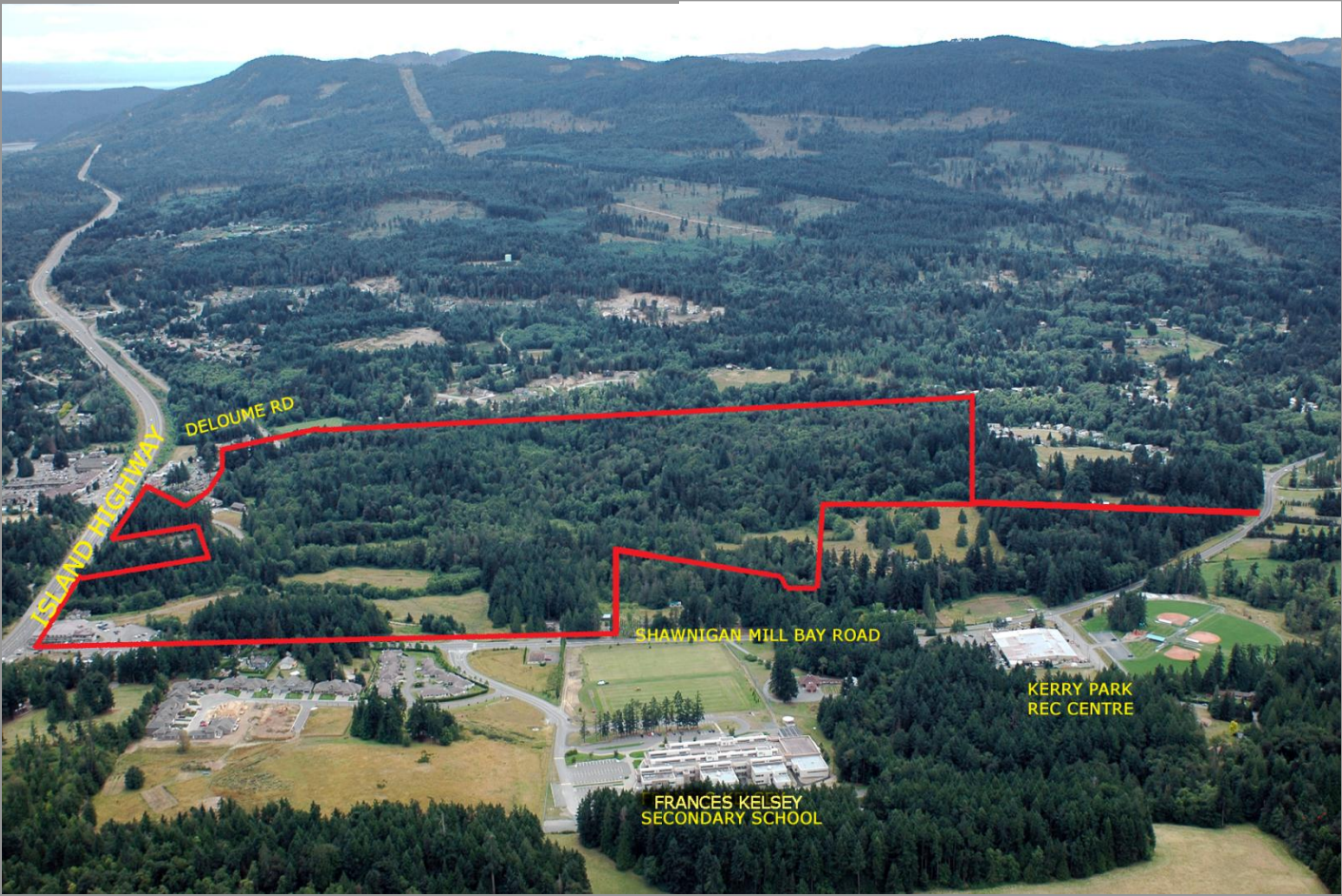


# FOR SALE

## THE “STONEBRIDGE” PROPERTY



## 150 Acre Town Centre Development Site Mill Bay, BC Canada

Offered Exclusively By:  
DTZ Barnicke Victoria Ltd.

