

Current Short Narrative Desktop Real Estate Appraisal

Two Quarter Sections of Vacant Agricultural Zoned Land
NW11-44-21-W4, East & West ½ of NW8-44-20-W4

Camrose County, Alberta



Subject NW11



Subject NW8

Prepared for:
Bank Client

Prepared by:
Dale Yachimec, AACI, P.App., MBA
Dale Commercial

Effective Date: December 8, 2022

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Our File No. J633
Client File No.

December 9, 2022

Attention: Bank Client

RE: Current Short Narrative Desktop Real Estate Appraisal the Two Quarter Sections of Vacant Agricultural Zoned Land Located in Camrose County, Alberta.

Dear Mr. Bank Client:

As requested, the above referenced property has been examined for factors deemed pertinent in arriving at an estimated market value. The purpose of this appraisal is to estimate the Current Fee Simple Interest Market Value of above property legally described as NW11-44-21-W4, East & West 1/2 of NW8-44-20-W4. The following pages constitute my appraisal report, including the data and analyses utilized in forming an estimate of market value, which is summarized in the Executive Summary of Salient Facts and Conclusions section of the appraisal report. This appraisal report was requested by the Bank Client to provide first mortgage financing to the applicant. Therefore, the client and intended user of this report is to whom this appraisal is intended, or the Bank Client despite that the applicant is paying for the appraisal. As per the terms of reference provided by the client, this is to be a Short Narrative Desktop appraisal. Therefore, this appraisal has fewer discussions and illustrations than a full narrative appraisal and exclude an inspection of the Subject property while still meeting all of the CUSPAP Appraisal standards requirements. Also, as per the terms of reference provided by the applicant, one unit value and overall value can be concluded for the three separately titled Subject parcels recognizing that different unit values would apply to each Subject parcel if sold separately.

In order to carry out this assignment, the Subject land was not inspected but instead was analyzed via scaled aerial satellite photos and a market study of real estate activity in the vicinity of the Subject property was conducted by the Appraiser. This investigation included the collection and analysis of real estate market transactions, listings, offerings and information pertaining to other transactions that have occurred in the area in the recent past.

The maximum loan to value that can be relied upon for this appraisal when used for first mortgage financing is limited to a maximum of 80% given the Subject property unique characteristics, changes in supply and demand and overall changing market conditions.

Based on all of the preceding data, analyses and conclusions, the following market value estimate has been concluded for the Subject property described herein effective December 8, 2022.

Valuation Premise	Effective Date	Estimated Overall Value*
Market Value "As Is"	December 8, 2022	Confidential

* - See Extraordinary Assumptions & Hypothetical/Limiting Conditions

The concluded market value estimate stated above, as well as every other element of this appraisal, are qualified in their entirety by the Fundamental Assumptions and Limiting Conditions set forth in this report, which are an integral part of this appraisal.

Should you have any questions concerning this report, please do not hesitate to call me directly at 780-902-2522.

Respectfully submitted,

UNSIGNED DRAFT

Dale Yachimec, AACI, P.App., MBA
Dale Commercial
☐ YES ☒ NO

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INTRODUCTION

EXECUTIVE SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Client: Bank Client
Property Owner: D. & M. B.
Intended Use and User(s): For providing first mortgage financing to the applicant by the client, or the Bank Client
Property Address/Municipality: Camrose County, Alberta
Legal Address: NW11-44-21-W4, E. & W. 1/2 NW8-44-20-W4
Property Description/Use: Two Quarter Sections of Vacant Agricultural Zoned Land / Agricultural Cropland
Land Use Designation/Zoning: A-Agricultural
Inspection Date: Not Inspected
Effective Date of Appraisal: December 8, 2022
Report Date: December 9, 2022
Property Rights Appraised: Fee Simple Interest
Appraisal Timing and Format: Current Market Value in a Short Narrative Desktop Appraisal Format
Land Size: NW11: 157.99 Acres; NW8: 158 Acres; Total: 315.99 Acres
Land Percent Overall Cultivated: 86.5%
Highest and Best Use as Vacant: Agricultural Cropland Usage
Highest and Best Use as Improved: Agricultural Cropland Usage (Same As Vacant)

Valuation Premise	Effective Date	Estimated Overall Value*
Market Value "As Is"	December 8, 2022	Confidential

* - See Extraordinary Assumptions & Hypothetical/Limiting Conditions

Exposure Time (as defined in this report): 4 to 6 months given strong agricultural market conditions in Camrose County and Alberta in general due to Alberta's high Farm Cash Receipts/Exports as a result of strong world demand for agricultural products and considering the large number of bids received for the farmland recently sold near Meeting Creek in November 2022

FUNDAMENTAL ASSUMPTIONS AND LIMITING CONDITIONS

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following assumptions and conditions and any other specific conditions set forth by the Appraiser elsewhere in the report.

General

1. This report is prepared only for the client and authorized users specifically identified in this report and only for the specific use identified herein. No other person may rely on this report or any part of this report without first obtaining consent from the client and written authorization from the authors. Liability is expressly denied to any other person and, accordingly, no responsibility is accepted for any damage suffered by any other person as a result of decisions made or actions taken based on this report. Liability is expressly denied for any unauthorized user or for anyone who uses this report for any use not specifically identified in this report. Payment of the appraisal fee has no effect on liability. Reliance on this report without authorization or for an unauthorized use is unreasonable.
2. Because market conditions, including economic, social and political factors, may change rapidly and, on occasion, without warning, this report cannot be relied upon as of any date other than the effective date specified in this report unless specifically authorized by the author(s).
3. The author will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The property is appraised on the basis of it being under responsible ownership. No registry office search has been performed and the author assumes that the title is good and marketable and free and clear of all encumbrances. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property's owner or identifying the property owned by the listed client and/or applicant provided by the appraiser is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.
4. Verification of compliance with governmental regulations, bylaws or statutes is outside the scope of work and expertise of the appraiser. Any information provided by the appraiser is for informational purposes only and any reliance is unreasonable. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.
5. No survey of the property has been made. Any sketch in this report shows approximate dimensions and is included only to assist the reader of this report in visualizing the property. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.
6. This report is completed on the basis that testimony or appearance in court concerning this report is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to: adequate time to review the report and related data, and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the author has no knowledge of any hidden or unapparent conditions (including, but not limited to: its soils, physical structure, mechanical or other operating systems, foundation, etc.) of/on the Subject property or of/on a neighbouring property that could affect the value of the Subject property. It has been assumed that there are no such conditions. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the author. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and 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. The bearing capacity of the soil is assumed to be adequate.
8. The author is not qualified to comment on detrimental environmental, chemical or biological conditions that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air which may include but are not limited to molds and mildews or the conditions that may give rise to either. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. It is an assumption of this report that the property complies with all regulatory requirements concerning environmental, chemical and biological matters, and it is assumed that the property is free of any detrimental environmental, chemical legal and biological conditions that may affect the market value of the property appraised. If a party relying on this report requires information about or an assessment of detrimental environmental, chemical or biological conditions that may impact the value conclusion herein, that party is advised to retain an expert qualified in such matters. The author expressly denies any legal liability related to the effect of detrimental environmental, chemical or biological matters on the market value of the property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources the author considered reliable. Unless otherwise stated herein, the author did not verify client-supplied information, which the author believed to be correct.

10. The term "inspection" refers to observation only as defined by CUSPAP and reporting of the general material finishing and conditions observed for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only.
11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The author has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The author has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this visual inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the author.
12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The author acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the author's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the author's privacy policy and in accordance with the PIPEDA.
13. The author has agreed to enter into the assignment as requested by the client named in this report for the use specified by the client, which is stated in this report. The client has agreed that the performance of this report and the format are appropriate for the intended use.
14. This report, its content and all attachments/addendums and their content are the property of the author. The client, authorized users and any appraisal facilitator are prohibited, strictly forbidden, and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
15. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the author can be reasonably relied upon.
16. This report form is the property of the Appraisal Institute of Canada (AIC) and for use only by AIC members in good standing. Use by any other person is a violation of AIC copyright.
17. Where the intended use of this report is for financing or mortgage lending or mortgage insurance, it is a condition of reliance on this report that the authorized user has or will conduct lending, underwriting and insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender or insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct loan underwriting or insuring due diligence similar to the standards set out by the Office of the Superintendent of Financial Institutions (OSFI), even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition. Any reliance on this report without satisfaction of this condition is unreasonable.

Additional Fundamental Assumptions and Limiting Conditions

18. The maximum loan to value that can be relied upon for this appraisal when used for first mortgage financing is limited to a maximum of 80% given the Subject property unique characteristics, changes in supply and demand and overall changing market conditions.

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL/LIMITING CONDITIONS

Extraordinary Assumptions/Hypothetical Conditions:

Extraordinary Assumption is defined as "An assumption, directly related to a specific assignment, which, if found to be false, could alter the Appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the Subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The Appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The Appraiser complies with the disclosure requirements set forth in the latest Canadian Uniform Standards for extraordinary assumptions.

Hypothetical Condition is defined as a hypothetical condition that is known to be contrary to what exists. However, the conditions are asserted by the Appraiser for the purposes of the analysis as per the terms of reference provided by the client. An example would be valuing a property as if vacant when building and/or site improvements are present. For every Hypothetical Condition, an Extraordinary Assumption is also required.

