



PROJECT UPDATE

AIRDRIE (FOWLER)

As at June 30, the Airdrie property was appraised at \$20.9 million, as compared to \$19.1 million at December 31, 2013. This property is expected to appreciate modestly in value every year as it moves closer to development. The next step is to enter into discussions with adjacent land owners and draft a Community Area Structure Plan ("CASP"). However, the City of Airdrie is not presently accepting CASP proposals for the recently annexed lands given the current supply of approved lands within the pre-annexation city limits.



We are continuing to evaluate timing for development approvals.

DELACOUR (WORTHINGTON)

As at June 30, the Delacour property was appraised at \$16 million or \$33,000/acre. There has been no change in the value since December 31, 2013 as it is not evident that the property is significantly closer to development.

One significant impediment to development is waste water treatment. Rocky View County has indicated that it may consider alternate waste water treatment solutions for Delacour rather than mandate that land developers use the East Rocky View Waste Water Line, which is located eight miles away and uphill. The upfront costs of connecting to the East Rocky View Waste Water Line would severely reduce the economic viability of any potential development. Genesis is in discussion with two area land owners regarding the possibility of establishing a small stand-alone waste water treatment plant near Delacour.

GENERAL

Financial statements for the six months ended June 30, 2014 are available on our website.

An informal "project update" meeting will be held on Thursday, September 25 at 1:00 p.m. (Mountain Time) at:

Genesis Centre of Community Wellness

7555 Falconridge Blvd. NE
Calgary, Alberta