

November 26, 2021

Michael Hale
President / Chief Operating Officer
Northern Vision Development LP
Suite 200 - 2237 Second Avenue, Whitehorse

Re: High Country Inn Renovations
460K7 P: 867-393-3048 8 Range Road, Whitehorse YK

Dear Michael,

The following is our Class D estimate and related Budget Cost Summary for the proposed renovation contract.

This is an update of my November 15 submission, with a correction of the purchase price (from \$10 million to \$10.16 million). I have met with yourself and the design team and prepared this costing based on a Cost Model stem (based on a Whitehorse Hotel cost Model) that I find to be quite accurate at this Class D stage. After 2 scope reviews this is our estimate. I have added an additional 10% for Contingency at this stage, that we will probably still include with the Class A pretender estimate we will prepare once design is 95% complete.

I hope this meets your minimal needs for this stage of Development. Please feel free to contact me if you have any questions!

Kindest Regards,

Norman R. Lux PQS (F)



cc: Kate Mechan

Norman R. Lux
Principal
LCVM Consultants Inc.



OWNER'S BUDGET SUMMARY
Proposed Capital Budget

November 26, 2021

Project : HIGH COUNTRY INN RENOVATION
Project Type : NVD LLP Safe at Home Society
 4051 Fourth Ave. Whitehorse YT

| Budget | Area | Unit | Location | Total |
|-----------------------------------|------------------------------|----------------|-----------------|----------------------|
| A Land | | | | |
| A1 Acquisition Costs | 50,175 sft | \$47.83 | | \$ 10,160,000 |
| A3 Off-Site Services | | | | |
| Water & Sewer | included with building costs | | | \$ - |
| A TOTAL ACQUISITION COSTS | | | | \$ 10,160,000 |
| B Building Renovation | | | | |
| HCI (Bldg area only) Site | 4,663 m ² | \$1,084.72 | | \$ 5,058,098 |
| Site Services | | included above | | \$ - |
| | | included | | \$ - |
| Project Contingencies | | | | |
| | | | 10.00% | \$ 505,810 |
| B TOTAL CONSTRUCTION COSTS | | | | \$ 5,563,907 |



| | | | | | |
|---------------------------|--|------------------------------|--------------|-----------|-------------------|
| C | Consultants' Fees | | 5.1% | \$ | 285,070 |
| | Architect | completed | 1.8% | \$ | 98,000 |
| | Engineers | | 1.9% | \$ | 105,000 |
| | Consultant Inspections | | 0.5% | \$ | 27,820 |
| | Consultant Testing/Commissioning | | 0.3% | \$ | 19,250 |
| | Qs Fees | | 0.6% | \$ | 35,000 |
| | A2 Taxes to Occupancy | | 0.00% | \$ | - |
| D | Financing | | 0.0% | \$ | - |
| | Financing & Interest | | | | |
| | Loan set up | | | | |
| | Progress Draw Reviews | | | | |
| | Legal | | | | |
| E | Permits and Insurance | | 0.4% | \$ | 24,000 |
| | Construction Bonding Costs | bond by Construction Manager | | \$ | - |
| | Course of Construction Insurance | by owner group | | \$ | 24,000 |
| F | Furniture and Equipment | not included | 1.17% | \$ | 65,000 |
| | Appliances | see Building Construction | | \$ | - |
| | Blinds | | | \$ | 40,000 |
| | Furnishings and reception equipment | | | \$ | 25,000 |
| G | Marketing and Promotional Costs | | 0.00% | \$ | - |
| F | Special Owner Contingencies / Allowance | | 0.00% | \$ | - |
| G | Decanting / Moving | | 0.00% | \$ | - |
| SUB-TOTAL | | | | \$ | 16,097,977 |
| Z | Non-refundable GST | | 2.50% | \$ | 402,449 |
| Total Project Cost | | | | \$ | 16,500,426 |





