

ANNUALIZED  
RETURNS  
AS HIGH AS  
**20%**



Western Canadian  
PROPERTIES GROUP

# SURREY RESIDENCES

## — INVESTMENT SUMMARY —

RENDERINGS ARE FOR ILLUSTRATIVE PURPOSES ONLY.

Dated for reference: November 10, 2017

# INVESTMENT SUMMARY

## SURREY RESIDENCES



Western Canadian Properties Group XII Limited Partnership is proud to offer investors an opportunity to invest in a real estate property development in one of Canada's hottest real estate markets, Surrey, BC.

On November 5th, 2017 REIN announced their annual list of the top ten BC cities to invest in. Surrey is #1 on the list for 2018.

## CAPITAL REQUIRED

### First Tranche:

The Partnership is looking to raise \$7,500,000 for this opportunity.

### **\$7,500,000 of Class A1 Units**

**Commitment date: first come, first served.**

**Funds are due January 31, 2018.**

The Partnership reserves the right to accept subscriptions for up to \$4,500,000 of Class B units at a preferred return of up to 14%, from investors not subscribing to Class A1 units. Doing so would decrease the Class A1 monies needed and would effectively increase the return on investment for Class A1 investors.

### Second Tranche:

The Partnership anticipates raising an additional \$4,000,000 for February 2019, assuming that the development proceeds with **Scenario A**.

The quantum of funds required for the second capital tranche, and the timing of that tranche, will depend on whether the development proceeds with **Scenario A**, **Scenario B** or **Scenario C**. Once the scenario is known, the General Partner intends to raise the funds required for that scenario.

The Second Tranche funds will be raised as either Class A2 units or Class A3 units, depending on capital market conditions at the time the funds are raised.

### Class A Units:

All Class A Units – Class A1, Class A2 and Class A3 – will receive 85% of profits until they have achieved an 18% annualized return on their investment. After that the Class A Units will receive 15% profits.

## PHENOMENAL LOCATION

Surrey Residences is located just west of the Bing Thom designed Surrey City Centre Library and the Kasian designed Surrey City Hall and Civic Plaza along 104th Avenue in Surrey's City Centre which in recent years has been enjoying a tremendous revitalization and growth. **This location is considered very walkable with a walking score of 75; it has excellent transit availability at a transit score of 85, and a bike score of 87.** Residents living, studying and working in Surrey City Centre can enjoy a multitude of amenities a short walk away of the Surrey Residences location including: Central City Mall, Holland Park (a frequent venue for live City sponsored concerts), restaurants, fashion, furniture, grocery shops, schools and entertainment. The property is also only 34 minutes to Downtown Vancouver, and 19 minutes to Metrotown by SkyTrain. Its central location provides a drive time of only 37 minutes to the Canada-US Border and 33 minutes to Vancouver International Airport.

## BUILDING

The proposed form of redevelopment will be a 6-story, condominium apartment building which will be generally square in shape. Although the exact number of units are unknown at this time it is anticipated to be an average unit size of 651 sq. ft. overall ranging from Micro Suites to 3 Bedrooms, with a predominate majority of the building being made up of Micro Suites, Studios and 1 Bedrooms.

**The Micro Suite, Studio, 1 Bed, and 1 Bed and Den units** will be geared towards Investors and First Time Home Buyers with smaller and compact units with tasteful yet simple designs and finishes.

**The 2-bedroom units** will make up approximately 17% of the building and will be designed to sizes and makeups that are functional and focused on family living.

**The 3-bedroom units** will make up 5% of the building and will be focused on the upper floors, which will have lovely views.

**The general finish level** of the project will be a medium level spec including stainless steel appliances, laminate flooring in the general living areas, carpet in the bedrooms and tile in the bathrooms.

The higher floors will have a slightly higher spec-level in terms of finishing materials and will cater to family living.

## LAND

The land is rectangular in shape, has approximately 61,420 square feet of land area, which is approximately 340 feet deep and includes approximately 172 feet of frontage along 104th Ave.

## ZONING

The land is currently zoned RM-6A (Multiple Unit Residential District). The Property is designated in the Downtown Surrey Land Use Map as "Low to Mid Rise up to 2.5 F.A.R."







