

Bareland Valuation Estimate of Subject Property Desktop Report as at DTBD

Prepared For

ABC Company

Camrose, Alberta

Prepared By

Serecon Inc.

Edmonton, Alberta

January, 2015



serecon

January 19, 2015

Dear Sir:

**RE: DESKTOP APPRAISAL REPORT OF;
REGISTERED TO
OUR FILE #11111**

The purpose of this report is to provide a current bareland market value range for the subject properties, fully described in the following report, subject to the assumptions and limiting conditions set out in the Appendix. The function of this report is for financing purposes.

The client has specifically requested a Desktop Report, which is a limited Appraisal Assignment, prepared in an abbreviated report format. Both the client and the appraiser understand that a physical inspection of the subject properties, comparable properties and/or regional area has not been performed. The contents of this report are based primarily on a "desktop" analysis of data obtained from sources which are believed and assumed to be reliable and accurate. The client agrees that the limited research completed by the appraiser is sufficient and appropriate for the intended use of this report.

It is acknowledged by both parties that a subsequent physical inspection of the subject properties and/or a more in-depth investigation could result in a different conclusion.

Subject to the limited scope and the assumptions and limiting conditions outlined in this report, the market value range of the bareland subject properties on an unencumbered and Fee Simple basis, and assuming the Highest and Best Use is the current use, as of April 9, 2013 (Effective Date of the Appraisal) is:

Estimated Bareland Value Range		
Low	High	Midpoint

Yours truly,
SERECON INC.

Edmonton Office

Enclosure

/da

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1.0 Introduction

1.1 Purpose and Function

This is a Desktop Report, which has been prepared for the exclusive use of the client as named on the cover page of this report. This report is not intended for use by third parties and liability to any unintended users is expressly denied.

The purpose of this report is to provide a current bareland market value range for the subject properties, subject to the Assumptions and Limiting Conditions set out in the Appendix, as at the effective date of this report, January 3, 2014. The function of this report is for financing purposes. No estimate has been made of the value of improvements that may or may not be on the subject properties. The client is aware that, as the degree of departure from a full appraisal report increases, there is a corresponding decrease in the level of the reliability of the report, resulting in a higher level of risk for the user of the report. In particular, the methodology used for the Desktop Report, is less reliable when applied to a subject properties that is unique, have significant potential for non-agricultural uses, or have significant appeal to non-agricultural buyers.

Please refer to the Assumptions and Limiting Conditions in the Appendix and the Scope in Section 1.3 as these provide valuable information on the limitations of this report.

1.2 Definition of Market Value and Highest and Best Use

Market Value is defined as: *"The most probable price which a property should bring in a competitive and open market as of the specified date under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus."*

*Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: buyer and seller are typically motivated, both parties are well informed or well advised, and acting in what they consider their own best interests; a reasonable time is allowed for exposure in the open market; payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."*¹

Highest and Best Use is defined as: *"The reasonably probable and legal use of the property, that is physically possible, appropriately supported, and financially feasible, and that results in the highest value."*²

¹ Canadian Uniform Standards of Professional Appraisal Practice, effective January 1, 2005, Appraisal Institute of Canada, Ottawa, Ontario. Pg 47

² Canadian Uniform Standards of Professional Appraisal Practice, effective January 1, 2005, Appraisal Institute of Canada, Ottawa, Ontario. (Definitions)

1.3 Scope of the Report

For the purposes of this report, we have made an extraordinary assumption that the Highest and Best Use of the subject properties (as of the effective date of the report) is the same as the current use, which is agriculture.

The purpose of this section is to describe the depth of research and analysis used to create this report.

1.3.1 General Comments on Scope

The client has specifically requested a Desktop Report, which is a limited Appraisal Assignment, prepared in an abbreviated report format. Both the client and the appraiser understand that a physical inspection of the subject and/or comparable properties and/or the regional area has not been performed. The contents of this report are based primarily on a “desktop” analysis of data obtained from sources which are believed and assumed to be reliable and accurate. The client agrees that the limited research completed by the appraiser is sufficient and appropriate for the intended use of this report.

It is acknowledged by both parties that a subsequent physical inspection of the subject properties and/or a more in-depth investigation could result in a different conclusion.

1.3.2 Area Analysis

Soil, climate, and agriculture suitability data were obtained from the appropriate secondary data. Data about the municipality and the type of agriculture in the areas come from publicly available information sources from some or all of: the Municipality in which the subject properties are located, general market data from Alberta Agriculture and Rural Development (AARD), and information from the appraisers’ files or familiarity with the area.

1.3.3 Legal Matters

The encumbrances registered against the title(s) are shown on the copy of the Certificate of Title, which are included in the Appendix of this report.

The subject properties have been appraised as though free and clear of all encumbrances.

Legal advice as to all matters concerning the title(s), including the encumbrances, should be sought as no opinion is made or implied by this Limited Appraisal Assignment.

1.3.4 Subject Property Data

Soil information was obtained from the appropriate [Canada Land Inventory. Soil Capability for Agriculture Map](#) and the total acreages were obtained from the Certificates of Title.

Land use information was estimated from aerial photography. It is possible that land use for a particular subject and/or comparable property as of the effective date of the desktop report may be different than the land use estimated from viewing aerial photography.

There are building improvements located on the subject properties. This assignment relates to bareland only; therefore, any value of these improvements has not been considered in this appraisal.

An extraordinary assumption was made that both the zoning and land use district are agricultural (as of the effective date of the appraisal) and this was confirmed by the relevant municipality. In addition, the subject properties are assumed to be in average or typical overall condition, to have good and marketable title and to be in full compliance with all government regulations.

1.3.5 Comparable Search

The information regarding the comparable properties is presented only in a summary format and was obtained mainly from land title transfer information from Alberta Government Services Registries (on-line data). Some of the data may be from MLS data and/or market participants. Unless otherwise specified, the data regarding these comparable properties was not confirmed with the vendor, purchaser, realtor or MLS data involved in each transaction. As a result, the desktop format may occasionally result in the inclusion of some invalid comparable properties.

1.3.6 Valuation Approach

Neither the Income nor the Cost Approaches to Value are appropriate methods of valuation for this assignment, given the limited scope of the type of report requested by the client, and therefore have not been completed. Only the Direct Comparison Approach is utilized in this Desktop Report.

1.4 Area Data

The purpose of this section is to give the reader some familiarity with the municipality and nearby urban and rural centers as well as the type of agriculture in the area.

