

# The Waterview



611 Vernon Street

May 2025 -Investor Guide

A prime downtown Seniors Living development project in  
Nelson, BC



Never in history have people lived as long. The Conference Board of Canada predicts that by 2030, approximately 80% of new housing demand will be consumers in their golden years. Most Canadians say they prefer to retire close to home rather than uproot themselves during this stage of their life.

Waterview Senior Residences Limited Partnership is poised to capitalize upon these favorable demographic conditions with a focus on developing high quality seniors housing projects in secondary markets, many of which have been ignored by the larger companies that target cities such as Vancouver and Toronto.

Our facilities are designed to provide an all-inclusive lifestyle, allowing residents to have an active social life, pursue hobbies, explore new interests, grow friendships, and engage in various activities. Additional supportive care services are available when a resident requires help with activities of daily living.

We are excited by the remarkable investment opportunity that exists in the secondary markets throughout Western Canada while being involved in a business that makes such a dramatic difference in people's lives.

Drew Shaw,  
Founder

Joseph Schlachter,  
Founder

**The Waterview Project is an opportunity for a \$9M investment structured to give a preferred return on investment, priority return of capital and a bonus upon successful completion.**

**A few highlights are as follows:**

- \$9 million of \$13.5 equity has already been funded into the project
- \$7.7 million has been contributed by the founders and \$1.3 million raised from the LP
- Project has been de-risked with foundation/parkade complete and steel framing is nearing completion.
- 100% of construction is now locked-in with fixed price sub-contracts in place for all silos.
- Over 200 names in wait list for lease-up already.

# SENIOR LIVING WHY INVEST?

ONE

## **Aging Population:**

Between 2011 and 2031, the population of Canadian seniors over 75 is expected to double in size, creating significant new demand for seniors housing and specialized care programs. By 2031, almost one in four people in BC will be over the age of 65.



TWO

## **Shortage of Senior Housing:**

The Conference Board of Canada predicts that by 2030, approximately 80% of new housing demand will be consumers in their golden years.



THREE

## **Strong Market Demand:**

An independent market feasibility study completed by Altus shows strong demand within the Project's trade area with a need for over 900 beds expected by 2026 (the Waterview project has 125 rooms).



FOUR

## **Untapped Sector:**

We focus on secondary communities as Seniors want to live locally. Our approach of offering resort-like amenities and care services differs from alternative options available in most secondary communities.



FIVE

## **Project Returns:**

Self-performing the construction management of the building and the ongoing management of the stabilized asset, provides Vendure an advantage when compared to other operators in the marketplace. Internalizing these important functions allows Vendure to better control costs and increase operating margins.



SIX

## **WELL Certified Program:**

We are the first WELL Building Standard® certified senior living facility in Canada which is a performance-based rating system to focus exclusively on measuring, certifying, and monitoring features of the built environment that impact human health and wellness.



PROJECT OVERVIEW

# WATERVIEW PROJECT



**Roof-Top Patio  
AND WALKING PATH**

**125  
UNITS**

**97,500  
GROSS FLOOR AREA**

**4000 sq. feet  
COMMERCIAL LEASE SPACE**

**WELL BUILDING  
PRE-CERTIFICATION**

**Steel Frame  
NON-COMBUSTABLE STEEL  
FRAME CONSTRUCTION**

**6  
NUMBER OF FLOORS**

**10,000 sq. feet  
TENANT AMENITY SPACE**

# WATERVIEW PROJECT

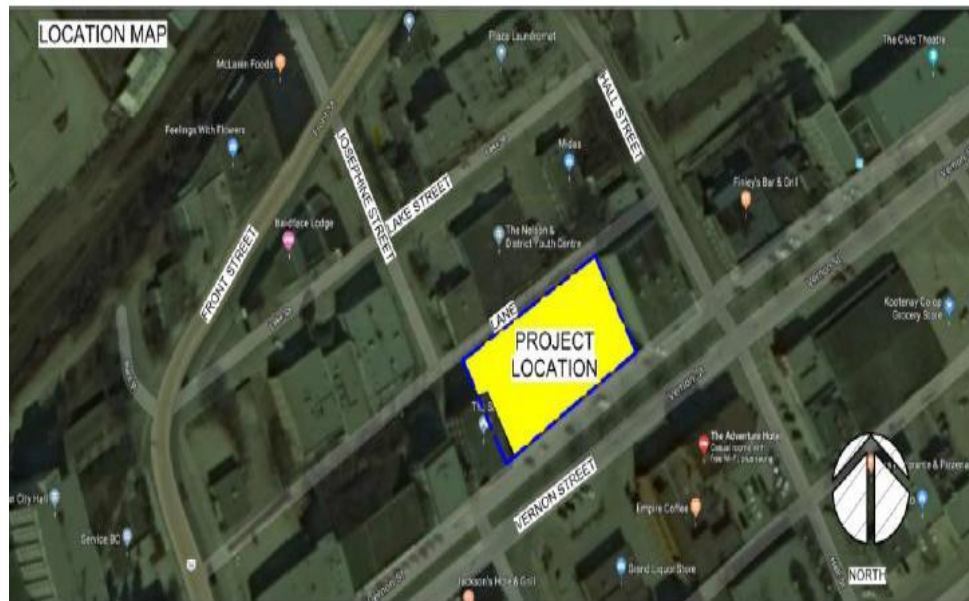


- 6 Storey apartment-style senior living facility.
- 125 Units comprised of studio, 1- and 2-bedroom apartments.
- Assisted living services including managing medications, assistance with activities of daily, dietary, and assistance with behaviors/psychosocial.
- Situated in downtown Nelson and is within walking distance of shopping, dining, and health services.
- Demand support from a recent CMHC feasibility report identifying four+ people for every one bed available in the Nelson market.
- Owner operated which increases investment returns.

