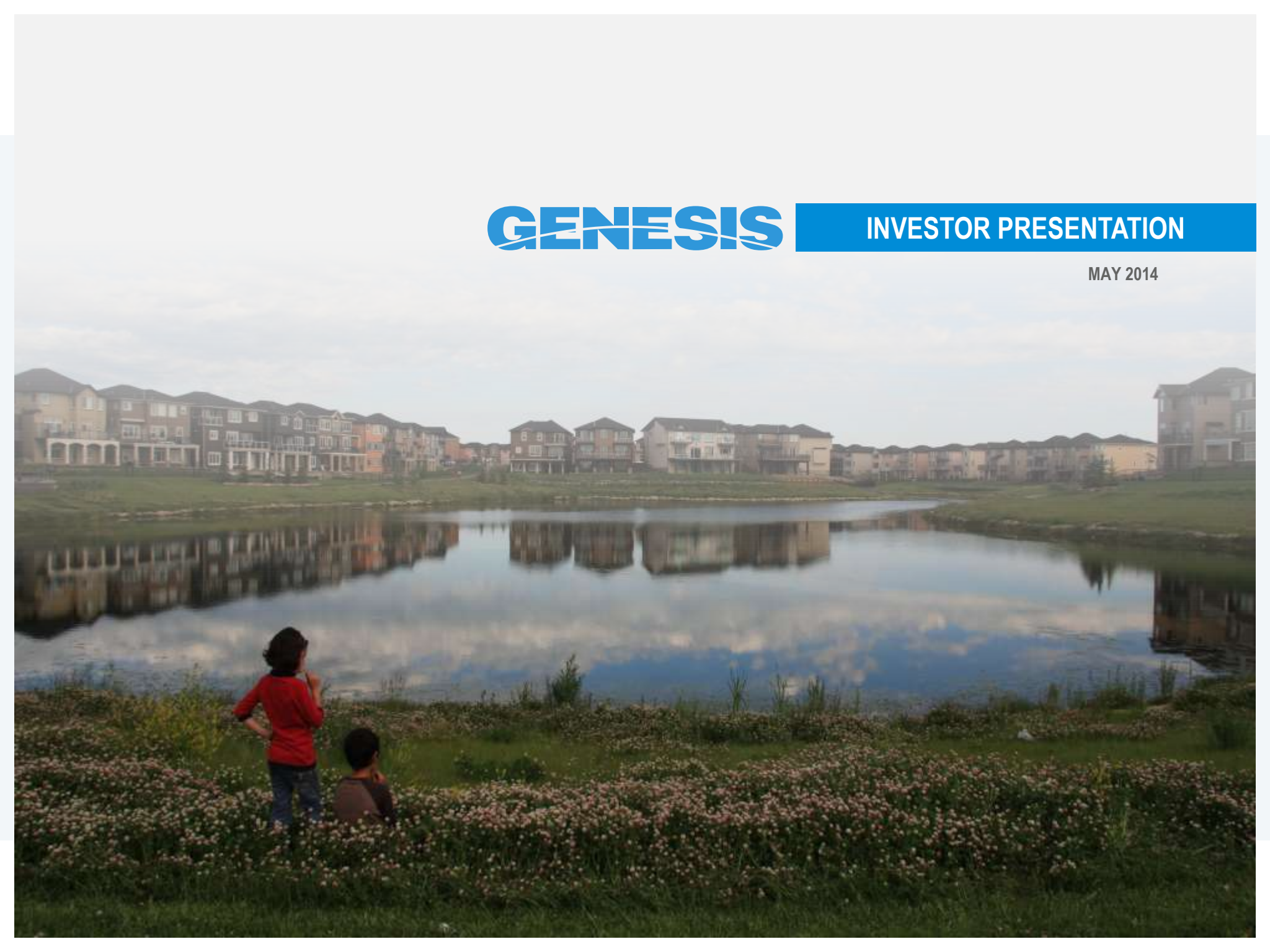


The logo for Genesis, featuring the word "GENESIS" in a bold, blue, sans-serif font. A white swoosh underline is positioned beneath the letters "E", "S", and "I".

**GENESIS**

**INVESTOR PRESENTATION**

MAY 2014



# FORWARD LOOKING STATEMENTS

This presentation contains statements that are forward thinking.

Forward-looking statements are disclosures regarding possible events, conditions, or results of operations that are based on assumptions about future economic conditions, courses of action and include future oriented financial information.

