

CONFIDENTIAL INFORMATION MEMORANDUM

SQUAMISH OCEANFRONT DEVELOPMENT LANDS

SQUAMISH, BRITISH COLUMBIA

OCTOBER 2012



TABLE OF CONTENTS

EXECUTIVE SUMMARY	4
PROPERTY OVERVIEW	5
PROPOSED DEVELOPMENT CONCEPT	12
TECHNICAL DETAILS	19
LOCATION	22
OFFERING PROCESS & CONDITIONS	29

STAWAMUS CHIEF

SEA-TO-SKY HIGHWAY

SQUAMISH OCEANFRONT DEVELOPMENT LANDS

DOWNTOWN SQUAMISH

VANCOUVER
45 MINUTES

WHISTLER
40 MINUTES



EXECUTIVE SUMMARY



Largest
waterfront
development site
in Lower Mainland

OPPORTUNITY

The Squamish Oceanfront Development Corporation (“SODC”, “Vendor”, “Owner”) has engaged Cushman & Wakefield Ltd. (“C&W”, “Agent”, “Advisor”) on an exclusive basis to arrange a joint-venture partnership or a sale of 100% freehold interest in 59.1 acres of land and 44.0 acres of water lots located at the southern portion of the Squamish Peninsula in the District of Squamish, British Columbia, Canada (“Property”, “SODC Lands”). SODC is wholly owned subsidiary of the District of Squamish.

The Property represents a truly one-of-a-kind opportunity to acquire a spectacular ocean waterfront site in a rapidly growing city located between the two world-class destinations of Vancouver and Whistler.

As reflected in the recently adopted Squamish Oceanfront Peninsula Sub-Area Plan, the SODC Lands are expected to be the centerpiece for future growth in Squamish. Calling for mixed-use development with total buildable density of 2.05 million square feet, including 1.2 million square feet (1,136 units) of residential, the District of Squamish Mayor and Council fully support the development and revitalization of the SODC Lands.

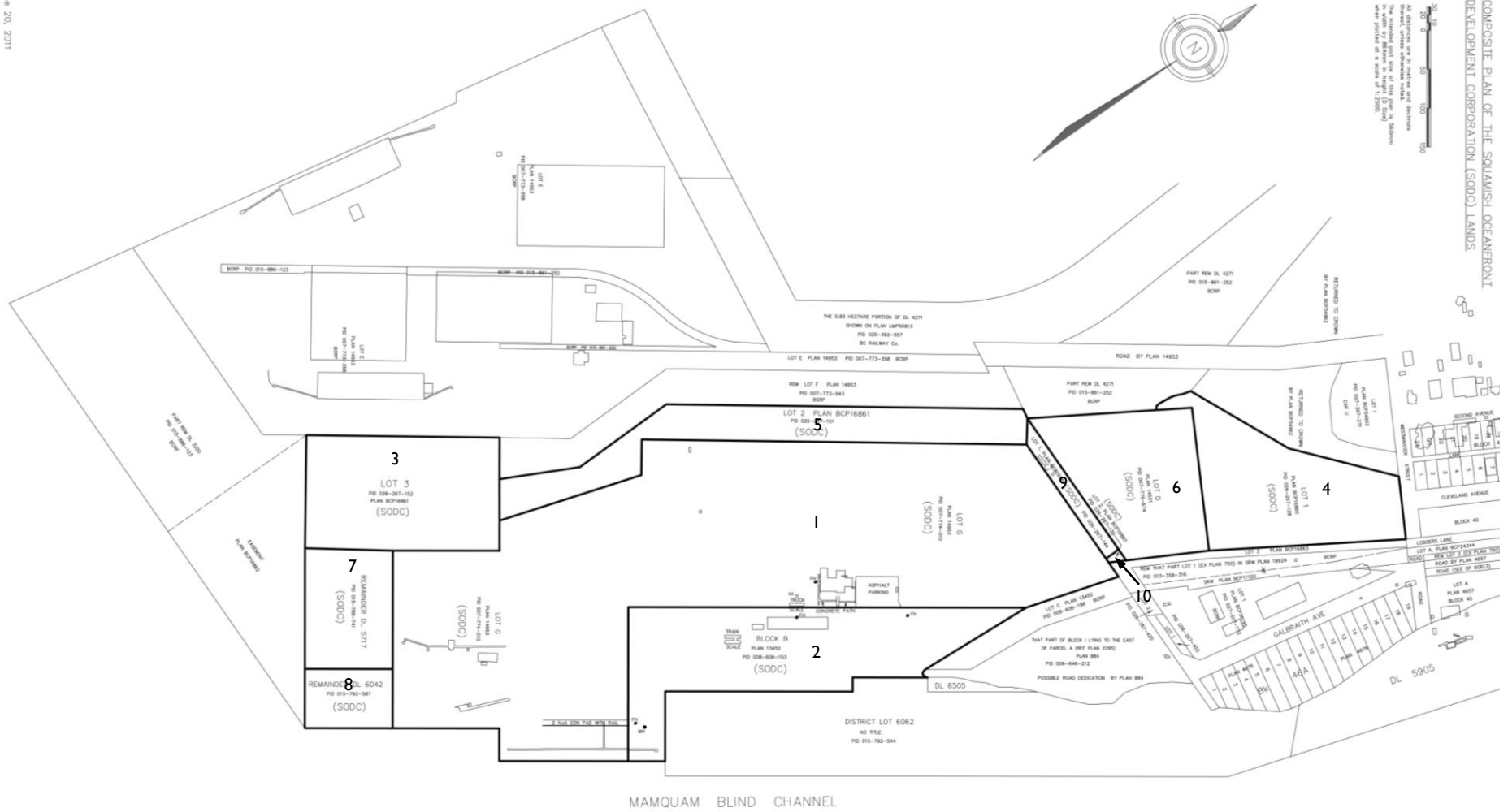
The Owner has elected not to establish an asking price for the Property, inviting prospective purchasers to submit appropriate joint-venture proposals or purchase offers.

PROPERTY OVERVIEW

Salient Details

LEGAL PLAN

June 20, 2011



PARCEL SIZE

The Property comprises 10 legal lots and a total land and water area of 103.1 acres.

The SODC Lands represent the largest ownership proportion on the Squamish Peninsula (the Peninsula includes two other neighbouring landowners Westmana and BC Rail).



PARCEL IDENTIFICATION & SIZE

REF. #	PID	SIZE (ACRES)	LAND/WATER
1	007-774-010	51.2	Mostly land, some water
2	008-606-153	12.1	Mostly land, some water
3	026-267-152	8.9	Water
4	026-267-128	8.4	Mostly land, some water
5	026-267-161	7.6	Water
6	007-779-674	7.4	Mostly land, some water
7	015-788-741	4.3	Water
8	015-792-587	2.1	Water
9	026-267-144	0.9	Mostly land, some water
10	026-267-136	0.05	Land
TOTAL		103.1	



SEA-TO-SKY HIGHWAY

DOWNTOWN SQUAMISH

SQUAMISH OCEANFRONT DEVELOPMENT LANDS

SQUAMISH TERMINALS

WHISTLER
40 MINUTES

VANCOUVER
45 MINUTES



PROPERTY OVERVIEW

Physical Summary



CONTEXT

The SODC Lands are located on the Squamish Peninsula immediately south of downtown Squamish and represent a huge opportunity for the District of Squamish and the entire Sea-to-Sky Region to build a new and unique waterfront community.

