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Real Estate Counsellors,

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The Future of Office Buildings in a Post Covid World

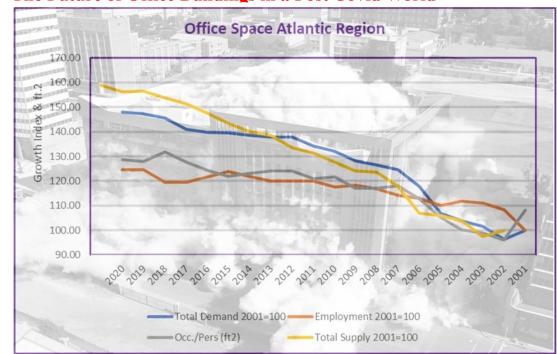


Photo Credit: Bryan Lever (istock photo). Graph: Statistics Canada and Turner Drake & Partners Ltd.

Newsletter

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The present Covid crisis, and the necessity to embrace social distancing, has rendered working in a traditional office environment, located in a Central Business District, impractical in many cases. Savills, an international real estate broker, calculate the New York subway system "rush hour" would have to be extended to fourteen hours to safely accommodate commuters journeying to work in Manhattan. About ten hours each day would be spent commuting... in addition to another four hours entering and exiting the high-rise office building. Time for two hours' sleep then before starting on the next eight -hour work day! The impact of social distancing on commute times is less dire in Atlantic Canada but the building entry-exit constraints remain. At present most workers shun high rise office environments and continue to work from home, a situation that may only be resolved by an effective vaccine. Given that Health Canada has now started to distribute vaccines, and have preordered quantities from seven firms, (three of which, Pfizer, Moderna and AstraZeneca, having efficacy rates of 70% to 95%), half the population should be vaccinated by September 2021 according to the Federal Government. Things may return to "normal" then by 2022. But what will that new "normal" look like for the office

Until the coronavirus breezed into this Region in March 2020 the trend for the past decade here and

 worldwide favoured "collaborative work environments". Walls were removed encourage interaction, benches replaced cubicles, informal meeting spaces, refreshment stations and lounges encouraged the mighty to rub shoulders with the unwashed, pool and ping pong tables released a flood of creative juices. The media reported that managers and workers alike welcomed the new paradigm enthusing that productivity had soared as enhanced social interaction sparked new ideas and co-operation. This was the future! Then Covid-19 reared its ugly head and everything changed; social distancing replaced interaction, working remotely from home rather than the office became the order of the day, Zoom meetings substituted for personal contact. This new paradigm too has been greeted with enthusiasm by managers and workers according to the media: non-productive commuting time has been replaced by longer working hours, routine and conformity by a more relaxed workstyle conducive to creative thinking and enhanced productivity. The enterprise's overheads can be reduced too. Even if the firm cannot operate entirely "virtually" its physical presence can be reduced, "hot desking" can be provided to service the occasional office visit. A more modest storefront can reassure less sophisticated clients or customers that the firm is not the figment of a call centre in some distant land. The disruption caused by Covid-19 has been greeted by many experts as an opportunity to reenvision the workplace, to reposition it in a virtual rather than a physical environment. The Royal Institution of Chartered Surveyors (RICS), the globally recognized body of property professionals, recently hosted a

(Continued on page 2)

(Continued from page 1)