The following Extraordinary Assumption/Hypothetical Condition(s) is/are being made:

None

Extraordinary Limiting Conditions:

Extraordinary Limiting Conditions is defined as a necessary modification or exclusion of a Standard Rule, which may diminish the reliability of the report. An example would be the Appraiser's inability to inspect the interior of a building being appraised.

The following Extraordinary Limiting Conditions are being made:

Given this is a Desktop Appraisal for financing purposes that excludes an inspection of the Subject property, the Appraiser was limited to solely relying on scaled satellite photos and information obtained from the client to analyze the Subject property.

EFFECTIVE DATE OF THE APPRAISAL/DATE OF THE REPORT

INSPECTION DATE: Not Inspected

EFFECTIVE DATE: December 8, 2022

REPORT DATE: December 9, 2022

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to provide an estimate of the Current Fee Simple Interest Market Value of the of the Subject property.

INTENDED USE AND USERS OF THE APPRAISAL

This appraisal report was requested by the owner applicant on behalf of the Bank Client to provide first mortgage financing to the applicant. Therefore, the client and intended user of this report is to whom this appraisal is intended, or the Bank Client despite that the applicant is paying for the appraisal.

LOCAL MARKET AREA DEFINED

Local Market Area is an area or region in which real estate properties generally share similar location and/or economic characteristics, such as a municipal neighbourhood or district, an entire municipality or a region within a municipality, or a region within a province. A local market area can be broad or specific depending on the type of property.

ARMS LENGTH TRANSACTION DEFINED

An arms length transaction is a sale transaction in which both parties of the transaction acted in their own self-interest and thus were not subject to any pressure, duress or favoritism from the other party. An arms length transaction can involve a sale transaction resulting from an open market sale of a property involving a real estate agent or involve a private sale transaction between unrelated parties.

INTERESTS DEFINED

Fee Simple Interest

The property rights being appraised are those of the "Fee Simple Interest". Fee Simple interest includes a "bundle of rights", which embraces the right to use the property, to sell it, to lease it, to enter it, or to give it away. It also includes the right to refuse to take any of these actions. These rights and privileges are limited by powers of government that relate to taxation, eminent domain, police power and escheat.

MARKET VALUE DEFINED

The latest edition of the Canadian Uniform Standards defines market value as follows:

"The most probable price in terms of money which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, 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:

1. Buyer and seller are typically motivated.
2. Both parties are well informed or well advised, and each acted in what they consider their own best interest.
3. A reasonable time is allowed for exposure in the open market.
4. Payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and
5. 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."

EXPOSURE PERIOD DEFINED

The latest edition of the Canadian Uniform Standards defines exposure period as follows:

"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 current estimate based upon an analysis of past events assuming a competitive and open market."

Exposure time is different for various types of real estate and under various market conditions. It is noted that the overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. This statement focuses on the time component.

The fact that exposure time is always presumed to occur prior to the effective date of the appraisal is substantiated by related facts in the appraisal process: the supply/demand conditions as of the effective date of the appraisal; the use of current cost information; the analysis of historical sales information (sold after exposure and after completion of negotiations between the seller and buyer); and the analysis of future income expectancy estimated from the effective date of appraisal. The estimate of the most probable exposure time is based upon consideration of one or more of the following:

- Statistical information about the time the properties are listed on the open market;
- Information gathered through sales verification; and,
- Interviews of market participants.

PROPERTY RIGHTS APPRAISED

The Subject property rights being appraised are Fee Simple Interest.

PROPERTY IDENTIFICATION

The Subject property is legally described as NW11-44-21-W4, E. & W. 1/2 NW8-44-20-W4.

SCOPE OF THE APPRAISAL

As part of the valuation process, the Subject property was not inspected but instead was analyzed via scaled aerial satellite photos .

A search for comparables was made based upon, but not limited to the following search criteria: 1) Similarly located comparable sales within the general area. 2) Date of sale within the past several years and 3) Similar potential use. The most comparable sales were then selected from those transactions that met these criteria. The sources of comparables used in this analysis included use of an in-house developed database of arms length transactions researched from a variety of sources including but not limited to title transfers obtained from Alberta Land Titles, and active, pending and/or sold comparable sales obtained from the Multiple Listings System of the Local Real Estate Board and/or other Alberta Real Estate Boards, The Network and Commercial Edge comparable sales service providers as well as other real estate professionals that were personally verified by the Appraiser. The Appraiser is responsible for the researching and analysis of all data and conclusions utilized within this report.

Any exterior and/or aerial satellite photographs of the Subject property and/or comparables in this report that were obtained Google Earth, Abadata, MLS Sale/Listing sheets, Assessment Reports, Municipality's GIS systems or from other sources are considered reliable and relevant. Unless otherwise stated herein, the Appraiser believes that the selected photographs are an accurate illustration of the Subject property as of the effective date and of the comparables as of the listed or sale dates and the photographs comply with the Personal Information Protection and Electronic Documents Act (PIPEDA).

To arrive at the value estimate, the Appraiser researched the current land use designation and the potential future uses of the Subject property. All applicable current land use and planning documents were obtained from the municipality and reviewed as applicable to the Subject property. A copy of the current Title Certificates for the Subject property were obtained and all encumbrances were reviewed. Also, the Appraiser reviewed and considered all documentation and information made available to the Appraiser for the Subject property, such as studies, surveys as well as the Subject property history, past and current usage and its key characteristics. In addition, the Appraiser discussed the appraisal format requirements with Scotiabank and the applicant.

All valuation techniques were considered during the valuation of the Subject property, however only those techniques deemed appropriate were selected and applied. The three key approaches considered are outlined later in this report.

FACTUAL DATA

REGIONAL/MUNICIPAL ECONOMIC ANALYSIS

ALBERTA ECONOMIC ANALYSIS

The subject property is located 25 kilometers southwest of the City of Camrose in the central of Alberta. Given economic conditions within Alberta affect economic conditions within communities located in the province and that this is a Desktop Appraisal, only a brief review of Alberta's overall economy will be conducted.

Farm Credit Canada (FCC) reported in their Farmland Values Reports that farmland values in Alberta had increased an average of 2.2% during 2020, 3.3% during 2019, 7.4% during 2018, 7.3% during 2017, 9.5% during 2016, 11.6% during 2015, 8.8% during 2014, 12.9% during 2013, 13.3% during 2012 and 8.5% during 2011. Overall high farm cash receipts have been putting strong upward pressure on farmland values throughout Alberta since 2011. Both wheat and cattle prices are up due to the COVID- 19 pandemic disrupting supply chains and thus reducing the supply of products throughout the world. Overall, agricultural land values have been steadily and significantly trending upward within Alberta since 1992.

With respect to Alberta's agricultural industry, grain and live cattle prices have been overall trending upward with the greatest upward trend observed since 2020 due to the onset of the COVID-19 pandemic disrupting food supply chains and causing high inflation. This in turn has been steadily putting upward pressure on agricultural cropland and pastureland values throughout Furthermore, the low Canadian Dollar and current supply shortages are stimulating Alberta's farm cash receipts to record levels. Therefore, upward pressure continues to be present on cropland and pastureland values within Alberta, particularly top quality farmland in prime locations and this trend is expected to have continued during 2021 and into 2022.

CAMROSE COUNTY AREA ANALYSIS

The subject property is located within the south part of Camrose County and 25 kilometers southwest of the City of Camrose, as shown in the location map contained in Schedule A of the Addenda. Within Camrose County there are 390,000 hectares of land ranging from pasture to very good arable soils. Several large farm operations exist within the county that have been expanding and have been driving top quality cropland values to over \$6,000 per acre, as exemplified by one quarter section of above average, predominantly Class 2t cropland that sold at near \$6,200 per acre in November 2022 in an on-line auction near Meeting Creek in Camrose County despite being less than 100% cultivated, i.e. 93% cultivated. As a result, cropland with significant amounts of cultivated areas have been experiencing strong upward pressure in the county.

Camrose County had a population of 8,614 in 2020. The population of Camrose County declined - 0.05% year-over-year, and increased 1.41% in the last five years. Camrose County's population had been overall increasing since 2007 but growth leveled off since 2016 in conjunction with Alberta's slowed economy since January 2015 when oil prices began to significantly decline.

In summary, the population level within Camrose County was trending upwards up to 2016 after when oil prices began to significantly decline in January 2015 and then the county's population level stabilized since then which is anticipated to reduce the demand for new residential construction activity within the county. Also, construction activity within the county is overall down from 2013 and 2014, which implies that rural new residential construction activity within the county is down given residential construction activity is the dominant construction sector in Camrose County. However, given strong agricultural market conditions within Camrose County and Alberta in general, a strong degree of upward pressure still exists on farmland within the county, particularly top quality farmland in prime locations.

MARKET AREA ANALYSIS

The Subject property consists of two quarter sections of A–Agricultural zoned agricultural cropland that are located within the central part of Alberta, which is also within the central part of Camrose County and near Highway 21. The surrounding land usage is predominantly agricultural in nature. The Subject property has good accessibility given its location along Secondary Highway 609.

In view of the preceding, the Subject property primary local market area is defined as A–Agricultural zoned properties located within the south central part of Camrose County. A–Agricultural zoned properties within this general region are deemed to have a relatively similar agricultural cropland usage appeal and would also share the same general location within Camrose County.