# DENSITY SCENARIOS



## SCENARIO C 4.2 FSR Tower

359 units  
26 stories  
Concrete Construction

Investment Timeframe	51.5 months
Price Range	\$750 to \$780
Per Saleable Square Foot	
Investor Return Range	
Investor Annualized Return	21.9% - 23.3%

Investment Timeframe	45.5 months
Price Range	\$750 to \$780
Per Saleable Square Foot	
Investor Return Range	
Investor Annualized Return	18.8% - 20.1%

## SCENARIO B 2.5 FSR Tower

213 units  
15 stories  
Concrete Construction



## BASE CASE SCENARIO A 2.5 FSR Low Rise

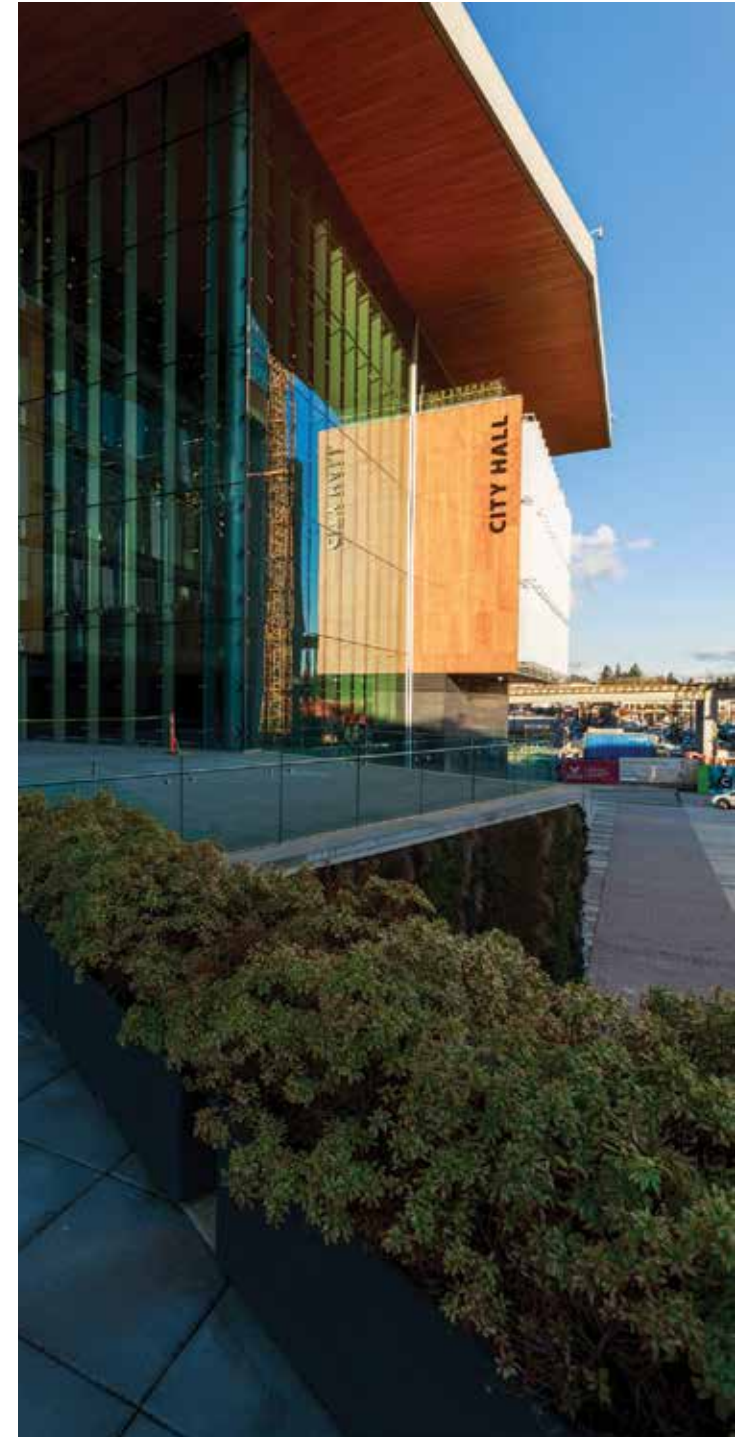
210 units  
6 stories  
Wood Frame Construction



Investment Timeframe	39.5 months
Price Range	\$580 to \$620
Per Saleable Square Foot	
Investor Return Range	
Investor Annualized Return	18.0% - 20.5%