webinar on "reimagining the office and purpose of place". Workplace and property experts from both sides of the Atlantic, some of whom had worked virtually prior to the pandemic, recognized the opportunity restructure the work permanently environment but offered a more nuanced view of the downtown office as a communications hub and a part time workspace for staff, to supplement home or suburban office workplaces. Firms recognise the opportunity afforded by Covid-19 and are struggling to determine the optimum workspace configuration once the pandemic has been vanquished. As The Economist magazine pointed out in its September 12th – 18th issue it is a matter on which there is no consensus; "on August 28th Pinterest, a social media firm, paid \$90m to end a new lease obligation on office space near its headquarters in San Francisco to create a 'more distributed workforce'" while the same month "Facebook signed a new lease on a big office in Manhattan" and "Bloomberg is reportedly offering a stipend of up to £55 a day to get its workers back to its building in London". In a different article in the same issue they reported that "Jack Dorsey, the head of Twitter, says the company's staff can work from home 'forever' but Reed Hastings, the founder of Netflix, says home-working is a 'pure negative'. There is the added complication that many cities globally are taking advantage of the pandemic to permanently reconfigure their Central Business Districts by converting traffic lanes used for vehicular parking, deliveries and circulation, to dedicated bike lanes. Halifax, Nova Scotia is a prime example of this type of reconfiguration. The objective is to increase the health of citizens by encouraging exercise and to combat climate change by discouraging private cars. Amsterdam in Holland is the biking benchmark... albeit it has trams, canals, little snow and no hills. Reconfigured CBDs will be more pedestrian friendly but much less accessible by vehicular traffic.

The Future of Office in a Post Covid World

Significant emotional events such as conflict, floods, fires, recessions and pandemics change the course of history... and Covid-19 has changed working habits across the globe. Home has replaced office as the traditional work environment reversing a trend which started in the 18th century. Will this situation endure after we have an efficacious vaccine (hopefully) next year? From an employee perspective

the benefits are no commuting time, a more relaxed atmosphere, on-site home care for the children and dog, remote access to office resources, and flexible hours. Satisfaction for working from home appears to be high, albeit strongly dependent on "having a strong positive connection to their supervisor while working from home" according to Forbes magazine. The commonly cited downsides of working from home are longer hours, more virtual meetings, lack of access to equipment, blurred lines between work and family life (the latter manifesting itself in the inability to put work aside when the day is done). Loneliness, the inability to bounce ideas off colleagues, concern about being overlooked for promotion are also issues. Satisfaction with home working is higher if there is a dedicated work space and few distractions such as young children. From an employer's perspective this workplace model offers the opportunity to reduce office rent and on-site servicing costs. It is a question whether this is outweighed by the additional costs of servicing personnel working from home, and the benefit of having everybody in the office. Although employees working from home can be more productive if the firm is geared up to work remotely and the employee has a dedicated workspace, adequate broadband, IT resources and the opportunity to work uninterrupted by family demands, there are downsides. The firm will incur costs supporting the outside personnel, particularly IT support and redirecting telephone enquiries. There is also the difficulty of coordinating training, quality control, accessibility, supervision, and lack of interaction. These may not be so much of an issue when the assignments are mundane and can be programmed e.g. work typically undertaken by call centres... or where employee typically operates individually as is the case with many sales positions and senior personnel. However, work that is of a creative or collaborative nature benefits from personal interaction. While there are good collaborative tools such as Microsoft Teams and opportunities to meet "face to face" on line, they and the stilted world of Zoom conference calls do not yet replicate personal contact; ideas are frequently the result of chance meetings, impromptu remarks and the accidental clash of opinion. The firm may have concerns too that employees working from home become isolated causing morale and team spirit to erode. The decision whether a firm should adopt a 100%, partial or 0% remote working model post pandemic will depend on the character of the company

and the functions its employees perform.

The Data Points

There was a trend to remote working prior to the Covid-19 lock downs. The movement started at the beginning of the 1990s and was initiated by a major recession which called into question the economic justification for prestige office space in Central Business Districts. It was facilitated by the emergence of the internet, mobile phones, software and hardware designed for remote working. Firms started to move their offices out of downtown areas into industrial parks or abandoned them completely and required their personnel to work from home. As technology improved the trend gathered impetus. Although Covid -19 has had a more dramatic impact on work habits than the 1990 recession its effect is more of timing than scale... it will exacerbate the existing trend, expediting change that would have occurred anyway. Examination of the workplace trend since 1990 therefore allows us to determine the future face of the office market in the Atlantic Region, and to a large degree the fate of its Central Business Districts, and to determine whether the office market will wither in the face of remote working. The 1990s decade was dominated by the recession and a market meltdown. Things improved gradually but it was not until the dawn of the twenty-first century that the Region's office markets put the events of the prior decade behind them and normality returned. The period post 2001 provides us with an insight into the fate of the office market once Covid -19 has been banished, hopefully by the end of 2021. By happy co-incidence we have tracked office supply and demand in all five of the largest metropolitan areas (St. John's, Halifax Regional Municipality, Charlottetown, Moncton, Saint John, Fredericton) since 2001. By that date office supply and demand was approaching equilibrium and the overall vacancy rate was a manageable 8.30% (equilibrium vacancy is generally considered to be 5%). Office developers started to build again, as did office demand.