The Property comprises 10 legal parcels, of which 59.1 acres are located on land and 44.0 acres are fee simple water lots for a total area of approximately 103.1 acres. An additional 7.5 acres of land are proposed to be added by means of land filling to create parkland, increasing the overall land area to 66.6 acres (by proportionally reducing the water lots and keeping the total site area constant).

Being a former industrial site, the Property is levelled, primarily vacant, and substantially remediated to standards supporting a mixed-use development.

59.1 acres

Land (existing)

44.0 acres

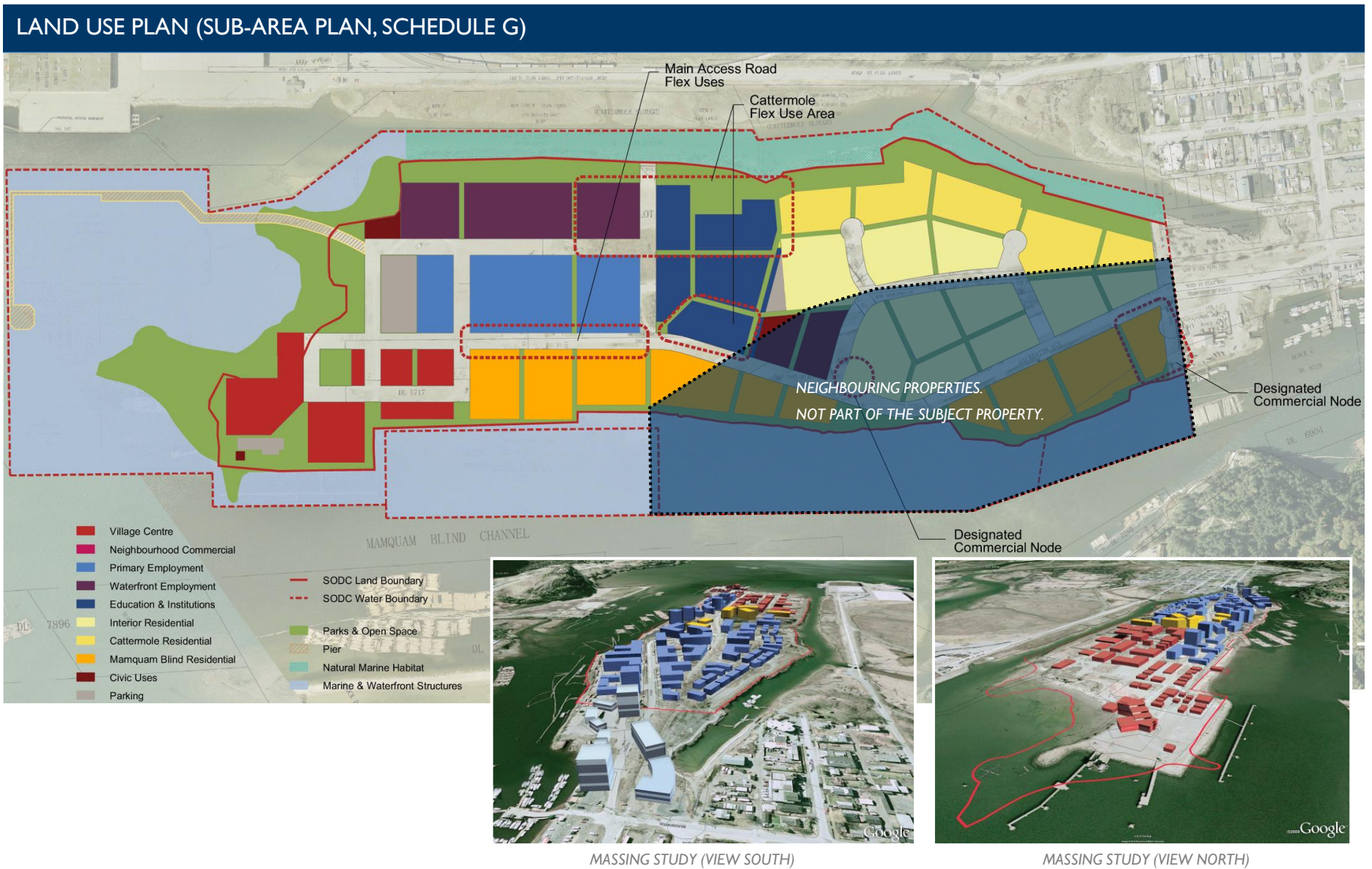
Water lots

103.1 acres

Total site area

PROPERTY OVERVIEW

Land Use Controls



CURRENT ZONING

Given the Property's historical industrial use, the majority of the Property is currently zoned **I-3 and I-1**; however, with adoption of the Squamish Oceanfront Peninsula Sub-Area Plan the Property has received government and public support for a major land use shift towards mixed-use as outlined in the next section.

FUTURE LAND USE

Adopted as a schedule to the District of Squamish Official Community Plan, the **Squamish Oceanfront Peninsula Sub-Area Plan** (the "Plan") is the primary guiding document for future development of the SODC Lands and the entire Squamish Peninsula. The Plan's land use policy addresses the spatial arrangement and range of land uses planned for the SODC Lands; highlights from each of the dominant land use is provided below, with reference map on the previous page. Overall, the Plan allows for flexibility for future development in terms of density, sequence, and land use.



VILLAGE CENTRE

MAX DENSITY: 2.50 Floor space ratio (FSR)

BUILDING HEIGHTS: 2-6 storeys

DOMINANT USES: Retail, service, entertainment, cultural, civic, tourism accommodation (hotel, condo-hotel, etc.)



WATERFRONT EMPLOYMENT

MAX DENSITY: 1.75 FSR

BUILDING HEIGHTS: 1-2 storeys

DOMINANT USES: Boat building, leasing, sales, repair, manufacturing, other maritime uses



PRIMARY EMPLOYMENT

MAX DENSITY: 1.50 FSR

BUILDING HEIGHTS: 2-4 storeys

DOMINANT USES: Light manufacturing, professional and business office use and high technology office



EDUCATION & INSTITUTIONS

MAX DENSITY: 1.75 FSR

BUILDING HEIGHTS: 4-6 storeys

DOMINANT USES: Post-secondary education, technology, private schools, arts schools, accessory student housing



CATTERMOLE WATERFRONT RESIDENTIAL

MAX DENSITY: 1.50 FSR

BUILDING HEIGHTS: 2-4 storeys

DOMINANT USES: Multi-family residential in the form of 4 storey apartments and 2-3 storey townhouses



INTERIOR RESIDENTIAL

MAX DENSITY: 2.50 FSR

BUILDING HEIGHTS: 2-6 storeys

DOMINANT USES: Multi-family residential in the form of 4 to 6 storey apartments and 2-3 storey townhouses



MAMQUAM WATERFRONT RESIDENTIAL

MAX DENSITY: 3.50 FSR

BUILDING HEIGHTS: 2-12 storeys

DOMINANT USES: Multi-family residential in the form of 4 to 12 storey apartments and 2-3 storey townhouses

REZONING PROCESS

Working in conjunction with the District of Squamish and within the framework of the Plan, the current Owner of the Property has undertaken significant remediation, technical, and architectural planning work and advanced a Comprehensive Development (CD) zoning bylaw for the Property to a second reading at the Council. The Owner has elected not to proceed with further readings of the CD bylaw, to allow for a prospective purchaser/development partner to provide input in the proposed development. Highlights of the proposed development concept are summarized in the following section. A Phased Development Agreement (PDA) will be required as part of the rezoning process.



