

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ROYAL BANK OF CANADA

Plaintiff

- and -

MARGARET LOIS MORRISON and JOHN ANTHONY MORRISON

Defendants

**SUPPLEMENTARY RESPONDING MOTION RECORD**

Dated: January 22, 2024

**TOM SERAFIMOVSKI**  
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**LAWYERS FOR THE PLAINTIF**

**INDEX**

1. Supplemental Affidavit of Darwin Harasym sworn January 22, 2024
  - A. **Exhibit "A"** – Appraisal prepared by TL Smith Appraisals as of April 1, 2019
  - B. **Exhibit "B"** - Trial Record for Court File No. CV-14-51

# TAB 1

Court File No.: CV-23-00000065-0000

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ROYAL BANK OF CANADA

Plaintiff

- and -

MARGARET LOIS MORRISON and JOHN ANTHONY MORRISON

Defendants

**SUPPLEMENTAL AFFIDAVIT OF DARWIN E. HARASYM**

I, Darwin E. Harasym, of the Town of Tecumseh, and Province of Ontario, MAKE  
OATH AND SAY AS FOLLOWS:

1. I am a partner with McTague Law Firm LLP, who has been retained by the Defendants, and, as such have knowledge of the matters hereinafter deposed, except where I have received information from others in which case I have disclosed the source of the information and verily believe it to be true.
  
2. Further to my Affidavit sworn January 12, 2024, attached hereto and marked as **Exhibit "A"** to this my Affidavit is a true copy of an appraisal of the subject property dated April 1, 2019 prepared by TL Smith Appraisals setting the estimate market value of the property as of April 1, 2019 at \$7,215,000.00, which I am advised by John Morrison and verily believe to be true, is the last appraisal the Defendants obtained regarding this property.



3. Attached hereto and marked as **Exhibit "B"** to this my Affidavit is a true copy of the Trial Record in Court File No. CV-14-51 commenced in Cayuga, setting out the issues regarding the water line to the subject property. I am advised by Tom Serafimovski, who is the lawyer for Margaret Morrison, and verily believe to be true that the litigation is still ongoing with an Assignment Court date scheduled for March 20, 2024.

4. I make this Affidavit in response to the Plaintiff's motion to appoint a Receiver over the subject property and for no other or improper purpose.

SWORN BEFORE ME at the City of )  
Windsor, in the County of Essex and )  
Province of Ontario this 22<sup>nd</sup> day of )  
January, 2024. )  
\_\_\_\_\_)  
A Commissioner, etc. )

  
\_\_\_\_\_  
DARWIN E. HARASYM

**THIS IS EXHIBIT "A"**  
**REFERRED TO IN THE AFFIDAVIT OF**  
**DARWIN E. HARASYM**  
**SWORN BEFORE ME THIS 22<sup>nd</sup> DAY**  
**OF JANUARY, 2024**

  
.....  
**A Commissioner, etc.**

**SHORT NARRATIVE APPRAISAL  
OF AN IMPROVED MIX USE PROPERTY**



**LOCATED AT 274 ARMY CAMP ROAD, HAGERSVILLE  
PROVINCE OF ONTARIO**

**PREPARED FOR:**

**Mrs. Margaret Morrison**

**April 1, 2019**

**TL SMITH APPRAISALS  
2 COVINGTON ROAD, #304  
TORONTO, ONTARIO  
416-220-1842**

April 22, 2019

Mrs. Margaret Morrison

Dear Mrs. Morrison:

**RE: VALUATION OF A MIXED USE PROPERTY LOCATED AT 274 ARMY CAMP ROAD,  
HAGERSVILLE, PROVINCE OF ONTARIO**

At your request, I am forwarding to you the enclosed *Narrative Appraisal Report* which comprises my valuation of the above described property. The purpose of this report is to estimate the current market value of the subject in order to assist in setting a sale price for the subject, as of the effective date of this appraisal. The property rights appraised are those of the Leased Fee and the Fee Simple Interest and the effective date of my valuation is April 1, 2019, the date of the inspection.

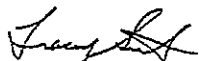
The subject is located along the south side of Army Camp Road in Hagersville, Province of Ontario. The site is an irregular shaped site with flat topography and 67.2 acres. The improvements are located on the north-south quadrant of the site and consist of various dwelling types and industrial buildings. The following appraisal report contains my estimate of market value of the above described property. In my opinion the estimated current market value of the subject property as of the effective date, April 1, 2019, is,

**\$7,215,000**

**(SEVEN MILLION TWO HUNDRED FIFTEEN THOUSAND DOLLARS)**

The following report contains the data, analysis and conclusions affording the valuation. I trust this report is satisfactory and that it fulfils its intended purpose.

Respectfully submitted,



Tracey Smith, AACI, P.App



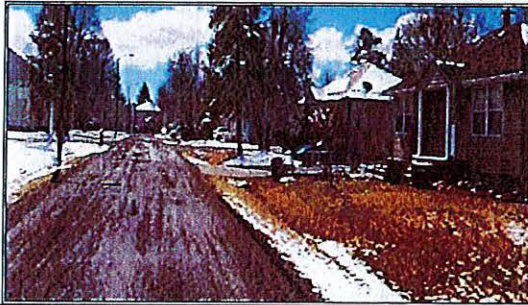
**PHOTOGRAPHS OF THE SUBJECT**  
*Front view of property*



*Street Views*

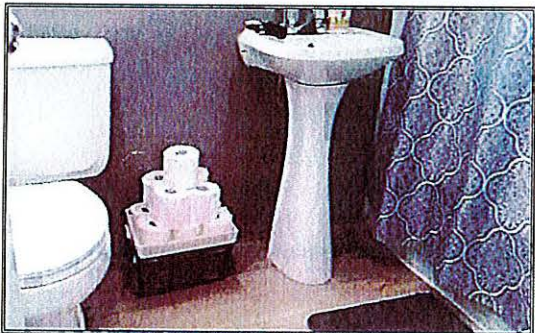
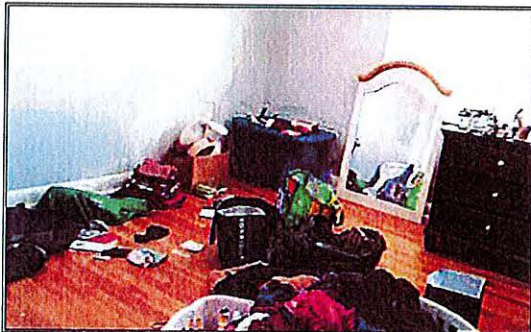


*Residential subdivision*



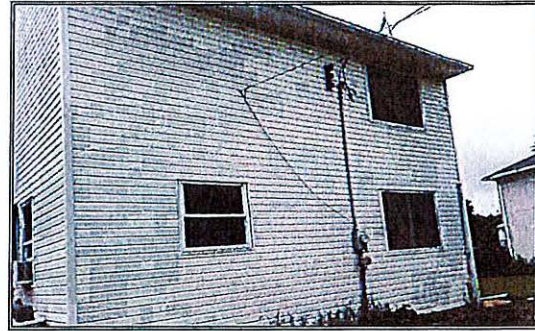
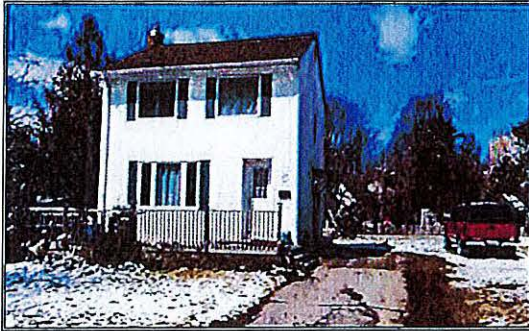


*Photographs of the Subject  
Views of #17*





**PHOTOGRAPHS OF THE SUBJECT**  
*View of Unit 29*

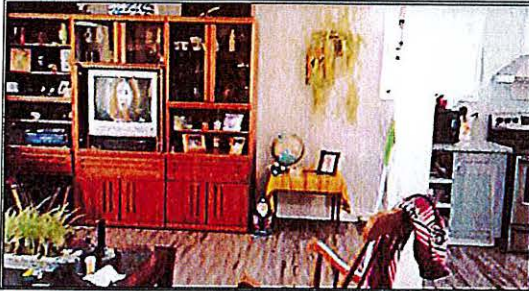
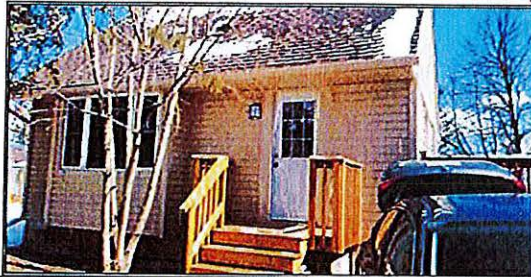


*Views of Unit #21*



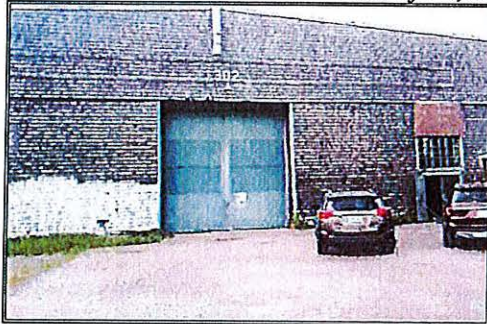


*PHOTOGRAPHS OF THE SUBJECT*  
*View of Unit 22*

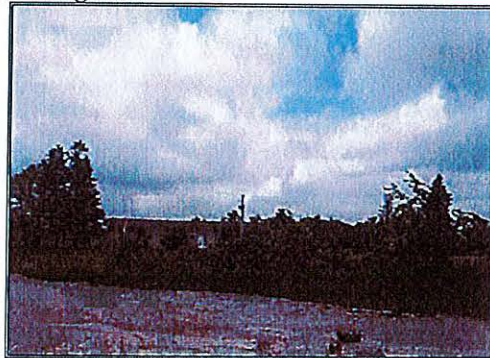
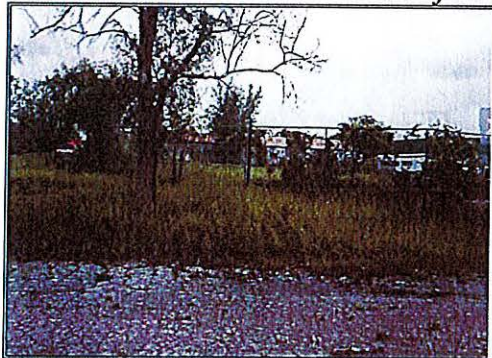




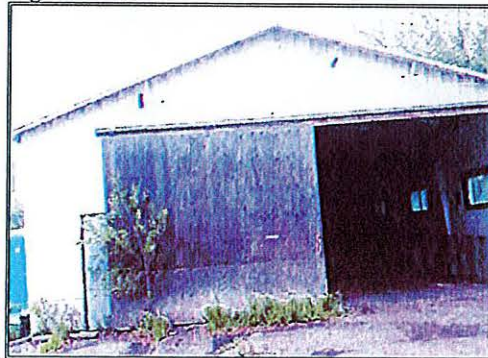
*Views of industrial buildings  
View of 24,000 sf building #1*



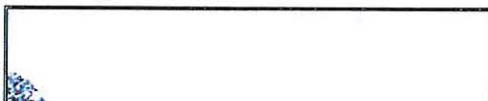
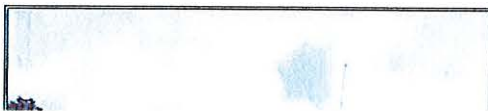
*View of surrounding land*



*View of Buildings 2 and 3*



*Improvement not in use*



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**SUMMARY OF SALIENT FACTS**

Location:	274 Army Camp Road, Hagersville, Ontario
Property Owner:	Margaret Morrison
Assessment Roll Number:	281033200711450
PIN Number:	3824401090
Legal Description:	Part Lot 3-4 Concession 11 Walpole Part 1 18R1965 together with HC275680; subject to HC227459; Haldimand County
Site Improvements:	36 Single Family Detached Dwellings (of which 11 are owned and 25 are land leases) 24,000 sf industrial building 7,000 sf industrial building 2 x 4,000 sf industrial building (1 currently vacant and being renovated) 4,500 sf industrial building (vacant and being renovated) 2,500 sf industrial building (vacant and being renovated)
Site Description:	
Shape :	Irregular Shaped
Area :	1487.31' frontage, total area of 67.2 acres (50 acres of surplus agricultural land)
Official Plan	Agricultural Area
Zoning By-Law:	Agriculture
Highest and Best Use	Holding property until such time as redevelopment is warranted

**Valuation**

<b>Income Approach (Improvements) *</b>	\$4,815,000
<b>Direct Comparison Approach (Surplus Land)</b>	
-No. of Comparables	5 sales
-Estimated Value	\$2,400,000
<b>Final Estimate of Value (Improvements +Surplus Land)</b>	<b>\$7,215,000</b>

## **PURPOSE OF THE APPRAISAL**

### ***Report Format***

The Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) necessitates that an appraisal report be identified as one of the following types of reports:

#### ***Current***

- Refers to an appraisal where the effective date of the report is simultaneous with the date the report was prepared or inspected, where market conditions have not changed materially between the dates.

#### ***Retrospective***

- Refers to an appraisal where the effective date of the report precedes the inspection date or the date the report was prepared and whereby market conditions may be materially different in the time frame between these dates. In this type of appraisal the “retrospective” value is based on market conditions, perceptions and perspective that existed as of the effective date.

#### ***Prospective***

- Refers to an appraisal where the effective date of the report is after the inspection date or the date the report was prepared. In this type of appraisal the “prospective” value opinion is intended to reflect the projected market conditions to a future effective date.

#### ***Up-Date***

- Refers to an appraisal where the subject was previously appraised and has not undergone significant changes and/or the time between the effective date of the original appraisal and the up-date is not unreasonably long. It is an extension of a previously completed appraisal, updated to the effective date of the report and is intended for readers familiar with the original report of the subject property.

The Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) necessitates that an appraisal report be identified as one of the following types of reports which depends on the needs of the users and appraisers:

<b><i>Narrative:</i></b>	<i>comprehensive and detailed</i>
<b><i>Short Narrative:</i></b>	<i>concise and briefly descriptive</i>
<b><i>Form:</i></b>	<i>standard format combining check off boxes and short narrative comments. The basic distinguishing difference between each different type of report is the level of detail of presentation.</i>

### **Classification of the Appraisal**

*This is a Short Narrative Appraisal Report which is a Current Valuation intended to comply with the reporting requirements set forth by CUSPAP. As such, it presents a detailed discussion of the date, reasoning, and*

**Intended Use of the Appraisal** The intended use of the appraisal is to assist in setting a sale price for the subject property.

**Extraordinary Assumptions** An extraordinary assumption refers to any hypothesis - either fictitious or unconfirmed - which, if not true, could alter the appraiser's opinions or conclusions.

The appraiser did not have the benefit of reviewing any of the leases and is relying heavily on information provided by the owner. Further, the appraiser is relying on the condition of the uninspected units to be in similar condition to the inspected units and described to the appraiser by the owner and the owner's son. Should this information not be accurate, the value stated herein may change and/or be void.

The appraiser is assuming there will be a change in the Official Plan and zoning to permit a senior's housing complex with row townhouses on the property. Should this not be the case, the value stated herein may change and/or be VOID.

**Extraordinary Limiting Conditions** Extraordinary limiting condition refers to the necessary modification or exclusion of any Appraisal Standard Rule that is outlined in the Standards of Professional Appraisal Practice of the Appraisal Institute of Canada.

There are no extraordinary limiting conditions to the conclusions of this report.

**Description of the Subject Property** The subject consists of a 67.2 acre irregular shaped site that is improved with 36 single family dwellings of which 11 are owned by Margaret Morrison and the remainder land leases. There are a total of 6 industrial buildings, of which 3 are currently vacant. Approximately 50 acres of the site is considered as surplus land. The subject is located in Hagersville, Haldimand County, Province of Ontario.

**Effective Date** The effective date of this appraisal is April 1, 2019, the date of inspection.

**Legal Description** The legal description of the subject property is: Part Lot 3-4, Concession 11 Walpole, Part 1 18R1965 T/W HC275680; S/T HC227459; Haldimand County.

**Property Rights Appraised** The property rights appraised are those of the Fee Simple and the Leased Fee Interest in the real estate comprising the property.

#### **History of the Subject**

Address:	274 Army Camp Road, Hagersville, Province of Ontario
Consideration on Record:	\$0.00
Registration Date:	08/05/2008
Owner:	Margaret Morrison

A search of TREB MLS indicates there has been no activity on the TREB within the past 5 years. The appraiser has had any dealings of the subject property.

### Scope of Investigations

- An inspection of the property was completed on April 1, 2019 by Tracey Smith, AACI, P.App.
- The current Official Plan and Zoning guidelines were reviewed and were confirmed.
- The Highest and Best use of the site was estimated.
- A canvass of the subject area and surrounding districts was made using the Toronto Real Estate Board's MLS system, Teranet Registry Services, MPAC, real estate agents, and our own files in order to ascertain recent sales and offerings involving sales and leases that are comparable to the subject property. All potential comparable properties were externally inspected.
- Sizes of Comparable Sales were gathered from MPAC and the Toronto Real Estate Board, the Hamilton Real Estate Board where available.
- Market conditions were examined and analysed regarding their potential effects on the property.
- The Income Approach was utilized in the analysis of the improvements and the Direct Market Comparison Approach was utilized in the analysis of the surplus land.

### Definition of Market Value

Market value, as defined by the Appraisal Institute of Canada, and as used in this Report is:

***"The most probable price in terms of money at which a property should bring in a competitive and open market under all conditions requisite for a fair sale, the buyer and seller each acting prudently and knowledgeably and assuming the price is not affected by any undue stimuli.***

*Implicit in this definition are the consummation of a sale as of a specific date and the passage 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 are acting in what they consider their best interest.*
- 3. A reasonable time is allowed for exposure in the open market.*
- 4. Payment is made in terms of cash and 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 sale concessions granted by anyone associated with the sale."*



**LOCATION MAP**



**NEIGHBOURHOOD MAP**





## LOCATION & MARKET OVERVIEW

### Haldimand County

Haldimand County is located within the Greater Golden Horseshoe and is a 1 to 2 hours drive to major cities like Hamilton, Toronto, and Buffalo (New York) with access to key markets. Haldimand County is situated between the City of Hamilton and Niagara Region and benefits from the low cost of living and reasonably priced industrial lands. Local highways provide easy access to Ontario's transportation networks, including the 400 series highways. Hamilton International Airport is a 10-minute drive from the north border of the County and Toronto's Pearson International Airport is 90 minutes away. Existing rail spurs add to the infrastructure with potential seaway access.

Key Economic Sectors: Tourism; Food and beverage stores, Accommodation and food services, Retail/Manufacturing; Petroleum, and Primary metal manufacturing, Agri-food processing; Poultry and egg production, Food manufacturing, and Animal and crop production.



