

WOODFINE

— CAPITAL PROJECTS —



WOODFINE LPs



**WOODFINE
MANAGEMENT CORP.**



**WOODFINE
CREDIT INC.**

January 2017

This documentation is prepared solely for the purpose of providing information about Woodfine Capital Projects Inc. and its existing and proposed limited partnerships. It has been compiled in good faith; however, no representation is made as to the completeness or accuracy of the information it contains. This information may contain errors or have become out of date. The financial forecasts are for illustrative purposes only and are based in part on assumptions. Actual results achieved may vary significantly; there is no assurance that the results described will be achieved.

Private placement—accredited investors only—CAD\$150,000 maximum investment

CONTENTS

<u>Executive Summary</u>	<u>2</u>
<u>Investment Highlights</u>	<u>3</u>
<u>The Woodfine Group</u>	<u>4</u>
<u>Management Team</u>	<u>5</u>
<u>Woodfine LPs</u>	<u>6</u>
<u>Use of Proceeds</u>	<u>7</u>
<u>Development Classes</u>	<u>8</u>
<u>Term Sheet</u>	<u>9</u>
<u>Shareholders Agreement</u>	<u>10</u>
<u>Exit Strategy</u>	<u>10</u>
<u>Share Capital</u>	<u>11</u>
<u>Growth Potential</u>	<u>12</u>
<u>Sustainability</u>	<u>13</u>
<u>Development Markets</u>	<u>14</u>
<u>Past Projects by the Woodfine Group</u>	<u>15</u>

DISCLAIMER

This document has been prepared solely for the purpose of providing information about Woodfine Capital Projects Inc. (“WCP” or the “Corporation”) and the existing and proposed limited partnerships to be established by WCP (“Woodfine LPs”). They have been compiled in good faith; however, no representation is made as to the completeness or accuracy of the information it contains. This information may contain errors, or have become out of date. This document, and documents filed by Woodfine LPs with securities regulators, speak only to the respective dates on which they were filed.

WCP and the Woodfine LPs make no commitment to update this document, except to the extent required by securities laws and regulations in Canada. WCP reserves the right to add, modify, or delete any information in this document at any time. This document, including any of its references to products or services, is provided “as is,” without any warranty or implied terms of any kind. Reproduction or distribution of this document or any of the information contained herein without written permission from WCP is prohibited.

EXECUTIVE SUMMARY

Woodfine Capital Projects Inc. (“WCP” or the “Corporation”) is a real estate investment company that originates limited partnerships that develop commercial real estate (the “Woodfine LPs”). WCP holds a 10% interest in each Woodfine LP and therefore an interest in any profits generated by them.

Peter M. Woodfine, who with related parties has formed the “Woodfine Group,” has been involved in the construction, leasing, development, management, and syndication of commercial real estate in Western Canada since the 1980s.

In 2011, the Woodfine Group embraced a radical change in the financing model for its projects. Instead of continuing to finance projects deal by deal, the Group moved from a joint venture structure to a development fund structure. The Corporation instead originates new development funds—the Woodfine LPs—that raise capital in order to fund the construction of Woodfine Group developments. This also helps the LPs in issuing debt because the LP can pool together its income from all its projects. Each Woodfine LP has strict qualified investment criteria and a fixed maximum gross funded value, along with the same restrictions on borrowing as the restrictions on borrowers imposed by Canadian chartered banks.

The Corporation has been formed to hold the Woodfine Group’s investment in the Woodfine LPs and to provide advisory services to the Woodfine LPs. The Corporation will receive a 10% interest in all Woodfine LPs.

In August 2012, Woodfine created the Woodfine Professional Centres Limited Partnership (the “Professional Centres LP”), which has a target maximum gross funded value of CAD\$250 million. The Professional Centres LP is targeting real estate developments in western Canada. To date, C\$1 million has been invested into the partnership by Peter M. Woodfine.

In 2017, Woodfine plans to create the Woodfine Professional Centres II Limited Partnership (the “Professional Centres II LP”), which has a target gross funded value of US\$500 million. The Professional Centres II LP is targeting real estate developments in the western United States.



INVESTMENT HIGHLIGHTS

- **Woodfine LPs are the vehicles for the Corporation's qualified investments.** Woodfine LPs offer LP Units to investors. The sale of LP Units generates advisory fees, and concurrent with the issue of LP Units to investors, LP Units are issued to a subsidiary of the Corporation at nominal cost. The Corporation thereby acquires a 10% interest in each Woodfine LP at next to no cost, which is expected to generate income for the Corporation through distributions by the Woodfine LPs.

- **The Corporation's primary competitive advantage and value proposition to investors is its innovative Woodfine LP structure.** In the real estate market today, private investors have a choice of several typical offerings: JVs, REITs, and MICs. These products offer investors yield, and maybe some capital appreciation on the back end. None of these products gives investors a real stake in the developer's profit.

- **The Corporation grows its asset base by originating Woodfine LPs,** which provide access to the capital markets to finance the development of its projects without having to dilute the common shares issued by the Corporation.

