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Where Lifestyle Meets Opportunity

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LIFESTYLE and Income Security

EXECUTIVE SUMMARY

Enjoy wilderness comfort while diversified and proven income streams handily cover the mortgage. Boutique accommodation, commercial lease space, and proven restaurant lease make living the dream possible. And the revenues are far from maximized. You can easily grow the current numbers with minimal expense and effort. The hard work is already done.

Built-in income security from a performing TURN-KEY tenant and low regional occupancy rates

Popular & well promoted, the Dock n Duck is a thriving Pub and Grill with proven revenues and an excellent reputation - an ideal long term anchor tenant. The Nelson Kootenay Lake area boasts an extremely tight accommodation and rental market with a near zero vacancy rate - 0.7 percent in October 2017, according Central Mortgage and Housing Corporation. Six desirable multi-family units are available for rental. Statistics show commercial vacancy at 2 percent.

Proven track record and revenue

With 70 years of business history, the property is a proven money generator. In 2015 gross business revenues (accommodation and restaurant) were \$830,000. The business has seen consistent annual increases, averaging 10-12 percent.

Untapped opportunities with little effort & investment

Grow the earnings with potential from untapped accommodation, commercial lease and promotional opportunities. With little effort, you can increase your rate of return dramatically.

Big Savings: Listed substantially lower than replacement value (\$5 million)

Rebuild the 11,000 sq. ft. structure, install utilities, make the improvements in the restaurant, then add in the 1.2 acre lakefront lot, paved parking (2014), a new dock (2016) and the the duplex with 2x2 bedroom suites. Your investment will be at least \$5 million (and that doesn't include construction headaches). The asking price is \$2.95 million CAD, about \$2.25 million USD, (Aug 2018). That adds up to big savings over replacement.

Financing Options up to 65 percent of loan to value

Mortgage specialists have indicated you may qualify for the mortgage with an investment as low as 35% of the property value if the residential component is considered. Commercial lenders are indicating 50%. Both commercial banks and the Credit Union have expressed an interest in supporting the right purchaser.

Over 70 years of business history means the site is a proven money generator



LIFESTYLE and Income Security

...EXECUTIVE SUMMARY

Foreign investors have greater buying power and easy access to Canadian Business

The low Canadian dollar means greater buying power - around 25% more! For foreign investors, the current Canadian dollar means a substantial discount when converting the sale to US dollars. The BC Provincial Nominee Program can expedite entry into Canada aiding in the immigration process.

Simply the best location on Kootenay Lake

The Kootenay Lake Ferry terminal moves hundreds of thousands of passengers annually, guaranteeing a captive customer base. Add together highway frontage, watercraft traffic, regional demographics, high tourist volume, world-renowned attractions, the destination status for the business, and you achieve an investment that makes a lot of sense.

MISSED the WHISTLER BOOM?

Nelson-Kootenay Lake is akin to Whistler, except 35 years ago. That makes investing on the lake affordable, and tremendous potential for growing long-term value in the asset. But act fast. It's on the radar. Maclean's Magazine lists it as a "Top 10 Places to See in Canada".

CAPITALIZE ON SKILLED MANAGEMENT

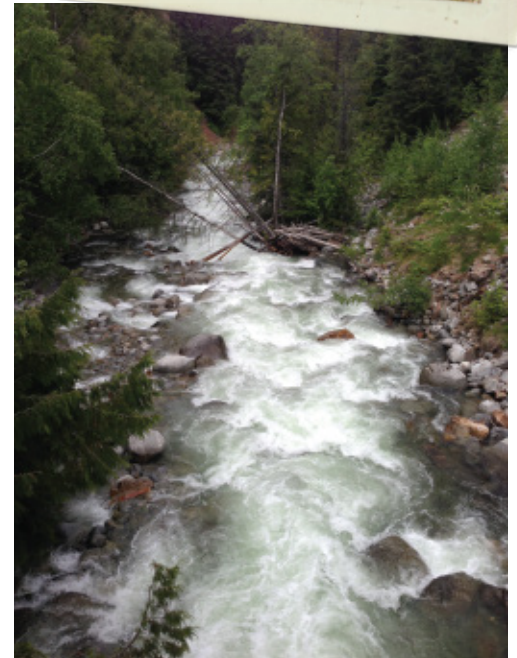
As with any enterprise the biggest business expenditure and efforts occur at lift off, requiring tenacity, business savvy, and deep pockets. These investments have been made, permits gotten, contractors supervised, construction completed, systems designed and tweaked, and the business is operating smoothly albeit underutilized. In spite of a difficult recession, the anchor tenant, the Dock n Duck, thrived and continues to be profitable, systemized and truly turn-key.

