COLD CREEK BACK-TO-BACK

Purpose-Built Rental Townhomes — Single Building Acquisition

8 UNITS • 1 FREEHOLD BUILDING • ~12,696 SF • ALL-CASH BASIS

Cold Creek · Picton, Ontario

Prepared June 2026

WHY CANADA · WHY PRINCE EDWARD COUNTY

GLOBAL CONTEXT

CA

Canada's Stable Real Estate Market
G7 economy with a transparent legal system, strong property rights protections, and a growing population driven by sustained immigration. Canada consistently ranks among the world's safest jurisdictions for real asset investment.

Prince Edward County — Ontario's Premier Lifestyle Destination
A Lake Ontario peninsula home to 40+ wineries, Sandbanks Provincial Park, and a thriving arts and culinary scene. Significant in-migration from Toronto and the GTA. Located 2 hours east of Toronto.

Supply-Demand Imbalance
Critical shortage of purpose-built rental housing in Prince Edward County. Near-zero vacancy rates across the region. Cold Creek directly addresses this gap with new rental townhomes across 86+ units — the largest purpose-built rental project in the county.

Port Picton Homes — Est. 1984
Family-owned builder with 40+ years of development experience in Prince Edward County. Largest active developer in the county with 8+ named community developments including Port Picton, West Meadows, Cold Creek, and Talbot on the Trail.

INVESTMENT HIGHLIGHTS

- ✓ 8 purpose-built rental townhomes in 1 freehold building
- ✓ Single building acquisition — $3,399,200
- ✓ $172,606 stabilized NOI (5.08% cap rate)
- ✓ 20.7% operating expense ratio — tenant-pays utilities
- ✓ $267.74/SF — well below replacement cost ($295+/SF)
- ✓ Zero construction risk — fully built and leased
- ✓ Projected 47.0% total return over 5 years (NOI + appreciation)
- ✓ No Canadian mortgage financing required
- ✓ Buy 1 block or as many as 11 — scale your investment

ASSET DETAILS

📐 PRODUCT & DESIGN

- Back-to-back townhome configuration
- 1 building of 8 units (4 interior + 4 end units)
- ~12,696 SF above-grade finished area
- Average 1,587 SF per unit
- 2 storey + basement storage

🏗 INVESTMENT STRUCTURE

- All-cash acquisition — no financing required
- Freehold building — no condo corporation
- No condominium fees or shared cost structures
- Tenant-paid utilities (hydro, gas, water)
- Turnkey — fully built, leased, and stabilized

🏠 UNIT MIX

- 4 × 2BR Interior (1,551 SF avg, 1.5 bath)
- 4 × 3BR End Unit (1,623 SF avg, 1.5 bath)
- Market rent: $2,275/mo (2BR) | $2,400/mo (3BR)
- $224,400 gross annual income
- 20.7% OpEx ratio — tenant-pays utilities

📍 LOCATION

- Laney Street, Picton, Ontario
- Cold Creek Community by Port Picton Homes
- 2 hours east of Toronto (GTA access)

💰 RETURNS

- NOI: $172,606/yr (single building)
- Cap Rate: 5.08%
- NOI per Unit: $21,576/yr

3D Dollhouse Render — Interior Layout

3D top-down bird's-eye dollhouse perspective showing the interior room layout and configuration of the back-to-back townhome units.

Unit Mix (8 Units — Single Building)

TYPE	COUNT	AVG SF	BATH	MARKET RENT	ANNUAL REVENUE
2-Bed / 1.5 Bath Interior	4	1,551	1.5	$2,275/mo	$109,200
3-Bed / 1.5 Bath End Unit	4	1,623	1.5	$2,400/mo	$115,200
TOTAL	8	1,587 avg	—	$2,338 avg	$224,400

Rent Basis: Projected rents reflect current market rates for purpose-built rental townhomes in Prince Edward County. Tenants pay their own utilities (hydro, gas, water). The annual revenue figure represents gross potential rent for all units at full occupancy.

Operating Expense Breakdown (Annual — 8 Units)

EXPENSE CATEGORY	PER UNIT	ANNUAL TOTAL
Property Tax	$1,000	$8,000
Insurance	$1,590	$12,720
Utilities (vacancy only)	$245	$1,960
Repairs & Maintenance	$1,000	$8,000
Management Fees (4% of EGI)	–	$8,707
Replacement Reserve (3 appliances × $100)	$300	$2,400
Total Operating Expenses	**$5,223/unit**	**$41,787**

Lean OpEx: Total operating expenses represent just **19.2%** of Effective Gross Income — well below industry benchmarks for purpose-built rental. Tenant-paid utilities and new-construction warranty keep costs low.

All-Cash Financial Pro Forma — Single 8-Unit Building

The stabilized income waterfall demonstrates unlevered performance for a single freehold building on an all-cash acquisition basis. No Canadian mortgage financing is required or assumed.