# DENSITY SCENARIOS LIMITED PARTNERSHIP PRO FORMAS

	Base Case Scenario A 2.5 FSR Low Rise		Scenario B 2.5 FSR Tower		Scenario C 4.2 FSR Tower	
Revenue	Units	Sellable SF/Unit	Units	Sellable SF/Unit	Units	Sellable SF/Unit
Micro Suite Units	63		64		108	
Studio Units	63		64		108	
One Bedroom Units	21		21		36	
One Bedroom + Den Units	17		17		29	
Two Bedroom Units	15		15		25	
Two Bedroom + Den Units	21		21		36	
Three Bedroom Units	4		4		7	
Three Bedroom + Den Units	6		7		10	
<b>Total Units / Total Sellable SF</b>	<b>210</b>	<b>136,660</b>	<b>213</b>	<b>133,589</b>	<b>359</b>	<b>224,429</b>
Price Per Square Foot		\$600		\$750		\$750
<b>Gross Revenue</b>		<b>\$81,996,000</b>		<b>\$100,192,000</b>		<b>\$168,322,000</b>
Less: Commissions paid on closing		(713,000)		(828,000)		(1,392,000)
<b>Net Revenue</b>		<b>\$81,283,000</b>		<b>\$99,364,000</b>		<b>\$166,930,000</b>
<b>Costs</b>						
Land Costs		\$15,386,000		\$15,391,000		\$15,817,000
Construction Costs		37,470,000		50,368,000		83,260,000
Development Costs		12,111,000		13,787,000		21,769,000
Financing Costs		6,112,000		7,771,000		12,055,000
Warranty Reserves		525,000		532,500		897,500
<b>Total Cost</b>		<b>\$71,604,000</b>		<b>\$87,849,500</b>		<b>\$133,798,500</b>
<b>Profit to Distribute</b>		<b>\$9,679,000</b>		<b>\$11,514,500</b>		<b>\$33,131,500</b>
<b>Limited Partner Investment</b>						
First Subscription		\$7,500,000		\$8,000,000		\$8,000,000
Second Subscription		4,000,000		6,000,000		13,000,000
<b>Total Investment</b>		<b>\$11,500,000</b>		<b>\$14,000,000</b>		<b>\$21,000,000</b>
<b>Investment Timeframe</b>		<b>39.5 months</b>		<b>45.5 months</b>		<b>51.5 months</b>
<b>Price Range</b>						
Per Saleable Square Foot		\$580 to \$620		\$750 to \$780		\$750 to \$780
<b>Investor Return Range</b>						
<b>Investor Annualized Return</b>		<b>18.0% - 20.5%</b>		<b>18.8% - 20.1%</b>		<b>21.9% - 23.3%</b>





## RECENT SURREY CONDO SALE PRICES

Evolve	\$450 per sq.ft.
Alumni	\$470 per sq.ft.
3 Civic Plaza	\$523 per sq.ft.
Park Boulevard	\$740 per sq.ft.

## SURREY RESIDENCES FORECAST SALE PRICE

<b>13265 104th Avenue</b>	<b>\$600 per sq.ft.</b>
Sellable Square Feet	136,660
Estimated Selling Price	\$81,996,000
Commissions Paid on Closings	\$713,000
<b>Net Revenue</b>	<b>\$81,283,000</b>

## PROPERTY COST

Land Costs	\$15,386,000
Construction Costs	\$37,470,000
Development Costs	\$12,111,000
Financing Costs	\$6,112,000
Warranty Reserves	\$525,000
<b>Total Property Cost</b>	<b>\$71,604,000</b>



## PROPERTY OVERVIEW

The Surrey Residences is proposed to be a multi-storey, transit orientated condominium building in the rapidly evolving Surrey City Centre, just a mere 600 meters or an **8-minute walk from the Surrey Central SkyTrain Station**. Within walking distance to coffee shops and restaurants, malls, Simon Fraser University, parks and schools it is ideally located. Surrey Residences features clean and contemporary fixtures including quality cabinets, wide-plank laminate flooring and quartz counters PLUS underground parking and full size in-suite storage.

The proposed business plan is to design, build and sell condominiums to individual owners with sales completing in March 2021.



