

WEST MEADOWS HORIZON 1 & 2

Purpose-Built Rental Apartments — Global Capital Acquisition

72 UNITS • 2 BUILDINGS • 44,844 SF • ALL-CASH BASIS



Canada's Stable Real Estate Market

Canada offers one of the most stable and transparent real estate investment environments in the world. Strong rule of law, a well-regulated banking system, transparent property registries, and a globally respected legal framework make it a preferred destination for international capital deployment. The Canadian dollar provides natural currency diversification, and the country's immigration-driven population growth ensures sustained long-term demand for purpose-built rental housing.

Regulatory Stability

Canada's property rights are enshrined in common law, supported by transparent land registry systems (Teranet/LRO) and a non-corrupt judiciary. Foreign ownership of real property is permitted and protected. Title insurance is standard and widely available.

Population-Driven Demand

Canada admits 400,000+ new permanent residents annually — one of the highest per-capita immigration rates globally. This structural demand driver ensures long-term rental absorption, particularly in underserved secondary markets like Prince Edward County.

Prince Edward County — Lifestyle Destination

Prince Edward County ("The County") is one of Canada's premier lifestyle destinations — home to 40+ wineries, Sandbanks Provincial Park, and a thriving arts and culinary scene. Significant urban in-migration from Toronto creates sustained housing demand with virtually zero new rental supply.

Supply-Demand Imbalance

PEC has a critical shortage of purpose-built rental housing. The vacancy rate is near zero, and no competing apartment projects are in the development pipeline. West Meadows directly addresses this supply gap with 72 new rental apartments across two mirror buildings — the first of their kind in the municipality.

PRINCE EDWARD COUNTY ONTARIO'S WINE COUNTRY

THE COUNTY



Prince Edward County — locally known as "The County" — is one of Canada's premier lifestyle destinations. A peninsula surrounded by Lake Ontario, it's home to 40+ wineries, Sandbanks Provincial Park, and a thriving arts and culinary scene that draws significant in-migration from Toronto and the GTA.



Ontario's Wine Capital

40+ wineries producing celebrated Pinot Noir, Chardonnay, and sparkling wines. Limestone-rich terroir rivalling Burgundy. Farm-to-table dining culture with chef-driven restaurants.



Sandbanks & Outdoor Living

Sandbanks Provincial Park features white sand dunes and turquoise waters. The 46 km Millennium Trail connects communities by foot and bike year-round.



Growing Demand & Rental Gap

Significant urban in-migration — full-time residents, retirees, and seasonal buyers from the GTA. Critical shortage of purpose-built rental housing. West Meadows directly addresses this supply gap.



Picton — The County's Hub

Historic Main Street with boutique shops, high-end dining, breweries, the Regent Theatre, and the Picton Harbour waterfront. All amenities within walking distance of West Meadows.



Port Picton Homes — Est. 1984

Family-owned builder and residential developer with **40+ years** of building experience in Prince Edward County. Portfolio includes 8+ named community developments — Port Picton, West Meadows, Cold Creek, Talbot on the Trail, and more. Largest active developer in PEC.

INVESTMENT HIGHLIGHTS

- ✓ Two 36-unit, 3-storey wood-frame apartment buildings (mirror design)
- ✓ Combined portfolio acquisition — \$24,500,000
- ✓ \$1,115,922 combined stabilized NOI (4.55% cap rate)
- ✓ 27.1% operating expense ratio
- ✓ Diverse unit mix: bachelors (\$1,290/mo) to 2BR corners (\$1,929/mo)
- ✓ Zero construction risk — both buildings fully built
- ✓ Projected 44.4% total return over 5 years
- ✓ No Canadian mortgage financing required

ASSET DETAILS

PRODUCT & DESIGN

- Two 3-storey wood-frame apartment buildings
- 72 units total across 6 identical floors
- 44,844 SF net leasable area
- 55,152 SF gross buildable area
- Mix of bachelor & two-bedroom suites

INVESTMENT STRUCTURE

- All-cash, two mirror buildings
- Includes parking, lockers & laundry revenue
- No Canadian mortgage financing required
- Hold-to-rent with stable cash flow
- Zero construction or lease-up risk

UNIT MIX (PER BUILDING, x2)