Our graph on Page 1 captures the aggregate office market in the Atlantic Region during its post-recession phase from 2001 to the present day. For comparison purposes we have indexed total supply, demand and employment to the common base date of 2001. It appears counter intuitive given the trend to home working, but demand grew

(Continued on page 3)

(Continued from page 2) steadily from 2002 onwards before it plateaued in 2013-2016, and then grew again in 2017 (the St. John's and Saint John office markets were adversely impacted by the steep fall in oil prices mid-2014; crude oil prices bottoming out in 2016 and then gradually starting to recover). The Region's developers responded by starting to expand supply in 2001, were caught short by the oil crisis and overshot the growth in demand in 2013, and continued to bring product on-stream during the pause in demand. The growth in office demand is even more surprising given that growth in employment has not been The Atlantic Region's population is aging faster than the rest of the country but the provinces were slow to recognise the problem until the publication of the Nova Scotia Commission on Building our New Economy (Ivany Report) in 2014. They have since been successful in attracting more immigrants from overseas, returnees from Alberta's oil patch, and retirees from elsewhere in Canada, to help boost the economy employment. However, it is a slow process and most of the increase in office demand appears to be due to the amount of space occupied by each employed person. As our graph illustrates it increased from 108 ft2 in 2001 to 129 ft2 in 2020. Given that the trend during this period was to reduce the amount of space per head of office staff in order to promote social interaction, the data infers that office

staff who started to work remotely in

the aftermath of the 1990 recession

returned to an office environment post

counteract it. This suggests that the

Covid-19 inspired "work from home"

phenomena will be a blip rather than a

trend. While remote working will

continue after the distribution of an

effective vaccine, office personnel will

gradually return to office buildings. The

work model will continue to evolve to a

more mobile workforce but the benefits

of social interaction on productivity will

outweigh the rental gains achieved by

ditching the office completely. We

forecast therefore that most private

sector employees will return to working

in an office environment when a

sufficient proportion of the population

has been vaccinated to alleviate Covid-

19 concerns (probably towards the end

of 2021: public sector workers will take

a little longer). Depending on the type

and culture of the employer, remote

working will be more prevalent than

was the case pre-Covid but this will be

balanced by a gradual drift back to an

office environment over the next two

decades. Some staff will continue to

work remotely for part or the entire

in sufficient numbers

work week. Central Business Districts will be slower to recover than the suburbs in large part because office working has already restarted in the latter. Many suburban buildings, particularly in the industrial parks, are low-rise structures where safety and access issues are less of a concern. We anticipate that the stigma attached to high rise buildings will dissipate fairly quickly. The demolition of the World Trade Center's twin towers by Al-Qaeda terrorists on September 11th 2001 must have created a sense of unease to occupants of high-rise buildings but there is no evidence that it reduced space demand in this region for any significant time period.

Our Economic Intelligence Unit undertakes primary research to identify and measure the forces that shape property values in Atlantic Canada. Check out our web site www.turnerdrake.com/products/economiceintelligenceunit.asp for more information.

PROPERTY TAX DIVISION

Covid-19 When Will Owners See Tax Relief?



Photo Credit: ClarkandCompany (istock photo).