## SITE OVERVIEW

Address:  
**13265 104th Avenue**

City, Province:  
**Surrey, BC**

Total Units:  
**~210**

Year Built:  
**New**

Proposed Sellable Square Feet:  
**136,660**

Proposed Buildable Square Feet:  
**153,550**

Number of Buildings:  
**1**

Land size:  
**61,420 square feet**

Parking:  
**~216 underground**

## UNITS

~210 Residential

## SUITE MIX

Approximately:

- 30% **Micro Suites**
- 30% **Studio**
- 10% **1 Bedroom**
- 8% **1 Bedroom + Den**
- 7% **2 Bedroom**
- 10% **2 Bedroom + Den**
- 5% **3 bedroom (PH + Sub)**

## FEATURES

- Stainless Steel Appliances
- Elegant Quartz Countertops
- Modern Under Mount Sinks
- Customizable Millwork Options
- European Style Cabinetry
- Large Soaker Tub for Spa like Experience
- In Suite Laundry
- LED Lighting
- 8'6" Ceilings
- Secured Underground Parking



# LIMITED PARTNERSHIP PRO FORMAS – SCENARIO A

Revenue	Units	Sellable SF/Unit	Project	Per Unit	Per SF (Sellable)
Micro Suite Units	63				
Studio Units	63				
One Bedroom Units	21				
One Bedroom + Den Units	17				
Two Bedroom Units	15				
Two Bedroom + Den Units	21				
Three Bedroom Units	4				
Three Bedroom + Den Units	6				
<b>Revenue from Strata Units</b>	<b>210</b>	<b>136,660</b>	<b>\$81,996,000</b>	<b>\$390.457</b>	<b>\$600.00</b>
Add: Additional Parking Stalls			-	-	-
<b>Gross Revenue</b>			<b>\$81,996,000</b>	<b>\$390.457</b>	<b>\$600.00</b>
Less: Commissions paid on closing			(713,000)	(3,395)	(5.22)
<b>Net Revenue</b>			<b>\$81,283,000</b>	<b>\$387,062</b>	<b>\$594.78</b>
Expenses		Buildable SF	Project	Per Unit	Per SF (Buildable)
		<b>153,550</b>			
Land Cost (Purchase Price)			\$13,650,000	\$65,000	\$88.90
Property Transfer Tax			388,000	1,848	2.53
Community Amenity Contribution Charges			618,000	2,943	4.02
Broker Fee			307,000	1,462	2.00
Land Acquisition Fee			273,000	1,300	1.78
Land Closing Costs - Legal			150,000	714	.98
<b>Total Land Costs</b>			<b>\$15,386,000</b>	<b>\$73,267</b>	<b>\$100.20</b>
Hard Construction Costs			\$33,781,000	\$160,862	\$220.00
Demolition & Hazardous Materials Cost			1,500,000	7,143	9.77
Offsite Construction Costs			500,000	2,381	3.26
Hard Cost Contingency	5%		1,689,000	8,043	11.00
<b>Total Construction Costs</b>			<b>\$37,470,000</b>	<b>\$178,429</b>	<b>\$244.02</b>
Design & Third Party Consultants			\$2,000,000	\$9,524	\$13.03
General Development			1,365,000	6,500	8.89
Project Management	4% revenue		3,280,000	15,619	21.36
Permits & Fees			2,481,000	11,814	16.16
Sales & Marketing			2,408,000	11,467	15.68
Development Cost Contingency	5%		577,000	2,748	3.76
<b>Total Development Costs</b>			<b>\$12,111,000</b>	<b>\$57,671</b>	<b>\$78.87</b>
Interest Expense			\$4,414,000	\$21,019	\$28.75
Financing Fees			1,123,000	5,348	7.31
Capital Raise Fee	5%		575,000	2,738	3.74
<b>Total Financing Costs</b>			<b>\$6,112,000</b>	<b>\$29,105</b>	<b>\$39.80</b>
Warranty Reserves			\$525,000	\$2,500	\$3.42
<b>Total Expenses</b>			<b>\$71,604,000</b>	<b>\$340,971</b>	<b>\$466.32</b>

Profit	Project	Per Unit	Per SF (Sellable)
<b>Profit to Distribute</b>	<b>\$9,679,000</b>	<b>\$46,090</b>	<b>\$70.83</b>
<b>Return on Cost</b>	<b>14%</b>		
<b>Return on Revenue</b>	<b>12%</b>		
Investor Returns (\$)	Class A	Class C - GP	Profit
Tranche 1	\$5,943,750	\$1,048,897	6,992,647
Tranche 2	402,953	2,283,400	2,686,353
<b>Total Investor Returns (\$)</b>	<b>\$6,346,703</b>	<b>\$3,332,297</b>	<b>\$9,679,000</b>
<b>Investor Returns (%)</b>	<b>Class A</b>		
<b>Total Investor Returns (%)</b>	<b>55%</b>		

## ANNUALIZED RETURN Class A

## PROFIT SHARE Class A Class C

Up to 18%	85%	15%
Over 18%	15%	85%

Assumptions	Class A	
1st Subscription	65%	\$7,500,000
2nd Subscription	35%	4,000,000
<b>Total Investment</b>	<b>100%</b>	<b>\$11,500,000</b>
1st Subscription Period	39.5 months	January 31, 2018 - May 15, 2021
2nd Subscription Period	25 months	February 13, 2019 - May 15, 2021
Total Period	39.5 months	



AVERAGE UNIT SIZE OF 651 SQ. FT.





