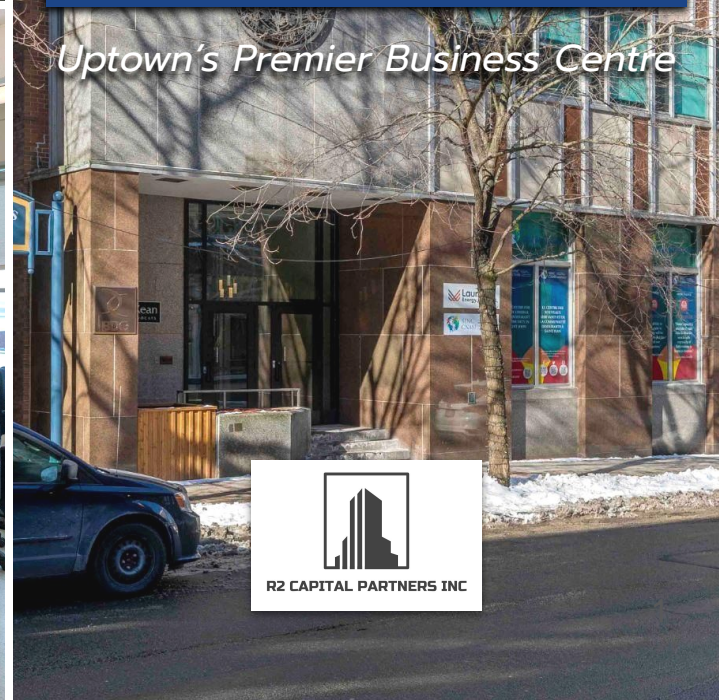
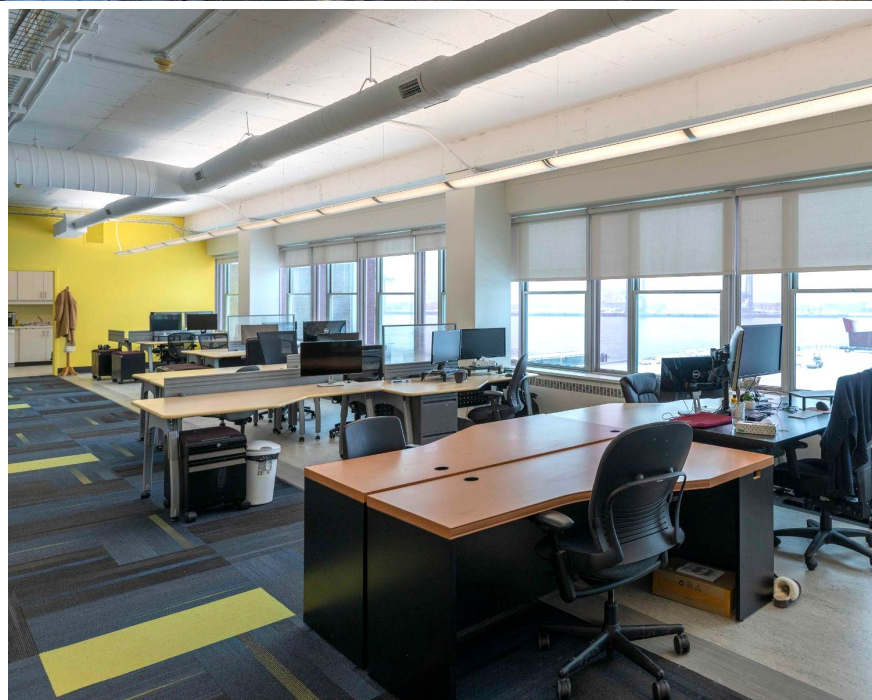
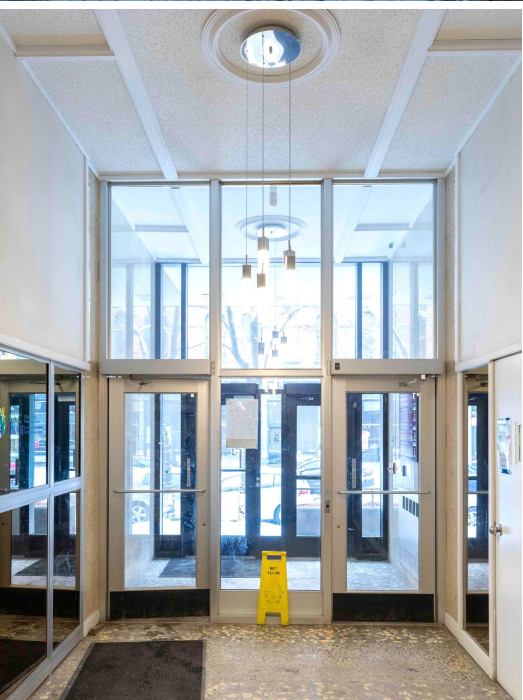


# 75 PRINCE WILLIAM SUMMARY

*Uptown's Premier Business Centre*



R2 CAPITAL PARTNERS INC





# 75

## PRINCE WILLIAM

*Uptown's Premier Business Centre*

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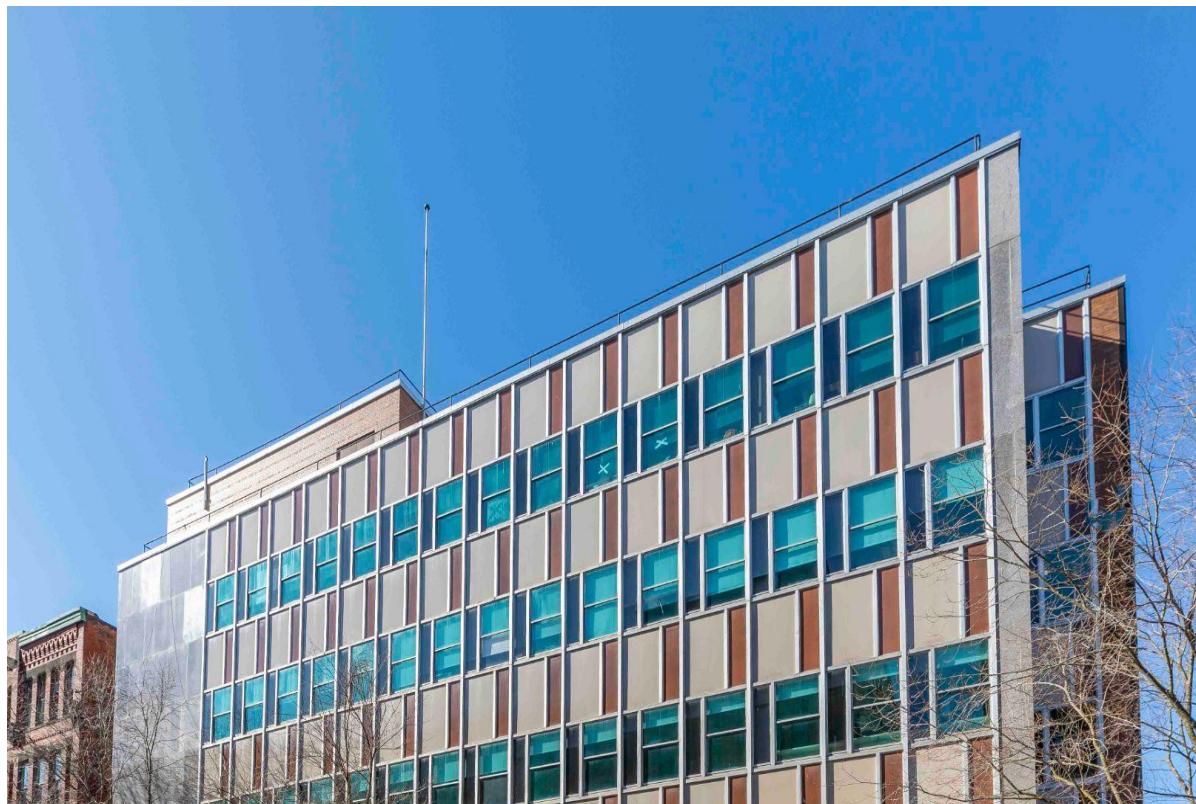


# EXECUTIVE SUMMARY

Invest in 75 Prince William St., a prime 35,033-square-foot commercial property in the heart of Uptown Saint John, offering stunning harbor views and strong, immediate cash flow.