## SITE LOCATION – LOCATION IN THE HEART OF DOWNTOWN

The City of Nelson, British Columbia is located within the Selkirk Mountain Range in the heart of the Columbia and Kootenay River valley. Vancouver lies 640 km to the west, Calgary 545 km to the east, and Spokane Washington 240km to the south.

Nelson is known as the “Queen City” and features the highest number of heritage buildings per capita in B.C. The market study completed for this project shows a positive demand for residential accommodation and commercial services.



## MARKET ANALYSIS – STONG CURRENT AND FUTURE DEMAND

A **DCR / Demand Coverage Ratio** of 2 people wanting every available bed portrays market balance and signals the requirement to build new product. We are currently above a DCR of 4 see below:

Future Demand – ISL/AL*				
Year	2016	2019	2021	2026
Demand AL**	224	251	274	369
Demand ISL	379	424	464	625
Demand AL/ISL***	603	675	738	994
External Demand 20%	121	135	148	199
Net Demand	724	810	886	1,193
DCR****	3.0	3.3	3.6	4.9

\* All data supplied and presented from an independent Market feasibility Study prepared by Altus Group Limited

\*\* Assisted Living (AL)

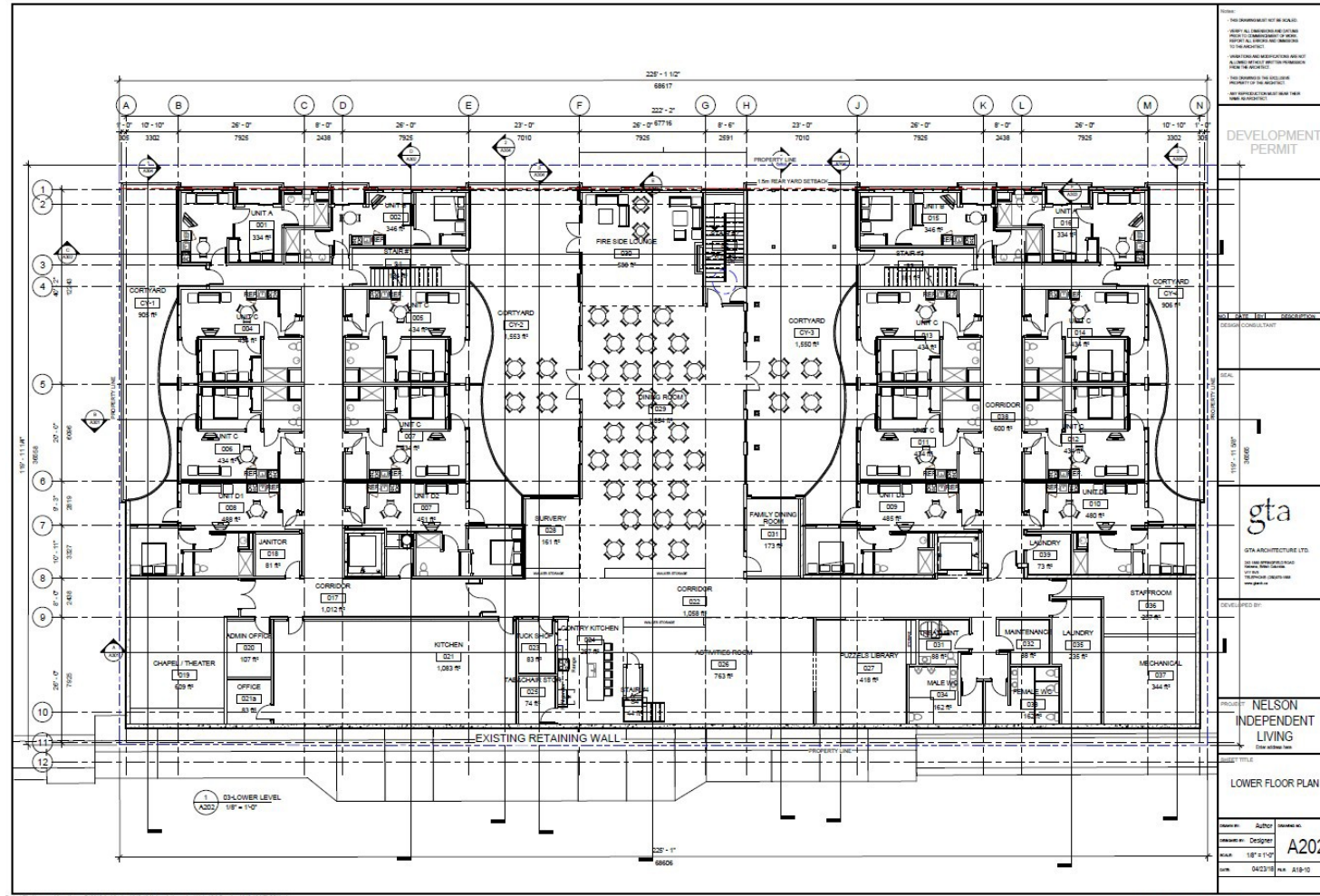
\*\*\* Independent Supportive Living (ISL) Represents a 8.1 % capture rate (75+)

\*\*\*\* Demand Coverage Ratio (DCR) measures the relationship between potential market demand and competitive supply. A DCR of 2.0 contends that the market is in balance and anything above that there is demand for additional services.