- **Each partnership currently develops up to four distinct institutional-grade asset classes, and each qualified investment is funded through a separate nominee company,** enabling the partnerships to select the class of real estate, or combination of classes, that meets the needs of each development site. Investors purchase LP Units, and the partnership acquires properties that meet the qualified investment criteria. The properties' tenants pay rent to the partnership, and the partnership makes distributions to holders of LP Units, including the Corporation.

- **The Woodfine LP structure is an easily replicable model** that makes it possible to potentially grow the Corporation by launching U.S. and European funds in the future.

- **Investors are paid first, and the Corporation's upside is directly proportional to performance.** Unlike some private equity funds that have been criticized for charging high fees and generating low returns, Woodfine LPs pay a single fee calculated using the gross funded value rather than the net asset value. The Corporation's carry takes the form of unit-based compensation, held in escrow until the return of investment capital.

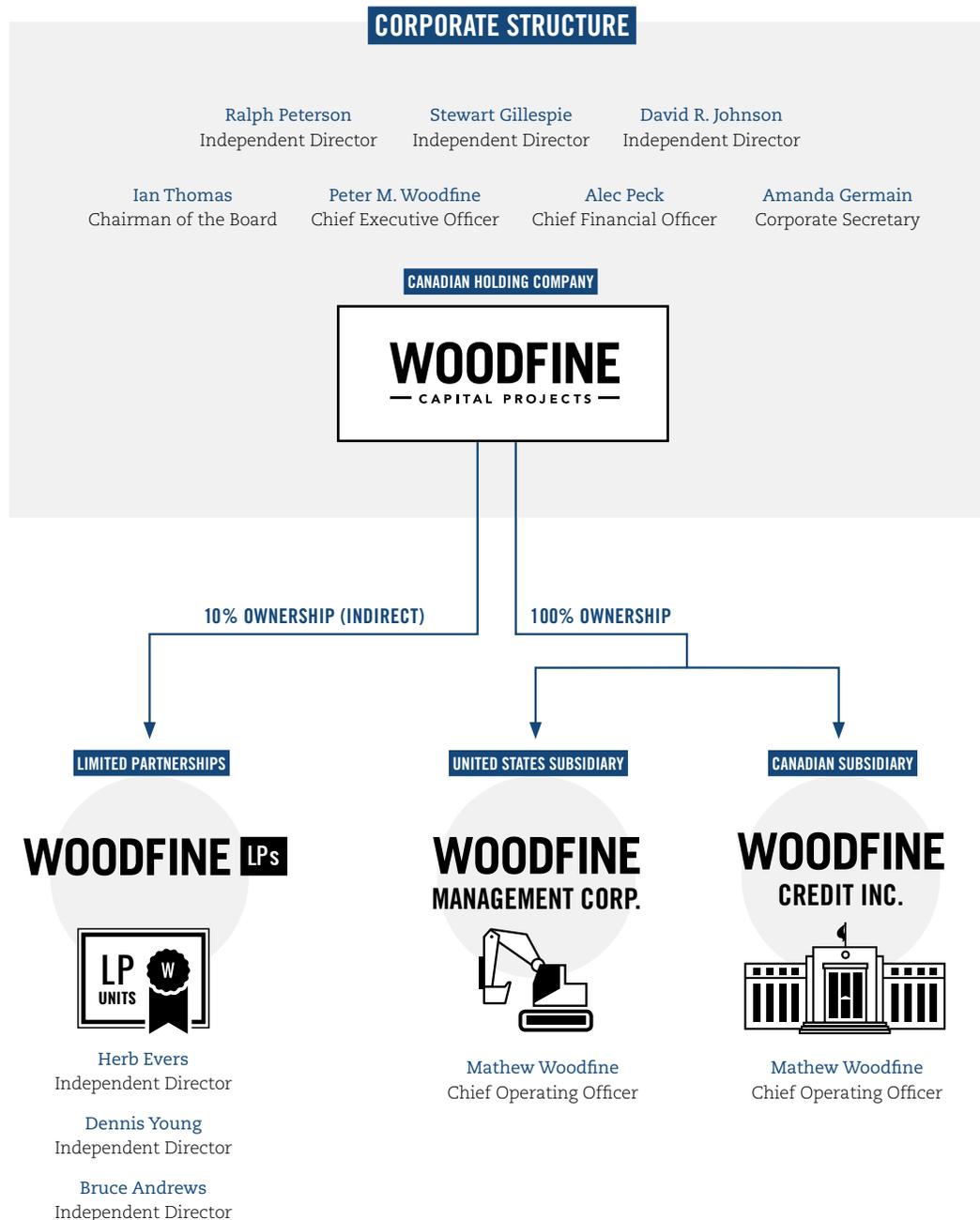
- **Peter M. Woodfine has \$2.5 million invested personally** and indirectly holds \$1 million of LP Units in the Professional Centres LP.

THE WOODFINE GROUP

Overseen by Peter M. Woodfine, the Woodfine Group has been involved in the construction, leasing, and syndication of commercial real estate in Western Canada since the 1980s.

The Corporation initiates the establishment of the Woodfine LPs, and its subsidiaries directly engage in the business of procurement, development, and management of real property.