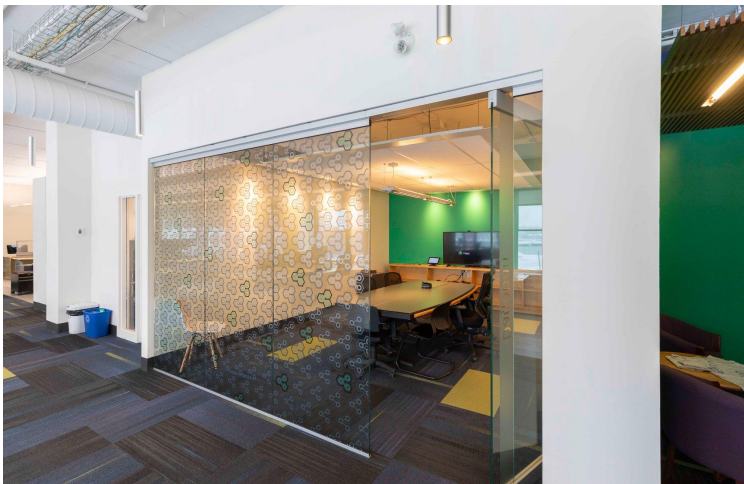
R2 Capital Partners has secured 100% occupancy, with a solid tenant mix that includes government agencies, national brands and a data centre.

With over \$430,000 invested in improvements and a strategic location next to the \$300 million Fundy Quay development, this property is poised for long-term success. Join us with a minimum investment of just \$1 or as high as \$10,000, and become an equity owner in this stabilized, cash-flowing asset, benefiting from built-in equity from day one.



## PROPERTY OVERVIEW

Address	75 Prince William St, Saint John, NB, E2L 2B2
Year Built/Updated	1960/2020
Building Area (sq ft.)	35,033
Land Area (sq ft.)	17,189
Leasable Levels	5
Construction	Concrete/Steel Frame
Units	10









# INVESTMENT HIGHLIGHTS



- Stabilized cash flowing asset with 100% occupancy
- High yield, day one cash-on-cash targets of 9%+
- Immediate monthly distributions, and offers a strong IRR
- Strong tenant base including Government and a data centre
- Weighted average lease length of 4.7 years (WALT)
- Built by the Bank of Canada, no expense spared
- Premium location in the heart of Uptown
- Adjacent to Fundy Quay \$300M+ waterfront development

- Saint John, NB, is a city on the rise with strong population and income growth
- Onsite covered and electrified parking stalls
- Ocean views and high walkability for amenities, restaurants and public transit
- Over \$430k invested in improvements by current management
- Management has achieved 100% occupancy despite the effects of COVID, and office market, attesting to their ability, and the superior location of the building





# LOCATION



## Growth

Uptown saw 15% population growth from 2011 – 2016 while the City of Saint John continues to experience 2%+ population growth year-over-year. As an area dominated by rental properties, the core has become attractive for young professionals and retirees alike. With an average family income of \$92,672,

**75,015** people live in Saint John in 2023

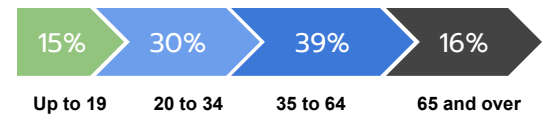
11% of that population lived in Uptown

## Immigration

With a diverse array of backgrounds, Uptown residents contribute hugely to the ever-changing cultural fabric of the city. Uptown Saint John is attracting immigrants at a growing rate, with a 170% increase in immigration to the area in the past decade

## Demographics

Age distribution as % of population



### Saint John region's population continues to grow

Saint John, NB, Canada / Country 94  
Brad Perry  
May 24, 2024 | 2:11 PM

Here we grow: Saint John's population on the rise

**95,600** people employed

Up 10.0% since July 2023

CANADA | News

Canadians are eyeing moves to these cities for more affordable housing

[Click each headline to view the full article](#)



R2 CAPITAL PARTNERS INC



## BUILDING HISTORY

75 Prince William Street is a historic commercial property located in the heart of Saint John, New Brunswick. This four-story office building, which includes a parking garage, is situated in a prime location and offers significant potential for investors seeking stable and long-term returns. Constructed in the 1960s with an additional parking garage added in the 1980s, the building's strategic location and robust infrastructure make it an attractive asset in the commercial real estate market.

### Historical Significance

75 Prince William Street was originally constructed by the Bank of Canada, a testament to its historical and financial importance. Funded by government resources, the construction of this building exemplified a "no expense spared" approach, ensuring great standards of quality and durability. As a result, the building boasts premium materials and finishes that were ahead of their time.

Notably, the building was outfitted with copper piping, a material known for its longevity and resistance to corrosion, which was a significant investment in ensuring the infrastructure's durability. The use of such high-quality materials reflects the government's commitment to creating a robust and lasting structure, capable of withstanding the demands of a high-traffic commercial environment. The Bank of Canada's involvement in the project ensured that the building was constructed to the top standards, with careful attention to detail and a focus on long-term sustainability.





# FUNDY QUAY DEVELOPMENT



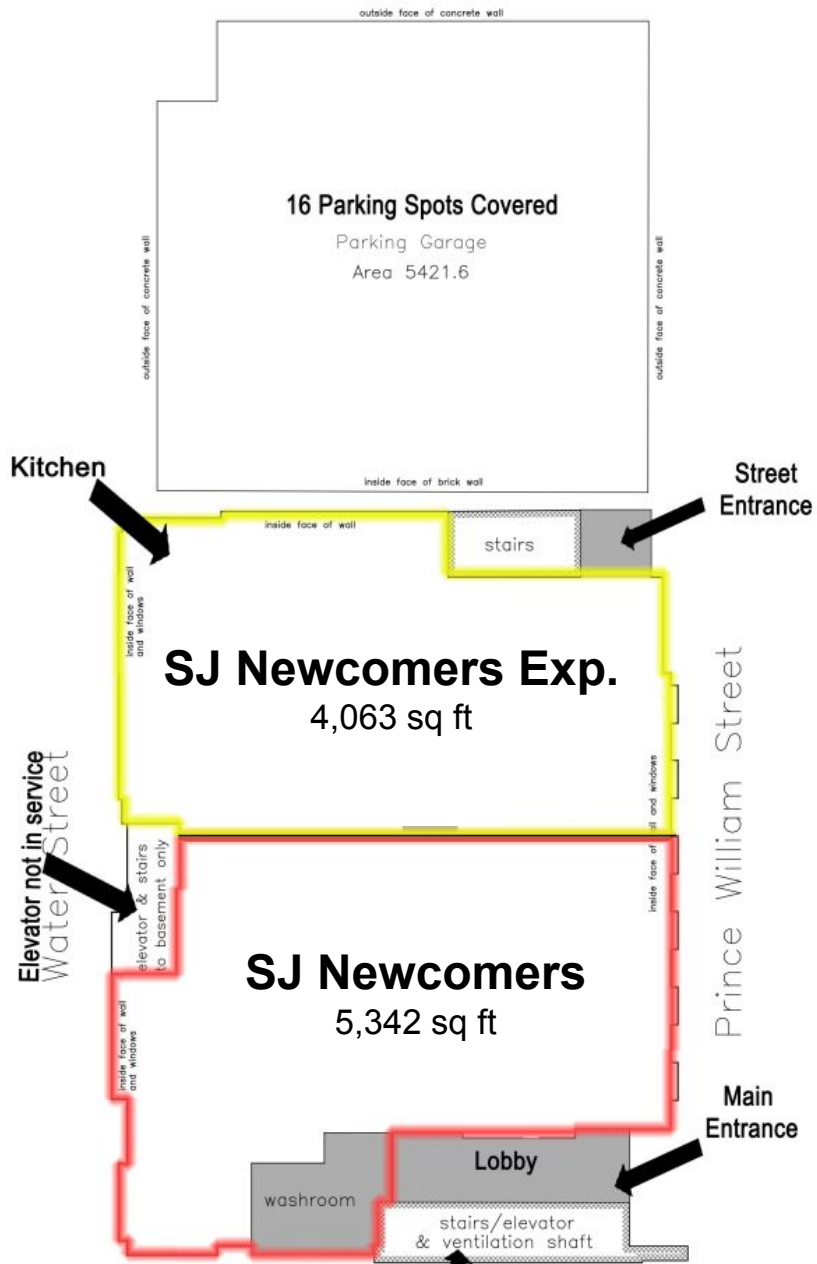
The Fundy Quay project is a \$300 Million transformative development for Saint John, revitalizing a key waterfront site long pursued for redevelopment. Led by Fundy Harbour Group, this multi-phase, mixed-use project will consist of five buildings with a total floor area of 69,700 square meters. It will introduce 677 top-tier residential units and over 400 internal parking spaces, along with vibrant commercial and retail spaces on the ground floors.