PROJECT OVERVIEW

# WATERVIEW PROJECT

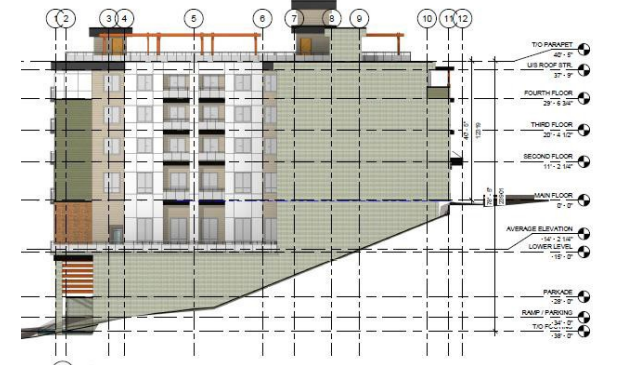
## AMENITIES LEVEL FLOOR PLAN



## 3D VIEW BACK



## ELEVATION VIEW





## ACTIVE LIVING AND QUALITY OF LIFE

- Modern spaces designed according to WELL® certification standards to optimize overall health and wellness.
- A selection of pet-friendly studio, one, and two-bedroom apartments with patios and storage.
- Ample, but cost-effective amenities including Fireside Lounge, games and craft room, library, roof-top patio, targeted fitness space, theatre room, communal dining area, wellness room, and Country Kitchen.
- Life Enrichment activities that include daily activities, social events, and excursions.
- Signature 'Live Life Better' programs for mind, body, and brain wellness to increase the length of stays.
- Wellness team, including registered nurses and care aides on staff.
- Supportive level-based services that increase revenue.
- Investment in the latest senior living technology to reduce staff burnout, increase productivity, and improve customer experience.

## Amenities

- Private Dining Rooms
- Theatre/ Chapel
- Sports/Games Room
- Library and Crafts Room
- Country Kitchen
- Fireside Lounge
- Gym
- Wellness Spa
- Elevated Gardens
- Exterior Courtyards
- Roof-Top Patio
- Pet-Friendly Suites



## Services

- Dining hall with daily meals
- Laundry and housekeeping services
- Live Life Better signature programs
- Daily activities and events
- Offsite shuttle services
- Underground heated parking
- Utilities and Wifi
- Maintenance

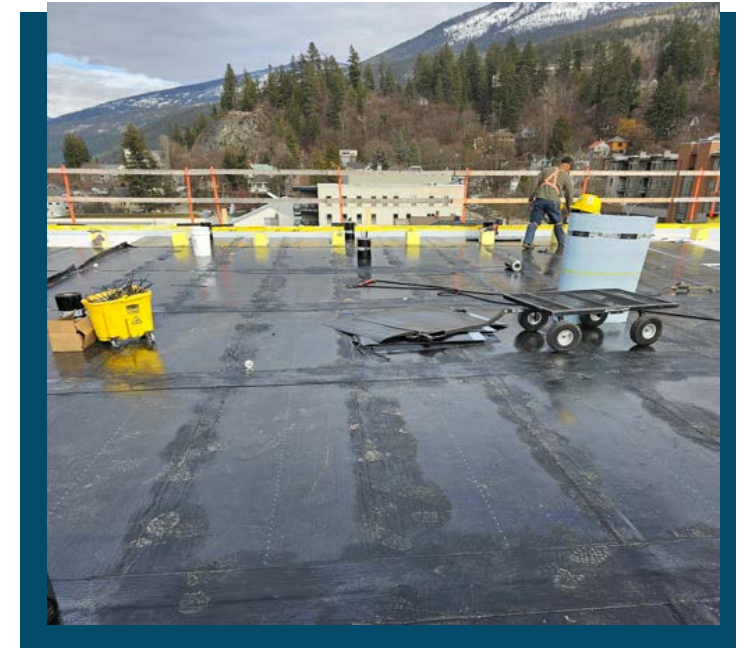
## PROJECT STAGE

## CURRENT PROJECT STATUS

- Site ground-work 100% complete.
- Construction sub-contracts 100% issued and complete.
- 1 ½ story concrete parkade 100% complete
- Framing installation over 80% completed, Prefab 90% completed
- Roofing now underway and 50% completed
- Inside rough-ins underway and 33% completed. Main electrical service with feeders, paths, parkade branch wiring and primary distribution completed.
- Plumbing and HVAC in main mechanical room and parkade main branch mains/ductwork completed.
- Pre-registration and marketing live at [www.vendureliving.ca](http://www.vendureliving.ca)
- Occupancy expected this Fall, 2025



March 2025 Site Picture –Frontage



March 2025 Site Picture –Roof being placed



April 2025 Site Picture – Framing

# More Photos from Site



Operations directly impact the quality of life for our residents. We are employing several strategies to implement operational excellence and enhance efficiency within The Waterview facility including third-party industry platforms to automate staff management, regulatory compliance, talent acquisition, maintaining a safe and stimulating environment, and managing the complexities of healthcare services.

To gain operational efficiency and to attract the best people, we were employing innovative workforce solutions such as flexible scheduling and a 4-day work week for senior staff while offering competitive benefits to attract and retain staff. Additionally, we are evaluating technology that can be leveraged to automate routine tasks, freeing up staff time for more complex care needs. This includes exploring AI-assisted technology to engage residents, reduce resident requests, and provide additional safety features.