In 2014, Kootenay Business Magazine recognized Robin Goldsbury as a "Top Business Operator" in the Kootenay Columbia, recognizing the contribution the Goldsburys made toward improving the heart of Kootenay Lake.

Robin and Reg Goldsbury tout international food franchise marketing experience (Burger King, KFC, USA Cafes and more), and expertise derived from running numerous Kootenay-Based businesses (Kootenay Cone Company, Nomad Motel, property investment/management) and lots of regional and national marketing and business consulting with many sectors including retail, wholesale, manufacturing, institutional, and non-profit organizations.

You receive the benefits from the extensive experience invested into this project by the existing management.

A captive audience - hundreds of thousands travel the ferry each year



LIFESTYLE and Income Security

REPLACEMENT VALUE over \$5 MILLION SUBSTANTIAL SAVINGS

List Price is only \$2.95 million (\$2.25 USD*)

To rebuild a custom timber frame structure of this quality and magnitude in rural British Columbia, you will spend at least \$350.00 per sq ft. This puts the replacement cost of the building alone at \$3.85 million. The site also boasts a duplex, 1.2 acres of sandy lakefront, a recently paved parking lot, updated utilities, a new dock (2016), and the restaurant improvements and fixtures. Here's how it adds up:

11,000 sq. ft. Custom Timber Frame, \$350 per sq. ft.	\$3,850,000
1100 sq. ft Duplex, \$165 per sq. ft. (separate septic)	\$181,500
Rural Utility Installation	\$250,000
Water, septic system, electricity, natural gas, cable, phone	
1.2 Acre Lakefront Lot with 30 meters of sandy lake front	\$600,000
Paved Parking Lot, Repaved in 2014	\$55,000
New Dock	\$30,000
Restaurant Improvements	\$250,000

REPLACEMENT VALUE \$5,216,500

* Subject to change based on current exchange rates



**Priced to sell
at well below
replacement
value.**

MARKETING GROWTH OPPORTUNITIES

Event/Activity Marketing

Opportunity exists to drive sales by developing promotional activities and events. Someone with the energy to organize these activities, will drive profitability. For example, Fishing Derbies (i.e. a Doctor's Derby) can generate tons of traffic for the accommodation, plus make an additional \$30,000 in general revenues for the organizer. Sailing regattas, beach volleyball tournaments, and more are other money making possibilities.

Package Promotions

Specifically targeted packages will generate traffic. These include fishing packages, golf packages, ski packages, hot springs packages, spelunking packages, white-water rafting packages, cultural tour packages and more. With little effort, focus on market segments will provide an economical way to drive sales.

Joint Promotional Opportunities

Currently the business participates in numerous Chamber, DMO (Destination Marketing Organization) and regional marketing ventures. Opportunities to work with neighbouring businesses maximize advertising dollars. The "KootenayLakeEscape.com" promotion is an example of how cooperative marketing can get a much bigger bang for your advertising dollar.



LIFESTYLE and Income Security

UNTAPPED LEASE & OCCUPANCY PROSPECTS

Commercial Lease Opportunity

Currently the main floor commercial/retail space is used as storage. Formerly the space was a Bistro and home to the Gill and Gift. No recent effort has been made to lease this strategic location on the ferry landing – a stellar spot for a art gallery, gift or book store, laundry mat, hairdresser, daycare, satellite bank branch, real estate office or other. Lease the space for passive income or operate your own venture in this location and generate even greater revenues.

On the Balfour Ferry Landing, open-air stall space is leased at \$600 per month for a 100 sq ft unit. These stalls are covered, but do not have utilities, services or parking. The small diner on the landing is leased for \$48,000 annually. The average rental rate in the Nelson area is \$15 to \$18 per square foot and there exists a low two percent commercial vacancy rate.

