



PRINCE RUPERT, BRITISH COLUMBIA

A STRONG & DIVERSE ECONOMY DRIVING THE RE-INVENTION
OF A STRATEGIC WEST COAST PORT CITY

VENTICA IN PARTNERSHIP WITH PACIFIC AURORA HOMES LTD
FEBRUARY 2020



VENTICA
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OVERVIEW OF OPPORTUNITY AND VISION

- Prince Rupert is expected to be the second largest port overall in Canada within **4 years**
- Prince Rupert's **DP World** container terminal has been ranked as the **fastest growing, most reliable & lowest cost** in North America and No. 8 worldwide (2018) expected to grow **7-fold** by volume
- Major **Export Logistics Park** for CDN & US energy, food & other base products for global manufacturing
- Game-changing **Import Logistics Park** for North American supply chain is now being cleared for construction



Our vision is to develop a major portion of the additional residential real estate required to support DP World's and the City's expected growth.

PORT OF PRINCE RUPERT – GROWTH TRAJECTORY

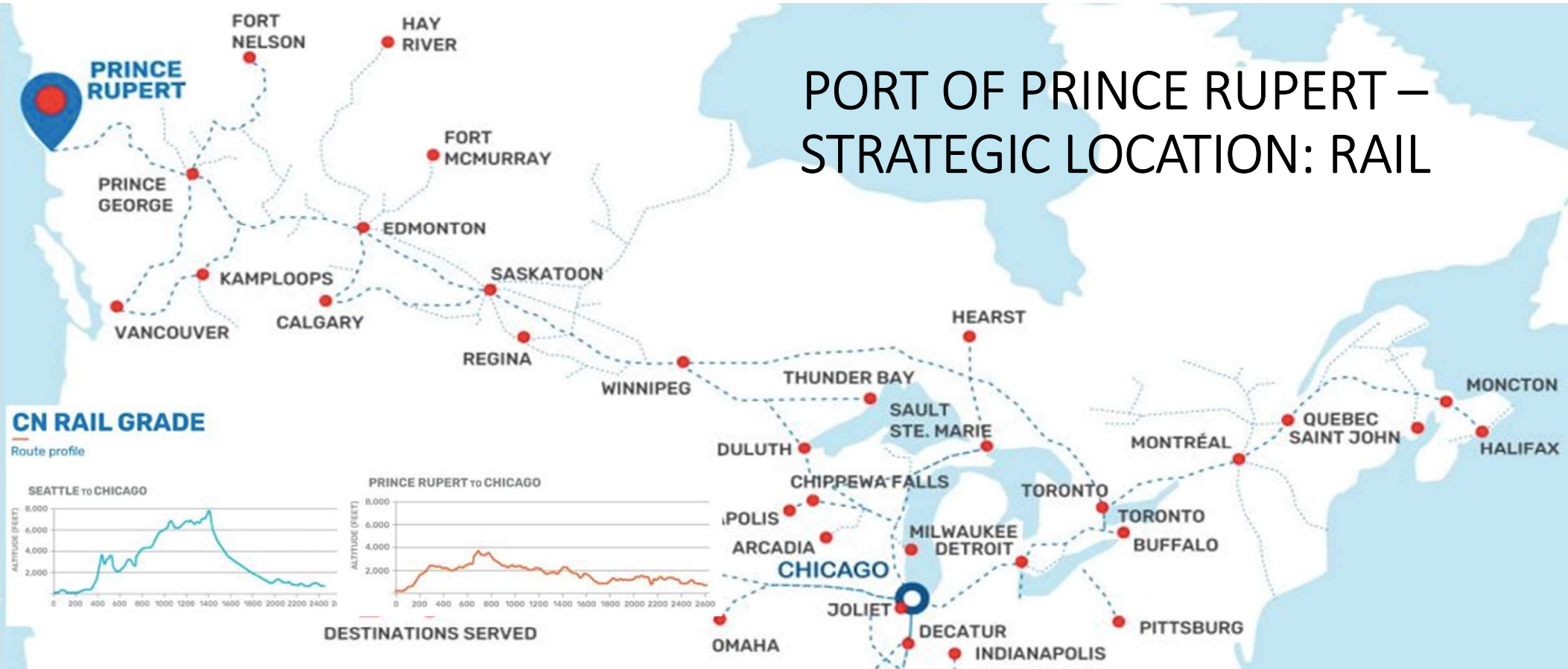




PORT OF PRINCE RUPERT – STRATEGIC LOCATION: SHIP

- Located on British Columbia's north coast
- Shortest & fastest Pacific sea route to/from North America (-1.5/3 days)
- A safe and naturally ice-free deep-sea port that can accommodate the world's largest vessels with industry-leading minimum wait and berth times
- 2-6 hours less pilot time than comparable Pacific coast ports