Additionally, healthcare management is a critical component to operations within senior living communities. The complexity of managing multiple medications for multiple residents, coordinating with healthcare providers, and ensuring compliance with all regulations can be overwhelming. Many facilities still use a paper-based system, which is inefficient and unsafe. To mitigate these problems, we will be launching a comprehensive healthcare management system that streamlines these processes. We have currently shortlisted it to either Mede-Care or Point Click Care..

Through innovative workforce solutions, strategic partnerships, and leveraging technology, we are confident that we can enhance our operation efficiency while providing high-quality care for our residents.

#### Operational Software

**PointClickCare®**



**WelcomeHome**

**InTouchLink** 

MEAL  SUITE

**agendrix**

 **beetons clean**



**Point Click Care:**  
**Electronic Health System**

PointClickCare is a comprehensive cloud-based software platform designed specifically for senior living communities. It streamlines operations by integrating clinical, administrative, and financial processes, enabling staff to efficiently manage resident care, medication administration, and compliance requirements. PointClickCare's data analytics and real-time reporting improve decision-making, while its user-friendly interface boosts staff productivity and communication. By centralizing information and automating workflows, it enhances care quality and operational efficiency, making it essential for assisted living facilities.



**Welcome Home:**  
**Customer Relationship Management**

Welcome Home software is tailored for the senior living industry. It streamlines the sales and marketing process by managing leads, tracking interactions, and automating follow-ups, enabling communities to efficiently convert inquiries into move-ins. The platform provides actionable insights, real-time reporting, and personalized communication tools, helping sales teams build meaningful relationships with prospective residents and their families.



### **InTouch Link: Communication & Engagement Platform**

InTouch Link is designed specifically for senior living communities. It enhances resident experience by providing user-friendly tools for communication, activity scheduling, and information sharing. The platform includes features like digital signage, customizable community websites, and family portals, enabling residents and their families to stay connected and informed. InTouch Link also streamlines staff communication and improves operational efficiency, making it an essential tool for fostering community engagement and enhancing the overall resident experience in senior living facilities.



### **Synergy Tech Suite: Food Service Management**

Tailored for healthcare and senior living communities, this all-in-one platform integrates dietary management, food production, inventory control, and point-of-sale functionalities to streamline operations and enhance resident dining experiences. By automating processes and providing real-time data, Synergy Tech Suite helps facilities improve efficiency, ensure compliance with dietary requirements, and reduce food waste, ultimately contributing to higher satisfaction among residents and staff.



### **Beetons Clean: Cloud-based Housekeeping Management Software**

Designed specifically for senior living communities, Beetons Clean streamlines cleaning operations by providing customizable checklists, automating scheduling, and offering real-time task tracking. The platform ensures compliance with health standards through time-stamped cleaning validations and integrates seamlessly with systems like PointClickCare to keep resident information up-to-date.

## EXPERIENCED TEAM



**Joseph Schlachter**  
**Vice President of Construction/Founder**

With 30+ years in the construction industry, Joseph has been involved in more than \$200 million in construction development projects. The various capacities that he fulfilled included, Project Coordinator, Estimator, Project Management, Manager of Business Development and Project Director. Joseph is a civil engineering technologist and has a gold seal certificate from the Canadian Construction Association in project management.



**Cindy Shaw**  
**Operations Management**

Cindy Shaw is a dynamic leader that excels in transforming organizational goals into actionable plans, ensuring seamless execution and operational excellence. Her expertise spans process optimization, team leadership, and the delivery of high-quality resident experiences. Tasked with strategic planning, process optimization, and operational goals, Cindy additionally oversees the work completed by The Waterview consultant team. Cindy managed the initial training, SOPs, marketing material, advertising and ramp-up to stabilization of a Senior Living Facility in central BC including overseeing all staff for walk throughs and consultations.



**Drew Shaw**  
**Vice President of Finance /Founder**

Drew brings 30+ years of management and financial expertise across multiple industry and construction related projects. The various capacities have been numerous Chief Financial Roles and was CEO of his last company which constructed and owned \$140M of operated power plants in Alberta. Drew is a Certified Public Accountant (CPA) and has a Bachelor of Commerce degree from the University of Alberta.



**Jodi Flanagan**  
**Sales & Marketing Consultant**

As the founder and President of Senior Living Sales Pro and Senior Living Pro, Jodi is an expert in sales, marketing, occupancy success, business development, and communications within the senior living industry. She has launched dozens of successful advertising campaigns, opened 17 new homes, and trained hundreds on effectively working with seniors. Jodi has also developed comprehensive sales, occupancy, and marketing manuals, solidifying her role as a leader in senior living industry.



**Doris Brisebois**  
**Assisted Living Accreditation & Manual Development**

Doris Brisebois is an accomplished executive leader with extensive experience in senior living and healthcare management. As the Executive Director of Société du Foyer Maillard from 1988 to 2024, she successfully oversaw the development and operation of a 125-bed complex care facility, driving transformative growth and operational excellence.



**Suzanne Quirring**  
**Food Services Consultant**

As a Registered Dietitian with over 30 years of experience in residential care, Suzanne brings her expertise to our senior living facility to enhance the dining experience. As the inventor of the "SuzyQ carts" for senior living, she introduces a relationship-focused meal service model that fosters meaningful interactions and personalized dining choices. Suzanne provides tailored education and support to our Food Managers and Dietitians, including staff training, webinars, and practical guidance, ensuring a seamless transition to a more engaging and resident-centered dining experience.