| CRITERIA | | Concept costing | | |
|-------------------------------------|-------------------------------------|-----------------|-----------------------|--------------------------------|
| ITEM | | QUANTITY | UNIT OF MEASURE | REMARKS |
| Stores excluding basement | | Four | | |
| Gross Floor Area (digitized) | | 51,785 | ft² | |
| | Level 1B Common Room | 579 | ft ² | |
| | 1ST Level - NEW | 17,307 | ft ² | |
| | Enclosed Deck | 1,611 | ft ² | not part of GFA |
| | 2ND Level-NEW | 10,749 | ft ² | |
| | 3RD Level-NEW | 10,797 | ft ² | |
| | 4th Level-NEW | 10,742 | ft ² | |
| Units | | 55 | no. | |
| | 1-Bedroom Suites | 25 | no. | |
| | 2-Bedroom Suites | 12 | no. | |
| | Studio Suites | 18 | no. | |
| 4th level | | 729 | lft | 4th level |
| Roof Area | | N/A | ft² | |
| | Existing Roof Area | 17,307 | ft ² | |
| | Roof Modifications | N/A | ft ² | |
| Windows | Existing Windows | 3,355 | ft² | |
| Doors | | | | |
| | Exterior Doors | 22 | no. | |
| | Interior Doors | 236 | no. | |
| | Interior Doors w/ small second leaf | 27 | no. | |
| Partition Height | | | | |
| | Main Floor | 12.51 | lft | |
| | Second Floor | 8.51 | lft | |
| | Third Floor | 8.51 | lft | |
| | Fourth Floor | 8.51 | lft | |
| | Penthouse | 8.51 | lft | Elevator rooftop access |
| Exterior Walls | | | | |
| | Existing Walls | 20,423 | ft² | Includes doors but not windows |
| Interior Partitions | | | | |
| | Interior Walls Demolished | 33,044 | ft ² | |
| | Interior Walls New | 135,157 | ft ² | |
| | Interior Walls Existing | 606,037 | ft ² | |

General Building Description:

This non-combustible High-Country Inn Renovation estimate is based on a four-storey plan that houses a Banquet room, Restaurant, enclosed deck, offices and a kitchen at the main level. Residential floors will be renovated to have a total of 55 suites that will be modified to be living units. This cost model modified from existing data and modified to suit construction type, building configuration and current Whitehorse Costs to replicate the existing building to today's code standards. This is a four-storey building 51,785 square Foot Gross Floor Area.