These statements represent Genesis' intentions, plans, expectations, and beliefs and are based on our experience and our assessment of historical and future trends, and the application of key assumptions relating to future events and circumstances. Future-looking statements may involve, but are not limited to, comments with respect to our strategic initiatives for 2014 and beyond, future development plans and objectives, targets, expectations of the real estate, financing and economic environments, our financial condition or the results of or outlook of our operations.

By their nature, forward-looking statements require assumptions and involve risks and uncertainties related to the business and general economic environment, many beyond our control. There is significant risk that the predictions, forecasts, valuations, conclusions or projections we make will not prove to be accurate and that our actual results will be materially different from targets, exceptions, estimates or intentions expressed in forward-looking statements. Assumptions about the performance of the Canadian and US economies and how this performance will affect Genesis's business are material risks and assumptions.

Investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements, whether written or oral, made by Genesis or on its behalf.



## Solid Company with Upside Potential

- Integrated real estate developer and home builder
- Focused on the Calgary Metropolitan Area (“CMA”), one of North America’s leading real estate markets
- Large portfolio of entitled residential and mixed-use lands
- Strong balance sheet
- Led by an experienced and knowledgeable board and management team
- Pre-tax net asset value of \$7.18 per share compared to a book value of \$4.36 per share (December 31, 2013) and current trading price of \$4.26 as at May 22, 2014
- Focused on maximizing shareholder value by delivering strong and sustainable cash flow and eliminating differential between share price and net asset value per share

# CALGARY, ALBERTA

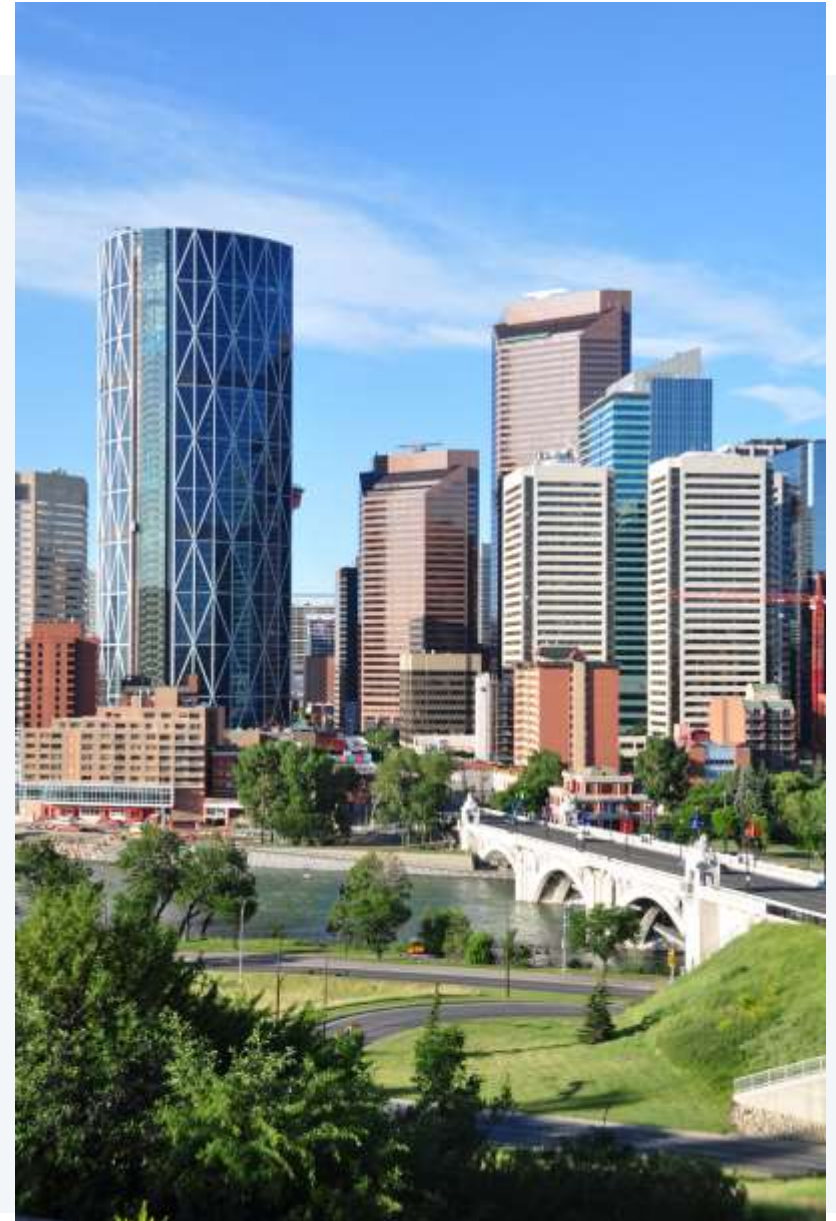
## Strong Economics and Favourable Demographics