**Jamie Francis**  
**HSE Procedures & Manual Development**

Jamie Francis, a Canadian Registered Safety Professional (CRSP), brings over 20 years of occupational health and safety expertise. As an auditor for Energy Safety Canada since 2012 and a former auditor for the Alberta Municipal Health and Safety Association (AMHSA) and the Continuing Care Safety Association of Alberta, she has conducted comprehensive audits to enhance workplace safety and compliance. Her expertise includes policy development, effective WCB claims management, and designing customized safety programs.



**Bernard Kotelko**  
**Board of Directors & Advisor**

Bern has 40+ years of business and advisor experience some of which included 9 years as a Director of Alberta Treasury Branch, 10 years as Director of Agriculture Financial Services co-chair for Alberta Prion Research, Director for the Alberta Economic Development Authority, and recipient of the AsTec Award for Environmental Innovation and Honorary Alumni Award University of Alberta.

## SUCCESSFUL OPERATIONAL HISTORY

Drew Shaw and Joseph Schlachter (the Founders) have 50 years of combined development experience, including the building of and operations at Andover Terrace Retirement facility in Salmon Arm, BC (see picture below). The Founders successfully constructed and stabilized the property through effective operating policy and procedures, staff hiring and training, client marketing, and operational systems within an independent and assisted living facility. The facility was successfully sold to a third-party non-profit operator within the industry.

## OUR EXPERIENCED ADVISORS & INDUSTRY EXPERTISE

Additionally, Vendure Living has retained and is drawing upon the expertise of several experienced consultants and companies that bring a wealth of experience and specialized knowledge. These include:

- John Madden -30 years of care management expertise through AdvoCare
- Meg Millner – Assisted Living accreditation specialist
- Trish Mathews – advises developers/owners on healthy building certifications

## INDUSTRY EXPERTISE

- Sherpa CRM - combines a unique methodology, CRM, training, and analytical tools designed for senior living sales
- Greenhouse Marketing - focuses on helping seniors' housing and care operators attract, develop, and retain best-in-class leaders, department heads, salespeople and healthcare professionals
- Sienna Senior Living – bring best practices and deep expertise in all aspects of operations
- SGP Purchasing Partner Network – Healthcare specific group purchasing organization to gain purchasing efficiencies
- IntouchLink– contract care services for any aspect of operations within the facility



Andover Terrace Retirement, Salmon Arm, BC - Completed 2017

SAMPLE OF FOUNDERS PROJECTS: construction projects completed, start to finish totaling in excess of \$225 million.

OWNER DEVELOPER/CONSTRUCTION/OPERATOR			
Andover Terrace Retirement Resort	Salmon Arm BC	75 bed	\$14.1M
Xchange Tapas Restaurant	Kelowna BC	1,200 sq.ft. high end restaurant	\$1.5M
Cadotte Husky Energy	Peace River AB	Waste Gas Power Plant	\$20.5M
Judy Creek Pengrowth	Whitecourt AB	Waste Heat Power Plant	\$6.9M
Carson Creek Pengrowth	Whitecourt AB	Sales Gas Power Plant	\$16.8M
Judy Creek Pengrowth	Whitecourt AB	Sales Gas Power Plant	\$15.8M
Peace River Shell	Peace River AB	Flare Gas Power Plant	\$7.4M
Peace River Baytex	Peace River AB	Flare Gas Power Plant	\$19.4M
Bellshill Harvest	Bellshill AB	Sales Gas Power Plant	\$9.2M
CONSTRUCTION MANAGEMENT			
Cabana Bar and Grill	Kelowna BC	5,500 sq. Ft.	\$5.0M
Boundary Lodge Seniors Residence	Grand Forks BC	44 bed	\$4.2M
Tom Uphill Manor Seniors Residence	Fernie BC	50 bed	\$5.4M
Asher Place Adult Condominium	Kelowna BC	33 Suite	\$8.1M
The Fountains Adult Condominium	Nanaimo BC	55 Suite	\$12.7M
Golden and District General Hospital	Ambulatory and Mental Health Exp & Renos	30,000 sqft	\$5.2M
Fire Hall & Ambulance Station	Elkford BC	4,500 sqft	\$2.5M
Red Mountain Resort	Rossland BC	106 suite	\$26.8M
Sterling Medical Centre	Vernon BC	3,500 sq.ft. 4 storey Medical Office	\$7.8M
Bee Line Web Tech Office bldg	Lake Country BC	10,000 sq.ft. 2 storey office building	\$6.2M
Superstore	Prince George BC	110,000 sq.ft. retail	\$4.8M
Superstore	Cranbrook BC	130,000 sq.ft retail	\$8.0M
Young Life Youth Camp	Princeton BC	40,000 sq.ft. 4 storey executive residence	\$7.0M