SITE DESCRIPTION & ANALYSIS

Subject Agricultural Land - #1

004352



Address/Location: Camrose County, AB

Legal Description: NW11-44-21-W4M

Coordinates: 52.7814361,-112.9489333

Land Use: A-Agricultural

Site Area: 157.99 Acres

Effective Date: December 8, 2022

Title Number: 112117523

LINC: 0013099750

Owner: D. & M. B.

Comments

Full unsubdivided quarter section of agricultural cropland with a relatively regular shaped cultivated area other than the suspended well site present without a dedicated road located within the northeast part of the land that occupies 1 acre of land.

141 acres of the land overall is cultivated.

A well site is present on NW11 drilled in 2005 that was recently suspended that is only occupying 10,000 feet or 1/4 of an acre that is paying \$3,600 per year compensation. A pipeline Riser is present and thus is likely to remain over the long term.

The balance of the land consists of a heavily treed area on the west half of the land that according to the land owner is arable treed land that could be cleared and cultivated.

The land is a mile drive from the Village of Ferintosh.

CLI agriculture soil capability is 6% Class 3t; 94% Class 4t soil.

Interior location. The land shape is square. Topography is gently rolling. Accessibility is rated as having good paved road and gravel road access from two sides. Land is 89% cultivated.

Subject Summary Sheet 1

Subject Agricultural Land Sale - #2

004353



Address/Location: Camrose County, AB

Legal Description: PT. E. & W. 1/2 NW08-44-20-W4M

Coordinates: 52.781225,-112.8793028

Land Use: A-Agricultural

Site Area: 158.00 Acres

Effective Date: December 8, 2022

Title Number: 112325437001

LINC: 0023417843; 0023417851
(Multi-Property)

Owner: D. & M. B.

Comments

Two adjacent, separately titled half quarter sections of agricultural cropland with a relatively regular shaped cultivated area other than the partially treed area along the north side where some granaries are present and the southeast part of the land where a large, low/wetland is present.

A total of 132 acres, of 83.5% of the land is cultivated when excluding the treed and the wetland areas and when including the additional 3 acres of land that is cultivated outside of the north boundary of the land within the future road widening allowance.

The land is a 3.5-mile drive from the Village of Ferintosh. CLI agriculture soil capability is 8.5% Class 1; 71.5% Class 2t; 4.5% Class 3t; 9% Class 6w; 6.5% Class W-Water soil.

Corner location. The land shape is near square. Topography is undulating to depressional. Accessibility is rated as having good paved road and gravel road access from two sides. Land is 83.5% cultivated.

Subject Summary Sheet 2

The reader is referred to the previous two summary sheets, which outlines the key features of the Subject property. Below is a summary of the key locational features of the Subject Property as a whole.

Municipality: Camrose County
Legal Addresses: NW11-44-21-W4, E. & W. 1/2 NW8-44-20-W4

Land Key Areas:

Gross Land Area (Acres): 315.99
Excess Land Area (Acres): 0.00
Land Percent Cultivated: 86.5%

Primary Road Frontage:

Primary Road Name: Secondary Highway 609
Direct Access From Road: YES
Traffic Direction Accessibility: Accessible from Both Directions
Road Quality: Paved Highway

Secondary Road Frontage:

Secondary Road Name: Range Road 205 (NW8)
Direct Access From Road: YES
Traffic Direction Accessibility: Accessible from Both Directions
Road Quality: Gravel Road

Land Key Characteristics:

Land Location: NW11: Interior; NW8: Corner
Land Shape: Square
Overall Soil Quality/Conditions: Class 2t to Class 4t, Overall Average
Land Topography: Undulating to Depressional
Surrounding Land Usage: Predominantly Agricultural Usage
Overall Location Rating: Attractive South Central Location in Camrose County 0.5 to 3.5 Miles East of Highway 21
Environmental Issues Present: Unknown but possible on NW11 where a suspended well site is present

Availability of Services:

Servicing Standard: Rural Standard Services (i.e. Power, Natural Gas & Telephone Services)

Summary:

In summary, the Subject two quarter sections of vacant agricultural zoned land has an overall attractive south central location in Camrose County along Secondary Highway 609 and 0.5 to 3.5 Miles East of Highway 21 that provides good accessibility for the agricultural cropland usage.

TAXES AND ASSESSMENT INFORMATION

Assessed values of farmland do not provide any no meaningful insight as to the market value of the farmland due to farmland assessed values within Alberta being regulated to be low to reduce property taxes for farmers. For this reason, the Subject assessment information was not researched and included in this appraisal.

OWNERSHIP/SALES HISTORY

The most recent registration of the Subject land title was on October 13, 2011 when the West Half of NW8 was transferred to the current owners with no reported value or consideration. Transfers of the other two Subject titles were earlier.

To the best of the writer's knowledge, the Subject property was not involved in any sales related activity during the three years preceding the effective date of this appraisal.

TITLE ENCUMBRANCES

Reference is made to Schedule B of the addenda of this report that contains a current copy of the Subject Title Certificates that identify the encumbrances registered against the Subject titles . An encumbrance can have a positive, negative or no effect on the value of the Subject property depending on the nature of the encumbrance.

Encumbrances that have a positive effect on value would typically include those encumbrances that generate revenue, such as surface leases, or encumbrances that enhance the use of the property, such as access easements registered on the Subject property that affect adjoining properties that are beneficial to Subject property in terms of increased accessibility and/or yard size.

Encumbrances that have a negative effect on value would typically include those encumbrances that generate costs or diminish the use of the property, such as easements or right of ways located within the interior parts of a property that could be detrimental to the property in terms of limiting the size and/or location of buildings that could be constructed.

Lastly, encumbrances that have no effect on value would typically include those encumbrances that have no effect on the use of the Subject property, such as farmland with underground facilities that can be cultivated over top, or any encumbrances that are temporary in nature and can readily be removed without any significant cost, such as mortgage financing caveats.

Title Encumbrances Comments

15 encumbrances in total are registered against the Subject land titles that involve 11 utility right of ways, 3 mortgage related caveats and 1 surface lease on NW11.

Review of all of the encumbrances revealed that the 10 of the 11 encumbrances either do not significantly interfere with the usage of the Subject property or are temporary in nature. Therefore, none of the encumbrances are deemed to have any significant effect on the Subject property value.

However, Subject NW11 receives an annual compensation for a surface lease on the property, which will be accounted for in the form of a final adjustment applied at the end of this valuation.

MUNICIPAL PLANNING & LAND USE OVERVIEW

There are a series of municipal planning documents that affect the future and current uses of the Subject property, or the Municipal/Intermunicipal Development Plan, Area Structure/Redevelopment Plans and the Land Use Bylaw. The Municipal and Intermunicipal Development Plan and Area Structure/Redevelopment Plans, when applicable, are reviewed primarily from the perspective of future land usage regulations and any unique restrictions and/or privileges that would apply to the Subject area. Conversely, the Land Use Bylaw is reviewed primarily from a current usage perspective of the Subject property and the immediate surrounding area. Below are the key aspects of the existing planning documents reviewed that apply to the Subject property:

Land Use Designation:	A – Agricultural
Purpose:	To provide for a wide range of agricultural land uses that have regard for the agricultural character and rural identity of the area, and which can be carried on without interference by other incompatible land uses.
Current Use:	The Subject property is used as agricultural cropland.
Legally Conforming:	YES. The Subject property current agricultural cropland usage complies with the permitted uses of the A-Agricultural zoning district.
<u>Zoning Change</u>	
Requested:	NO
Likely:	NO
New Zoning:	N/A
Potential Future Uses:	The future use of the Subject property is likely to be agricultural cropland in nature given the Subject property location, the surrounding agricultural uses, that the surrounding land that also carries the same A zoning and given that the planning documents would support this usage for the foreseeable future.

Permitted/Discretionary Uses:

Agricultural, Residential and Public Usage

More Intensive Agricultural, Agricultural Industrial, Recreational and Large Scale Public Usage

Refer to Schedule C of the addenda for a full list of permitted and discretionary uses and all regulations associated with this land use designation.

IMPROVEMENTS DESCRIPTION

No significant site improvements are present on the Subject property other than several metal granaries on the west half of NW8 that are small in value in relation to the Subject land overall value.

SAMPLE

ANALYSIS OF DATA AND OPINIONS OF THE APPRAISER

HIGHEST AND BEST USE ANALYSIS

Four criteria are examined in order to determine the highest and best use of the Subject property. The criteria and their applicability to the Subject, both “as vacant” and “as improved” are as follows:

Physically Possible: the size, shape and topography affect the uses to which land may be developed. The utility of a parcel is dependent on its frontage and depth. Sites with irregular shapes may be more expensive to develop, and topography or subsoil conditions may make utilization too costly or restrictive. Highest and best use as improved also depends on physical characteristics such as condition and utility.

Legally Permissible: a legally permissible use is determined primarily by current zoning regulations. However, other considerations such as long-term leases, deed restrictions, and environmental regulations may preclude some possible highest and best uses.

Financially Feasible: the use of the property is analyzed to make a determination as to the likelihood that the property is capable of producing a return which is greater than the combined income needed to satisfy operation expenses, debt service, and capital amortization. Any use that is expected to produce a positive return is classified as financially feasible.

Maximally Productive: the use that provides the highest rate of return among financially feasible uses is the highest and best use. The use of the land must yield a profitable net return, and the quantity of land devoted to any specific use must be limited to that quantity which will yield a maximum return to each owner.

Current/Historic Use

The Subject property is used as agricultural cropland.