Largest waterfront master-planned community in Lower Mainland

PROPOSED DEVELOPMENT CONCEPT

Vision



Over 1,100

Potential residential units

420,000 sf

Potential commercial and retail space

THE VISION: OCEANFRONT ALIVE

The Squamish Oceanfront is envisioned as a complete community with a blend of distinct neighbourhoods, each with its own unique character and activity centres.

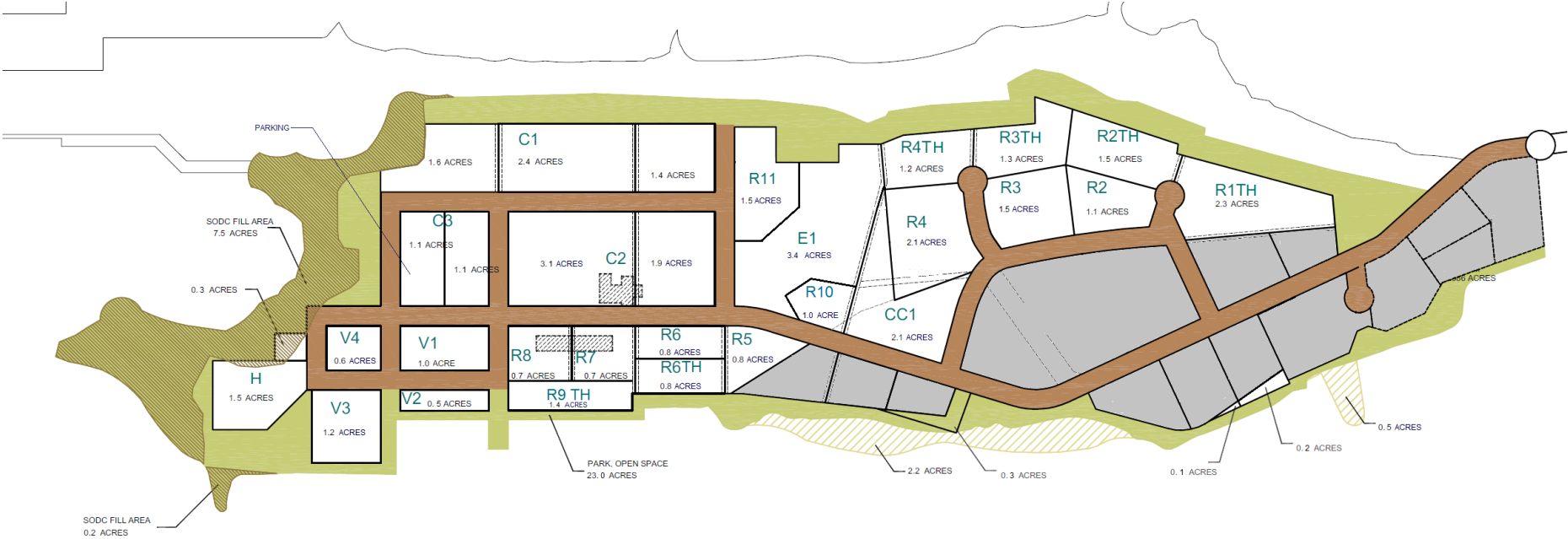
The Oceanfront development will re-connect the community of Squamish with the ocean. The heart of the plan is building community, achieved by creating a place where people will come together to work, to play, to learn and to live. This confluence of uses is anchored by the surrounding water, marking the peninsula as the start of the journey, rather than the end of the road.

This vision for the SODC Lands will create a community that provides a blend of live-work-play balance unprecedented anywhere else in British Columbia.

PROPOSED DEVELOPMENT CONCEPT

Lands Subdivision & Density

CONCEPTUAL SUBDIVISION PLAN



Over 2,000,000 sf
Total buildable area

LAND AREAS	LAND AREA (ACRES)	GROSS BUILDABLE AREA (SF)
Residential (R Districts)	18.5	1,205,000
Office (C Districts)	12.4	362,000
Education (E District)	3.4	290,000
Retail (V Districts)	3.3	60,000
Hotel (H District)	1.7	140,000
Circulation, Parks, Open Space	26.8	--
Total	66.2	2,057,000

Note: The total land area of 66.0 acres achieved after 7.5 acre infill for parkland.

PROPOSED DENSITY

RESIDENTIAL

The development concept has two main residential neighbourhoods that comprise a total land area of 18.5 acres. The gross residential density of the project is estimated at 1.2 million square feet, relatively evenly distributed between the two proposed neighbourhoods of Cattermole North (parcels R1-R4, R10, R11) and Marina Boardwalk (R5-R9). In terms of housing unit mix, the development conceptual idea proposes 1,136 housing units, including:

- 266 townhouses,
- 663 low rise condominiums, and
- 207 mid rise condominiums.

CONCEPTUAL RESIDENTIAL DISTRICTS (R)																
PARCEL	R1	R2	R2 TH	R3	R3 TH	R4	R4 TH	R5	R6	R6 TH	R7	R8	R9	R10	R11	TOTAL
Land (Acres)	2.31	1.14	1.46	1.49	1.15	2.08	1.15	0.83	0.77	0.77	0.68	0.69	1.36	1.02	1.49	18.54
Product	TH	LR	TH	LR	TH	LR	TH	LR	MR	TH	MR	LR	TH	LR	LR	
Gross Area (sf)	99,700	80,900	60,400	138,000	49,400	72,900	44,200	65,900	123,600	29,300	123,600	91,800	53,100	82,700	90,400	1,205,900
Saleable Area (sf)*	99,700	68,800	60,400	117,300	49,400	62,000	44,200	56,100	105,100	29,300	105,100	78,100	53,100	70,300	76,900	1,075,800
Units	83	86	50	147	41	88	37	59	111	20	96	87	35	100	96	1,136

Notes: TH-townhouse; LR-low rise; MR-mid rise. * Low rise and mid rise product; based on 85% efficiency.

RETAIL

SOBC Land's primary retail (restaurant, stores, service providers) are envisioned for the Oceanfront Village (V1-V4) neighbourhood. The total land area for this use is estimated at 3.31 acres and gross building area of approximately 60,000 square feet.

CONCEPTUAL RETAIL DISTRICTS (V)					
PARCEL	V1	V2	V3	V4	TOTAL
Land (Acres)	1.00	0.47	1.23	0.61	3.31
Gross Area (sf)	23,300	13,600	19,000	4,400	60,300

PROPOSED DEVELOPMENT CONCEPT

Lands Subdivision & Density (cont'd.)

OFFICE

Main employment areas of the SODC Lands are proposed for the Marine Centre neighbourhood (C1) and Workplace neighbourhood (C2, C3).

Overall, the project envisions over 360,000 square feet of office, commercial and warehouse space which is in line with the District of Squamish vision for a mixed-use community on the SODC Lands.