- 6 × Bachelor (469 SF, 1 bath)
- 1 × 2BR/1Ba Corner (537 SF)
- 3 × 2BR/1Ba Corner/BF (665 SF)
- 18 × 2BR/2Ba Interior (653 SF)
- 8 × 2BR/2Ba Corner (665 SF)

LOCATION

- West Meadows community, Picton, Ontario
- 245-unit master-planned neighbourhood
- Near downtown Picton — PEC's central hub

RETURNS

- NOI: \$1,115,922/yr (4.55% cap rate)
- Projected 44.4% total return over 5 years
- All-cash — no debt service obligations

Unit Mix (72 Units — Combined Portfolio)

TYPE	COUNT	SF	BATH	RENT	ANNUAL REVENUE
Bachelor	12	469	1	\$1,290/mo	\$185,760
2BR / 1 Bath — Corner	2	537	1	\$1,504/mo	\$36,096
2BR / 1 Bath — Corner / Barrier Free	6	665	1	\$1,763/mo	\$126,936
2BR / 2 Bath — Interior	36	653	2	\$1,763/mo	\$761,616
2BR / 2 Bath — Corners	16	665	2	\$1,929/mo	\$370,368
TOTAL	72	623 avg	—	\$1,712 avg	\$1,480,776

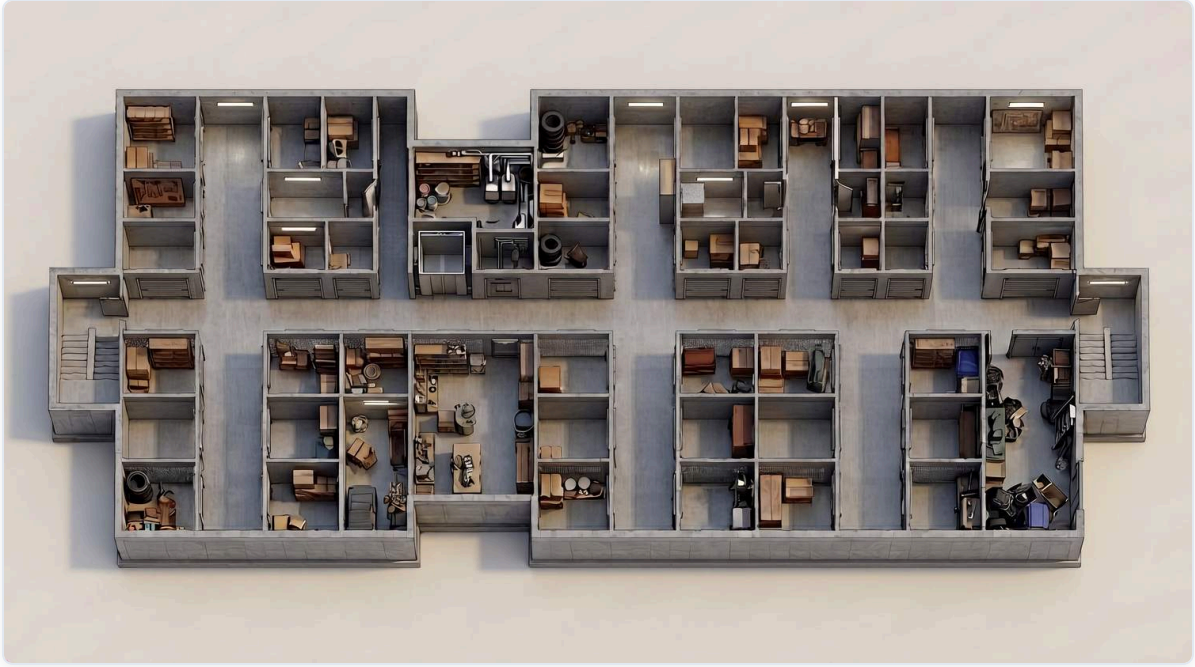
Additional Revenue: Parking, locker, and laundry income brings total gross revenue to **\$1,577,692/yr.** All rents reflect current market rates for purpose-built rental apartments in Prince Edward County. No affordable or below-market rent covenants apply to this offering.

3D Dollhouse — Ground Floor Layout (12 Units Per Building)



Identical layout repeated on all 3 floors — 36 units per building, 72 units total. Two mirror buildings with identical floor plans, unit mix, and corridor-loaded design.