## OUR TRIED-AND-TESTED BUSINESS APPROACH

Our proven system has generated exceptional returns for our investors and joint venture partners. Consistently following our step-by-step process allows WCPG to make decisions based on in-depth experience from the day we buy until the day we sell a property.

## INVESTMENT HIGHLIGHTS

Surrey is **one of Canada's most desirable development markets**. Surrey is #1 on the 2018 REIN list of the top ten BC cities to invest in.

Phenomenal location – Surrey city central – **SkyTrain Station** is only an 8-minute walk away.

An opportunity to **get in on the ground floor** and invest alongside the developer.

**Surrey's population is expected to surpass Vancouver.**

Class A Limited Partners receive **85% profit share** until they have achieved an 18% annualized return on their investment. After that Class A Limited Partners will receive 15% profit share.

**WCPG believes investors can realize a return on investment as high as 20% per year.**

## THE EXECUTIVE TEAM



### **DAVE STEELE** CEO, Western Canadian Properties Group

Over the past 30 years, Dave and his team have actively developed and renovated over 100 projects with over 12,000 properties throughout Alberta, BC and the Western United States.

Dave has been actively involved in the growth of the Entrepreneurs Organization (EO), a non-profit organization which now has over 11,000 members worldwide. In 1993/94, he served as EO's International president. Dave has a Bachelor of Commerce degree with a major in finance from the University of Calgary.



### **EDWARD ARCHIBALD** President, Accorde Properties

Edward is a development professional with over 12 years in the real estate industry, who is currently developing in excess of \$200 million in projects.

Edward previously served as VP Development for Adera Development Corporation, overseeing in excess of \$500 million in projects throughout the Lower Mainland. Prior to that Edward served as the Director of Development and Construction for another developer where he oversaw in excess of \$250 million of projects.



### **JOHN BEAN** CFO

John Bean is the CFO of Western Canadian Properties Group Ltd. ("WCPG"), where he has developed construction financing programs which allow the company to be competitive in its pricing and to deliver good financial returns to stakeholders.

John provides financial analyses and support to the development team. He has served on a number of boards and holds a Bachelor of Commerce from the University of British Columbia and is a CPA (BC), CA.



### **JIM FERRIE** VP, Construction

Jim Ferrie is responsible for overseeing development and construction for WCPG, including the 62-unit Qualicum Landing development in 2006, which won 17 awards including the Grand Georgie Award for the Best Residential Community in BC.

Prior to joining WCPG, Jim's commercial construction company completed many projects including the construction and renovation of municipal buildings, ice arenas, and distribution warehouses for major clients like The City of Vancouver, Costco, Safeway and Brookfield LePage Johnson Controls.



### **CYNTHIA AASEN** VP, Sales & Marketing

Cynthia has actively helped clients acquire investment properties in over 75 projects valued at over \$500,000,000 throughout Canada and the Western United States. Using proven strategies, Cynthia and her team specialize in helping individuals and businesses invest in North America's best real estate markets.

Cynthia has a Bachelor of Commerce degree with a major in economics from the University of Calgary. She is the co-founder and managing broker of Investment Revenue Realty Inc., a licensed real estate brokerage exclusively focused on investment real estate opportunities.



# SURREY CITY CENTRE HIGHLIGHTS



Surrey is one of the region's **strongest housing markets**.

Surrey has seen rising populations, **growing 10.6% since 2011** to 525,000 residents with 33,660 in Surrey City Centre.

With Surrey adding an average of 1,000 new residents per month, it is expected to become the **largest city in BC by 2030**.

**Affordability** in comparison to Vancouver is a factor in Surrey's strong growth.

Surrey City Centre is developing into a **walkable, transit-oriented** downtown core for business, cultural, and entertainment activity.

**Median rents are up 38.5% and 74%** for one and two bedrooms (REIN Report 2018, Top 10 Cities in BC).

## **Major employers:**

**Fraser Health** – 25,000 employees | **School District of Surrey** – 10,050 employees | **City of Surrey** – 3,400 employees







**TREMENDOUS REVITALIZATION AND GROWTH**

# PRIVATE PLACEMENT TERMS

Issuer: Western Canadian Properties Group XII Limited Partnership (The “Partnership”).