### *Largest Private Employers*

Name	NAICS	# of Employees (approximate)
Stelco (US Steel)	Iron and Steel Mills and Ferro-Alloy Manufacturing	1,500
CGC Inc	Gypsum Product Manufacturing	300
Imperial Oil	Petroleum Manufacturing	260
Original Foods	All Other Food Manufacturing	150
Rosa Flora	Floriculture Production	150
Parkview Christian Retirement	Community Care Facilities for the Elderly	110
Contrans Flatbed Group	General Freight Trucking, Local	100
Charles Jones Industrial Ltd.	Electronic Components, Navigational and Communications Equipment and Supplies Merchant Wholesalers	90

Source: Haldimand County

### *Largest Public Employers*

Name	NAICS	# of Employees (approximate)
Haldimand County	Public Administration	514



*Distance to Urban Centres*

Distance to Major Urban Centres		
Location	Distance (km)	Distance (miles)
Hamilton	19	11
St. Catharines	70	43
Kitchener-Waterloo	80	50
Toronto	89	46
London	100	62
Windsor	283	176
Kingston	349	217
Ottawa	471	293
Montreal	629	391

**The community of Hagersville**

The small community of Hagersville is situated directly on the cross streets of Highway #6 and Highway #20 (also known as Indian Line). Hagersville comprises an area of 3.142 km.sq. and has a population of 2,815 people as of the 2016, a 14% growth from the 2011 population of 2,579. Hagersville is a community within Haldimand County, a single-tier municipality on the Niagara Peninsula in Ontario.



Founded after Highway #6 was completed construction in 1855, a small community was created when Charles and David Hager purchased most of the land centered on and immediately adjacent to the new intersection. Fifteen years later, the Canadian Southern Railroad began construction and the community grew in prosperity within a few years following the completion. Hagersville's antiquity remains evident in the historic yet well-maintained homes and buildings, most notably the Canadian Imperial Bank of Commerce Building.

The subject was previously an army camp and its history is as follows: Leading up to and throughout World War II, the Royal Canadian Air Force constructed and ran the No 16. Service Flying Training School to be a part of the British Commonwealth Air Training Program which would be situated south-west of Hagersville. This Air Force base was later closed immediately following the war in 1945 and was then used as an Army Camp and renamed Camp Hagersville until its closure in 1964. The property is now used as an industrial park and a portion has been converted to single family detached dwellings.

## Haldimand County

Figure 3: Changes in Census Population Age Profile, 2006 to 2016

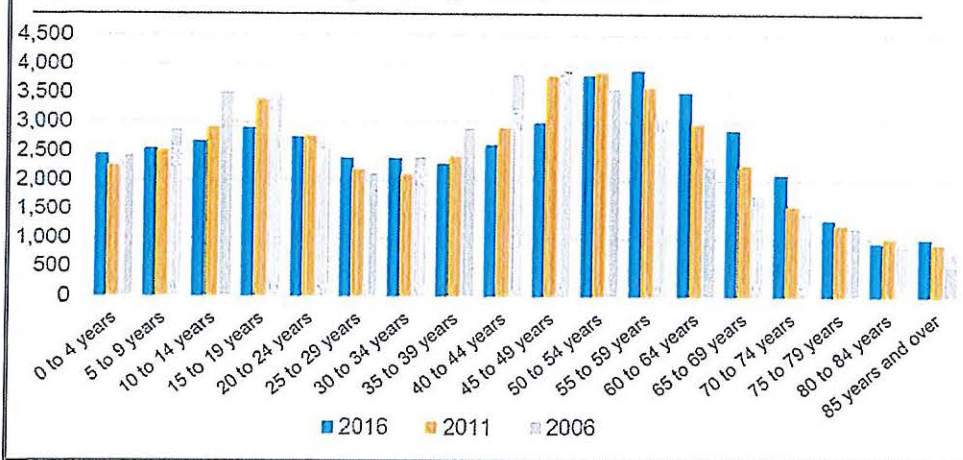


Table 4: Total Individual Income Levels, 2016

Characteristic	Haldimand	Haldimand	Ontario
Population 15 years and over	40,500	100.0%	100.0%
Without income	2,024	5.0%	5.3%
With income	38,475	95.0%	94.7%
Under \$5,000	3,455	8.5%	9.5%
\$5,000 to \$9,999	2,979	7.4%	7.0%
\$10,000 to \$14,999	3,249	8.0%	8.1%
\$15,000 to \$19,999	3,406	8.4%	8.4%
\$20,000 to \$29,999	5,034	12.4%	12.4%
\$30,000 to \$39,999	4,851	12.0%	10.9%
\$40,000 to \$49,999	4,005	9.9%	9.4%
\$50,000 to \$59,999	2,890	7.1%	7.5%
\$60,000 to \$79,999	3,772	9.3%	9.0%
\$80,000 to \$99,999	2,658	6.6%	5.8%
\$100,000 to \$124,999	2,175	5.4%	3.2%
\$125,000 and over	1,307	3.2%	3.4%
Median total income \$	\$35,029		\$34,243
Average total income \$	\$45,343		\$49,938

Source: McSweeney & Associates from Manifold Data Mining Inc. SuperDemographics 2017 \*(2016 incomes).



**Table 10: Educational Attainment, 2017**

Characteristics <sup>9</sup>	Haldimand	Haldimand	Ontario
<b>Total population 25 to 64 years</b>	<b>24,710</b>	<b>100.0%</b>	<b>100.0%</b>
No certificate, diploma, or degree	3,165	12.8%	11.5%
Certificate, diploma, or degree	21,545	87.2%	88.5%
High school certificate or equivalent	7,486	30.3%	24.1%
Postsecondary certificate, diploma, or degree	14,059	56.9%	64.4%
Apprenticeship or trades certificate or diploma	3,404	13.8%	7.5%
College, or other non-university certificate or diploma	7,272	29.4%	23.7%
University certificate, diploma, or degree	3,383	13.7%	33.1%
University certificate or diploma below bachelor level	580	2.3%	4.4%
University certificate or degree	2,803	11.3%	28.7%
Bachelor's degree	1,872	7.6%	17.7%
University certificate or diploma above bachelor level	931	3.8%	11.1%

Source: McSweeney & Associates from Manifold Data Mining Inc. SuperDemographics 2017.

**Table 12: Labour Force Characteristics, 2017**

Characteristic	Haldimand	Ontario
<b>Total population aged 15 years and older</b>	<b>40,500</b>	<b>11,839,798</b>
In the labour force <sup>10</sup>	27,181	7,801,243
Employed	25,609	7,263,691
Unemployed	1,572	537,552
Not in the labour force	13,318	4,038,555
Participation rate %	67.11	65.89
Employment rate %	63.23	61.35
Unemployment rate %	5.78	6.89

Source: McSweeney & Associates from Manifold Data Mining Inc. SuperDemographics 2017.

**Table 14: Labour Force by Industry, 2017**

(NAICS code) - Industries <sup>12</sup>	Haldimand	Haldimand	Ontario
Total labour force 15 years and over	27,181	100.0%	100.0%
Industry - not applicable <sup>13</sup>	484	1.8%	2.7%
All industries	26,698	98.2%	97.3%
31-33 Manufacturing	4,215	15.5%	10.2%
62 Health care and social assistance	3,201	11.8%	10.1%
44-45 Retail trade	2,920	10.7%	10.9%
23 Construction	2,750	10.1%	6.0%
61 Educational services	1,782	6.6%	7.3%
48-49 Transportation and warehousing	1,521	5.6%	4.5%
11 Agriculture, forestry, fishing and hunting	1,514	5.6%	1.5%
72 Accommodation and food services	1,429	5.3%	6.0%
81 Other services (except public administration)	1,175	4.3%	4.3%
91 Public administration	1,175	4.3%	6.8%
56 Administrative and support, waste management and remediation services	974	3.6%	4.5%
41 Wholesale trade	848	3.1%	4.5%
54 Professional, scientific and technical services	835	3.1%	7.5%
52 Finance and insurance	689	2.5%	5.4%
22 Utilities	503	1.9%	0.8%
71 Arts, entertainment and recreation	500	1.8%	2.1%
53 Real estate and rental and leasing	319	1.2%	2.0%
21 Mining, quarrying, and oil and gas extraction	182	0.7%	0.4%
51 Information and cultural industries	166	0.6%	2.6%

**Table 21: Distance to Major US Border Crossings**

Distance to Border Crossings		
Border Crossing	Distance (km)	Distance (miles)
Niagara Falls/Niagara Falls	100	62
Buffalo/Fort Erie	116	72
Lewiston/Queenston	120	75
Port Huron/Sarnia	200	124
Detroit/Windsor	283	176

Source: McSweeney & Associates from Google Maps

HALDIMAND				Total
Ownership:		Rental:		
Freehold:	Condominium/	Logements Locatifs		
En propriété absolue	En copropriété			GRAND



1.0 Rental Market Indicators Privately Initiated Apartment Structures of Three Units and Over Provinces and Major Centres										
Centre	Vacancy Rates (%)		Availability Rates (%)		Turnover Rates (%)		Average Rent 2 Bedroom (\$) (New and existing Structures)		Percentage Change of Average Rent Two Bedroom From Fixed Sample (Existing structures only)	
	Oct-17	Oct-18	Oct-17	Oct-18	Oct-17	Oct-18	Oct-17	Oct-18	Oct-16 to Oct-17	Oct-17 to Oct-18
Newfoundland & Labrador 10,000+	6.6	6.0	6.9	n/a	16.6	24.3	854	870	0.7	1.2
St. John's CMA	7.2	6.3	7.5	n/a	16.8	27.3	941	961	++	1.5
Prince Edward Island 10,000+	1.2	0.3	1.4	n/a	18.2	15.9	880	903	1.0	2.9
Charlottetown CA	0.9	0.2	1.2	n/a	17.4	14.7	901	921	1.0	2.5
Nova Scotia 10,000+	2.6	2.0	3.5	n/a	23.9	21.0	1,048	1,090	2.4	1.9
Halifax CMA	2.3	1.6	3.1	n/a	23.9	20.9	1,109	1,156	2.6	1.8
New Brunswick 10,000+	4.1	3.2	4.5	n/a	29.1	24.0	778	801	1.4	3.0
Moncton CMA	4.5	2.7	5.0	n/a	28.7	25.3	803	831	0.8	3.0
Saint John CMA	4.7	3.7	5.1	n/a	27.9	24.6	747	755	1.4	3.1
Quebec 10,000+	3.4	2.3	**	n/a	18.6	18.6	751	775	1.9	2.4
Ottawa-Gatineau CMA (Qué. part)	3.8	1.2	**	n/a	22.4	21.5	782	794	2.2	3.5
Montréal CMA	2.9	1.9	**	n/a	17.3	17.4	782	809	2.1	2.8
Québec CMA	4.5	3.3	**	n/a	21.6	22.1	820	839	2.0	1.2
Saguenay CMA	6.8	5.0	**	n/a	21.1	21.5	605	608	++	1.7
Sharbrooke CMA	5.3	2.6	**	n/a	25.7	23.0	631	639	1.9	1.6
Trois-Rivières CMA	4.7	3.9	**	n/a	23.0	22.8	594	601	++	++
Ontario 10,000+	1.6	1.8	2.9	n/a	18.3	14.9	1,208	1,266	3.7	4.8
Barrie CMA	2.7	2.9	4.6	n/a	38.4	17.4	1,205	1,331	4.6	5.2
Bellefleur CMA	2.2	2.4	2.9	n/a	**	15.6	1,005	1,027	5.9	4.6
Brantford CMA	1.3	1.5	2.4	n/a	21.2	13.0	955	1,002	2.4	5.0
Greater Sudbury/Grand Sudbury CMA	4.5	2.6	4.9	n/a	16.5	17.5	1,048	1,052	2.9	1.2
Guelph CMA	1.2	1.4	2.3	n/a	23.4	17.5	1,124	1,157	3.4	3.9
Hamilton CMA	2.4	3.1	3.6	n/a	17.1	15.9	1,103	1,158	5.1	3.7
Kingston CMA	0.7	0.6	1.8	n/a	25.6	23.1	1,157	1,200	3.3	2.0
Kitchener-Cambridge-Waterloo CMA	1.9	2.9	3.6	n/a	20.6	18.8	1,093	1,210	3.4	5.5
London CMA	1.8	2.1	3.5	n/a	24.9	21.1	1,041	1,087	2.9	4.2
St. Catharines-Niagara CMA	1.5	2.5	2.7	n/a	21.6	16.9	993	1,036	2.5	4.7
Orhava CMA	2.2	2.7	2.7	n/a	14.7	14.7	1,179	1,246	5.2	6.1
Ottawa-Gatineau CMA (Ont. Part)	1.7	1.6	3.3	n/a	23.5	20.3	1,232	1,301	2.0	5.8
Peterborough CMA	1.1	1.5	2.0	n/a	15.5	17.8	988	1,077	3.0	7.6
Thunder Bay CMA	3.2	4.9	3.7	n/a	25.1	12.2	959	1,037	3.4	6.0
Toronto CMA	1.0	1.1	2.3	n/a	14.5	11.2	1,404	1,467	4.2	5.2
Windsor CMA	2.4	3.0	3.9	n/a	26.7	18.0	868	915	3.7	4.3

CHMC Rental Market Report 2018

Property Tax Rates 2018, County

Local Tax Rates				Total
Combined Town, County and Education	Tax Classes	Haldimand County Tax Rates	Education Tax Rates	Total Tax Rates
Residential	RT (RF, RG, RH, RP)	0.01067227	0.0017	0.01237227
Residential Farmland Awaiting Development	R1P	0.0080042	0.001275	0.0092792
Multi-Residential	MT	0.02134454	0.0017	0.02304454
Multi-Residential (New Construction)	NT	0.01067227	0.0017	0.01237227
Commercial (Occupied)	CT, ST, GT (CF, CG, CH, CP, DP, GF)	0.01806708	0.01253862	0.03060570
Commercial Excess Lands/Vacant Lands	CU, SU, CX (CJ, CR, CZ)	0.01400199	0.00971743	0.02371942
Commercial (New Construction)	XT (XP)	0.01806708	0.0109	0.02896708
Commercial (New Construction) Vacant Lands	XU	0.01400199	0.0084475	0.02244949
Industrial (Occupied)	IT, LT (IH, IP, LH, LI, LN, LS)	0.02483864	0.0134	0.03823864
Industrial Excess Lands/Vacant Lands	IU, LU, IX (IK, IZ, LK)	0.0183185	0.0098825	0.028201
Industrial Farmland Awaiting Development	I1N	0.0080042	0.001275	0.0092792
Industrial (New Construction)	JT (JP)	0.02483864	0.0109	0.03573864
Pipelines	PT	0.01589528	0.0134	0.02929528
Farmlands	FT (FP)	0.00266807	0.000425	0.00309307
Managed Forests	TT	0.00266807	0.000425	0.00309307

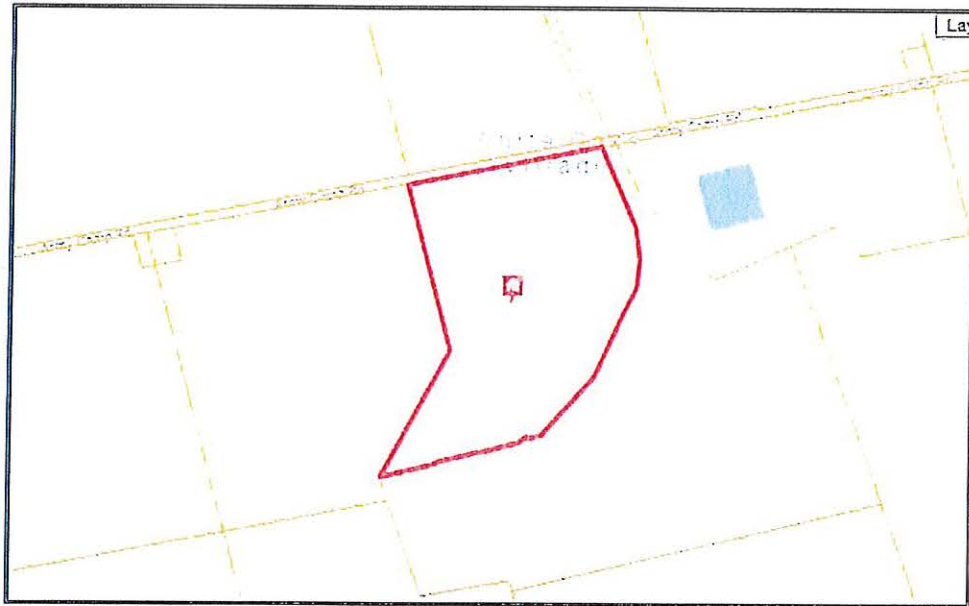
Source: Haldimand County Website

### Neighbourhood

The subject is located along the south side of Army Camp Road in Hagersville, Haldimand County. Surrounding properties are rural in nature. Total Forest Industries LP is located directly south-east of the subject site. The municipalities of Townsend, Jarvis, and Garnet are all located south of the subject site and within a 10 minute drive. Highway access can be achieved within a 5 minute drive eastward towards Highway 55 and Highway 6.



MAP PHOTO OF SUBJECT



AERIAL PHOTO OF SUBJECT



## ***DESCRIPTION OF THE SITE***

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### ***Location***

The subject is located along the south side of Army Camp Road in Hagersville. The immediate area is rural in nature, and zoned for agricultural uses. The subject site is south of Concession 12 Walpole Road which leads to the community of Hagersville.

### ***Legal Description***

The legal description of the subject is Part Lot 3-4, Concession 11 Walpole, Part 1 18R.1965 together with HC275680; subject to HC227459; Haldimand County

### ***Site Area and site improvements***

The site area is 67.2 acres and consists of an irregular shaped site with 36 residential buildings, 6 industrial buildings and approximately 50 acres of surplus agricultural land. The site has relatively level topography and has a paved access point from Army Camp Road that accesses the complex.

### ***Neighboring Properties***

The subject is located in a rural area and surrounding uses are all agricultural in nature. Access to major highways is good via the major arterials: County Line 74 is 2 km to the west, County Line 55 is 2km to the east, Highway 6 is 5km south-east.

### ***Services***

Full municipal services are provided including natural gas, hydro, water, and telephone. Army Camp Road is an asphalt paved road. Parking in the subject is considered to be ample as all dwellings have private driveways. Municipal water is provided and the site is fully serviced.

### ***Topography and Drainage***

The site is level, and it is at grade with the neighbouring properties. No drainage problems were evident on the site.

### ***Soil Characteristics***

It is assumed that in view of the size of the structures on the surrounding properties and the subject that those soils within the area are capable of handling reasonable heavy building loads. Based on my inspection of the subject property, no visible contamination was noted. An environmental assessment has not been supplied or reviewed. For the purpose of this appraisal, we have assumed that there are not environmental problems or concerns.



## ***DESCRIPTION OF THE IMPROVEMENTS***

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There are 36 single family dwellings on the property of which Mrs. Morrison owns 11 improvements and the remainder are land leases. There is a mix of styles of dwellings with 7 bungalows, 12 x 1.5 storey dwellings and 17 two storey dwellings.

The appraiser inspected 4 of the improvements.

**Dwelling 17** is a 2 storey vinyl sided residence with ~1,160 sf. The main level has a kitchen, living/dining room, with a walk out to a set of steps. The upper level has 3 bedrooms and 1 x 4 piece washroom. The basement is unfinished and houses the utilities and laundry. Finishes include laminate and ceramic tile flooring with stainless steel appliances.

**Dwelling 22** is a 1.5 storey residence with ~990 sf and has been renovated. The main level consists of an open concept living/dining area, kitchen with stainless steel appliances, bedroom and a 2 piece washroom with laundry facilities. The upper level has 1 bedroom and a 4 piece washroom. Finishes include vinyl cladding, laminate flooring, new shingle roof, vinyl windows and painted drywall. The basement houses the utilities which include a gas forced air furnace, a 100 amp electrical service and new hot water tank. The improvements have a wood deck. Construction includes poured concrete walls on a concrete slab. Overall, this dwelling is in good condition.

