

# URBANSTAR CORPORATE UPDATE



## UrbanStar Corporate Update — August 2019



### DEVELOPMENTS IN THE COCHRANE NORTH AREA STRUCTURE PLAN

UrbanStar has become aware of recent and exciting news in close proximity to the Cochrane North Area Structure Plan, and immediately adjacent to the UrbanStar Horse Creek Development.

Specifically, MacDonald Communities Ltd. – the Land Developer of the Monterra community, at Cochrane Lake – is amending the Cochrane Lake Conceptual Scheme, which is also located within the Cochrane Lakes Hamlet Plan, by adding the proposed Cochrane Lake Village Neighbourhood Plan. The proposed community is located immediately adjacent to the east and contiguous to UrbanStar’s Horse Creek Development lands and the community of Cochrane Lake. Figure 3 below outlines the Cochrane Lake Village Neighbourhood Plan area boundary and its direct proximity to the UrbanStar Horse Creek lands. Figure 1 is a typical example of a home in Monterra at Cochrane Lake.

MacDonald Communities Ltd. is active in British Columbia and Alberta having undertaken an impressive suite of legacy projects with high social value in these provinces. They have developed “Watermark at Bearspaw,” which is also in Rocky View County, which is a beautifully planned high-end community. MacDonald focuses mainly on the development of single-family communities and multi-family condominium projects, having created over 4,000 high quality homes and properties. MacDonald Communities Ltd. is an established and well-respected developer and the area will benefit with the addition of a top-quality and desirable community at Cochrane Lake.

The portfolio of projects undertaken by MacDonald Communities Ltd. can be found at this link: [macdevcorp.com/portfolio](https://macdevcorp.com/portfolio)

## COCHRANE LAKE VILLAGE – PROPOSED CHANGES

The amendment to add the Cochrane Lake Neighbourhood Plan includes the following:



1. The redesignation of the Cochrane Lake Village lands to a Hamlet based Land Use District allows for greater building density – up to 2.3 Units Per Acre. The plan is proposing a total of 800 dwelling units (primarily single family with some townhouse units) and 27% Open Space on 348 acres.

2. Introducing a convenience commercial retail village core, allowing public access to portions of Cochrane Lake (with improvement of shoreline) and expanding water, sanitary sewer, external road and regional pathway connections to the immediate area.

Figure 2 depicts the proposed Cochrane Lake Village design.

## URBANSTAR SUPPORTS COCHRANE LAKE VILLAGE PROPOSAL

Rocky View County formally circulated UrbanStar, and other area landowners, the proposed redesignation and amendment to the Cochrane Lake Conceptual Scheme

to allow for the Cochrane Lake Village Neighbourhood Plan. UrbanStar’s project team has carefully reviewed the proposal and has submitted a letter to Rocky View County expressing strong support for the proposal, and the Cochrane Lake Village Neighbourhood Plan. The decision to support the proposal is important for continuous growth and development connections within the Cochrane North Area Structure Plan, and the UrbanStar Horse Creek Phase 1&2 Development. UrbanStar, in their letter of support, strongly advocated for this development as the catalyst for Rocky View County to consider inception of a regional water and wastewater system which would service this development and the greater area. UrbanStar would be a willing participant in the development of a regional servicing strategy for the betterment of Cochrane North Area Structure Plan area.

## Regional Services and Utilities:

Expansion of services and utilities from the community of Monterra to Cochrane Lake Village would be necessary to develop the proposed community. MacDonald Communities would be responsible for the costs associated for the expansion, and UrbanStar would benefit from having closer and easier access to the services and utilities, which thereby, reduces future costs to UrbanStar or a community developer. The Cochrane Lake Village Neighborhood Plan would likely be the driving factor in establishing an expanded sanitary and water system for the region, and UrbanStar would submit a request for regional servicing for the Horse Creek Development. It is anticipated that a regional servicing system would be operated by Rocky View County.

	Ha	Ac	%
<b>DEVELOPABLE AREA</b>	<b>140.86</b>	<b>348.07</b>	<b>100.00</b>
<b>RESIDENTIAL</b>	<b>67.46</b>	<b>166.70</b>	<b>47.89</b>
Front Drive Single-Detached Homes	20.96	51.79	14.88
Rear Lane Single-Detached Homes	32.93	81.37	23.38
Estate Homes	12.31	30.42	8.74
Townhomes	1.26	3.11	0.89
<b>OPEN SPACE</b>	<b>38.12</b>	<b>94.18</b>	<b>27.07</b>
Municipal Reserve (MR)	38.12	94.18	27.07
<b>COMMERCIAL</b>	<b>1.11</b>	<b>2.75</b>	<b>0.79</b>
Village Core	1.11	2.75	0.79
<b>PUBLIC UTILITY LOT</b>	<b>0.63</b>	<b>1.56</b>	<b>0.45</b>
Stormwater Pond (PUL)	0.63	1.56	0.45
<b>ROADS</b>	<b>33.54</b>	<b>82.88</b>	<b>23.81</b>
Road - Urban Primary Collector (35.0m)	6.48	16.01	4.60
Road - Residential Collector (35.0m)	3.89	9.61	2.76
Road - Urban Residential (20.0m)	20.25	50.04	14.38
Road - Lane (6.0m)	2.92	7.22	2.07