Randy Holt (Cell: 250-888-1621)  
Rick Pettinger (Cell: 250-686-3686)

**Introduction**

DTZ Barnicke Victoria Ltd. (“DTZ”) is pleased to present the exclusive offering of a phenomenal mixed-use comprehensive development site in the heart of Mill Bay, British Columbia. Assembled over three generations by the Garnett family beginning more than a century ago, the subject is well known locally as “Stonebridge”, so named for a stone bridge built across Shawnigan Creek by the late Grant Garnett more than 40 years ago. Now, amidst the rapid growth and rising values in the South Vancouver Island region, this property is clearly coming of age and viewed as the future Mill Bay “town centre”. It provides rare scale and opportunity for development in such a central location and is a primary focal point for commercial and residential development and community amenities in the region.



The subject consists of approximately 150 acres of gorgeous rolling terrain bounded by the Island Highway to the east, Shawnigan Mill Bay Road to the north and Deloume Road and to the south. It includes a total of 11 contiguous legal parcels that, collectively, offer frontage on the Island Highway and Shawnigan Mill Bay Road of approximately 1,250 feet and 1,750 feet respectively. Access to the property from the Island Highway is facilitated by two controlled intersections, at Deloume Road on the south side and Shawnigan Mill Bay Road on the north side.

Existing improvements include the “Pioneer Square” commercial development at the corner of Shawnigan Mill Bay Road and the Island Highway, the 10 suite Cedar Crest apartment complex, a two tenant Quonset-style building and a two suite rental house. The net income from these various rental properties is slightly in excess of \$100,000 per annum. The Pioneer Square building is substantially rented on a month to month basis but suffers functional obsolescence and is not anticipated to remain upon redevelopment of this parcel.



### Mill Bay

Mill Bay is located approximately 40 km north of Victoria and just 18 km south of Duncan on the southeast shore of Vancouver Island in the Cowichan Valley Regional District. It is part of and central to the South Cowichan region, for which the population is estimated to be more than 19,000 and which includes the adjacent Malahat, Shawnigan Lake, Cowichan Bay and Cobble Hill communities. The immediate area has outstanding recreational amenities including boating amongst the Gulf Islands, lake activities at popular Shawnigan Lake, golfing at Arbutus Ridge and Cowichan golf courses and a wide range of programs and activities at the Kerry Park Recreation Centre. The area is also home to two outstanding private schools, the renowned Brentwood College and Shawnigan Lake School.



With the rapid rise of Victoria housing prices over the past decade, the South Cowichan region, and Mill Bay in particular, has become an increasingly popular suburban home and lifestyle choice for young families and retirees alike. New traditional single family developments to the immediate south and north of the subject are ongoing and have been very well received. Townhouse and condominium options are in demand but limited to areas around the designated village centre, for which the subject property is the key component.