**Dwelling 21** consists of a 990 sf 1.5 storey vinyl clad single family residence. The main level consists of an open concept living/dining room, kitchen with granite countertops. The second level has 2 bedrooms and a 4 piece washroom. The basement is reportedly finished and has a laundry room, however; access was not provided as there was a large dog on the premises. Finishes include: pot lighting, bamboo and ceramic tile flooring and painted drywall. This dwelling is in good condition and a deck is provided. Construction includes poured concrete walls on a concrete slab, newer vinyl window units, gas forced air furnace, hot water tank and a 100 amp electrical service.

**Dwelling 29** consists of a 2 storey 1,162 sf single family residence with a wood front porch and a wood deck. The main level consists of a living/dining room and kitchen. The second level consists of 3 bedrooms and a 4 piece washroom. The basement is unfinished and houses the utilities which include a gas forced air furnace, electrical service and hot water tank. Finishes include hardwood, ceramic tile and carpeted flooring, painted drywall, laminate kitchen countertops and painted drywall. This dwelling is in average condition.

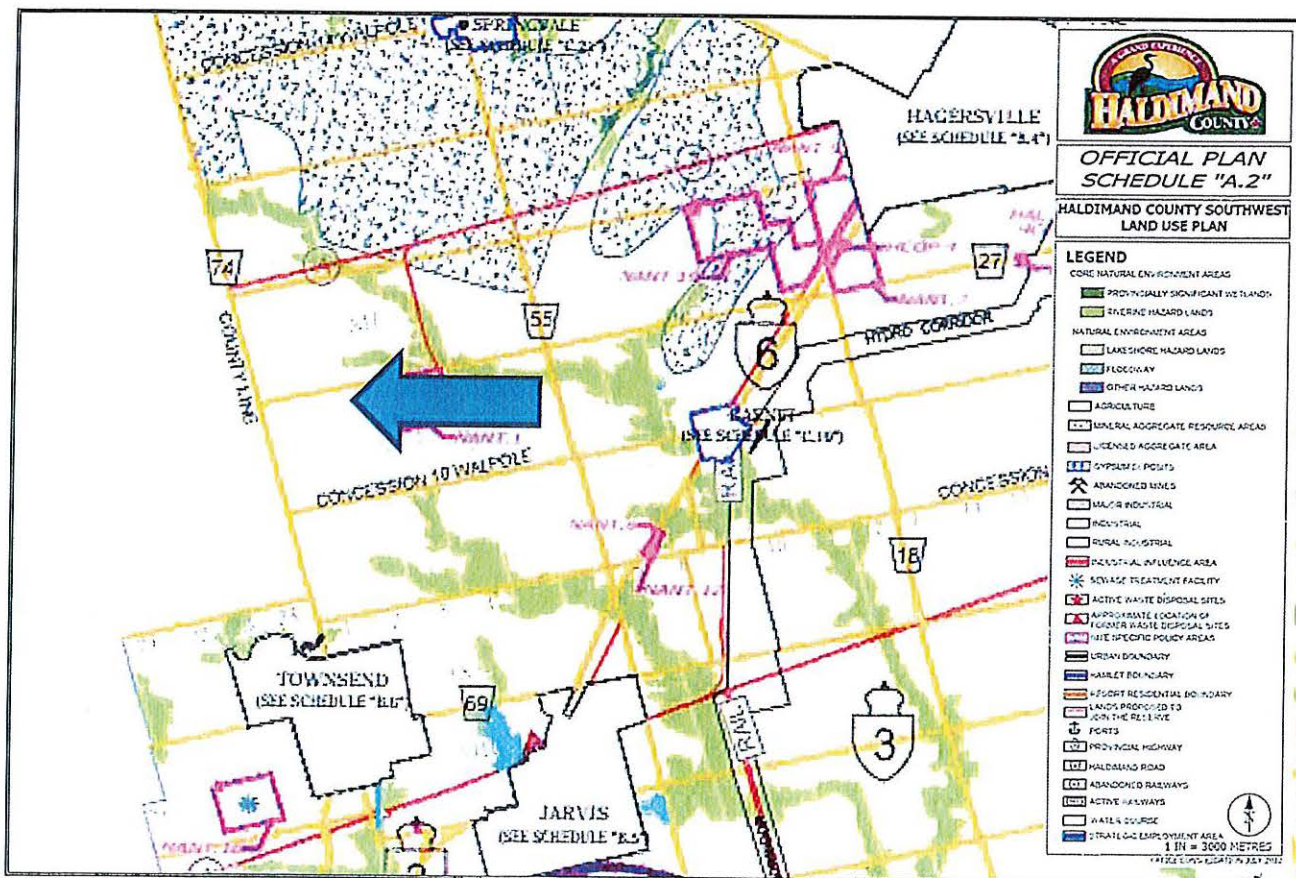
The remainder of the dwellings were not inspected, however; they appeared to be well maintained from the exterior. The owner reports new roofing on Dwellings #3, #30, #29, #21 and #22.

**Building 1** consists of a 24,000 sf industrial improvement is clad with cedar shingles and has a metal roof and radiant heating. The building has a clear span and the flooring is concrete. The clear height is approximately 20'. There is 1 drive in door and 1 x 10' truck door. Halogen lighting is provided. The building will be rented as of July 1, 2018.

**Building 2** consists of a 7,000 sf improvement with aluminum siding. The improvements were constructed on a concrete slab with concrete block construction. Two 8' doors are provided. There is an adjoining wood improvement to the side of this building that was not inspected.

# LAND USE CONTROLS

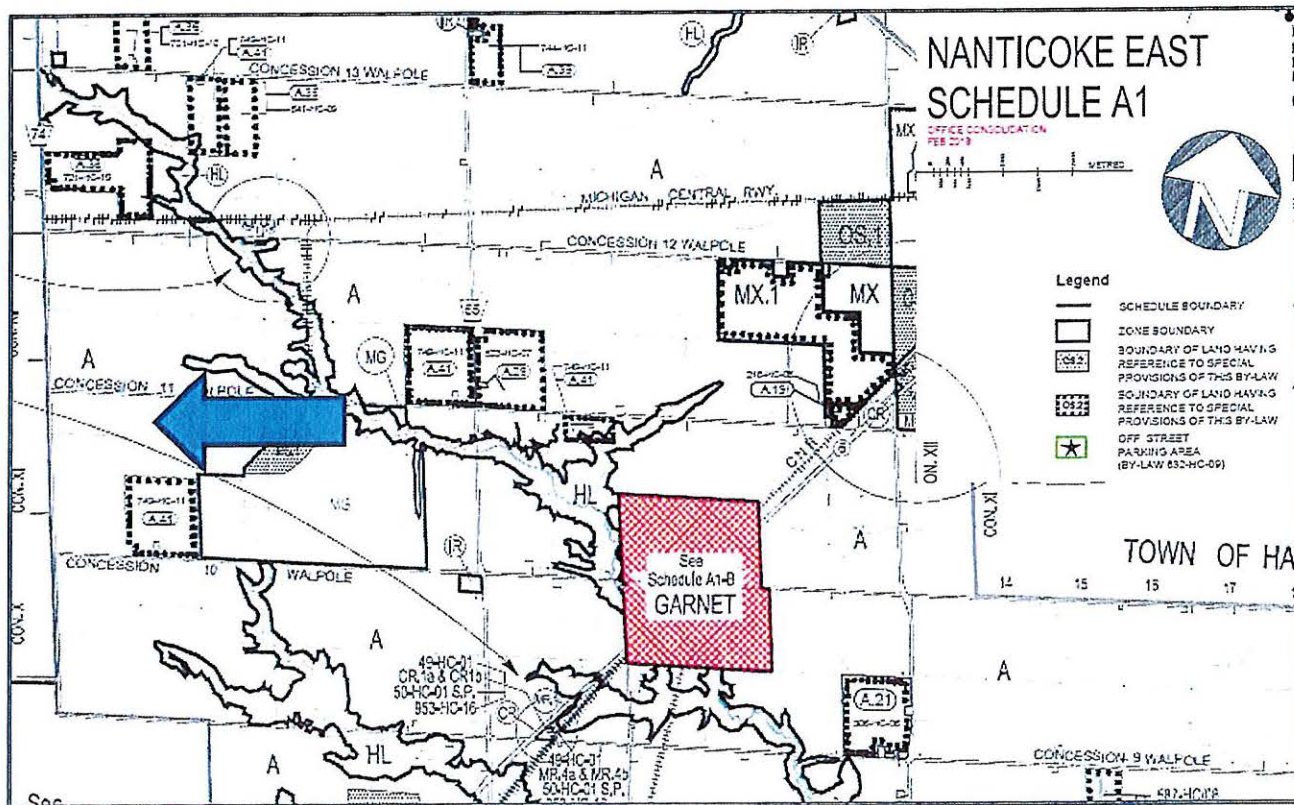
## Haldimand County Official Plan



County of Haldimand Official Plan – Schedule A.2 – Haldimand County Southwest Land Use Plan

The subject lands are designated as an Agricultural Area.

**Haldimand County Zoning**



*Haldimand County Zoning Plan: Schedule A1 – Nanticoke East*

The Haldimand County Zoning By-law has designated the subject property as Agricultural (A).

Permitted Uses and Activities in General Zone Categories are detailed below:

**SECTION 10: AGRICULTURAL ZONES**

**10.1: AGRICULTURAL ZONE (A)**

10.1.1 Permitted Uses In an A Zone, no land, building or structure shall be used except in accordance with the following uses:

- (a) air strip and hanger, one each per farm

(k) home occupation (Deleted by By-law 691-HC-10 and added to Section 3.17) (l) single detached dwelling

(m) storage of operational school buses

(n) farm Stand

(o) experiential Activities

#### 10.1.2 Zone Provisions

(a) Minimum lot area:

(i) new lot: 1 860 square metres

(ii) lot of record: 930 square metres

(b) Minimum lot frontage:

(i) new lot: 30 metres

(ii) lot of record: 18 metres

(c) Minimum front yard: 13 metres

(d) Minimum exterior side yard: 13 metres

(e) Minimum interior side yard: 3 metres

(f) Minimum rear yard: 9 metres

(g) Maximum building height: 11 metres

(h) Minimum usable floor area of a single detached dwelling: 80 square metres

(i) Maximum usable floor area of a farm produce outlet: 25 square metres

(j) Minimum separation between a farm processing facility and a dwelling on an adjacent lot: 30 metres

## **HIGHEST AND BEST USE**

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Highest and Best Use ▶ Real estate is valued in terms of its highest and best use. Highest and best use is defined as:

*The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability*

*Source: The Dictionary of Real Estate Appraisal  
Third Edition, 1993  
Appraisal Institute*

▶ To properly analyze highest and best use, two determinations must be made. First, the highest and best development of the site as though vacant and available for use is made. Second, the highest and best use of the property as improved is analyzed and estimated. The highest and best use of both the land as though vacant and the property as improved must meet four criteria: physically possible, legally permissible, financially feasible, and maximally productive. Of the uses that satisfy the first three tests, the use that produces the highest price or value consistent with the rate of return warranted by the market is the maximally productive use.

### **Subject Property – As Though Vacant**

#### **Physically Possible**

Analysis of the site characteristics and nearby improvements in the area indicates the subject site could adequately support physical development.

#### **Legally Permissible**

The Agricultural zoning by law permits a range of uses and the subject appears to conform with the zoning bylaw.

#### **Financially Feasible**

Mixed uses are financially feasible. Most of the land surrounding the subject is rural in nature with a portion of the available land having future development potential. Demand has been steady.

#### **Maximally Productive**

Growth in the area appears to remain stable. The highest and best use of the subject, as vacant, is a holding property until such time as redevelopment is warranted.

#### **Commentary**

The subject is best suited as a holding property until such time as development is warranted.



## **VALUATION TECHNIQUE**

### **Valuation Premise**

The market for any real estate consists of those entities that can benefit from the highest and best use of a particular property and, accordingly, are willing and able to pay a competitive price. In most cases, for any particular property the market is represented by a fairly clearly defined group of individuals or financial entities. In the case of the subject property, the purchaser profile would be one who would acquire the property for rental all of the property. The valuation contained in this document attempts to replicate the analysis that a prospective purchaser would likely use.

There are three generally recognized approaches to estimate the value of real property:

#### **1. The Cost Approach**

This approach is based on the theory that a purchaser would pay no more for a property than it would cost to build. It is based on the estimated cost to construct the improvement(s) of equal utility considering estimated loss through various forms of depreciation, i.e. accrued depreciation, to which the estimated value of the underlying land value is added. The Cost Approach

#### **2. Direct Market Comparison Approach**

The Direct Comparison Approach is the analysis of property sales and listings and comparing them to the subject property. This approach is an application of the Principal of Substitution which affirms that when a property is replaceable no prudent buyer would pay more for the property than the cost to acquire an equally desirable substitute.

#### **3. Income Approach**

The Income approach is a method that converts current and anticipated income to be derived from a property into an estimate of value through the application of a market derived capitalization rate. This approach is especially relevant in the valuation of investment properties that are typically bought and sold on the basis of the future anticipated income. The belief that value can be related to the present worth of the income stream that a property is capable of generating when developed to its Highest and Best Use.

The three traditional approaches to value, Cost, Direct Comparison, and Income Capitalization, have been considered in estimating the market value for the subject property. Based upon the available market data and the likely motivations of the typical purchaser, the Direct Comparison Approach will be utilized to determine a value for the surplus land and the Income Approach using a form of Direct Capitalization (for the improvements) have formed the primary basis of our reconciliation of a final estimate of value. The Cost Approach has not been developed. While investors are generally aware of replacement cost, they place little reliance on the fully developed Cost Approach when determining a value for acquisition purposes.

The Income Approach is presented first which is in turn followed by the Direct Market Comparison Approach and then

The subject is located within a rural area where demand is considered to be steady. A reasonable exposure time of 1-6 months is estimated.

### **INCOME APPROACH**

The Income Capitalization Approach includes an analysis of the market for similar comparable properties that have leased within a meaningful timeframe, and a pro forma estimation of a Year 1 stabilized net operating income is developed. The Direct Capitalization Approach is developed, which typically converts an estimate of a single year's income expectancy into an indication of value using an appropriate capitalization rate. After analysis of pertinent data to select an appropriate capitalization rate, the net operating income is stabilized and capitalized to an estimation of current market value.

#### **Market Rents**

There are a total of 36 dwelling units of which the owner has 11 dwellings and the remainder land leases. The tenants are responsible for paying property taxes and utilities. Below is a detailed chart outlining the rates of both the land and improvement leases based on a verbal discussion with the owner. Should these rates not be accurate, the value stated herein may change and or be VOID. The appraiser included a 1.8% CPI increase effective August 1, 2019, based on information provided by the owner. The owner reports she is receiving \$20,000/annum for maintenance, etc, which she collects above the rental rates for the dwellings.

#	Tenant Name	Move in date	Type of Occupancy	Monthly Rental (Dwelling)	Monthly Rental (land lease)	CPI Increase 1.8% August 1, 2019	Blended Yearly income	
1	Morris	Jun-10	Land Lease		\$ 149.00	\$ 151.68	\$ 1,809.46	
2	Taylor	May-04	Land Lease		\$ 49.00	\$ 49.88	\$ 595.06	
3	Owner	n/a w/d	Improvement lease	\$ 950.00		\$ 950.00	\$ 11,400.00	
4	Kreller	Oct-05	Land Lease		\$ 49.00	\$ 49.88	\$ 595.06	
5	Broer	Apr-08	Land Lease		\$ 99.00	\$ 100.78	\$ 1,202.24	
6	Hartog	May-18	Land Lease		\$ 99.00	\$ 100.78	\$ 1,202.24	
7	Owner	n/a w/d	Improvement lease	\$ 650.00		\$ 650.00	\$ 7,800.00	
8	Owner	n/a w/d	Improvement lease	\$ 900.00		\$ 916.20	\$ 10,929.60	
9	Draper	Aug-04	Land Lease		\$ 49.00	\$ 49.88	\$ 595.06	
10	Burke	Jun-06	Land Lease		\$ 149.00	\$ 151.68	\$ 1,809.46	
11	Hart	May-04	Land Lease		\$ 49.00	\$ 49.88	\$ 595.06	
12	Schroder	Jun-16	Land Lease		\$ 99.00	\$ 100.78	\$ 1,202.24	
13	Dawdy	Aug-05	Land Lease		\$ 49.00	\$ 49.88	\$ 595.06	
14	Langton	Nov-04	Land Lease		\$ 149.00	\$ 151.68	\$ 1,809.46	
15	White	Dec-17	Land Lease		\$ 149.00	\$ 151.68	\$ 1,809.46	
16	Berkel	Mar-10	Land Lease		\$ 149.00	\$ 151.68	\$ 1,809.46	
17	Owner	n/a w/d	Improvement lease	\$ 1,100.00		\$ 1,100.00	\$ 13,378.20	
18	Gulinski	Jan-07	Land Lease		\$ 149.00	\$ 151.68	\$ 1,809.46	
19	Kreller	Jul-14	Land Lease		\$ 149.00	\$ 151.68	\$ 1,809.46	
20	Long	May-17	Land Lease		\$ 99.00	\$ 100.78	\$ 1,202.24	
21	Owner	n/a w/d	Improvement lease	\$ 1,050.00		\$ 1,050.00	\$ 12,600.00	
22	Owner	n/a w/d	Improvement lease	\$ 1,050.00		\$ 1,050.00	\$ 12,600.00	
23	Atkinson	Mar-10	Land Lease		\$ 149.00	\$ 151.68	\$ 1,809.46	
24	Celbert	Aug-04	Land Lease		\$ 149.00	\$ 151.68	\$ 1,809.46	
25	Lomoth	Aug-10	Land Lease		\$ 99.00	\$ 100.78	\$ 1,202.24	
26	White	Dec-17	Land Lease		\$ 149.00	\$ 151.68	\$ 1,809.46	
27	Owner	n/a w/d	Improvement lease	\$ 850.00		\$ 865.30	\$ 10,322.40	
29	Owner	n/a w/d	Improvement lease	\$ 1,100.00		\$ 1,119.80	\$ 13,358.40	
30	Owner	new tenant	Improvement lease	\$ 1,000.00		\$ 1,000.00	\$ 12,000.00	
31	Clark		Land Lease		\$ 49.00	\$ 49.88	\$ 595.06	
32	Kreller	Feb-14	Land Lease		\$ 149.00	\$ 151.68	\$ 1,809.46	
33	Cherwaiko	Dec-14	Land Lease		\$ 49.00	\$ 49.88	\$ 595.06	
34	Owner	n/a w/d	Improvement lease	\$ 830.00		\$ 844.94	\$ 10,079.52	
35	Owner	n/a w/d	Improvement lease	\$ 850.00		\$ 865.30	\$ 10,261.20	
36	Rose	May-06	Land Lease		\$ 49.00	\$ 49.88	\$ 595.92	
	Additional revenue from home owners							\$ 20,000.00
<b>Total</b>							\$ 175,405.90	

Three of the industrial buildings are currently leased on a triple net basis. The lease rates for Buildings 1 through 3 are actual lease rates and buildings 4 through 6 are currently being renovated and are vacant. Market lease rates were applied to these buildings.