Municipality and Nearby Urban and Rural Centre(s)

Name	Population (2013)
Town of	
M.D. of	

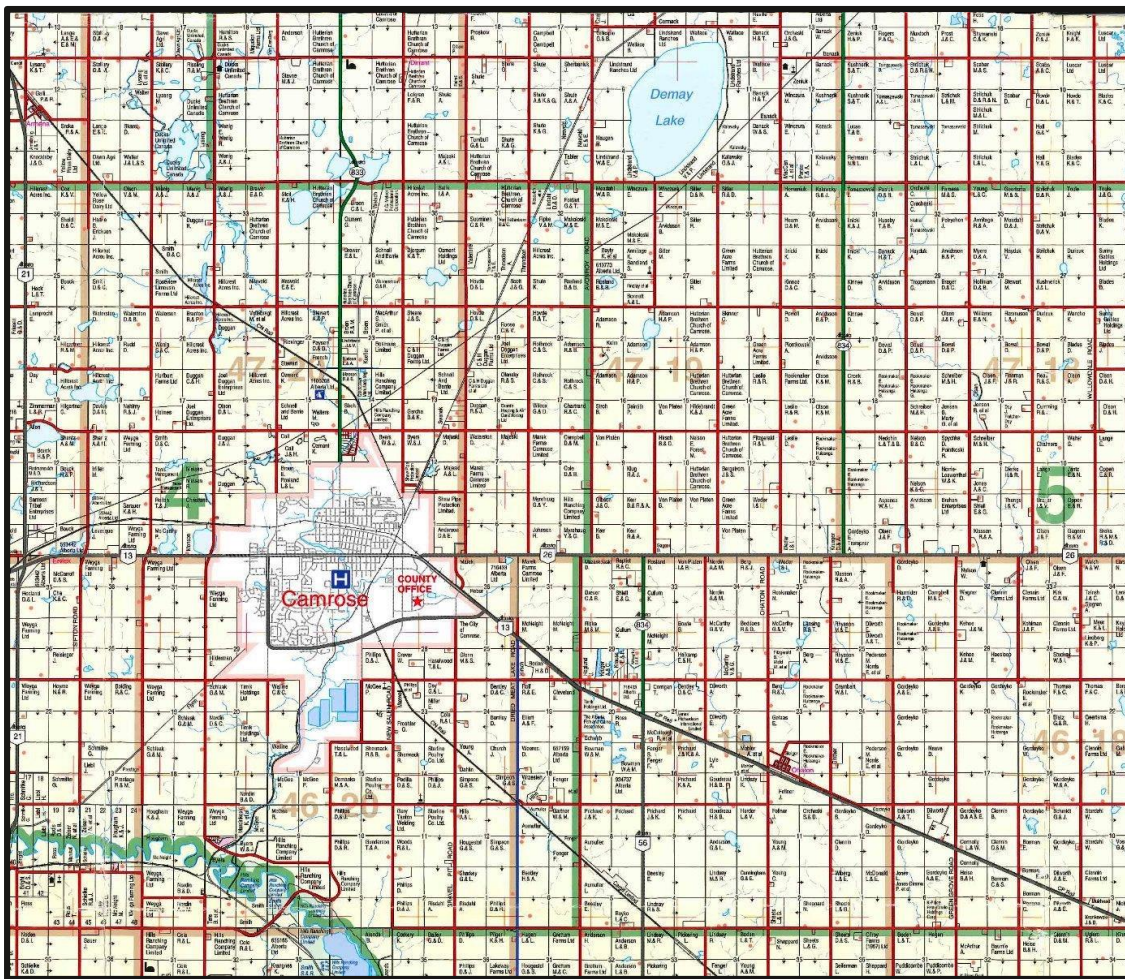
Types of Agriculture

	Common	Some	Little or None
Ranching		✓	
Dryland Crop or Hay	✓		
Irrigated Crop or Hay			✓
Intensive Livestock Operations		✓	

2.0 Description of Subject Properties

The subject properties are located _____.

Area Map



Subject Properties

2.1 Summary of Subject Properties

Legal Description	Acreage	Assumed Zoning	Registered Owner	Land Use
Total				

The subject properties are primarily cultivated land.

2.2 Aerial Photograph



2.3 Certificates of Title

Copies of the Certificates of Title are included in the Appendix of the report.

We have reviewed the encumbrances registered against the subject properties. The subject properties have been appraised as though free and clear of all encumbrances.

2.3.1 Title Transfer
Comments

None of the subject properties have transferred within the past three years.

We are not aware of any current agreement for sale, option, or sale of the subject properties.

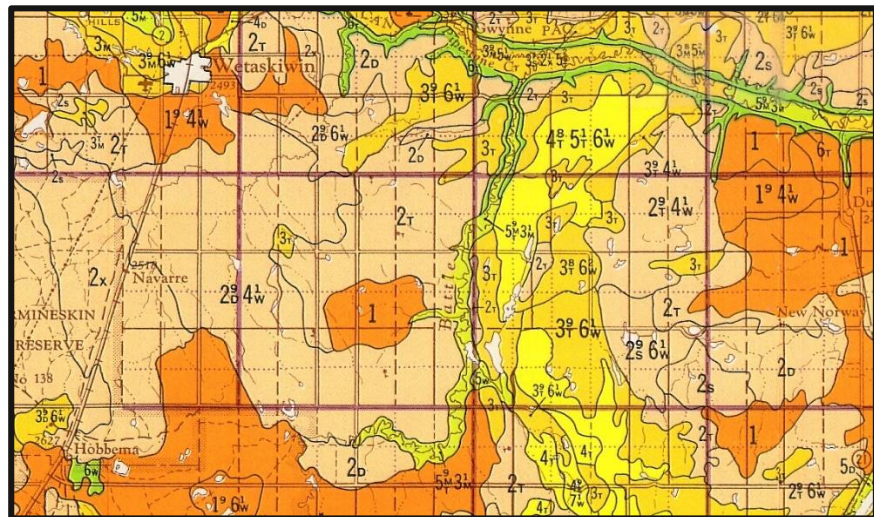
2.4 Soil Rating

The following is a summary of the CLI soil ratings for the subject properties.

Legal Description	CLI Rating

The following map outlines the location of the subject properties on the CLI map.

CLI Soil Capability for Agriculture Map, _____



The following is an explanation of the soil classifications.

Explanation of Soil
Classifications

Canada Land Inventory (CLI) maps detail the soil types in different regions and rate them based on their suitability for agricultural use, using the following classes and subclasses.

Organic soils are not placed in any capability class.

Class 1 soils have no significant limitations in use for crops. The soils can be managed and cropped without difficulty and under good management are moderately high to high in productivity for a wide range of field crops.

CLI Sub-Classes

Class 2 soils have moderate limitations that restrict the range of crops or require moderate conservation practices. Under good management these soils are moderately high to high in productivity for a fairly wide range of crops.