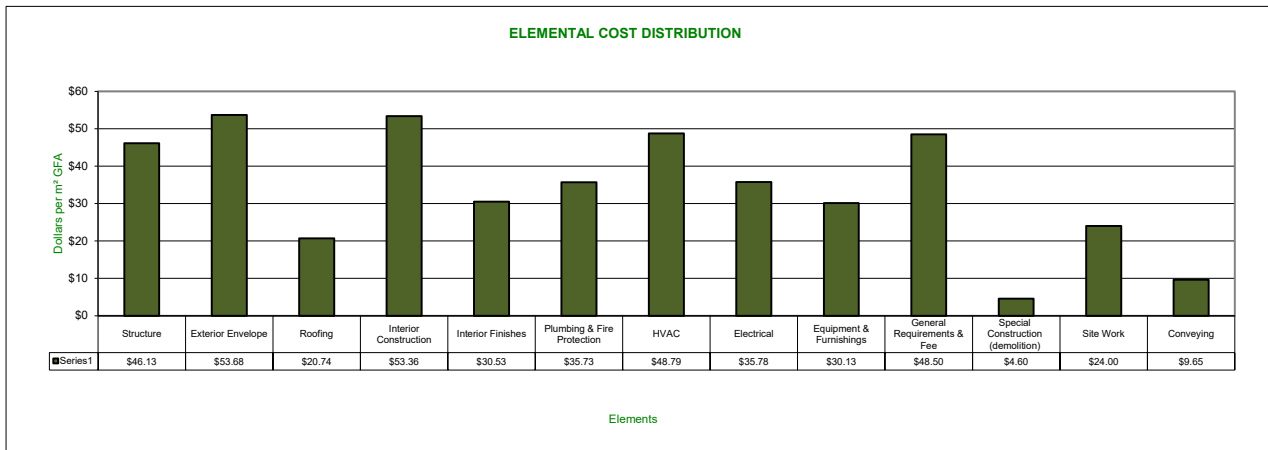
Existing Stairwell



Front Elevation

| Elemental Cost Summary in 2021 Dollars | | |
|--|--------------------------|----------------|
| | Cost per ft ² | % of Total |
| Structure | \$ 46.13 | 10.45% |
| Exterior Envelope | \$ 53.68 | 12.15% |
| Roofing | \$ 20.74 | 4.70% |
| Interior Construction | \$ 53.36 | 12.08% |
| Interior Finishes | \$ 30.53 | 6.91% |
| Plumbing & Fire Protection | \$ 35.73 | 8.09% |
| HVAC | \$ 48.79 | 11.05% |
| Electrical | \$ 35.78 | 8.10% |
| Equipment & Furnishings | \$ 30.13 | 6.82% |
| General Requirements & Fee | \$ 48.50 | 10.98% |
| Special Construction (demolition) | \$ 4.60 | 1.04% |
| Site Work | \$ 24.00 | 5.43% |
| Conveying | \$ 9.65 | 2.19% |
| Total Net building unit cost | \$ 441.62 | 100.00% |

| Areas / Overall Quantities | | | |
|----------------------------|---------------|-----------------------|------------------|
| Item | Quantity | Unit of Measure | Ratio GFA/QTY |
| Storeys excl. basement | 4 | no. | N/A |
| Basements | 579 | ft ² | partial |
| Gross Floor Area (GFA): | 51,785 | ft² | 1 : 1.000 |
| Footprint | 18,949 | ft ² | 1: 0.366 |
| Bldg. Perimeter | 729 | lft | N/A |
| Exterior wall area: | 20,422 | ft ² | 1 : 0.394 |
| Window area | 3,357 | ft ² | 1 : 0.065 |
| Interior Partition area | 68,884 | ft ² | 1 : 1.330 |
| Roof area | 20,316 | ft ² | 1 : 0.392 |
| no. of suites | 55 | no. | |



