



June 18th, 2019

Jane Koh, MCIP RPP
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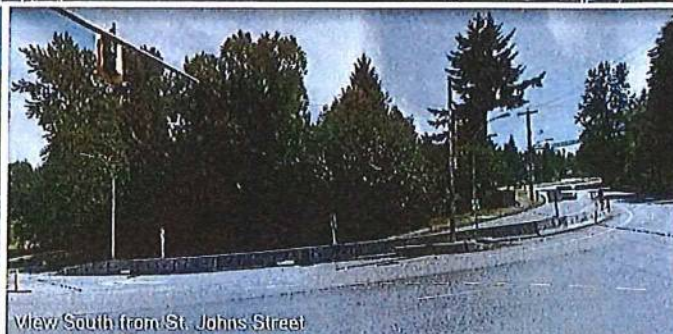
Dear Jane,

Re: 2002-2014 Saint George Street and 2003-2009 Saint Johns Street – Letter of Opinion

Colliers International Consulting has assessed the commercial potential of Bold Properties' site located at 2002-2014 Saint George Street and 2003-2009 Saint Johns Street (Subject Site), as identified below. The goal of this letter is to examine the Subject Site's viability for ground floor commercial use based on traditional commercial development principles strongly correlated with performance metrics and a healthy mixed-use environment.



View North from St. George Street

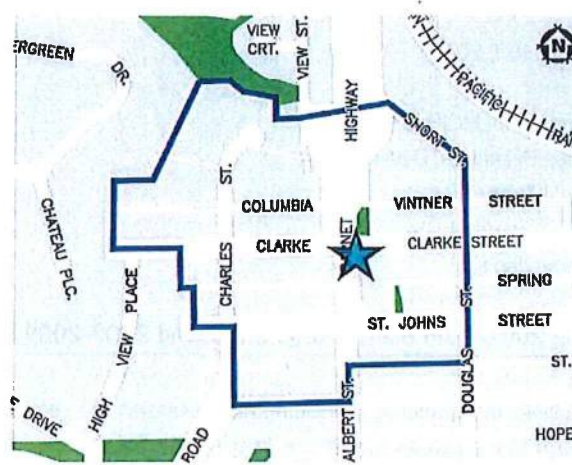


View South from St. Johns Street

Planning Considerations

The Subject Site is located within the Westport Evergreen Sub-Area, as outlined in the Port Moody Official Community Plan. This western entrance to Port Moody is envisioned as a gateway to the City, balancing the existing residential character and function with new opportunities for locally serving commercial uses, as well as more diverse housing options.

Future development goals of this area include work-live space, public arts presentation space, seniors accommodation, assisted living accommodation, high tech mixed employment space, enhanced green space, new parks, and commercial/retail services.



The site itself is currently designated as Mixed-Use Moody Centre, intended for the development of a variety of retail, service, office, and stand-alone commercial activities, along with multi-family residential. As outlined below, Colliers has examined the difficulties the site possesses in terms of its commercial development potential.

Accessibility

Accessibility by vehicle, public transportation, foot, and bicycle is one of the most important factors when examining a site's potential for commercial use. The Subject Site's location at the corner of Clarke Road and Saint Johns street creates significant limitations in terms of accessibility. Due to the physical characteristics of the corner, the site is difficult to access by vehicle with limited (if any) options for streetfront parking, access, or egress. It is also relatively far away from the Port Moody Skytrain station, and pedestrian access is hindered by the lack of available crossings across Clarke Road.

Gradation

The majority of commercial tenants strongly prefer level sites to maintain consistent frontages, strong lines of sight, and simple access. Additionally, a large proportion of the population that would access the site by foot is located downhill, and as such, the slope may deter some of these consumers from venturing up to the Subject Site. This slope is likely to be a major deterrent for any prospective tenants and could result in a longer than expected leasing period, an undesired tenant mix, and poorly performing commercial tenants.

Population

Commercial performance is dependent on a nearby population with the potential for future growth, providing a constant source of expenditures that could be captured on-site. For example, a full-sized grocery store requires a minimum trade area population of approximately 20,000. Currently, the Subject Site has a population of approximately 3,000 within a 10-minute walk, and 7,000 within a 1 km radius with limited growth between census periods.

Critical Mass

It is also essential to locate commercial uses within areas containing an existing critical mass of complementary tenants and residential population rather than in isolated regions. Within Port Moody, the centre of gravity in terms of commercial supply is located to the east, closer to Port Moody Station, Inlet Centre Station, Suter Brook Village,



and Newport Village. These areas are known as Port Moody's commercial destinations and attract more footfall than the area near the Subject Site.

Work-Live

Although the Subject Site is located within a region of Port Moody that desires the inclusion of work-live units, the proposed RM8 zoning does not permit such use. The following uses are permitted within this zone:

- > Principal Use – Apartment
- > Secondary Use – Home Occupation, Type A Community care

Throughout Port Moody, the zones that do permit work-live units are the following:

- > C2 – Neighbourhood Commercial
- > C3 – General Commercial
- > C6 – Adaptive Commercial
- > CRM1 – Four-Storey Mixed Use
- > CRM2 – Six-Storey Mixed Use

Summary

The Subject Site has significant challenges in terms of its viability for commercial development, and it is Colliers opinion that it would be better suited for residential uses. Due to these challenges, a comprehensive market analysis is not required at this point, as the locational characteristics alone make commercial use problematic.

Please feel free to contact us if you have any questions regarding the analysis above.

Yours truly,

COLLIERS INTERNATIONAL CONSULTING

A handwritten signature in black ink, appearing to read "Gordon Easton".

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