Class 3 soils have moderately severe limitations that restrict the range of crops or require special conservation practices. The limitations affect one or more of the following: timing and ease of tillage; planting and harvesting; choice of crops; and methods of conservation. Under good management they are fair to moderately high in productivity for a fair range of crops.

Class 4 soils have severe limitations that restrict the range of crops or require special conservation practices, or both. The limitations seriously affect one or more of the following: timing and ease of tillage; planting and harvesting; choice of crops; and methods of conservation. The soils are low to fair in productivity for a fair range of crops, but may have high productivity for a specially adapted crop.

Class 5 soils have very severe limitations that restrict their capability to producing perennial forage crops, and improvement practices are feasible. The limitations are so severe that the soils are not capable of use for sustained production of annual field crops. The soils are capable of producing native or tame species of perennial forage plants, and may be improved by use of farm machinery.

Class 6 soils are capable only of producing perennial forage crops, and improvement practices are not feasible. These soils provide some sustained grazing for farm animals, but the limitations are so severe that improvement by use of farm machinery is impractical.

Class 7 soils have no capability for arable culture or permanent pasture.

The subclasses are based on the kinds of limitations as outlined below:

Subclass "C" refers to adverse climate where the main limitation is low temperature or low or poor distribution of rainfall during the cropping season, or a combination of these.

Subclass "D" refers to undesirable soil structure and/or low permeability. The soils are difficult to till, absorb water slowly, or the depth of the rooting zone is restricted.

Subclass "E" refers to erosion damage where past damage from erosion limits agricultural use of the land.

Subclass "F" refers to low natural fertility due to lack of available nutrients, high acidity or alkalinity, low exchange capacity, high levels of calcium carbonate or presence of toxic compounds.

Subclass "I" refers to flooding by streams or lakes which limits agricultural use.

Subclass "M" refers to low moisture holding capacity caused by adverse inherent soil characteristics which limits crop growth.

Subclass "N" applies to soils which are adversely affected by soluble salts.

Subclass "P" refers to stoniness where stones interfere with tillage, planting, and harvesting.

Subclass "R" refers to shallowness where solid bedrock is less than three feet from the surface.

Subclass "S" involves a combination of limitations and could include undesirable soil structure, low natural fertility, low moisture holding capacity, and/or the adverse effect of soluble salts.

Subclass "T" refers to adverse topography where either steepness or the pattern of slopes limits agricultural use.

Subclass "W" refers to excess water other than from flooding which limits use for agriculture. The excess water may be due to poor drainage, a high water table, seepage or runoff from surrounding areas.

Subclass "X" refers to minor cumulative limitations which have a moderate limiting effect on the soil capability.

3.0 Direct Comparison Approach to Value – Market Value Estimate

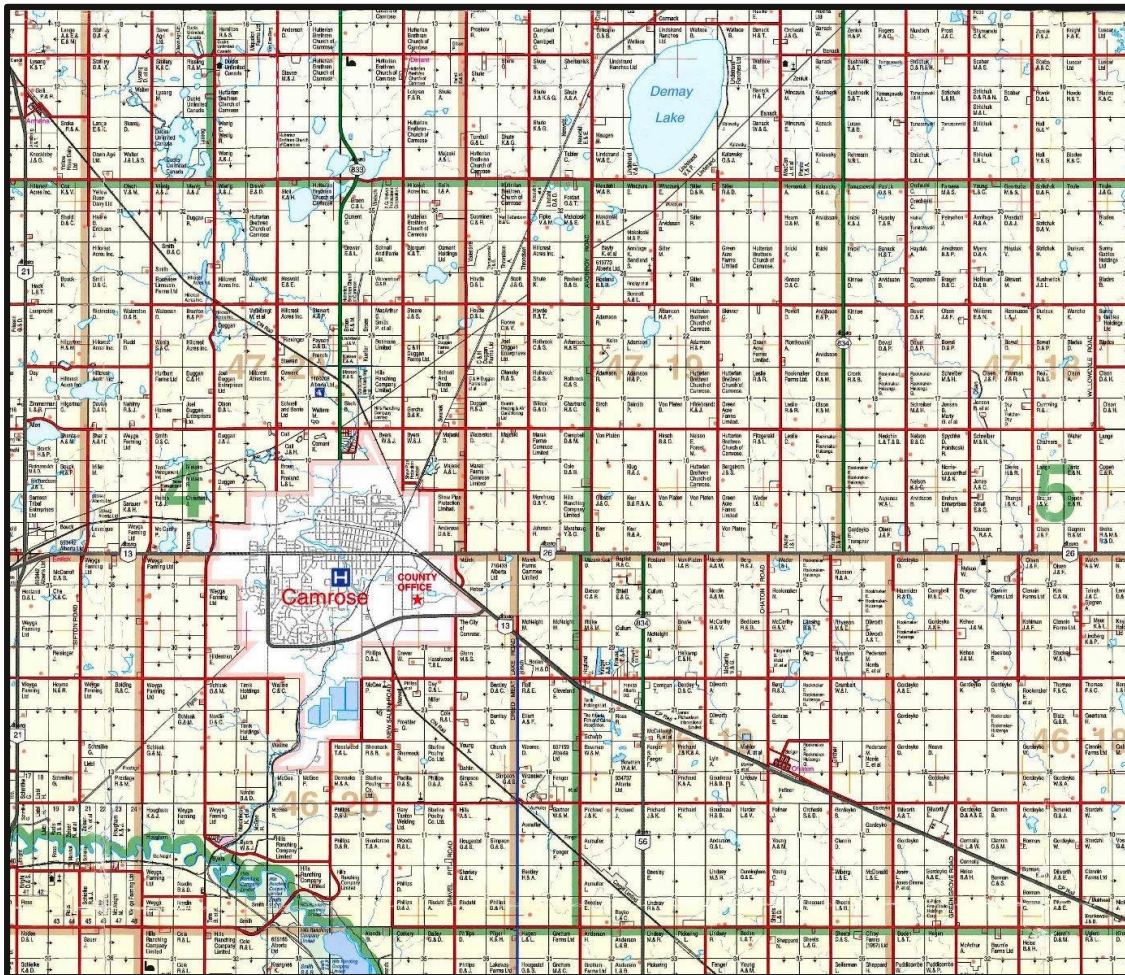
This section provides information on the comparable properties, including legal description, acres, land use, soil classification, transfer date, consideration amount and the presence of or value of improvements at the time of sale. This information is shown in the Summary Table below. The following page provides an explanation of the data in the Summary Table, including the meaning of the abbreviations. Further information can be gained by viewing the municipal map on the following page and the aerial photographs and soil map in Sections 2.0 and 2.3. Data on the subject properties is included for comparison purposes. Please note that the Consideration Amount shown in the last two columns of the Summary Table may, in some cases, include the value of improvements.