Designed to increase residential density and activity in the Central Peninsula, Fundy Quay will bring 24/7 energy to the area. Public space improvements, including the extension of Harbour Passage and enhancements to Market Slip, will create a more accessible and inviting waterfront.

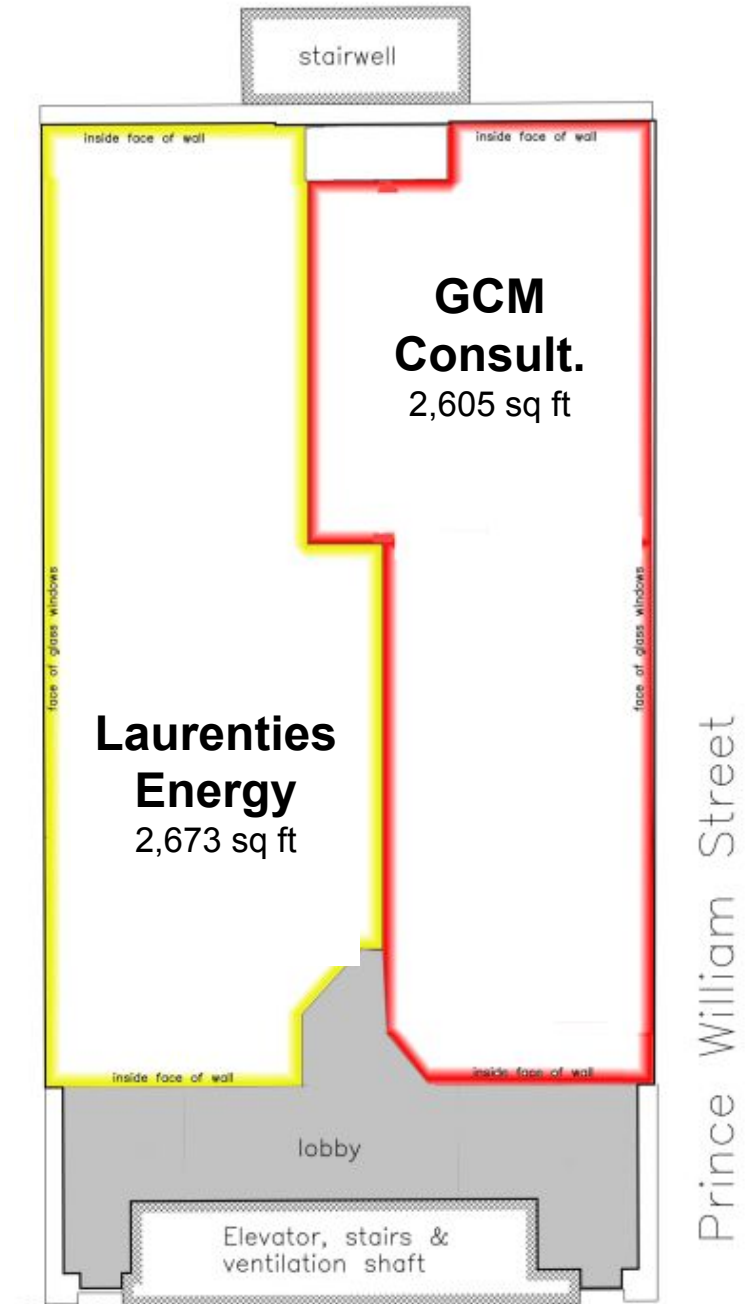




## Floor 1 (main level)

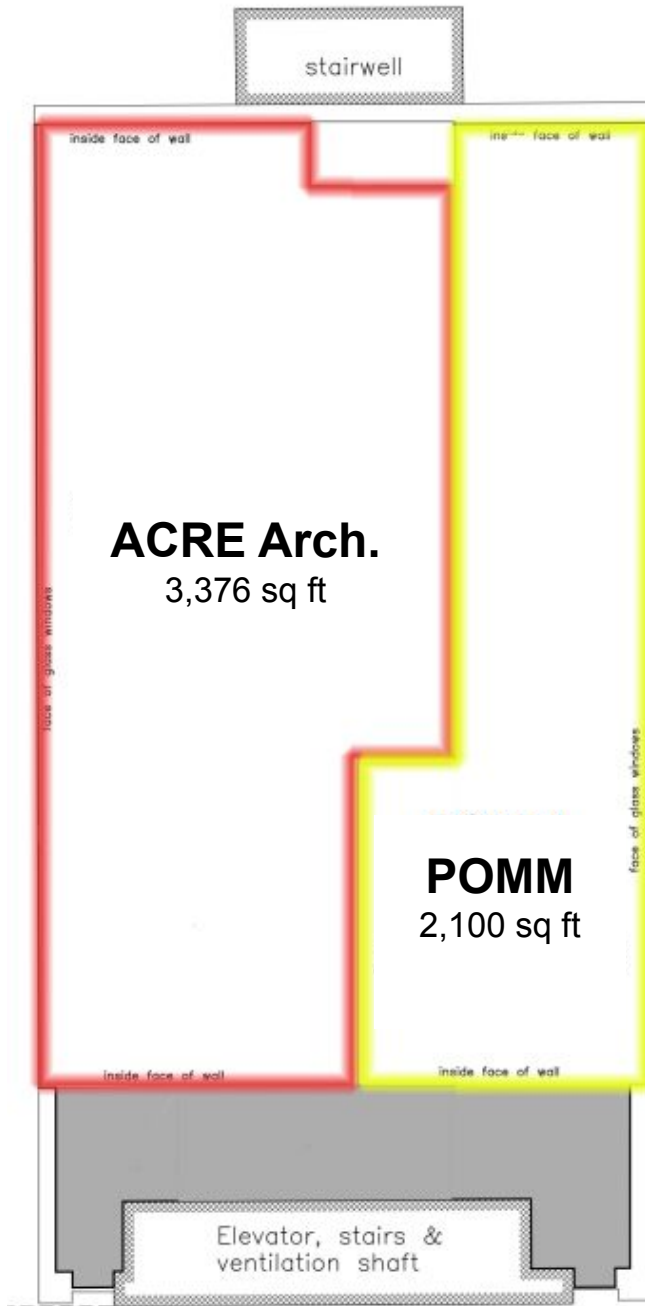


## Floor 2

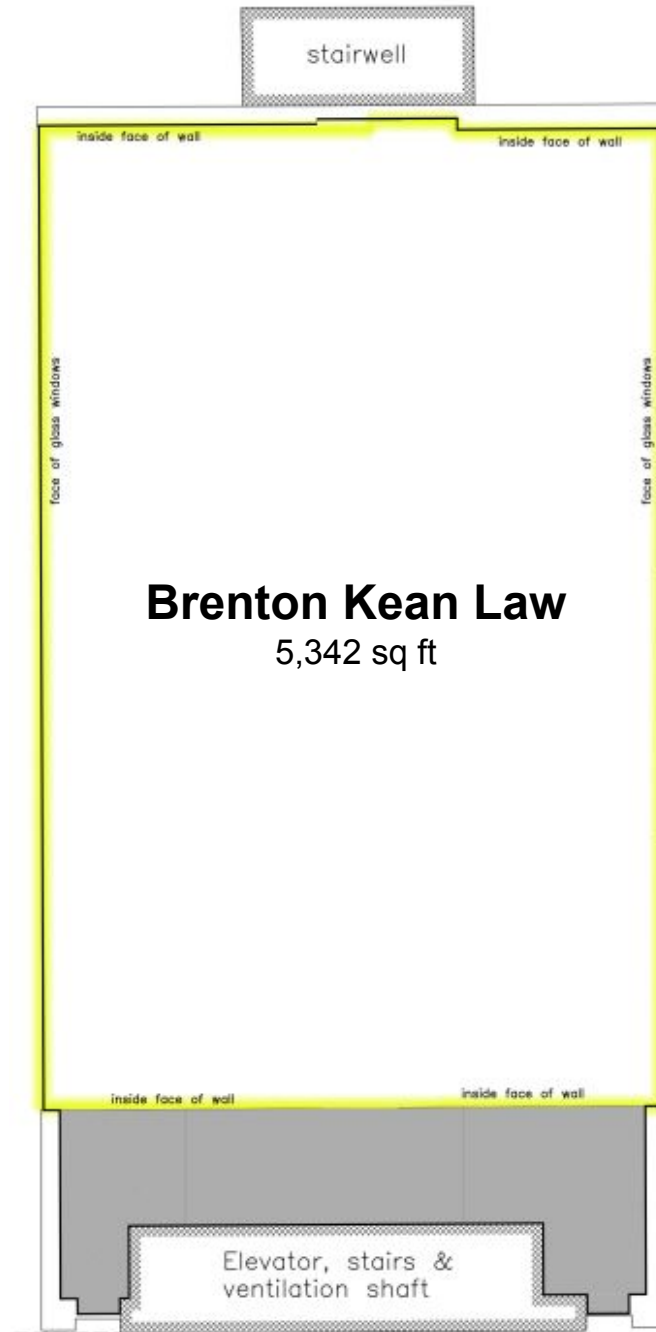




Floor 3



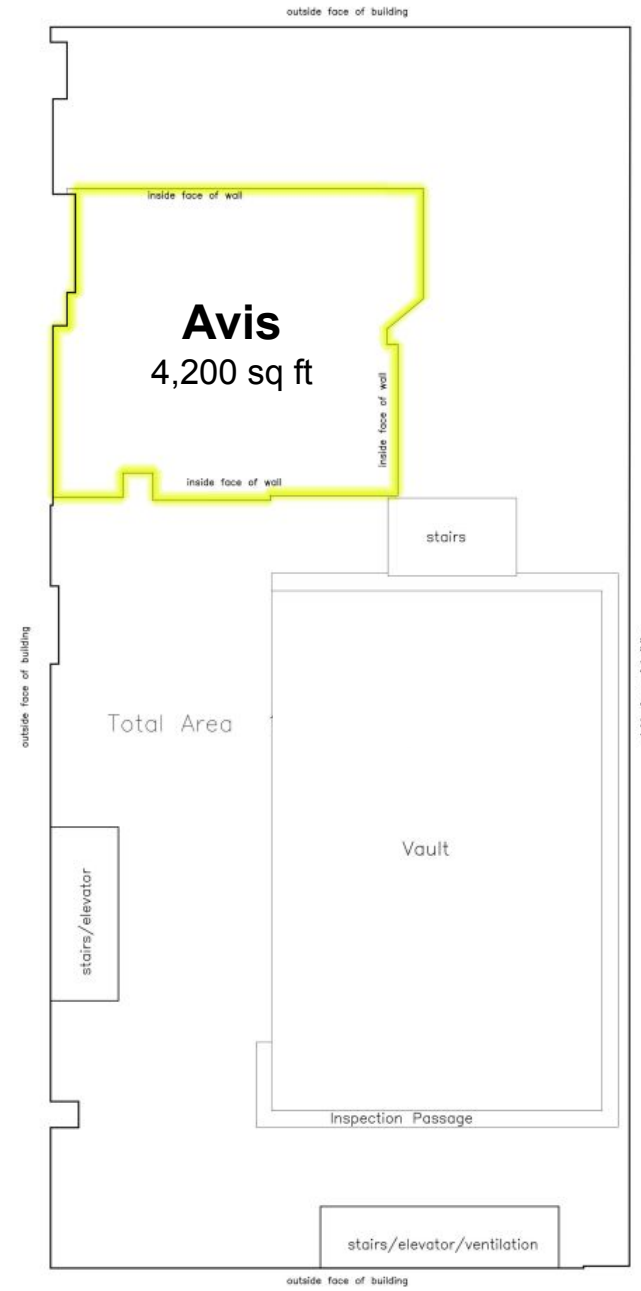
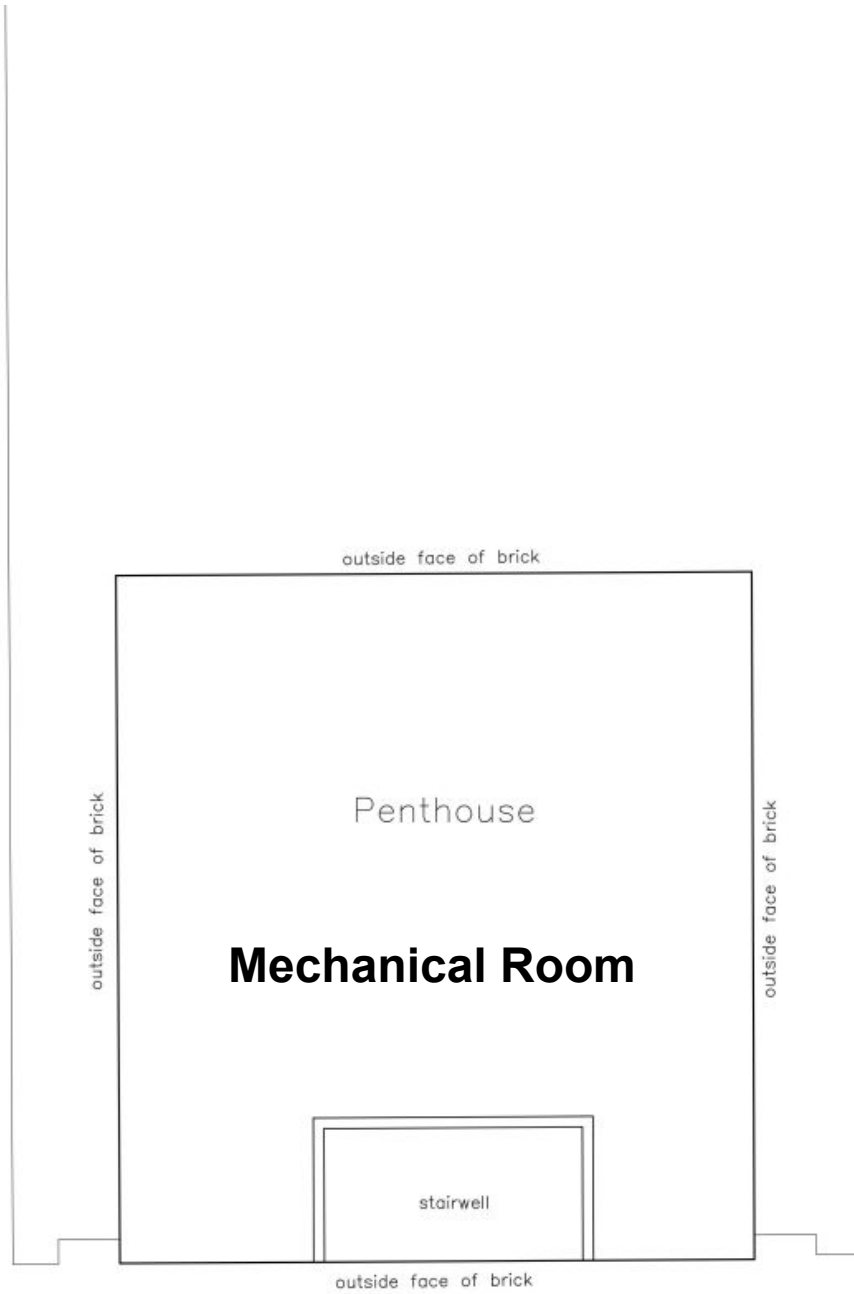
Floor 4