- **Woodfine Capital Projects Inc.**, based in Canada, is the holding company and executive department of the Woodfine Group.
- **Woodfine Management Corp.**, based in New York City, is responsible for operations of the company. It provides administration services for the origination, reporting, and compliance of the Woodfine LPs, as well as third parties.
- **Woodfine Limited Partnerships** (Woodfine LPs) are public non-listed partnerships originated by the Corporation.
- **Woodfine Credit Inc.** accumulates the retained earnings of the Woodfine Group for investment purposes and makes deposits on land for upcoming projects.



MANAGEMENT TEAM

IAN THOMAS

Chairman of the Board

Real Estate Development Consultant,
West Vancouver, B.C.

Ian F. Thomas is chairman of Thomas Consultants Inc., a firm that has undertaken large-scale commercial projects in more than 60 countries, for some of the largest developers and retailers in the world. Mr. Thomas is the chairman of ICSC's International Design and Development Awards program and of the Australian Independent Schools USA Foundation in New York. In the past, he served on the board of trustees of the International Council of Shopping Centers in New York and as a director of the ICSC Foundation, Coast Appliances Ltd., Downtown Parking Corporation, City Xpress.com, Urban Development Institute, Vancouver Opera, and Future Shop Ltd.

ALEC PECK

Chief Financial Officer

CPA,
Vancouver, B.C.

Alec Peck is a CPA. He has been a partner in member offices of an international public accounting firm and a vice-president in the corporate finance group of publicly listed full-service investment dealers. Mr. Peck currently provides corporate executive financial services to Canadian public corporations, usually in the capacity of chief financial officer for a project or activity over a specific term.

PETER M. WOODFINE

Director and Chief Executive Officer

Real Estate Developer,
Vancouver, B.C.

Peter M. Woodfine has over 30 years of experience developing and financing a variety of mixed-use developments in Western Canada, primarily working in the secondary real estate markets. Mr. Woodfine was the founding partner and president of Cedaridge Properties Inc. This portfolio of properties, amounting to approximately 560,000 square feet of leasable space, was sold to the Ontario Pension Board for CAD\$101 million in 2005.

MATHEW WOODFINE

Chief Operating Officer

Operations Manager,
New York, NY

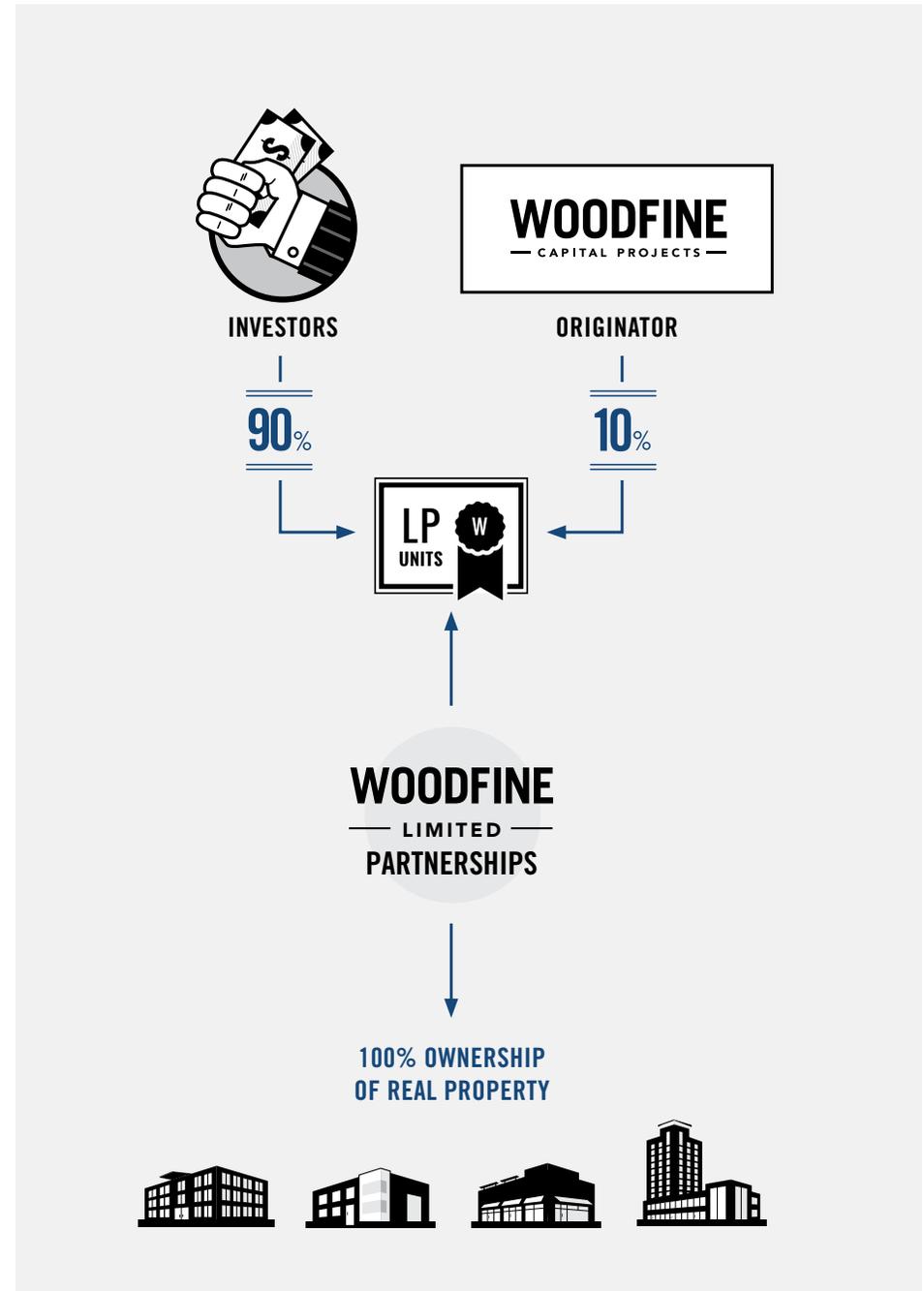
Under the supervision of the CEO and CFO, Mathew Woodfine is responsible for the overall management of the Woodfine Group and its local teams of consultants and contractors. He supervises and controls the work of these professionals directly and indirectly, along with the field officers, including hiring, firing, evaluation, and all other personnel actions. Over the last 15 years, Mathew Woodfine has worked with his father in all aspects of real estate development.