Summary Table of Comparables

Subj Prop.	Legal Description	Acres		Land Use	Imp	CLI Soil Class	Date of Transfer	Consideration Total	Amount ¹ \$/acre
See Section 2.1			Section 2.3			N/A		N/A	N/A
Comp #	Legal Description	Acres	Confirm	Land Use	Imp	CLI Soil Class	Date of Transfer	Consideration Total	Amount ¹ \$/acre

¹ Consideration Amount for each Comparable includes improvements, if any, unless the value is known and has been confirmed.

Area Map Showing the Subject and Comparable Properties



 Subject Properties  Comparable Properties

Explanation Notes for the
Summary Table

1. Improvements: Improvements include any non-bareland part of the sale such as buildings, services, surface lease value, and occasionally other items. The codes used in the table are explained as follows:

YES = The presence of improvements has been confirmed with one or more sale participants but the value of the improvements has not been deducted from the consideration value.

\$ (Value) = The presence of significant improvements has been confirmed with one or more sale participants. The value of the improvements has been estimated by one of the participants and been deducted from the consideration value.

NO = Confirmed that there are no improvements;

YES (N/C) = Appears from the analysis of the aerial and/or the municipal map that there are improvements but this has not been confirmed and the consideration value likely includes improvement value.

NO (N/C) = Appears from the analysis of the aerial and/or the municipal map that there are no improvements, but this has not been confirmed.

NK = Not Known, i.e. it is unclear whether or not there are improvements.

2. Land Use: Land use has been estimated by analysis of aerial photography and therefore is as at the date of the aerial. The codes in the table are explained as follows:

DC = Dryland Cultivation (may include tame hay);

OP = Open Pasture (May be native or tame forage);

BP = Trees or Bush (may or may not be used for pasture);

MIX = No dominant land use, only a mixture;

NK = Not Known.

The dominant land use is shown first, followed by the second most common use (if it is a significant portion of the property).

3. CLI Soil Class and Access: CLI soil class is what is shown on the CLI map for the area. Access is estimated from the municipal map and/or aerial photograph.
4. Legal Description, Acres, Date of Transfer, Consideration Amount: Land description is quarter section, section, township, range, meridian. Acres and date of transfer are as reported in information provided by the Municipality. In most cases, the consideration amount is the total amount of the sale, including the bareland value and the contributory value of surface leases and/or improvements (if any). In some cases, where one of the sale participants has provided a value for these items, this has been deducted from the consideration amount to give a bareland value.

3.1 Sales Analysis and Market Value Range Estimate

In this section, we do a mathematical analysis of selected area sales (comparable sales) to show the high, low, and average dollar per acre values of the comparables. The analysis is first done using all of the comparables, then using three different sets of the comparables.

Mathematical Analysis of \$ Per Acre Values of Comparables

	High	Low	Average	Standard Dev.
1. All Comparables				
2. Comparables - Not Including the Top/Bottom 1				
3. Comparables - Not Including the Top/Bottom 2				
4. Comparables - Assumed to be Bareland				

Please note that analyses 1, 2, and 3 may include comparables with improvements. Analysis #4 attempts to remove all improved properties from the analysis but could potentially still include one or more improved comparables (see Section 1.3 – Scope).

The above analyses indicate a relatively narrow range of average values from \$_____ to \$_____ per acre. Thus, if the subject properties are considered to have many similarities to the comparable properties, it is expected that the value of the subject lands will be near the value range indicated.

It is also noted that, in general,

Overall, given the information above, we estimate that the average bareland market value for the subject properties, as of _____, 2014, is as follows:

Estimated Bareland Market Value Range for Subject properties (Rounded)

Estimated Midpoint \$ per acre	Number of Acres	Range (+/-) %	Estimated Bareland Value Range		
			Low	High	Midpoint

Therefore, the estimated bareland market value range for the subject properties, as of _____, 2014, is as follows:

Bareland Estimate of Market Value (Rounded)

Estimated Bareland Value Range		
Low	High	Midpoint

The value is based on a market exposure time of six to 12 months. Exposure time can be defined as, "The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical

consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.”³

The reader is reminded that the purpose of this report is to provide a current bareland market value range for the subject properties and that the Desktop Report is less reliable than a full appraisal, particularly when applied to subject properties that are unique, have significant potential for non-agricultural uses, or have significant appeal to non-agricultural buyers.

³ Canadian Uniform Standards of Professional Appraisal Practice, effective January 1, 2005, Appraisal Institute of Canada, Ottawa, Ontario. Pg 16

4.0 Certification

I certify that, to the best of my knowledge and belief:

- Neither the subject properties nor the comparable properties have been inspected. Not all of the data for the comparable properties has been confirmed with the parties involved.
- To the best of our ability, the statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no past, present or prospective interest or bias with respect to the property that is the subject of this report and no personal interest or bias with respect to the parties involved with this assignment, except as specified herein.
- My engagement in this assignment is not contingent upon developing or reporting a predetermined result, upon the amount of value estimate, upon a direction in value that favours the cause of the client, upon the attainment of a stipulated result or the occurrence of a subsequent event.
- My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice.
- I have the knowledge and experience to complete this assignment competently. Except as herein disclosed, no other person has provided me with significant professional assistance in the completion of this assignment.
- The Appraisal Institute of Canada has a mandatory Continuing Professional Development Program for all members. As at the date of this report, the requirements of this program have been fulfilled.
- , are licensed appraisers under the Real Estate Council of Alberta.

4.1 Value Summary

Subject to the limited scope and the assumptions and limiting conditions outlined earlier in this report, the market value range of the bareland subject properties on an unencumbered and Fee Simple basis, and assuming the Highest and Best Use is the current use as of , 2014 (Effective Date of the Appraisal) is:

Estimated Bareland Value Range		
Low	High	Midpoint

, AACI, P.Ag.

Reviewed by: _____
, AACI, P.Ag.

5.0 Appraiser's Qualifications

Bruce R. Simpson, AACI, P.Ag.

Education and Professional Designations

- Bachelor of Science, Agriculture, University of Alberta, 1975
- Professional Agrologist (P.Ag.), 1981
- Accredited Appraiser (AACI), 1989, Appraisal Institute of Canada
- Fulfilled requirements of Mandatory Re-certification Program, Appraisal Institute of Canada

Areas of Concentration

- Agricultural Economics
- Farm Finance and Management
- Real Estate Appraisals
- Land Use Impacts
- Litigation Support

Summary of Experience

Bruce has completed appraisals in the following areas:

- expropriation appraisals including injurious affection and other damages; expropriation projects including highway expropriations, Oldman River Dam Project, Genesee Power Plant Project, Keephills Power Plant, Ontario Hydro Project and numerous smaller projects
- surface rights appraisals including wellsite, pipeline and power line easements; estimating market value, loss of use and adverse effects
- partial interest valuations; conservation easement appraisals for conservation authorities and landowners
- Native land claim issues: retrospective land appraisals and loss of use estimates
- current market value and Valuation Day appraisals
- mortgage and foreclosure appraisals
- agri-business appraisals.