It goes without saying that the Covid-19 pandemic has directly and abruptly affected both short term cash flow and long-term economic prospects for real estate owners in the Atlantic Region. Clients advise us that hospitality has been decimated; developers are reeling from construction delays and escalating costs due to increases, and shortages, in materials and labour; and while we are not hearing a lot yet from office landlords this may be temporary, a function of existing leases and rental payments supplemented by the Federal government support program. We expect too that the shoe will drop with many retail landlords after the normally busy Christmas season. Even though vaccination has started the Federal government anticipates that it will take a year to fully roll it out: the impact of the pandemic and recession will outlive Covid-19 for several years. In the accommodations sector, for example,

revenues are expected to decline by 60% in 2020 and not recover to prepandemic levels until 2024. For some businesses and property owners the financial impact will have been fatal. So what good news can we bring to help offset the misery? Not a lot, but we will do our best.

Every week our Property Tax Division fields multiple enquiries regarding tax relief. There is some immediately available in Nova Scotia for tourism accommodation but applications had to be received by December 11th 2020. It provided a 25% rebate on 2020-2021 commercial property taxes for eligible accommodations that roofed experienced a loss in room accommodation revenue of at least 30% for the period April 1st to October 31st 2020 compared to the same period in 2019. The accommodation had to be owned or leased on terms requiring the tenant operator to pay property taxes, be registered as a host under the Tourist Accommodations Registration Act and have paid their 2020-2021 property taxes in full or have a payment plan in place with the municipality. To be eligible the accommodation had to meet definition of the a roofed Tourist accommodation under the Accommodations Act; have five or more rooms available to rent to the public and be classified commercially for property tax purposes. We would hope for a similar program next year. We hosted a webinar in September for hospitality owners. If you missed it, check out our web www.turnerdrake.com > News Research > Webinars. We also have information on Covid-19 tax relief programs on our web sites www.turnerdrake.net and www.turnerdrake.com > Property Tax. The vast majority have been limited to the extension of tax deadlines and the reduction in interest arrears.

In order to gain more substantial long term relief it will be necessary to file an appeal against your assessment. In most Canadian provinces, assessment and taxation are separate functions. The assessed value of your property is calculated by an assessment authority independent of which is municipality (the City of St. John's is the only exception). The Property Valuation Services Corporation is the assessing authority in Nova Scotia; Service New Brunswick performs the same function in that province; the Department of Finance does so in Prince Edward Island; and the Municipal Assessment Agency covers all of Newfoundland and Labrador outside of St. John's. Your property's

(Continued on page 4)

assessment is based on its Market Value as of a "Base Date" having regard to its condition on a "State Date" (generally at or close to the Base Date). Base and State Dates vary by province. No doubt your eyes are starting to glaze over now and your mind to wander, but bear with us. Oh, and not all provinces use the definition "Market Value" but that is what they intend i.e. the price you would get for your property if you sold it on the open market. In order for the municipality to calculate the tax load they multiply the assessed value by their mill rate. Since the mill rate is set by the municipality there is little you can do to influence it (different property classes will usually have different mill rates): your focus should be on reducing the property assessment. The Base Date must be on or after Covid-19 started to influence property values in the Region. (On January 7th 2020 Canada's Public Health Officer warned the country about the virus but it was not until February 26th that the Minister of Health recommend citizens stockpile food, and March18th before Newfoundland became the first province in the Region to lockdown). The earliest date to file an appeal which reflects the impact of Covid-19 is October 2020 (New Brunswick - some properties), January 2021 (New Brunswick remaining properties); April 2021 (Prince Edward Island); Fall 2023 (St. John's); January 2022 (Nova Scotia); Fall 2022 (Newfoundland except St. John's).