CONCEPTUAL OFFICE DISTRICTS (C)				
PARCEL	C1	C2	C3	TOTAL
Land (Acres)	5.33	4.98	2.12	12.43
Gross Area (sf)	80,400	220,000	62,100	362,500

HOTEL

The SODC Lands development vision proposes hotel (accommodation) space to be developed at the southern tip of the Squamish peninsula next to the Oceanfront Park. Proposed hotel land parcel is approximately 1.71 acres with gross building area of 139,758 square feet.

EDUCATION

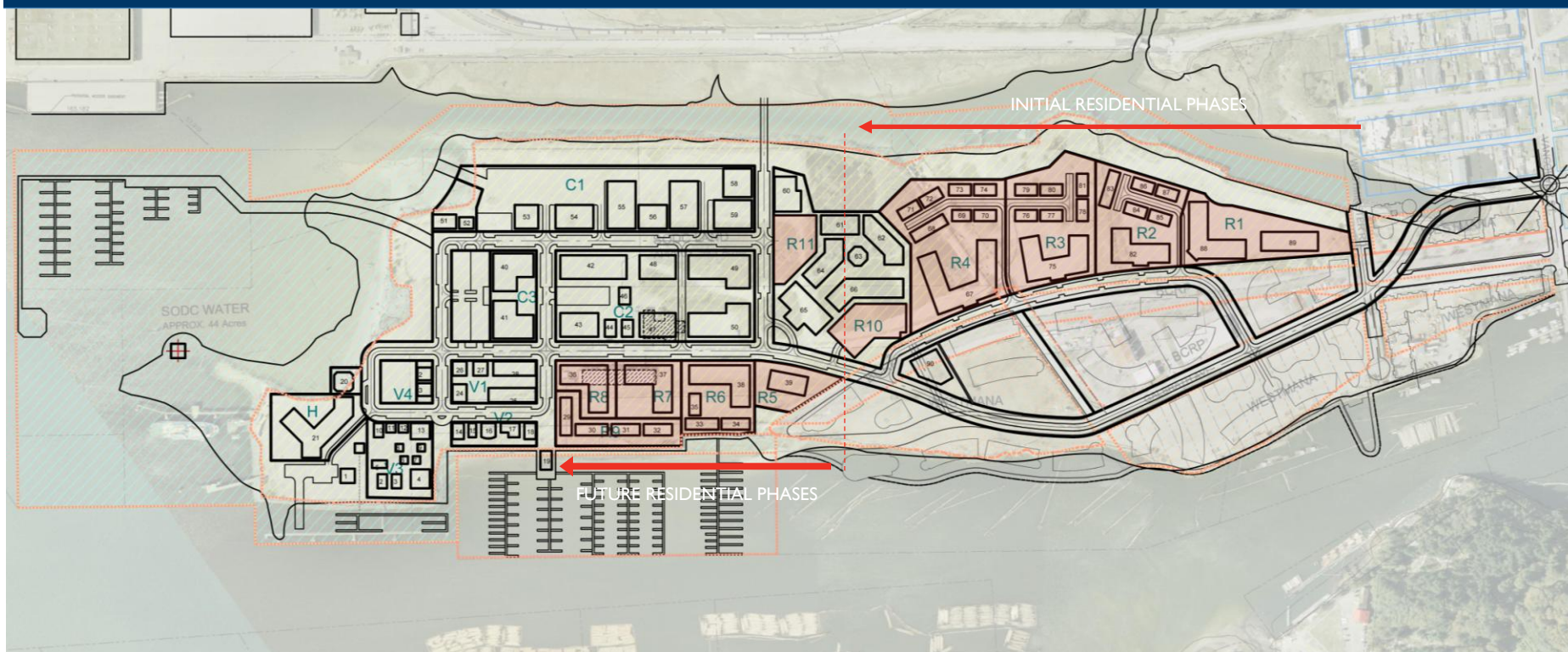
The development plan for the SODC Lands also foresees an education campus covering approximately 3.41 acres with 290,000 square feet of buildable area.

CIRCULATION, PARK & OPEN SPACE

SODC Lands are envisioned as a mixed-use community with significant focus on pedestrian circulation, parks and open space. Approximately, 28 acres will be used for roads, circulation, parks and open space throughout the project.



CONCEPTUAL BUILDING FOOTPRINTS & RESIDENTIAL PHASING



PROPOSED DEVELOPMENT CONCEPT

Team

SODC Lands provide an opportunity for a developer to enter a master-planned project that will shape the future of one of the fastest growing cities in the province located in the most spectacular natural setting between two world-class destinations. During due diligence and throughout the development process, the successful development partner or purchaser of the SODC Lands will be able to rely on extensive work completed by the project team.

COST CONSULTING & APPRAISAL



Grover Elliot & Co

DEVELOPMENT CONSULTING & ARCHITECTURE



Raymond Letkeman
Architects

ENGINEERING



Hayco

LEGAL, AUDIT & OTHER



Lightroom



Artist's rendering of proposed SODC Oceanfront Village neighbourhood.

TECHNICAL DETAILS

SUMMARY

SODC has engaged a number of professional consultants to conduct preliminary design and investigation work in regards to the SODC Lands. This work has included environmental, infrastructure, transportation, geotechnical and financial analysis.

ENVIRONMENTAL

Since 1999, the Owner has spent approximately \$45 million on environmental investigations and remediation work on the Property.

Part of the remediation included the operation of a large groundwater treatment system from 2001 to 2003, followed by the operation of a smaller groundwater treatment system from 2007 to 2011. The large groundwater treatment system was decommissioned in 2010 with Ministry of Environment approval, and the small groundwater treatment system is currently maintained on standby. Quarterly groundwater monitoring is conducted at the south end of the Property, and results are compared against site-specific trigger levels that, if exceeded, could prompt re-starting the small groundwater treatment system.

Today, approximately one-third of the Property has received a Certificate of Compliance to residential standards. There is approximately \$4 million of environmental work remaining on the Property to obtain the remaining Certificates of Compliance. This work could be completed in 2 years (with possible post-remediation monitoring that could extend for an additional 2 years).

INFRASTRUCTURE

Preliminary investigation for on-site and off-site servicing and civil work has been conducted by KWL Engineers, Bunt and Associates and Creus Engineering. This includes initial design assessment for water, sanitary, storm water, road works and sustainable infrastructure. Discussions are ongoing with the District of Squamish in relation to off-site servicing requirements. The District is currently revising its DCC Bylaw and expects to have that completed in early 2013.

GEOTECHNICAL

Studies and reports have been completed on the geotechnical aspects of the property including the existing conditions, foreshore protection and flood level requirements. Some ground improvement will be required depending on the size and type of the buildings. The entire site will require a filling operation to reach habitable level according to the current Flood Construction Levels (FCL) for the District of Squamish. Thurber Engineering is the geotechnical engineer for the project.

BUSINESS PLAN

In 2009, SODC created a comprehensive business plan based on the conceptual development plans. This business plan assessed the development potential and the required costs to advance the SODC project. Currently, the SODC has retained the Altus Group to update the business plan cost and revenue projections to current levels. The updated Altus Group's cost and revenue analyses are available on the due diligence website.



Oceanfront view of the Howe Sound from the SODC Lands.

Metro Vancouver's land constraints, coupled with rising housing costs, will inevitably shift focus and provide opportunities for best positioned secondary markets such as Squamish.