OPERATING LINE ITEM	ANNUAL AMOUNT	NOTES
Gross Potential Income	$224,400/yr	8 units at market rent
Less: Vacancy (3.0%)	-$6,732	Conservative allowance
Effective Gross Income (EGI)	$217,668/yr	97.0% occupancy
Less: Operating Expenses (20.7%)	-$45,062	Tenant-pays utilities
Net Operating Income (NOI)	$172,606/yr	Unlevered cash yield

PURCHASE PRICE	NET OPERATING INCOME	CAP RATE	NOI PER UNIT
$3.40M	$172.6K/yr	5.08%	$21,576/yr

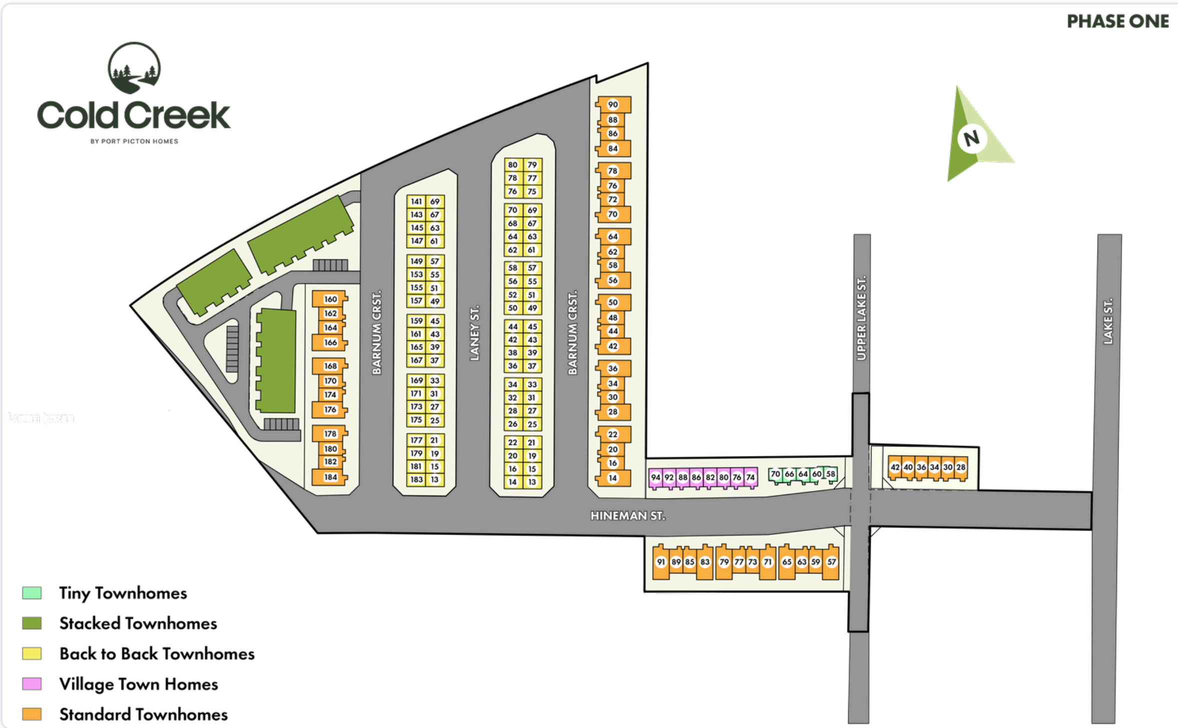
5-Year Investment Projection (All-Cash Basis)

PROJECTION METRIC	VALUE	NOTES
5-Year Cumulative NOI	$863,030	$172,606/yr × 5 years
5-Year Appreciation (4%/yr compounded)	+$735,349	Conservative market growth
Projected Future Value (Year 5)	$4,134,549	$3.40M × $(1.04)^5$
Total 5-Year Return (NOI + Appreciation)	$1,598,379	47.0% total return

All-Cash Advantage: Acquiring a single freehold building on an all-cash basis eliminates financing risk, interest rate exposure, and lender covenant constraints. The 5.08% unlevered cap rate represents a compelling entry point well below replacement cost ($267.74/SF vs. $295+/SF to build new). The 5-year projection assumes conservative 4% annual appreciation and stable NOI. Buy 1 block or up to 11 — each building is independently owned and operated.

> **Foreign Buyer Eligibility:** Prince Edward County is exempt from the federal Prohibition on the Purchase of Residential Property by Non-Canadians Act (2023, extended to 2027) as it is not a Census Metropolitan Area (CMA). Prospective international buyers should consult with their legal advisors regarding potential applicability of Ontario's Non-Resident Speculation Tax (NRST).

Phase 1 Site Plan — Cold Creek Back-to-Backs



Phase 1 site layout showing back-to-back townhome building arrangement, driveways, and community infrastructure.

Cold Creek — Community Context Aerial

Aerial view showing the Cold Creek back-to-back townhome buildings situated within the broader master-planned community, adjacent to the Horizon apartment buildings, retail amenities, and surrounding residential neighbourhood.

Port Picton HOMES

JUNE 2026

Confidential Investment Offering

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portpictonhomes.com · 141 Main Street, Picton, Ontario