Bruce has appeared as an expert witness qualified in the areas of real estate appraisal and agrology before the Alberta Court of Queen's Bench, Alberta Land Compensation Board, Alberta Surface Rights Board, Alberta Energy and Utility Board, and Energy Resources Conservation Board.

He has managed property for three absentee foreign owners in irrigation district located near Brooks in southeastern Alberta. The total amount of land managed is approximately 1,500 acres of irrigation and 1,000 acres of dry land.

Bruce has worked on farm financial management projects for financial institutions and farm clients, and also worked with Insolvency department on managing farm receivership files.

He has completed assessment and valuation for numerous litigation cases including crop damages, equipment malfunction, creditor disputes and matrimonial disputes.

Bruce completed appraisals on large Native Specific Claims: Alexander First Nation, Pasqua First Nation, Opaskawayak First Nation, Peguis First Nation and Siksika Nation.

He completed a study of government owned/leased housing rental rates in the N.W.T. involving 1,800 housing units and deriving market based rents of the government housing industry.

Bruce also worked on several land use studies involving the impact or effect of various developments on land values.

Professional Experience

1991 - Present	Serecon, Edmonton, Alberta Involved in providing specialized consulting services in the areas of rural/agricultural business appraisals, farm business management and farm financial management.
1980 - 1991	Deloitte & Touche (formerly Deloitte Haskins & Sells), Agricultural Appraiser and Consultant (Manager, 1984) Involved with property and business appraisals, property and business management, and agricultural consulting.
1979 - 1980	Loan Review Officer, Farm Credit Corporation, Alberta Reviewing loan submissions, collecting research data and training staff. Loan Review position included analysis of loan submissions for all farm enterprises throughout Alberta. Analysis of cost of production, repayment capacity and farm financial requirements were completed on the loan submissions.
1975 - 1979	Credit Advisor, Farm Credit Corporation, Alberta, Grande Prairie, Peace River, Falher and Hanna Alberta Conducting farm appraisals, and advising on long-term mortgages for farms and ranches, field area administration.
1972 - 1975	University of Alberta, Edmonton, Alberta
1971 - 1972	University of Calgary, Calgary, Alberta
Summers	
1971 - 1975	Employed in mixed irrigation family farm, Tilley, Alberta Alberta Horticultural Research Centre, Brooks, Alberta Alberta Department of Agriculture, Taber, Alberta

Professional Memberships

- Alberta Institute of Agrologists
- Appraisal Institute of Canada
- Alberta Expropriation Association
- Alberta Agricultural Economics Association
- International Right-of-Way Association

Glen W. Doll, AACI, P.Ag.

Education and Professional Designations

- Accredited Appraiser Canadian Institute (AACI), Professional Appraiser (P. App.), 2010
- Professional Agrologist (P.Ag.), 2009
- Post Graduate Certificate in Real Property Valuation, University of British Columbia, Distance Education, 2009
- Bachelor of Agriculture, University of Alberta, Edmonton, Alberta, September 2000 – May 2005
Completed Bachelor of Science in Agriculture with a major in Agricultural Economics. Convocated with distinction.

Areas of Concentration

- Agricultural Economics
- Farm Finance and Management
- Real Estate Appraisals
- Land Use Impacts
- Litigation Support

Summary of Experience

Glen provides agricultural and rural consulting services. He has completed numerous real estate appraisals relating to expropriation and surface rights situations throughout Alberta, and provided expert testimony concerning real estate appraisal and agrology before the Alberta Court of Queen's Bench, the Alberta Surface Rights Board, and the Alberta Utilities Commission. Glen has also worked on numerous feasibility studies, viability assessments, impact assessments and land use studies relating to agriculture.

Selected consulting projects include the following:

- Study analyzing various impact scenarios with transmission lines in Alberta.
- Study looking at the impact of transmission lines on the value of rural residential acreages.
- Study looking at the impact of transmission lines on agricultural land values.
- Study looking at the impacts of transmission lines on urban property values.
- Study assessing the impacts of transmission lines on agriculture.
- Viability and feasibility assessments regarding the establishment and expansion of numerous farm and agri-businesses, including the valuation of all related assets.
- Land appraisals for large land acquisition projects for Public Works Canada.

Glen has completed appraisals in the following areas:

- Surface rights appraisals including wellsite, pipeline and power line appraisals estimating market value, loss of use and adverse effect.
- Expropriation appraisals including market value, severance damage, injurious affection and incidental damages; highway expropriations, irrigation dam projects, power plant projects.
- Conservation Easement appraisals.
- Current market value and Valuation Day appraisals.
- Mortgage and foreclosure appraisals.
- Agribusiness appraisals.
- Appraisal of residential, commercial and industrial properties.

Professional Experience

Present	<p>Partner Serecon, Edmonton, Alberta</p> <p>Providing specialized consulting services in the areas of rural/agricultural business appraisals, farm agri-business management and farm financial management.</p> <p>Has appeared as an expert witness qualified in the areas of real estate appraisal and agrology before the Alberta Court of Queen's Bench, the Alberta Surface Rights Board, and the Alberta Utilities Commission.</p> <p>Assisted in financial analysis of dairy, poultry and grain farms.</p>
2005 – Feb 2006	<p>Cargill AgHorizons</p> <p>As an operations trainee, Glen was involved in both sales and management of a farm service center in rural Alberta. This job required many different skills involving all aspects of agricultural training and knowledge obtained through schooling and time on the farm.</p>
2003 – 2004	<p>G-Mac's AgTeam Inc.</p> <p>Fertilizer blending, inventory management, customer service, and delivery.</p>
1992 – 2003	<p>Doll Farms</p> <p>Farm equipment operation and maintenance, building repair and construction, and other general farm operations and management.</p>

Professional Memberships

- Appraisal Institute of Canada (AIC)
- Alberta Institute of Agrologists (AIA)
- Alberta Expropriation Association

Donald L. Hoover, AACI, P.Ag., CMC

Education and Professional Designations

- Bachelor of Science, Agriculture, University of Alberta, 1964
- Professional Agrologist (P.Ag.)
- Accredited Appraiser (AACI) Appraisal Institute of Canada
- Certified Management Consultant
- Fulfilled requirements of Mandatory Re-certification Program, Appraisal Institute of Canada
- Certified Agriculture Consultant

Areas of Concentration

- Agricultural Economics
- Farm Finance and Management
- Real Estate Appraisals
- Land Use Impacts
- Litigation Support

Summary of Experience

Don has completed and reviewed appraisals in the following areas:

- expropriation appraisals including injurious affection and other damages
- conservation easements
- surface rights appraisals including wellsite, pipeline and power line easements; estimating market value, loss of use and adverse effect
- native land claim issues: retrospective land appraisals and loss of use estimates
- agribusiness operations including poultry and beef processing plants, feedmills, canola crushing plants, seed cleaning plants, alfalfa dehydrating plants, feedlots, pulse processing plants, large greenhouse operations, large hog operations, and large dairy operations
- recreational properties, including campgrounds and lake properties
- loss of income, liability and dependency calculations
- current market value appraisals for litigation and mortgage purposes
- Valuation Day appraisals for tax purposes.