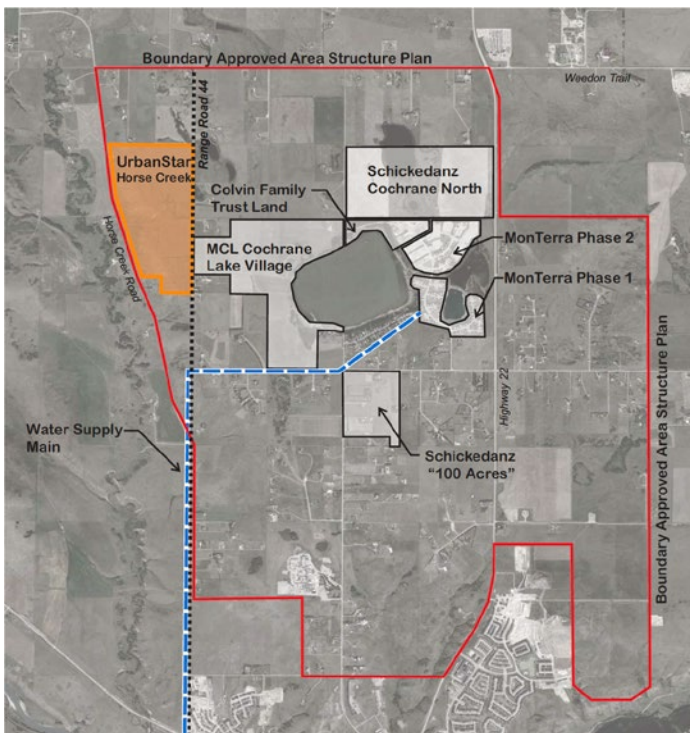
Figure 2



**Roads and Infrastructure:**

As stated in the proposed Cochrane Lake Village Neighbourhood Plan, the community would be accessible from the west via Range Road 44, and the community developer would be responsible for any necessary upgrades to Range Road 44 to the satisfaction of Rocky View County. UrbanStar would benefit from any upgrades due to Range Road 44 being the eastern access point to the Horse Creek development, thus reducing overall future infrastructure costs to UrbanStar. The Neighbourhood Plan also requires upgrades to area roads that are utilized to gain access to the UrbanStar Horse Creek land assembly including Range Road 43 and Cochrane Lake Road.

Figure 3: Outlines area development, roads & infrastructure



**Increases Exposure to Horse Creek Development:**

The recent approval of the Cochrane North Conceptual Scheme (February 2018, 425 dwelling units, 72% Open Space on 316 acres) and the pending approval of the Cochrane Lake Village Neighbourhood Plan within the Cochrane North Hamlet Plan indicates sustained consumer interest in this area. As the Cochrane Lake area continues to grow, UrbanStar’s Horse Creek project will undoubtedly gain greater exposure to community developers and future home buyers. UrbanStar continues to support the principle that the Horse Creek project is a strategic land assembly for community development due to being located within

the approved Cochrane North Area Structure Plan, being adjacent to the Cochrane Lake Village Neighbourhood Plan and having unobstructed views of the Rocky Mountains to the west. Approvals of density thresholds ranging from 2.0 units to 2.3 units per acre sets a highest and best use precedent in this area on lands contiguous to UrbanStar’s Horse Creek development assembly.

Pro-forma of Potential Buildout Revenue <i>Current Policy</i>		
<b>Phase</b>	1	2
<b>Acres</b>	120	160
<b>*Current Zoning*</b>	Cluster Residential	Cluster Residential
<b>UPA</b>	1	1
<b>Units</b>	Up to 142	Up to 174
<b>Approved ASP</b>	Cochrane N ASP	Cochrane N ASP
<b>Market \$ Per Unit</b>	500K	500K
<b>30% Green Space in Concept Plan Approval UPA</b>	Up to 2 Units	Up to 2 Units

Pro-forma of Potential Buildout Revenue <i>Policy Change</i>		
<b>Phase</b>	1	2
<b>Acres</b>	120	160
<b>*Potential Zoning*</b>	Hamlet Residential	Hamlet Residential
<b>UPA</b>	*2.3	*2.3
<b>Units</b>	Up to 276	Up to 368
<b>Approved ASP</b>	Cochrane N ASP	Cochrane N ASP
<b>Market \$ Per Unit</b>	500K	500K
<b>30% Green Space in Concept Plan Approval UPA</b>	Up to 2.3 Units	Up to 2.3 Units

Figure 4: pro-forma chart depicting the current Horse Creek density allowance and estimated per-unit value (top), with the best-case density and estimated per-unit value if the maximum threshold of 2.3 units per acre is achieved (bottom). The best-case density scenario is contingent on the Cochrane Lake Village amendment density being approved, and the Horse Creek development receiving identical approval thereafter.



## REGIONAL BENEFITS

- ✓ Increase tax revenues per acre of land
- ✓ Reduce infrastructure costs
- ✓ Introduce regional servicing efficiencies
- ✓ Provide a highest and best use precedent
- ✓ Support the regional growth strategy
- ✓ And more...

Approval of the hamlet land use redesignation and the Cochrane Lake Village Neighbourhood Plan would increase tax revenues per acre of land, reduce infrastructure costs, introduce regional servicing efficiencies, and provide a highest and best use precedent. Additionally, an approval would support the regional growth strategy with Cochrane's increasing demand for residential housing and the area's growth forecast.

Increased population and tax revenues would support the approved infrastructure developments including the inception of a regional servicing system which is strategically important for UrbanStar's Horse Creek land assembly.



This advertisement does not constitute a solicitation or an offer to purchase the securities referred to herein, which is being made to qualified investors. There are risks associated with an investment in land and our investments are not guaranteed. The value of land can fluctuate significantly as a result of among other things, changing economic and real estate market conditions, and the past performance of our land investments is not necessarily representative of current or future performance.

For additional information regarding the proposed Cochrane Lake Village amendment, please view the following link.  
[Proposed Cochrane Lake Village Amendment](#)

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