ELEMENTAL COST SUMMARY AND DESCRIPTION

| Element | Description | Cost Per ft² | Cost \$ | % of Total |
|---|-------------|-----------------|--------------------|---------------|
| A SUBSTRUCTURE | | \$18.28 | | 4.14% |
| A10 Foundations | | \$16.88 | \$874,138 | 3.82% |
| A1010 Standard Foundations | | \$8.43 | \$436,551 | |
| A1020 Special Foundations | | \$4.45 | \$230,445 | |
| A1030 Slab on Grade | | \$4.00 | \$207,142 | |
| A20 Basement Construction | | \$1.40 | \$72,500 | 0.32% |
| A2010 Basement Excavation | | \$0.60 | \$31,071 | |
| A2020 Basement Walls | | \$0.80 | \$41,428 | |
| B SHELL | | \$102.27 | | 23.16% |
| B10 Superstructure | | \$27.85 | \$1,442,287 | 6.31% |
| B1010 Floor Construction | For Floors | \$22.80 | \$1,180,467 | |
| B1020 Roof Construction | | \$5.06 | \$261,819 | |
| B20 Exterior Enclosures | | \$53.68 | \$2,779,718 | 12.15% |
| B2010 Exterior Walls | | \$26.93 | \$1,394,457 | |
| B2020 Exterior Windows | | \$23.50 | \$1,216,958 | |
| B2030 Exterior Doors | | \$3.25 | \$168,303 | |
| B30 Roofing | | \$20.74 | \$1,073,847 | 4.70% |
| B3010 Roof Coverings | | \$15.80 | \$818,075 | |
| B3020 Roof Openings | | \$0.25 | \$12,946 | |
| B3030 Roof Projections | | \$4.69 | \$242,825 | |
| C INTERIORS | | \$83.89 | | 19.00% |
| C10 Interior Construction | | \$41.90 | \$2,169,609 | 9.49% |
| C1010 Partitions | | \$17.29 | \$895,495 | |
| C1020 Interior Doors | | \$20.50 | \$1,061,602 | |
| C1030 Fittings | | \$4.10 | \$212,512 | |
| C20 Stairs | | \$11.46 | \$593,704 | 2.60% |
| C2010 Stair Construction | | \$6.88 | \$356,526 | |
| C2020 Stair Finishes | | \$4.58 | \$237,177 | |
| C30 Interior Finishes | | \$30.53 | \$1,581,141 | 6.91% |
| C3010 Wall Finishes | | \$9.50 | \$491,962 | |
| C3020 Floor Finishes | | \$11.03 | \$571,325 | |
| C3030 Ceiling Finishes | | \$10.00 | \$517,855 | |
| D SERVICES | | \$129.95 | | 29.43% |
| D10 Conveying | | \$9.65 | \$499,730 | 2.19% |
| D1010 Elevators and Lifts | | \$9.65 | \$499,730 | |
| D20 Plumbing | | \$27.22 | \$1,409,832 | 6.16% |
| D2010 Plumbing Fixtures | | \$13.25 | \$686,250 | |
| D2020 Domestic Water Distribution | | \$10.12 | \$524,153 | |
| D2030 Sanitary Waste | | \$1.67 | \$86,260 | |
| D2040 Rain Water Drainage | | \$1.41 | \$72,858 | |
| D2050 Other Plumbing Systems | | \$0.78 | \$40,311 | |
| D30 Heating Ventilating and A/C (HVAC) | | \$48.79 | \$2,526,646 | 11.05% |
| D3020 Heat Generation | | \$11.82 | \$611,902 | |
| D3030 Refrigeration | | \$8.50 | \$440,176 | |
| D3040 HVAC Distribution | | \$25.14 | \$1,301,875 | |
| D3060 Instrumentation and Controls | | \$0.85 | \$44,034 | |
| D3070 Testing, Adjusting, and Balancing | | \$1.08 | \$56,159 | |
| D3080 Controls | | \$1.40 | \$72,500 | |
| D40 Fire Protection | | \$8.51 | \$440,694 | 1.93% |
| D4010 Sprinklers | | \$8.16 | \$422,569 | |
| D4040 Other Fire Protection Systems | | \$0.35 | \$18,125 | |
| D50 Electrical | | \$35.78 | \$1,852,636 | 8.10% |
| D5010 Service and Distribution | | \$35.03 | \$1,813,796 | |
| D5030 Communications and Security | | \$0.75 | \$38,839 | |