Calgary is the business and financial centre of Western Canada, recognized as a world leader in the oil and gas industry

- **Increasing Population:** up 33.6% from 2000 to 2013 (1.15 million)
- **Strong Labour Force:** Canada's highest participation rate (74.7%) and productivity per worker (\$97,607 GDP/worker)
- **High Disposable Income:** Alberta has the highest disposable income per capita in Canada (\$38,761) in 2012
- **High Consumption:** Province with Canada's highest current consumption per household (\$69,870) in 2012

— — —  
“Propelled by energy exports, Alberta is the only provincial economy likely to grow faster than 3% in the next two years.”

– *BMO Capital Markets (December 2013)*



## Economics & Demand Driving Real Estate Value

- The strength of the Alberta economy has created an excellent environment for real estate investing and home building
- Alberta employment growth projected to be 2.5% vs. 1.2% for Canada (CHMC Q2/2014 Housing Market Outlook)
- Land values continue to rise in the CMA
- The average home price in Calgary was \$453,000 in April 2014; homes remain very affordable compared to Toronto and Vancouver

— — —  
“Strong economic and population growth will encourage an upward trend in Calgary’s house prices, though higher borrowing costs will moderate the gains.”

– BMO Capital Markets (December 2013)

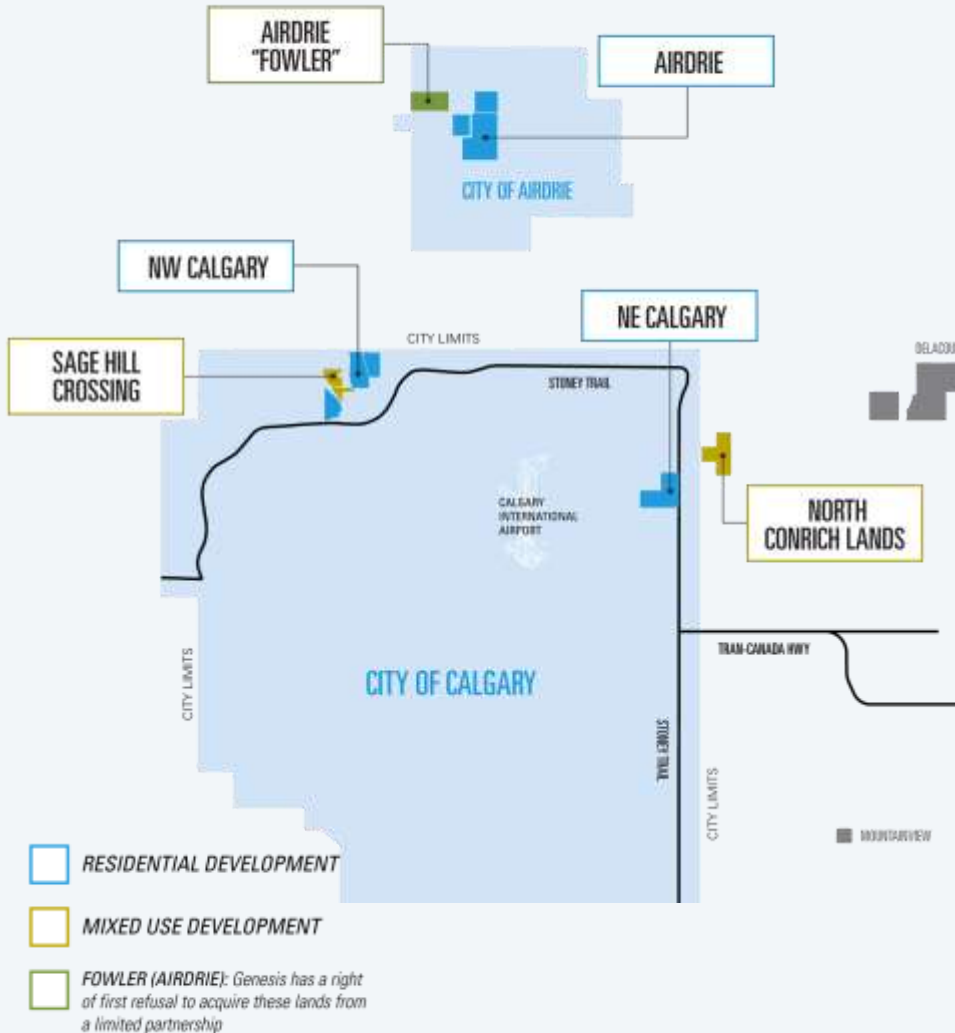
**3.5%**

ESTIMATED 2014  
HOUSING SALES  
GROWTH  
-CREB

**26%**

INCREASE IN  
CALGARY HOME  
PRICES FROM 2008  
TO 2013

# GENESIS CMA LANDS



## Development

### Airdrie (Bayside, Bayview, Canals)

~25 minutes from downtown Calgary targeting first time home buyers, young families (25-35 yrs. old) and downsizing boomers (55-65 yrs. old); primary price point \$300k - \$500k.

### Northeast Calgary (Saddlestone)

~15 minutes from downtown Calgary targeting first time home buyers - starting from price point \$280k; single-family homes, move up product for extended families \$500k - \$750k.

### Northwest Calgary (Sage Meadows)

~15 minutes from downtown Calgary targeting first time home buyers, downsizing boomers and singles - starting from \$380k; move up homes - \$550k - \$750k.

### Sage Hill Crossing

Sold the two commercial sites and completed 75% of the servicing for the entire property. Revising master-plan to build the remaining five mixed-use sites as a cutting edge lifestyle community.

