

August 2014

## → PROJECT UPDATE

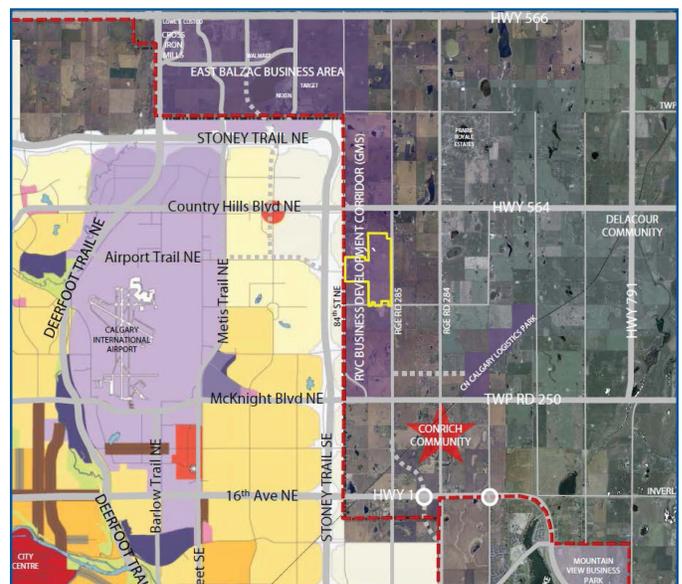
As at June 30th, the North Conrich property was appraised by a third-party at \$33,000/acre. There was no change from the last appraisal completed as at December 31, 2013. Longer term properties that are dependent on the completion of major infrastructure projects generally do not move up as quickly as the general market until significant development milestones are met.

In the past few months, there have been several positive developments that could be expected to impact the value of the North Conrich property. On May 24, 2014, the \$295 million Airport Trail tunnel was completed. This 620 metre tunnel, which goes under the new runway at the Calgary International Airport, extends Airport Trail from Barlow Trail to 36th Street N.E. as a six-lane roadway.

City council is now exploring the possibility of using federal funding (available from the New Building Canada Fund) to extend Airport Trail to Stoney Trail as early as 2016. The Calgary Regional Transportation Model had previously forecast construction of the Airport Trail and Stoney Trail interchange on its 2020 – 2029 projects list.

We view the completion of Airport Trail as a significant development milestone.

Genesis is in discussion with Rocky View County and several major land owners regarding servicing capacity issues. Rocky View County would like to resolve the financing of infrastructure by having land developers provide it with letters of credit for the full amount of planned servicing, notwithstanding the fact that a significant portion of servicing work will not be required for several years. As a result, land developers would effectively pay for costs prior to the start of development and granting of any approvals. These requirements significantly reduce the economic



viability of any potential development. Genesis is trying to arrange an alliance of land owners in order to provide Rocky View County with assurances that, once initiated, capacity issues will be resolved and not abandoned.

The decision-making process on the ranking criteria/policy of the developer funded Area Structure Plans has been extended to September 2014. This will be a critical milestone for development of the North Conrich property as it will determine the probable timeframe for obtaining land use approvals.

An informal “project update” meeting will be held on Thursday, September 25 at 9:00 a.m. (Mountain time) at:

### **Genesis Centre of Community Wellness**

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