

GENESIS

LAND - HOMES - COMMERCIAL - COMMUNITIES



LP#4/5 Presentation — October 10, 2013

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's 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 2013 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.

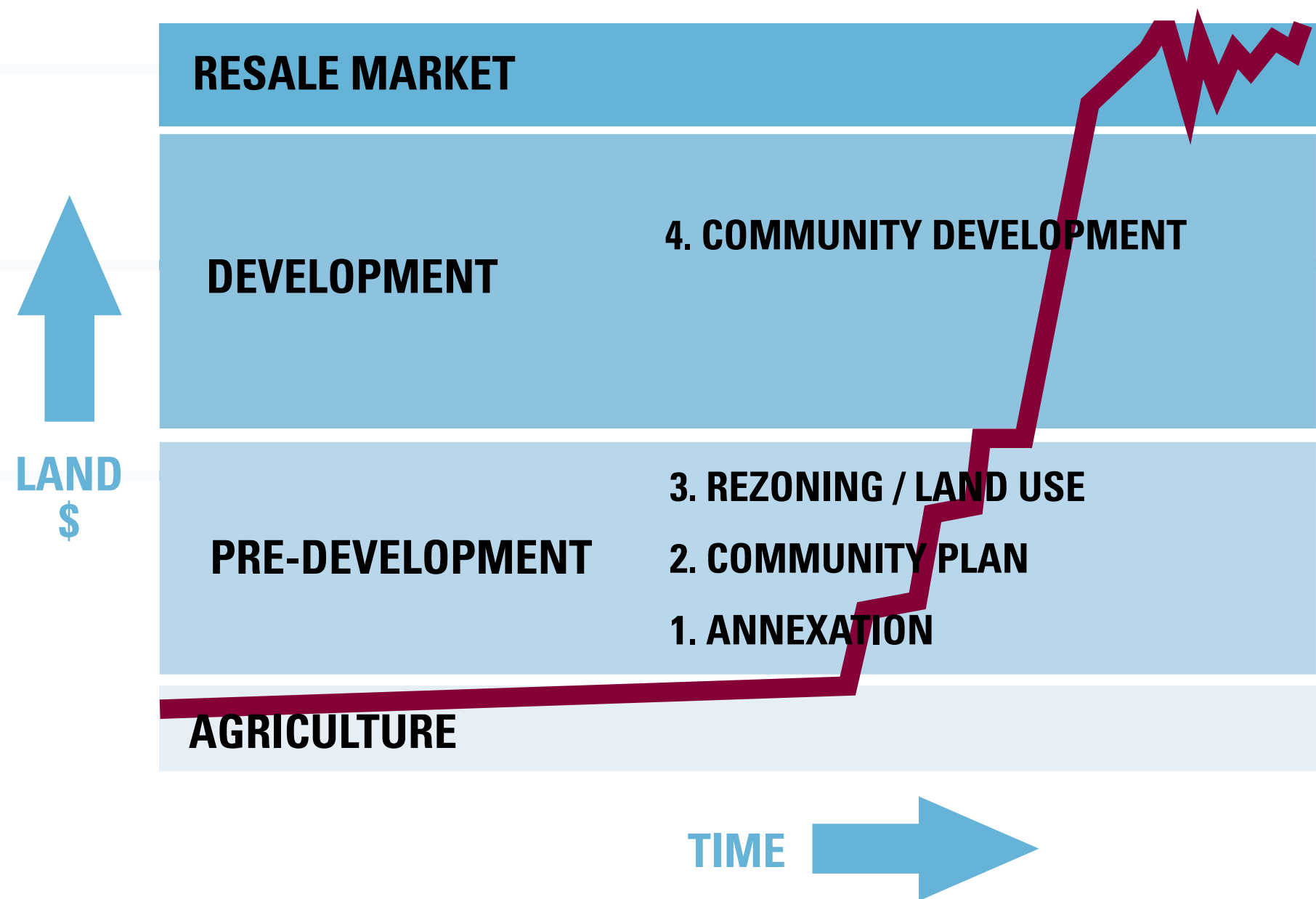
Investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statement, whether written or oral, made by Genesis on its behalf.