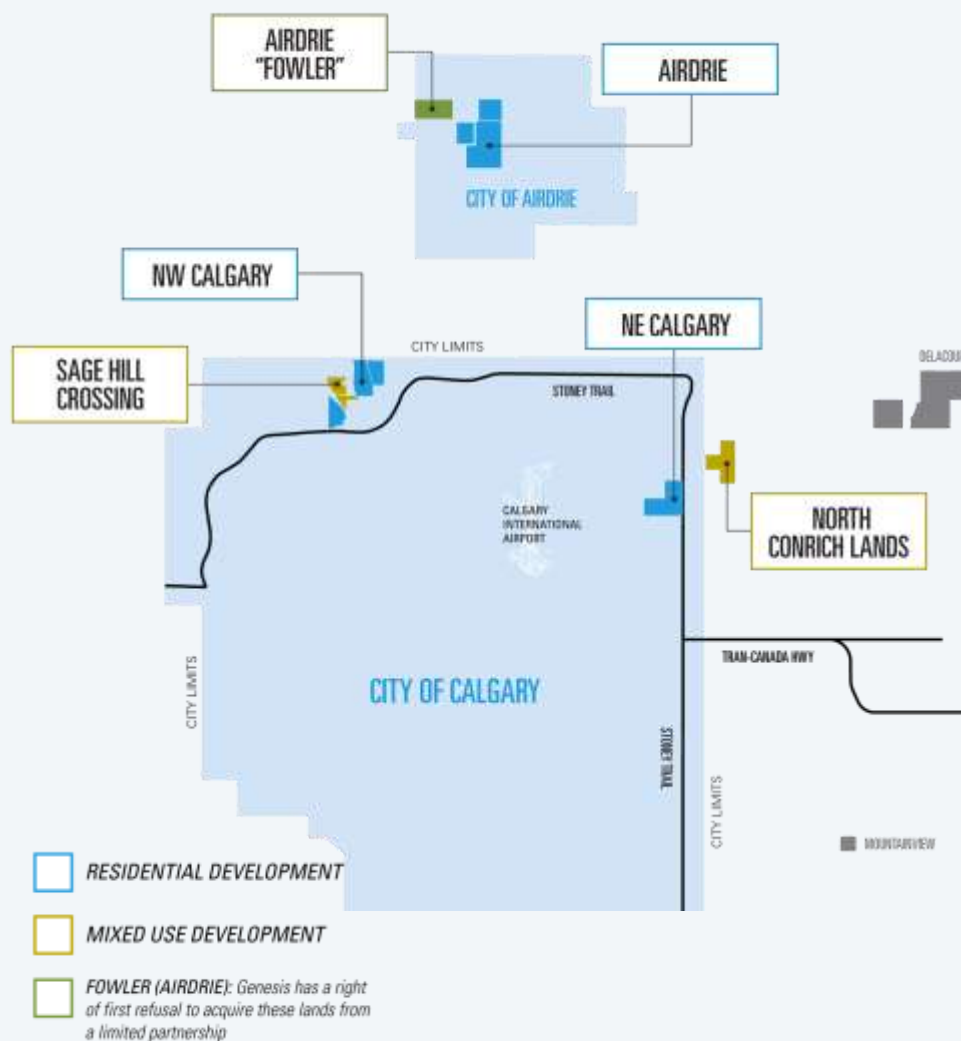
### North Conrich

Genesis has a 51% interest in a 610 acre parcel located at the intersection of Stoney Trail and Airport Trail.

### Airdrie "Fowler"

Genesis has a right of first refusal to acquire these lands from a limited partnership. Potential to add as much as 10-15 years of lot deliveries, if acquired. Development is expected to commence in 2020.

# GENESIS CMA LANDS



Development	LUD <sup>1</sup> Lots	LUD Acres	LHFD <sup>2</sup> Acres	Fair Market Value (M) <sup>3</sup>	Fair Market Value (/share) <sup>3</sup>
Airdrie	192	207	119	\$116.8	\$2.60
Northeast Calgary	138	27	46	\$46.9	\$1.04
Northwest Calgary	42	24	20	\$22.4	\$0.50
Mixed Use Lands	-	71	312	\$75.7	\$1.69
