

# Canadian Regulated Industrial Property – Assessment Insights

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Steven Eady

Vice President, Complex Industrial & Energy Development

55<sup>th</sup> Annual CPTA National Workshop  
October 25, 2021

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# Overview

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- What are we talking about?
- All about the Legislation.....
- Identification of Manufacturing & Processing
- Assessment Examples and Impacts
- Property Examples
- Canadian Investment

# What are we talking about?

## Definition:

- Any property type not 'Commercial'
- Primarily cost based and purpose built
- Actual capital expenditures or costing manuals
  - Marshall & Swift
  - Provincial Cost Guides
- Land, Real Estate, and Personal Property
  - Machinery & Equipment
  - Linear Property

Industry	
Aggregates	Fuel Terminals
Agricultural	Manufacturing / Processing
Breweries / Distilleries	Mining
Cannabis / Marijuana	Petrochemical
Concrete / Cement	Petroleum Industry / Oil Sands
Crypto Currency / Bitcoin Mining	Pharmaceuticals
Data Centres	Ports / Terminals
Electric Power - Generation / Transmission / Distribution	Railway
Energy Services / Maintenance Services	Telecommunications / Cable
Forestry	Waste Management

# All about the Legislation.....

- Legislation / Regulations by Province or Jurisdiction
- Costing Manuals / Assessment Guidelines
- Classification and cost allocation between:
  - Buildings & Structures (Real Estate / Non-process Improvements)
    - Tanks / Silos / Bins – usage is a key factor
  - Land (Agricultural / Market Value)
  - Machinery & Equipment (Personal Property / Manufacturing & Processing)
  - Linear - primarily an Alberta term and assessment classification

# Identification of Manufacturing & Processing

Building / Improvement Type	Mezzanines	Real Estate v. Personal Property/Machinery & Equipment
Identify code/classification	Purpose?	
What is included in costs?	Office space	Detailed analysis of site specific activities
Site specific improvements and/or additions to be considered?	Equipment support Part of manufacturing & processing	What is required only for the building?
Tanks – process or storage?		Costing manual assists in 'stripping out' non-building related improvements

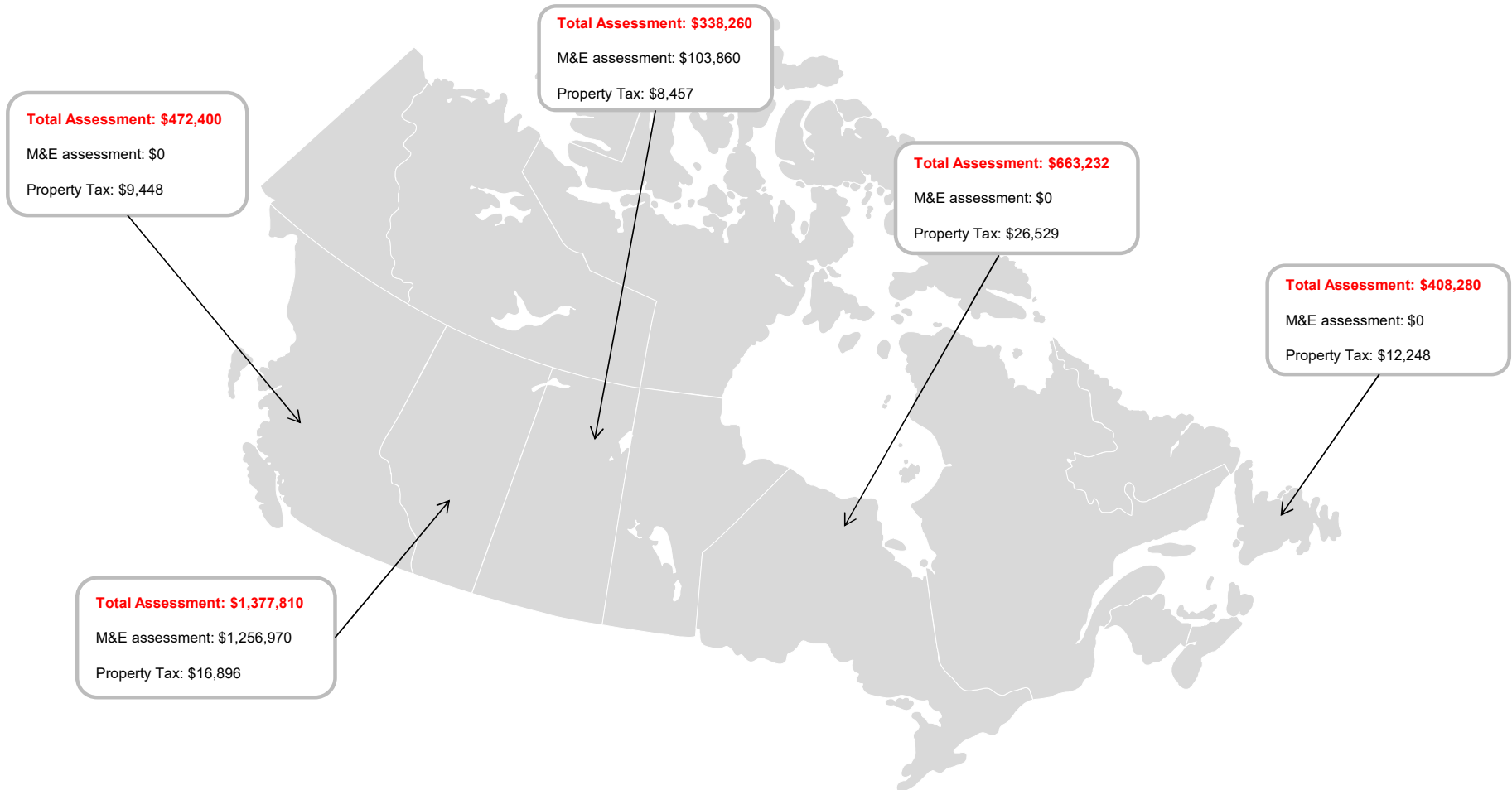
# Assessment Example – Oil Battery / Terminal