## DEVELOPMENT BUDGET

## DEVELOPMENT BUDGET

Land	Purchase Value	\$1,450,000	
	Subtotal		<b>\$1,450,000</b>
Construction Costs	Construction Costs	\$26,752,791	
	Construction Contingency	\$409,708	
	Construction Fee	\$587,045	
	Subtotal		<b>\$27,749,543</b>
Furniture and Fixtures	Furnishing & Equipment	\$516,803	
	Safety & Security	\$66,125	
	Commercial Services	\$337,000	
	Subtotal		<b>\$919,928</b>
Development Soft Costs	Architectural Fees & Consultants	\$1,173,556	
	Permit & DCC	\$908,547	
	Contingency Soft Costs	\$45,880	
	Subtotal		<b>\$2,127,983</b>
Consulting	Project Management & Admin	\$1,133,044	
	Marketing	\$234,383	
	Development Management Fees	\$716,299	
	Subtotal		<b>\$2,083,726</b>
Support Services	Legal Fees	\$105,000	
	Insurance	\$165,500	
	Property Taxes	\$85,717	
	Subtotal		<b>\$356,217</b>
Financing Costs	Finance Fees	\$322,983	
	CMHC Application Fee	\$25,375	
	CMHC Insurance Fee	\$933,563	
	Construction Interest & Lease up	\$1,406,110	
	GST	\$691,784	
	Subtotal		<b>\$3,379,815</b>
Total Development Budget			<b>\$38,067,212</b>
	Current Financing/Legal Fees/Working Capital re Financing		<b>\$1,300,000</b>
Total Capital Budget			<b>\$39,367,212</b>

## SOURCES AND USE OF FUNDS

## SOURCES OF FUNDS

Development Budget		\$39,367,212
Construction Loan	CMHC Financing through Equitable Bank	-\$25,851,063
Required Equity For Project		\$13,516,149
Financing and Legal Costs		\$800,000
LP Units - Founders' Equity Paid		-\$7,673,474
Operating Line Repayment		\$500,000
Current Raise - LP Units		\$4,483,000

## USE OF FUNDS

Facility Costs	Land Costs	\$1,450,000	
	Facility Construction Costs	\$27,339,835	
	Construction Soft Costs	\$4,522,046	
	Furnishing and Fixtures	\$919,928	
	Contingency	\$455,588	
	Total Facility Costs		\$34,687,397
Finance Costs	Construction Mortgage Costs	\$1,406,110	
	GST	\$691,784	
	CMHC Application Fee	\$25,375	
	CMHC Insurance Costs	\$933,563	
	Construction Financing Fees	\$322,983	
	Total Finance Costs		\$3,379,815
Total Project Use of Funds			\$38,067,212
	Operating Line of Credit	\$500,000	
	Current Financing and Legal Fees re Financing	\$800,000	
Total Use of Funds			\$39,367,212

## OPERATING BUDGET

## NET OPERATING INCOME

STABILIZED REVENUE AND EXPENSE STATEMENT									Market Rent
For the Year Ending Sep-21	Suites	Residents	Resident Days	Annual	Monthly Per Suite	Per RD	% EGR		Adjusted NOI
<b>Potential Base Rent</b>									
ISL One Bedroom	121	121	44,165	\$1,827,900	\$152,325	\$15,107	\$41.39	34.5%	\$2,500,000.00
ISL Two Bedroom	4	4	1,460	\$96,000	\$8,000	\$24,000	\$65.75	1.8%	\$76,800.00
CMHC Subsidized Rent									-\$257,680
<b>Total Potential Base Rent</b>	<b>125</b>	<b>125</b>	<b>45,625</b>	<b>\$1,923,900</b>	<b>\$160,325</b>	<b>\$15,391</b>	<b>\$42.17</b>	<b>36.3%</b>	<b>\$2,319,120</b>
Mandatory Additional Services Revenue				\$2,700,000	\$225,000	\$21,600	\$56.36	50.9%	\$3,087,600.00
Double Occupancy Premium		13	4,563	\$82,500	\$6,875	\$660	\$18.08	1.6%	\$283,392.00
Ancillary Services and Commercial Services				\$830,600	\$69,217	\$6,645	\$17.34	15.7%	\$1,043,985.00
<b>POTENTIAL GROSS REVENUE</b>	<b>125</b>	<b>138</b>	<b>50,188</b>	<b>\$5,537,000</b>	<b>\$461,417</b>	<b>\$44,296</b>	<b>\$115.58</b>	<b>104.4%</b>	<b>\$6,734,097</b>
Vacancy & Bad Debt Allowance	-6	-6	-2,281	(\$231,195)	(\$19,266)	(\$1,850)	(\$4.83)	(4.4%)	-\$323,236.66
<b>EFFECTIVE GROSS REVENUE</b>	<b>119</b>	<b>131</b>	<b>47,906</b>	<b>\$5,305,805</b>	<b>\$442,151</b>	<b>\$42,446</b>	<b>\$110.75</b>	<b>100.0%</b>	<b>\$6,410,860</b>
<b>Operating Expenses</b>									
Salaries and Wages				\$1,122,100	\$93,508	\$8,977	\$23.42	21.1%	\$1,352,692
Benefits				\$179,500	\$14,958	\$1,436	\$3.75	3.4%	\$217,969
Food and Beverage				\$340,100	\$28,342	\$2,721	\$7.10	6.4%	\$410,295
Supplies				\$83,800	\$6,983	\$670	\$1.75	1.6%	\$102,574
Purchased Services				\$146,900	\$12,242	\$1,175	\$3.07	2.8%	\$179,504
Administration				\$66,300	\$5,525	\$530	\$1.38	1.2%	\$76,930
Advertising and Promotion				\$25,000	\$2,083	\$200	\$0.52	0.5%	\$32,054
Repairs and Maintenance				\$100,000	\$8,333	\$800	\$2.09	1.9%	\$121,806
Utilities				\$268,800	\$22,400	\$2,150	\$5.61	5.1%	\$326,954
Insurance				\$19,200	\$1,600	\$154	\$0.40	0.4%	\$25,643
Realty Taxes				\$125,000	\$10,417	\$1,000	\$2.61	2.4%	\$153,861
Management Fees				\$212,200	\$17,683	\$1,698	\$4.43	4.0%	\$256,434
<b>Total Operating Expenses</b>				<b>\$2,688,900</b>	<b>\$224,074</b>	<b>\$21,511</b>	<b>\$56.13</b>	<b>50.7%</b>	<b>\$3,256,717</b>
<b>NET OPERATING INCOME</b>				<b>\$2,616,905</b>	<b>\$218,077</b>	<b>\$20,935</b>	<b>\$54.63</b>	<b>49.3%</b>	<b>\$3,154,143</b>