<b>Core Properties</b>				<b>\$261.8</b>	<b>\$5.83</b>
Other Assets	14	236	3,466	\$39.5	\$0.88
<b>Total</b>	<b>386</b>	<b>565</b>	<b>3,963</b>	<b>\$301.3</b>	<b>\$6.71</b>
Home Building Work in Place				\$30.9	\$0.69
Other Assets and Liabilities				(\$10.4)	(\$0.22)
<b>Company NAV</b>				<b>\$321.8</b>	<b>\$7.18</b>

<sup>1</sup> Land Under Development

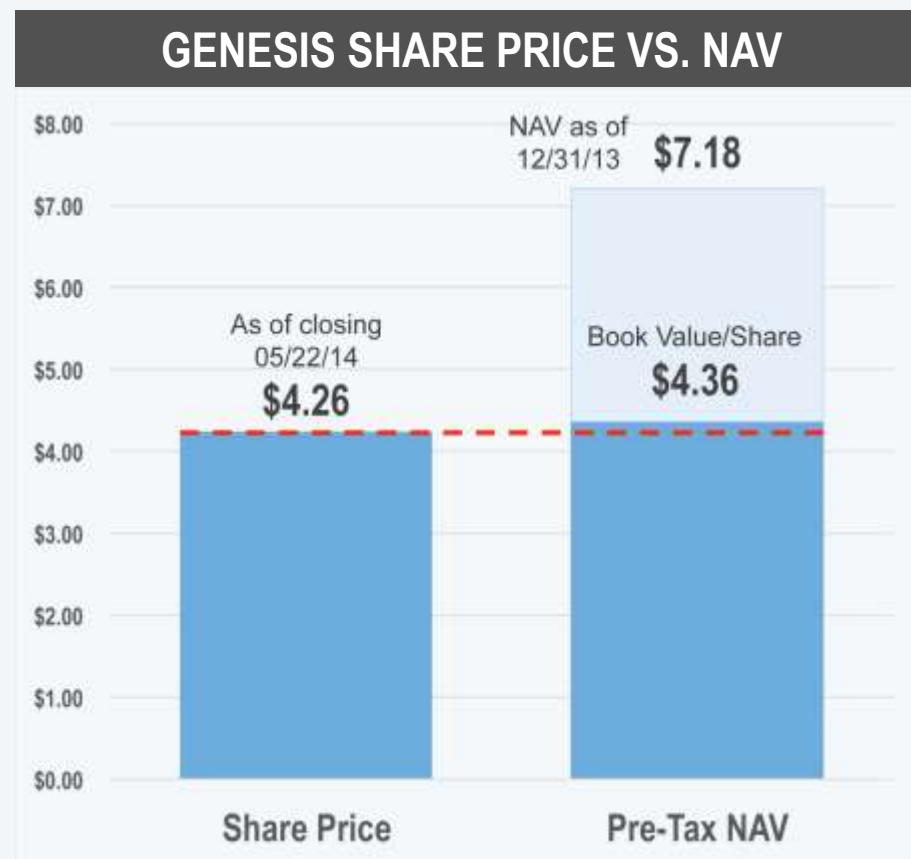
<sup>2</sup> Land Held for Future Development

<sup>3</sup> Fair market value based on independent appraisals as at December 31, 2013

# NET ASSET VALUE PER SHARE

Net Asset Value (“NAV”) is a measure of the corporation’s asset net market value based on an appraised pre-tax value for all properties as of December 31, 2013.