Don has appeared as an expert witness before the Alberta Surface Rights Board, the Land Compensation Board of Alberta, the Energy Resources Conservation Board, the Alberta Utilities Commission, the Alberta Court of Queen's Bench, the Saskatchewan Court of Queen's Bench, the Saskatchewan Surface Rights Board, the B.C. Mediation and Arbitration Board, the Ontario Board of Negotiation, and the Federal Court.

He has completed appraisals on large tracts of land for coal mines, park developments, native land claims, and for determining surface rental rates.

Don has been involved in numerous agricultural studies, acting as project leader on many engagements.

He has also been involved in arbitrations and mediations in agricultural issues: father/son and partnership agreements, oil and gas land issues, crow benefit allocation, etc.).

Professional Experience

1991 - Present	<p>Serecon</p> <p>Involved with appraisals, property management, farm financial management, agribusiness valuations, litigation support services, and arbitrations and mediations.</p>
1971 - 1991	<p>Deloitte & Touche (formerly Deloitte Haskins & Sells and Sibbald Group), Agrologists, Accredited Appraisers, Management Consultants (Partner, 1971)</p> <p>In charge of appraisals, farm management, agricultural economic planning, market research and business planning and restructuring.</p>
1969 - 1971	<p>Farm Management Officer for Canada for Farm Credit Corporation</p> <p>Responsible for staff training, policy formulation and implementation of a computerized farm accounting system for F.C.C. across Canada.</p>
1967 - 1969	<p>District Supervisor for Farm Credit Corporation in Prince Edward Island and Nova Scotia</p> <p>Responsible for all area loans and directly involved in "special" loans.</p>
1965 - 1967	<p>Credit Advisor, Farm Credit Corporation in Alberta</p> <p>Appraising farm properties and advising on long-term mortgages for farms and ranches.</p>
1964 - 1965	<p>Range Land Surveyor, Alberta Department of Lands and Forests</p> <p>Assessment of Carrying Capacity of Range Land in the Alberta Forest Reserve.</p>

Other Business Affiliations

Owner/operator of a farming operation in the Peace River area of Alberta, seeded to coarse grains, canola, and pulses.

Professional Memberships

- Alberta Institute of Agrologists, Past President
- Alberta Expropriation Association
- Appraisal Institute of Canada
- American Society of Agricultural Consultants
- American Society of Farm Managers and Rural Appraisers
- International Right of Way Association
- Institute of Certified Management Consultants of Alberta/Canada

Courtney T. Knude, AACI

Education and Professional Designations

- Accredited Appraiser (AACI), 2001, Appraisal Institute of Canada
- Conservation Easement Appraisal Seminar – ASFMRA – 2000
- LRM Diploma – Seed and Grain Technology – Olds College – 1995
- LRM Diploma – Land Classification and Reclamation– Olds College - 1994
- Fulfilled requirements of Mandatory Re-certification Program, Appraisal Institute of Canada

Areas of Concentration

- Agricultural Economics
- Real Estate Appraisals
- Land Use Impacts
- Litigation Support

Summary of Experience

Courtney has over 17 years experience in the field of rural property appraisal. Courtney has completed a variety of appraisal assignments including expropriation, foreclosure, divorce, estate and tax settlement and conservation easements. Ms. Knude has also assisted in the development and delivery of Conservation Easement Appraisal training courses for the Government of Canada. The Court of Queen's Bench accepts Ms. Knude as an expert witness.

Courtney has completed appraisals and provided consulting services in the following areas:

- expropriation appraisal and compensation analysis including land value, building site relocation, agricultural disturbance damages including farm reconfiguration and injurious affection. Projects include highway widenings, reservoir development, and new highway development.
- co-developer and Co-presenter of Pilot Ecogift Seminar in Calgary, April 2001. This seminar outlined the Government of Canada's Ecogift program and methodology to assess the impact of Ecogifts on market value.
- appraisal of the impact of conservation easements on agricultural land in Alberta, Saskatchewan and Manitoba. Properties include parcels with high non-agricultural development potential to properties with limited long and short term development potential.
- historical market value appraisals for income tax, divorce and estate purposes.
- market value appraisals of agricultural properties throughout Alberta.
- foreclosure appraisals.
- qualified as an expert witness for Court of Queen's Bench

Professional Experience

1996 - Present	Serecon/AFC Agra Services, Calgary
	Involved in providing specialized consulting services in the areas of rural/agricultural business appraisals.

1995 - 1996	Crop Tech Agro Ltd. Agricultural Consultant Assisted farmers with fertilizer, seed and chemical decisions related to their farming operations.
1994 - 1995	Olds College Students Association. President
Summer 1994	Imperial Oil. Reclamation Assistant

Professional Memberships

- Appraisal Institute of Canada (AIC)
- Alberta Expropriation Association
- Calgary Real Estate Board (Appraiser member)
- South Central Real Estate Association (Appraiser member)

David W. Weber, AACI, P.Ag.

Education and Professional Designations

- Post Graduate Certificate in Real Property Valuation, University of British Columbia, Distance Education
- Post-Graduate Certificate in Agribusiness for Development, University of London, Distance Learning
- Derivative Market Specialist (DMS), Canadian Securities Institute
- Accredited Appraiser (AACI), 2008, Appraisal Institute of Canada
- Canadian Securities Course, Canadian Securities Institute
- Bachelor of Science in Agriculture (with Distinction), University of Guelph, 2000, OAC Dean's Scholarship
- Australian Agribusiness Exchange, Muresk Institute of Agriculture, 1999
- Agricultural Production Diploma (with Distinction), Olds College, 1996, Canada Scholarship in Technology

Areas of Concentration

- Agricultural Economics
- Farm Finance and Management
- Real Estate Appraisals

Summary of Experience

David provides agricultural and rural consulting services. He has completed a variety of appraisals for agricultural properties and agribusinesses, including specialized agricultural businesses, conservation easements, expropriation, and native land claims.