*note* \$ 100.00



	Size (SF)	Rental Rate/sf	Yearly Income	Leased/vacant
Building 1	24,000.00	\$ 1.70	\$ 40,800.00	leased
Building 2	7,000.00	\$ 2.95	\$ 20,650.00	leased
Building 3	4,000.00	\$ 4.73	\$ 18,920.00	leased
Building 4	4,500.00	\$4.50	\$20,250.00	vacant, marke rate
Building 5	4,000.00	\$4.50	\$18,000.00	vacant, marke rate
Building 6	2,500.00	\$4.95	\$12,375.00	vacant, marke rate
Total			\$ 130,995.00	

### *Residential (Improvement) Analysis*

The eleven improvements that are owned by Mrs. Morrison are rented on a monthly basis with the tenants being responsible for paying the additional property taxes and all utilities. Typically, rental housing is leased on a semi-gross basis with the lessor being responsible for the payment of property taxes. As such, the appraiser could not find similar lease rate comparables and extended the search to include leases of improvements with the lessor being responsible for the property taxes. Further, the subject property is located in a rural area and leases of dwellings were not readily found. The appraiser extended the search to include other areas in Haldimand County. The lease rate range for single family dwellings is \$1,400 to \$2,100/month which is much higher than the contractual lease rates. Most of the lease comparables are of newer improvements that are in very good condition, suggesting a lower rate for the subject dwellings. Some of the tenants are long term and turnover is rare due to the lower lease rates. As such, it is the contractual lease rates for the dwellings that will be utilized in the analyses.

#	RESIDENTIAL LEASE RATES Location	# of bedrooms	Date	Rental Rate/month
S	274 Army Camp Road, Hagersville		N/A	N/A
1	35 Mull Avenue, Caledonia	4	6/11/2018	\$2,100
2	45 Aronld Marsh Blvd, Caledonia	3	6/11/2018	\$1,650
3	69 Thompson Road, Caledonia	3	5/29/2018	\$1,625
4	35 Patterson Drive, Caledonia,	4	4/29/2018	\$1,800
5	16 Cromarty Road Caledonia	3	3/22/2018	\$1,650
6	40 Helen Drive E, Hagersville	3	4/8/2018	\$1,700
7	22 Socrates Blvd, Caledonia	3	3/5/2018	\$1,400
8	38 Helen Drive E, Hagersville	3	1/6/2018	\$1,700

### *Land Lease Analysis*

No information was provided on the site sizes for the land leases and the appraiser did not find any land leases that would be relevant to the subject. Typically, land leases are not readily found on the Real Estate Board. The subject land leases are for a period of 21 years, however; many of the occupants of the dwellings sell the improvements and the new owner begins a new land lease. As such, the land leases appear to go on in perpetuity. Most of the lessees are long term and as

spaces and suggest a lease rate range of \$2.50 to \$4.25/sf on a triple net basis. Lease 1 and 3 are of smaller improvements and set the upper end of the range. Lease rate 4 is of a similar size building, however; in a superior location to the subject. This rate is the best indicator for Building 1. According to the owner, she has leased this building effective July 1, 2018 for \$1.70/sf on a triple net basis. While this rate is lower than the lowest lease rate, the lease has recently been negotiated and it is this rate that will be utilized in the analysis.

The Subject Buildings 2, 3, 4, 5 and 6 are of smaller industrial properties. Leases 5 to 10 suggest a lease rate range of \$2.50 to \$4.95/sf on a triple net basis. Lease 5 is of a 4,950 sf industrial space that is located in a superior location to the subject. This rate sets the upper end of the range. Lease 9 is of a much smaller industrial space and this rate sets the low end of the range (which is not typical). The subject building 2 is 7,000 sf and leased for \$2.95/sf. This is well within the range established by the comparable industrial lease rates. It is the contractual lease rate that will be utilized in the analysis for building 2. The subject Building 3 is 4,000 sf and leased for \$4.73/sf on a triple net basis. This rate is well within the range established by the lease rate comparables and it is therefore the contractual lease rate that will be utilized in the analysis. Buildings 4, 5 and 6 are currently vacant and undergoing renovations. It is the appraiser's opinion these would lease within the range established by the comparable lease rates with my best estimate being \$4.50/sf on a triple net basis for Buildings 4 and 5 and \$4.95/sf for Building 6.

#	INDUSTRIAL LEASE RATES Location	Size (SF)	Date	Rental Rate/SF net
S	274 Army Camp Road, Hagersville		N/A	N/A
1	41 Brockley Drive #47, Stoney Creek	9,020	1/5/2018	\$4.25
2	440 Phillips Street, Waterloo	16,706	4/20/2018	\$3.75
3	270 Hamilton Road, New Hamburg	10,000	6/4/2018	\$4.25
4	35 Yale Cres, St. Catherines	25,344	1/26/2018	\$2.50
5	3400 Bartlett Road, Beamsville	4,950	1/30/2018	\$4.95
6	115 Cushman Road, 10-13, St. Catherines	6,275	2/2/2018	\$4.50
7	789 Woodward Ave, Hamilton	4,758	2/21/2018	\$4.50
8	240 Bunting Road, 10-11, St. Catherines	4,550	5/7/2018	\$4.50
9	1297 Industrial Road, #28, Cambridge	2,611	3/8/2018	\$2.50
10	86 Wintermute Street, Fort Erie	4,500	5/19/2018	\$3.75

#### Non Recoverable TMI's.

Realty taxes are paid by the tenants on the improved dwellings. Insurance premiums and maintenance expenses are based on information provided by the mortgage broker. Insurance premiums were \$13,379 in 2018 while maintenance expenses are estimated to be \$400/annum (on the 11 single family dwellings) or \$4,400. Snow removal was \$800/month for 6 months for a total of \$4,800/annum. Taxes paid by the owner for the land and some of the commercial buildings for 2018 were \$25,594/annum. In buildings such as this, management expenses and a reserve for structural repairs are typically paid for by the landlord. An expense calculation for management fees (3.5% of EGI) and a reserve for structural maintenance of the building (2.5% of EGI) are in line with market standards and will be included in our estimation of Net Operating Income. The total operating expenses are \$48,173.



Revenue and Expense Statement (Projected)	
<b>Revenue</b>	
	\$ 175,405.90
<b>Rental income Residences</b>	
Improvement and Land Leases	
<b>Total Residence Income</b>	<u>\$175,405.90</u>
<b>Rental Income (Industrial)</b>	
Building 1, 24, 000 sf @ \$1.70/sf	\$40,800
Building 2, 7,000 sf @ \$2.95/sf	\$20,650
Building 3, 4,000 sf @ \$4.73/sf	\$18,920
Building 4, 4,500 sf @ \$4.50/sf	\$20,250
Building 5, 4,000 sf @ \$4.50/sf	\$18,000
Building 6, 2,500 sf @ \$4.95	<u>\$12,376</u>
<b>Total Industrial Income</b>	<u>\$130,996</u>
Vacancy and Collection loss (3%)	<u>\$9,192</u>
<b>Effective gross income</b>	<u>\$297,210</u>
<b>Expenses</b>	
Realty Taxes	\$25,594
Maintenance	\$4,400
Snow Removal	\$4,800
Insurance	\$13,379
Management (3.5% of EGI)	\$10,400
Structural reserve (2.5% of EGI)	<u>\$7,430</u>
<b>Total expenses</b>	<u>\$66,003</u>
<b>Net Operating Income (Rounded)</b>	<u>\$231,207</u>

After all factors are taken into account, net income of \$231,207 is estimated for the subject.

### Market Data – Overall Capitalization

#	Address		Date	Sale Price	NOI	Cap Rate	Comments
1	19 Manchester Ave	St. Catharines	7/18/2017	\$ 2,597,500.00	\$ 106,542.00	4.10%	20 unit apartment building
2	66 Queen St	Brantford	11/1/2018	\$ 1,250,000.00	\$ 101,979.00	8.16%	4 legal units
3	83 Geoge St	St. Catharines	9/21/2017	\$ 440,000.00	\$ 27,817.00	6.32%	5 plex
4	112 Dufferin	St. Catharines	2/3/2018	\$ 529,000.00	\$ 37,730.00	7.13%	triplex
5	5366 King St	Lincoln	3/28/2018	\$ 655,000.00	\$ 33,533.00	5.12%	4 plex
6	20 Raitar Avenue	Kitchener	6/4/2018	\$ 980,000.00	\$ 41,275.00	4.21%	6 plex
7	34 Bridgeport Road E	Waterloo	8/6/2018	\$ 2,675,000.00	\$ 166,900.00	6.24%	Apartment building
8	125 Water St N	Kitchener	5/18/2018	\$ 1,500,000.00	\$ 162,602.00	10.84%	Apartment building
9	153 Chatam St	Brantford	5/29/2018	\$ 975,000.00	\$ 51,604.00	5.29%	10 Unit apartment building
10	827 Main St E	Hamilton	6/6/2018	\$ 1,600,000.00	\$ 87,880.00	5.49%	8 unit apartment building
11	1186 Cannon Street	Hamilton	8/1/2018	\$ 637,500.00	\$ 45,850.80	7.19%	renovated 4 plex
12	540 King Street East	Hamilton	7/26/2018	\$ 3,885,000.00	\$ 272,230.10	7.01%	36 unit apartment building with below market rents
13	15 Ontario Street	Hamilton	9/7/2018	\$ 1,025,000.00	\$ 46,272.60	4.51%	8 unit apartment building
14	6404 Lundy's Lane	Niagara Falls	9/3/2017	\$ 898,000.00	\$ 50,526.00	5.63%	commercial building

Minimal sales of similar properties, with which enough income/expense information, were available to calculate capitalization rates. Capitalization rates have been trending downwards over the past three years, suggesting a lower capitalization rate be applied. The above sales were utilized in developing the overall capitalization rate for the subject property. The sales demonstrate an unadjusted going in capitalization rates that range from a low of 4.1% to a high of 10.84%. Capitalization rates 1 to 13 are rates of multi-unit apartment buildings with a range of 4.1% to 10.84% while rates 14 to 20 are of commercial properties with a range of 4.51 to 8.59%. Capitalization rate #1 is a 20 unit apartment building that is located in St. Catharine's. This rate sets the low end of the range and is considered to be a good indicator of a rate for the subject's single family dwellings and land leases. Capitalization rate 8 is the dated sale of a large apartment building in Kitchener. This rate sets the upper end of the range. Capitalization rate #13 is the most recent sale of an apartment building in Hamilton. This rate is to the low end of the range for residential investment properties and is considered to be a good indicator of a rate for the subject's residential dwellings and land leases. While there is no one best indicator of a capitalization rate for the subject, it is reasonable to conclude the subject would sell at a capitalization rate within this range. Given the property is mostly single family dwellings and land leases which are fairly low risk and is assumed to be a redevelopment property, a rate to the lower end of the range would be considered reasonable. The industrial buildings suggest a higher rate. Hence, my best estimate for the subject property is 4.8%. Based on the forgoing, a capitalization rate of 4.8% for the subject is considered reasonable and will be utilized in the analysis.

$$\frac{\$231,207}{0.048} = \$4,816,813$$

The current market value of the subject improvements, as at April 1, 2019, as indicated by the Income Approach, is therefore estimated to be:

$$\begin{aligned} & \$4,816,813 \\ & \text{Rounded to } \$4,815,000 \end{aligned}$$

**FOUR MILLION EIGHT HUNDRED FIFTEEN THOUSAND DOLLARS**  
**(\$4,815,000)**

To this must be added the vacant 50 acres of land which will be determined by the Direct Market Comparison Approach.

## DIRECT MARKET COMPARISON APPROACH

The unit of comparison relied upon in this section is the price expressed on a “per square acre of area” basis. The following are details of the most comparable sales in the area followed by an analysis of the data and a conclusion as to an estimate of market value.

Sale #	Location	Sale Price	Sale Date	Site Size (Acres)	Sale Price acre
Sub	274 Army Camp Road, Hagersville	N/A	N/A	50	N/A
1	1438 Highway 8, Stoney Creek	\$1,200,000	8/4/2017	23.85	\$50,314
2	29 Haldimand Road, #20, Hagersville	\$3,750,000	9/28/2018	91.94	\$40,787
3	61 Haldimand Road, #20, Hagersville	\$1,250,000	9/14/2018	25.94	\$48,188
4	Concession 12 Part Lot 16, Hagersville	\$2,483,213	2/22/2018	52.48	\$47,317
5	166 Mcclung Road, Caledonia	\$2,600,000	1/25/2019	31.72	\$81,967
	<b>AVERAGE</b>				<b>\$53,714</b>

### Adjustments to Sales Data

The sales selected for this analysis are compared to the subject and appropriate adjustments for the elements of comparison are considered. The subject has approximately 50 acres of excess agricultural land which may have the possibility of redevelopment potential over the next few years. For comparable purposes, the appraiser chose to extend the search parameters to include distance and sale date. Adjustments will be made to the per acre of land rate. Elements of comparison analyzed in this valuation include real property rights conveyed, financing terms, conditions of sale, market conditions, location, physical characteristics, unit size, economic characteristics and use/zoning considerations.



**SALE 1**  
*1438 Highway 8, Stoney Creek*



Registration Date:	8/4/2017
Purchase Price:	\$1,200,000
Vendor:	Nicholas Anthony and Andrea Verrecchia
Purchaser:	2509229 Ontario Inc.
Legal Description:	Part Lot 2, Concession 2 Saltfleet, Designated as Part 1 on 62R7128 Stoney Creek City of Hamilton
Site Size:	23.85 acres
Sale Price per acre:	\$50,314/acre

Remarks: This is the sale of a 23.85 acre farm located in Stoney Creek. The site is basically rectangular in shape and fairly level in topography. The location is considered to be superior to the subject's location.

**SALE 2**  
**29 Haldimand Road, Hagersville**



Registration Date:	9/28/2018
Purchase Price:	\$3,750,000
Purchaser:	Gardens Communities Hagersville/Empire Communities
Legal Description:	Firstly Part of Lots 29 and 30, range east of Plank Road Oneida designated as Part 1, 18R-5366, secondly part of Lot 30, Range east of Plank Road, Oneida Designated as part 1, 18R556 Haldimand County
Site Size:	91.94 acres
Sale Price per acre:	\$40,787

Remarks: This is the sale of a 91.94 acre parcel of farmland purchased as a redevelopment property. The developer intends to build 2 storey townhomes and detached dwellings on the site. The site is located ~8 kms east of the subject in a superior location.

**SALE 3**  
***61 Haldimand Road, Hagersville***

**No aerial picture available**

Sold Date:	9/14/2018
Purchase Price:	\$1,250,000
Purchaser:	Gardens Communities, Hagersville, Empire Communities
Legal Description:	Part Lot 30 Range East of Plank Road, Oneida Part 1 18R556; Haldimand County
Site Size:	25.94 acres
Sale Price per workable acre:	\$48,188/acre

Remarks: This is the sale of a 25.94 acre parcel of farmland. The developer intends to construct 2 storey townhouses and single family dwellings. The site is located approximately 8 kms east of the subject in a superior location.

**SALE 4**  
**Concession 12 Part Lot 6, Hagersville**

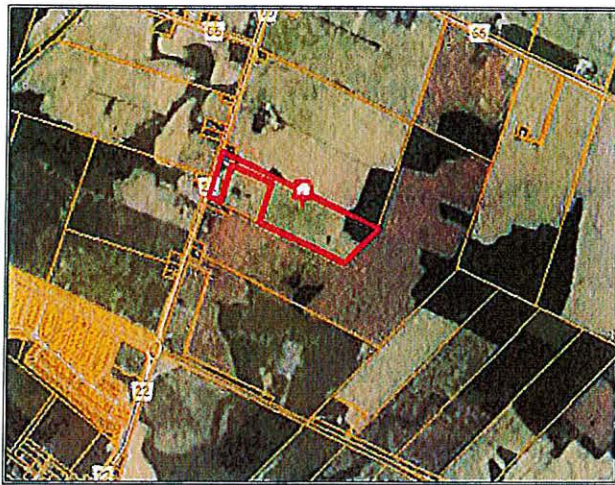


Registration Date:	2/22/2018
Purchase Price:	\$2,483,218
Vendor:	1687723 Ontario Ltd.
Purchaser:	Cormike Developments Corp, 2618922 Ontario Inc.
Legal Description:	Part Lot 16 Concession 12 Walpole Part Lot 54 Plan 56 Part 1 18R6314; Haldimand County
Site Size:	52.48 acres
Sale Price per acre:	\$47,317

Remarks: This is the sale of a similar size parcel of land to the subject and is located in fairly close proximity to the subject. A portion of the property is designated as future residential development land while the other portion is farmland.



**SALE 5**  
**166 McClung Road, Caledonia**



Registration Date:	1/25/2019
Purchase Price:	\$2,600,000
Vendor:	Samuel and Sandra Marie Gualtieri
Purchaser:	McClung Properties Ltd.
Legal Description:	Part N1/2 Lot 7 Range 3 East of Plank Road Seneca Part 1 18R5974; Haldimand County
Site Size:	31.72 acres
Sale Price per acre:	\$47,317

Remarks: This is the sale of a 31.72 acres of redevelopment land located in a superior area to the subject. The parcel is located approximately 30 kms northeast of the subject property.



	DIRECT MARKET		CHART		
	Location	Sale Date/ Price	Description	Price/acre	Overall Adjustment
S	274 Army Camp Road, Hagersville	N/A	50 acres surplus land	N/A	
1	1438 Highway 8, Stony Creek ↓ ↓	8/4/2017 ↑ ↑ ↑ ↑ \$1,200,000	23.85 acres of farmland ↓ ↓	\$50,314/acre	↓
2	29 Haldimand Road, 20, Hagersville ↓	9/28/2018 \$3,750,000	91.94 acres of farmland ↑ ↑	\$40,787	↑
3	61 Haldimand Road, 20, Hagersville ↓	9/14/2018 \$1,250,000	25.94 acres farmland ↓ ↓	\$48,188/acre	↓ ↓
4	Concession 12 Part Lot 6, Hagersville ↓	2/22/2018 ↑ \$2,483,213	52.48 acres	\$47,317/acre	--
5	166 McClung Road, Caledonia ↓ ↓ ↓ ↓	1/25/2019 \$2,600,000	31.72 acres farmland ↓ ↓	\$81,967/acre	↓ ↓ ↓ ↓ ↓

## **SALES ANALYSIS AND CONCLUSIONS – DIRECT COMPARISON APPROACH**

The foregoing transactions demonstrated that overall sale prices ranged from a low of \$1,250,000 to a high of \$3,750,000 and a per acre price range from a low of \$40,787/acre to a high of \$81,967/acre with an average of \$54,714/acre. Variances in sale price are largely a result of differences in use, location, site size and date of sale. The appraiser chose to expand the search to include areas that would offer a similar demand in location. Typically smaller sites sell at higher per unit values than larger sites. The reverse is also true.

*Sale No.1 at 1438 Highway 8, Stoney Creek* is located 61 kms north of the subject in a superior location. The property has 23.85 acres of farmland. The sale took place on 8/4/2017 for \$1,200,000 or \$50,314/acre. Adjustments were necessary for market conditions and smaller site size. This sale suggests a lower rate for the subject.

*Sale No.2 at 29 Haldimand Road 20, Hagersville*, is located approximately 8 kms east of the subject in a superior location closer to the centre of town. The site is 91.94 acres and is a redevelopment site. The sale took place on 9/28/2018 for \$3,750,000 or \$40,787/acre. Adjustments were necessary for larger site size and superior location.

*Sale No.3 at 61 Haldimand Road 20, Hagersville* is located approximately 8 kms east of the subject in a superior location. The property consists of 25.94 acres of redevelopment land and is located in close proximity to the centre of town. The sale took place on 9/14/2018 for \$1,250,000 or \$48,188/acre. Adjustments were necessary for superior location and smaller site size.

*Sale No.4 at Concession 12, Part lot 6, Hagersville*, is the sale of a similar size property to the subject. The property is located in fairly close proximity to the subject, however; in a superior location. The sale took place on 2/22/2018 for \$2,483,213 or \$47,317/acre. Adjustments were necessary for date of sale and superior location. This sale is considered to be the best indicator of a value for the subject.