Highest and Best as Vacant

Physically Possible

Agricultural, Commercial, Industrial, Residential, Public/Institutional And Limited Recreational Usage

Legally Permissible

A-Agricultural Zoning Permitted Uses Include Agricultural And Residential And Public Usage

Financially Feasible

Agricultural Cropland Usage

Maximally Productive/Assemblage

Agricultural Cropland Usage

HIGHEST AND BEST USE AS VACANT: Agricultural Cropland Usage

The optimal usage of the Subject land as vacant would be agricultural cropland usage given its current A-Agricultural zoning, physical characteristics, general location and that the municipality's planning documents would support this usage in the future.

Highest and Best as Improved

Physically Possible

Same as Vacant

Legally Permissible

Same as Vacant

Financially Feasible

Same as Vacant

Maximally Productive/Assemblage

Same as Vacant

HIGHEST AND BEST USE AS IMPROVED: Agricultural Cropland Usage (Same As Vacant)

The optimal usage of the Subject property as improved is the same as vacant given no significant site improvements are present on the subject property other than several metal granaries on the west half of NW8 that are small in value in relation to the subject land overall value.

APPRAISAL METHODOLOGY

There are three main approaches to value that can be applied for properties of this type, or the Cost Approach, Income Approach and Direct Comparison Approach.

COST APPROACH

The Cost Approach is a method in which the value of a property is developed by adding the value of the site as vacant to the depreciated value of the building and site improvements. The Cost Approach is most applicable to newer properties and becomes subjective for older properties due to the approach involving estimating a large amount of depreciation. However, the Cost Approach becomes more applicable to older properties that are unique, owner occupied properties.

DIRECT COMPARISON APPROACH

The Direct Comparison Approach consists of the comparison of similar properties that have recently sold or currently offered for sale. This comparison process involves making adjustments between the Subject property and the comparable properties on an item-by-item basis and is highly reliant on the availability of suitable recent comparable sales. As such, this approach is most applicable to vacant land and owner occupied properties that are relatively common in design.

INCOME APPROACH

The Income Approach converts an anticipated annual net income into an indication of value. This approach is predicated upon the relationship between income and value. As such, the Income Approach is most applicable when financial information is available for the appraised property or could be estimated relatively accurately through the use of market data.

The Subject Property consists of vacant land, therefore only the Direct Comparison Approach will be applied.

The applicability and reliability of all of the approaches considered will be briefly reviewed again during the summary of the final concluded market value estimate presented at the end of this appraisal.

LAND VALUE OPINION – AS IS

There are several methods appraisers can employ when developing an opinion of land value. The six basic procedures are the (1) Direct Comparison Approach, (2) Allocation Method, (3) Extraction, (4) Subdivision Approach, (5) Land Residual Technique, and (6) Ground Rent Capitalization Method. All six methods are derived from the three basic approaches to value. Direct Comparison and income capitalization (i.e. Ground Rent Capitalization) can be directly applied to a land valuation with the latter applicable when land is leased. Allocation and Extraction procedures reflect the influence of the Direct Comparison and Cost approaches; the Land Residual Technique is based on the income capitalization and the Cost Approach. The Subdivision Approach draws on elements of all three approaches and estimates the present value of development land based on subdivided lot sales over an estimated absorption period less costs and an expected developer's profit. The Direct Comparison Approach was used in this report, as it most closely reflects the behaviors of the buyers and sellers of this type of land.

Direct Comparison Approach

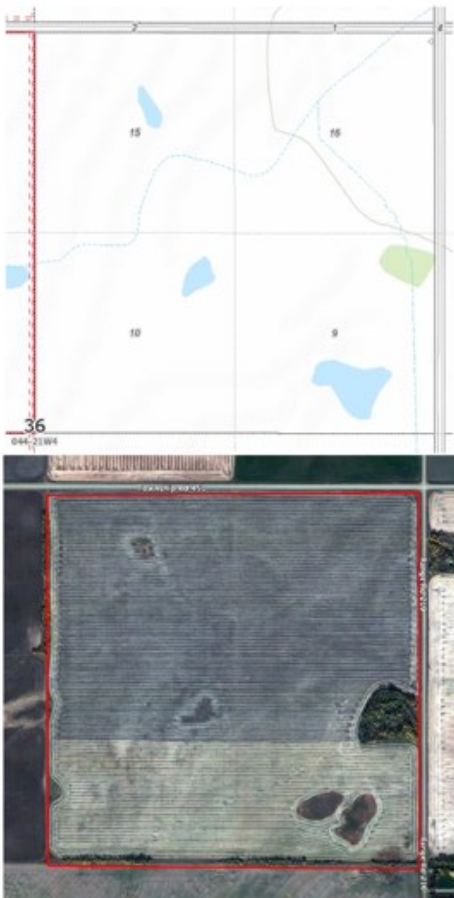
The Direct Comparison Approach is a process of comparing actual comparable property sales. This approach to value is based upon the Principle of Substitution, which holds that "the value of a property tends to be set by the price that would be paid to acquire a substitute property of similar utility and desirability within a reasonable amount of time. This principle implies that the reliability of the Direct Comparison Approach is diminished if substitute properties are not available in the market." (The Appraisal of Real Estate, 13th Edition). This approach is based upon the collection of similar sales and offering data for comparison. Market-derived adjustments for relevant factors can sometimes be extracted from these and other sales. The sales data is compared to the subject land on the basis of those elements of comparison that include real property rights conveyed, financing/sale terms, conditions of sale, and date of sale. Location and other physical characteristics are then considered. Physical characteristics typically used in comparison are size, shape, topography, street frontage, services, zoning, building and/or site improvements if present, title encumbrances and alike. Because adjustments for these relevant factors are market derived, the desires and actions of typical buyers and sellers are reflected in the comparison process.

Listed on the following pages are those comparables selected and used in this analysis, which were considered to be the most similar and recent comparables available for analysis. Emphasis was initially placed on the searching of recent open market sales of vacant, agricultural zoned land within the Subject local market area as defined earlier in this report with near the 86.5% cultivated, which is the overall percentage that the two Subject quarter sections is cultivated. However, due to a limited number of such sales being available for analysis, research was extended to include farmland with higher percentages that is cultivated and an extended time period. Research was also extended to include private arms length transactions, as defined earlier in this report.

The following comparables were used to value this Subject land.

Agricultural Land Sale - #1

004229



Address/Location: Camrose County, AB

Legal Description: NE36-44-21-W4M

Coordinates: 52.8396083,-112.9127139

Land Use: A-Agricultural

Sale Price: \$810,000

Site Area: 160.00 Acres

Site Unit Value: \$5,063.00 / Acre

Transfer Date: March 12, 2019

Title Number: 192059390

LINC: 0016561608

Vendor: Blaine Calvin

Purchaser: Lester & Heather Isaac

Comments

Private arms length sale of a full, unsubdivided quarter section of vacant agricultural cropland of which 93% is cultivated within a relatively regular shaped cultivated area with four cultivating obstacles.

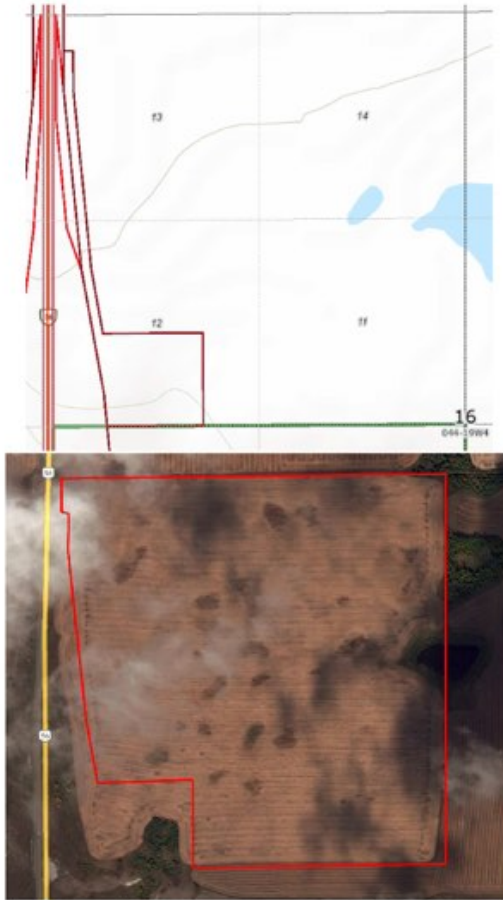
Land is located 1.5 miles east of Highway 21 and thus has somewhat of a central location within the southern part of Camrose County.

CLI agriculture soil capability is 63% Class 1; 32.5% Class 2t; 4.5% Class 6w soil.

Corner location. The land shape is square. Topography is level to undulating. Accessibility is rated as having above average gravel road access from two sides. Land is 93% cultivated.

Agricultural Land Sale - #2

004231



Address/Location: Camrose County, AB

Legal Description: PT. NW16-44-19-W4M

Coordinates: 52.7955028,-112.7070194

Land Use: A-Agricultural

Sale Price: \$691,050

Site Area: 138.21 Acres

Site Unit Value: \$5,000.00 / Acre

Transfer Date: October 27, 2020

Title Number: 202237544

LINC: 0038715026

Vendor: D. & L. Bieganeck

Purchaser: N. & B. Van Petten

Comments

Private arms length sale of a size reduced and once subdivided quarter section of vacant agricultural cropland of which 96% is cultivated within a relatively regular shaped cultivated area with only 2 cultivating obstacles.

Land has frontage to Highway 56.