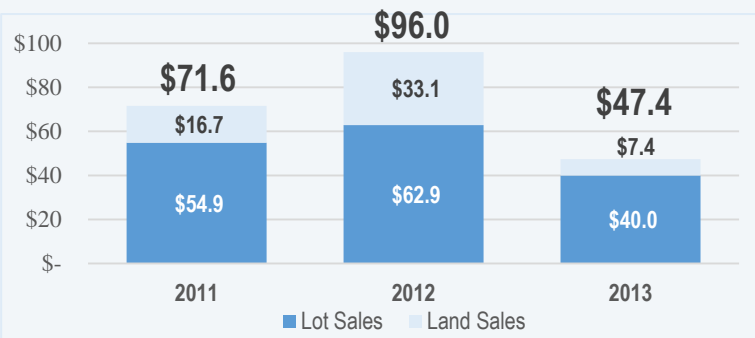
	<b>Dec. 31, 2013</b> <i>(\$ millions, except per share data)</i>
<b>Summary NAV</b>	
Fair value of real estate assets	\$332.2
Other assets and liabilities	(10.4)
Pre-Tax NAV	\$321.8
Total market capitalization	\$191.3
<b>Pre-Tax NAV/Share</b>	<b>\$7.18</b>
<b>Share Price, May 22, 2014</b>	<b>\$4.26</b>





# STRONG OPERATING RESULTS

## LAND DEVELOPMENT



Sales Revenue (\$millions)

## HOME BUILDING



Sales Summary

	2011	2012	2013
Acres Sold	37.13	49.37	11.28
Revenue/Acre	683,000	921,000	591,000
Lots Sold	267	294	260
Revenue/Lot	206,000	188,000	155,000

	2011	2012	2013
Single Family Homes Sold	65	90	164
Average Revenue/Home	484,000	437,000	387,000
Multi-Family Units Sold	3	1	0
Average Revenue/Unit	192,000	136,000	n/a

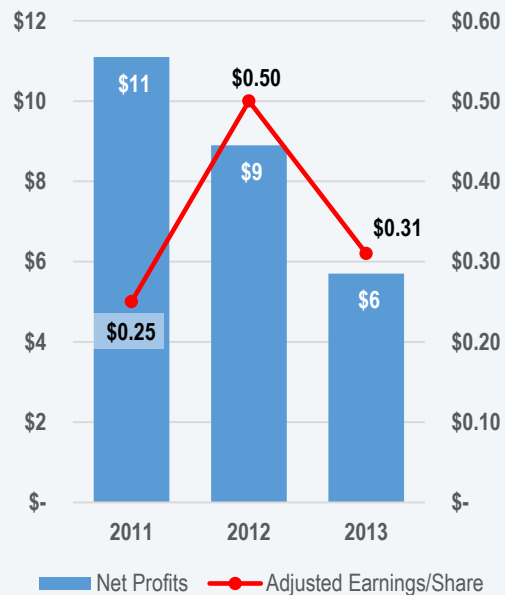
Future Outlook

- Retaining lots for Genesis Builders Group and decreasing sale of lots to third parties will delay revenue recognition
- Consistent and sustainable lot sales volume in excess of 300 lots per year
- Augmented by opportunistic sales of commercial and multi-family sites
- Goal of 300 or more single family home sales per year with sales of \$100 million per year
- Augment with multi-family units over the longer term
- Consistent improvement in year over year operating performance metrics
- New home orders for Q1/14 (95) up 144% from Q1/13