*Sale No.5 at 166 McClung Road, Caledonia*, is the most recent sale of a 31.72 acre redevelopment site that is located in a superior area to the subject. The sale took place on 1/25/2019 for \$2,600,000 or \$81,967/acre. Adjustments were necessary superior location and smaller site size.

With respect to the subject, it is located in a rural area in Hagersville and consists of 50 acres of surplus agricultural land with assumed term redevelopment potential. Sale 5 is located in a superior area to the subject and sets the upper end of the range. Sale 2 is a larger site located in close proximity to the subject; however; in a superior location. This sale sets the low end of the range. Sale 3 and Sale 4 were given the most weight in the analysis as they are located in fairly close proximity to the subject. Sale 1 is considered to be supportive of the final value estimate. Based on the forgoing, my best estimate for the subject site is \$48,000/acre. When applied to the subject's 50 acres, a final value estimate of \$2,400,000 is indicated.

The value of the surplus land must be added to the estimate of value by the Income Approach. Based on the forgoing, the final value estimate for the subject property, as of the effective date of the appraisal, is:

**Value of the improvements by the Income Approach + Value of the Surplus Land = Final Value Estimate**

DIRECT MARKET COMPARISON MAP





**FINAL ESTIMATE OF VALUE**

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Between the various approaches, the following estimated market values were concluded:

<b>Direct Comparison Approach (Surplus Land)</b>	<b>\$2,400,000</b>
<b>Income Approach (Improvements)</b>	<b>\$4,815,000</b>
<b>Cost Approach Not Developed</b>	

Each of the valuation methods has a varying degree of applicability with respect to the subject. In the case of the Cost Approach, it has not been developed as the subject has older improvements and estimating depreciation in an older improvement does not result in an accurate value estimate.

The Direct Comparison Approach produced five sales of similar vacant land with varying degrees of comparability to the subject but was found to provide sufficient evidence as to the value expressed on a "sale price per acre of area" basis. The range of prices is most heavily influenced by location, improvement, site size, use and the prevailing market conditions at the time of sale. The Direct Market Comparison Approach is considered to be a strong indicator of value for the subject's surplus land.

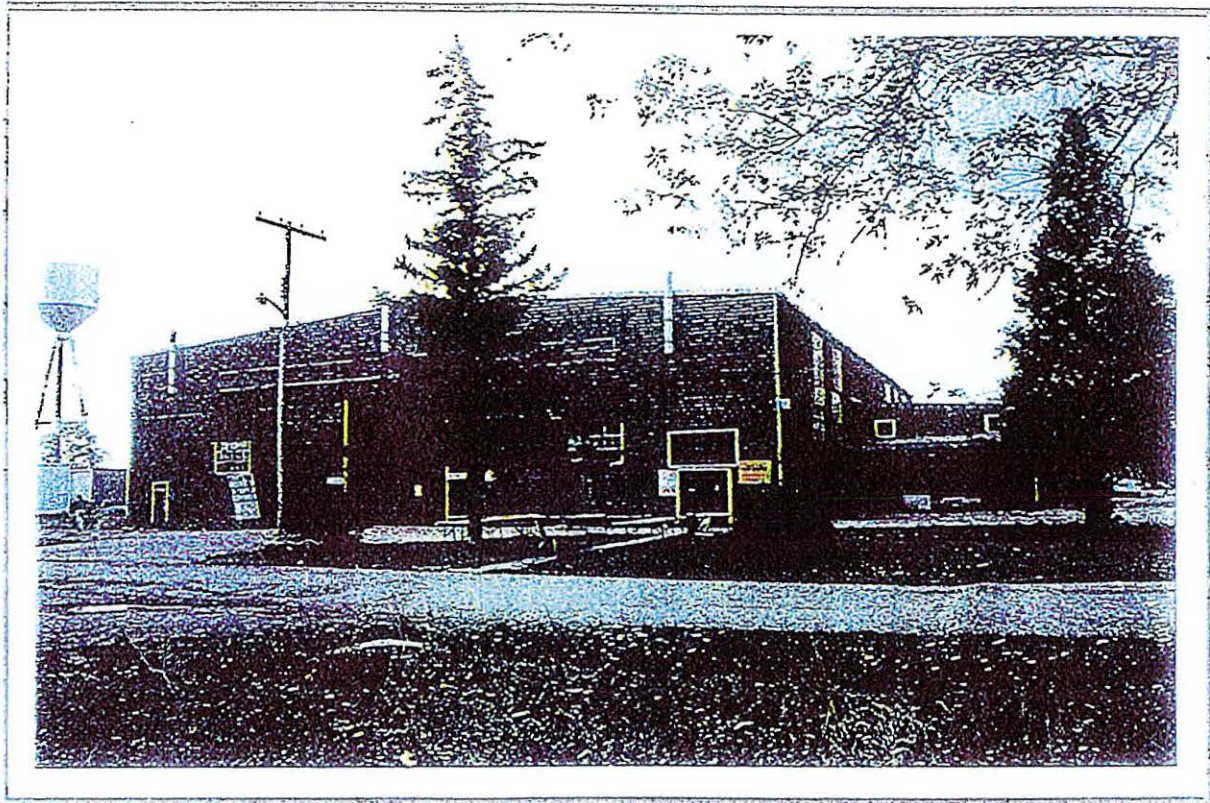
The Income Approach is considered to be a very reliable indicator of value as the subject is producing a reliable and varied income stream. Properties such as the subject are generally purchased for their income producing capacity. In the case of the subject, the improvements are leased to various tenants. As such, the Income Approach is considered to be a strong indicator of value for the subject's income producing improvements.

The Direct Market Comparison Approach and Income Approach have been combined to provide a final value estimate of the subject property. Therefore, the Market Value as of the effective date of the appraisal, April 1, 2019, is estimated to be:

**\$7,215,000**  
**(SEVEN MILLION TWO HUNDRED FIFTEEN THOUSAND DOLLARS)**

**Attachment (6A)**

Large 24,000 Bldg

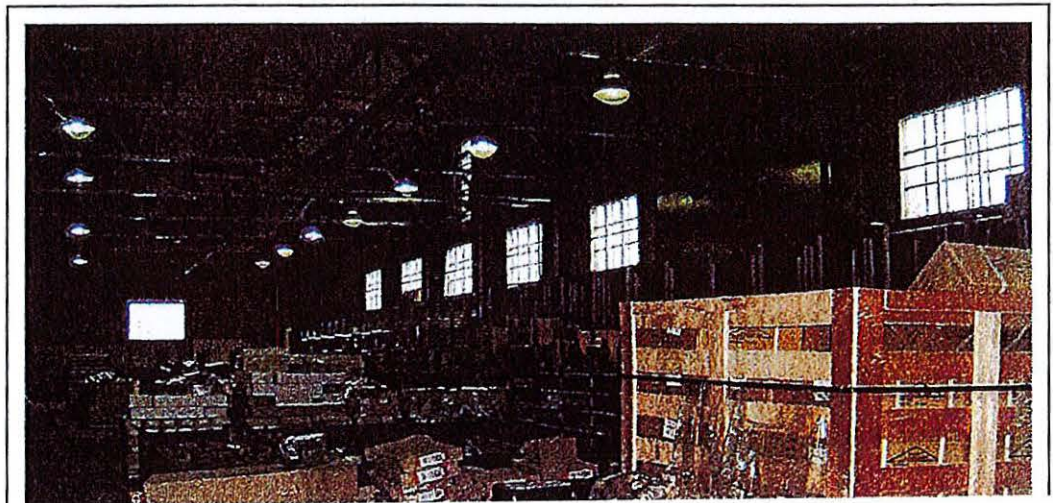


**Flea Market Building**

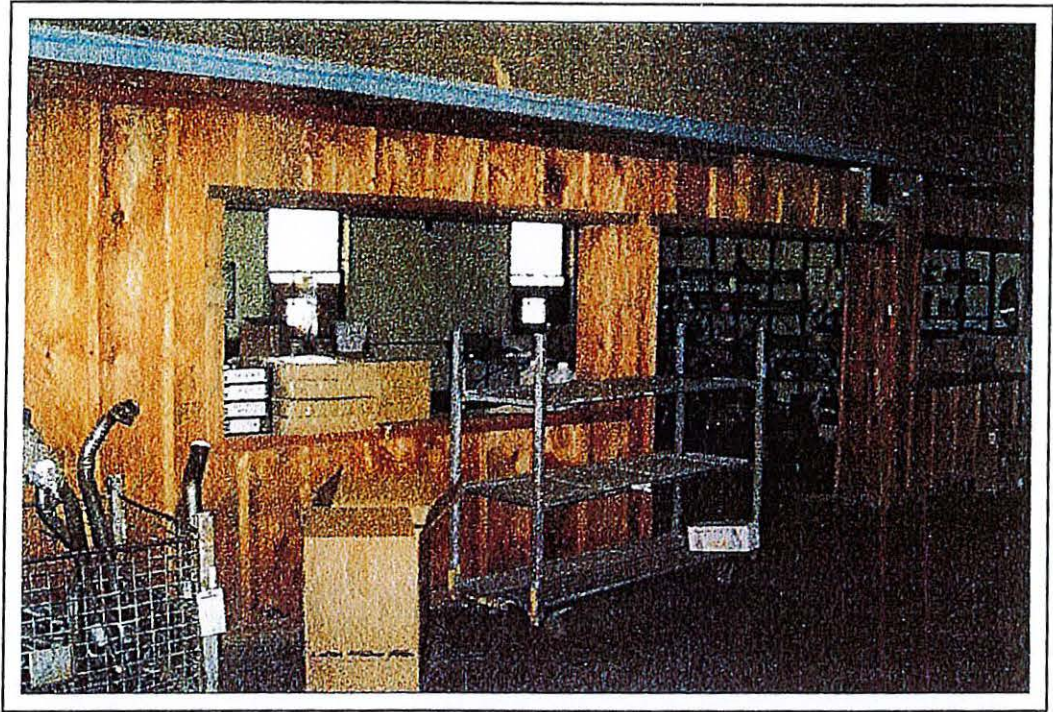




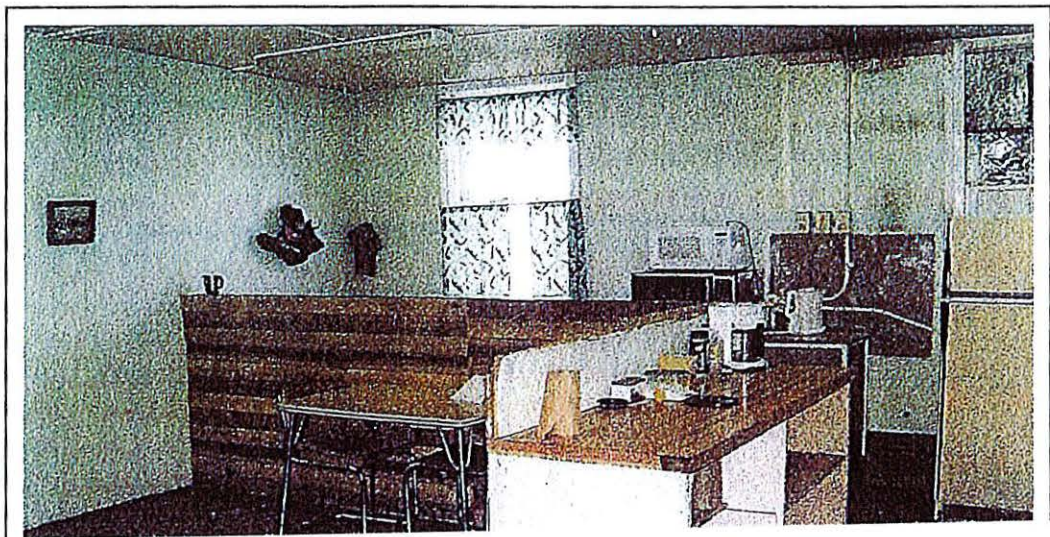
Warehouse Space  
Concession 11, Walpole



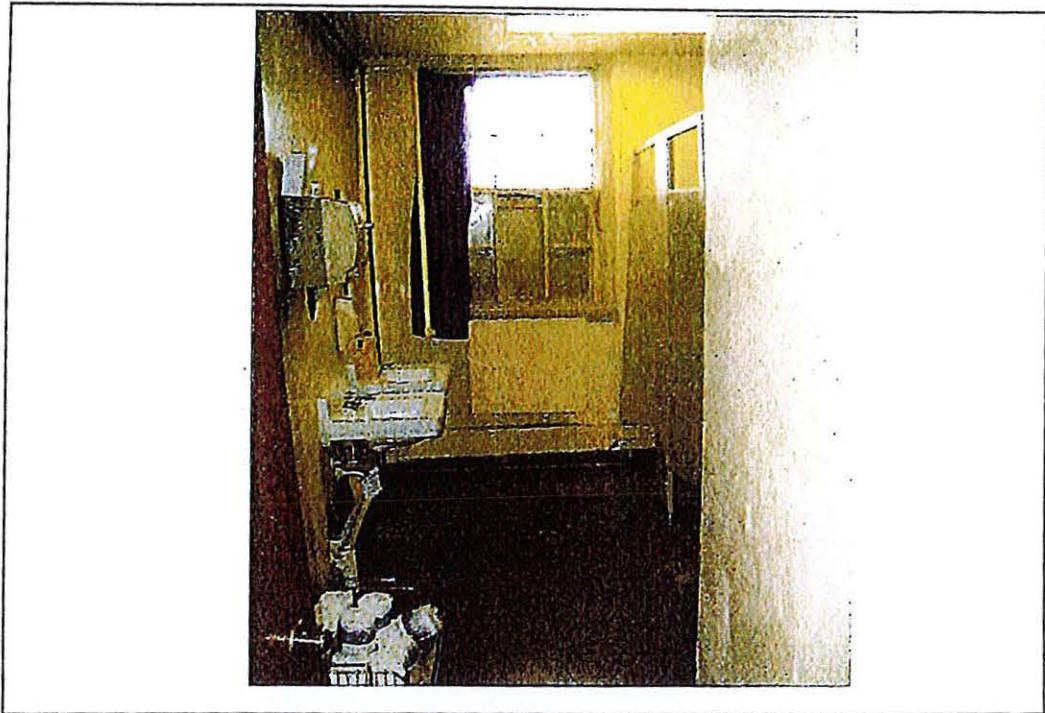




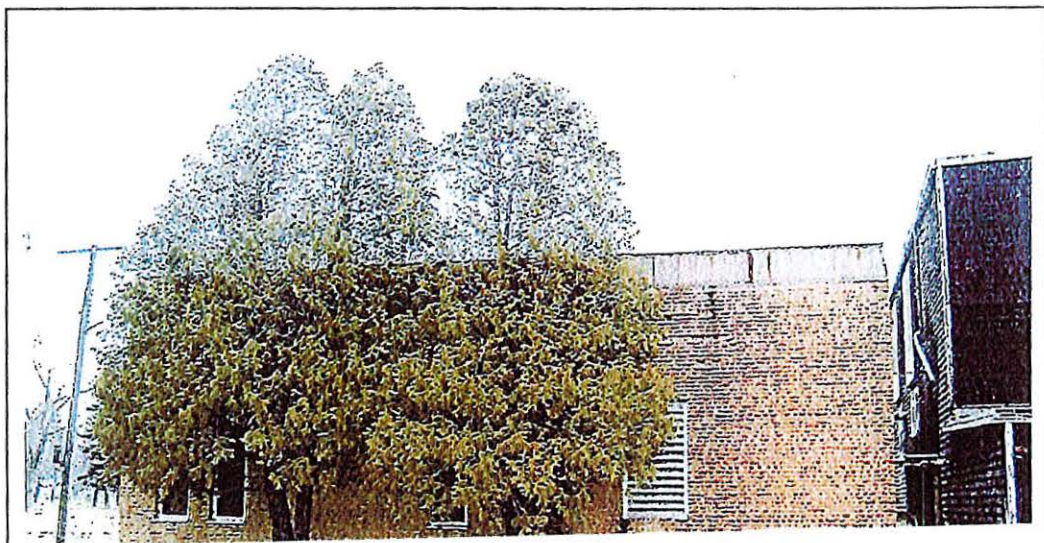
Office Area  
Concession 11, Walpole





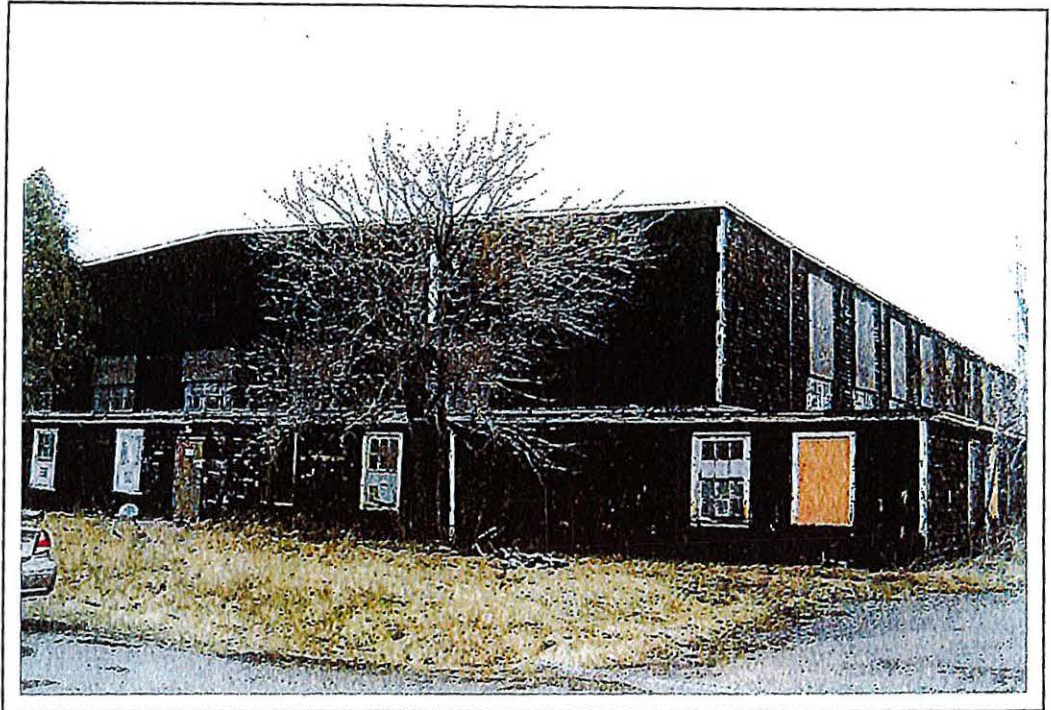


Washroom  
Concession 11, Walpole





side



Subject - Rear View  
Concession 11, Walpole

side



**THIS IS EXHIBIT "B"**  
**REFERRED TO IN THE AFFIDAVIT OF**  
**DARWIN E. HARASYM**  
**SWORN BEFORE ME THIS 22<sup>nd</sup> DAY**  
**OF JANUARY, 2024**

  
.....  
**A Commissioner, etc.**



Court File No.: CV-14-51

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN:

MARGARET MORRISON

Plaintiff

- and -

HAGERSVILLE BUSINESS PARK LTD.,  
HER MAJESTY THE QUEEN IN RIGHT OF  
THE GOVERNMENT OF CANNADA, HER MAJESTY THE QUEEN IN RIGHT OF THE  
PROVINCE OF ONTARIO and the COUNTY OF HALDIMAND  
Defendants

**TRIAL RECORD**

1. Statement of Claim
2. Statement of Defence, Counterclaim, and Cross-Claim of Hagersville Business Park Ltd.
3. Statement of Defence and Crossclaim of the Attorney General of Canada
4. Statement of Defence and Cross-Claim of Her Majesty the Queen in Right of Ontario
5. Statement of Defence and Cross-Claim of the County of Haldimand
6. Statement of Defence to the Counterclaim of Hagersville Business Park Ltd.
7. Certificate of Lawyer

**TOM SERAFIMOVSKI**  
**LSUC # 30330T**  
**DAVID SUNDIN**  
**LSUC # 60296N**  
**McTAGUE LAW FIRM LLP**  
Barristers & Solicitors  
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(F) 519-255-4384

LAWYERS FOR THE PLAINTIFF

**TO: WOODWARD B. McKAIG**  
**LSUC # 16062G**  
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Barristers & Solicitors  
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(F) 905-688-5814

LAWYERS FOR THE DEFENDANT,  
THE COUNTY OF HALDIMAND

**TO: WOLFGANG J. PAZULLA**  
**LSUC # 17043C**  
Barrister & Solicitor  
16 Four Seasons Place, Suite 202  
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(F) 416-622-1440

LAWYER FOR THE DEFENDANT,  
HAGERSVILLE BUSINESS PARK LTD.