2021 Whitehorse High Country Inn Renovation

Four Story Hotel Cost Model
November 2021

| | | | | |
|--|--|-----------------|---------------------|----------------|
| E EQUIPMENT AND FURNISHINGS | | \$30.13 | | 6.82% |
| E10 Equipment | | \$13.08 | \$677,371 | 2.96% |
| E1010 Commercial Equipment | Laundry leased, kitchenette (range, fridge, microwave) | \$6.58 | \$341,000 | |
| E1040 Other Equipment | misc. | \$6.50 | \$336,371 | |
| E20 Furnishings | | \$17.05 | \$882,807 | 3.86% |
| E2010 Fixed Furnishings | millwork and reception | \$17.05 | \$882,807 | |
| E2020 Moveable Furnishings | | \$0.00 | \$0 | |
| F SPECIAL CONSTRUCTION AND DEMOLITION | | \$4.60 | | 1.04% |
| F10 Special Construction | | \$0.00 | \$0.00 | 0.00% |
| F20 Selective Building Demolition | | \$4.60 | \$238,213.07 | 1.04% |
| F2010 Building Elements Demolition | | \$4.50 | \$233,035 | |
| F2020 Hazardous Components Abatement | | \$0.10 | \$5,179 | |
| G BUILDING SITEWORK | | \$24.00 | | 5.43% |
| G10 Site Preparation | | \$4.00 | \$207,142 | 0.91% |
| G1010 Site Clearing | minor site repairs | \$4.00 | \$207,142 | |
| G20 Site Improvements | | \$0.00 | \$0 | 0.00% |
| G30 Site Civil / Mechanical Utilities | | \$10.00 | \$517,855 | 2.26% |
| G3010 Water Supply | allowance | \$7.00 | \$362,498 | |
| G3020 Sanitary Sewer | allowance | \$3.00 | \$155,356 | |
| G40 Site Electrical Utilities | | \$10.00 | \$517,855 | 2.26% |
| G4010 Electrical Distribution | allowance | \$10.00 | \$517,855 | |
| G90 Other Site Construction | | \$0.00 | | |
| Z GENERAL | | \$48.50 | | 10.98% |
| Z10 General Requirements | | \$35.21 | \$1,823,506 | 7.97% |
| Z1010 Administration | | \$27.90 | \$1,444,814 | |
| Z1030 Temporary Facilities | | \$2.86 | \$148,184 | |
| Z1050 Permits, Insurance & Bonds | | \$4.45 | \$230,508 | |
| Z20 Fee | | \$13.29 | \$688,229 | 3.01% |
| Z1060 Fee | | \$13.29 | \$688,229 | |
| TOTAL BUILDING COST | | \$441.62 | \$22,869,458 | 100.00% |
| TOTAL CURRENT COST ESTIMATE | | \$441.62 | \$22,869,458 | 100.00% |