LOCATION

Regional Overview

METRO VANCOUVER

Over the past Census period, Metro Vancouver had the second highest increase in population among metropolitan areas in Canada. Between 2006 and 2011 the Metro population increased by 197,000 or nearly 40,000 persons each year. Metro Vancouver absorbed approximately 70% of B.C.'s growth; as a result Metro's share of BC's total population increased to 52.5% and currently stands at approximately 2.31 million. Metro Vancouver is not only the largest population hub it is also the primary economic driver of the province. Metro Vancouver has seen strong employment gains since the 2008-09 recession. Over the past year more than 58,000 jobs were added to the regional workforce - the largest annual increase since 2007.

HOUSING STARTS

During 2011 Metro Vancouver experienced one of the most robust years of recent history as housing starts peaked above the 10 year average for the first time since 2008. Last year's 17,867 housing starts represented a 17.4% increase over 2010, primarily due to the activity in the multi family (townhouse and condominium) segment.

Overall, it was the higher resale prices, job growth, and population-based housing demand, stemming from ongoing international migration, that provided the impetus for developers to elevate residential construction activity which has carried into 2012. Despite mounting concerns about the world economy, the first half of 2012 continued to see strong residential construction activity resulting in 9,907 housing starts - 16.9% higher than the same period in 2011.

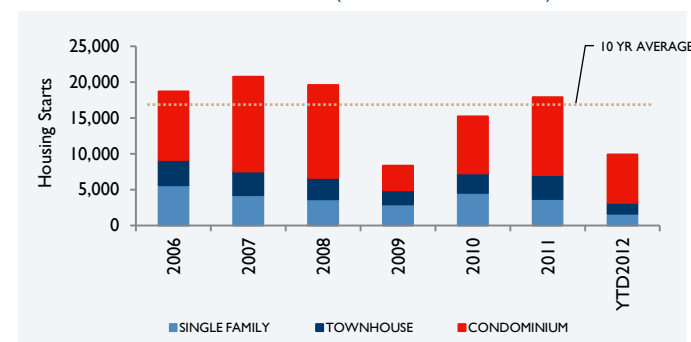
HOUSING PRICES

Following 4 years of accelerated price growth, especially in the single family segment (30% price increase from Q12008 to Q12012), summer of 2012 has brought softening conditions in all residential segments. However, even with observed price corrections, Metro Vancouver's housing market remains one of the highest valued in the country and second least affordable in the entire world.

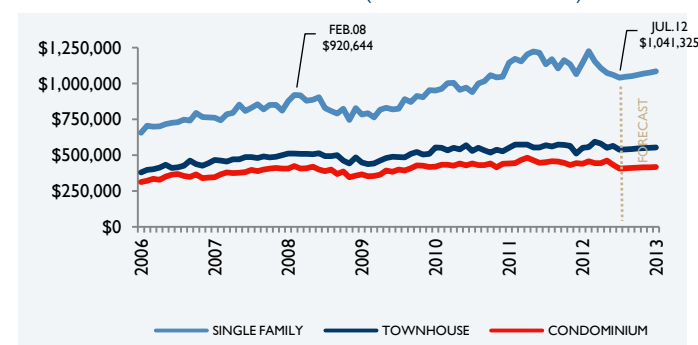
As of July 2012, average single family house in Metro Vancouver was \$1,041,325, double the national benchmark of \$521,800 and 13% higher than the pre-recession peak of \$920,644 in February 2008. Similarly, the region's average townhouse price was estimated at \$538,297, 50% higher than the national benchmark of \$354,600 and 5% ahead of region's previous peak in mid 2008. Meanwhile, the July 2012 condominium average price of \$406,366 was 32% higher than the national benchmark of \$308,900.

Going forward, prices are not expected to decelerate further. In fact, continued stability in Metro Vancouver's economy, further growth in full-time employment, and continued low interest rate climate are expected to support stable pricing for the coming years and mounting affordability pressure for people looking to own a home in Metro Vancouver.

HOUSING STARTS (METRO VANCOUVER)



AVERAGE RESALE PRICES (METRO VANCOUVER)



Sources: CMHC Housing Now (2006-2012); Real Estate Board of Greater Vancouver MLS Statistics Packages (2007-2012).

LOCATION

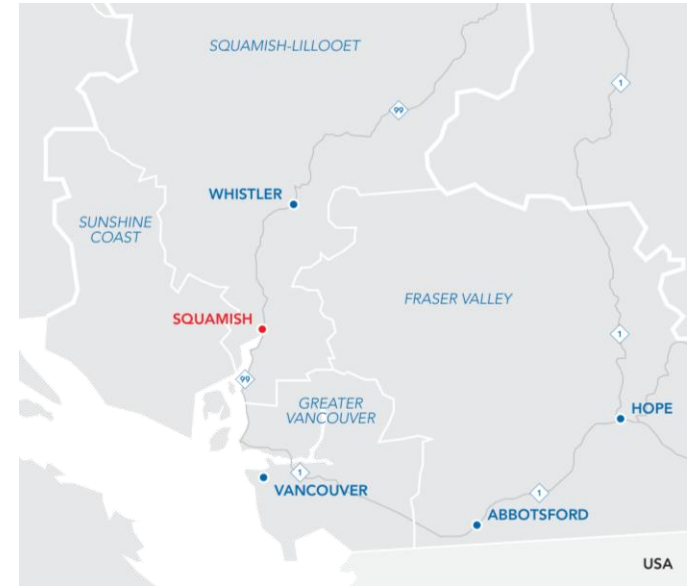
Municipal Overview

SQUAMISH, BC

The District of Squamish is located in the southwest corner of the province, just 45 minutes north of Vancouver and approximately 40 minutes south of the Resort Municipality of Whistler. Primary access to Squamish is via the significantly upgraded Highway 99.

Positioned between two world-class destinations, Squamish is in a unique position to benefit from population and economic growth of Metro Vancouver and at the same time offer unparalleled “live-work-play” opportunities.

Overall, given its proximity to Vancouver and Whistler with ease of access on Highway 99, Squamish is one of very few long-term growth alternatives that ensures retaining the world famous “live-work-play” balance. This is especially true as Metro Vancouver’s land-locked position and rapid immigration is beginning to elevate concerns about congestion and affordability.



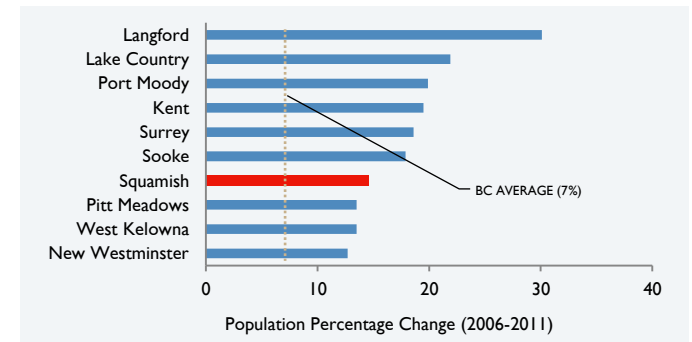
DEMOGRAPHICS

Squamish is one of the fastest growing municipalities in BC. Growing twice as fast as the province, over the past 5 years Squamish’s population has increased by 14.8% (from 14,949 residents in 2006 to 17,158 in 2011). Among the cities located within Metro Vancouver or immediately adjacent, Squamish is the 3rd fastest growing municipality trailing only Port Moody and Surrey with 19.9% and 18.6% population growth, respectively.