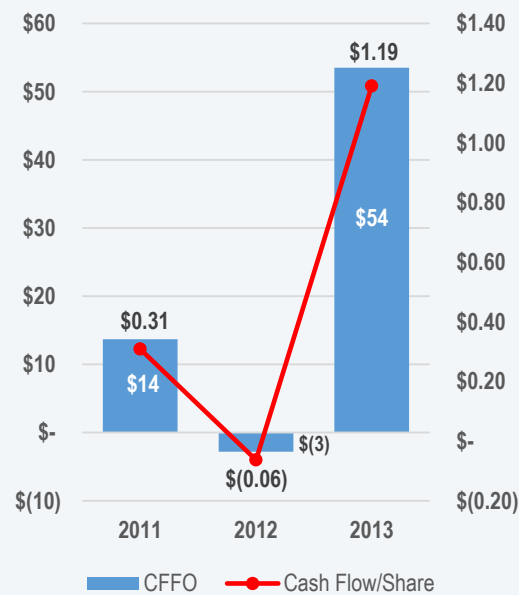
# IMPROVING CASH FLOW AND LOWERING DEBT

\$millions  
(except per share data)

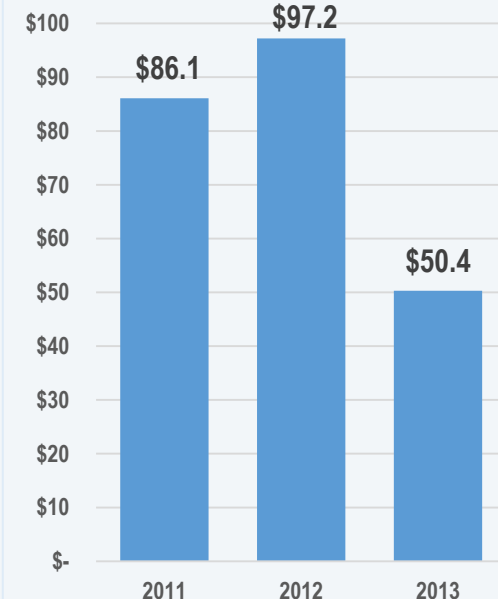
## ADJUSTED NET PROFITS



## CASH FLOW FROM OPERATIONS



## DEBT



## Future Outlook

- Deferred income as a result of assigning lots towards housing operations
- Stable core earnings as profitability of home building operations increases
- Net profits to remain cyclical as a result of large land sales
- A significant portion of the required offsite servicing (storm ponds, etc.) has been completed for land under development; the remaining phases will generate strong cash flows
- Free cash flow available for regular or special dividends and/or issuer bid
- Cash flow from operations of \$21M in Q1 2014
- Debt on long-terms lands eliminated
- Leverage maintained by periodic borrowing in excess of servicing costs to offset repayment of debt from collection of lot receivables
- Consolidated debt reduced to \$33.0M at end of Q1/14. Excluding the \$7.8M in debt held by a limited partnership, debt at end of Q1/14 is just \$25.2M

# ***WE DREAM WE DESIGN WE BUILD***

We create inspired communities:  
one home, one family,  
one neighbourhood at a time.

2014  
STRATEGY

***“Successful execution of our strategy will work to maximize shareholder value & position the platform for future growth.”***

## Board and Management Focused on Maximizing Shareholder Value

### Core Objectives:

- ① Increase long-term sustainable earnings and asset appreciation by building profitable operating capacity and capability
- ② Create liquidity for shareholders
- ③ Provide communication that builds confidence and understanding

## Corporate Strategies

- 1) Continue to Build a Sustainable and Highly Profitable Home Building Business
- 2) Continue to Grow Land Development Operations
- 3) Sell Non-Core Assets
- 4) Simplify and Streamline the Organization
- 5) Focus on Financing Strategies
- 6) Create Liquidity for Shareholders
- 7) Capitalize on New Opportunities

# GENESIS STRATEGIC PLAN - STRATEGIES

## 1) Continue to build a sustainable and highly profitable home building business

### Results to date:

- Increased home sales by 80% to 164 homes in 2013

### Expectations:

- Further grow home sales by 40% to 230 units in 2014
- Gradually increase home sales to 300 homes per year
- Expand building capacity with a strong focus on consistent improvement of customer experience

## 2) Continue to grow land development operations

### Results to date:

- Better matching of lot product with market demand
- Advancement of approvals for prime mixed-use holdings

### Expectations:

- Increase residential lot sales by 7% to 277 lots in 2014
- Accelerate lot supply development through sales to home building
- Progress approvals for prime mixed-use holdings (North Conrich, Sage Hill Crossing)
- Acquisition of appropriate mid-term development assets

## 3) Sell non-core assets

### Results to date:

- Completed sale of  $\frac{2}{3}$  of non-core assets by value
- 97% of our properties within the CMA by value

### Expectations:

- Balance of non-core properties to be sold over the next 12 to 24 months



## 4) Simplify and streamline the organization

### Results to date:

- Improved public disclosure reporting
- Substantially improved investor communications