**AND TO: KAREN WATT**  
**LSUC # 30155H**  
**DEPARTMENT OF JUSTICE CANADA**  
120 Adelaide Street West  
Suite 400  
Toronto, Ontario M5H 1T1  
(T) 416-973-9341  
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LAWYERS FOR THE DEFENDANT,  
HER MAJESTY THE QUEEN IN RIGHT OF  
THE GOVERNMENT OF CANADA

**AND TO: JONATHAN SYDOR/EMTIAZ BALA**  
**MINISTRY OF THE ATTORNEY GENERAL**  
Crown Law Office – Civil  
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LAWYERS FOR THE DEFENDANT,  
HER MAJESTY THE QUEEN IN RIGHT OF  
THE GOVERNMENT OF ONTARIO



Court File No.: CV-14- 51

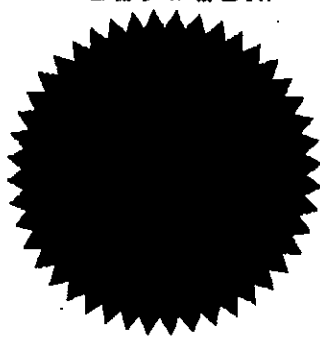
**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN:

MARGARET MORRISON

Plaintiff

- and -



HAGERSVILLE BUSINESS PARK LTD.,  
HER MAJESTY THE QUEEN IN RIGHT OF  
THE GOVERNMENT OF CANNADA, HER MAJESTY THE QUEEN IN RIGHT OF THE  
PROVINCE OF ONTARIO and the COUNTY OF HALDIMAND

Defendants

**STATEMENT OF CLAIM**

TO THE DEFENDANTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the *Rules of Civil Procedure*, serve it on the Plaintiff's lawyer or, where the Plaintiff does not have a lawyer, serve it on the Plaintiff, and file it, with proof of service, in this court office, **WITHIN TWENTY DAYS** after this Statement of Claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of filing a Statement of Defence, you may serve and file a Notice of Intent



to Defend in Form 18B prescribed by the *Rules of Civil Procedure*. This will entitle you to ten more days within which to serve and file your Statement of Defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. If you wish to defend this proceeding but are unable to pay legal fees, legal aid may be available to you by contacting a local Legal Aid office.

Date: April 10, 2014

Issued by:   
Registrar

Address of  
Court office: 55 Munsee Street N.  
Cayuga, Ontario  
N0A 1E0

TO: Hagersville Business Park Ltd.  
304 Concession 11, RR#5  
Hagersville, Ontario  
N0A 1H0

Her Majesty the Queen in Right of the Government of Canada  
The Office of the Deputy Attorney General of Canada  
284 Wellington Street  
Ottawa, Ontario  
K1A 0H8

Her Majesty the Queen in Right of the Province of Ontario  
Attorney General of Ontario  
McMurtry-Scott Building  
720 Bay Street, 11<sup>th</sup> Floor  
Toronto, Ontario  
M7A 2S9

The County of Haldimand  
Cayuga Administration Building  
45 Munsee Street North  
P.O. Box 400  
Cayuga, Ontario  
N0A 1E0

### CLAIM

1. The Plaintiff claims from the Defendants, Her Majesty the Queen in Right of the Government of Canada, Her Majesty the Queen in Right of the Province of Ontario, and the County of Haldimand:

- (a) damages in the sum of \$5,000,000.00 as a result of the Defendants' breach of contract, negligence, breach of statutory duty, and/or tortious interference with the economic interests of the Plaintiff;
- (b) damages in the sum of \$10,000,000.00 for aggravated and punitive damages;
- (c) pre-judgment and post-judgment interest pursuant to the provisions of the *Courts of Justice Act*, R.S.O. 1990, as amended;
- (d) her costs of this action on a substantial indemnity basis including HST where applicable; and
- (e) such further and other relief as this Honourable Court deems just.

2. The Plaintiff claims from the Defendant, Hagersville Business Park Ltd.:

- (a) damages in the sum of \$2,000,000.00 as a result of the Defendant's unjust enrichment;
- (b) damages in the sum of \$2,000,000.00 for aggravated and punitive damages;
- (c) in the alternative damages on account of the Defendant's use of water and sewage services from 2001 until the present, to be determined on a *quantum meruit* basis;
- (d) pre-judgment and post-judgment interest pursuant to the provisions of the *Courts of Justice Act*, R.S.O. 1990, as amended;
- (e) her costs of this action on a substantial indemnity basis including HST where applicable; and
- (f) such further and other relief as this Honourable Court deems just.

3. In addition to the above, the Plaintiff seeks the following relief:

- (a) a declaration that the Plaintiff is not responsible for the water charges related to the supply of water to the Property (as defined below);
- (b) if necessary, an accounting as to what amounts are owed by the various owners of the Property (as defined below) for the supply of water, waste water, and/or sewage services to the Property (as defined below);
- (c) a temporary and/or permanent injunction preventing the County of Haldimand from selling White Oaks (as defined below) on account of the Plaintiff's non-payment of water charges related to the supply of water to the Property (as defined below);
- (d) an Order discharging the Certificate of Tax Arrears from title to White Oaks (as defined below), filed as Registration Number CH48494 by the County of Haldimand on September 13, 2013;
- (e) a Declaration that the Plaintiff is not the owner of the Waterline (as defined below) and/or the Lagoon (as defined below), and is not responsible for maintaining either the Waterline (as defined below) and/or the Lagoon (as defined below), or for invoicing the various owners of the Property (as defined below) for the delivery of water, waste water, and/or sewage;
- (f) a Declaration that the Government of Canada, the Province of Ontario, and/or the County of Haldimand, or any one or combination thereof, are the owners of the Waterline (as defined below) and/or the Lagoon, and that they, or any one or combination of them, are responsible for maintaining the Waterline (as defined below) and/or the Lagoon (as defined below) and for the delivery of water, waste water, and/or sewage to the Property (as defined below) and for invoicing the various owners of the Property (as defined below) for same; and
- (g) such further and other relief as counsel may advise and this Honourable Court may deem just.



### The Parties

4. The Plaintiff, Margaret Morrison ("Ms. Morrison") is an individual who resides in the Municipality of Chatham-Kent, in the Province of Ontario and owns real property in Haldimand County located at municipal address 274 Concession 11, Hagersville, Ontario ("White Oaks"), which property Ms. Morrison uses in carrying on a land lease community business, known as White Oaks Village Estates.

5. The Defendant, Hagersville Business Park Ltd. ("HBP") is a corporation incorporated pursuant to the laws of the Province of Ontario, and owns property abutting White Oaks (the "HBP Property"), which originally formed part of the Property (as defined below), and carries on business of an industrial nature which is water intensive.

6. The Defendant, Her Majesty the Queen in right of the Government of Canada ("Canada"), was the former owner of Property in Haldimand County from which it operated an air base and ancillary services (the "Property").

7. The Defendant, Her Majesty the Queen in right of the Province of Ontario ("Ontario"), took ownership of the Property from Canada in or about 1965.

8. The Defendant, the County of Haldimand ("**Haldimand**"), is a municipality incorporated pursuant to the laws of the Province of Ontario, and in which the Property is located.

### The Property

9. Ms. Morrison states that the Defendant Canada operated a flight training school at the Property near Hagersville, Ontario from 1941-1945, and subsequently used the Property for military uses until in or about 1964. During that time, from in or about 1941 until in or about 1964 the Property was known as "Camp Hagersville".

10. Ms. Morrison states that in or about 1965, the Defendant Canada divested its ownership of the Property to the Defendant Ontario, who, *inter alia*, operated a boy's school known as the Sprucedale Training School on the Property.

11. Ms. Morrison states that at some time after 1978 when the Sprucedale Training School was closed, the Defendant Ontario sold the Property in various parcels to private buyers, which division resulted in, *inter alia*, the creation of the White Oaks and the HBP Property parcels.

12. On or about January 16, 2004, Ms. Morrison purchased the property known as, and defined above as, White Oaks, from a private vendor. Ms. Morrison's purchase of White Oaks resulted in her acquiring a property that contained 36 residential homes and some commercial rental units.

13. Ms. Morrison states that the HBP Property is adjacent to White Oaks and is owned by the Defendant HBP, which operates several industrial businesses at the HBP Property that are water intensive.

The Waterline

14. Ms. Morrison states that municipal water is delivered to the Property via a waterline (the "Waterline") that travels from a pumping station at or near the intersection of Highway # 6 and Haldimand Road 55 (the "Pumping Station"), which waterline runs alongside Haldimand Road 55 on municipal property owned by the Defendant Haldimand, then passes under Haldimand Road 55 and along Concession 10, on municipal property owned by the Defendant Haldimand, before crossing under HBP Property and ending at White Oaks.

15. Ms. Morrison states that the total distance of the Waterline from the Pumping Station to the property line of White Oaks is approximately six (6) kilometers.

16. Ms. Morrison states that prior to 2009, the only water meter on the Waterline was located at the Pumping Station and that all water usage for the Property was billed to Ms. Morrison including water used by the Defendant HBP and all of the other private owners of the various parcels that make up the Property.

17. Ms. Morrison states that on or about April 30, 1967 the Defendant Ontario entered into an Agreement with a previous tenant at the Property, namely Wyndemere Farms Limited ("Wyndemere"), for the provision of water from the Village of Jarvis, which now forms part of the Defendant Haldimand (the "Water Agreement").

18. Ms. Morrison states that the Water Agreement provides, *inter alia*, that "the Province is the owner of the [Waterline]...and has agreed, subject to the provisions of this agreement to permit Wyndemere the use of the water main."

19. Ms. Morrison states that the Water Agreement further provides, *inter alia*, as follows:
2. Wyndemere shall have the continuous and uninterrupted right in perpetuity to use and enjoy the water main for the supply of water to its premises.
  3. So long as the Province and Wyndemere shall jointly use the water main the Province and Wyndemere shall **share equally in the cost of the operation, maintenance, repair and replacement of the water main...the said cost shall be borne by the parties in the same ratio as the water consumption of each party bears to the total water consumption.** (*emphasis added*)
  4. Jarvis shall operate and maintain the water main...
  5. Either party may at any time discontinue its use of the water main whereupon the other party shall thereafter assume and pay for all costs of operation, maintenance, repair and replacement for so long as it shall continue to use the water main...
  7. **The benefit and burden of this agreement shall be binding upon the Province...and upon Wyndemere...and upon their respective successors and assigns.** (*emphasis added*)

20. Ms. Morrison states that despite her repeated attempts to have the Defendants Canada, Ontario, and Haldimand address this obvious deficiency with supply of water to the Property, they have refused to make the necessary changes to allow separate water metering for each various individual owners of the separate parcels that comprise the Property today.

21. Ms. Morrison states that in or about 2009, she installed a separate water meter (the "Water Meter") at the property line of White Oaks so as to properly measure the water usage by the tenants of White Oaks.



22. The installation of the Water Meter identified a massive overcharge for water usage by the Defendant Haldimand to the Plaintiff for which the Defendant Haldimand is attempting to hold the Plaintiff responsible. The full particulars of the overcharge for water usage by the Defendant Haldimand to the Plaintiff will be provided prior to the trial in this action.

The Sewage Lagoon

23. Ms. Morrison states that the Property contains a large sewage lagoon (the "Lagoon") wherein all waste water and sewage from the Property is delivered.

24. Ms. Morrison states that she does not own the Lagoon, nor has she ever willingly agreed to be responsible for its maintenance, operation, or capital costs.

25. Ms. Morrison states that she has attempted to determine who is responsible for the operation and maintenance of the Lagoon but has been unable to get a response from the Defendants Canada, Ontario, and Haldimand.

26. Ms. Morrison states that on or about April 30, 1967 the Defendant Ontario and Wyndemere entered into an Agreement with Wyndemere for the provision of sewage service at the Property (the "Sewage Agreement").

27. Ms. Morrison states that the Sewage Agreement provided, *inter alia*, as follows:

1. The Province will receive and treat sanitary sewage from the premises of Wyndemere...at its sewage disposal plant...

2. Each of the parties agree to maintain and operate in good working condition the storm and sanitary sewer mains located on the respective properties...
3. **The benefit and burden of this agreement shall be binding upon the Province...and upon Wyndemere...and upon their respective successors and assigns. (emphasis added)**

28. Ms. Morrison states that due to ongoing issues with the Lagoon and her inability to get a satisfactory response to her inquires to the Defendants Canada, Ontario, and Haldimand, she has been forced to expend considerable funds to undertake basic maintenance on the Lagoon for the express benefit of the residents and business owners of White Oaks.

29. Ms. Morrison further states that the work undertaken by her in relation to the Lagoon has directly benefited the Defendant HBP and other owners of the various parcels of the Property. However, the Defendant HBP has refused to provide any financial assistance or make any contribution for said maintenance of the Lagoon.

30. Ms. Morrison further states that she was given an Order to Comply by the Ministry of the Environment of the Defendant Ontario, to, *inter alia*, undertake significant remediation work on the Lagoon (the "Order"), which she does not own and for which she does not have a responsibility to maintain.

#### Waterline and Haldimand County Tax Sale

31. Ms. Morrison states that she has made numerous efforts, to no avail, to find a satisfactory resolution with the Defendant Haldimand with respect to the water bills that include water

consumption by the Defendant HBP, and other residential and commercial units located along the Waterline on property Ms. Morrison does not own.

32. Ms. Morrison further states that the Defendant Haldimand has been unwilling to address the ongoing concerns since in or about 2004, when Ms. Morrison purchased White Oaks, and when she drew the Defendant Haldimand's attention to the issue of service of water to the Property and issues with the billing of same, the effect of which has resulted in significant accruals of unpaid water bills and interest and penalty charges against Ms. Morrison, despite the fact that the Defendant Haldimand is aware, or should be aware, that Ms. Morrison is not responsible for same.

33. Ms. Morrison states that the Defendant Haldimand placed the unpaid water bills, interest and penalty charges, for water used by persons and businesses not related to Ms. Morrison, and for whose water charges she is not responsible, as a charge against her property tax account for the property known as White Oaks.

34. Ms. Morrison states that on or about September 13, 2013, the Defendant Haldimand filed a Certificate of Tax Arrears on title to White Oaks as Registration Number CH48494 (the "Certificate"), and the Defendant Haldimand is now attempting to sell White Oaks in a tax arrears sale as a result of the water bills that were attached to her property tax account (the "Tax Sale"), for which the Defendant Haldimand knows, or ought to know, Ms. Morrison is not responsible.

35. Ms. Morrison further states that the filing of the Certificate on title to White Oaks has resulted in Ms. Morrison being in breach of her obligations under a Mortgage in favour of the Bank of Montreal, which may result in Ms. Morrison suffering further damages should the Bank of Montreal demand repayment of the Mortgage. Further, the filing of the Certificate has negatively affected Ms. Morrison's credit rating, restricted the ability of the tenants of White Oaks to obtain mortgages, refinance their existing mortgages, and to sell or purchase units at White Oaks, thereby reducing the value of White Oaks, and interfering with Ms. Morrison's economic interests.

36. Ms. Morrison states that she does not own the Waterline in question and is not responsible for any maintenance, repair, replacement or usage for portions of the Waterline that are not located on White Oaks, and is neither a successor or assign of the Province and/or Wyndemere under the aforementioned Water Agreement, referred to above in paragraphs 17, 18, and 19.

37. Ms. Morrison further states that in or about 2009 she installed the aforementioned Water Meter on the Waterline, where it enters White Oaks, at her own expense. The data collected from this meter clearly shows that the tenants of White Oaks are using only a fraction of the water for which Ms. Morrison is being billed.

38. Ms. Morrison states that the Defendant Haldimand has failed and/or refused to rectify the issue of supply of water, and billing for same, to the Property, despite being aware of the problems, as identified by the Water Meter, which failure and/or refusal has created significant hardship for Ms. Morrison.



39. Ms. Morrison further states that the Defendant Haldimand in a malicious and high-handed manner has, since in or about October of 2013, refused to accept payment on account of property taxes and water usage from the tenants of White Oaks in an attempt to further compound the damages suffered by Ms. Morrison due to the aforementioned Tax Sale.

#### Sewage Lagoon

40. Ms. Morrison states that the Lagoon serving the Property is not part of White Oaks. Accordingly, the Plaintiff states that she does not own, operate, or have any legal obligation to maintain the Lagoon, and is not a successor or assign of Ontario or Wyndemere under the aforementioned Sewage Agreement.

41. Ms. Morrison states that the maintenance undertaken on the Lagoon for which she has expended a significant amount of money, the full particulars of which will be provided prior to the trial in this matter, was done to ensure that tenants of White Oaks had sewage services, which maintenance has benefitted the Defendant HBP and the owners of the other various parcels of the Property.

42. Ms. Morrison states that she has contacted the Defendants Canada, Ontario, and Haldimand in an effort to have the appropriate owner take responsibility for the Lagoon. However, the Defendants Canada, Ontario, and Haldimand have failed and/or refused to determine which of them is the proper owner of the Lagoon, and none of the Defendants have taken any steps to maintain the Lagoon.

43. Ms. Morrison states that the Defendant Ontario issued an Order against Ms. Morrison to have the Lagoon repaired notwithstanding her lack of ownership of the same.

#### Damages

44. Ms. Morrison states that the Defendant Canada was negligent in its design of the Lagoon such that it is not capable of handling the volume of sewage from the Property, and in addition the Defendant Canada was negligent in failing to provide satisfactory maintenance and/or a satisfactory maintenance plan for the ongoing operation of the Lagoon at the time of the sale of the Property to the Defendant Ontario.

45. Ms. Morrison states that the Defendant Ontario was negligent in failing to provide reasonable maintenance to the Lagoon, and in addition the Defendant Ontario was negligent in failing to undertake a proper analysis of the sewage capacity of the lagoon prior to selling the Property to private interests.

46. Ms. Morrison states that the Defendant Ontario was further negligent in failing to maintain the Waterline that services the Property contrary to their contractual and statutory duty to do so.

47. The Defendant Ontario has acknowledged that the Certificate of Approval issued in or about 1970 regarding the Lagoon is void of conditions or supporting documentation, but notwithstanding same, the Defendant Ontario, pursuant to the aforementioned Order, is attempting to assign responsibility to Ms. Morrison for repairs and maintenance of the Lagoon that rightfully is the responsibility of the Defendant Ontario or the Defendant Haldimand.

48. Ms. Morrison states that the Defendant Haldimand has been negligent in its oversight, maintenance, repair, and general operation of the Lagoon on the Property. Ms. Morrison further states that the Defendant Haldmiand has subverted any attempts by Ms. Morrison to resolve issues related to the Lagoon.