LP#4/5 SUMMARY

- **LP 4 & 5 FORMED IN 2005**
 - **DEVELOPMENT PERIOD EXTENDS UP TO DEC. 31, 2020**
- **ESTABLISHED TO:**
 - 1. ACQUIRE NORTH CONRICH PROPERTY**
 - 2. ACHIEVE REZONING AND COMMUNITY DEVELOPMENT
AND/OR SELL THE PROPERTY**

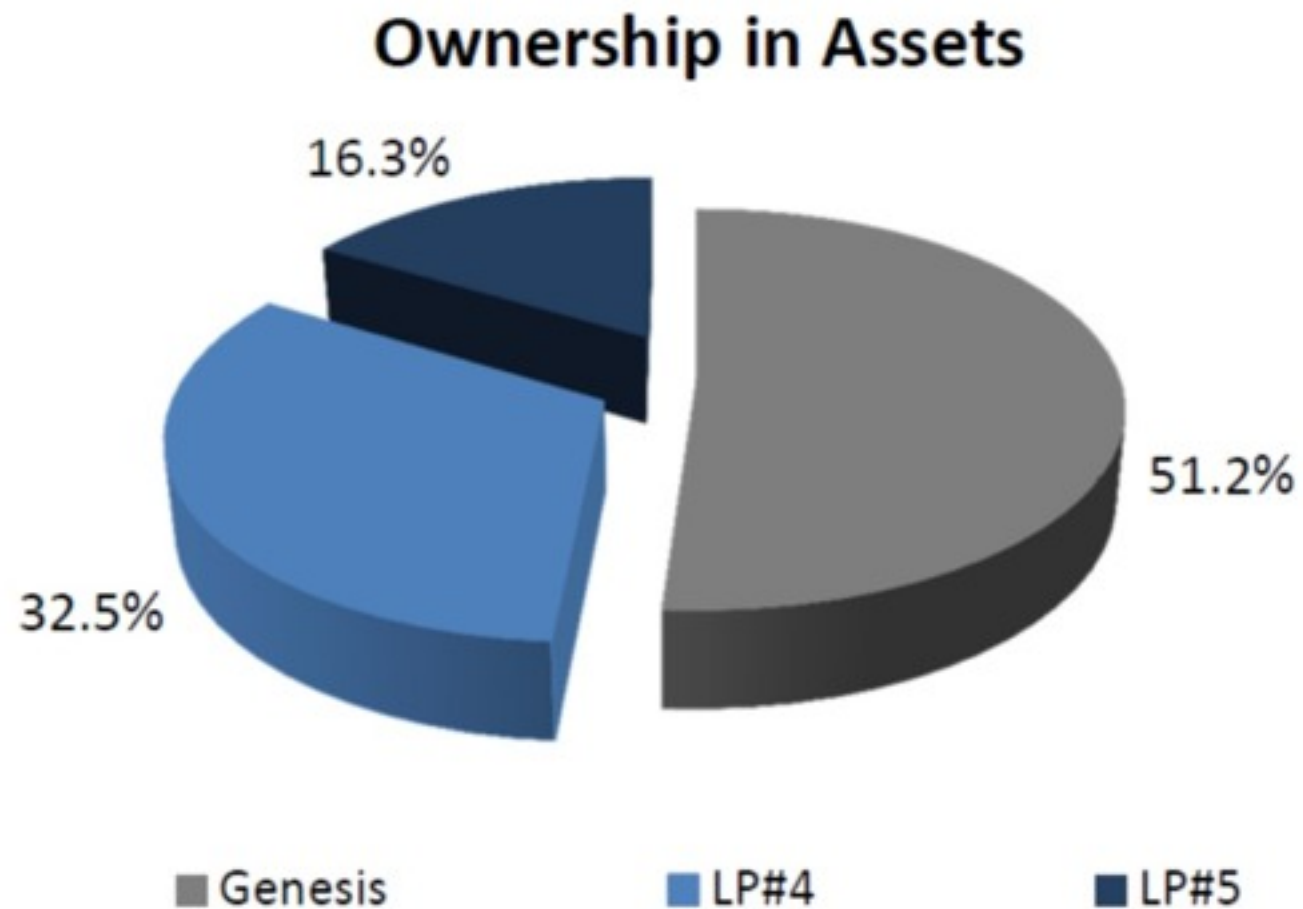
LAND DEVELOPMENT CONCEPT



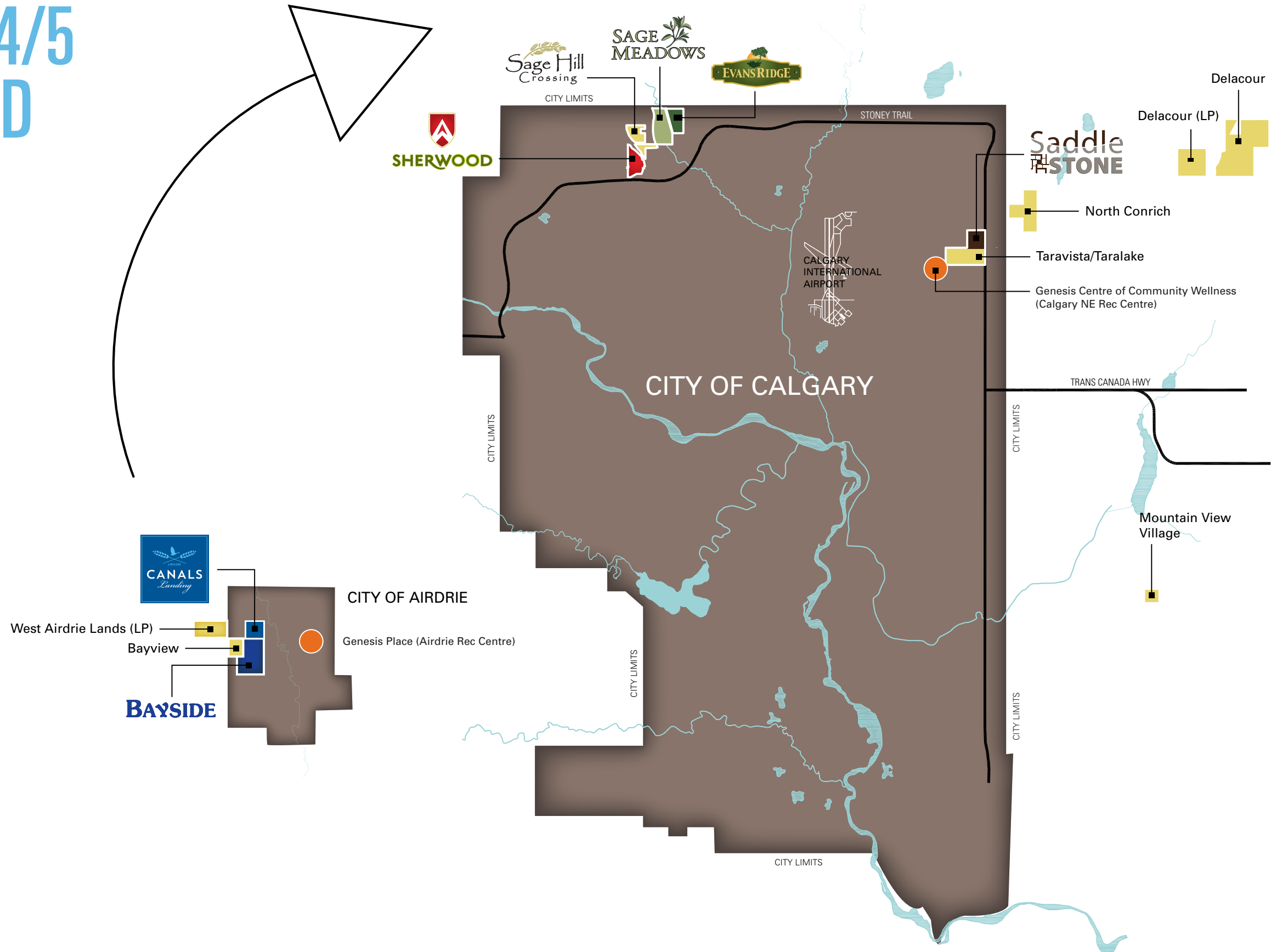
LP#4/5 SUMMARY

- **PAST ISSUES:**
 - STRATEGY IMPLEMENTATION FOR DEVELOPMENT
 - MARKET CONDITIONS CAUSING DELAYS
 - CHALLENGING MUNICIPAL APPROVALS PROCESS
 - POOR & INCONSISTENT COMMUNICATION WITH LP'S
- **TODAY:**
 - NEW SENIOR MANAGEMENT TEAM AT GENESIS
 - FOCUS ON MAXIMIZING VALUE, MONETIZING ASSETS & RESOLVING ANY ISSUES
 - DEDICATED TO BETTER COMMUNICATION
 - COMMITTED TO WORK FOR BENEFIT OF LIMITED PARTNERS