# Rooftop & Mechanical

# Water St Entrance



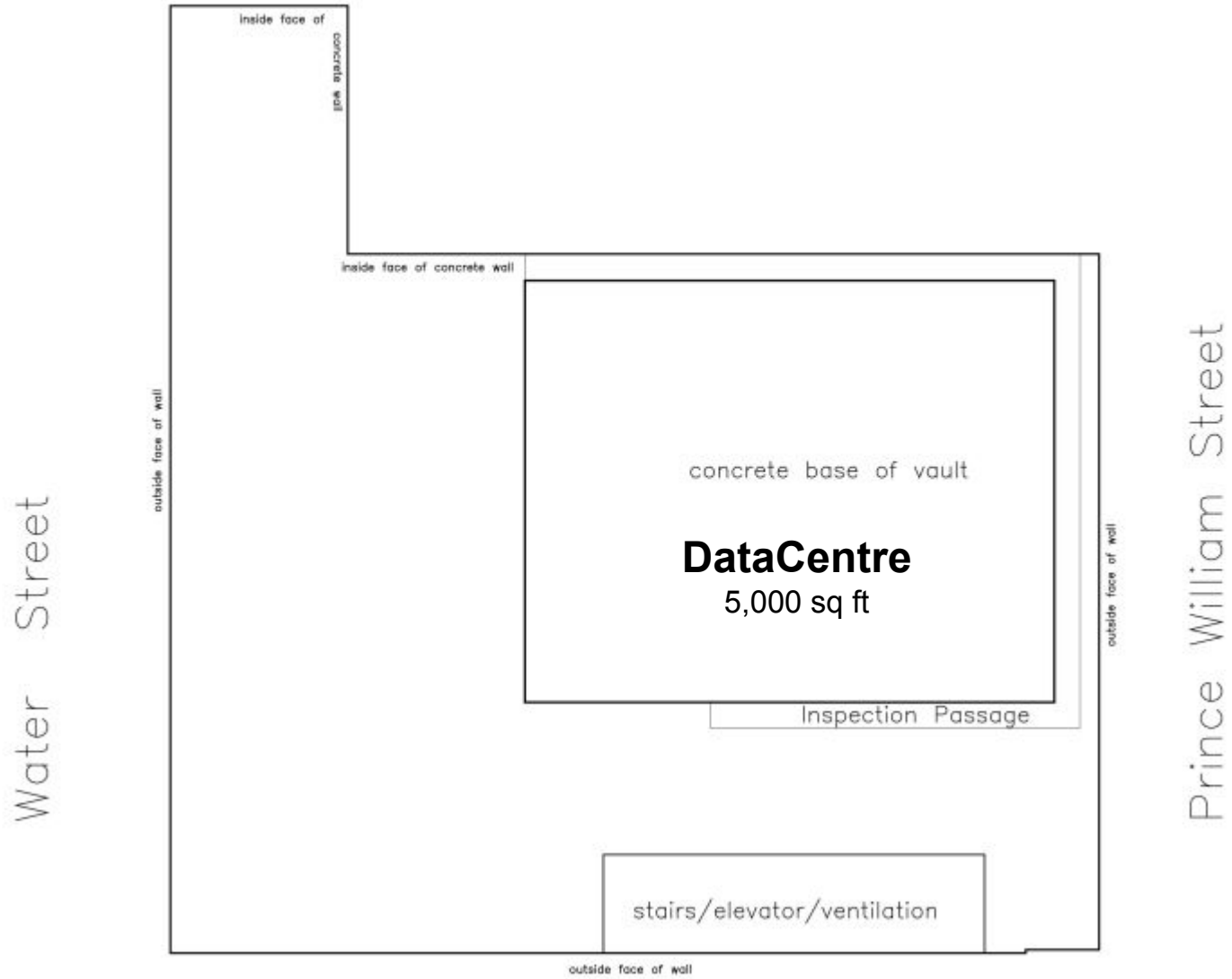
Water Street

Prince William Street



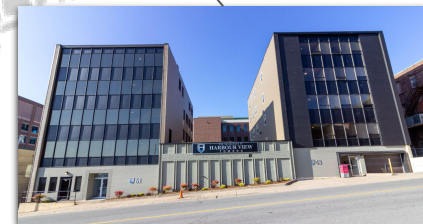


# Basement & Vault





# MANAGEMENT: R2 CAPITAL PARTNERS



One of our key strengths lies in our capacity to seamlessly enter any market, whether primary, secondary, or tertiary, and swiftly establish proficient teams to manage assets with exceptional efficiency.

- Two countries,
- 10 Provinces/States,
- 15 Cities/Markets.

**\$65M+**  
Assets Under Management

**30+**  
Properties Held

**400k+**  
Gross Leasable Area (GLA)

**10**  
Provinces/States

**25+ Years**  
Combined Experience





# INVESTMENT STRATEGY: R2 CAPITAL PARTNERS

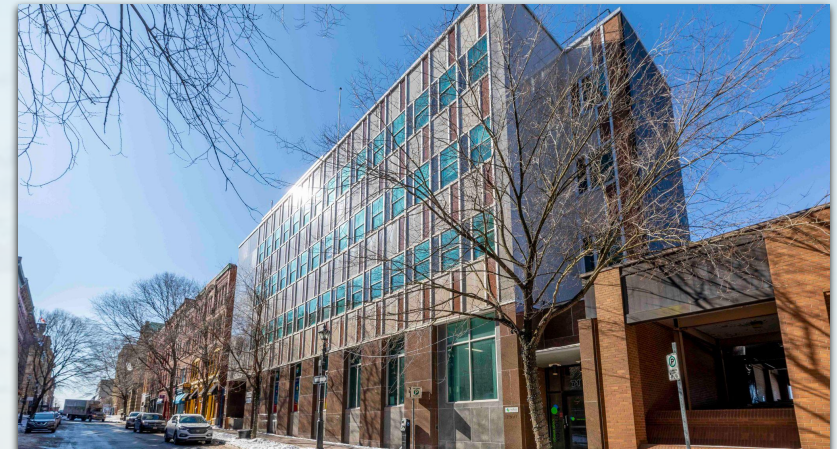
We focus on **cash flow and value-driven strategies**. Rather than banking on unpredictable market shifts and speculation, we invest in properties that generate positive cash flow from day one with strong underlying fundamentals while offering clear paths for forced appreciation through strategic enhancements.

Diverging from the strategies of developers, we concentrate on underperforming properties that provide a secure margin of safety, with cash flow serving as our primary hedge against market turbulence by ensuring our rents are protected through buying well below replacement cost.

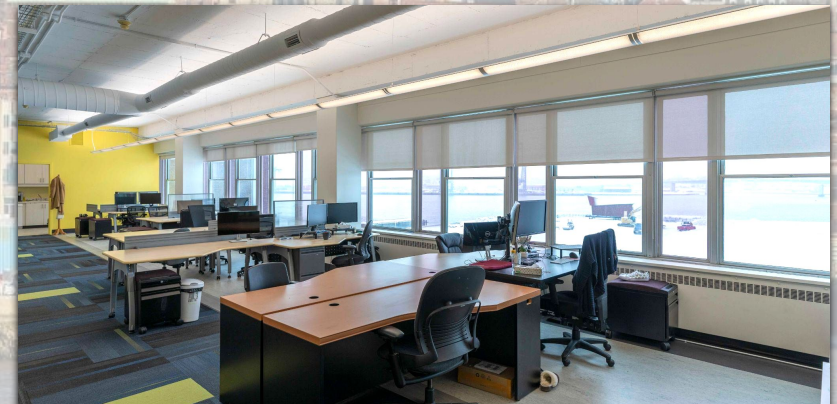
We prioritize deal quality over convenience, refusing to force a deal solely because it's nearby. Achieving this goal demands work—rolling up our sleeves, venturing into secondary and tertiary markets, and investing time in properties that have long been mismanaged or overlooked.