Increase Boutique Hotel Occupancy

Due to lifestyle choices, the current owners have chosen to limit suite rental. As a result they operate with about 10% occupancy. Someone willing to manage and better market this aspect of the business will easily push lease and accommodation revenues to many times existing levels. With five apartments, plus the executive living quarters, 2190 rental nights are available. Currently less than 220 nights are rented. Little quality competition exists within 30 km of the location. In the summer, nightly room rentals in Nelson BC are upwards of \$230 per night, and vacant rooms are in short supply. The current owners rarely let a room for less than \$159 per night.

SHARE SALE TAX ADVANTAGE

Substantial future income tax rebates are available in Muddy Moose Enterprises Inc, the corporation that holds the real estate assets. While depreciation has been recorded on the books, it has not been claimed with Revenue Canada. A Review Engagement performed by a Certified Accountant has been performed every year the business has been in operation. Upon an accepted offer these books can be made available to the Purchaser.

FUTURE VALUE

The BC Government has announced a several million dollar upgrade to the Balfour Ferry Landing next door. The renovation will improve the value for this listing. Construction of a new ferry is also in the works. For more info on these exciting developments see:

<https://tinyurl.com/y84wpkrn>

<https://www2.gov.bc.ca/gov/content/transportation/transportation-infrastructure/projects/balfour-ferry-terminal/public-consultation>

**MORE dollars to
your bottom line
with
underutilized
commercial
lease &
accommodation
rentals**



LIFESTYLE and Income Security

Big Potential to Increase Your Rate of Return

UNDERUTILIZED REVENUE STREAMS

Figures stated are annual income

1. Room Occupancy, 5 apartments (current occupancy 10% annually)

Daily based on \$137 average per night; Monthly based on \$1250 monthly per unit

	Daily 60% occupancy	Monthly 100% occupancy
Upper 1 Bedroom Apartment Suite	\$30,000.00	\$15,000.00
Upper 1 Bedroom Apartment Suite 2	\$30,000.00	\$15,000.00
Duplex 2 Bedroom Apartment Suite 3	\$30,000.00	\$15,000.00
Duplex 2 bedroom Apartment Suite 4	\$30,000.00	\$15,000.00
Bsmnt 2 Bedroom Apartment Suite 5	\$30,000.00	\$15,000.00
REVENUE	\$150,000.00	\$75,000.00

2. Revenue from the Luxury Executive Living Quarters (currently owner occupied)

Daily based on \$358 per night; Monthly based on \$4500 monthly

	Daily 60% occupancy	Monthly 100% occupancy
Over 4000 sq ft of luxury lakefront	\$110,000.00	\$54,000.00

3. Commercial Lease space, main floor (currently not rented)

Based on \$1500 monthly

Around 1000 sq ft, commercial space	\$18,000.00	\$18,000.00
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4. The Restaurant and Pub (currently leased at \$7500 monthly)

Space lease only		\$90,000.00
Lease with furniture, fixtures, equipment, etc	\$108,000.00	

TOTAL POTENTIAL RENTAL/LEASE REVENUE	\$386,000.00	\$237,000.00
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With their low mortgage, the current owners have chosen semi-retirement.

Add a bit of motivation and the right buyer can turn the property into a flagship investment.

LIFESTYLE and Income Security

CONVERSION & OTHER OPTIONS

The building was designed with numerous conversion opportunities in mind. Currently the building is used as a personal residence, for vacation rentals, restaurant operation, and staff accommodation. Following are other ideas:

YOUR Residence Only

As a residence the site and building offer an 11,000 square foot mansion that is second to none. Truly, this upscale, lakefront timber frame is the dream home in a quintessentially Canadian setting. The opportunity to entertain friends and family in separate but connected living quarters allows tremendous privacy while entertaining many. The existing restaurant can be easily converted into a most remarkable recreation room with ability to serve many.

Move in and enjoy!



PASSIVE Income - Lease it ALL

Instead of living on site, lease the restaurant and commercial spaces, rent out the executive living quarters and other suites as residential units or vacation rental. Daily rentals will generate \$350,000 plus annually (with 60% occupancy); monthly rentals will garner \$240,000 annually.