49. Ms. Morrison further states that the Defendant Haldimand has been negligent in its actions related to the Waterline servicing the Property. Notwithstanding Ms. Morrison's efforts to have water apportioned by user, the Defendant Haldimand has expressly denied Ms. Morrison's requests, causing Ms. Morrison to incur major costs and undergo severe hardships in dealing with her own tenants at White Oaks.

50. Ms. Morrison states that the Defendant Haldimand has been negligent in maintaining the Waterline servicing the Property, which, by its own admission, is deficient and in poor condition. The negligence of the Defendant Haldimand in this regard has caused Ms. Morrison to incur significant additional expense to maintain the Waterline, the full particulars of which will be provided prior to the trial of this action, which maintenance has benefitted the Defendant Haldimand, the Defendant HBP, and the other owners of the various parcels of the Property.

51. Ms. Morrison states that the Defendant HBP has been negligent in maintaining the Waterline that crosses their property and leads to White Oaks by failing to properly inspect and/or repair the Waterline, or to pay for their reasonable share of the water usage at the Property, which negligence has contributed to Ms. Morrison being overcharged for water services at White Oaks.

52. Ms. Morrison further states that the Defendant HBP has purposely and knowingly refused to pay for their water usage and/or the cost of maintaining and operating the Lagoon which has caused severe financial hardship for Ms. Morrison.

53. Ms. Morrison states that the Defendant HBP has been unjustly enriched by the Defendant HBP's failure and or refusal to pay for the water used by the Defendant HBP, and by Ms. Morrison's improvements to the Waterline and the Lagoon, which have benefitted the Defendant HBP.

54. In addition to and/or in the alternative, Ms. Morrison states that she is entitled to be paid by the Defendant HBP on a *quantum meruit* basis for the Defendant HBP's water usage that has been improperly charged to Ms. Morrison, and for the improvements Ms. Morrison has made to the Waterline and the Lagoon to the benefit of the Defendant HBP.

55. Ms. Morrison states that the Defendants, or any one or combination of them, were negligent in the design, construction, and maintenance of the Waterline.

56. Ms. Morrison states that the Defendants, or any one or combination of them, were negligent in the design, construction, and maintenance of the Lagoon.

57. Ms. Morrison further states that the actions of the Defendants Canada, Ontario, and Haldimand, in refusing to deal with the issues with the Waterline and the Lagoon, amount to tortious interference with Ms. Morrison's economic relations. Without limiting the generality of the foregoing, Ms. Morrison specifically states that the Defendant Ontario, in issuing the



aforementioned Order, when it knows or ought to know, that Ms. Morrison is not responsible for the Lagoon, and the Defendant Haldimand in commencing the aforementioned Tax Sale, when it knows, or ought to know, that Ms. Morrison is not responsible for the water charges on which the Tax Sale is based, were improper and not attributable to Ms. Morrison or White Oaks, amounts to tortious interference with Ms. Morrison's economic relations.

58. Ms. Morrison states that the Defendants owe her a duty of care with respect to the Waterline and/or the Lagoon, both of which are located on property that she does not own, but whose effective operation is critical for the continued well-being of her tenants at White Oaks as well as Ms. Morrison's economic interests.

59. Ms. Morrison states that the Defendants have failed in the duty of care owed to her with respect to the Waterline and the Lagoon, which failure has caused Ms. Morrison to suffer significant financial losses, and economic hardships.

60. Ms. Morrison also claims for mental and emotional distress caused by the negligence of the Defendants, or any one or combination of them, in failing to respond to Ms. Morrison's attempts to address the ongoing issues related to the Waterline and the Lagoon.

61. Ms. Morrison states that she has suffered damages as a result of the negligence of the Defendants, the full particulars of which will be provided prior to the trial in this action.

62. In addition to and/or in the alternative, Ms. Morrison states that the cause of the aforesaid damages was due to the negligence and/or breach of statutory duty of the Defendants, or any one or combination of them, in that they:

- (a) knew or ought to have known that the Lagoon was not the Plaintiff's responsibility but an issue which she had to address for the health and safety of her tenants at White Oaks;
- (b) failed to establish or implement any reasonable system of inspection or maintenance for the Waterline and/or Lagoon located on the Property to ensure it was fit for use;
- (c) failed to take any or all reasonable steps to investigate and repair the cause of the Waterline issues when they knew or ought to have known that the failure to do so could cause harm to the Plaintiff;
- (d) failed to take any or all reasonable steps to investigate and repair the cause of the Lagoon issues when they knew or ought to have known that the failure to do so could cause harm to the Plaintiff; and
- (e) such further and other particulars as might be discovered during the course of this proceeding.

63. Ms. Morrison states that as a result of the breach of contract, negligence and/or breach of statutory duty of the Defendants, or any one or combination of them, the Plaintiff has sustained damages in the sum of \$5,000,000, the particulars of which will be provided during the course of this action.

64. Ms. Morrison pleads that the Defendants, or any one or combination of them, have acted

with malice and in a high-handed manner in refusing to deal with the issues surrounding the Waterline and the Lagoon, and specifically references the issuing of the Order, the commencement of the Tax Sale, and the refusal to accept property tax payments and water payments, when the Defendants knew, or ought to have known that Ms. Morrison was not and is not responsible for the Waterline and the Lagoon, entitling Ms. Morrison to punitive and aggravated damages.

65. Ms. Morrison therefore claims the relief as set out in paragraphs 1, 2, and 3 of this Statement of Claim.

66. Ms. Morrison states that the Defendants are jointly and severally liable for the damages caused to her.

67. Ms. Morrison pleads and relies upon the *Negligence Act*, as amended.

68. The Plaintiff requests that this action be tried at Cayuga, Ontario.

April 4, 2014

**TOM SERAFIMOVSKI**  
**LSUC # 30330T**  
**DAVID M. SUNDIN**  
**LSUC 60296N**  
**McTAGUE LAW FIRM LLP**  
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**LAWYERS FOR THE PLAINTIFF**

MARGARET MORRISON vs. HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO et al.

SUPERIOR COURT OF JUSTICE  
PROCEEDING COMMENCED AT CAYUGA

**STATEMENT OF CLAIM**

**TOM SERAFIMOVSKI**  
**LSUC # 30330T**  
**DAVID M. SUNDIN**  
**LSUC # 60296N**  
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**LAWYERS FOR THE PLAINTIFF**  
**FILE NO. 57579**





Court File No. CV-14-51

**ONTARIO  
SUPERIOR COURT OF ONTARIO**

**BETWEEN:**

**MARGARET MORRISON**

**Plaintiff**

**- and -**

**HAGERSVILLE BUSINESS PARK LTD., HER MAJESTY THE QUEEN  
IN RIGHT OF THE GOVERNMENT OF CANADA, HER MAJESTY THE QUEEN  
IN RIGHT OF THE PROVINCE OF ONTARIO and THE COUNTY OF HALDIMAND**

**Defendants**

**STATEMENT OF DEFENCE, COUNTERCLAIM AND CROSS-CLAIM OF HAGERSVILLE  
BUSINESS PARK LTD.**

1. The Defendant, Hagersville Business Park Ltd. ("HBP") admits the allegations contained in paragraphs 5, 6, 7, 8, 9, 10, 11, 14 and 15 of the Statement of Claim.
  2. HBP denies the remainder of the Plaintiff's allegations except as admitted below and puts the Plaintiff to the strict proof thereof.
  3. HBP states that it purchased the lands adjacent to White Oaks on August 26, 2005.
  4. At the time of the purchase, the HBP Property was serviced by the Waterline (the "Waterline") described in the Statement of Claim.
  5. HBP assumed ownership of the HBP Property with the benefit of all of the agreements relating to the provision of water to the White Oaks Property and the HBP Property. The Waterline in question runs across the HBP Property from the highway to the White Oaks Property.
-

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6. Contrary to the statements made in the Statement of Claim herein, HBP does not operate any businesses on the HBP Property but rather rents out the buildings located on the Property to third party tenants.
  7. Contrary to the statements made in the Statement of Claim herein, the uses of the tenants are not water-intensive and insofar as any water is required for the use of the tenants, there are wells located upon the HBP Property which provide any water which is required for industrial or commercial use.
  8. HBP only extracts water from the Waterline for potable and sanitary uses which are very limited in nature and serve only to provide washroom facilities for any employees of the tenants of the various buildings on the Property. HBP's use of water is negligible.
  9. Since it assumed ownership of the HBP Property, HBP has been providing and paying for the cost of maintaining the Waterline all the way from the White Oaks Property back to the pumping station.
  10. HBP has incurred significant expenses with respect to the maintenance of repairs which has primarily benefitted the Plaintiff.
  11. The Plaintiff has refused to provide any contribution towards the expenses incurred in maintaining the Waterline servicing the Plaintiff's Property. The particulars of the full costs and expenses incurred by HBP in maintaining the Waterline will be produced prior to the trial of this proceeding.
  12. When HBP assumed ownership of the HBP Property, it installed a check meter on the Waterline before the meter which was installed by the Plaintiff as referred to in the Statement of Claim.
-

13. HBP has maintained records of water consumption which indicate that its use of the Waterline is minor. HBP has offered to compensate White Oaks. White Oaks has never made formal demand for the payment towards the cost of the water provided by the County of Haldimand and consumed by it until the commencement of these proceedings. HBP pleads and relies upon the provisions of the *Limitations Act, 2002*, S.O. 2002, C. 24.
  
14. HBP agrees with the claim made in the Statement of Claim that the County of Haldimand ("Haldimand") and Her Majesty the Queen in Right of Ontario ("Ontario") have a legal and statutory obligation to maintain the Waterline and to provide the continuous supply of potable water both to the HBP lands and the White Oaks lands. HBP pleads and relies upon the provisions of the *Municipal Act, S.O. 2001, C. 25* and amendments thereto and the *Clean Water Act, S.O. 2006, C. 22* and amendments thereto.
  
15. HBP had access to the lagoon facilities by agreement entered into between the previous owners of the White Oaks Property and the HBP Property. HBP's use of the lagoon is minor and insignificant compared to the use made by the Plaintiff in the operation of the residential tenants occupying the White Oaks Property. HBP denies that it is responsible for any of the costs, charges and damages claimed by the Plaintiff herein and puts her to the strict proof thereof.
  
16. HBP further states that the Plaintiff is liable to it for costs incurred by HBP in maintaining the Waterline for the Plaintiff's benefit.
  
17. HBP claims against Haldimand and Ontario for contribution and indemnity with respect to any claims made by the Plaintiff against HBP herein.

**A. Counterclaim:**

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18. The Defendant HBP claims against the Plaintiff for the following:
- (a) Special damages in the amount of \$200,000.00;
  - (b) A declaration that the Plaintiff and her successors in title are fully and completely responsible for the payment of any costs incurred by HBP in maintaining the Waterline;
  - (c) HBP's costs of these proceedings on a substantial indemnity basis;
  - (d) Such further or other relief as this Honourable Court deems just.
19. HBP repeats and relies upon the allegations and statements made in the Statement of Defence above.
20. HBP states that it has paid for all of the costs of maintaining the Waterline since its acquisition of the HBP Property and that based on the consumption of water taken from the Waterline by the Plaintiff and HBP, the Plaintiff should be required to pay its proportional share of such maintenance and expenses.
21. Full particulars and details of the expenses incurred shall be produced before the trial of this action.

**B. Cross-Claim:**

22. HBP claims against the co-Defendants, Ontario and Haldimand as follows:
- (a) Contribution and indemnity pursuant to the Negligence Act, R.S.O. 1990, c.N.1, as amended, for any amounts for which this Defendant may be found to be responsible to the Plaintiff in the main action;
  - (b) Contribution and indemnity under the common law and equity for any amounts which this Defendant may be found to be responsible to the Plaintiff;
  - (c) Against Ontario and Haldimand for the costs incurred by HBP in maintaining the Waterline from the date of acquisition of the HBP Property to the date of trial;

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(d) A declaration that Ontario and /or Haldimand shall pay to HBP the ongoing maintenance and repair costs of the Waterline until the ownership and/or responsibility for the Waterline shall be assumed by Haldimand and/or Ontario;

23. Ontario repeats and relies on the facts cited in the Statement of Defence, above, and proposes that this cross-claim be tried at the same time and place as the main action.

Date: June 2, 2017

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Solicitor for the Defendant By Crossclaim  
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TO: Sullivan Mahoney LLP  
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AND TO: McTague Law Firm LLP  
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**AND TO:** Her Majesty the Queen in Right of the Province of Ontario  
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Solicitors for the Defendant Ontario

**MARGARET MORRISON**  
Plaintiff

- and -

**HAGERSVILLE BUSINESS PARK LTD., et al.**  
Defendants

Court File No. CV-14-51

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

Proceeding Commenced at  
**CAYUGA**

**STATEMENT OF DEFENCE,  
COUNTERCLAIM AND CROSS-CLAIM  
OF HAGERSVILLE BUSINESS PARK  
LTD.**

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Hagersville Business Park Ltd.

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**FORM 18A - STATEMENT OF DEFENCE  
Rules of Civil Procedure, (Rule 18.01)**

Court File No.: CV-14-51

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

**MARGARET MORRISON**

Plaintiff

and

**HAGERSVILLE BUSINESS PARK LTD., HER MAJESTY THE QUEEN IN  
RIGHT OF THE GOVERNMENT OF CANADA, HER MAJESTY THE QUEEN IN  
THE RIGHT OF THE PROVINCE OF ONTARIO AND THE COUNTY OF  
HALDIMAN**

Defendants

**STATEMENT OF DEFENCE AND CROSSCLAIM OF THE  
ATTORNEY GENERAL OF CANADA (INCORRECTLY NAMED AS  
HER MAJESTY THE QUEEN IN RIGHT OF THE GOVERNMENT  
OF CANADA)**

1. The defendant, the Attorney General of Canada ("Canada"), (incorrectly named as "Her Majesty the Queen in Right of The Government of Canada"), admits the allegations contained in paragraphs 6, 7, and 9 of the statement of claim.
2. The defendant denies the allegations contained in paragraphs 1,2,3,44, and 55-66 of the statement of claim.
3. The defendant has no knowledge in respect of the allegations contained in paragraphs 4, 5, 8, 10, 11-43, and 45-54 of the statement of claim.
4. This defendant states that on or about June 18, 1965, Canada transferred ownership of the property and land known as "Camp Hagersville" to the Province of Ontario.
5. This defendant states that at the time of the aforementioned transfer, all aspects of the property's waterline, sewage system, waste water management, sewage disposal and existing structures adherent to its sewage management were properly designed and maintained in

- 2 -

compliance with all regulatory policies, by-laws, and licensing requirements that existed at the time. Canada further denies that it is the owner of the waterline as alleged.

6. This defendant has no knowledge of any transactions between the plaintiff and the co-defendants. It has had no involvement with the plaintiff's land since the transfer of the land in June of 1965 to the Province of Ontario.
7. This defendant did not commit any tort, breach of contract nor was it negligent as alleged in the claim or in any manner whatsoever. Further, this defendant did not, at any time, enter into a contract with the plaintiff.
8. This defendant denies that it owes any private law duty to the Plaintiff. Alternatively, if such a duty is owed, it was not breached.
9. This defendant denies that the plaintiff suffered the damages as alleged.
10. In the alternative, if the plaintiff suffered any damages, this defendant states that the plaintiff caused or contributed to these damages and that she has further, failed to mitigate her damages.
11. This defendant states that the plaintiff's claim is barred by virtue of the Limitations Act, 2002, S.O. 2002, c.24 and schedules and regulations passed pursuant to this Act.
12. This defendant pleads and relies upon the Crown Liability and Proceedings Act, R.S.C. 1985, c. C-50 and the Negligence Act, R.S.O. 1990, c. N.1 and regulations passed pursuant to these Acts.
13. This defendant therefore denies liability for the relief sought and asks that this claim be dismissed against it with costs.

#### CROSSCLAIM

14. This defendant claims against the co-defendants, HAGERSVILLE BUSINESS PARK LTD., HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO and the COUNTY OF HALDIMAND as follows:
  - a) Contribution and Indemnity pursuant to the Negligence Act, R.S.O. 1990, c. N.1, as amended, for any amounts for which this Defendant may be found to be responsible to the Plaintiff in the main action;
  - b) Contribution and indemnity under the common law and equity for any amounts which this Defendant may be found to be responsible to the Plaintiff;
  - c) Its costs of the main action, plus all applicable taxes;

- 3 -

- d) Its costs of the Crossclaim, plus all applicable taxes; and,
  - e) Such further and other relief as to this Honourable Court seems just.
15. This defendant repeats and adopts the allegations as against the co-Defendants as contained in the Statement of Claim.
16. This defendant proposes that this Crossclaim be tried at the same time and place as the main action.

July 2, 2014

Department of Justice  
Ontario Regional Office  
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130 King Street West  
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M5X 1K6

Per: Karen Watt (LSUC# 30155H)  
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Solicitor for the Defendant, Her Majesty the  
Queen in Right of the Government of Canada

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Tom Searfirmovski (LSUC# 30330T)  
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Solicitors for the Plaintiff

TO: Sullivan, Mahoney LLP  
Barristers and Solicitors  
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- 4 -

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MARGARET MORRISON

AND

HAGERSVILLE BUSINESS PARK LTD., HER MAJESTY THE  
QUEEN IN RIGHT OF THE GOVERNMENT OF CANADA, HER  
MAJESTY THE QUEEN IN THE RIGHT OF THE PROVINCE OF  
ONTARIO AND THE COUNTY OF HALDIMAN

Plaintiff

Defendants

ONTARIO  
SUPERIOR COURT OF JUSTICE

Proceeding Commenced at Cayuga

STATEMENT OF DEFENCE

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Queen in Right of the Government of Canada

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Court File No. CV-14-51

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**B E T W E E N:**

**MARGARET MORRISON**

Plaintiff

and

**HAGERSVILLE BUSINESS PARK LTD.,  
HER MAJESTY THE QUEEN IN RIGHT OF THE GOVERNMENT OF CANNADA,  
HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO  
and the COUNTY OF HALDIMAND**

Defendants

---

**STATEMENT OF DEFENCE AND CROSS-CLAIM OF  
HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO**

---

1. The Defendant, Her Majesty the Queen in Right of Ontario ("Ontario"), admits that it owned the property that is the subject of this action (collectively "the Morrison Lands"): PIN 38244-0190 (LT) ("the White Oaks Village property") and PIN 38244-0192 (LT) ("the lagoon property"). Ontario owned the Morrison lands as until 1983.
2. Ontario denies the remainder of the plaintiff's allegations except as admitted below. In particular, Ontario denies that it has any obligations arising out of the Water and Sewage Agreements or in relation to the Waterline.

**A. No Obligations to the Plaintiff**

3. In 1983, Ontario sold its interests in the Morrison lands to Mearle Harris and Richard Cerekwicki ("Harris and Cerekwicki"), who were predecessors in title to the plaintiff. Ontario has not had any ownership interest in the Morrison Lands since.

4. Ontario transferred all of the benefits and burdens contained within the Water and Sewage Agreements to Harris and Cerckwicki. The 1983 Deed transferring ownership states that the transfer is:

[A]ND ALSO TOGETHER with all rights, title, claim or interest of the Grantor [Ontario] as set out in Water and Sewage Agreements registered in the said Land Registry Office as Numbers 65372 and 65373 respectively.

[S]UBJECT TO the rights of Wyndemere Farms Limited, their successors and assigns as set out in Water and Sewage Agreements registered in the same Land Registry Office as Numbers 65372 and 65373.