Through the acquisition of undervalued assets and the implementation of targeted enhancements such as cost controls and revenue optimization, we unlock their full potential for sustained growth over the long-term.

Leveraging our agility, industry relationships, experience, technology, and data analysis, we make well-informed investment decisions and streamline management processes to optimize efficiency and deliver consistent returns.



75 Prince William St, Saint John, NB



75 Prince William St, Saint John, NB





# Investment by the Numbers

75 Prince William St, Saint John, NB

**9-11%**

Targeted Annual Cash  
Distribution; Distributed Monthly

**14-16% +**

Targeted Internal Rate of Return

**2.4x +**

Targeted Equity Multiple

**\$1**

Minimum Investment

**9%**

Preferred Return

**164% +**

Targeted Total Return





# FINANCIAL OVERVIEW | 75 PRINCE WILLIAM ST

## 75 PRINCE WILLIAM ST, SAINT JOHN, NB

Hold Period: 8 8 Years

Exit Date: 7-1-2032

Gross Leasable Area (GLA): 35,033 SF

	YEAR 1	YEAR 3	YEAR 5	YEAR 6	YEAR 8
	7-31-2025	7-31-2026	7-31-2027	7-31-2028	7-31-2029
<b>Revenues</b>					
Base Rent	\$664,561	\$705,697	\$741,996	\$761,519	\$802,900
+ Expense Reimbursement Revenue	\$204,180	\$210,652	\$230,185	\$237,091	\$251,530
<b>Effective Gross Revenue</b>	<b>\$868,742</b>	<b>\$916,349</b>	<b>\$972,182</b>	<b>\$998,610</b>	<b>\$1,054,430</b>
<b>Operating Expenses</b>					
- Common Area & Maintenance (CAM)	\$319,208	\$338,648	\$359,272	\$370,050	\$392,586
- Insurance	\$32,960	\$34,967	\$37,097	\$38,210	\$40,537
- Property Taxes	\$70,071	\$74,338	\$78,865	\$81,231	\$86,178
- Property Management Fee	\$60,880	\$64,588	\$68,521	\$70,577	\$74,875
<b>Total Operating Expenses</b>	<b>\$483,119</b>	<b>\$512,541</b>	<b>\$543,755</b>	<b>\$560,068</b>	<b>\$594,176</b>
<b>Net Operating Income</b>	<b>\$385,622</b>	<b>\$403,808</b>	<b>\$428,427</b>	<b>\$438,542</b>	<b>\$460,254</b>
<b>Administrative Expenses</b>					
- Asset Management Fee	\$6,428	\$6,428	\$6,428	\$6,428	\$6,428
<b>Total Capital, Debt and Admin Costs</b>	<b>\$6,428</b>	<b>\$6,428</b>	<b>\$6,428</b>	<b>\$6,428</b>	<b>\$6,428</b>
<b>Cash Flow Before Debt Service</b>	<b>\$379,195</b>	<b>\$397,380</b>	<b>\$421,999</b>	<b>\$432,115</b>	<b>\$453,826</b>
<b>Debt Service</b>	<b>\$203,087</b>	<b>\$203,087</b>	<b>\$203,087</b>	<b>\$203,087</b>	<b>\$203,087</b>
<b>Net Distributable Cash Flow</b>	<b>\$176,108</b>	<b>\$194,293</b>	<b>\$218,912</b>	<b>\$229,028</b>	<b>\$250,740</b>
<b>Targeted Cash on Cash Returns</b>	<b>9.41%</b>	<b>10.67%</b>	<b>11.62%</b>	<b>12.14%</b>	<b>15.63%</b>
<b>Targeted Average Cash on Cash Return</b>	<b>11.89%</b>				

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R2 CAPITAL PARTNERS INC

Updated July 9th, 2024

[VISIT DATA ROOM](#)

75 PRINCE WILLIAM, NB | PRINCE WILLIAM CENTRE



R2 CAPITAL PARTNERS INC



# SENSITIVITY ANALYSIS | 75 PRINCE WILLIAM ST

## EXIT CAP RATE SENSITIVITY

	Cap Rate	Exit NOI	Net Exit Value	Project IRR	Project Net Profit	Equity Multiple
1	7.5%	\$460,254	\$6,140,810	17.71%	\$3,753,182	2.93x
2	8.0%	\$460,254	\$5,753,891	16.45%	\$3,301,048	2.70x
3	8.5%	\$460,254	\$5,417,299	15.25%	\$2,916,469	2.50x
4	9.0%	\$460,254	\$5,112,930	14.17%	\$2,576,604	2.33x
5	9.5%	\$460,254	\$4,846,306	13.13%	\$2,281,953	2.18x

## NOI SENSITIVITY

	Yearly NOI Growth	Exit NOI	Net Exit Value	Project IRR	Project Net Profit	Equity Multiple
1	-10%	\$414,228	\$4,871,555	13.45%	\$2,571,886	2.33x
2	-5%	\$437,241	\$5,142,197	15.36%	\$2,741,656	2.41x
3	0%	\$460,254	\$5,417,299	15.25%	\$2,916,469	2.50x
4	5%	\$483,266	\$5,683,481	16.18%	\$3,081,198	2.59x
5	10%	\$506,279	\$5,954,123	17.10%	\$3,250,969	2.68x

## INTEREST RATE SENSITIVITY

	Interest Rate	Exit NOI	Net Exit Value	Project IRR	Project Net Profit	Equity Multiple
1	4.00%	\$460,254	\$6,140,810	17.19%	\$3,311,407	2.71x
2	5.00%	\$460,254	\$5,753,891	16.23%	\$3,110,155	2.60x
3	5.97%	\$460,254	\$5,417,299	15.25%	\$2,916,469	2.50x
4	7.00%	\$460,254	\$5,112,930	14.21%	\$2,697,220	2.39x
5	8.00%	\$460,254	\$4,846,306	13.16%	\$2,486,670	2.28x

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# MODEL SUMMARY | 75 PRINCE WILLIAM ST

DESCRIPTION	Unit Type:	SF
Investment Name	75 Prince William Street	
Property Type	Office	
MSA	Saint John, New Brunswick, Canada	
Address	75 Prince William Street & 2 Water Street	
City	Saint John	Province NB
Neighbourhood	Central Business District	Postal Code E2L 2B2
Acres	0.394	NRA SF 35,033
Parking	10 Spaces	0.3:1000 SF GBA SF 100,000
Buildings	1.0	Avg. # of Stories 4.0
Year Built	1960-61 & 1982 (Parking)	Year Renovated NA

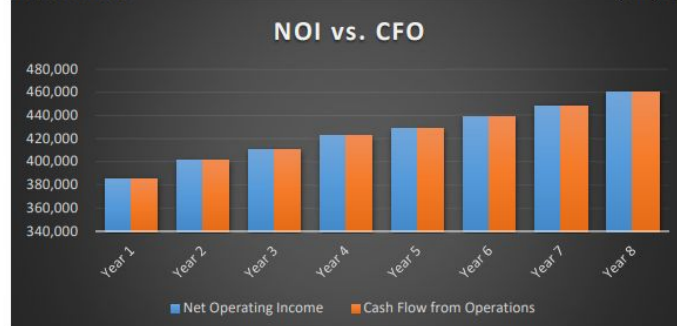


TIMING	96 Months	8 Years
Analysis Period (1- 10 Years)	96 Months	8 Years
Analysis Start Date	Month 1 01-Aug-24	Aug-2024
Growth Begin Month	Month 1	Month 1 Aug-2025
Operation Length	8.0 Years	96 Months
Analysis End Date	Month 96	Jul-2032
Residual End Date	Month 108	Jul-2033