Basement Storage — 67 Private Locker Units



67 private storage lockers across both buildings. Includes mechanical rooms, garbage/recycling rooms, and building services. Storage lockers generate additional ancillary revenue at \$25/month each.

All-Cash Financial Pro Forma

The following pro forma presents the stabilized income and expense waterfall for an all-cash acquisition of the combined 72-unit West Meadows Horizon 1 & 2 apartment portfolio. No Canadian mortgage financing, CMHC insurance, or debt service is included in this analysis.

Income Waterfall

Total Gross Rental Income (72 units)	\$1,480,776/yr
Ancillary Revenue (parking, lockers, laundry)	\$96,916/yr
Total Gross Income (Rent + Ancillary)	\$1,577,692/yr
Less: Vacancy Allowance (3.0%)	-\$47,331
Effective Gross Income (EGI)	\$1,530,361/yr
Less: Operating Expenses (27.1% of EGI)	-\$414,439
Net Operating Income (NOI)	\$1,115,922/yr

Key Performance Indicators

PURCHASE PRICE \$24.50M	STABILIZED NOI \$1.12M/yr	CAP RATE 4.55%	NOI PER UNIT \$15,499/yr
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Individual Building Breakdown

BUILDING	PURCHASE PRICE	STABILIZED NOI	CAP RATE
Horizon 1	\$12,250,000	\$557,961	4.55%
Horizon 2	\$12,250,000	\$557,961	4.55%
Combined Portfolio	\$24,500,000	\$1,115,922	4.55%

5-Year Investment Projection

METRIC	VALUE	NOTES
Purchase Price	\$24,500,000	All-cash basis
Cumulative NOI (5 Years)	\$5,579,610	\$1.12M/yr × 5
Capital Appreciation (4%/yr compounded)	+\$5,305,376	4.0% annual growth
Future Asset Value (Year 5)	\$29,805,376	Appreciated value
Total Return (NOI + Appreciation)	\$10,884,986	44.4%

All-Cash Advantage: By eliminating Canadian mortgage financing, the investor avoids CMHC insurance premiums, lender stress-testing, debt service constraints, and foreign-buyer financing barriers. The full NOI flows directly to the investor from day one, and the 4.55% capitalization rate compares favourably to institutional-grade multifamily assets in major Canadian markets. Acquiring both buildings as a portfolio provides operational efficiency and a single-transaction scale advantage.

Regulatory & Tax Considerations for Global Investors

International investors can purchase and hold Canadian real estate directly or through Canadian corporate vehicles. The following summary outlines key regulatory and tax considerations for non-resident purchasers.

Foreign Ownership

Non-residents may purchase Canadian real estate. The federal Prohibition on the Purchase of Residential Property by Non-Canadians Act (2023) applies to residential properties with **3 or fewer dwelling units**. Purpose-built rental buildings with 4+ units are **exempt**. These 36-unit apartment buildings qualify as exempt properties.

Tax Withholding (Part XIII)

Rental income earned by non-residents is subject to a **25% gross withholding tax** (Part XIII of the Income Tax Act), which may be reduced by filing a Section 216 election to be taxed on net rental income instead. Tax treaties may reduce the effective rate. Professional tax advice is recommended.

Section 116 Certificate

On disposition of Canadian real property, the purchaser must withhold **25% of the sale price** pending issuance of a Section 116 clearance certificate from the CRA. Advance filing ensures timely release of proceeds at closing.

Corporate Structuring

Many international investors hold Canadian real estate through a **Canadian-incorporated private corporation**, simplifying banking, property management, and tax filing. Legal counsel experienced in cross-border real estate transactions is strongly advised.

Important: This section is provided for general informational purposes only and does not constitute legal or tax advice. All prospective investors should consult qualified Canadian legal, tax, and immigration advisors regarding their specific circumstances prior to making an investment decision.



JUNE 2026

Confidential Investment Offering

This Confidential Investment Offering is provided solely for the purpose of evaluating a potential investment in the West Meadows Horizon 1 & 2 apartment portfolio by Port Picton Homes.

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Port Picton Homes · West Meadows Horizon 1 & 2 · Prepared June 2026

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