Going forward, Squamish is expected to continue to grow on a faster pace than the province and reach a population of over 18,400 by 2017 and hit the 20,000 mark around 2020.

Squamish is also a young and educated community with median age 5 years below Metro Vancouver and nearly 60% of the population under the age of 40.

TOP 10 FASTEST GROWING MUNICIPALITIES (>5,000 POPULATION)



Sources: BC Stats as per Statistics Canada data; FP Markets Canadian Demographics 2012; Real Estate Board of Greater Vancouver Multiple Listing Service; CMHC Housing Now BC Region 2004-2012; Squamish Business Counts, Business Retention and Expansion Program.

LABOUR FORCE

Squamish's 2012 labour force is estimated at 10,600. Like most cities around Metro Vancouver, the majority of Squamish's employment is concentrated in retail sales (29.9%) followed by trade and transportation (22.3%), finance and administration (14.2%), and management (10.8%). Public sector jobs such as health care, social and government services, and education collectively employ approximately 10-11% of the labour force.

Activity in Squamish's labour market has resulted in higher labour force participation rates than Metro Vancouver or the province. As of 2012, Squamish shows nearly an 80% male and 70% female participation rate, in comparison to Metro Vancouver with 71% male and 62% female participation.

INCOME

Today's Squamish income levels per capita (\$34,703) are equal to Metro Vancouver (\$34,718) and ahead of the provincial average (\$32,945). Going forward, Squamish is anticipated to see faster income growth than both Metro Vancouver and BC.

Squamish is also leading the way in terms of average household income. With 2012 average household income estimated at \$92,374, Squamish sits nearly 5% higher than Metro Vancouver's \$88,136 and approximately 14% higher than the provincial household average of \$80,929.

BUSINESS CLIMATE & SENTIMENT

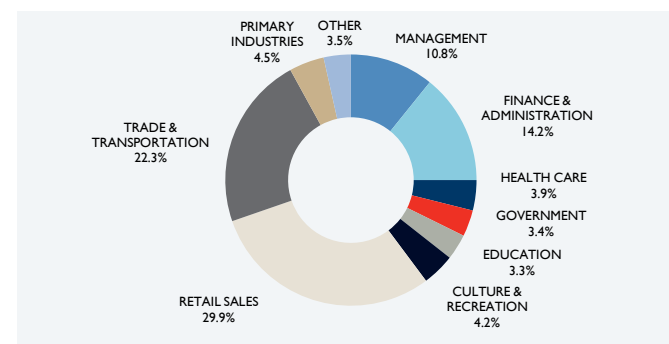
The District of Squamish recognizes that retaining and enhancing local businesses is one of the main priorities for the medium-to-long term growth and prosperity of the city.

According to a recent and comprehensive study, Squamish has a fairly stable business community as most of the businesses operating in Squamish have been active for 5 or more years. In terms of business growth, almost 70% of the Squamish businesses surveyed indicated that their primary product/service line is in an emerging or growing stage.

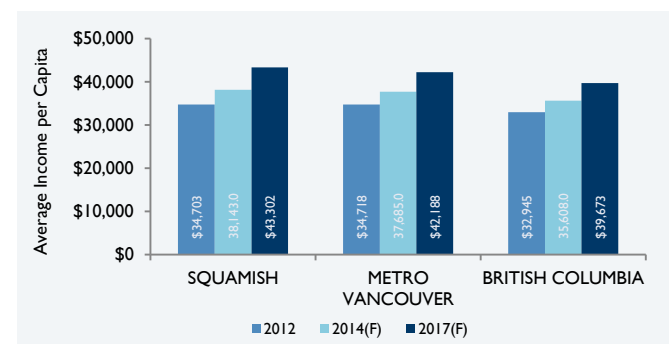
In addition, most Squamish businesses are optimistic about the future and have plans for job creation and future growth. Over the next 3 years, the surveyed Squamish business sample is planning to expand their labour force by 19% - an increase of 258 jobs, while their expansion plans over the same period include a projected investment of over \$42 million.

One of the challenges that has slowed potentially faster business growth to date is lack of suitable commercial space in Squamish. According to the survey, approximately 42% of businesses that plan to expand believe their current site is not adequate to accommodate their expansion. **This, in turn, provides an excellent opportunity for the SODC Lands to capture the majority of this local, built-up business potential.**

OCCUPATIONS BY MAJOR GROUPS



INCOME LEVELS





LOCATION

Municipal Overview (cont'd.)

HOUSING COMPOSITION

Comprising over half (53.3%) of the total housing supply, single family is the dominant housing segment in Squamish. Townhouse and apartment housing adds 21.9% and 18.9%, respectively, meanwhile mobile homes contribute approximately 5.9% to the existing Squamish housing supply.

Going forward, important factors such as rapidly growing population, gradual absorption of unsold product, and housing affordability in comparison to Metro Vancouver, is expected to significantly accelerate demand for new housing in Squamish.

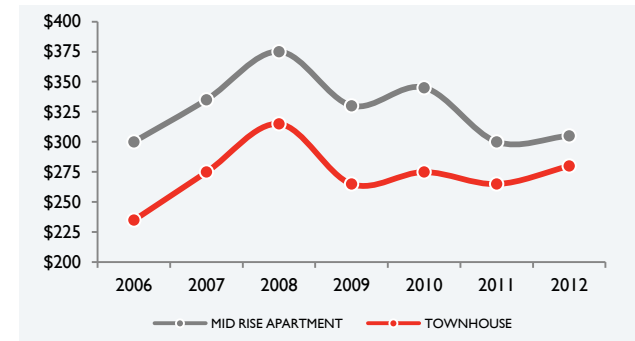
HOUSING PRICES

As of July 2012, all three housing segments (single family, townhouse, and apartment) benchmark prices in Squamish are at par or above the 5 year average.

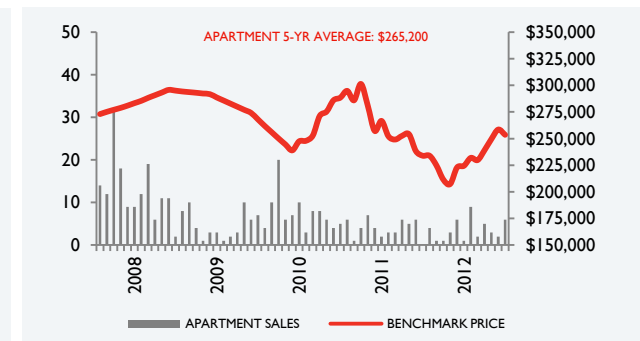
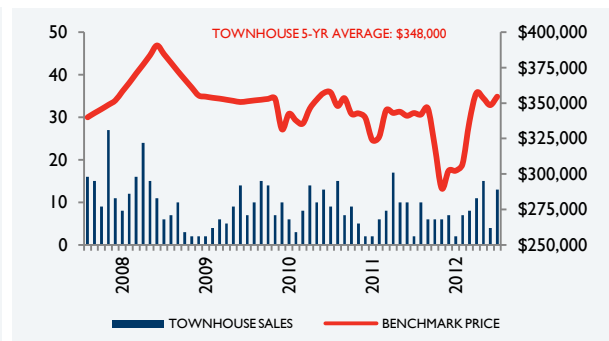
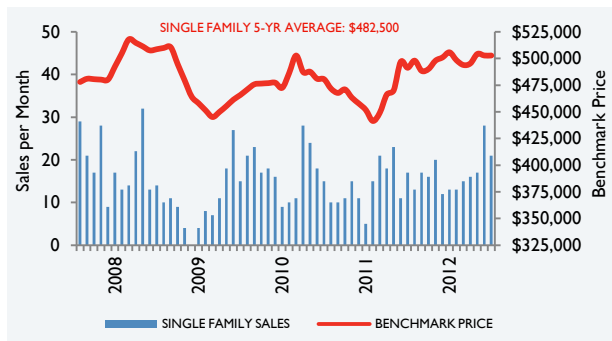
Single family prices sit at \$502,700, approximately half of the Metro Vancouver average, benchmark townhouse in Squamish costs approximately \$354,600, while typical apartment trades for \$253,600.