Development Length (0-60 Mo.) 0 Months

VALUATION ASSUMPTIONS	Office Rate Assumptions	
	Cap Rate	Discount Rate
Base Rate	9.70%	5.00%
Adjustment	0.00%	0.00%
Adjusted Rate	9.70%	5.00%
Ann. Chg. Cap Rate	5.0 bps	

Analysis Purpose	Acquisition
Purchase Price	Direct Cap 4,062,612
+ Acquisition Due Diligence and Closing Costs & Fees	2.3% 93,125
+ Improvement Costs (Rooftop Chiller & Heatpump, & Roof Replacement)	418,369
Acquisition Cost	4,574,106



PROPERTY LEVEL RETURNS AND VALUE - UNLEVERED	Monthly	Annual
Unlevered IRR	10.84%	10.43%
Unlevered EMx	1.89X	1.89X
Avg. Free-and-Clear Return (CFO)	9.28%	9.28%
Present Value Discounted @ 5.00%	6,363,672	6,277,369
Year 1 Stabilized Value @ 9.70% NOI Cap Rate		4,062,612
Year 1 Stabilized Value @ 9.70% NOI Cap Rate		4,062,612

PROPERTY LEVEL RISK AND RETURNS - LEVERED	Monthly	Annual
Levered IRR	15.91%	15.27%
Levered EMx	2.50X	2.50X
Avg. Cash-on-Cash Return (CFAF)	11.41%	11.41%
Min. DSCR	1.66X	1.90X
Avg. DSCR	2.09X	2.09X
Year 1 DSCR	1.99X	1.90X
Min Debt Yield	12.84%	14.64%
Avg. Debt Yield	16.11%	16.11%
Year 1 Debt Yield	15.37%	14.64%

PARTNERSHIP LEVEL RETURNS - LEVERED	Annual	Sponsor	LP Investors
Levered IRR	15.01%	15.01%	16.01%
Levered EMx	2.45X	2.45X	2.65X
Contributions	1,454,933	1,454,933	484,978
Distributions	3,568,554	3,568,554	1,282,783
Net Profit	2,113,622	2,113,622	797,806

INCLUDE MODULES?		
ORI Module	TRUE	Yes
MF Module	FALSE	No
Permanent Financing Module	TRUE	Yes
Development Module	FALSE	No
Ground Lease Valuation Module	FALSE	No
Double Promote (Investors in Sponsor)	FALSE	No

NAVIGATION		
ORI Tabs	TRUE	Show
Report Tabs	TRUE	Show
Calculation Tabs	TRUE	Show
Rate Matrix Setup	FALSE	Hide
Waterfall Tabs	TRUE	Show

INITIAL INVESTMENT					
SOURCES	/SF	AMOUNT	USES	/SF	AMOUNT
Debt	75.19	2,634,196	Acq. Cost	130.57	4,574,106
Equity	55.37	1,939,910	Loan Fees	-	-
	-	-		-	-
Total Sources	130.57	4,574,106	Total Uses	130.57	4,574,106

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# EQUITY SUMMARY | 75 PRINCE WILLIAM ST

## PARTNERSHIP LEVEL RETURNS - EQUITY WATERFALL ASSUMPTIONS

Net Rentable Area: 35,033 SF

<b>Promote Structure Method</b>		IRR
<b>Return of Capital</b>		
<b>Equity Contributions</b>	<b>%</b>	<b>Amount</b>
Sponsor	75.0%	1,454,933
LP Investors	25.0%	484,978
Total Equity	Annual	1,939,910

Error Check: OK  
Profit Dist.: 2.911MM  
Net BTF: 2.911MM

Promote Structure (IRR Hurdles)	Pref	Up to 9.0% IRR to LP	Promote Structure Incentive Breakdown		Distribution as %		Notes
			Sponsor Promote	20.0%	Sponsor %	LP %	
Hurdle 1 (Preferred Return)					75.0%	25.0%	Pref prorata to LP/Sponsor, then Pro rata return of capital Prorata to LP/Sponsor to 9.0%, then 20.0%/80.0% to 0.0%
Hurdle 2	> 9.0% IRR to LP	up to 0.0% IRR to LP			80.0%	20.0%	

Monthly Hurdle Rate Calculation Method XIRR()

Sponsor Fees	%	Calculated on	Fee Amount	Frequency
Sponsor Asset Mgmt Fee (Monthly)	0.15%	4,285,000	536	Monthly

## PARTNERSHIP LEVEL RETURNS ANNUAL - EQUITY WATERFALL

Summary of Investor Level Returns	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8		
<b>Limited Partner (LP) Returns</b>											
Preferred Return	331,215										
Return of Capital	484,978										
Excess Cash Flow	466,590	9.1%	9.9%	10.3%	11.0%	11.3%	11.8%	12.3%	10.81%		
Total LP Distributions	1,282,783	44,027	47,946	50,153	53,276	54,728	57,257	59,754	915,642		
Total LP Contributions	484,978	-	-	-	-	-	-	-	-		
Total LP Profit	797,806										
LP IRR	16.01%	(484,978)	44,027	47,946	50,153	53,276	54,728	57,257	59,754		
LP Equity Multiple	2.65x										
<b>Sponsor Returns</b>											
Preferred Return	993,646										
Return of Capital	1,454,933										
Excess Cash Flow	1,399,771										
Promote	-279,795										
Total Sponsor Distributions	3,568,554	-	138,509	150,264	156,887	166,254	170,612	178,199	185,690		
Total Sponsor Contributions	1,454,933	-	-	-	-	-	-	-	-		
Total Sponsor Profit	2,113,622										
Sponsor IRR	15.01%	(1,454,933)	138,509	150,264	156,887	166,254	170,612	178,199	185,690		
Sponsor Equity Multiple	2.45x										
<b>Property Net Cash Flow For Distribution</b>											
Sponsor Fees	%	AUM	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Sponsor Asset Management Fee	0.2%	4,285,000	31-Jul-24	31-Jul-25	31-Jul-26	31-Jul-27	31-Jul-28	31-Jul-29	31-Jul-30	31-Jul-31	31-Jul-32
Sponsor Acquisition Fee	0.0%	4,574,106	0	6,428	6,428	6,428	6,428	6,428	6,428	6,428	6,428
Sponsor Disposition Fee	0.0%	5,353,424									
Gross Property Levered Before Tax Cash Flow			(1,939,910)	182,536	198,210	207,041	219,530	225,340	235,456	245,444	3,337,782
Net Property Levered Before Tax Cash Flow			(1,939,910)	176,108	191,783	200,613	213,103	218,912	229,028	239,017	3,331,354
Property Levered IRR (Net of Sponsor Fees)			14.99%								
Property Equity Multiple (Net of Sponsor Fees)			2.47X								
<b>Return of Capital &amp; Hurdle 1 (Preferred Return)</b>											
Return Threshold - Up to: 9.0%											
Beginning Balance (LP Capital Account)			-	484,978	484,599	480,267	473,338	462,662	449,574	432,778	411,974
LP Return of Capital			-	379	4,332	6,929	10,675	13,088	16,795	20,804	411,974
Req'd Return by LP to hit Hurdle 1			-	43,648	43,614	43,224	42,600	41,640	40,462	38,950	37,078
Contributions from LP			484,978	-	-	-	-	-	-	-	-
Distributions to LP (Hurdle 1)			-	44,027	47,946	50,153	53,276	54,728	57,257	59,754	449,052
Ending Balance (LP Capital Account)			484,978	484,599	480,267	473,338	462,662	449,574	432,778	411,974	-
IRR Error Check - 9.0%		9.0%	(484,978)	44,027	47,946	50,153	53,276	54,728	57,257	59,754	449,052
Distribution to LP			-	44,027	47,946	50,153	53,276	54,728	57,257	59,754	449,052
Contributions from Sponsor			1,454,933	-	-	-	-	-	-	-	-
Distribution to Sponsor			-	132,081	143,837	150,460	159,827	164,184	171,771	179,262	1,347,156
Total Distributions (Return of Capital & Hurdle 1 (Preferred Return))			-	176,108	191,783	200,613	213,103	218,912	229,028	239,017	1,796,208
Cash Flow Remaining			-	-	-	-	-	-	-	-	1,535,146