| Renovation Cost Estimate | | | | |
|---|-----------------|-----------|--------------------|---|
| | \$/SF | % | extended Value | Commentary |
| A10 Foundations | | | | |
| A1010 Standard Foundations | \$8.43 | 0% | \$0 | not required |
| A1020 Special Foundations | \$4.45 | 0% | \$0 | some repairs, see contingency |
| A1030 Slab on Grade | \$4.00 | 0% | \$0 | some repairs, see contingency |
| A2010 Basement Excavation | \$0.60 | 0% | \$0 | not required |
| A2020 Basement Walls | \$0.80 | 0% | \$0 | not required |
| B1010 Floor Construction | \$22.80 | 0% | \$0 | not required |
| B1020 Roof Construction | \$5.06 | 0% | \$0 | not required |
| B2010 Exterior Walls | \$26.93 | 1% | \$13,945 | Fixing up sheet metal siding / No exterior upgrades |
| B2020 Exterior Windows | \$23.50 | 0% | \$0 | 90% changed 5 years ago |
| B2030 Exterior Doors | \$3.25 | 10% | \$16,830 | Main Entry Upgrade |
| B3010 Roof Coverings | \$15.80 | 15% | \$122,711 | Draining issues on bldg addition. new roof to be installed in this area only . |
| B3020 Roof Openings | \$0.25 | 60% | \$7,768 | vents and related say 5 at \$500 |
| B3030 Roof Projections | \$4.69 | 15% | \$0 | perimeter parapet and drainage affected |
| C1010 Partitions Demolished | \$9.00 | 4% | \$18,643 | 4% of total partitions demolished |
| C1010 Partitions | \$17.29 | 26% | \$228,351 | 23% of all partitions new |
| C1020 Interior Doors | \$20.50 | 49% | \$520,185 | New doors for suites and some speciality (second small leaf 27 of these) Some new hallway doors where they are installing new partitions, New door hardware |
| C1030 Fittings | \$4.10 | 100% | \$212,512 | all new |
| C2010 Stair Construction | \$6.88 | 7% | \$24,957 | remove, patch and repair |
| C2020 Stair Finishes | \$4.58 | 90% | \$213,460 | New railings to meet code |
| C3010 Wall Finishes | \$9.50 | 27% | \$132,830 | New vinyl walls in new suites, all existing vinyl and paint stays as is |
| C3020 Floor Finishes | \$11.03 | 115% | \$657,024 | New floors throughout as per meeting discussion. New floors in all residential floors and main office areas, Replace all carpet. |
| C3030 Ceiling Finishes | \$10.00 | 30% | \$155,356 | 10% to 20% new ceilings to accommodate for new bulkheads |
| D1010 Elevators and Lifts | \$9.65 | 4% | \$19,989 | Keep key access for security issues |
| D2010 Plumbing Fixtures | \$13.25 | 18% | \$123,525 | Removal of jacuzzies (11 total but they said only 5 remain installed), new kitchenettes etc. |
| D2020 Domestic Water Distribution | \$10.12 | 18% | \$94,348 | New washrooms ground floor, new plumbing to 55 kitchenettes |
| D2030 Sanitary Waste | \$1.67 | 18% | \$15,527 | in suite washrooms should be fine |
| D2040 Rain Water Drainage | \$1.41 | 25% | \$5,000 | reroof area |
| D2050 Other Plumbing Systems | \$0.78 | 30% | \$12,093 | washer dryer connects |
| D3020 Heat Generation | \$11.82 | 0% | \$0 | existing |
| D3030 Refrigeration | \$8.50 | 0% | \$0 | none in |
| D3040 HVAC Distribution | \$25.14 | 20% | \$260,375 | Ventilation for all suites (small supply and returns in all suites with a special non ptac for fresh air. Bulkheads needed for these) |
| D3060 Instrumentation and Controls | \$0.85 | 8% | \$3,523 | |
| D3070 Testing, Adjusting, and Balancing | \$1.08 | 60% | \$33,696 | |
| D3080 Controls | \$1.40 | 20% | \$14,500 | |
| D4010 Sprinklers | \$8.16 | 62% | \$261,993 | Sprinklers currently in main areas only on main floor and in back end wood structure. / Add exposed sprinklers throughout |
| D4040 Other Fire Protection Systems | \$0.35 | 100% | \$18,125 | |
| D5010 Service and Distribution | \$35.03 | 25% | \$453,449 | Increased power run to handle the loads for suite kitchenettes |
| D5030 Communications and Security | \$0.75 | 30% | \$30,000 | Security upgrade, (fire protection was upgraded within the last four weeks November 5th 2021 |
| E1010 Commercial Equipment | \$6.58 | 60% | \$204,600 | Microwaves, Fridges, cook tops, apartment kitchenettes (fancy sinks) |
| E1040 Other Equipment | \$6.50 | 10% | \$33,637 | Add staff laundry and currently planning on leased laundry throughout |
| E2010 Fixed Furnishings | \$17.05 | 50% | \$441,404 | New front lobby desk, and kitchen cabinets & counters |
| E2020 Moveable Furnishings | \$0.00 | 0% | \$0 | |
| F2010 Building Elements Demolition | \$4.50 | 50% | \$116,517 | |
| F2020 Hazardous Components Abatement | \$0.10 | 100% | \$5,179 | |
| G1010 Site Clearing | \$4.00 | 2% | \$4,143 | Bike racks, sled dog posts |
| G3010 Water Supply | \$7.00 | 0% | \$0 | |
| G3020 Sanitary Sewer | \$3.00 | 0% | \$0 | |
| G4010 Electrical Distribution | \$10.00 | 0% | \$0 | \$0.00 see building Electrical |
| Z1010 Administration | \$27.90 | 5% | \$223,810 | |
| Z1030 Temporary Facilities | \$2.86 | 1% | \$44,762 | |
| Z1050 Permits, Insurance & Bonds | \$4.45 | 2% | \$89,524 | |
| Z1060 Fee | \$13.29 | 5% | \$223,810 | CM fee |
| TOTAL CURRENT COST ESTIMATE | \$441.62 | 0% | \$5,058,098 | |