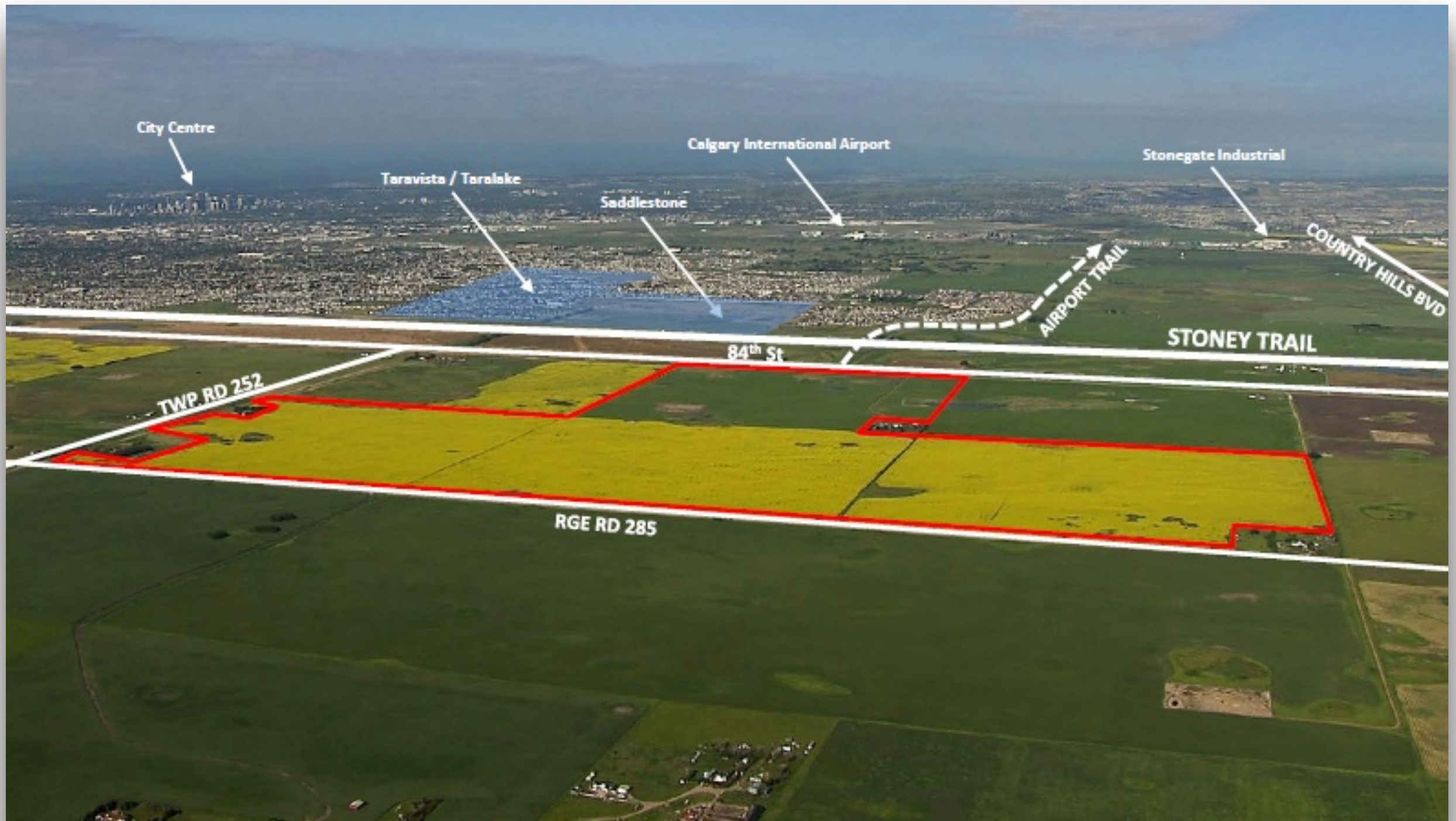
LP#4/5 OWNERSHIP



LP#4/5 LAND



LP#4/5 LAND



LP#4/5 MARKET

- **LP'S FORMED NEAR PRE-RECESSION PEAK OF REAL ESTATE MARKET**
 - REDUCTIONS IN MARKET PRICES DUE TO UNCERTAIN ECONOMIC CONDITIONS IN SOME MARKETS
- **SHIFT IN MUNICIPAL PHILOSOPHY TOWARDS DEVELOPMENT**
 - MAKES APPROVALS MORE CHALLENGING
- **IN RETROSPECT, EXPECTATIONS OF POPULATION**