WOODFINE LPs

- The Corporation develops the Woodfine LPs in response to the growing need and demand for access to transferable, transparent alternatives.
- The Woodfine LPs offer investors an alternative to exchange-traded investments or direct real estate ownership.
- The Woodfine LPs are closed-end funds that do not accept new subscriptions for LP Units after an initial period or after the maximum gross funded value has been raised.
- As alternatives, the Woodfine LPs are designed to occupy a specific portion of a well-diversified and effective portfolio.

The Corporation initiates investments in real estate via the public, non-listed Woodfine LPs. The LP structure offers a solution between the private and public equity worlds, making it possible to raise freely transferable equity and create leverage through first secured debentures.

The Corporation maintains a 10% ownership interest in the Woodfine LPs. This structure affords the Corporation's management the opportunity to repeat its process across the changing landscape of opportunities and allows investors to participate in the Corporation's ownership of LP Units.



USE OF PROCEEDS

The Corporation intends to use the funds provided by the offering of common shares to repay some but not all of the seed capital loans from Peter M. Woodfine and to create a working capital reserve, with the balance of the funds invested in Woodfine Credit Inc., a 100% subsidiary, to be used for making deposits on lands that will later be purchased by a Woodfine LP.

There is no minimum offering size. The following table shows the anticipated use of proceeds if the maximum offering of 2,100,000 common shares is met.

WOODFINE CAPITAL PROJECTS INC.

2,100,000
COMMON SHARES

Price: \$20.00
per Offered Share

\$42,000,000

Maximum offering	\$42,000,000
Referral fees	\$4,200,000
Net proceeds to the Corporation	\$37,800,000
Woodfine Properties consulting agreement	\$2,000,000
Repayment of expenses of the Corporation paid by Woodfine Properties Inc., a company 100% owned by Peter M. Woodfine	
Net proceeds to the Corporation after debt repayment	\$35,800,000
Working capital reserve	\$4,800,000
Approximately 10% of the gross subscriptions	
Net proceeds to the Corporation after repayment outlined in the Woodfine Properties consulting agreement and working capital reserve	\$31,000,000
Investment in Woodfine Credit Inc.	\$31,000,000

DEVELOPMENT CLASSES

Following the first wave of retail development within Power Centres in secondary markets, there is an opportunity to revisit these markets and provide space for complementary businesses. Institutional tenants need locations in Power Centres because there is now a demand for their services there. The mixed-use development that results is a Woodfine Campus.



PROFESSIONAL CENTRES

WOODFINE PROFESSIONAL CENTRES

Woodfine Professional Centres are three- to five-storey professional buildings with floor plates ranging in size from 15,000 to 25,000 square feet, and provide a total of 50,000 to 90,000 square feet of rentable area. The buildings are designed to meet the needs of professional service providers in fields such as health care, accounting, law, engineering, and municipal administration. Main-floor retail space will provide tenants with businesses that complement the services provided in the Woodfine Professional Centre.



TECH INDUSTRIAL

WOODFINE TECH INDUSTRIAL

Woodfine Tech Industrial includes multiple combinations of commercial buildings, with the net leasable space of individual buildings ranging from 10,000 to 25,000 square feet, offering 60- to 80-foot-deep retail industrial bays with a loading door. Properties are intended for owner-operators who require combined showroom, office, and warehouse space. Examples include plumbers, glass suppliers, signage companies, and commercial printers.



RETAIL SELECT

WOODFINE RETAIL SELECT

Woodfine Retail Select includes multiple combinations of retail buildings, with the net leasable space of individual buildings ranging from 10,000 to 25,000 square feet and providing 3,000- to 5,000-square-foot units. These buildings are designed for national and local tenants who seek corporate exposure at locations in or near Power Centres, including banks, medical clinics, and other high-end users.



SUBURBAN OFFICE

WOODFINE SUBURBAN OFFICE

Woodfine Suburban Offices are six- to fifteen-storey office buildings providing from 100,000 to 300,000 square feet of leasable space with floor plates ranging in size from 15,000 to 25,000 square feet. These buildings are designed to meet the needs of professional service providers with contiguous space requirements in fields such as health care, accounting, law, and engineering. Main-floor retail space will provide tenants with easy access to businesses that complement the services provided in a Woodfine Suburban Office.

