

**MASTER VALUATION REPORT
(Self-Contained Report)**

**VALUATION OF
PARTIAL TAKING OF
HIGHWAY LANDS AND FEE SIMPLE LANDS
PAQTNKEK-NIKTUEK INDIAN RESERVE NO. 23
AFTON AND HEATHERTON
ANTIGONISH COUNTY
NOVA SCOTIA**

**OWNED BY
THE PAQTNKEK MI'KMAW NATION
AND
JOHN R. PROSPER IN TRUST**

**PREPARED FOR
THE PAQTNKEK MI'KMAW NATION**

**AS OF
1ST JULY 2016**

**BY
LEE WEATHERBY**

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Turner Drake & Partners Ltd.
6182 North Street,
Halifax, N.S. B3K 1P5
Tel.: (902) 429-1811

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Charlottetown, P.E.
Tel: (902) 368-1811

Saint John, N.B.
Tel.: (506) 634-1811

Toronto, ON.
Tel.: (416) 504-1811

Fax.: (902) 429-1891

E-Mail: tdp@turnerdrake.com

Internet: www.turnerdrake.com

Our Ref: 1405739:NB/LW

26 August 2016

Chief P.J. Prosper
Paqtnkek Mi'kmaw Nation
7 Dillon Street
Afton Station NS B0H 1A0

Dear Chief Prosper:

Re: Partial Taking of Highway Lands and Fee Simple Lands, Paqtnkek-Niktuek Indian Reserve No. 23, Afton and Heatherton, Antigonish County, Nova Scotia

In accordance with your instructions, we have completed our valuation of the above property.

Intended Users of this Report

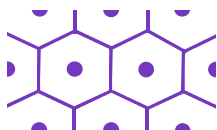
The report has been prepared to estimate the compensation payable for the partial taking of lands for highway purposes by Nova Scotia Transportation & Infrastructure Renewal (NSTIR), and specifically to meet the Appraisal requirements of a tripartite agreement (the "Interchange and Land Accesses Agreement", currently in draft form). Accordingly the report is intended to be relied upon by all three parties to that agreement, being the Paqtnkek Mi'kmaw Nation, our client for this assignment, the Province of Nova Scotia, represented by NSTIR, and by Indigenous & Northern Affairs Canada (INAC). Use of the report for other purposes or by other parties may invalidate the conclusions. The RICS Valuation Standards require that we prepare a new report if the client, intended user, date, or purpose of the assignment, is changed.

Type of Property

The acquisition involves reserve lands (referred to as "Highway Lands") owned by Paqtnkek Mi'kmaw Nation and Fee Simple lands owned by John Prosper In Trust for the Band. It includes the acquisition and removal of several homes and the partial taking of non-developed lands.

Scope of Work

- (i) Property identification – we have relied on survey plans provided to us by NSTIR and INAC for the lands which are to be acquired for highway purposes. The size, dimensions and configuration of the entire land parcels were taken from various sources, including Provincial on-line mapping.



- (ii) Property inspection – we undertook a detailed inspection of the property including the interior and exterior of all buildings that we consider to be impacted by the acquisition. Our findings are described in the body of this report.
- (iii) Data research – we obtained the assessment, zoning, planning and other pertinent data from the appropriate sources. Some sales information is now available from government sources and was utilised for this assignment. Further sales information was compiled from vendors, purchasers, brokers, appraisers, Multiple Listing Services® and other sources we deemed reliable. It was analysed and utilised to compute the Land and Building Values using the Direct Comparison Approach. Building costs were derived from residential costing services.
- (iv) Analyses applied – there are three methods traditionally used to arrive at the value of real estate: the Direct Comparison, Cost and Income Approaches. We utilised the Direct Comparison and Cost Approaches since this was necessary to properly value the property.

The following **Executive Summary** provides an overview of our findings and describes the extent of our investigations and document research.

Quality Standards

Turner Drake's quality assurance system, which covers the conduct of all of our operations, is registered to the ISO 9001:2008 standard. This assignment has been conducted in accordance with our quality assurance system, the Code of Professional Ethics and the Royal Institution of Chartered Surveyors' Valuation Standards [Eighth Edition] (RICS Red Book), the International Valuation Standards (IVS), the Uniform Standards of Professional Appraisal Practice (USPAP) ¹[Self Contained Report], and the Canadian Uniform Standards of Professional Appraisal Practice.