## FEES PAID TO THE GENERAL PARTNER

**Acquisition fee:** 2% of the purchase price of the land, to be paid upon closing of the land purchase.

**Project management fee:** 4% of gross revenues, to be paid at \$50,000 per month starting the month after the closing of the land purchase, with the balance to be paid upon the sale of the last strata unit.

**Mortgage guarantee fee:** Nil of the amount guaranteed for any acquisition loan, financing or refinancing.

Profit sharing as described in the Disposition Waterfall below.

## DISPOSITION WATERFALL

Any possible distributions made by the Partnership will be in the following order:

The Class B Limited Partners will be repaid their initial investment, first.

The Class B Limited Partners will then be paid their preferred return.

The Class A Limited Partners will then be repaid their initial investment.

The Class A Limited Partners and the Class C Limited Partners will split the remaining profit 85% and 15%, respectively, until such time as the Class A Limited Partners realize an 18% Annualized Return.

The balance of profits will be split 15% to the Class A Limited Partners and 85% to the Class C Limited Partners.

The ten Class C Units are non-voting units with a subscription price of \$10 each, which have been issued to the holding companies of the two principals of the General Partner. These Units will be used to collect principals' profit share from the Project.

## RELATED PARTY TRANSACTIONS

The Partnership intends to hire a qualified builder as its General Contractor and to pay a fee of approximately 3% of Hard Costs and Soft Costs to that General Contractor. Western Canadian Construction Company Ltd. (which is owned by Dave Steele) may be chosen by the Partnership for this construction management contract.

The Partnership intends to hire Western Canadian Properties Group Ltd. (which is owned by Dave Steele) to provide accounting and recordkeeping services to the Partnership at a cost of \$5000/month.

## FEES PAID FOR CAPITAL RAISING

Capital raising fees paid to individuals or companies who qualify under the relevant securities legislation in an amount up to 5% of the funds raised by such individuals or companies, subject to applicable laws. Any such capital raising fees will be paid 10 business days after closing of acquisition of the identified asset.

## MORTGAGE GUARANTEE FEE

The partnership may pay a fee to an arm's length third party that provides guarantees for an acquisition loan, financing or refinancing.



## PURPOSE OF THIS DOCUMENT

This document is being furnished to you solely for informational purposes in considering an investment in Western Canadian Properties Group XII Limited Partnership (the “Partnership”). All information included in this document is current as of the date hereof and is subject to change, completion or amendment without notice. This document does not purport to contain all the information necessary to evaluate an investment in the Partnership, and it is understood that you will make your own independent investigation of the merits and risks of the proposed investment. This document does not constitute an offer to sell, or a solicitation of an offer to buy, an interest in the Partnership.

## ASSUMPTIONS

Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking statements include that: building plans and related expenses will proceed as anticipated; the Partnership will remain in good standing with respect to its obligations with any senior lenders; the general economy is stable; local real estate conditions are stable; interest rates are relatively stable; equity and debt markets continue to provide access to capital; that the Partnership’s expenses will not be materially greater than anticipated. These factors and assumptions should be considered carefully by readers. Readers are cautioned not to place undue reliance on the forward-looking statements or the assumptions on which the forward-looking statements are based. Investors are further cautioned that the foregoing list of factors and assumptions is not exhaustive.

Other assumptions used by Western Canadian Properties Group XII Limited Partnership to model the revenues and costs and to create the worksheets laid out in this document include:

- 89% ratio of Sellable square feet to Buildable square feet
- Selling price of \$600 per Sellable square foot
- Hard construction costs of \$220 per Buildable square foot
- Development costs of \$79 per Buildable square foot
- Contingency of 5% of hard construction and development costs will be adequate

In addition, information regarding targeted returns is based on the following principles and assumptions: the Partnership will not materially incur additional indebtedness, other than with respect to ordinary development costs or as disclosed herein; the consumer price index, property taxes, operating expense growth, and market rent growth will be as anticipated; and the Partnership will maintain cash reserves as anticipated.

Other assumptions used by Western Canadian Properties Group XII Limited Partnership to model the revenues and costs and create the worksheets laid out in this document.

Market data and certain industry statistics used throughout this investment summary were obtained from market research, informational and marketing materials provided to the Western Canadian Properties Group XII Limited Partnership, publicly available information and industry publications. Industry publications generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. No representation or warranty is made by the Partnership as to the accuracy or completeness of any of the information contained herein. No securities commission or similar regulatory authority has passed on the merits of the securities referred to hereunder and any representation to the contrary is an offence.