TERM SHEET

Issuer:	Woodfine Capital Projects Inc. Canadian Federal Incorporation registered to do business in British Columbia, Canada
Business plan:	Originates and takes a 10% interest in Woodfine LPs, which will construct up to four distinct institutional-grade and LEED-certified office and commercial spaces in secondary markets: PROFESSIONAL CENTRES, TECH INDUSTRIAL, RETAIL SELECT, SUBURBAN OFFICE
Securities offered:	2,100,000 common shares
Price per share:	C\$20.00 per share
Minimum and maximum investment:	C\$25,000 and C\$150,000
Minimum offering:	There is no minimum offering size. All subscription funds will be available to the Corporation for use as set out under “Use of Proceeds.”
Maximum offering:	C\$42 million
Dilution:	21% of the share capital
Potential exit strategy:	Exchange listing in three to five years; there can be no assurance any such listing will occur
Shareholders rights:	Strict unanimous shareholders agreement—no future dilutions until after an exchange listing occurs (if applicable)
Non-competes:	Peter M. Woodfine and Mathew Woodfine both have strict non-compete agreements
Executive compensation:	No stock option program; caps on salary, bonus, and expenses

SHAREHOLDERS AGREEMENT

The Corporation has implemented a unanimous shareholders agreement by which all shareholders are bound. The agreement will remain in place until an exchange listing occurs (if applicable), at which point the Corporation would be bound by the rules of the exchange.

THE SHAREHOLDERS AGREEMENT SETS OUT THE FOLLOWING REQUIREMENTS:

- The Corporation plans to become a reporting issuer.
- It has only one class of shares, and there will be no dilution of equity beyond the 10 million shares allowed under the unanimous shareholders agreement until a possible exchange listing occurs.
- The management team does not receive share-based compensation.
- Management team salaries are capped, and bonuses max out at 100% of salary.
- The Corporation can only borrow so long as it maintains a 1.2 interest coverage ratio.
- The C-suite is prescribed, with officers and their duties outlined.
- Wholly owned subsidiaries and their functions are prescribed.
- The board of directors is prescribed; members of the Woodfine Group can never control the board.
- Bank deposits and investment of free cash are restricted.
- Non-compete agreements are required for senior management.

POTENTIAL EXIT STRATEGY

The Corporation is not currently a reporting issuer in Canada. If it becomes a reporting issuer in Canada, the Corporation will be held to high standards of disclosure, including annual audits, quarterly financial statements, quarterly management discussion and analysis, and material change reports, all required to be filed on SEDAR.

In approximately three to five years, the Corporation intends to investigate seeking a listing on a stock exchange in an effort to provide shareholders with liquidity. Any such listing, if obtained, would be subject to receipt of all necessary regulatory and other approvals. There can be no guarantee that such listing will be obtained.

SHARE CAPITAL

On a fully diluted basis, the share capital of the Corporation is anticipated to be as follows:

10,000,000 COMMON SHARES:

21% (2,100,000 common shares)
 allocated as float; retail investors
 between \$25,000 and \$150,000 per person