In terms of price per square foot (psf), going forward Squamish residential market is expected to reflect low to mid rise apartment price points ranging from \$300 to \$370 psf and townhouses from \$280 to \$320 psf. Meanwhile, any high rise development in an undersupplied market such as Squamish could demand price points from \$350 to \$420 psf.

SQUAMISH HOUSING PRICES (PSF)



SQUAMISH RESIDENTIAL SALES & PRICING



LOCATION

For International Purchasers

CANADA

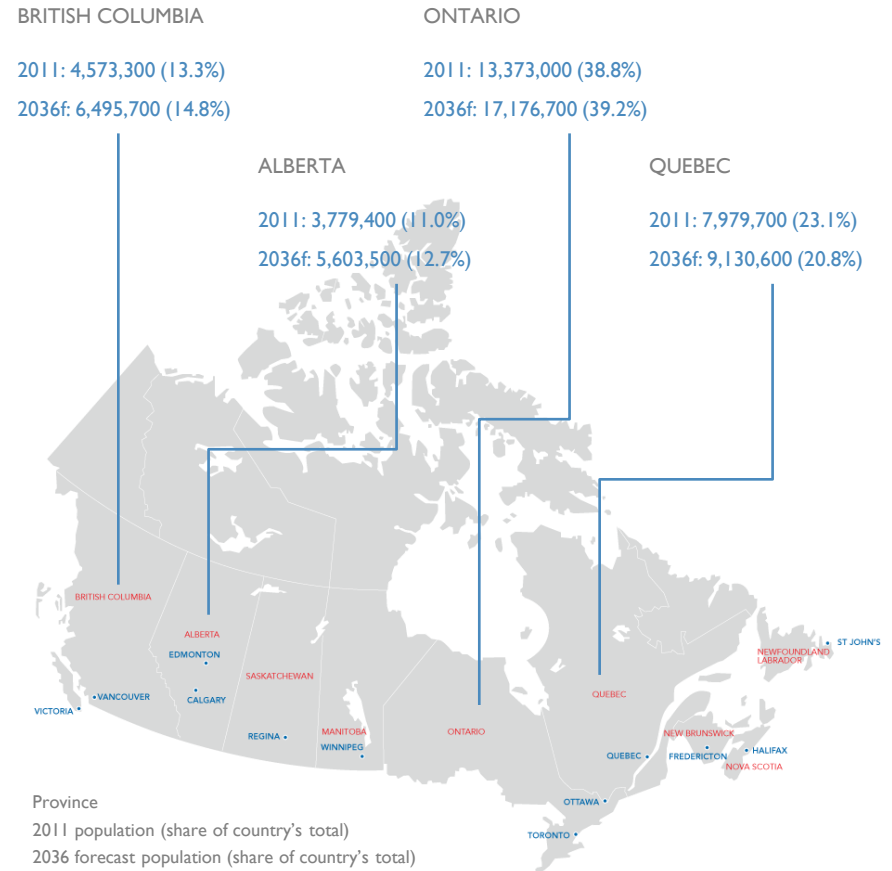
Canada's current population is estimated at 34.50 million. Over the past 5 years the country has been growing at approximately 1.1% per year, resulting in an increase of nearly 1.76 million since 2006.

Approximately 86% of Canada's population is concentrated in 4 provinces: Ontario (13.37 million; 38.8% of total), Quebec (7.97 million; 23.1%), British Columbia (4.57 million; 13.3%), and Alberta (3.77 million; 11.0%). Most of Canada's largest urban centres, including Toronto, Montreal, Vancouver, and Ottawa are situated within 100 kilometres of the U.S.A. border.

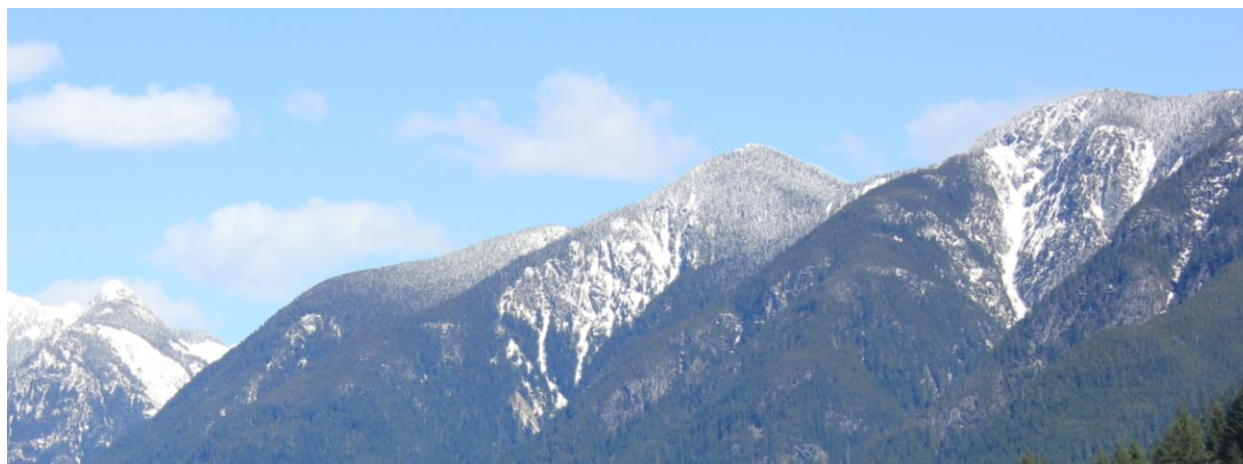
According to Statistics Canada's medium-growth forecast, the Canadian population is expected to reach 43.80 million by 2036, with immigration being the main driver of growth. Over this time frame, Ontario and British Columbia are anticipated to absorb higher population growth than the national average.

When compared to the performance of other western economies, Canada has seen a strong and steady recovery from the 2008-09 recession. By the end of 2011, the overall employment in the country had already surpassed its pre-recession peak, business investment had returned stronger than expected, and so had the exports. Overall, Canada's real gross domestic product is anticipated to advance at an average pace of 2.7 % from 2012 to 2016.

Going forward, Europe will remain at the forefront of global economic concerns; however, any potential trouble across the Atlantic will be more than offset by the recovery in the U.S. economy, more specifically, traction in employment and consumer confidence, as well as the housing market.



Sources: Statistics Canada 2011 Census; The Conference Board of Canada; BC Stats "B.C.'s Economy in 2011".



BRITISH COLUMBIA

As of 2011 British Columbia's population had reached approximately 4.57 million, a 7.0% increase since 2006. B.C.'s net addition of 286,570 people was approximately equal to the entire population of the Fraser Valley. On a national scale, B.C.'s population growth was second only to Alberta's.