# IMPROVEMENTS & ENERGY UPGRADES COMPLETED

Date	Name/Vendor	Memo/Description	Amount (\$)	Balance (\$)
<b>1505 Building</b>				
<b>1506 Improvements</b>				
07/24/2020	PMC Energy Limited	performance summary and energy audit	\$8,300.00	\$8,300.00
12/21/2020	POMM	Tyco Integrated Fire & Safety	\$1,162.80	\$9,462.80
12/21/2020	POMM	Leading Edge - installed 53 lights, dimmers and wire per quote	\$15,617.72	\$25,080.52
12/21/2020	POMM	W&S General Contractors - remove and dispose of above ground F/O tank	\$7,925.00	\$33,005.52
01/20/2021	PMC Energy Limited	Progression invoice 1 - building automation system upgrade, complete system recommissioning, and interior lighting upgrade	\$13,300.00	\$46,305.52
02/19/2021	PMC Energy Limited	Progress invoice 2 - building automation system upgrade, complete system recommission, and interior lighting upgrade	\$10,500.00	\$56,805.52
02/21/2021	POMM	Brunswick Refrigeration - supply and install heat pump	\$3,425.36	\$60,230.88
03/20/2021	PMC Energy Limited	Progress invoice 3 - building automation system upgrade, complete system recommission, and interior lighting upgrade	\$26,000.00	\$86,230.88
03/21/2021	POMM	Leading Edge - hook up heat pump, install exit light combo	\$3,158.33	\$89,389.21
04/20/2021	PMC Energy Limited	Progression invoice 4 - building automation system upgrade, complete system recommissioning, and interior lighting upgrade	\$61,259.00	\$150,648.21
05/18/2021	PMC Energy Limited	Progress invoice 5 - building automation system upgrade, complete system recommission, and interior lighting upgrade, washroom pump and bypass valve	\$18,116.00	\$168,764.21
12/31/2021	POMM	repaired windows	\$16,725.69	\$185,489.90
04/30/2022	POMM	masonry repairs and replaced bricks to walkway	\$7,200.02	\$192,689.92
05/31/2022	POMM	masonry repairs and sealed bricks	\$3,500.00	\$196,189.92
12/31/2022	POMM	prep for new garbage door and power it up	\$435.56	\$196,625.48
12/31/2022	POMM	remove existing door and operator/install new door/wiring/Fraba safety eyes etc.	\$11,123.95	\$207,749.43
02/24/2023	PMC Energy Limited	Progress invoice 1 - energy metering system	\$12,900.00	\$220,649.43
02/28/2023	PMC Energy Limited	installed new JACE, transferred license, replaced boiler controller, installed program from back-up, repaired heating system	\$5,627.08	\$226,276.51
02/28/2023	POMM	replaced first-floor elevator door lock	\$770.00	\$227,046.51
03/23/2023	PMC Energy Limited	Progress invoice 2 - energy metering system	\$4,650.00	\$231,696.51
03/31/2023	POMM	work to elevator pit and pumps, repaired damage done by the drain freezing	\$2,235.77	\$233,932.28
04/12/2023	Ascension Elevating Devices	installed car and counterweight buffers, pit stop switch and limits, scraped and printed pit steel, replaced gov rope, cleaned and lubricated safeties, inspected bottom of the car junction box, replaced traveling cable	\$27,250.00	\$261,182.28
04/27/2023	PMC Energy Limited	Progress invoice 3 - energy metering system	\$20,680.00	\$281,862.28
05/31/2023	Ascension Elevating Devices	installed car and counterweight buffers, pit stop switch and limits, scraped and printed pit steel, replaced gov rope, cleaned and lubricated safeties, inspected bottom of the car junction box, replaced traveling cable	\$21,800.00	\$303,662.28
06/20/2023	Ascension Elevating Devices	installed car and counterweight buffers, pit stop switch and limits, scraped and printed pit steel, replaced gov rope, cleaned and lubricated safeties, inspected bottom of the car junction box, replaced traveling cable	\$5,450.00	\$309,112.28
07/31/2023	POMM	furnished and installed buffers, stop switch and limits, cleaned and lubricated safeties, inspected bottom of car junction box, and replaced travelling cable	\$5,450.00	\$314,562.28
10/12/2023	TK Elevator (Canada) Limited	troubleshoot various issues, repaired coils, repaired emergency function, and installed emergency light alarm	\$18,144.71	\$332,706.99
10/16/2023	TK Elevator (Canada) Limited	installed restrictors retainers, car top handrail, unlocking devices, door adjustments, fixture label	\$17,440.81	\$350,147.80
10/31/2023	POMM	elevator room access controls	\$4,335.16	\$354,482.96
11/17/2023	TK Elevator (Canada) Limited	troubleshoot elevator drifting issue, install motor and generator brush holders	\$15,410.31	\$369,893.27
12/20/2023	TK Elevator (Canada) Limited	set up rigging for generator removal and shipped to repair shop	\$8,247.60	\$378,140.87
12/20/2023	TK Elevator (Canada) Limited	repaired generator	\$12,091.91	\$390,232.78
01/17/2024	TK Elevator (Canada) Limited	installed restrictors, retainers, cur top handrail, unlocking devices, door adjustments, and fixture label	\$17,440.81	\$407,673.59
01/18/2024	TK Elevator (Canada) Limited	installed generator and troubleshoot motion and wiring issues	\$28,866.60	\$436,540.19
02/13/2024	TK Elevator (Canada) Limited	repaired contact and adjusted the air gap on 1MC	\$1,033.80	\$437,573.99
03/08/2024	TK Elevator (Canada) Limited	adjusted door operator and inspected the gearbox	\$1,301.10	\$438,875.09

TOTAL

\$438,875.09

Monday, Jul. 08, 2024 12:07:24 p.m. GMT-7 - Accrual Basis

Property Condition Assessment items	\$43,907.76
Environmental Report items	\$7,925.00
Energy Audit -ECM-1&2 (HVAC controls and lighting)	\$144,792.72
Energy Audit - ECM-6 Separate meter for Data Centre	\$38,230.00
Elevator Repairs and Improvements (not including normal maintenance expense)	\$204,019.61



R2 CAPITAL PARTNERS INC



# IMPROVEMENTS PLAN & BUDGET

Our initial improvements will focus on installing a heat pump in the building, serving as both a backup power source and a secondary heating option. This enhancement is essential for ensuring that our tenants, both current and future, have reliable heat even in emergencies. For our data center tenant, this redundancy is critical to maintaining uninterrupted services, which will strengthen our relationship with them.

Additionally, we plan to replace the aging chiller, which is nearing the end of its life expectancy. By selecting a chiller that meets the criteria for Energy Efficiency upgrades, we will be able to take advantage of the eligible incentives provided by the New Brunswick government. This will allow us to receive a rebate of \$95,373.33, making the investment even more financially viable. The new chiller, expected to last 25 to 35 years with proper maintenance, will not only enhance energy efficiency but also create a more comfortable environment for our tenants by improving air conditioning.

Since we'll be utilizing a crane to bring these upgrades to the roof, we've decided to address the aging roof at the same time, ensuring comprehensive improvements. Once these projects are completed, the building will be significantly more durable and efficient, aligning with our goal of maintaining a stable and resilient property throughout our investment life cycle.

<b>Quote Description</b>	<b>2024 Price</b>	<b>Eligible Incentives</b>	<b>Net Investment</b>
ECM-3b – Chiller Replacement & VRV Heat Pump	\$381,493.31	\$95,373.33	\$286,119.98 + HST
Main Roof Replacement	\$115,000.00	\$0.00	\$115,000.00 + HST
<b>TOTAL</b>	<b>\$496,493.31</b>		<b>\$461,287.98</b>