CLI agriculture soil capability is 20% Class 1; 70% Class 2; 10% Class 6w soil.

Interior location. The land shape is L-shaped. Topography is level to depressional. Accessibility is rated as having good paved road access. Land is 96% cultivated.

Agricultural Land Sale - #3

004349



Address/Location: Camrose County, AB

Legal Description: SE12-43-20-W4M

Coordinates: 52.6860444,-112.7678139

Land Use: A-Agricultural

Sale Price: \$818,500

Site Area: 158.00 Acres

Site Unit Value: \$5,180.00 / Acre

Negotiated Date: November 8, 2022

Title Number: Pending Transfer

LINC: 0023413990

Method Sold: Open Market Sale Via Auction

Comments

Open market sale of a vacant unsubdivided quarter section of vacant cropland near Meeting Creek, Alberta that was sold via a live, on-line auction on November 8, 2022.

The cultivated area is relatively regular in shape due to having only one large obstacle at the east end that has wetlands and trees and one small obstacle where the suspended well site is present.

A suspended well site drilled in 2006 is present that together with the access road occupies 0.6 acres of the land.

CLI agriculture soil capability is 84% Class 3t; 10.5% Class 6t; 5.5% Class 6w soil.

Corner location. The land shape is square. Topography is undulating to depressional. Accessibility is rated as having above average gravel road access from two sides. Land is 91% cultivated.

Agricultural Land Sale - #4

004350



Address/Location: Camrose County, AB

Legal Description: SW17-43-19-W4M

Coordinates: 52.7007222,-112.7312083

Land Use: A-Agricultural

Sale Price: \$997,500

Site Area: 160.00 Acres

Site Unit Value: \$6,234.00 / Acre

Negotiated Date: November 8, 2022

Title Number: Pending Transfer

LINC: 0014907753

Method Sold: Open Market Sale Via Auction

Comments

Open market sale of a vacant unsubdivided quarter section of vacant cropland near Meeting Creek, Alberta that was sold via a live, on-line auction on November 8, 2022.

The cultivated area is relatively regular in shape due to having only three small obstacles within the center part of the cultivated area and a few treed areas along the perimeter of the land.

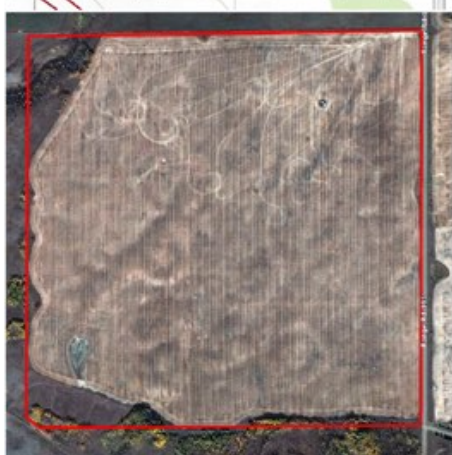
CLI agriculture soil capability is 5% Class 2d; 85.5% Class 2t; 9.5% Class 6w soil.

Interior location. The land shape is square. Topography is undulating to gently rolling. Accessibility is rated as having average gravel road access from one side. Land is 93% cultivated.

The first bid received on November 8, 2022 was \$800,000, or \$5,000 per acre and just under 50 bids were later received before selling at the highest bid.

Agricultural Land Sale - #5

004351



Address/Location: Camrose County, AB

Legal Description: SE18-43-19-W4M

Coordinates: 52.7007167,-112.7435639

Land Use: A-Agricultural

Sale Price: \$905,000

Site Area: 159.93 Acres

Site Unit Value: \$5,659.00 / Acre

Negotiated Date: November 8, 2022

Title Number: Pending Transfer

LINC: 0014907760

Method Sold: Open Market Sale Via Auction

Comments

Open market sale of a vacant unsubdivided quarter section of vacant cropland near Meeting Creek, Alberta that was sold via a live, on-line auction on November 8, 2022.

The cultivated area is relatively regular in shape due to having only one obstacle where the abandoned well site is present within the southwest part of the land and another small obstacle within the northeast part of the land.

The abandoned well site is still present occupying 0.4 acres of the land and thus is still creating a cultivating obstacle.

CLI agriculture soil capability is 80.5% Class 2d; 9.5% Class 2t; 9% Class 5mt; 1% Class 6w soil.

Interior location. The land shape is square. Topography is undulating. Accessibility is rated as being average. Land is 91% cultivated.



Land Comparables Location Map

Land Comparables Analysis – As Is

The reader is referred to the summary sheets in the Site Description & Analysis section presented earlier in this report that contains the key features of each Subject land parcel. For purposes of this analysis, the value per acre was chosen as the unit of comparison, which reflects what buyers and sellers use in the market place for this type of land when over 1 acre in size.

The following only discusses the initial adjustments required to the comparables to account for any unusual ownership and/or sale conditions/timing due to this being a short narrative desktop appraisal.

Discussion of Adjustments

Property Rights – Differences in property interests and subsequently property rights can have a negative, positive or no effect on the value of a property depending on the significance of the different rights. In this instance, all comparables have fee simple interest rights and thus no adjustments were required to account for any differences in property rights/interests.

Financing/Sale Terms – The price paid in acquiring a property may be influenced by atypical financing and/or sale terms involved, if any. Above or below market financing or special sale terms could have a negative or positive affect on the price paid. Therefore, some method of converting these financing and/or sale terms to cash must occur so that the adjustment process may be applied to the affected sales. None of the comparables were observed to have purchasers involved in any unusual terms, conditions or extra consideration and thus no adjustments were required.

Conditions of Sale – Conditions of sale adjustments usually reflect unusual buyer and/or seller motivations. The purchase price may be below market if the seller was highly motivated to sell or the purchase price may be above market if the buyer was highly motivated. Also, family or partner relationships between the parties may also affect the sale price or when a business was purchased along with the property. When unusual conditions of sale are detected in a transaction, the sale is extensively researched to help accurately quantify the adjustment made including attempting to discuss the sale with the buyer and/or seller. One of the comparables were observed to have unusual factors affecting the sale price, as explained in the subsequent adjustment chart, and thus this one comparable was adjusted to bring the unit sale price more in line to what other relatively similar farmland parcels had sold during the same auction.

Market Conditions/Timing Adjustments – Market conditions may change between the time of sale of a comparable property and the appraisal effective date. Changes in market conditions often result from various causes, such as inflation, changes in demand and/or supply and/or changes in overall economic conditions. Time itself is not the cause for the adjustment. Recent agricultural land sales during an on-line auction in Camrose County and review of economic conditions and trends within the Subject area and Alberta in general revealed that agricultural land values have been significantly increasing over the past four years. Historical agricultural land sales within the Subject general area support an overall

annual upward market timing adjustment of 6% pro-rated monthly that was applied to all comparables up to the effective date of this appraisal.

Given that this is a short narrative desktop appraisal and that the required adjustments are relatively straight forward in nature other than the encumbrances adjustments, only the encumbrance adjustments will be discussed. The remaining adjustments will be only briefly described in the subsequent adjustment chart.

The following chart summarizes the overall net adjustment required to each of the comparables and also contains brief comments surrounding the adjustments that were deemed necessary.

SAMPLE

SUMMARY OF LAND COMPARABLES WITH ADJUSTMENTS – AS IS

Comp No.	Subject	1	2	3	4	5
Property Description	Subject Agricultural Land	Agricultural Land Sale	Agricultural Land Sale	Agricultural Land Sale	Agricultural Land Sale	Agricultural Land Sale
Legal And/Or Address	NW11-44-21-W4M, E. & W. 1/2 NW8-44-20-W4M	NE36-44-21-W4M	PT. NW16-44-19-W4M	SE12-43-20-W4M	SW17-43-19-W4M	SE18-43-19-W4M
Municipality	Camrose County, AB	Camrose County, AB	Camrose County, AB	Camrose County, AB	Camrose County, AB	Camrose County, AB
Effective/Sale Date	2022-12-08	2019-03-12	2020-10-27	2022-11-08	2022-11-08	2022-11-08
Sale Price	---	\$810,000	\$691,050	\$818,500	\$997,500	\$905,000
Land Area (Acres)	315.99	160.00	138.21	158.00	160.00	159.93
Accessibility / Frontage	Good	above average	good paved road access	above average	average	average
Overall % Percent Cultivated	86.5%	93.0%	96.0%	91.0%	93.0%	91.0%
Price/Acre	---	\$5,063	\$5,000	\$5,180	\$6,234	\$5,659
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing/Sale Terms	---	Standard	Standard	Standard	Standard	Standard
Conditions of Sale	---	Normal	Normal	Normal	Motivated Buyer	Normal
Topography	Undulating to depressional	Level to undulating	Level to depressional	Undulating to depressional	Undulating to gently rolling	Undulating
Zoning Code	A	A	A	A	A	A

QUANTITATIVE ADJUSTMENTS

Property Rights	0.00%	0.00%	0.00%	0.00%	0.00%
Property Rights	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Financing/Sale Terms	0.00%	0.00%	0.00%	0.00%	0.00%
Financing Terms	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Conditions of Sale	0.00%	0.00%	0.00%	-5.00%	0.00%
Conditions of Sale	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Months Elapsed to Dec 8/22	45.6	25.7	1.0	1.0	1.0
	0.0	0.0	0.0	0.0	0.0
Market Conditions/Time Adj. Percentage	+22.75%	+12.75%	+0.50%	+0.50%	+0.50%
Adj. Price/Acre	\$6,215	\$5,638	\$5,206	\$5,952	\$5,687