### Expectations:

- Reduction in general and administrative costs as a percentage of revenue
- New accounting and operations software system in 2014
- Further improvements to communication and investor relations activities
- Improve communication of limited partnership assets

## 5) Focus on financing strategies

### Results to date:

- Reduced debt to \$33.0 million (March 31, 2014)
- Increased cash available for future opportunities and return of capital

### Expectations:

- Credit facilities being renewed or arranged at more competitive rates
- Significant unused debt capacity in addition to strong cash flow to provide funds for growth

# GENESIS STRATEGIC PLAN - STRATEGIES

## 6) Create liquidity for shareholders

### Results to date:

- Share price increase to \$4.26 (May 22, 2014) from \$3.26 (December 31, 2012)
- Pre-tax NAV/share of \$7.18 (December 31, 2013)

### Expectations:

- Deliver on strategies to enhance share value
- Consider alternatives to return capital to shareholders



1 NAV/share and book value/ share as of December 31, 2013

2 Share price as of May 22, 2014

## 7) Capitalize on new opportunities

### Results to date:

- Strong land position in key areas

### Expectations:

- Identify and evaluate land acquisitions
- Consider entry into multi-family home building business

## Future Strategic Options for the Company

The rapid achievement of the current strategic goals are expected to open up other strategic options for the Company to enhance value:

- Consideration of alternatives to return capital to shareholders
- Further growth in Calgary
- New asset classes, such as commercial and industrial properties

## Unrealized Value & Growth Potential

- Positioned to capitalize on one of North America's strongest real estate markets
- Holds a premier portfolio of land assets
- Land values continue to rise in the CMA
- Integration allows for realization of gross profits from both land development and home building
- Led by an experienced and knowledgeable board and management team
- Share price of \$4.26 as at May 22, 2014 represents a significant discount to the pre-tax NAV of \$7.18 (December 31, 2013)
- Focused on maximizing shareholder value by delivering strong and sustainable cash flow and eliminating differential between share price and net asset value per share

# STRONG LEADERSHIP



## **Stephen J. Griggs, B.A., J.D. Chair of the Board of Directors**

Mr. Griggs is the CEO of Smoothwater Capital Corporation, the largest shareholder of Genesis, and a member of the Law Society of Upper Canada. He is an industry recognized leader in corporate governance, investment management and law having held a number of senior executive roles in the investment industry, including as CEO of Legg Mason Canada Inc., and was the Executive Director of the Canadian Coalition of Good Governance from the late 2007 to mid-2011.



## **William (Bill) Pringle, B.Comm., C.A. Vice-Chair of the Board of Directors**

Mr. Pringle is a founder of Bordeaux Properties Inc. and is currently its Executive Chair. Bordeaux is a land developer with operations focused on country residential projects and builds homes in Calgary as Baywest Homes. Previously, Bill was employed by the Brookfield Asset Management Group for 14 years. He was President and CEO of Brookfield Homes from March of 1994 until February of 2000, and prior to that he was president of Brookfield's office property group. Bill is a Chartered Accountant and received his Bachelor of Commerce from the University of Calgary.



## **Bruce Rudichuk, CA, CIRP President & Chief Executive Officer**

With 20 years of diverse experience in the real estate industry, Mr. Rudichuk has been involved in a variety of markets and product offerings, but with an emphasis on home building. Prior to joining Genesis, Bruce was the CEO at Intracorp Projects Ltd., a privately held real estate company. He also served on the executive committee of BILD (Building Industry and Land Development Association) for the Greater Toronto Area. He is a Chartered Accountant (member of the Institute of Chartered Accountants of Ontario) and a Chartered Insolvency and Restructuring Professional (member of the Canadian Association of Insolvency and Restructuring Professionals). Bruce earned an Honours Bachelor of Economics and Business from York University.



## **Mark Scott, Executive Vice President & Chief Financial Officer**

Mr. Scott has nearly 30 years of experience in real estate, investment banking and international business. His real estate experience is in finance, mergers and acquisitions, asset sales, and property asset management. Mark spent 17 years at Scotia Capital in Toronto, Hong Kong, and most recently, as Managing Director & Office Head in their Vancouver office. Prior to joining Genesis, he was a private investor and director. Mark earned a B.A. in Management and Economics from the University of Guelph and has served on the Board of Trustees of the Fraser Institute and various public companies.