

Goodman report:

Cardinal Court 2130 York Avenue, Vancouver August 2015 Rent Roll

| Suite # | Type | Rent (\$) | Parking | Total Rent (\$) |
|--------------|------------------|-----------------|--------------|-----------------|
| 1 | 1 bedroom | 1,172 | 25 | 1,197 |
| 2 | 1 bedroom | 1,219 | 25 | 1,244 |
| 3 | 1 bedroom | 1,079 | | 1,079 |
| * 4 | 2 bedroom | 1,750 | | 1,750 |
| 5 | 1 bedroom | 1,124 | | 1,124 |
| 6 | 1 bedroom | 1,150 | | 1,150 |
| 101 | 1 bedroom | 1,111 | | 1,111 |
| 102 | 1 bedroom | 1,281 | | 1,281 |
| 103 | 1 bedroom | 1,166 | | 1,166 |
| 104 | 1 bedroom | 1,250 | | 1,250 |
| 105 | 1 bedroom | 1,100 | 25 | 1,125 |
| 106 | 1 bedroom | 1,250 | | 1,250 |
| 107 | 1 bedroom | 1,281 | 35 | 1,316 |
| 108 | 1 bedroom | 1,204 | 25 | 1,229 |
| 109 | 1 bedroom | 1,275 | 35 | 1,310 |
| 110 | 1 bedroom | 1,326 | 25 | 1,351 |
| 201 | 1 bedroom | 1,251 | 25 | 1,276 |
| 202 | 1 bedroom | 1,230 | | 1,230 |
| 203 | 1 bedroom | 1,139 | 25 | 1,164 |
| 204 | 1 bedroom | 1,098 | 25 | 1,123 |
| 205 | 1 bedroom | 1,306 | 35 | 1,341 |
| 206 | 1 bedroom | 1,275 | | 1,275 |
| 207 | 1 bedroom | 1,300 | 35 | 1,335 |
| 208 | 1 bedroom | 1,281 | 35 | 1,316 |
| 209 | 1 bedroom | 1,303 | 35 | 1,338 |
| 210 | 1 bedroom | 1,275 | | 1,275 |
| Total | 26 Suites | \$32,196 | \$410 | \$32,606 |

Note:

* Suite #4 is a 2-bedroom and occupied by the caretaker. Market rent is estimated at \$1,750/month. Currently, the rent charged is only \$800/month.

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Cardinal Court 2130 York Avenue, Vancouver Income and Expense Statement

| Income (Annualized as of August 2015) | | |
|---------------------------------------|--|-------------------|
| Rents (\$32,196 x 12 months) | | \$ 386,352 |
| Parking (\$410 x 12 months) | | 4,920 |
| Laundry (est.) (\$450 x 12 months) | | 5,400 |
| | | <u>\$ 396,672</u> |
| Less Vacancy at 0.5% | | — 1,983 |
| Effective Gross Income | | \$ 394,689 |

| Expenses (2014) | | |
|---|--|-----------------------|
| Elevator | | 2,038 |
| Garbage | | 5,870 |
| Insurance | | 12,508 |
| License/Dues | | 3,581 |
| Taxes (2015) | | 27,270 |
| (1) Utilities including water/sewer, hydro, gas | | 25,159 |
| (2) Caretaker | | 14,040 |
| Repairs and Maintenance | | 15,462 |
| (3) Property Management (3.25%) | | 12,827 |
| Pest control | | 533 |
| Fire safety | | 901 |
| Total Expenses | | <u>120,189</u> |
| Net Operating Income | | \$ 274,499 |

Notes:

- (1) Utilities currently estimated - to be confirmed.
- (2) Caretaker expense has been normalized to \$14,040/year (\$45/unit/month). Currently, the caretaker salary is \$23,341 and also receives a rent abatement of approximately \$950/month (\$11,400/year).
- (3) Property Management has been normalized to 3.25% of Effective Gross Income.

The property currently provides Shaw Cable services for 9 tenants which is not reflected in the expenses. The service is in the process of being cancelled and the 9 tenants will receive a nominal rent reduction.