PORT OF PRINCE RUPERT – STRATEGIC LOCATION: RAIL



- Fastest & highly efficient on-dock ship-to-rail operations through the CN rail network
- Faster (-2 days), lower elevation & unencumbered rail connectivity to strategic North American markets (Chicago, Houston, New Orleans) compared to Vancouver/Seattle

PORT OF PRINCE RUPERT – DIVERSIFIED ECONOMIC DRIVER

- Canada's second largest container port (2018: 1 million TEU)
- Diversified bulk cargo operations with dedicated shipping terminals for grain, coal, wood pellets (2018: 27 million tons)
- RoRo (roll-on roll-off) berth for project cargo including steel, machinery and oversized cargo
- Cruise ship terminal serving ships traveling BC's Inside Passage to Alaska





PORT OF PRINCE RUPERT – CONTAINER TERMINAL & EXPANSION



DP WORLD
Prince Rupert



**PORT OF
PRINCE RUPERT**

LINKING A WORLD OF OPPORTUNITY

- The Port of Prince Rupert's container master plan foresees multiple container terminals handling 6-7 million TEU, up from just over 1 million in one terminal today
- DP World, one of the largest container terminal operators worldwide, has committed investments and resources to rapidly expand its operations in Prince Rupert



PORT OF PRINCE RUPERT – GROWTH OF EXPORTS & IMPORTS



RIDLEY TERMINALS INC.



- Export facilities for **propane, clean fuels, methanol & LNG** (Altagas/Vopak & Pembina) – 2020 propane only exports 90,000 bbl/day*
- Exports include **Soy, Lentil & Plastic Pellets** (Ray-Mont), **Wood Pellets** (Pinnacle), **Wood** (Quickload), **Coal** (RTI), **Grains** (Richardson) & others
- **Marine fuel delivery** to vessels calling the port (Wolverine Fuels)
- **Container Cargo & Logistics Park Optimization** (Canadian Tire, Walmart, others to be announced)
- Fairview-Ridley Connector Corridor (**road infrastructure** eliminating all truck traffic from the City) positively impacting entire region

*bbl/day barrels of oil equivalent per day

Confidential Information: Not for Distribution

CITY OF PRINCE RUPERT – VISION 2030

Prince Rupert 2030 The Vision - In Plan View

Population Growth Projections and Vision Plan Capacity

Population targets for the 2030 Vision were informed by projections provided by the City and the Port Authority, and also allowed for the possibility of some additional growth.

The Vision Plan produced in the workshop was tested and refined to allow for this projected growth and to allow for a range and mix of housing types that may be expected in the future.

These figures and targets are estimates only. The actual outcomes may vary depending on future planning and development decisions and market conditions. The 2030 Vision Plan has the flexibility to allow for refinements in the future.

Growth Areas

The 2030 Vision proposes providing for new population growth in **two sets of areas**:

- Three new **City Centre Neighbourhoods** providing low to medium density, townhouse and apartment housing choices accommodating 5,000 - 6,000 people in 2030.
- Three future **Greenfield Neighbourhoods and Existing Neighbourhoods Infill**, providing low to medium density, detached and townhouse choices, accommodating 6,000 - 6,500 people in 2030.