Duplex for Additional Business Ventures

With the existing zoning, the duplex, with a separate registered address, can be converted into many commercial opportunities. The Ferry Corporation Office used to be located at the duplex site. Opportunity exists to subdivide.

Bed & Breakfast or Destination Wedding/Event Location

Forgo the restaurant and turn the location into an upscale event location with a built in accommodation. The restaurant is designed for large scale entertaining and the location ideal for a lakefront wedding destination.

Corporate Retreat or Training Center

A fantastic location for an inspiring business retreat or training center. The scenic setting, idyllic way of life, and ability to house many, plus the recreational opportunities (and big fish) all with easy access to the real world, make this location a year round corporate get-away, and a great spot to entertain clients.

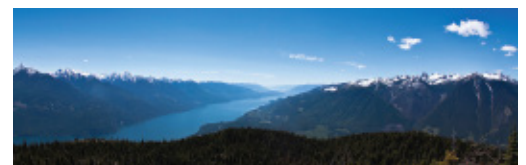
Residential Treatment Center or Group Home

The premises lends itself to any opportunity where people need to gather together and stay overnight, in a most scenic location with full-on kitchen facilities and gathering space.

Convert Existing Commercial into Multi-Residential Suites

The main floor is currently commercial. With some energy and investment the space, over 5000 sq ft, can be converted into four or five amazing lakefront residences. With the building entirely converted to multi-residential units, the property value increases dramatically.

Designed with many conversion options & business endeavours in mind



LIFESTYLE and Income Security

FINANCING: UP TO 65% LOAN TO VALUE

Mortgage specialists have indicated you may qualify for the mortgage with an investment as low as 35 percent of the purchase value if the purchaser is using the property as their primary residence. To capitalize on a better interest rate, it may be possible to combine a personal mortgage for the executive residence with a business mortgage for the remaining components. As an investment property (commercial), 50% loan to value is likely. Commercial banking lenders and the local Credit Union have expressed an interest in financing.



GREAT TIMING FOR FOREIGN INVESTORS

Low Canadian Dollar Means Greater Buying Power

For foreign investors, Canada is a fantastic investment. The current value of the Canadian dollar means a substantial discount when converting the sale to US dollars. As of the April 2018, the listing converted to \$2.25 million US dollars, a tremendous value.

Immigrating to Canada

The United Nations voted Canada as one of the best places to live in the world... and its doors are open. Canada is immigrant friendly, with the Canadian government planning to admit over 200,000 immigrants each year. When investing in British Columbia, the BC Provincial Nominee Program can expedite entry into Canada aiding in the immigration process. Citizenship is only a few years after receiving permanent residence status. Dual citizenship is allowed, and successful migration of full families is encouraged. Other reasons to consider Canada:

Education – In Canada, education is free up to grade 12, and is subsidized for post secondary studies. Getting a good education is important. In Canada, it's one of the best things you can do to build a better future for your children.

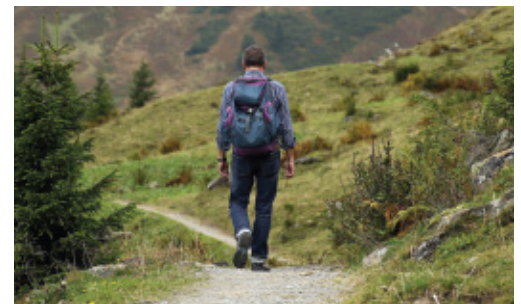
Healthcare – With an excellent social healthcare program, residents have excellent access to hospitals, clinics and doctors' offices. Most services are free to residents registered in the national health insurance plan.

Child Benefits & Old Age Assistance – The provincial and federal government provide money each month to assist with the upbringing of each child. Two government pension programs exist for Canadian residents – Old Age Pension and the Canada Pension Plan. All residents receive Old Age Pension if the person has stayed in Canada for 40 years after age 18. For each year less, the amount paid is reduced by 1/40th of the full-entitled amount. Canada Pension is based on contributions a person makes throughout their working career.

Social Benefits – Canada cares for its residents. Unemployment insurance and social welfare programs are offered by the State.

Business Friendly – Business operation in Canada is successful due to the stable and accessible government, minimal regulation, no corruption, safety and business friendly taxation. In Canada businesses also have access to international markets through several trade agreements.

Canada - One of
the best places
in the world



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