Professional Experience

Present	Consultant Serecon, Calgary, Alberta
2003 - 2006	Consultant AFC Agra Services, Calgary, Alberta
2001 - 2003	Elevator Assistant Pioneer Grain Co. Ltd. <ul style="list-style-type: none">▪ Conveyed marketing options to farm customers▪ Managed distribution of crop input products▪ Evaluated grain samples for grading factors
2000	Custom Harvester Thacker Harvesting Ltd. <ul style="list-style-type: none">▪ Lived and worked with mobile team of harvesters▪ Harvested crops for farmers from Oklahoma to Alberta
1996 - 1999	Agronomic Assistant Agricore Co-operative (currently Agricore United) <ul style="list-style-type: none">▪ Planted, maintained, and harvested grain research trials▪ Learned agronomic practices within a variety of soil zones

Professional Memberships

- Professional Agrologist (P.Ag.), Alberta Institute of Agrologists
- Accredited Appraiser (AACI, P.App.), Appraisal Institute of Canada
- Member, International Right of Way Association
- Member, Alberta Expropriation Association

Bradley D. Slomp, AACI

Education and Professional Designations

- The Appraisal Institute of Canada
 - Accredited Appraiser Canadian Institute (AACI), Professional Appraiser (P. App.), 2011
- The University of British Columbia
 - Post Graduate Certificate in Real Property Valuation, 2008-2011
- The University of Lethbridge
 - Bachelor of Management (in Finance), 2005 - 2009
 - Awarded with Great Distinction

Areas of Concentration

- Valuations and Appraisals
- Benchmark Studies
- Land Use Impact Studies
- Land Use Compensation Analysis
- Investment Due Diligence

Summary of Experience

Brad has an agricultural background as he grew up and worked on a dairy and feedlot operation in southern Alberta where he worked with his family until he joined Serecon in 2008. His education in financial management provides him with a strong commerce and economic understanding that allows him to provide professional valuation and appraisal services to individuals and organizations who require agricultural expertise. His analyses pertain to farmland, agri-business, country residential, recreational, future development, commercial, and industrial properties. He assists clients with numerous needs including financing, tax purposes, expropriation, surface rights issues, conservation easements, litigation, dispute resolution, buying or selling decisions, transferring ownership, and accounting requirements. He has also been involved with Management Consulting projects such as business plans, industry studies, economic impact analyses, and strategic planning.

Professional Experience

2008 - Present	Appraiser Serecon, Calgary, Alberta <ul style="list-style-type: none">▪ Valuations & Appraisals▪ Farm Asset Management▪ Management Consulting
1998 – 2008	Park Road Cattle Company Nobleford, Alberta <ul style="list-style-type: none">▪ Feedlot supervisor▪ Farm management

2004 – 2005 United Farmers of Alberta
Lethbridge, Alberta

- Customer service representative
- Inventory coordination

Awards and Professional Memberships

- Louise McKinney Scholarship, 2008
- Jason Lang Scholarship, 2007
- Jason Lang Scholarship, 2006
- Alberta Expropriation Association Member
- Appraisal Institute of Canada Member

Trevor J. Birchall, AACI, P.Ag.

Education and Professional Designations

- Accredited Appraiser (AACI), 2016, Appraisal Institute of Canada
- Professional Agrologist
- Candidate Member with the Appraisal Institute of Canada
- Certified Agricultural Consultant Candidate
- Bachelor of Science, Agriculture – Resource Economics, University of Alberta, 2009
- Agriculture Business Diploma, Entrepreneurship and Rural Small Business, Olds College 2004 - 2006

Areas of Concentration

- Agricultural Consulting
- Agricultural Real Estate Appraisals

Summary of Experience

Trevor comes from a family owned cattle operation. He has worked in farm equipment sales and as an agronomist; where he conducted crop scouting to identify weeds and diseases, recommended chemical solutions, gathered and recorded data related to chemical performance and dealt with range and pasture sales and inquiries. With Serecon he assists with consulting projects and studies that relate to farm and crop management, cost of production studies, feasibility studies and agricultural appraisals concerning mortgage, estate, expropriation, surface rights, acquisition and management and Crown lands, and Native land claims.

Professional Experience

Present	<p>Consultant Serecon, Edmonton, Alberta</p> <p>Involved with consulting projects and studies that relate to farm and crop management, cost of production studies, feasibility studies and agricultural appraisals concerning mortgage, estate, expropriation, surface rights, acquisition and management and Crown lands, and Native land claims.</p>
2005 – 2008	<p>Summer Positions: Serecon Management Consulting Inc.</p> <ul style="list-style-type: none">▪ Junior consultant <p>Deer Land Equipment</p> <ul style="list-style-type: none">▪ Sales <p>Parkland Agra Services</p> <ul style="list-style-type: none">▪ In crop scouting, weed and disease identification▪ Chemical recommendations▪ Range and pasture sales and inquiries

Awards and Experiences

- 4-H Beef Club Member – 8 years. Held positions of Vice-President and President. Winner of numerous public speaking competitions
- U of A, Agriculture Club, President
- U of A, FarmHouse, Vice President, Finance
- U of A, Agriculture Marketing Club, Vice President
- U of A, Faculty Students Association

Memberships, Committees and Technical Certificates

- Appraisal Institute of Canada (AIC)
- Alberta Institute of Agrologists (AIA)
- Certified Management Consultants of Alberta (CMC) (CAC)
- Alberta Expropriation Association
- U of A, Undergraduate Representative on the Hiring Committee for the Dept. of Rural Economy
- Organizing Committee, North American Consulting School, 2013
- Executive, Alberta Institute of Agrologists, Edmonton Branch
- Director at Large, FarmHouse Fraternity Alberta

Fred de Mille, P.AG., M.Sc.

Education and Professional Designations

- Bachelor of Science, Agriculture, Montana State University, 1969
- Master of Science, Agriculture, University of Guelph, Graduated with Distinction, 1971.

Areas of Concentration

- Agricultural Consulting
- Agricultural Real Estate Appraisals

Summary of Experience

Fred consults in the area of agricultural loss of income for various reasons including among others, personal injury, herbicide damage, and fire. Fred also assists with First Nation land claims, surface rights negotiations, and feasibility studies. He has worked with Siksika's range management crew for a number of years on their native range projects.