FINANCIAL RETURN

	LP#4	LP#5
Contributions	\$5,000	\$5,000
Distributions	-	-
Issuance Costs	(621)	(668)
G&A	(69)	(208)
Project Earnings	64	65
Net Equity	\$4,375	\$4,189
Unrealized Gains	1,114	1,114
Net Asset Value	\$5,489	\$5,303

LAND VALUATION

	LP#4	LP#5	Total
Original Contributions (millions)	\$6.00	\$3.00	\$9.00
Cost of Land Purchased (millions)	\$5.11	\$2.56	\$7.67
Book Value of Land* (millions)	\$5.21	\$2.61	\$7.82
Appraised Value of Land** (millions)	\$6.55	\$3.28	\$9.83
% of Ownership in Assets	32.5%	16.3%	48.8%

* As per LP Interim Financial Statements, June 30, 2013 **As per Appraisal of Real Property report, Cushman & Wakefield Ltd., as at December 31, 2012

LP STRATEGY

ORIGINAL DEVELOPMENT PLAN (2005)

- ANNEX LAND INTO CITY OF CALGARY
- PREPARE & OBTAIN APPROVALS FOR RESIDENTIAL DEVELOPMENT PLAN
- DEVELOP PROPERTY

PROJECT STATUS

- **GENESIS PURCHASED LAND**
 - **ADVANCED \$500K IN DEVELOPMENT COSTS TO DRIVE PROJECT FORWARD**
- **CITY EXPANDED AIRPORT TRAIL**
- **PROVINCE BUILT INTERCHANGE & STONEY TRAIL (RING ROAD AROUND CALGARY)**
- **NEW COUNTY PLAN APPROVED BY RVC**
 - **DESIGNATED AS HIGHWAY BUSINESS DISTRICT**
- **NEXT STEP: PREPARE AREA STRUCTURE PLAN APPLICATION**

MARKET DEMAND FOR AREA TODAY

- **LAND VALUES CONTINUE TO IMPROVE IN CALGARY & RVC FOR WELL POSITIONED ASSETS**
- **GOOD LOCATION**
 - **ACCESS & VISIBILITY FROM STONEY TRAIL RING ROAD**
 - **SYNERGY WITH INTERNATIONAL AIRPORT**
 - **NO COMMERCIAL SERVICES OR AMENITIES ADJACENT TO STONEY TRAIL IN AREA**

CHALLENGES

- **TIME TO BRING PROJECT TO START OF DEVELOPMENT**
 - LAND NOT ANNEXED BY CALGARY
 - UNCERTAINTY OF ANNEXATION IN FUTURE
 - RVC OPPOSED RESIDENTIAL DEVELOPMENT
- **CHANGE OF PLANS**
 - GENESIS PREPARED INITIAL DEVELOPMENT PLAN
 - ISSUES DICTATED PLAN NEEDED TO BE RECONFIGURED TO COMMERCIAL ZONING

FUTURE DEVELOPMENT STRATEGY

*“Maximize value to partners by
accelerating development of LP
assets”*

- **CONTINUE AGRICULTURAL USE UNTIL DEVELOPMENT PERMISSABLE**
 - PURSUE REGULATORY APPROVALS FOR COMMERCIAL DEVELOPMENT
- **CONTINUE CONVERSATIONS WITH RVC**
- **PREPARE COMPREHENSIVE CONCEPT PLAN FOR SUBMISSION TO RVC**
 - SUPPORT COMMERCIAL REZONING
 - RETAIL/COMMERCIAL OFFERINGS

COMMITMENT TO LIMITED PARTNERS

- **IMPROVE COMMUNICATION:**
 - **DISTRIBUTE KEY DOCUMENTS:**
 - SEMI-ANNUAL FINANCIAL STATEMENTS & MD&A
 - ANNUAL PROPERTY APPRAISALS
 - ANNUAL INVESTMENT STATEMENT
 - **HOLD ANNUAL MEETING OF LIMITED PARTNERS**
 - **POST PROJECT REGULAR STATUS UPDATES ON WEBSITE**
 - **INCREASE DIRECT ACCESSIBILITY**
- **MAXIMIZE VALUE & MONETIZE INVESTMENT**

A close-up photograph of a sandcastle on a beach. The sandcastle is built with multiple tiers and has several pointed towers. The sand is a light beige color. The word "DISCUSSION" is written in white, bold, uppercase letters, centered over the middle of the sandcastle. The background is a blurred view of the beach and the ocean.

DISCUSSION

GENESIS

TSX: GDC

7315 - 8 Street NE
Calgary, Alberta
T2E 8X2
403-265-8079

genesisland.com