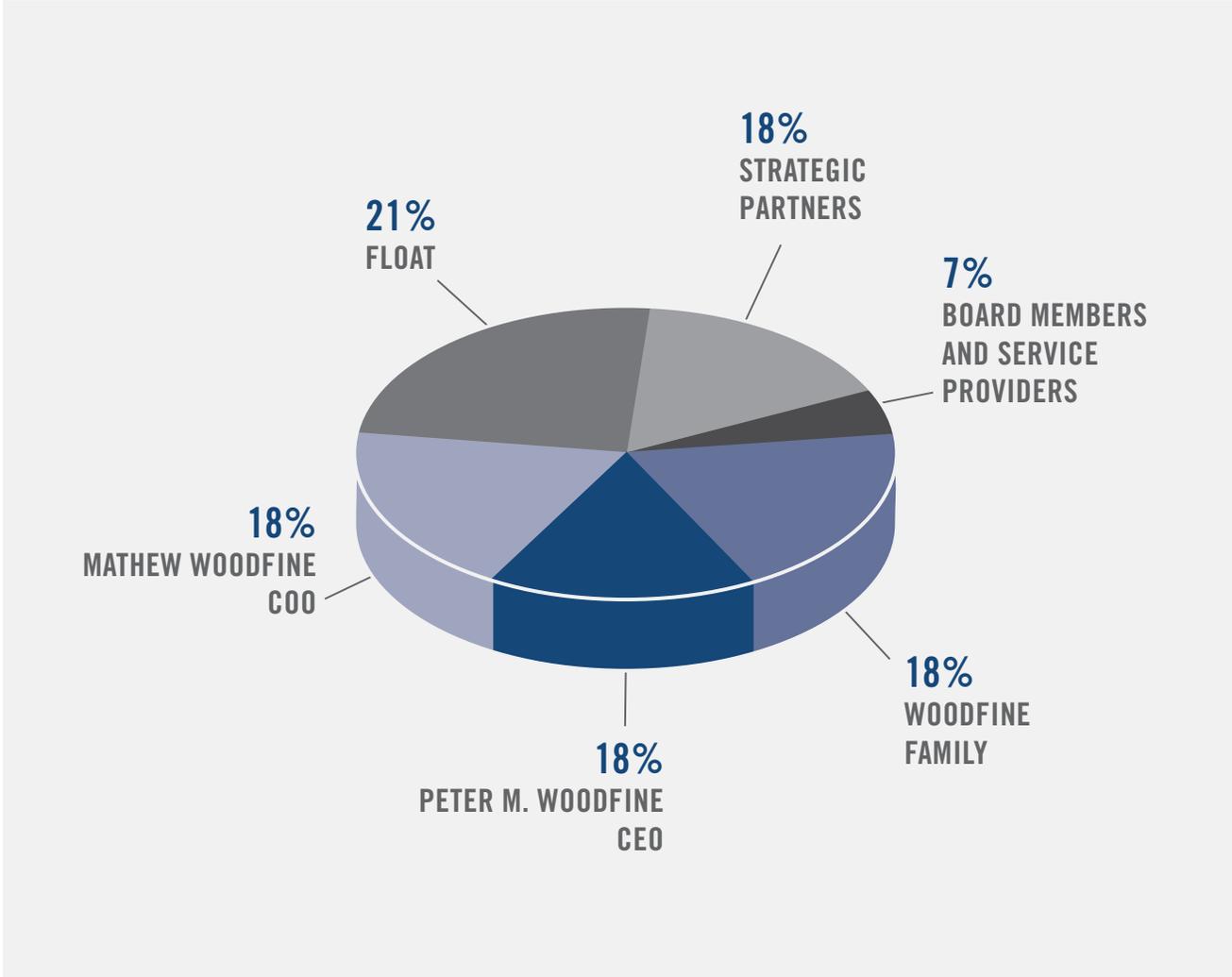
18% (1,800,000 common shares)
 strategic partner allocation for one
 to four initial Woodfine LP investors who
 provide significant capital

7% (610,000 common shares)
 initial board members and service
 providers

18% (1,830,000 common shares)
 allocation to the Woodfine family,
 controlled by Peter M. Woodfine

18% (1,830,000 common shares)
 Peter M. Woodfine – Chief Executive
 Officer of the Corporation

18% (1,830,000 common shares)
 Mathew Woodfine – Chief Operating
 Officer of the Corporation



GROWTH POTENTIAL

REAL ESTATE

The market for real estate investment grows continually, owing to the continual growth of the population and the depreciation of existing assets over time. Real estate is a capital-intensive business in which the asset has a finite shelf life. With the passage of time, properties break down completely, and new capital is needed to regenerate the productive capacity of the asset.

Go back 75 years and most, if not all, real estate was funded by the Canadian chartered banks and wealthy families. Over time, other players have come into the marketplace, breaking up the capital structure of real estate deals. Since the crash of 2007, banks have had to retreat from lending for real estate development, and if they do lend, bank loans are at much lower levels of debt to equity.

ALTERNATIVES

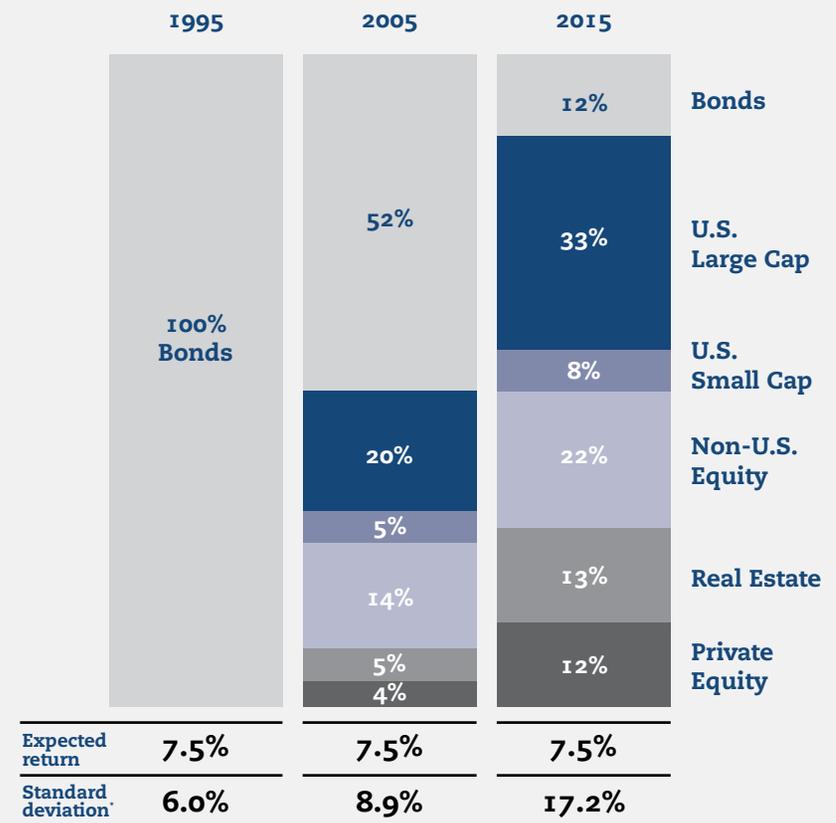
As investors become increasingly interested in sourcing asset classes and investment opportunities that are uncorrelated to the stock market, the Corporation recognizes a need for alternative investments to hedge against traditional exchange-traded instruments.