## CONFIDENTIALITY

Your receipt of this document constitutes your agreement with the Partnership: (a) to maintain the confidentiality of this document, as well as any supplemental information provided to you by the Partnership or its representatives, either orally or in written form; (b) that any reproduction or distribution of this document, in whole or in part, or disclosure of any of its contents to any other person or its use for any purpose other than to evaluate the Partnership is strictly prohibited; and (c) to return promptly to the Partnership this document, as well as other materials that subsequently may be provided to you by and on behalf of the Partnership, if you decide not to proceed with an investigation of the Partnership.

## FORWARD-LOOKING STATEMENTS

This document includes forward-looking statements. All statements other than statements of historical facts included in this document, including, without limitation, statements regarding the future financial position, targeted or projected investment returns, business strategy, budgets and projected costs of the Partnership and plans and objectives of the Partnership for further operations, are forward-looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “will,” “expect,” “intend,” “forecasted,” “projected,” “estimate,” “anticipate,” “believe,” “proposed,” or “continue” or the negative usages thereof or variations thereon or similar terms. Forward-looking statements reflect our current expectations and assumptions as of the date of the statements, and are subject to a number of known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause actual results, performance or achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements.

Although we believe that the assumptions on which the forward-looking statements are made are reasonable, based on the information available to us on the date such statements were made, no assurances can be given as to whether these assumptions will prove to be correct. Accordingly, readers should not place undue reliance on forward-looking statements. We will not update any forward-looking information except as, and to the extent, required by applicable Canadian securities laws. The forward-looking statements contained herein, and all subsequent written and oral forward-looking statements attributable to the Partnership, or persons acting on any of their behalf, are expressly qualified in their entirety by this cautionary statement.

No representation or warranty is made by the Partnership as to the accuracy or completeness of any of the information contained herein. No securities commission or similar regulatory authority has passed on the merits of the securities referred to hereunder and any representation to the contrary is an offence.

In considering the prior performance information contained herein, prospective investors should bear in mind that past performance is not necessarily indicative of future results, and there can be no assurance that the Partnership will achieve comparable results.

## FEES AND EXPENSES

Prospective investors are solely responsible for their own fees, costs, and expenses incurred in their investigation of the Partnership, regardless of whether or not a transaction is consummated, including without limitation: travel; accounting fees; due diligence costs; legal fees; disbursements; and taxes.



## RISK FACTORS

Investment in the Partnership involves a high degree of risk and is suitable only for sophisticated investors and requires the financial ability and willingness to accept the high risks and lack of liquidity inherent in an investment in the Partnership. No assurance, representation or warranty can be given that the Partnership's investment objectives will be achieved or that investors will receive a return of their capital.

An investment in Units is subject to risk. Standard risks applicable to investments of this nature include:

No market for Units – There is currently no resale market for the Units and it is not guaranteed that any market will develop. The Units are not transferable without the approval of the General Partner and compliance with applicable securities laws and regulations.

Surrey Real Estate Market – The Project is subject to the risks associated with fluctuations in or the volatility in the Surrey Area real estate market and, specifically, the market for strata condominiums in the Surrey Area. A drop in the demand for, or increase in the supply of, housing units in the Surrey Area could materially adversely affect the Project's viability, and, as a result, the Project could be temporarily delayed or cancelled.

Approvals for the Project – It is intended to build an approximately 153,550 square foot condominium building on the site. Such a building will require the approval of the approving officer of the City of Surrey. There can be no assurance that such approval will be forthcoming on terms and conditions acceptable to the Partnership or at all.

Financing of the Project – In order to proceed with the development of the Project, the Partnership will require acquisition financing and construction financing. As at the date of this document, there is no commitment for the Acquisition Loan or the Construction Loan and there can be no assurance that any acquisition or construction financing will be available on terms acceptable to the Partnership or at all. In such case, the Partnership will not have the funds to proceed with the Project.

Construction Cost – Construction costs may escalate substantially between now and forecast project completion in March 2021.

No guaranteed return – The projected returns described in this Investment Summary are not guaranteed. An investment in Units is not suitable for investors who cannot afford to assume significant risks in connection with their investments.