## Standard Oil Battery/Terminal:

- Buildings x 4
- Tanks x 5
- Treater
- Separator
- Flare stack
- Pumps
- Air compressors
- Metering equipment
- Radio tower
- Associated equipment
- Land at 5 acres



# Assessment Impact – Oil Battery / Terminal





# Assessment Example – Sulphur Facility

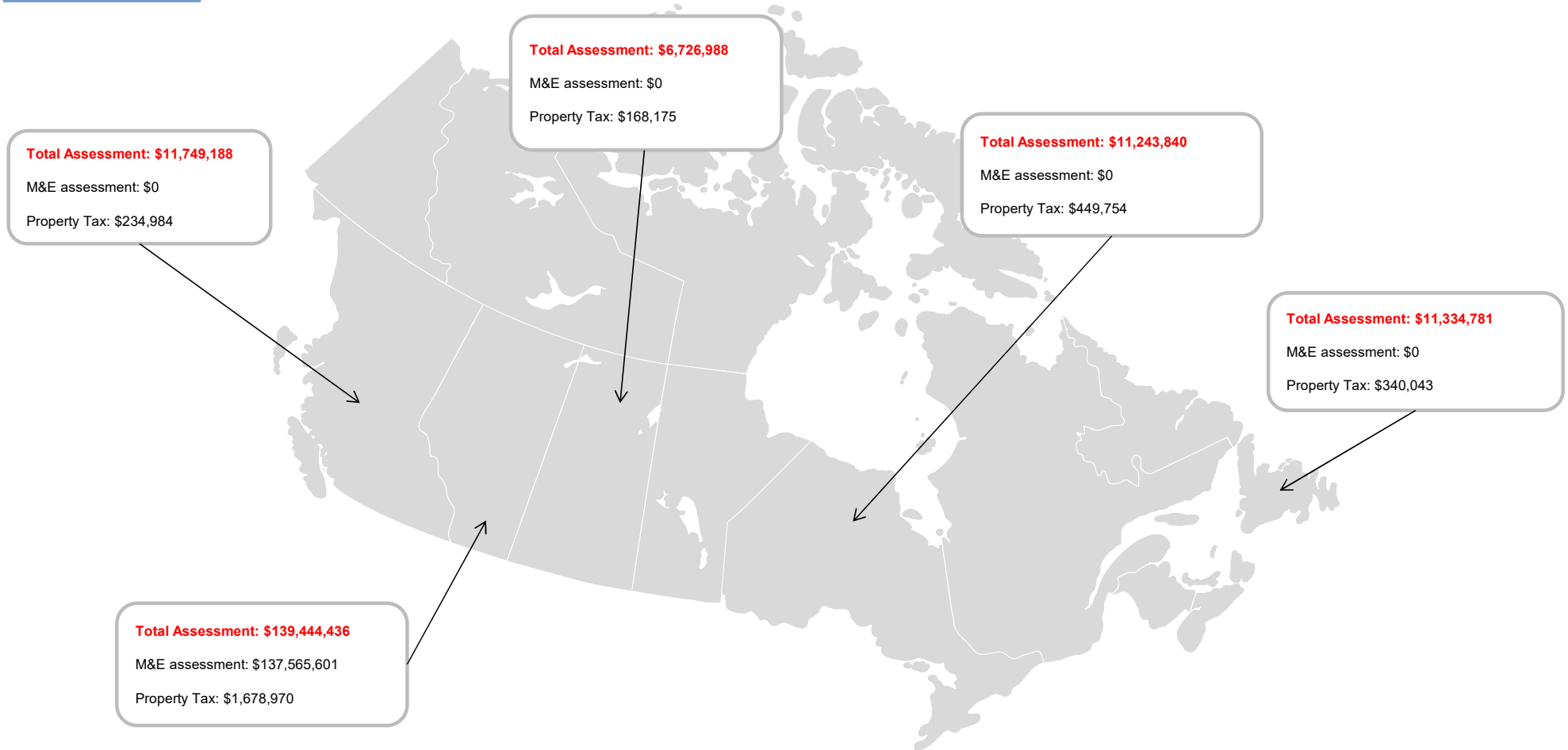
## Sulphur Recovery Unit:

- Buildings x 23
- Pipe racks
- Piping
- Amine Sweetening units
- Sulphur Recovery units
- Triethylene Glycol Heaters
- Emission Monitoring Systems
- Motor Control Equipment
- Associated Equipment
- Land at 5 acres





# Assessment Impact – Sulphur Facility



# Examples - Buildings v. Equipment



# Examples - Wind



# Examples - Solar



## Examples - Cannabis Facilities

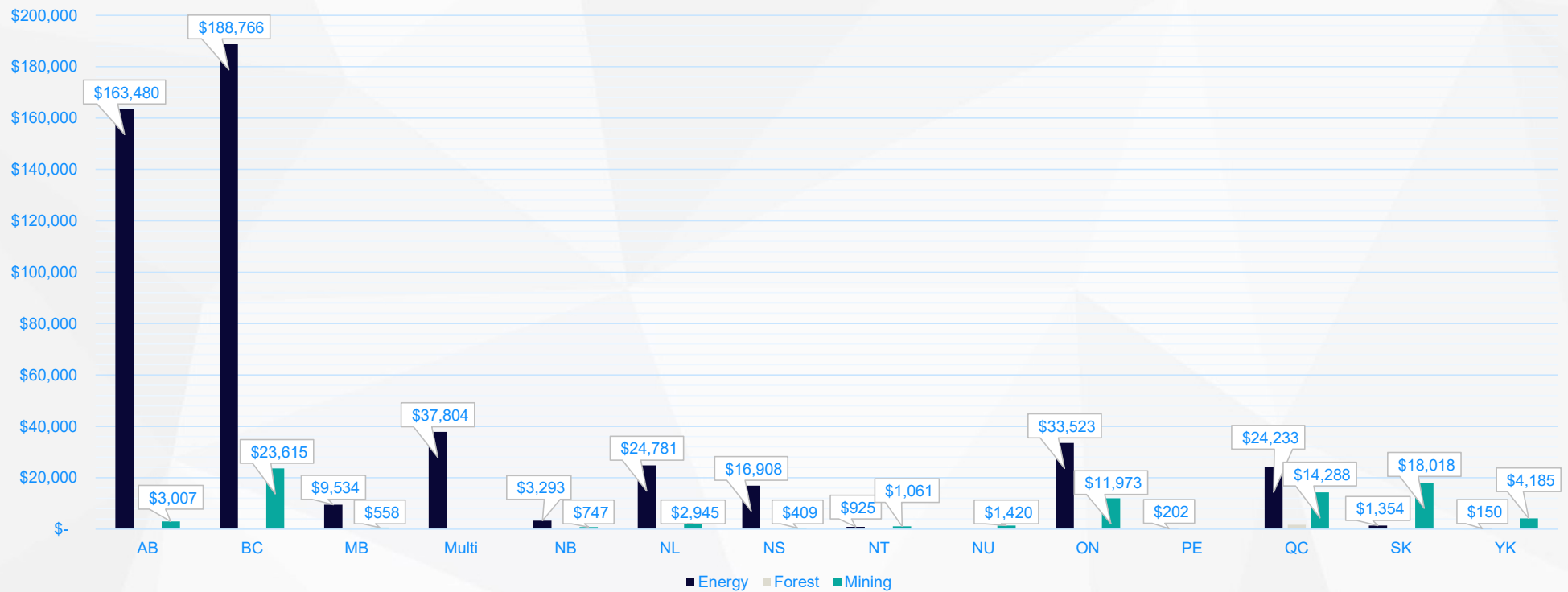
28' ceiling height, 4 layers of growing capacity, 184% usage of floorplate

Building Components, Equipment, Personal Property?



# Canadian Investment - \$600 Billion

Natural Resources Development 2020-2030 (\$M)





AltusGroup

# Questions / Comments

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[steven.eady@altusgroup.com](mailto:steven.eady@altusgroup.com)