International migration accounted for 65% of B.C.'s population growth between 2006 and 2011. Approximately 20% of the growth was due to natural increase, while migration from other regions in Canada accounted for balance (15%) of the growth. Within the province, population growth was concentrated in the most inhabited parts, including: Metro Vancouver, eastern and southern portions of Vancouver Island, and the Interior.

BC's economy expanded 2.9% in 2011, ahead of the national average (+2.6%). This marked a second straight year of GDP growth, following a notable decline (-2.2%) in 2009, when the economy shrank for the first time since 1982.

Going forward, B.C.'s economic prospects are closely linked to the outlook for the export sector. While growth in several established economies will take some time to re-settle, China and other emerging markets are doing better. As a result, B.C. is expected to continue to focus on the Asia Pacific region for its forestry, mining, and natural gas exports. All in all, over the medium term the provincial economy is expected to remain on an improving growth pattern expanding at a rate of 2 to 3%.

4.57 million

Population of British Columbia

286,570

Net population growth of
British Columbia since 2006

65%

Share of international
immigration in the overall
population growth

OFFERING PROCESS & CONDITIONS

Process

INTRODUCTION

The Squamish Oceanfront Development Corporation (“SODC”, “Vendor”, “Owner”) has engaged Cushman & Wakefield Ltd. (“C&W”, “Agent”, “Advisor”) on an exclusive basis **to arrange a joint-venture partnership or a sale of 100% freehold interest** in 59.4 acres of land and 44.0 acres of water lots located at the southern portion of the Squamish Peninsula in the District of Squamish, British Columbia, Canada (“Property”, “SODC Lands”).

SUBMISSION GUIDELINES

The Agent will notify prospective Proponents of the submission guidelines after a reasonable amount of time has been provided to review the Confidential Information Memorandum (“CIM”) and the due diligence material available on the “virtual data room”. The Vendor and the Agent will look to establish a submission date **for partnership of purchase offers during the fourth quarter of 2012.**

The “virtual data room” can be accessed at www.cwvancouver.ca/sodc_lands.

REVIEW OF OFFERS

The Vendor, through the Agent, will respond to partnership or purchase offers as quickly as reasonably possible under the circumstances. The Vendor may negotiate exclusively with a single Proponent who submits an offer that is judged to be most attractive to the Vendor, in its sole and absolute discretion, or alternatively, the Vendor may elect to respond to more than one Proponent in the event multiple offers are received that reflect similar and generally acceptable terms. In any event, the Vendor is under no obligation to negotiate or accept any offers.

The Vendor reserves the right to stop the sale process in respect to the Property, or to cease discussions with Proponents, at any time prior to accepting an Offer, without notice or liability.

OFFERING SALE PRICE

The Owner has elected not to establish an asking price for the Property, inviting Proponents to submit appropriate partnership propositions or purchase offers.

Conditions

MEMORANDUM CONTENTS

The CIM has been prepared by C&W and is being delivered to registered Proponents in order to assist them in deciding whether they wish to acquire the Property from the Vendor.

This CIM does not purport to be all-inclusive or to contain all the information that a Proponent may require in deciding whether or not to purchase the Property. This CIM provides information relating to certain physical, location, zoning, servicing, environmental and other site characteristics of the Property. The information upon which this CIM is based has been obtained from various sources considered reliable. Neither the Vendor nor the Agent makes any representations, declarations or warranties, expressed or implied, as to the accuracy or completeness of the information or statements contained herein or otherwise, and such information or statements should not be relied upon by Proponents without independent investigation and verification. The Vendor and Agent expressly disclaim any and all liability for any errors or omissions in the CIM or any other written or oral communication transmitted or made available to Proponents.

If any information related to the Property, in addition to the information provided in the CIM, is provided at any time, orally or otherwise, by the Vendor or the Agent (the “Additional Information”), such information is provided as a convenience only without representation or warranty as to its accuracy or completeness and should not be relied upon by Proponents without independent investigation and verification.

SALE CONDITIONS

The Property is to be purchased on an “as is, where is” basis and there is no warranty, expressed or implied, as to title, description, condition, size or fitness for purpose thereof. The Vendor and the Agent reserve the right to withdraw, amend or replace all or any part of this CIM or the “virtual data room” at any time and undertake no obligation to provide Proponents with access to any additional information, including all or any of the Additional Information. In all cases, Proponents should conduct their own investigation and analysis of the Property. Any sale of the Property will be subject to the terms of an accepted Offer to Purchase, which will supersede all prior communications, including this CIM.

DISCLAIMER

Any material concerning the Property and any documents, reports and other information previously or hereafter provided to Proponents by the Vendor and its directors, officers, employees and agents including, without limitation, C&W, has been prepared solely for the purpose of assisting Proponents to conduct their own due diligence with respect to the Property. Proponents are advised to make their own enquiries and conduct their own due diligence to satisfy themselves as to the accuracy and completeness of the information.

While the information is believed to be accurate and reliable, neither the Vendor, nor their affiliates, agents, advisors, directors, officers, employees, consultants, independent contractors or shareholders accept any responsibility or make any representations or warranties, express or implied, as to the accuracy or completeness of the information, and each of such parties expressly disclaims any and all liability that may be based on such information or communication, errors therein or omissions therefrom and takes no responsibility for any interpretation of the information made by Proponents.

OFFERING PROCESS & CONDITIONS

Conditions (cont'd.)

All of the information is proprietary to the Vendor and confidential in nature. Proponents may not reproduce, distribute or disclose all or any portion of the information to anyone other than their employees, directors and professional advisors without the prior written authorization of the Vendor.

CONFIDENTIALITY

By accepting this CIM, Proponents agree to hold and treat this CIM and its contents in the strictest confidence. Proponents will not, directly or indirectly, disclose or communicate or permit anyone else to disclose or communicate this CIM or any of its contents or any part thereof to any person, firm or entity without the prior written consent of the Vendor and Agent.

All Proponents have executed a confidentiality agreement with respect to receipt of the CIM and access to the “virtual data room”. This CIM shall not be copied, reproduced or distributed, in whole or in part, to any other person or party except as may be provided for within the Confidentiality Agreement.

The Agent will notify Proponents of the submission guidelines after a reasonable amount of time has been provided to review the Confidential Information Memorandum (“CIM”) and the due diligence material available on the “virtual data room”.

INDEMNIFICATION

In exchange for specific good and valuable consideration provided by the Vendors and the Advisor, including without limitation, the delivery of this CIM, the receipt and sufficiency of which is hereby acknowledged by the Proponents, Proponents hereby agree to indemnify the Vendor and the Advisor, and their affiliates, against any compensation, liability or expense (including attorneys’ fees), arising from claims by any other party the Proponent had dealings with (excluding the Advisor) in connection with the sale of the Property, or in connection with a breach by the Proponent of its obligations as described herein.

In no event shall any Proponent or any of its agents or contractors contact any governmental authorities concerning the Property, or make any physical inspection or testing of the Property, without a prior written consent of the Vendor and the Advisor.

EXCLUSIVE AGENTS

All inquiries regarding the Property or any information contained in this CIM should be directed to the under-noted on behalf of the Vendor.

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**Kevin Meikle is licensed with K.H.M. Realty Ltd. and has a contractual relationship with Cushman & Wakefield Ltd.