QUALITATIVE ADJUSTMENTS

General Location	Comparable	Comparable	Comparable	Comparable	Comparable
Size/Shape	Comparable	Comparable	Comparable	Comparable	Comparable
Corner/Paved Access	Semi-Inferior Gravel Road Access	Semi-Inferior Interior Location	Semi-Inferior Gravel Road Access	Inferior Gravel Road Access From One Side	Inferior Gravel Road Access From One Side
Topography	Comparable	Comparable	Comparable	Comparable	Comparable
Zoning	Comparable	Comparable	Comparable	Comparable	Comparable
Availability of Services	Comparable	Comparable	Comparable	Comparable	Comparable
Soil Quality	Superior 63% Class 1 Soil	Superior 20% Class 1; 70% Class 2 Soil	Overall Comparable 84% Class 3t Soil	Semi-Superior 85.5% Class 2t Soil	Semi-Superior 80.5% Class 2d Soil
Percent Cultivated	Superior 93% Cultivated	Superior 96% Cultivated	Superior 91% Cultivated	Superior 93% Cultivated	Superior 91% Cultivated
Improvements	Comparable	Comparable	Comparable	Comparable	Comparable
Encumbrances (Subject As Encumb. Free)	Comparable	Comparable	Semi-Superior Suspended Well Site Present	Comparable	Semi-Inferior Abandoned Well Site Still Present
Net % Adjustment	-3.00%	-5.00%	-2.00%	-4.00%	-0.00%
Total Adj. Price/Acre	\$6,029	\$5,356	\$5,102	\$5,714	\$5,687

Conclusions – As Is

After making adjustments, the minimum, average and maximum adjusted unit prices for the comparables are as shown in the chart below. In weighing the one comparable highlighted in green below deemed to be the most recent sale that is the most overall similar to the Subject land in terms of percentage cultivated and in considering the positive agricultural market conditions, the concluded overall unit market value estimate and resulting overall market value estimate for the Subject land are as represented in the following table recognizing that the unit value of NW11 alone would be higher than NW8 due to having more cultivated/arable land:

LAND SALES ANALYSIS – AS IS

ADJUSTED PRICE/ACRE ANALYSIS		OVERALL ADJUSTMENTS	
Comparable No.	Unadjusted Price/Acre	Overall Net Adjustment	Adjusted Price/Acre
Subject	----	----	----
Comparable 1	\$5,063.00	19.1%	\$6,029.00
Comparable 2	\$5,000.00	7.1%	\$5,356.00
Comparable 3	\$5,180.00	-1.5%	\$5,102.00
Comparable 4	\$6,234.00	-8.3%	\$5,714.00
Comparable 5	\$5,659.00	0.5%	\$5,687.00
STATISTICAL ANALYSIS			
Minimum		Average	Maximum
\$5,102.00		\$5,578.00	\$6,029.00
MARKET VALUE ESTIMATE			
Estimated Value/Acre		Acres	Est. Overall Value
\$57		315.99	Confidential
		Plus/Minus Final Adjustment:	\$18,000
		Final Adj. Land Value (Rounded):	Confidential

Final Adjustment and Comments

A final adjustment was applied as shown above to previously concluded value estimate for the Subject land initially valued as if encumbrance free (i.e. no well site revenue) based on a 5-year payback period to account for the \$3,600 in annual compensation received given that the well site is anticipated to remain over the long term.

RECONCILIATION AND SUMMARY OF THE FINAL MARKET VALUE ESTIMATE

In this section of the report, the estimated market values derived from multiple approaches applied are typically summarized and reconciled into one final concluded market value estimate taking into consideration the Subject property characteristics in relation to the market data gathered and the level of validity of each approach applied. In this case, only one approach, or the Direct Comparison Approach was applied, which required a final adjustment to account for the revenue generating well site present on Subject NW11. Therefore, your attention is directed to the following, which summarizes the market value estimate derived from this Approach applied:

Valuation Premise	Effective Date	Estimated Overall Value*
Market Value "As Is"	December 8, 2022	Confidential

* - See Extraordinary Assumptions & Hypothetical/Limiting Conditions

In utilizing the market value derived from the Direct Comparison Approach, the following final adjusted market value estimate was concluded:

Valuation Premise	Effective Date	Estimated Overall Value*
Market Value "As Is"	December 8, 2022	Confidential

* - See Extraordinary Assumptions & Hypothetical/Limiting Conditions

The Exposure Time (as defined in this report) is estimated to be 4 to 6 months given strong agricultural market conditions in Camrose County and Alberta in general due to Alberta's high Farm Cash Receipts/Exports as a result of strong world demand for agricultural products and considering the large number of bids received for the farmland recently sold near Meeting Creek in November 2022

CERTIFICATION OF APPRAISER

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

1. I have no present nor contemplated interest in the property appraised nor any personal interest with respect to the parties involved. My employment or compensation for this appraisal was not contingent upon a predetermined or appraised value of the Subject property, the attainment of a specific result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
2. The Subject property was not inspected but instead was analyzed via scaled aerial satellite photos .
3. All statements and information in this report are true and correct; and the Appraiser has not knowingly withheld any information.
4. 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.
5. The analyses, opinions and conclusions were developed, and this report have been prepared in conformity with the Canadian Uniform Standards and are subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
6. As of the date of this report, Dale Yachimec, AACI, P.App., MBA has fulfilled the requirements of the Appraisal Institute of Canada Continuing Professional Development Program for Members.
7. The undersigned is a member in good standing of the Appraisal Institute of Canada.
8. No one provided significant professional assistance to the person signing this report Dale Yachimec, AACI, P.App., MBA has prepared all conclusions and opinions concerning the real estate that are set forth in the appraisal.
9. Based on my experience, it is my opinion that I meet the qualifications to provide an estimate of the Subject property market value concluded in this report.

10. Based on all of the preceding data, analyses and conclusions, the following market value estimate has been concluded for the Subject property described herein effective December 8, 2022.

Valuation Premise	Effective Date	Estimated Overall Value*
Market Value "As Is"	December 8, 2022	Confidential

* - See Extraordinary Assumptions & Hypothetical/Limiting Conditions

The Exposure Time (as defined in this report) is estimated to be 4 to 6 months given strong agricultural market conditions in Camrose County and Alberta in general due to Alberta's high Farm Cash Receipts/Exports as a result of strong world demand for agricultural products and considering the large number of bids received for the farmland recently sold near Meeting Creek in November 2022

UNSIGNED DRAFT

Dale Yachimec, AACI, P.App., MBA

Dale Commercial

☐ YES ☒ NO

Dated: December 9, 2022

ADDENDA

SAMPLE

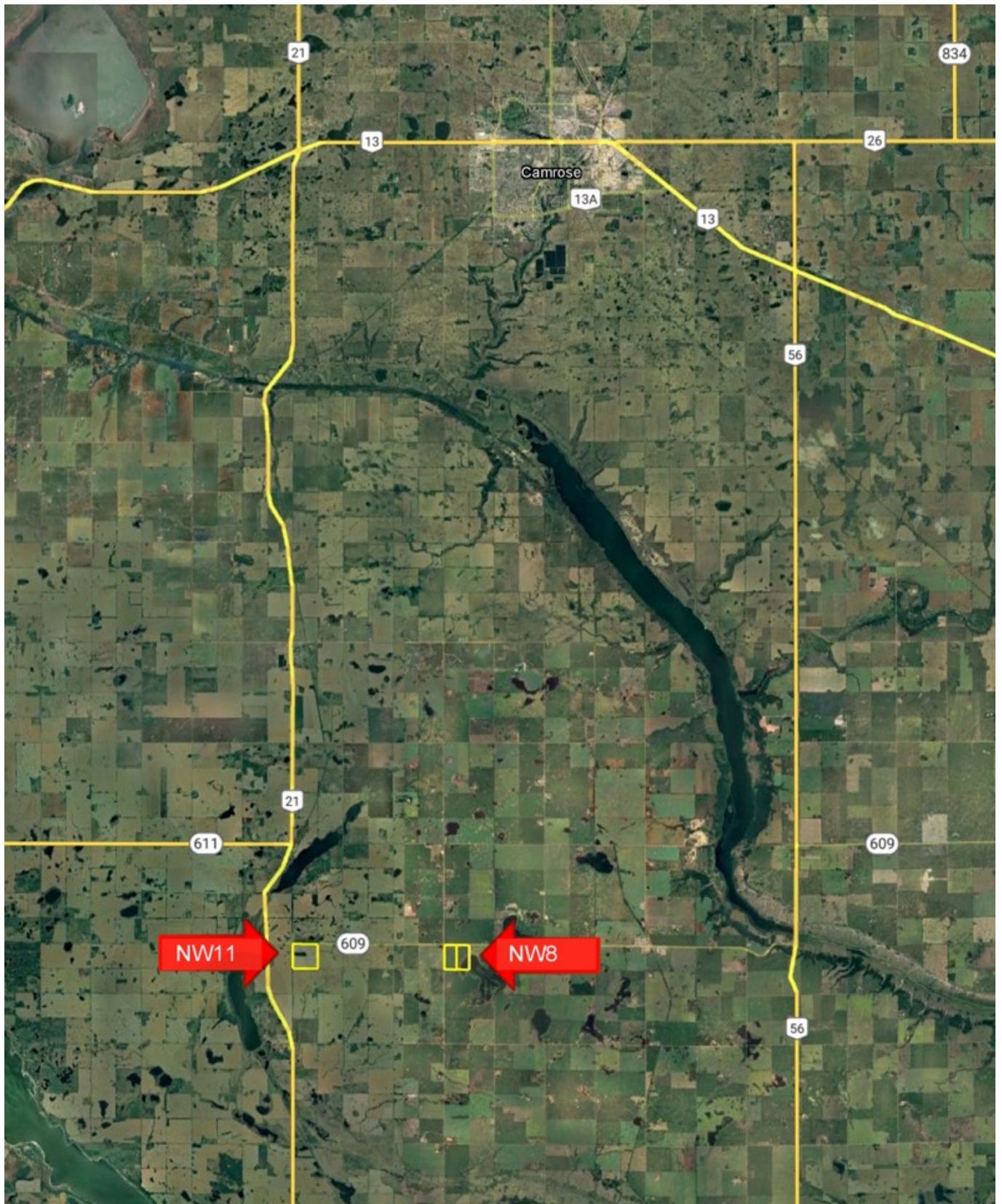
SCHEDULE A – SUBJECT AERIAL SATELLITE PHOTOS AND LOCATION MAPS