Until quite recently, access to non-exchange-traded securities was nearly exclusive to pension funds, endowments, and ultra-high-net-worth families. Barriers such as high minimum investments, higher fees than mutual funds and ETFs, and lack of access to relevant information have proven difficult to breach. With individual investors increasingly recognizing the value of alternatives, the Corporation and Woodfine LPs provide a new way to be part of a more diversified portfolio.

Rolling the Dice

Investors grappling with lower interest rates have to take bigger risks if they want to equal returns of two decades ago.

Estimates of what investors needed to earn 7.5%



*Likely amount by which returns could vary
Source: Callan Associates

Data Source: The Wall Street Journal

SUSTAINABILITY

Maintaining the consistency and sustainability of the business requires the application of four critical development principles: planning, implementation, monitoring, and critical analysis of the development cycle.

In applying these principles, four fundamental interconnected variables must remain in balance: timing, volatility, capital appreciation, and distributions. If any one of these elements changes, the rest vary accordingly.

PLANNING

Opportunities are sourced by identifying distinct competitive advantages in a given market, followed by extensive due diligence and risk evaluation for each potential development. Projects must meet rigorous standards and present clear value creation potential.

IMPLEMENTATION

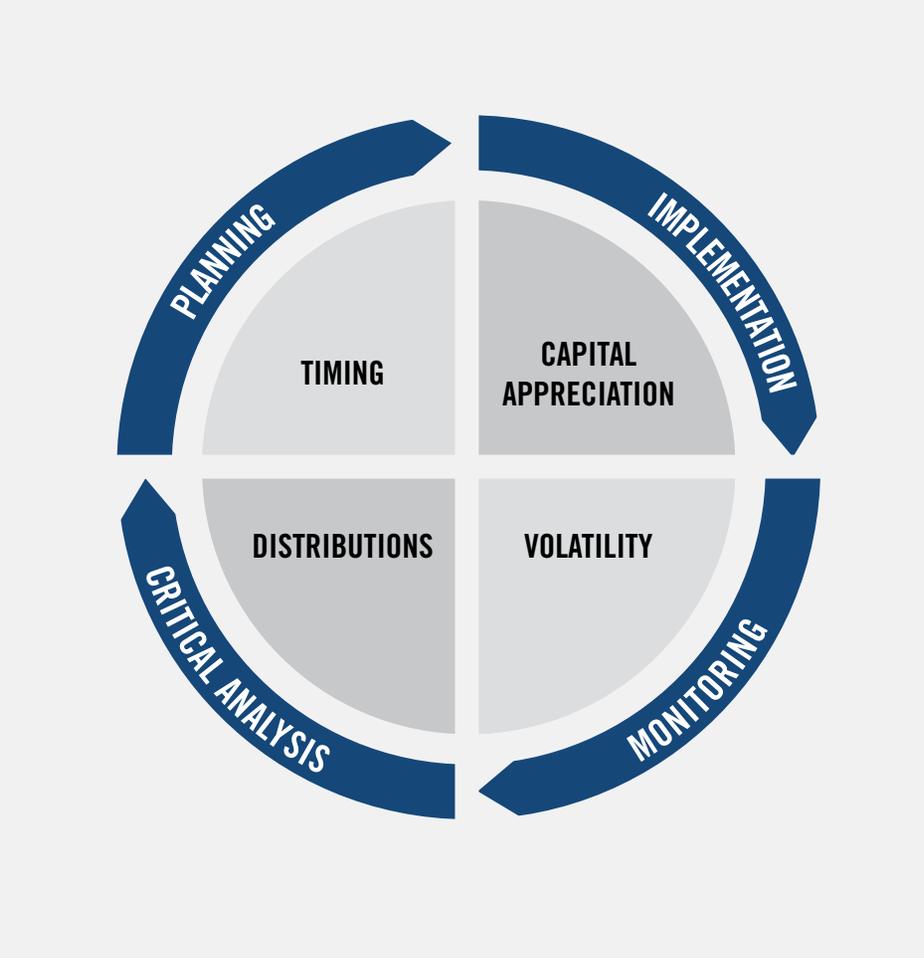
An integrated design-build process ensures an incorporated development process that includes site acquisition, construction, and leasing, as well as adherence to budget and time constraints.

MONITORING

Supervising the property managers for each project helps ensure optimal results. Consistent quarterly statements and annual reports, which include independent appraisals of net asset values, serve as reliable and ongoing overviews of each project.

CRITICAL ANALYSIS

Each project is regularly and rigorously evaluated during its lifespan. Any necessary real-time changes are made based on this monitoring process. Upon completion, projects are analyzed for ways to improve the process going forward.



DEVELOPMENT MARKETS

Woodfine’s current investment mandate focuses on Power Centres in Western Canada and the U.S. A Power Centre is a large aggregation of retail stores having at least one large box-store retail tenant of good reputation with premises in excess of 60,000 square feet.