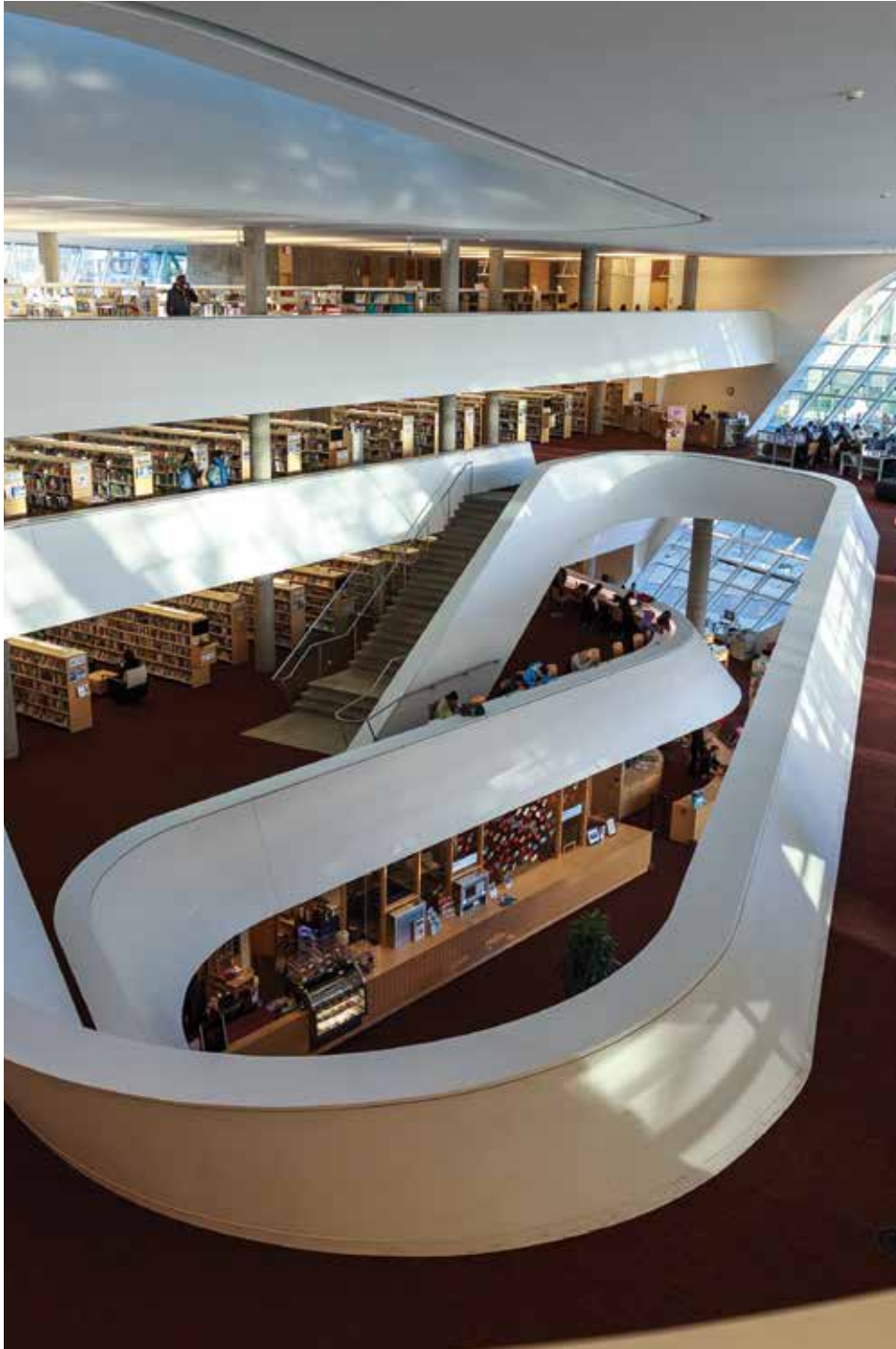
Tax matters – Investors should consult their own tax advisors for advice with respect to the tax consequences of an investment in the Units based on their particular circumstances.

## LIMITED PARTNERSHIP

Western Canadian Properties Group XII Limited Partnership has been organized with the aim of providing strong rates of return through distributions and capital appreciation by participating in the acquisition and management of strata condominiums located in Surrey, BC.

## GENERAL PARTNER

The general partner is WCPG Highland Properties Ltd. and the principals are Dave Steele and Edward Archibald. They are responsible for the strategic and financial direction of the Partnership.



## CONTACT US

Please visit our website to find out more on how to participate in this exceptional opportunity.

**[www.wcpng.ca](http://www.wcpng.ca)**