In normal times Service New Brunswick would have prepared its 2021 Assessment Roll for publication on March 1st 2021 at the commencement of the 30-day Request for Review (appeal) period. Because of the pandemic they published assessments of properties they did not think were impacted by Covid-19 on October 1st 2020: the appeal period for those properties expired on November 2nd 2020. They then requested the owners of the remaining properties (hotels, offices, shopping centres, airports, etc.) supply information indicating how they had been impacted by the pandemic. Our Action Alerts on October 1st and October 26th warned clients, whose properties are not yet enrolled in our PAMS® Property Tax Manager program, to respond to SNB or risk forfeiture of their right of appeal. The Assessment Roll for those properties will be published on January 28th 2021 and there will then be the usual 30-day Request for Review (appeal) period. Many properties, not just those identified by SNB, will have been affected by the pandemic though the impact may be delayed due to fixed term leases or simply because the occupier is reluctant to initiate changes during the present upheaval. Market Value is the present worth of future benefits so it is critical to consider how your property will be impacted in the future, as well as the present, when considering whether to appeal your assessment. This is the focus of our Property Tax Team and it should be yours too if you are handling the appeal yourself.

On November 25th 2020 the Province of Nova Scotia introduced temporary rent control, this time capping rental increases to 2% per annum and disallowing eviction orders for renovations. It is retroactive to September 1st 2020 and appears to have been initiated in part by the pandemic, but may also be a knee jerk reaction to some unfavourable media reports about landlord-tenant relations. It will expire on the earlier of the lifting of the state of emergency or February 1st 2022. Apartment assessments for 2021 are based on

pre-pandemic income and expenses and do not consider rent control. Some items such as fire insurance are increasing at rates well above 2%. Whilst the rent control is presently "temporary" there is a risk that it could become permanent given the affordable housing crisis in the Halifax Regional Municipality (the Province is creating the Nova Scotia Affordable Housing Commission to recommend ways to increase affordable housing) and any prudent purchaser would factor the possibility into their price. Unfortunately neither the pandemic nor rent control can form the grounds for appeal until 2022 because the Base Date for determining the 2021 assessment is January 1st 2020. However we anticipate that PVSC, the assessment authority, will be prepared to negotiate the 2022 assessments sometime after June 1st 2021.

The pandemic has added confusion to complexity. If your property is not yet protected by our PAMS® Property Tax Manager program and you would like more information, or have a question about your property, please call any member of our Property Tax Team at 902-429-1811 (toll free 1-800-567-3033... this is not a call centre) or email Giselle Kakamousias, Vice President Property Tax, at gkakamousias@turnerdrake.com. For more information on our Property Tax services visit our dedicated web site www.turnerdrake.net or our Corporate web site www.turnerdrake.com → Corporate Site → Property Tax.

VALUATION DIVISION

Church Matters



Our Valuation Division is frequently asked to value special purpose properties such as churches; we asked VP Nigel Turner to explain how they go about it. In his own words ...

"I recently read an article by the CBC entitled "From sacred to secular: Canada set to lose 9,000 churches, warns national heritage group." The article discussed shrinking congregations as members aged, moved away or switched to new spiritual practices. It noted that in Eastern New Brunswick alone, the Roman Catholic Archdiocese predicted that 20 of its 53 parishes would likely close if the congregations could not find a way to generate more money. With less money coming in, and higher maintenance and operating costs, churches face a challenging future.

(Continued from page 4)

This article resonated with me on a professional level and personally as a member of a local church. In the past few years our firm has been contacted by a number of church committees made up of congregation members. These committees are assigned the unenvious task of exploring what to do with their beloved church as it faces the challenge of a shrinking congregation.

The common questions asked by committee members to aid in their decision making include:

- Scenario #1: What is the value of the church as it currently operates?
- Scenario #2: What is the value of the underlying land as a redevelopment site?
- Scenario #3: What if the church were sold for an adaptive re-use, what would it be worth?

Essentially the committees want to determine the Highest and Best Use of their property, with values determined for each scenario, so they can be make an informed decision and ultimately present it to their congregation.

Churches serve a number of roles for their community. Outside of Sunday church services and funerals they are used as polling stations, a refuge after disasters, a place for private and not-for-profit groups to meet, a venue for concerts, fund raising dinners and suppers and a theatre for performing arts. While design elements vary between denominations the fundamental church layout is fairly consistent. Typically it includes a large entrance lobby, a sanctuary, parlour, large multi-use hall together with a kitchen, and a number of smaller rooms used for meetings and general storage. They tend to have several large, wide-open areas with high ceilings, together with a large number of smaller classrooms. As a result of their special purpose design they are challenging to value.