SAMPLE









SCHEDULE B – SUBJECT THREE TITLE CERTIFICATES

SAMPLE



LAND TITLE CERTIFICATE

S
LINC SHORT LEGAL TITLE NUMBER
0013 099 750 4;21;44;11;NW 112 117 523

LEGAL DESCRIPTION

THE NORTH WEST QUARTER OF SECTION ELEVEN (11)
TOWNSHIP FORTY FOUR (44)
RANGE TWENTY ONE (21)
WEST OF THE FOURTH MERIDIAN
CONTAINING ONE HUNDRED AND SIXTY (160) ACRES, MORE OR LESS.
EXCEPTING THEREOUT: 0.813 HECTARES (2.01 ACRES) MORE OR LESS
AS SHOWN ON ROAD PLAN 8421445
EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE

MUNICIPALITY: CAMROSE COUNTY

REFERENCE NUMBER: 762 063 234

REGISTERED OWNER(S)				
REGISTRATION	DATE (DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
112 117 523	27/04/2011	TRANSFER OF LAND	\$347,600	\$347,600

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2

112 117 523

REGISTRATION

NUMBER	DATE (D/M/Y)	PARTICULARS
1521JF	16/10/1952	CAVEAT CAVEATOR - INTER PIPELINE LTD. 3200, 215 2ND STREET SW CALGARY ALBERTA T2P1M4 (DATA UPDATED BY: TRANSFER OF CAVEAT 922040480) (DATA UPDATED BY: TRANSFER OF CAVEAT 972372813) (DATA UPDATED BY: CHANGE OF NAME 032206827) (DATA UPDATED BY: CHANGE OF NAME 132405846) (DATA UPDATED BY: CHANGE OF ADDRESS 172106366)
4635KM	04/01/1957	CAVEAT CAVEATOR - INTER PIPELINE LTD. 3200, 215 2ND STREET SW CALGARY ALBERTA T2P1M4 (DATA UPDATED BY: TRANSFER OF CAVEAT 922041274) (DATA UPDATED BY: TRANSFER OF CAVEAT 972372813) (DATA UPDATED BY: CHANGE OF NAME 032216343) (DATA UPDATED BY: CHANGE OF NAME 132405221) (DATA UPDATED BY: CHANGE OF ADDRESS 172107669)
762 198 119	09/11/1976	UTILITY RIGHT OF WAY GRANTEE - ATCO GAS AND PIPELINES LTD. 7210 42 STREET EDMONTON ALBERTA T6B3H1 AS TO PORTION OR PLAN:7621564 "TAKES PRIORITY DATE OF CAVE 752127567" (DATA UPDATED BY: TRANSFER OF UTILITY RIGHT OF WAY 162353361)
902 245 397	20/08/1990	CAVEAT RE : RIGHT OF WAY AGREEMENT CAVEATOR - SHACKLETON EXPLORATION LTD. ATTN: LAND DEPARTMENT 2400, 520-5 AVE SW CALGARY ALBERTA T2P3R7 (DATA UPDATED BY: CHANGE OF ADDRESS 982153658) (DATA UPDATED BY: TRANSFER OF CAVEAT 192162784)
912 202 421	02/08/1991	UTILITY RIGHT OF WAY GRANTEE - ALBERTA GOVERNMENT TELEPHONES.

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 3

112 117 523

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

AS TO PORTION OR PLAN:9121202
TAKES PRIORITY DATE OF CAVEAT NO. 902074909
19-03-90

952 301 994 09/11/1995 CAVEAT
RE : SURFACE LEASE
CAVEATOR - CONOCOPHILLIPS CANADA RESOURCES CORP.
BOX 130
STN M
CALGARY
ALBERTA T2P2H7
AGENT - MAVERICK LAND CONSULTANTS (87) INC.
(DATA UPDATED BY: CHANGE OF NAME 022064510)
(DATA UPDATED BY: CHANGE OF NAME 092043921)

972 025 441 24/01/1997 UTILITY RIGHT OF WAY
GRANTEE - CONOCOPHILLIPS CANADA RESOURCES CORP.
BOX 130
STN M
CALGARY
ALBERTA T2P2H7
(DATA UPDATED BY: TRANSFER OF UTILITY RIGHT
OF WAY 012288784)
(DATA UPDATED BY: CHANGE OF NAME 082424475)

052 162 031 29/04/2005 CAVEAT
RE : RIGHT OF WAY AGREEMENT
CAVEATOR - SHACKLETON EXPLORATION LTD.
ATTN: SURFACE LAND
2400, 520 - 5TH AVENUE SW
CALGARY
ALBERTA T2P3R7
(DATA UPDATED BY: TRANSFER OF CAVEAT
212270546)

082 037 669 23/01/2008 UTILITY RIGHT OF WAY
GRANTEE - SHACKLETON EXPLORATION LTD.
1020,540-5 AVENUE SW
CALGARY
ALBERTA T2P0M2
(DATA UPDATED BY: TRANSFER OF UTILITY RIGHT
OF WAY 122147719)

162 176 974 04/07/2016 MORTGAGE
MORTGAGEE - FARM CREDIT CANADA.
2ND FLOOR, 12040-149 STREET NW
EDMONTON
ALBERTA T5V1P2
ORIGINAL PRINCIPAL AMOUNT: \$2,000,000

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 4
112 117 523

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
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TOTAL INSTRUMENTS: 010

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 9 DAY OF
DECEMBER, 2022 AT 09:59 A.M.

ORDER NUMBER: 46046050

CUSTOMER FILE NUMBER: J633



END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,
SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM
INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION,
APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS
PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).



LAND TITLE CERTIFICATE

S
LINC SHORT LEGAL TITLE NUMBER
0023 417 843 4;20;44;8;NW 112 325 437 +1

LEGAL DESCRIPTION

MERIDIAN 4 RANGE 20 TOWNSHIP 44
SECTION 8
THE WEST HALF OF THE NORTH WEST QUARTER
CONTAINING 32.4 HECTARES (80 ACRES) MORE OR LESS
EXCEPTING THEREOUT:
0.405 HECTARES (1.00 ACRES) MORE OR LESS
AS SHOWN ON ROAD PLAN 8421445
EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE

MUNICIPALITY: CAMROSE COUNTY

REFERENCE NUMBER: 032 024 504 +3

REGISTERED OWNER(S)				
REGISTRATION	DATE(DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
112 325 437	13/10/2011	TRANSFER OF LAND		SEE INSTRUMENT

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2
112 325 437 +1

REGISTRATION
NUMBER DATE (D/M/Y) PARTICULARS

932 034 035 05/02/1993 CAVEAT
RE : RIGHT OF WAY AGREEMENT
CAVEATOR - SHACKLETON EXPLORATION LTD.
ATTN: LAND DEPARTMENT
2400, 520-5 AVE SW
CALGARY
ALBERTA T2P3R7
(DATA UPDATED BY: CHANGE OF ADDRESS 982154233)
(DATA UPDATED BY: TRANSFER OF CAVEAT
192186332)

162 176 974 04/07/2016 MORTGAGE
MORTGAGEE - FARM CREDIT CANADA.
2ND FLOOR, 12040-149 STREET NW
EDMONTON
ALBERTA T5V1P2
ORIGINAL PRINCIPAL AMOUNT: \$2,000,000

TOTAL INSTRUMENTS: 002

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 9 DAY OF
DECEMBER, 2022 AT 09:59 A.M.

ORDER NUMBER: 46046050

CUSTOMER FILE NUMBER: J633



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OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).