### The Neighbourhood

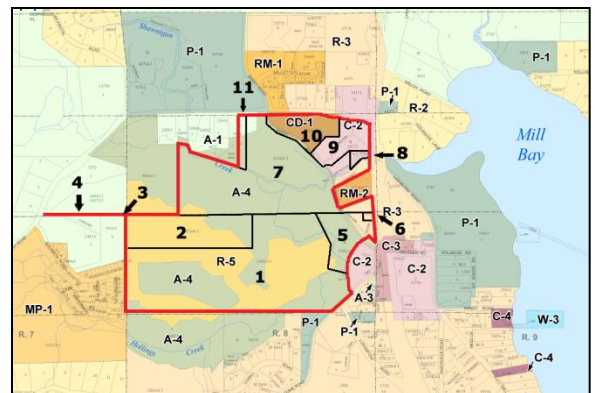
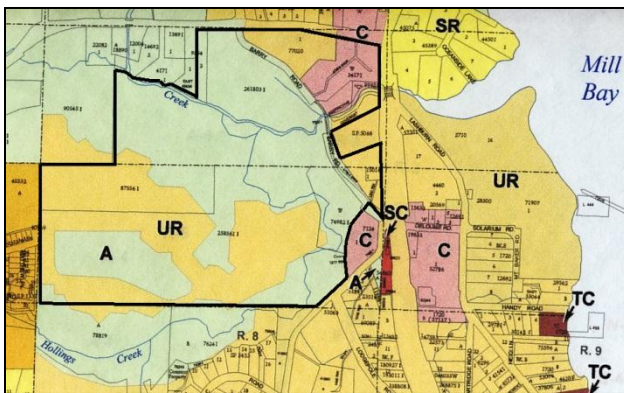
To the immediate north of the subject property are the Kerry Park Recreation Centre (with ice arena, curling rink and sports fields), Frances Kelsey Secondary School, BC Ambulance Service and the Sunset Maples townhouse project. To the west are rural residential properties and a mobile home park. Bordering on the east side of the property is the Lions Cove Seniors condominium project and a retail development at Deloume Road anchored by Tim Horton's and McDonald's. The Mill Bay Shopping Centre, anchored by Thrifty Foods is located immediately across the Island Highway from the subject. Further to the south are attractive new residential subdivisions and larger acreages.



**OCP Designation - General Commercial, Urban Residential, Stonebridge Development Permit Area**

The Mill Bay/Malahat Official Community Plan was adopted in 1998 and clearly identifies the subject property as a site for both commercial and residential development, with a mix of single and multi-family components. The bulk of the site (west of Barry Road) is included in the Stonebridge Development Permit Area, the plan for which is now outdated. For the remainder of the site (east of Barry Road), the area closest to the intersection of Shawnigan Mill Bay Road and the Island Highway (approximately 8 acres) is designated for General Commercial development with seniors housing contemplated on the adjacent parcel and more general residential use south of Shawnigan Creek.

Today, the CVRD anticipates that a new form of mixed-use comprehensive development proposal will come forward for the subject property involving several hundred single and multi-family housing units and a new retail-commercial centre. While the nature and scale of the subject’s development will be resolved in the context of the specific proposal to be advanced to the CVRD, there appears to be an opportunity to create a “town centre” village of greater density than previously contemplated in the OCP.

**Zoning**

The zoning applicable to the Stonebridge property is consistent with its OCP designation so it is anticipated that a comprehensive development proposal will seek appropriate changes. There are currently four zones applicable to the subject including:

<b>C-2</b> General Commercial	<b>R-5</b> Comprehensive Urban Residential
<b>CD-1</b> Stonebridge Village Mixed Use	<b>A-4</b> Agricultural Recreation

**Services**

The local community is serviced by a community water system (operated by the Mill Bay Waterworks District) and it is anticipated that the subject property would connect to that system for development purposes, with some contribution required for system upgrading.

Hydrology tests confirm that the subject can meet on-site sewage treatment requirements for the scale of development anticipated. In addition, through the ongoing work of the Mill Bay Sewer Alliance, a public sewer system may be in place and operational to serve the subject within the next five years.

Hydro, natural gas, cablevision and telephone services are immediately available to the site.