Notes:

- 1) Stabilized Revenue And Expenses verified by third party market feasibility study and appraisal report
- 2) Report has been adjusted by actual CPI (Consumer Price Index) inflation rate of 13% since appraisal was completed

## PROJECT VALUATION &amp; RETURN

## VALUATION – STABILIZED OCCUPANCY

Potential Gross Revenue	\$6,734,097
Vacancy & Bad Debt Allowance	-\$323,237
Effective Gross Revenue	\$6,410,860
Operating Expenses	-\$3,256,717
Stabilized Net Operating Income (NOI)	\$3,154,143
Selected Capitalization Rate (CR)	6.00%
Stabilized Value	\$52,569,055

## VALUATION SENSITIVITY ANALYSIS

Sensitivity Analysis							
Valuation Matrix							
Capitalization Rate	5.25%	5.50%	5.75%	6.00%	6.25%	6.50%	6.75%
	\$60,078,920	\$57,348,060	\$54,854,666	\$52,569,055	\$50,466,293	\$48,525,281	\$46,728,049
Excess Capital After Refinancing 85% Loan To Value							
Capitalization Rate	5.25%	5.50%	5.75%	6.00%	6.25%	6.50%	6.75%
	\$26,616,019	\$24,294,788	\$22,175,403	\$20,232,634	\$18,445,286	\$16,795,426	\$15,267,778

## PROJECT RETURN ON SALE – STABILIZED VALUE 6% CAP RATE

Projected Sales Value	6.00% Cap Rate	\$52,569,055
Mortgage Balance	Term Loan	-\$24,451,063
Cash Available From Sale		\$28,117,992
Project Return on Investment		74%

## OFFERING TERMS

## Offering Summary

ISSUER	Waterview Senior Residences Limited Partnership
TYPE OF OFFERING	Class A Series Limited Partnership Units
OFFERING PRICE	\$1.00 per Unit
OFFERING AMOUNT	\$4,483,000
MINIMUM INVESTMENT	\$25,000 Minimum Subscription
USE OF PROCEEDS	To provide funds for the development of a 125-unit retirement facility located in Nelson BC.
PREFERRED COUPON/RETURN	15% simple interest per annum, accrued
PRIORITY RETURN OF UNITS VALUE	Free cash flow upon an exit will first pay the full Unit Value invested, the preferred coupon, and then the bonus return with any remaining proceeds going to the general partner.
ELIGIBILITY	Most Canadians investors will be eligible, check with us or our dealers for eligibility criteria
REDEMPTION/RE-SALE RIGHTS	No redemptions rights and re-sale right are upon approval of Corporation not to be unreasonable withheld
CLOSING	When agreed to with LP Investors
AGENT'S COMPENSATION	Waterview Senior Residences Limited Partnership has engaged Charterhouse Prime Investments, an agent, which will involve paying a fee not to exceed 7% of the proceeds of the Offering.
JURISDICTION	The offering will take place by way of private placement in the provinces of Alberta, British Columbia, Ontario, and otherwise in those jurisdictions where the Offering can lawfully be made, to qualified investors under applicable exemptions from prospectus requirements.

Proceeds will be applied in the following priority (distribution waterfall):

### ANNUAL OPERATING PROFIT DISTRIBUTIONS

1. Operation costs and payables of the facility
2. Term loan payments
3. Working Capital Reserve of 2 months operating requirements
4. Preferred Return to LP Unit Holders as a return of capital
5. Any remaining funds to the general partner

### DISTRIBUTION OF PROCEEDS ON SALE OR REFINANCE

1. Full payout of construction/term loan
2. Repayments of any outstanding operating expenses and closing costs
3. Preferred Return to LP Unit Holders as a return of capital
4. Bonus Return to LP Unit Holders if achieved
5. Return of LP Unit value
6. Remaining funds to the general partner



**Both of the Following are potential Exit Strategies for the Investor and the intention is to monitor the exit strategy options to gain the best return on investment for all invested parties:**

- 1) Upon full stabilisation of the project there is an option to refinance the project to pull equity out for all investors or to retire investors that would like to exit. It is possible to do this via a CMHC insured re-finance.
- 2) Upon stabilisation of the project the project can be sold to a third-party operator with investors being paid-out from proceeds of the sale of the development.



## Forward Looking Statements

Certain statements included herein constitute forward looking statements or forward-looking information under applicable securities legislation. Such forward looking statements or information are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes, such as making investment decisions. Forward looking statements or information typically contain statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", "project", or similar words suggesting future outcomes or statements regarding an outlook. Forward looking statements or information herein include, but are not limited to, statements or information with respect to: the business investment to be formed as described herein, Vendure Nelson Retirement Communities Inc., Vendure Construction Inc, Vendure Retirement Communities Inc., (the "Vendure Group of Companies") business strategy and objectives, use of proceeds of the offering for the development, construction and operation and sale of the project, development plans, construction plan, land acquisition, financing plan, and anticipated funding sources, potential capital expenditures and project costs, potential rates of return and revenues and project distributions, which include various assumptions and estimates.