Scenario #1 - determining the Market Value of a church as it currently operates may not be as hard as it sounds. There are numerous examples of church properties that have sold to other congregations for continued use as a church.

Scenario #2 – determining the value of the underlying land for redevelopment is more challenging. Often times the property has an institutional zone assigned to it, reflecting its current use. However, this doesn't necessarily limit the property to its current use. It can often be re-zoned and redeveloped for a more intensive use. Exploring this scenario involves discussions with the local planning authority, and in the end professional judgement is needed. In addition to re-zoning, heritage designation issues, service and utility easements over the parcel, and demolition costs for the existing building, must be explored and considered under this scenario.

Scenario #3 considers the value of the church for an adaptive re-use. This can certainly be the most challenging scenario to consider when determining value. The question here is "does the existing building actually provide additional, measurable value?" Older buildings often have a lot of character and heritage value. However, the cost of repairs and maintenance for these older structures can be substantial. They typically have masonry exterior walls with decorative

features that require a lot of maintenance. Their walls are often load bearing, meaning they cannot be easily reconfigured for another type of use without substantial structural work. In addition they typically sit on expensive land, located in more central downtown locations, with increasing pressure on land values. All of these things can point to the demolition of the existing church to make way for new development. However, that is not always the case.

Recently I completed an assignment for a registered heritage property in Halifax. The Centre Plan envisioned a low-density residential use for the property. However, Package A contained significant implications for the property since it included policy applicable to registered heritage properties. This general policy allowed for consideration of new development via a discretionary approval process (a "Development Agreement") rather than rezoning. The overarching goal of the municipality was to encourage the rehabilitation and retention of heritage buildings. In order to do this, they were willing to support a significant amount of new development intensity on sites containing a heritage building, using this as a tool to create sufficient value to enable the required conservation measures to be accommodated within an economically feasible project. This opened up the possibility for significantly larger building height and floor area ratios, as well as consideration of other costsavings, such as lower parking requirements.

In this instance, the cost involved with demolishing the existing building, coupled with the low-density anticipated for the site, meant that demolition of the building was not the best option. Alternatively, retaining the existing structure, or a substantial portion of it, under the policy contained in Package A of the Centre Plan, offered substantially higher density and lower parking requirements for the portion being redeveloped. This second option meant a higher value for the property. In this instance the best option was to retain the existing building for an adaptive re-use as part of a larger development.

The take-away here is that valuing churches or special purpose properties is not a straightforward exercise. With shrinking congregations and higher operating costs, these types of assignments are becoming increasingly more common. They can be complicated and require a team approach to valuing the property with assistance from planners having a solid understanding of the Centre Plan."

Nigel Turner is Vice President, Valuation Division. He can be reached at 902-429-1811 Ext.330 (1-800-567-3033 toll free) or by email: nigelturner@turnerdrake.com For more information, visit our dedicated Valuation and Advisory Services web site at www.turnerdrake.org or our Corporate web site www.turnerdrake.com → Corporate Site → Valuation & Appraisal.

COUNSELLING DIVISION

Land Matters

As you cruise comfortably along the newly twinned Highway #104 in Nova Scotia between Sutherlands River and Addington Forks spare a thought for those members of the community who provided the land to



Photo Credit: Kozmoat98 (istock photo).

make it possible. Road construction is rarely greeted with enthusiasm by those whose properties are impacted. True, they are paid Market Value, Injurious Affection and other Heads of Claim, but rarely does that compensate them for the emotional loss of their property.