The Coporation sees an opportunity to construct leasable space in and near Power Centres that will enable professional and industrial service providers to take advantage of the foot traffic, visible presence, and convenient access for staff and customers that result from locating their operations in or close to a Power Centre.

The Corporation’s focus will be on economically strong secondary markets as well as the peripheral markets of primary markets.

The accompanying rendering shows from an aerial perspective a typical location for a Woodfine LP development. This rendering is for illustrative purposes only; neither the Corporation nor any Woodfine LP has any interest in this site.

Typical Development Site, Airdrie, Alberta



PROJECTED DEVELOPMENT FOCUS

NEAR TERM 
CANADA AND THE UNITED STATES

MEDIUM TERM 
EUROPEAN UNION

LONG TERM 
AUSTRALIA AND MEXICO

PAST PROJECTS BY PETER M. WOODFINE

WOODFINE 118 AVE. COMMERCIAL - EDMONTON



118 Ave. Commercial
Edmonton, Alberta

- OFFICE
- SHOWROOM
- WAREHOUSE
- COMMERCIAL

FOR SALE

- COMMERCIAL DUPLEXES
- 1.3 ACRE LOT - SITE #9 ZONED/SERVICED

WOODFINE DEVELOPMENTS INC.

For more demographic information visit albertafirst.com

WOODFINE BROADMOOR BOULEVARD - SHERWOOD PARK



Opening December 2005

COSTCO WHOLESALE

FOR SALE OR BUILD TO SUIT

1 To 10 Acre Sites Available

WOODFINE DEVELOPMENTS INC.

For more demographic information visit albertafirst.com

WOODFINE COLD LAKE - RETAIL OPPORTUNITY



Excellent Retail Opportunity in Cold Lake, Alberta

Adjacent to the Wal-Mart in Cold Lake, this established retail site is a prime regional shopping destination for the town of Cold Lake / Grand Centre / CB Cold Lake. Driven by the oil industry, the region's economy is supported by the area's strong agricultural base, Canadian Forces Base 4 Wing, and tourism.

4,800sf RETAIL SPACE FOR LEASE

another project by **Primeco Dene Ltd.**

WOODFINE DEVELOPMENTS INC.

For more demographic information visit albertafirst.com

WOODFINE DRAYTON VALLEY - FOR SALE OR LEASE



The Power Centre
Drayton Valley, Alberta

LOCATION: • South Central Alberta

TRADE AREA: • Est. 20,000

ECONOMIC BASE: • Oil & Gas
• Forestry
• Agriculture

- WAL-MART
- FORD DEALERSHIP
- CANADIAN TIRE
- MARK'S WORK WEARHOUSE
- 1,200 TO 10,000 SF BAYS
- 1-14 ACRE PARCELS

WOODFINE DEVELOPMENTS INC.

For more demographic information visit albertafirst.com

WOODFINE FIRST NATIONAL - BUSINESS PARK



First National Business Park
Edmonton, Alberta

FOR SALE or BUILD TO SUIT / LEASE BACK

- LOTS FROM 1 - 5 ACRES
- FULLY SERVICED
- INDUSTRIAL ZONING

another project by **First National Properties Inc.**

WOODFINE DEVELOPMENTS INC.

For more demographic information visit albertafirst.com

WOODFINE GATEWAY PHASE III - FOR LEASE



Gateway Power Centre - Phase III
Grande Prairie, Alberta

RETAIL OPPORTUNITY FOR LEASE

WOODFINE DEVELOPMENTS INC.

For more demographic information visit albertafirst.com

WOODFINE NOW AVAILABLE FOR SALE OR LEASE



(Van Waters) Vopak Building
ADDITIONAL SPACE - LAND & BUILDINGS
Grande Prairie, Alberta

Warehouse / Office
Commercial Zoning (M-3)
Heavy Industrial District.

WOODFINE DEVELOPMENTS INC.

For more demographic information visit albertafirst.com

WOODFINE WESTGATE PHASE II - SALE OR BUILD TO SUIT



Westgate Power Centre Phase II
Grande Prairie, Alberta

20 Acres of Retail / Commercial Property, Zoned and Serviced
Up to 10,000sf available next to Home Depot & The Brick

FOR SALE OR BUILD TO SUIT

another project by **First National Properties Ltd.**

WOODFINE DEVELOPMENTS INC.

For more demographic information visit albertafirst.com

WOODFINE

— CAPITAL PROJECTS —

CONTACT US

To learn more about how the Corporation could play a role in your portfolio, contact your financial advisor or call us directly.*

VANCOUVER

Woodfine Capital Projects, Inc.

Oceanic Plaza, 23rd Floor
1066 West Hastings Street
Vancouver, BC V6E 3X2
Canada

+1 (604) 375 - 1196

NEW YORK

Woodfine Management Corp.

7 World Trade Center, 46th Floor
250 Greenwich Street
New York, NY 10007
USA

+1 (917) 882 - 9455

INFO@WOODFINE.CO

*An investment in the Corporation is only available to accredited investors, as defined in applicable Canadian securities laws.

