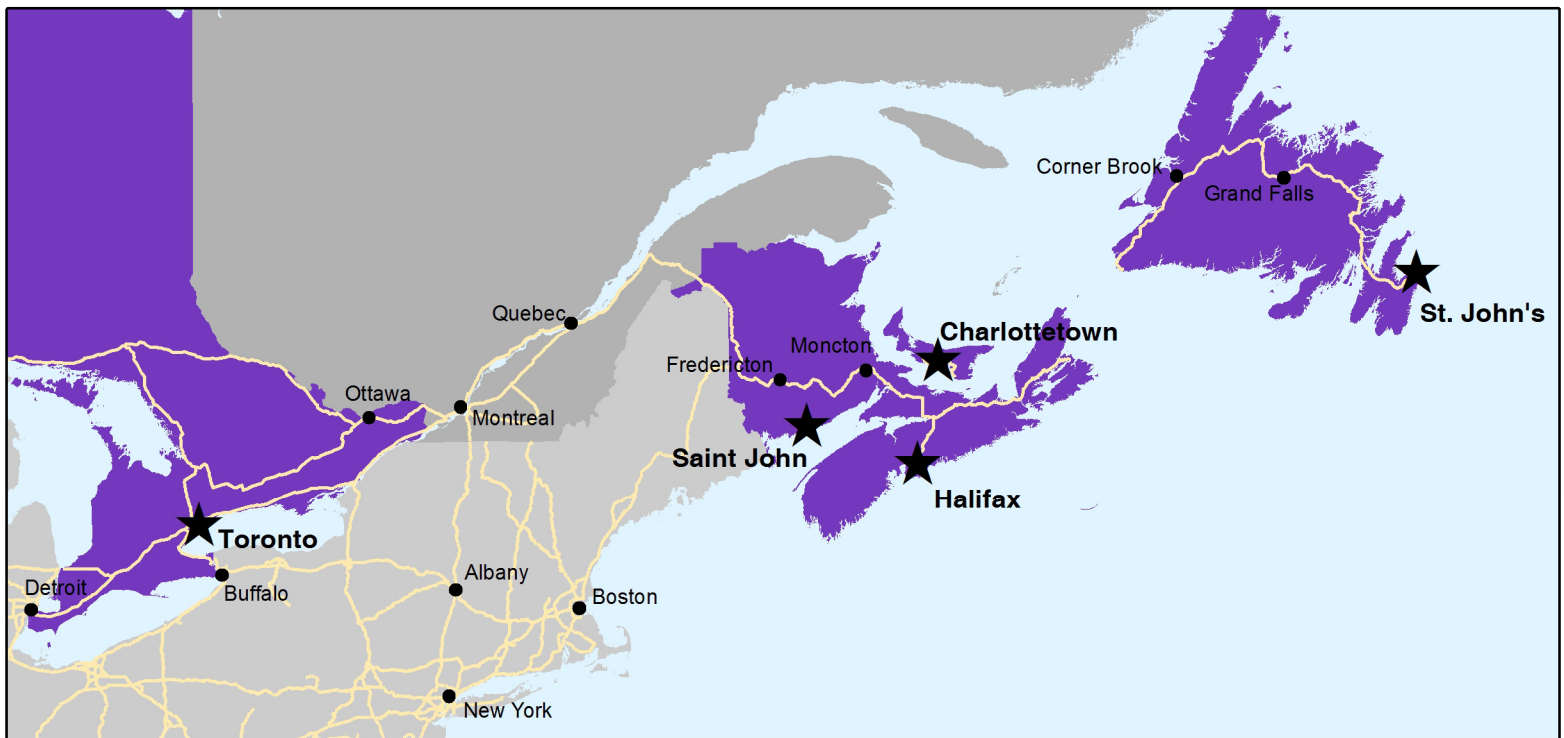


The Challenge: A neighbourhood stalwart, this magnificent church had faithfully stood watch for a 100 years; but it was tired, ready to pass the torch to a new generation, a modern structure that could serve the changed needs of the twenty first century. The land was zoned "R-2 Residential" which limited its development potential even though the site was on a main thoroughfare and counted commercial properties as its neighbours. Responding to the call its congregation had forged ahead with plans to redevelop the site with a new development designed to meet the needs of the community, but ran into opposition from the owners of neighbouring properties. The congregation were unable to get the necessary zoning change to allow their development to proceed. The building meanwhile had been vacant for seven years and posed safety and security issues as it continued to deteriorate physically. The congregation was discouraged and turned to Turner Drake for help.

Turner Drake's Approach: After confirming that the congregation was indeed no longer interested in developing the site themselves, our Brokerage Division rolled up their sleeves and went to work. They armed themselves with details of the earlier unsuccessful planning application and prepared a Master Sales Prospectus detailing the physical, fiscal and legal attributes of the property. This entailed a full site and building inspection, enquiries of HRM's planning and zoning departments, gathering property assessment data, etc. Once the Master Sales Prospectus was complete marketing commenced, utilising prominent on site signage. There was immediate interest in the property and offers were received within three days of the property being exposed to the market. The initial offers were unacceptable so our Brokerage Division personally contacted all active developers in the Halifax Regional Municipality to generate additional interest. Their prospecting work was successful and eventually resulted in an offer at the full asking price, which was later reduced slightly after the prospective purchaser had a public meeting at which neighbouring owners voiced opposition to any redevelopment of the site.

Winning results: The property was listed, marketed and sold within five months to an experienced developer at a price well above the market value based on the existing zoning, a figure that reflected in part its development potential.

Local Presence: A Regional Outlook



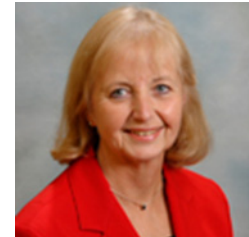
Your Brokerage Solutions Team



Russ Allen
Leasing



Ashley Urquhart
Sales & Leasing



Verna Turner
Sales & Leasing

List of Services

Brokerage

- Vendor Representation
- Purchaser Representation
- Landlord Representation
- Tenant Representation

Counselling

- Feasibility Studies
- Expropriation
- Mediation & Arbitration
- Infrastructure Acquisition

Lasercad® Space Measurement

- Space Certification
- "As built" Plans

Economic Intelligence

- Market Surveys
- Site Selection
- Trade Area Analysis
- Supply & Demand Analysis
- Demographic Studies

Development Planning

- Regulatory Review
- Development Analysis
- Development Approval

Property Tax

- Assessment Audits
- Negotiation
- Appeal Board
- PAMS® Property Tax Manager

Valuation

- Reserve Fund Studies
- Commercial
- Industrial
- Investment
- Development
- Rural
- PAMS® Property Portfolio Manager