Our Land Agency Team is experienced in acquiring land for road, pipeline and transmission line rights of way. They have also developed expertise in natural resource projects. From 2012 to 2016 were busy negotiating the compensation for the purchase of the transmission line right of way to carry power from the Muskrat Falls hydro electric project on the Lower Churchill river in Labrador to Nova Scotia. This 200-kilometre long transmission line connected the Nova Scotia Power Corporation system in Cape Breton Island, Nova Scotia, with Newfoundland Light and Power system bringing power from Muskrat Falls. That required negotiating compensation with about 200 property owners in Nova Scotia and another 89 in the western part of Newfoundland. It was a "turnkey" assignment which included compiling the acquisition plans, conducting base line geo-referencing appraisals, resolution photographs and adding forestry and contour layers, preparing and presenting information packages to landowners and negotiating compensation with them. The Highway #104 project was similar in scope but included the provision that we review the reports prepared by an appraisal firm, commissioned by the Nova Scotia Department of Transportation and Infrastructure Renewal, to determine whether they met the Canadian Uniform Standards of Professional Appraisal Practice and were adequate for use in the negotiation process. These appraisal reports formed the basis for our negotiations of compensation with property owners. It involved negotiating with 70 owners of 123 residential, industrial, commercial, resource, forestry and agricultural properties. Our work started in January 2019 and was completed successfully two years later. We reached agreement on compensation with all but two of the property owners.

The project consisted of widening parts of the existing highway together with a new route where this was impractical, and had the laudable objective of improving highway travel and reducing accidents.

This type of work requires professional expertise in the assessment of property values, and the compensation that would have been available had the properties been expropriated, as well as negotiation, so our Land Agency Team was drawn from members of our Valuation, Planning and Brokerage Divisions. More than the technical expertise however, it required an understanding of people's relationship with their property and an empathy with their concerns. This was the taking, of what in most cases, was part or all of their most valuable asset, which may have been in their family's ownership for many generations. Many property owners have an emotional attachment which transcends money and highway acquisition strikes at the heart of that principle since they have no choice; the government is going to take their land, nothing they can do will stop it. Not surprisingly some were angry, most resigned, few happy. As we found with this and previous assignments, our status as a third party independent of the acquiring authority, was a huge advantage; property owners did not perceive us as a threat and in the main were friendly, cooperative and willing to negotiate. We created a Property Acquisition Package showing each landowner's property overlaid on an aerial photograph showing the land that was required for the highway. This was presented at our first face to face meeting so the owner had a clear idea of the impact of the acquisition. It has been our experience that most people respond well if there is clarity, empathy, and confidence that their concerns are noted, understood and taken into account where appropriate. The fact too that our client, Nova Scotia Transport and Infrastructure Renewal, was prepared to work with us and the landowner by accommodating the latter's concerns, not necessarily in a monetary sense but in flexibility and inkind compensation, assisted our Land Agency Team resolve problems to reach amicable solutions. People responded: a bag of home-made cookies was pressed on one team member each time he visited (negotiations took a long time; he's a growing boy). Another colleague managed to ground his rental car on 5" of icy snow (he's from Ontario); spotting his dilemma, an elderly gentlemen mounted his tractor, ducked and weaved his way through heavy traffic from the opposite side of the road, to rescue him. Another received a small monetary gift after the negotiations were complete (she

returned it with thanks and an explanation, but admitted that flowers might have suffered a different fate). There were sad situations too; a farmer and his wife who had spent their whole life working the land where they expected to retire, a dream destroyed by the highway. A gentleman who, just prior to our visit, had been advised he had a terminal condition. He had taught his sons and nephews his business on property that had been in his family for generations; now swallowed by the highway.

None of us "own" property; technically real ownership resides with the Crown and they can take it back whenever they require it for public purposes. We are however, trustees for future generations. It is easy to overlook the pain that losing trusteeship causes. Something to remember next time we draw out onto a highway.

(§) If you would like more information on our Counselling Division visit our Corporate web site www.turnerdrake.com/products/counselling.asp, or you can contact our Vice President Lee Weatherby by email weatherby@turnerdrake.com or by phone at 902-429-1811 Ext. 315 (toll free 1-800-567-3033... this is not a call centre)

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