LAND TITLE CERTIFICATE

S		
LINC	SHORT LEGAL	TITLE NUMBER
0023 417 851	4;20;44;8;NW	112 325 437

LEGAL DESCRIPTION

MERIDIAN 4 RANGE 20 TOWNSHIP 44
SECTION 8
THE EAST HALF OF THE NORTH WEST QUARTER
CONTAINING 32.4 HECTARES (80 ACRES) MORE OR LESS
EXCEPTING THEREOUT:
0.405 HECTARES (1.00 ACRES) MORE OR LESS
AS SHOWN ON ROAD PLAN 8421445
EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE

MUNICIPALITY: CAMROSE COUNTY

REFERENCE NUMBER: 032 024 504 +2

REGISTERED OWNER(S)				
REGISTRATION	DATE(DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
112 325 437	13/10/2011	TRANSFER OF LAND		SEE INSTRUMENT

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2
112 325 437

REGISTRATION

NUMBER	DATE (D/M/Y)	PARTICULARS
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932 034 034	05/02/1993	CAVEAT RE : RIGHT OF WAY AGREEMENT CAVEATOR - SHACKLETON EXPLORATION LTD. ATTN: LAND DEPARTMENT 2400, 520-5 AVE SW CALGARY ALBERTA T2P3R7 (DATA UPDATED BY: CHANGE OF ADDRESS 982154233) (DATA UPDATED BY: TRANSFER OF CAVEAT 192186332)
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142 388 676	17/11/2014	UTILITY RIGHT OF WAY GRANTEE - SHACKLETON EXPLORATION LTD.
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162 176 974	04/07/2016	MORTGAGE MORTGAGEE - FARM CREDIT CANADA. 2ND FLOOR, 12040-149 STREET NW EDMONTON ALBERTA T5V1P2 ORIGINAL PRINCIPAL AMOUNT: \$2,000,000
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TOTAL INSTRUMENTS: 003

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 9 DAY OF
DECEMBER, 2022 AT 09:59 A.M.

ORDER NUMBER: 46046050

CUSTOMER FILE NUMBER: J633



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OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

SAMPLE

702 General Agricultural (A) District

702.1 Purpose

To provide for a wide range of agricultural land uses that have regard for the agricultural character and rural identity of the area, and which can be carried on without interference by other incompatible land uses.

The Subdivision Authority, the Development Authority and, on appeal, the Subdivision and Development Appeal Board must refuse to approve any subdivision or issue a permit for any land use which may limit or restrict agricultural operations in the vicinity.

702.2 Permitted and Discretionary Uses

Permitted	Discretionary
<ul style="list-style-type: none">• Accessory Buildings• Agriculture• Forestry and Tree Farming• Home Business, Minor• Home Office• Intensive Agricultural Operations• Intensive Livestock Operation• Public Parks, Playgrounds & Recreational Facilities• Public Utilities• Residence, Manufactured• Residence, Modular• Residence, Ready to move• Residence, Site Built• Shipping Containers/Seacans• Small WECS• Water Storage and Treatment Sites	<ul style="list-style-type: none">• Agricultural Industrial Uses• Airstrips• Bed and Breakfast Operations• Cemeteries• Community Halls• Confined Feeding Operation• Educational Facilities• Fertilizer storage, blending and sales• Guest Ranch Operations• Hangars, control tower, terminal building, maintenance shops• Home Business, Major• Horse Riding, training & boarding stables• Industrial, commercial, and storage uses which benefit from or contribute to airport operations• Kennels• Landfill Sites• Moved-In Buildings (non-residential)• Natural Resource Extraction• Public or Quasi-Public Uses• Religious Institutions• Residence, Pre-existing moved onto site• Rodeo Grounds• Runways & Taxiways• Second Residence• Sewage Treatment Lagoons• Solar Farm• Transfer Stations• Veterinary Clinics• Wind Energy Farm

702.3 General Agricultural Regulations

Zone Standard	Requirements
Max. Dwellings per Site ⁽¹⁾	1
Min. Site Area – Agricultural ⁽²⁾	approx. 30.35 ha (75 acres)
Max. Residential Area	4.04 ha (10 acres)
Min. Residential Lot Area	2.02 ha (5 acres)
Min. Setbacks	
From a County Road (greater than 50 km/h)	40 m (132 ft)
From a County Road (less than 50 km/h)	10 m (33 ft)
From any other lot line	10 m (33 ft)

(1) Unless a Development Permit has been issued under Section 634 Second Residences or 635 Secondary Suites of this Bylaw.

(2) Smaller lots may be created for agricultural purposes subject to the regulations outlined below.

702.4 A complete quarter section may be subdivided into two parts. This may be a division of the land into two approximately equal parts, or subject to Regulation 702.10, a residential site and an agricultural remainder.

702.5 Additional lots may be subdivided out of a quarter section:

- a. for public and quasi-public uses;
- b. for intensive agricultural and intensive livestock operations;
- c. to create a lot which is physically separated from the balance of the quarter section by a barrier to agriculture such as a road diversion, creek, or ravine; and
- d. a second residential parcel may be permitted where the existing yardsite has been established for at least ten years, providing it is outside the Bashaw and Camrose IDP Boundaries.

702.6 For the purposes of subdivision, a quarter section is deemed to be complete if the only previous subdivisions were for school, church, public, or mineral extraction purposes, or for a use exempted from municipal control by the MGA.

702.7 A lot created for residential purposes should not include any cultivated land or high capability farmland (with a rating of 40% or higher).

702.8 A lot created for agricultural purposes shall be a size and shape which can reasonably be farmed, and shall be:

- a. approximately 31 ha (75 acres) in size, varied by existing patterns of cultivation;
- b. if less than 31 ha (75 acres) in size, a business plan is required to demonstrate that the smaller size is feasible for agricultural purposes;
- c. defined by a physical barrier to cultivation such as a road diversion, creek, or ravine; or
- d. of a suitable size for a proposed or existing intensive agricultural, intensive livestock, or confined feeding operation.

702.9 A lot created for any other purpose shall be of a size and shape acceptable to the Development Authority bearing in mind the need to avoid interference with nearby agricultural operations.

702.10 A lot subdivided for residential purposes shall:

- a. be safe and suitable as defined in Section 633 Safety and Suitability of Building Sites of this Bylaw;
- b. not conflict with nearby farm operations, the logical and economical expansion of nearby urban areas, or municipal or Provincial plans for road improvements;
- c. have access to a maintained road, with an approach that meets the standards of the road authority; and

- d. contain at least two (2) of the following improvements:
 - a habitable dwelling;
 - a water well;
 - electrical service; and/or
 - a natural or planted shelterbelt.
 - e. Be subject to the County's Nuisance Bylaw if zoned CR-1 or CR-2.
- 702.11 A fragmented parcel may be considered for subdivision if it meets the following criteria:
- a. a suitable building site exists;
 - b. legal access meets the needs of the proposed use, year round;
 - c. the proposed use of the parcel does not negatively impact surrounding agricultural land;
 - d. the application clearly outlines that the parcel can be serviced on site as per Provincial regulations; and
 - e. a maximum of three (3) lots per quarter section has not been exceeded.
- 702.12 Pursuant to the AOPA Standards and Administration Regulation, if the Development Authority is asked to issue a Development Permit for a residence, and the residence is closer to an intensive livestock operation or confined feeding operation than the minimum distance separation set out in Section 619 Intensive Livestock Operations, he may:
- a. refuse to issue a permit; or
 - b. issue a Development Permit subject to the applicant, who must be the owner of the proposed residence, signing a Declaration in a form accepted by the Development Authority; or
 - c. The proposed residence will be owned or controlled by the owner of the livestock operation.
- 702.13 The following procedures apply within 3.2 km (2 miles) of the boundary of the City of Camrose and 1 mile of the boundaries of other urban municipalities ("the referral area"), and are designed to meet the County's commitment to work with its urban neighbours, unless otherwise specified in an approved IDP:
- a. despite Section 303 Development Not Requiring a Development Permit of this Bylaw, all agricultural buildings within the referral area require Development Permits;
 - b. proposals for subdivision or development within the referral area will be referred to the urban municipality for comments and recommendations;
 - c. if no reply is received within twenty-one (21) days, the urban or rural municipality is deemed to have no objection, and the application will be processed in the normal way; and
 - d. despite Regulations 702.1 to 702.4, the Development Authority and/or Subdivision Authority may refuse an application which will negatively impact the urban place.
- 702.14 In addition to the regulations stated above, any relevant Sections of Part 6: General Regulations shall also apply.

SAMPLE

AGRICULTURE

1.1 Agricultural Soil Classification:

The Agriculture layer shows the varying potential of a specific area for agricultural production. It indicates the classes and subclasses according to the Soil Capability Classification of Agriculture, which is based on characteristics of the soil as determined by soil surveys. The mineral soils are grouped into 7 classes and 13 subclasses according to the potential of each soil for the production of field crops. Organic soils are not a part of the classification and are shown as a single separate unit (0).

1.2 Agricultural Soil Classes:

Class	Description
1	Soils in this class have no significant limitations in use for crops.
2	Soils in this class have moderate limitations that restrict the range of crops or require moderate conservation practices.
3	Soils in this class have moderately severe limitations that restrict the range of crops or require special conservation practices.
4	Soils in this class have severe limitations that restrict the range of crops or require special conservation practices.
5	Soils in this class have very severe limitations that restrict their capability in producing perennial forage crops, and improvement practices are feasible.
6	Soils in this class are capable only of producing perennial forage crops, and improvement practices are not feasible.
7	Soils in this class have no capacity for arable culture or permanent pasture.
0	Organic Soils (not placed in capability classes).

1.3 Agricultural Subclasses:

Subclass	Description
C	Adverse climate
D	Undesirable soils structure and/or low permeability
E	Erosion
F	Low fertility
I	Inundation by streams or lakes
M	Moisture limitations
N	Salinity
P	Stoniness
R	Consolidated bedrock
S	Combination of subclasses
T	Topography
W	Excess water
X	Soils having limitation resulting from the cumulative effect of two or more adverse characteristics