2030 Plan Growth Capacity Estimate:

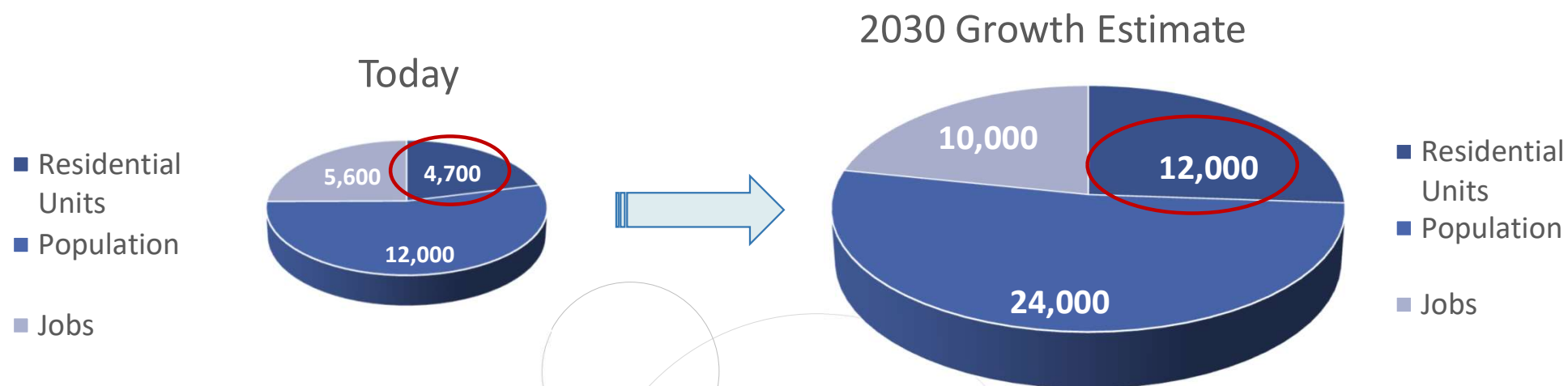
Units	2016	%	Vision 2030 New Growth Capacity				Total Capacity 2030	%
			City Core	Greenfield & Infill	Total Additional	%		
Apartment	800	17%	2,000 - 2,400	-	2,000 - 2,400	25 - 35%	2,800 - 3,200	25 - 30%
Townhouse	1,200	24%	500 - 600	500 - 600	1,000 - 1,200	15 - 25%	2,200 - 2,400	20 - 25%
Detached	2,700	58%	-	2,600 - 3,000	2,600 - 3,000	45 - 60%	5,300 - 5,700	45 - 60%
Total Units	4,700	100%	2,500 - 3,000	2,600 - 3,000	5,000 - 6,000	100%	10,000 - 12,000	100%
Population	12,000		5,000 - 6,000	6,000 - 6,500	10,000 - 12,000		22,000 - 24,000	
Jobs	5,600				3,000 - 5,000		8,000 - 10,000	

Prince Rupert 2030 - Growth Areas





CIVITAS 2019 Labour Study - Prince Rupert Growth Projection



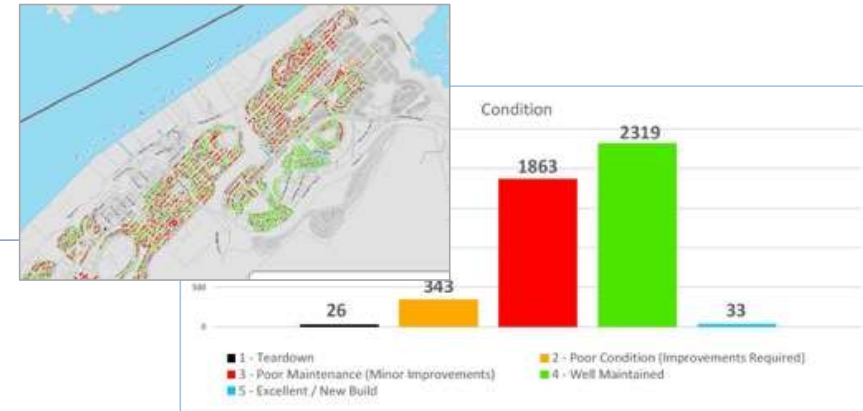
Residential units represent a mix of
Apartment/Townhouse/Detached ~ 25-30% / 20-25% / 45-60%



CITY OF PRINCE RUPERT – GROWTH LIMITING FACTORS

- Rental vacancy has historically been less than 1%
- 70% less homes for sale than last year
- The demand for modern housing meeting urban standards is expected to accelerate dramatically
- There is **zero spare housing inventory** that could meet this demand
- In 2019, the City issued a single build permit for one new residential Duplex construction project

RESIDENTIAL HOUSING MARKET



HOUSING INVENTORY

- The existing housing stock is disproportionately old, outdated and in large parts in poor, often unsafe, condition
- 97% of existing homes are over 25 years old (2014)
- No significant additions to the housing inventory in the last 20 years

LAND INVENTORY

- Within city limits, only a limited inventory of suitable building land with favorable ground conditions is available for residential development
- Steep slopes, geotechnical constraints, and soil and drainage challenges regularly make projects uneconomical



MANAGEMENT TEAM



Kevin Stunder gained the breadth of his experience with Intrawest Resorts which developed Whistler and several other resorts. He later formed a development company focusing on subdivisions and home building in Smithers and Prince Rupert.



Tom Lessing P.Eng. is focused on construction and internal operations. Tom began resort development in 2004 with eight log homes on Salt Spring Island. He continues to drive the planning, scheduling, cost control & construction.



Marcus Burgmann has 20+ years of experience in the marine industry with leadership positions in the areas of strategic development, business innovation & operations. He brings with him vast experience in business planning, risk management, metric-driven oversight and performance management, as well as quality assurance and health & safety.



CONTACT INFORMATION

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