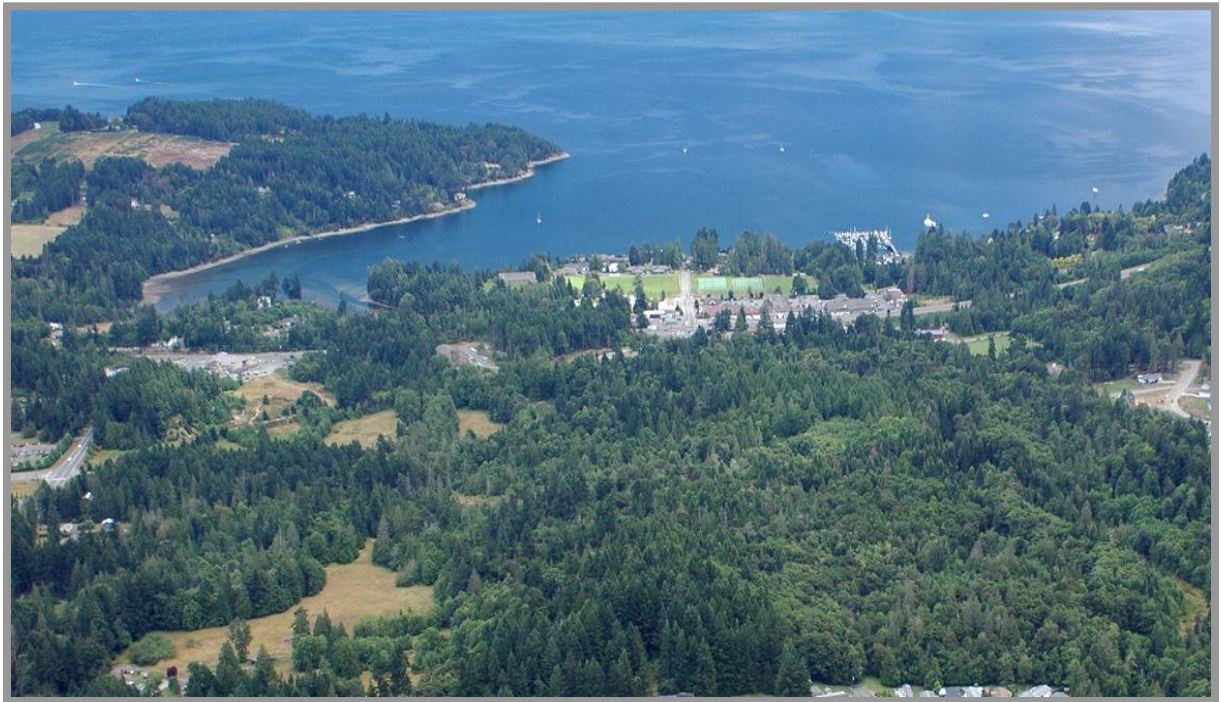
**Offering Process**

The asking price for the subject property is \$14,000,000 and the Sellers’ strong preference is to sell the properties together in a single transaction. The Sellers have adopted a conventional offering process, which will be managed in accordance with the Sellers’ procedures communicated and modified from time to time.

More detailed information, in the form of a Confidential Information Memorandum (“CIM”), will be made available to qualified parties upon request and upon their signing a Confidentiality Agreement.

Interested parties are invited to submit offers to purchase the Property through DTZ for consideration by the Sellers. Such parties are encouraged to submit their offers using the Sellers’ Standard Offer to Purchase available from DTZ, a sample copy of which is included in the CIM.

Inspection of the Property can be arranged for qualified purchasers through DTZ.

**Assessments and Taxes**

2007 Assessments:	\$4,741,200
2007 Property Taxes:	\$ 40,135

**Environmental**

A Stage 1 and Stage 2 Preliminary Site Investigation was completed by Agra Earth & Environmental for the Pioneer Square property in August 1999. Morrow Environmental Consultants Inc. conducted a further Stage 1 Preliminary Site Investigation and a Detailed Site Investigation with respect to the Pioneer Square property and immediately surrounding lands of the Sellers between February and June 2002. The reports identified two small areas of contamination. Substantial portions of the environmental reports are included in the CIM.

All offers and any enquiries regarding the Property should be directed to DTZ as follows:

DTZ Barnicke Victoria Ltd.  
888 View Street  
Victoria, BC V8W 1K2  
Attn: Rick Pettinger and Randy Holt  
Phone: (250) 382-3400 Fax: (250) 382-1333  
rick.pettinger@dtzbarnicke.com, randy.holt@jjbvictoria.com



## **PRICE: Fourteen Million (\$14,000,000) Dollars**

Information contained herein has been obtained from the owners or sources deemed reliable by DTZ.Barnicke Victoria Ltd. While we have no reason to doubt its accuracy, we regret we cannot guarantee such information. All measurements and other information herein should be independently verified by the reader or prospective user and is subject to the user's own inspection of the premises and due diligence work and to the user's satisfaction with the results of such review.