Professional Experience

Present	Consultant Serecon, Calgary, Alberta
1997 - 2006	AFC Agra Services Ltd., Calgary, Alberta <ul style="list-style-type: none">▪ Research associate and co-author of Agricultural Loss of Use Studies including those for the Key, Keeseekoose, Cote, Peguis, Roseau River and Ft. William First Nations.▪ Retained by various law firms to review expert reports dealing with losses of agricultural income and personal income from personal injuries that occurred on the farm and prepare rebuttal reports.▪ Retained by farm clients, insurance companies and agricultural firms to prepare damage assessments for losses resulting from fire, herbicide drift, herbicide mis-application, and equipment failure, among others.▪ Research, prepare and present arguments for farm clients and resource firms at Surface Rights Board hearings, EUB hearings or for unstructured negotiation.▪ Research and prepare agricultural feasibility studies including range condition surveys.▪ Retained by the Siksika Nation to train and work with a range management team to conduct range condition surveys and recommend stocking rates for approximately 75000 acres of native range. The surveys were conducted for five summers and the team is now working on range enhancement projects and general range management with nation ranchers▪ Research associate and principal interviewer for the production and publication of "Agriculture and Agri-Business Structures – A practical Guidebook". The guidebook is intended for use by groups or individuals choosing or changing an agricultural organizational structure as well as those professionals serving farm or agri-business (e.g lawyers, accountants, consultants, extension professionals, etc.).

- Numerous assessments of damages to crops, soils and facilities with estimates of “Cost to Cure” and estimates of lost income. Clients have been farmers, insurance companies, attorneys and agricultural corporations producing herbicides and seed
- Expert witness testimony in Court of Queen’s Bench, Federal Tax Court, Alberta Surface Rights Board and E.U.B.
- Coordinated the Farm Financial Advisory Service (Region Six) for Agriculture, Food & Rural Development from January, 1985 until April 1996 under Personal Service Contract.
- Developed agricultural business plans with viability analysis for a variety of agricultural ventures.
- Analysed financial and production data with appropriate recommendations for feedlots, cow/calf, cereal and oilseed, apiaries and aerial applicators.
- Researched and developed a business plan for a satellite waste wood chipping venture.
- Researched and developed a business plan for a post and pole CCA treatment venture.
- Prepared preliminary business plans for a feedmill, an integrated broiler venture, a warehousing company and several mixed farms in Lithuania and Russia.
- Negotiated settlements between creditors and farm clients in default or financial difficulty.
- Consulted as a field expert and panel member for the farm debt review board.
- Own and operated a 650 seeded acre cereal and oilseed farm (presently leased out).
- Provided pesticide, fertilizer and other farm management recommendations.

1978 - 1984

Alberta Agriculture District and Senior District Agriculturist

- Researched and provided farm management recommendations to a variety of agricultural enterprises
- Developed effective extension programs for the farming sector
- Prepared and delivered education courses and seminars
- Delivered and coordinated Government programs
- Designed and documented field demonstrations of agronomic practices

1976 - 1978

Field Representative for N.A.R.P. (Northern Alberta Rapeseed Processors)

- Consulted with farmers to provide current canola technology.
- Contracted and supervised seed production.

1974 - 1976

Design and Sales Representative for “Stirdon Systems”

- Assessed farm requirements for grain handling, feed processing and grain drying
- Designed grain handling systems for the farm
- Prepared equipment and installation cost estimates
- Sold and serviced systems

Professional Memberships

- Alberta Institute of Agrologists
- CESO volunteer 1994, 1996

Appendix

Appendix A – Assumptions and Limiting Conditions

Appendix B – Copies of Certificates of Title

Assumptions and Limiting Conditions

The value estimates and the certification that appears in this Rural Desktop Report are subject to the following assumptions and limiting conditions:

1. This Desktop Report is a Limited Appraisal Assignment and is prepared in accordance with the Canadian Uniform Standards of Professional Practice (The Standards) of the Appraisal Institute of Canada.
2. Neither the subject properties nor the comparable properties have been inspected. Not all of the data for the comparable properties have been confirmed with the parties involved. Thus, there may be significant improvements on or conditions of the subject properties or comparable properties that are not known to the appraiser. In addition, the report may contain some invalid comparable properties (e.g. non-arm's-length transactions or transfers resulting from old agreements for sale) where such information could only be obtained through confirmation with a sale participant. These factors significantly reduce the reliability of this report. Please refer to Section 1.4, which outlines the scope of this report.
3. An extraordinary assumption has been made that the Highest and Best Use of the subject properties (as of the effective date of the report) is the same as their current use. A further extraordinary assumption has been made that the zoning and land use district of the subject properties are agricultural and this is confirmed by the relevant municipality. The client requested that this appraisal be done on the assumption that the zoning and land use district of the subject properties are agricultural and that the current agricultural use be assumed to be the Highest and Best Use (as of the effective date).
4. It is assumed that:
 - the legal descriptions of the subject properties as stated herein is recorded by the Registrar of the Land Titles Office and is assumed to be correct.
 - the land survey is correct. No legal survey on our part was made and we assume no responsibility in this connection.
 - the titles are good and marketable. All liens and/or encumbrances have been disregarded and the properties have been appraised as though free and clear with the exception of normal mortgage financing.
 - the properties are held under normal, responsible ownership as of the effective date.
 - there are no encroachments, encumbrances, restrictions, leases or covenants that would in any way affect the valuation, except as expressly noted herein.
 - the existing use is a legally conforming use which may be continued by any purchaser from the existing owner.

- there are no hidden or unapparent conditions of the properties, sub-soil or structures that would render it more or less valuable. No responsibility is assumed for such conditions or engineering that might be required to discover these factors.
5. Information, estimates, and opinions that have been expressed in the Limited Appraisal Assignment are obtained from sources considered to be reliable and they are believed to be true and correct. No responsibility is assumed for accuracy of such items that were furnished by other parties.
 6. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the properties, or adverse environmental conditions that would make the properties more or less valuable and has assumed that there are no such conditions and makes no guarantees or warranties, expressed or implied, regarding the condition of the properties. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this desktop report must not be considered as an environmental assessment of the properties.
 7. The appraiser will not disclose the contents of this report except as provided for by the provisions of the Canadian Uniform Standards of Professional Appraisal Practice ("The Standards").
 8. Written consent from the author and supervisory appraiser, if applicable, must be obtained before any part of the appraisal report can be used for any purpose by anyone except the client and other intended users identified in the report.
 9. Should the effective date of a desktop report be different than the date of the aerial photography used, both the client and the appraiser realize that assumptions made regarding land use become less reliable.
 10. Section 3.0 of this desktop report includes a Municipal/County map detailing the subject area and the location of the subject properties and comparable properties. The appraisers have utilized municipal maps that were in effect as close as possible to the effective date of appraisal. The characteristics of the subject area (as of the effective date of the report) may be different from the characteristics of the subject area (as detailed on the maps utilized). Therefore, when the effective date of a desktop report differs from the date of the maps being used, both the client and the appraiser acknowledge that these circumstances reduce the reliability of the desktop report.

Copies of Certificates of Title