Environmental

No hazardous materials or environmental concerns were observed or brought to our attention during our inspection of the property.

The property has been valued on the assumption that it is environmentally "clean".

Sales & Marketing History

Some of the Fee Simple parcels were acquired in recent years and relevant details are included in the valuation section of the report. They were acquired In Trust for the Band.

Basis of Valuation and Land Title

Since this is an acquisition by the Province of Nova Scotia for public purposes, we have estimated the compensation based on the provisions of the Nova Scotia Expropriation Act, notwithstanding that no expropriation has occurred. All of the compensable heads of claim contained in the Expropriation Act have been addressed in this report.

The Expropriation Act adopts a standard definition of Market Value which presumes conventional (fee simple) land title. Reserve lands are not held in fee simple and cannot be sold in the open market in the conventional sense; they are administered and protected under the Indian Act. However, for valuation purposes we have applied conventional valuation methods and techniques to simulate open market conditions, except as otherwise noted and explained in the report.

¹ A Self Contained Report describes all of the information significant to the solution of the appraisal problem.

Compensation

In our opinion, the compensation payable under the terms of the Nova Scotia Expropriation Act for the acquisition of the subject lands, as of the 1st July 2016, subject to the Limiting Conditions and Assumptions contained herein and assuming a Reasonable Exposure Time of 6 to 12 months, is as follows:

| Component | Compensation Category | Land Area to be Acquired | | Compensation |
|-----------------------------------------------|-----------------------------|--------------------------|----------------------|--------------------|
| | | Hectares | (acres) | |
| "Highway Land" (acquired from IR #23) | Market Value (Land) | 13.27 ha | (32.8 acres) | \$498,500 |
| "Fee Simple Land" | Market Value (Land) | 13.90 ha | (34.35 acres) | \$337,200 |
| Replacement Cost of Homes to be removed (x 7) | "Home-for-a-Home" clauses | | | \$1,322,000 |
| Site Improvements (incidental) | Market Value (Improvements) | | | \$8,400 |
| Injurious Affection to remaining properties | Injurious Affection | | | \$189,200 |
| Disturbance (moving costs) | Disturbance | | | \$17,500 |
| TOTAL COMPENSATION ("APPRAISED VALUE") | | 27.17 ha | (67.15 acres) | \$2,372,800 |

This letter is part of a comprehensive report containing text, exhibits and an addendum. The report should be read in its entirety since parts taken out of context might be misleading.

Yours truly,

TURNER DRAKE & PARTNERS LTD.



LEE WEATHERBY
Vice President
Counselling Division

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SUMMARY OF IMPORTANT FACTS AND CONCLUSION

- Parent Parcel PIDs** - **IR #23 Parcels:** 01264894, 01264951, 01305960, 01308634
"Fee Simple Lands": 01308741, 10060879, 01241926, 01241504, 10060861
- Parcels to be Acquired** - **"Highway Lands" (part of IR #23):**
 Parcels 2014-1, 2014-2, 2014-3, 2014-4, 2014-5, 2014-6, 2014-7, 2014-8, 2014-9, 2014-10, 2014-11, 2014-12.
 - **"Fee Simple Lands":**
 Parcel 1P, Parcel 2P, Parcel 5-P, Parcel 6-P, Parcel 7-P.
- Assessed Owner** - **IR #23:** Not assessed for Municipal taxation.
 - **"Fee Simple Lands":** John Prosper.
- Date of Valuation** - 1st July 2016.
- Land Area of Parent Parcels (PIDs)** - **IR #23 Parcels:** ± 550.45 acres (222.8 hectares). Total of 4 PIDs.
 - **"Fee Simple Lands":** ± 163.00 acres (66.0 hectares). Total of 5 PIDs.
- Land Area of Parcels to be Acquired** - **"Highway Lands" (Part of IR #23):** ± 32.80 acres (13.27 hectares). Total of 12 Parcels to be acquired.
 - **"Fee Simple Lands":** ± 34.35 acres (13.90 hectares). Total of 5 Parcels to be acquired.
- Homes to be Removed**
- 151 Saqamaw Rd.
 - 153 Saqamaw Rd.
 - 159 Saqamaw Rd.
 - 1681 Afton Rd.
 - 1503 Afton Rd.
 - 1493 Afton Rd.
 - 1479 Afton Rd.

Compensation:

| Component | Compensation Category | Land Area to be Acquired | | Compensation |
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