

## PARADISE TRAIL INFORMATION UPDATE MARCH 14 2018

This project will sell 82 homes, approximately 3,000sf each, with each lot being just under half an acre. Each lot is zoned for a detached secondary dwelling, such as a cottage or a cabin. Each home/cottage package will sell for approximately \$1.95m.

Lots will be serviced with BC Hydro for power, and water and waste-water will be on-site, paid for through strata.

Projected sales are \$160m. We are looking at a projected profit of \$50m, with costs of \$110m.

I need \$8.4m from 7 different investors, which is \$1.2m each. I will use that to remove our current limited partners from title, and start the subdivision process. The site is zoned for all 82 lots.

This \$1.2m investment will get them each a home and cottage, together worth \$1.95m that will be in any phase they want, including Phase 1, which is 20 homes.

They will also get an extra \$750k each when the entire project is sold out, paid out of profits. Estimated time to sell out is five years.

I will also bring you on as my development partner. There is room in there to pay you about \$2m to \$3m. I will take care of my limited partners, as they will stay in with me.

Please note, the zoning risk has been eliminated. Zoning and Development Agreement are attached, plus proof of registration.

### The risks:

- Cost of engineering systems can go up for on-site water and waste water. We have mitigated this by hiring a professional engineer to cost out the systems.
- Approval of water and waste water systems will take place through Coastal Health. They are the Approving Officer and there is always a risk that they do not approve of an engineered system. We will mitigate this by using a system that they have already approved.
- Increased foreign buyer taxes, as well increased property taxes may impact property values. We are keeping the purchase price below \$2m, so that we do not break that higher property tax threshold. Also, our \$1.95m price is conservative. A 3000sf new home on a 6000sf lot in Squamish sells for \$1.5m+. We are offering an extra 12,000sf of land, plus a cottage that could be rented for additional income, plus far greater privacy and a riverfront park for an extra \$450k.

### Opportunity:

- Invest \$1.2m in a Squamish development that is zoned for 82 homes.

### Return:

- \$750k cash plus a 3000sf home and detached cottage on an 18,000sf lot, worth \$1.95m.