5. With respect to the Water Agreement with Wyndemere, Ontario was the owner of the waterline in April 1967 when the Water Agreement was made. Particulars of the Water Agreement are as follows:

- a) Wyndemere could purchase water from the Village of Jarvis (now the County of Haldimand) and use Ontario's waterline to transport that water;
- b) Ontario and Wyndemere agreed to split the cost of operation and maintenance of the waterline, so long as the parties jointly used the water main;
- c) Either party could, at any time, discontinue the use of the waterline. If so, the other party would assume costs of operation and maintenance of the Waterline so long as it used the waterline (Ontario did not use the waterline after it transferred the property in 1983);
- d) Jarvis/Haldimand was to operate the waterline;

- e) The Agreement does not cover the purchase of water from Jarvis/Haldimand, which is at issue in this action. Ontario had a separate water supply purchase agreement with Jarvis/Haldimand, dated March 25, 1966. That agreement was terminated once the province no longer owned the lands in question and no longer required the supply of water.
6. The Sewage Agreement provided benefits to and imposed obligations on Ontario during the period that it owned the Morrison lands. For instance, Ontario agreed to receive and treat sewage from Wyndemere and Wyndemere agreed to supply electrical power from its substation. The benefit and burden of the Sewage Agreement was transferred in 1983 with the sale of the Morrison lands:
7. The Crown pleads and relies upon the provisions of the *Proceedings Against the Crown Act*, R.S.O. 1990, c. P.27, the *Limitations Act*, 2002, S.O. 2002, C.24, the *Land Titles Act*, R.S.O. 1990, c. L.5 and the *Negligence Act*, R.S.O. 1990 c. N.1.

#### **B. Cross-Claim**

8. Ontario claims against the co-defendants, HAGERSVILLE BUSINESS PARK LTD., THE ATTORNEY GENERAL OF CANADA (incorrectly named as "HER MAJESTY THE QUEEN IN RIGHT OF THE GOVERNMENT OF CANNADA") and the COUNTY OF HALDIMAND as follows:
- a. Contribution and indemnity pursuant to the *Negligence Act*, R.S.O. 1990, c.N.1, as amended, for any amounts for which this Defendant may be found to be responsible to the Plaintiff in the main action;

- b. Contribution and indemnity under the common law and equity for any amounts which this Defendant may be found to be responsible to the Plaintiff;
  - c. Its costs of the main action and the cross-claims;
  - d. Its costs of the cross-claim, plus all applicable taxes; and,
  - e. Such further and other relief as to this Honourable Court deems just.
9. Ontario repeats and relies on the facts cited in the main action and proposes that this cross-claim be tried at the same time and place as the main action.

September 10, 2015.

**MINISTRY OF THE ATTORNEY GENERAL**  
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Solicitor for the Defendant,  
Hagersville Business Park Ltd.

**MARGARET MORRISON**  
**Plaintiff**

- v -

**HAGERSVILLE BUSINESS PARK LTD., et al.**  
**Defendants**

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
Proceeding commenced at CAYUGA

**STATEMENT OF DEFENCE OF HER MAJESTY**  
**THE QUEEN IN RIGHT OF ONTARIO**

**MINISTRY OF THE ATTORNEY GENERAL**  
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**Her Majesty the Queen in right of Ontario**

Date: 10/09/2015 1:34:50 PM

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Form 18A

Court File Number CV-14-51

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN:

MARGARET MORRISON

Plaintiff

and

HAGERSVILLE BUSINESS PARK LTD., HER MAJESTY THE QUEEN IN  
RIGHT OF THE GOVERNMENT OF CANADA, HER MAJESTY THE QUEEN IN  
THE RIGHT OF ONTARIO AND THE COUNTY OF HALDIMAND

Defendants

**STATEMENT OF DEFENCE AND CROSS-CLAIM  
OF THE COUNTY OF HALDIMAND**

1. The defendant, the County of Haldimand ("Haldimand") admits the allegations contained in paragraphs 6 – 10, 15, 18, 19, 23 and 68 of the Statement of Claim.
2. Haldimand denies the allegations contained in paragraphs 1 – 4, 12 – 14, 20, 22, 25, 28, 30 – 39, 47 – 51 and 55 - 66 of the Statement of Claim.
3. Haldimand has no knowledge in respect of the allegations contained in paragraphs 5, 11, 16, 17, 21, 24, 26, 27, 29, 30, 37, 40 – 46 and 52 - 54 of the Statement of Claim.

**The Parties**

4. The Town of Jarvis ("Jarvis") is a predecessor municipality to the former Regional Municipality of Haldimand-Norfolk ("the Former Region") which in turn is the immediate predecessor municipality to Haldimand. Haldimand was incorporated pursuant to a municipal restructuring which took effect on January 1, 2001.

### The Property

5. The property referenced in paragraph 4 of the Statement of Claim, and throughout thereafter, consists of two adjacent parcels which are owned by the Plaintiff. The larger parcel is commonly known as White Oaks. The smaller parcel contains the sewage lagoon.
6. The Plaintiff purchased the properties in 1999 with her husband at the time, Wayne Berry.
7. Title to the properties was transferred in 2004 to the Plaintiff and John Morrison, her current husband.
8. Title to the properties was transferred in 2008 to the Plaintiff as sole owner.
9. The defendant, Hagersville Business Park ("HBP") owns adjacent lands and leases portions of its land to various commercial or industrial tenants. Haldimand has no knowledge as to whether the business carried on by HBP or its tenants is water intensive as alleged in the Statement of Claim.

### The Waterline

10. A private waterline ("the Waterline") carries water from the Hagersville Booster Station (referred to in the Statement of Claim and later in this Statement of Defence as "the Pumping Station") for a distance of approximately 6 kilometers until it reaches HBP property and the properties owned by the Plaintiff.
11. Haldimand is not aware of the exact route of the Waterline. Portions run under municipal road allowances and other portions run under private property.



12. Haldimand has no knowledge of any users of the Waterline except for the Plaintiff, HBP and their respective tenants.
13. Jarvis was not a party to the agreement between Wyndemere Farms Limited and the Defendant Ontario ("the Water Agreement") referenced in paragraph 17 and elsewhere in the Statement of Claim. Haldimand denies that it is bound by the terms of that Agreement insofar as they relate to Jarvis.
14. Haldimand denies that either it or the Former Region have at any time assumed responsibility for or undertaken repairs, maintenance or other work respecting the Waterline. Haldimand has searched its records, and the records of the Former Region back to approximately 1982. There is no record of any repair or maintenance of the Waterline by Haldimand or the Former Region during that period.
15. Repair and maintenance of the Waterline has historically been undertaken by the Plaintiff, her predecessors of the title and/or HBP through contractors retained by any or all of those parties.
16. Haldimand has consistently maintained in all of its dealings with the Plaintiff that the Waterline is a private Waterline and that Haldimand has no ownership or other interest in the Waterline, and that Haldimand has no repair, maintenance or other responsibilities respecting the Waterline.
17. Haldimand has no knowledge of the apportionment of water usage between the Plaintiff and other users of water from the Waterline.
18. Haldimand has no obligation or power to mediate disputes between the Plaintiff and other users who have historically apportioned the water taken from the Waterline among themselves.

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Page 4

19. Haldimand states that the Plaintiff and her predecessors in title have been responsible for payment to Haldimand of charges for water leaving the Pumping Station, and that the Plaintiff remains responsible for those charges today. The apportionment of water charges for those taking water from the Waterline has always been a matter between those private users, and not Haldimand.
20. Haldimand denies that it has refused to make changes to allow separate water metering for users who are tied in to the Waterline. It has always been open to users of the Waterline to install meters to assist them in apportioning water charges among themselves.
21. Haldimand states that the Plaintiff and/or HBP is responsible for all water charges based on the amount leaving the Pumping Station.
22. The Plaintiff stopped making regular payments on account of water charges in or about 2009.
23. Haldimand denies that it has been unwilling to address the Plaintiff's concerns respecting water billings, and further Haldimand denies that there has been a massive or any overcharge for water. The billing for water charges to the Plaintiff and her predecessors in title have always been based on the amount of water leaving the Pumping Station. Prior to 2009, the Plaintiff or her predecessors in title and other users of the Waterline were able to apportion the responsibility for water charges.
24. Haldimand denies that there are water supply issues or billing issues which fall within the responsibility of Haldimand, or over which Haldimand has any control. Haldimand states that any such issues have been caused by the Plaintiff and/or HBP in respect of their failure to properly repair and maintain the Waterline, and in respect of being unable to apportion the charges for the water taken by each user from the Waterline.

Sewage Lagoon

25. Haldimand has no knowledge of ownership of the Sewage Lagoon.
26. Haldimand does not and never has had any ownership or other interest in the Sewage Lagoon or the surrounding property.
27. Neither Haldimand nor its predecessor municipalities have ever had any responsibility for repair or maintenance of the Sewage Lagoon, nor has it undertaken any repair, maintenance or other work respecting the Sewage Lagoon.
28. Haldimand has consistently advised the plaintiff that it is not the owner of the Sewage Lagoon, and has no obligations toward the repair or maintenance of the Sewage Lagoon.

Tax Sale

29. As of September 13<sup>th</sup>, 2013, the Plaintiff was in arrears of water charges in the following amounts:

Principle	\$153,594.09
Interest	\$ 36,949.03
Total	\$190,543.12

There were approximately 4.5 years of water arrears at that time.

30. Pursuant to Section 398 (2) of the *Municipal Act*, S.O. 2001, c. 25, and amendments thereto (the "Act") Haldimand added the water arrears, interest and penalties to the tax rolls.

31. In addition to the water arrears referenced in the Statement of Claim and above, as of September 13<sup>th</sup>, 2013, the Plaintiff was in arrears of property taxes in respect of both properties in the following amounts:

White Oaks:	Principal Balance	\$264,085.84
	Legal Fees, Penalties and Interest Balance	\$ 84,373.09
	Total	\$348,458.93

Sewage Lagoon:	Principal Balance	\$ 8,445.72
	Legal Fees, Penalties and Interest Balance	\$ 5,618.02
	Total	\$ 14,063.74

The property tax arrears, interest and penalties for both properties totalled \$362,522.67 as of September 13<sup>th</sup>, 2013. There were approximately 5.5 years of arrears respecting the White Oaks property and approximately 6.5 years of arrears respecting the Sewage Lagoon property.

32. Pursuant to Section 373 of the Act, Haldimand registered a Tax Arrears Certificate on September 13<sup>th</sup>, 2013 in the amount of \$408,991.61, which was the amount owing as of December 31, 2012. The cancellation price at the time of registration of the said Certificate was \$553,065.79.
33. Pursuant to Section 375 of the Act, Haldimand was precluded from accepting partial payments on account of taxes after the registration of the Tax Arrears Certificate. Except in special circumstances, Haldimand is required to only accept the full amount owing on the Tax Arrears Certificate. Haldimand denies that it acted in a malicious and high-handed manner by refusing payments after October of 2013, or at all.
34. The arrears on account of property taxes, legal fees, penalties and interest and water charges, penalties and interest as of December 31<sup>st</sup>, 2014 totalled \$765,573.73.

35. Haldimand states that the registration of the Tax Arrears Certificate was lawful and appropriate in all of the circumstances and was based on significant default by the Plaintiff in payment of both property taxes and water charges.
36. Haldimand denies that the filing of the Tax Arrears Certificate has resulted in the Plaintiff being in breach of her obligations to a mortgagee, that it has affected her credit rating, that it has restricted the ability of her tenants to obtain mortgages or refinance their existing mortgages or to sell their units, that it has reduced the value of White Oaks or that it has interfered with the Plaintiff's economic interests. To the extent that any of those outcomes may have occurred, they are caused solely by the significant breaches in payment of taxes and water charges by the Plaintiff.

#### Damages

37. Haldimand states that it has no ownership or other interest in the Sewage Lagoon, and has no obligation or duty to oversee, inspect, maintain, repair, or generally operate the said Sewage Lagoon. Haldimand denies that it has been negligent in respect of any of these matters, and denies that it has subverted attempts by the Plaintiff to resolve Sewage Lagoon issues.
38. Haldimand repeats its statement that it has no ownership, oversight, maintenance, inspection or repair obligations respecting the Waterline and denies that it has been negligent in any respect relating to the Waterline and further denies that any actions of Haldimand have caused any damages or hardships to the Plaintiff.
39. Haldimand is unaware of the full extent of the condition of the Waterline. Any deficiencies in the said Waterline result from improper inspection, maintenance and repair by the Plaintiff and/or HSP.

40. Haldimand denies that it was involved in the design, construction, maintenance or inspection of the Waterline, or that it had any obligations in respect of same, or that it was negligent in respect of same.
41. Haldimand denies that it was involved in the design, construction, maintenance or inspection of the Sewage Lagoon, or that it had any obligations in respect of same, or that it was negligent in respect of same.
42. Haldimand denies that its actions have amounted to tortious interference with the Plaintiff's economic relations and states that all property tax and water billings were appropriate, and that the registration of the Tax Arrears Certificate was appropriate and done in accordance with the provisions of the Act.
43. Haldimand denies that it owes a duty of care to the Plaintiff or anyone in respect of the Waterline and/or the Sewage Lagoon, and alternatively, if such a duty is owed, it was not breached.
44. Haldimand denies that its actions caused or contributed to mental or emotional distress of the Plaintiff and further denies that she has suffered any such mental or emotional distress.
45. Haldimand denies that it did not commit any tort, was not negligent, did not breach any statutory or contractual duty and states that it did not at any time enter into a contract with the Plaintiff.
46. Haldimand denies that the Plaintiff suffered the damages alleged in the Statement of Claim, or at all.
47. In the alternative, if the Plaintiff did suffer any damages, Haldimand states that the Plaintiff caused or contributed to these damages and further that she has failed to mitigate those damages.



48. Haldimand denies that it has acted with malice and in a high-handed manner as alleged, and denies the Plaintiff's claim for punitive and aggravated damages.
49. Haldimand denies that the Plaintiff is entitled to the declarations specified in paragraphs 3(a), 3(c), 3(d), 3(e), 3(f) and 3(g).
50. Haldimand pleads and relies on the provisions of the *Negligence Act*, R.S.O. 1990, c. N.1 and regulations thereto.
51. Haldimand pleads and relies on the provisions of the *Municipal Act*, S.O. 2001, c. 25 and regulations thereto.
52. Haldimand denies liability for the relief sought by the Plaintiff in the Statement of Claim and asks that the claim against Haldimand be dismissed with costs on a substantial indemnity basis.

#### CROSSCLAIM

53. Haldimand claims against the co-Defendants, Hagersville Business Park Ltd., Her Majesty The Queen In The Right of Ontario and The Attorney General as follows:
- (a) contribution and indemnity pursuant to the *Negligence Act*, R.S.O. 1990, c. N.1 as amended for any amounts which Haldimand may found to be responsible to the Plaintiff in the main action;
  - (b) contribution and indemnity under the common law and equity for any amounts which Haldimand may found to be responsible to the Plaintiff;
  - (c) costs of the main action on a substantial indemnity basis, plus all applicable taxes;

(d) costs of this Crossclaim on a substantial indemnity basis, plus all applicable taxes;  
and

(e) such further and other relief as this Honourable Court deems just.

54. Haldimand repeats and adopts the allegations as against the co-Defendants contained in the Statement of Claim.

55. Haldimand proposes that this Crossclaim be tried at the same time and place as the main action, and that all matters be tried at Cayuga.

Date: March 5, 2015

**Sullivan Mahoney LLP**  
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Haldimand County

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Solicitors for the Plaintiff

Form 18A Statement of Defence

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Solicitor for the Defendant Hagersville Business Park Ltd.

Morrison v. Hagersville Business Park et al

Court File Number: CV-15-51

*ONTARIO*  
**SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT

Cayuga

**STATEMENT OF DEFENCE  
AND CROSSCLAIM**

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Solicitors for the Defendant the Corporation of  
Haldimand County

Date: 06/03/2015 12:10:37 PM

From: unknown

Page: 15 / 15



Court File No.: CV-14-51

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN:

MARGARET MORRISON

Plaintiff

- and -

HAGERSVILLE BUSINESS PARK LTD.,  
HER MAJESTY THE QUEEN IN RIGHT OF  
THE GOVERNMENT OF CANADA, HER MAJESTY THE QUEEN IN RIGHT OF THE  
PROVINCE OF ONTARIO and the COUNTY OF HALDIMAND  
Defendants

**DEFENCE TO COUNTERCLAIM OF HAGERSVILLE BUSINESS PARK LTD.**

1. The Defendant by Counterclaim, Margaret Morrison, denies each and every allegation contained in the Counterclaim of the Plaintiff by Counterclaim, Hagersville Business Park Ltd., except as specifically admitted herein or in her related Statement of Claim.
2. The Defendant by Counterclaim repeats and relies upon the allegations contained in her Statement of Claim.
3. The Defendant by Counterclaim specifically denies that the Plaintiff by Counterclaim has suffered damages as alleged in its Counterclaim, or at all, and puts it to the strictest proof thereof.
4. If the Plaintiff by Counterclaim sustained any damages as alleged in its Counterclaim, or at all, which is not admitted but expressly denied, such are exaggerated, excessive and too remote and the Plaintiff by Counterclaim failed to mitigate its alleged damages.



5. The Plaintiff by Counterclaim therefore requests that this Counterclaim be dismissed with costs payable to her.

Date: April 25, 2019

**TOM SERAFIMOVSKI**  
**LSUC # 30330T**  
**DAVID SUNDIN**  
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**LAWYERS FOR THE PLAINTIFF/  
DEFENDANT BY COUNTERCLAIM**

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**LAWYER FOR THE DEFENDANT/  
PLAINTIFF BY COUNTERCLAIM,  
HAGERSVILLE BUSINESS PARK LTD.**

Court File No : CV-14-51

MARGARET MORRISON

vs.

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO et al.

SUPERIOR COURT OF JSUTICE

PROCEEDING COMMENCED AT CAYUGA

**DEFENCE TO COUNTERCLAIM OF  
HAGERSVILLE BUSINESS PARK LTD.**

**DAVID M. SUNDIN**  
**LSUC # 60296N**  
**McTAGUE LAW FIRM LLP**  
Barristers & Solicitors  
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LAWYERS FOR THE PLAINTIFF  
FILE NO. 57579



Court File No.: CV-14-51

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN:

MARGARET MORRISON

Plaintiff

- and -

HAGERSVILLE BUSINESS PARK LTD.,  
HER MAJESTY THE QUEEN IN RIGHT OF  
THE GOVERNMENT OF CANNADA, HER MAJESTY THE QUEEN IN RIGHT OF THE  
PROVINCE OF ONTARIO and the COUNTY OF HALDIMAND  
Defendants

**CERTIFICATE OF LAWYER, PURSUANT TO RULE 48.03(1)(H)**

I, David M. Sundin, Lawyer for the Plaintiff in the within action, hereby certify:

1. That the within Trial Record contains the documents required by Rule 48.03(1) of the Rules of Civil Procedure;
2. That the time for delivery of pleadings has expired;

DATED at Windsor, Ontario this 25<sup>th</sup> day of April, 2019.

  
\_\_\_\_\_  
**DAVID SUNDIN**  
**McTAGUE LAW FIRM LLP**

LAWYERS FOR THE PLAINTIFF

Court File No : CV-14-51

MARGARET MORRISON

vs.

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO et al.

SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT CAYUGA

**TRIAL RECORD**

**DAVID M. SUNDIN**

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**LAWYERS FOR THE PLAINTIFF**

**FILE NO. 57579**

ROYAL BANK OF CANADA  
Plaintiffs

v.

MARGARET LOIS MORRISON et al  
Defendants

ONTARIO  
SUPERIOR COURT OF JUSTICE  
  
PROCEEDING COMMENCED AT  
CAYUGA

**SUPPLEMENTARY RESPONDING  
MOTION RECORD**

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*File #57579*