Any statements herein in respect of potential returns as well as with respect to the economics of the project described herein are based on numerous assumptions and variables and are for illustrative purposes only and do not reflect any promise, undertaking or guarantee on such matters. Investments of this nature are subject to numerous risks and uncertainties.

Forward looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although the Vendure Group of Companies believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward looking statements because the Vendure Group of Companies can give no assurance that such expectations will prove to be correct. In addition to other factors and assumption which may be identified in this

Presentation, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which the Vendure Group of Companies operates; the sale and rental prices to which the project will command in the future; inventory and competition from other projects; general economic conditions; local real estate markets; the timely receipt of any required regulatory and similar approvals; the ability of the Vendure Group of Companies to obtain qualified staff, equipment and services in a timely and cost efficient manner; the estimates in respect of costs and other expenses related to the project described herein; the timing to complete construction of the project; the ability of the Vendure Group of Companies to operate in a safe, efficient and effective manner; the ability of the Vendure group of Companies to obtain required financing on acceptable terms; the rate at which the project fills its occupancy. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which have been used.



# READER ADVISORY

Forward looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Vendure Group of Companies and described in the forward looking statements or Information. All real estate property investments are subject to a degree of risk and uncertainty. These risks and uncertainties which may cause actual results to differ materially from the forward looking statements or information include, among other things: the ability of management to execute its business plan; general economic and business conditions; the risk of instability affecting the jurisdictions in which the project is located; the possibility that government policies or laws (including at the municipal level) may change or governmental approvals may be delayed or withheld; potential delays or changes in plans with respect to development projects or capital expenditures; ability of the partnership to acquire the subject lands described herein and in the manner described herein, costs and expenses; risks that the demand in local real estate market may be reduced which may affect potential returns, credit risk; health, safety and environmental risks; uncertainties as to the availability and cost of financing; financial risks, the potential insolvency of a developer, the developer's failure to use advanced funds in payment of construction costs, construction or unanticipated delays, incurring construction costs before ensuring revenues will be earned from the project and cost over-runs on the project. Readers are cautioned that the foregoing list is not exhaustive of all possible risks and uncertainties.

This document, in particular the Information contained under the heading "Project Economics Summary" and "Projected Returns" contains Future Oriented Financial Information ("FOFI") within the meaning of applicable securities laws. The FOFI has been prepared by Vendure Group of Companies' management to provide an outlook of the investment's planned activities and results. The FOFI has been prepared based on a number of assumptions including the assumptions discussed above and assumptions with respect to the costs and expenditures to be incurred by the partnership, operating and construction costs, interest rates, taxation rates and general and administrative expenses. Management does not have firm commitments for all the costs, expenditures, prices or other financial assumptions used to prepare the FOFI or assurance that such operating results will be achieved and, accordingly, the complete financial effects of all of those costs, expenditures, prices and operating results are not objectively determinable.



The actual results of operations of the partnership and the resulting financial results will likely vary from the amounts set forth in the analysis presented in this presentation, and such variation may be material. The Vendure Group of Companies and its management believe that the FOFI has been prepared on a reasonable basis, reflecting the best estimates and judgments, and represent, to the best of management's knowledge and opinion, their expected expenditures and results of operations. However, because this information is highly subjective and subject to numerous risks including the risks discussed under the heading "Forward-looking Statements, it should not be relied on as necessarily indicative of future results.

# READER ADVISORY

This presentation includes the terms "Projected IRR" and "Projected Equity Multiple" which are non-GAAP measures. Non-GAAP measures do not have a standardized meaning prescribed by International Financial Reporting Standards ("IFRS" or, alternatively, "GAAP") and, therefore, may not be comparable with the calculation of similar measures by other entities. "Projected IRR" is calculated based on anticipated distributions paid or declared upon project completion as compared to estimated aggregate investor capital, and determined based on a customary investment rate of return model and Projected Equity Multiple is based on anticipated returns to investors (the numerator) divided by the aggregate amount of invested capital by investors (the denominator). The Vendure Group of Companies believes that "Projected IRR" and "Projected Equity Multiple" provides useful information to the reader in that It measures the Investment's potential ability to generate funds to return to investors and for investors to determine their potential returns. "Projected IRR" and "Projected Equity Multiple" do not have a comparable measure under GAAP and cannot be reconciled to other GAAP measures. See also the advisory on FOI above.

The past performance of certain other projects developed by those persons described herein, including those persons associated and affiliated with them does not guarantee future results for the partnership or the project. The historical performance of such persons and other matters is shown for illustrative purposes only. It is not meant to forecast, imply or guarantee the future performance of any particular investment or of the partnership or the project, which will vary.

The description of the Investment as set forth herein, including the terms and conditions of the investment agreement, are a summary only, and are subject to amendment, supplement, or change and in all cases will be subject to the definitive terms as may be set forth in the investment agreement.

The matters set forth herein have been prepared by the Vendure Group of Companies which makes no representation or warranty, express or implied, and assumes no responsibility for the accuracy or completeness of the information contained in this presentation or any other oral or written communication transmitted to you, and nothing contained in the presentation is, or shall be relied upon as, a promise or representation by the Agent as to the past or future performance of the partnership or the project.



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