

## PROPERTY CONDITION ASSESSMENT

Green Island Trading Company, 38 Metropolitan Road, Toronto, ON

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exercised in gathering and analyzing the information obtained and in the formulation of our conclusions and recommendations. The recommendations are not intended to be utilized as a detailed specification for any remedial work that may be required. CCI Group Inc. accepts no responsibility for interpretation of our recommendations, or actions taken based on them without our consultation and supervision.

The mechanical and electrical equipment and the fire safety systems were visually inspected where accessible. The systems were not dismantled to verify the condition of the internal components.

We did not carry out a review to check compliance with all Building or Fire Code requirements which may have been applied at the time of construction, or which may be retroactively applied to this building. Our review assumes that the design professionals and building permit process have created a design (and subsequent construction) that is code compliant.

Information provided by CCI Group Inc. is intended for the exclusive use of **msi Spergel inc.** CCI Group Inc. will not provide results or information to any party other than the client, unless the client, in writing, requests that information be provided to a third party or unless disclosure by CCI Group Inc. is required by law. Any use by a third party, of reports or documents authored by CCI Group Inc., or any reliance by a third party, or decisions made by a third party, on the findings described in reports or documents authored by CCI Group Inc., is the sole responsibility of such third parties. CCI Group Inc. accepts no responsibility for damages suffered by any third party as a result of decisions made or work carried out based on reports or documents authored by CCI Group Inc.

CCI Group Inc. makes no representations concerning the legal and medical significance of our findings. With respect to regulatory compliance requirements, regulations change from time to time, and interpretation of their meaning and intent may also change. CCI Group Inc. accepts no responsibility for any legal interpretation of the Regulations, or the consequent financial effect on transactions, property values, or requirements for follow-up actions and costs.

The liability of CCI Group Inc. or its staff is limited to the fees paid or actual damages incurred by the client, whichever is less. CCI Group Inc. is not responsible for consequential or indirect damages. All claims by the client shall be deemed relinquished if not made within two years after last date of services provided.

The client expressly agrees that it has entered into this agreement with CCI Group Inc., both on its own behalf and as agent on behalf of its employees and principals.

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The client expressly agrees that CCI Group Inc.'s employees and principals shall have no personal liability to the client in respect of a claim, whether in contract, or tort, or in any other cause of action in law. Accordingly, the client expressly agrees that it will bring no proceedings and will take no action in any court of law against any of CCI Group Inc.'s employees or principals.

We trust that the foregoing information is sufficient for your present needs and will be pleased to review the contents of this report in greater detail should you so require.

Yours truly,  
CCI Group Inc.

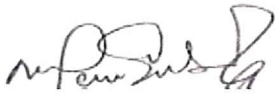


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Tab B

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### **3.0 STRUCTURAL FRAMING**

#### **3.1 Description**

The structural framing of the building was typically concealed by interior finishes in the office areas and some warehouse areas. The majority of the steel columns within the occupied tenant spaces were concealed by stock and/or material at the time of our site visit and were not fully visible for review. Our review was limited to the structural framing exposed in the warehouse areas.

The structure of the building consists of metal roof decks that are supported by open-web steel joists that span between steel beams that frame into steel columns and between masonry walls. The second floor of the north section of the building is formed by a concrete topped metal deck that spans between steel joists. The underside of the second floor framing is covered with spray applied fireproofing material. Poured concrete slabs-on-ground form the ground floor of the building. Foundation walls of the building appear to be formed by a combination of poured concrete and concrete masonry.

The extent to which the integrity of a structure is evaluated can vary from a simple visual inspection of those parts of the structure exposed to view to a program of sophisticated non-destructive and destructive testing designed to reveal information concerning "as-built" conditions followed by a structural analysis carried out to determine the extent of compliance of the structure with the requirements detailed in the relevant edition of the Ontario Building Code. The terms of reference governing our review of this structure limited our work to a visual inspection of those parts of the structure exposed at the time of our visit. For the purpose of this assessment our review was visual in nature and, other than where may be noted otherwise, completed from floor level. As a result of this limitation our review should not be presumed to include confirmation of the presence of welds or fasteners of appropriate size at all connections.

It should be noted that we did not remove or lift any ceiling tile, gypsum board or fireproofing or any other material that concealed the structural framing members from view during our cursory visual review.

#### **3.2 Observations**

The following is summary of conditions that were identified during our visual review of the exposed structural framing members:



## **6.0 LIMITATIONS**

Any maintenance, repair or replacement schedules contained in this report are based on the assumption that the recommendations contained in this report will be carried out, that the property will be maintained on a regular and routine basis by skilled and qualified tradesmen and that a program of periodic professional review will be carried out throughout the life of the property. Failure to undertake any of these tasks in an expeditious manner may result in unanticipated failure of any of the systems and components that form the property and its improvements and lead to issues of public safety.

The information presented in this report is based on direct visual observation made by personnel with CCI Group Inc. and in some instances as noted within the report on information provided by others. Recommendations contained within our report reflect our informed opinion based on the information gathered during our investigation. The findings cannot be extended to components of the building or portions of the site that were not reviewed or that were concealed or unavailable for direct observation at the time of our visit. There is a possibility for additional deficiencies being present in the building which have not been identified during our visit, given the limited nature of this review.

Our mandate is to complete a visual walk-through survey of items, components and systems that are conspicuous, patent and which may be observed visually during the walk-through survey without intrusion, removal of material, exploratory probing or the use of special equipment. Therefore, concealed or inaccessible physical deficiencies are specifically excluded from our mandate. Our interviews of building personnel attempt to uncover known concerns in the building, but we cannot attest to the integrity or knowledge of the interviewees, nor can this process, or the proposed scope of work in its entirety, be considered technically exhaustive or be considered to eliminate all risks related to owning or having a financial interest in this property.

No legal survey, soil test, detailed structural engineering investigation, or quantity survey compilation have been made. Our scope of services for this assignment did not include a design review or engineering analysis of any of the building's systems or components. No responsibility, therefore, is assumed concerning these matters, or for any failure to carry out those technical or engineering procedures required to discover any inherent or hidden condition of this property since such investigation work was not included in the terms of reference governing this study.

The conclusions and recommendations detailed in this report are based upon the information available at the time of preparation of the report. No investigative method eliminates the possibility of obtaining imprecise or incomplete information. Professional judgement was



**ROYAL BANK OF CANADA**

- and -

**2292319 ONTARIO INC.**

Applicant

Respondent

Court File No. CV-16-11331-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

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