

The Aerie Resort & Spa

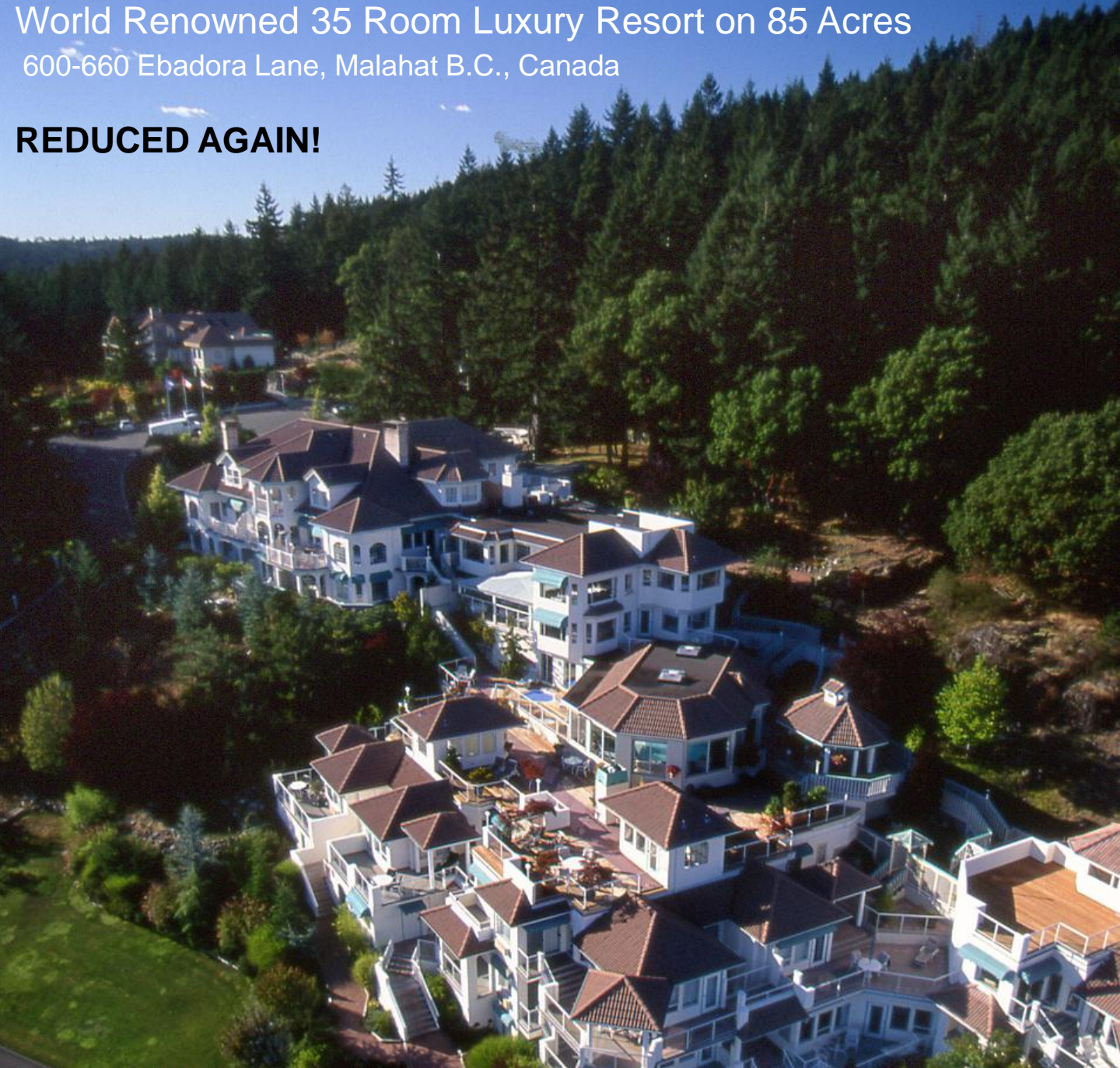
FOR SALE

BY COURT ORDER

World Renowned 35 Room Luxury Resort on 85 Acres

600-660 Ebadora Lane, Malahat B.C., Canada

REDUCED AGAIN!



Located on Southern Vancouver Island 30 Minutes from Downtown Victoria

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OVERVIEW

DTZ Barnicke Victoria is pleased to present the listing of The Aerie Resort, one of the most desirable properties on Vancouver Island and for years a staple on the Conde Nast and Travel & Leisure magazines "best of" lists. This full service luxury resort consists of three Mediterranean themed buildings on nearly 85 acres of land (3 lots) with additional commercial and residential development potential. The subject property is located on southern Vancouver Island on the west side of the Saanich Inlet atop Malahat Drive (Hwy 1) in the Malahat region of the Cowichan Valley Regional District.

The property is situated 25 kilometers from downtown Victoria, 7 kilometers to the south of Mill Bay, and only seconds off the Trans Canada Highway. It is easily accessible by car and offers guests the convenience of a heli-pad landing area on-site. Situated on the top of the spectacular coastal mountains of Vancouver Island, the entire site benefits from breathtaking ocean, mountain and island views. This property is truly one of a kind and offers a very unique investment opportunity.

VANCOUVER ISLAND

Vancouver Island is the largest island of 6000+ islands located off the west coast of British Columbia, Canada. Magnificent scenery, great outdoor recreation, and a mild temperate climate are among the many attractions of the Island. It's beauty and tranquility have long been a draw for tourists and residents alike, and in 2009 it was ranked second in the "Top Islands of North America" by Conde Nast Traveler magazine.

Downtown Victoria is located 30 minutes from the subject property and is the vacation capital of Canada and renowned internationally as a premier tourist destination. The Greater Victoria area is made up of 13 municipalities and is home to more than 350,000 residents. For people of all ages, it is a community of choice for its temperate climate, natural beauty, enviable lifestyle, urban amenities and economic opportunities, making it an exceptionally attractive place in which to live, work and invest. Excellent air and ferry transportation links provide an easy commute to or from Greater Vancouver and Seattle/Tacoma regions. From a real estate perspective, this region continues to provide outstanding returns with demand expected to outpace supply in most sectors for years to come.



THE REGION

The subject property is located in the “Malahat District” at the south end of the Cowichan Valley Regional District (CVRD), which encompasses the large unincorporated areas between Greater Victoria and the City of Duncan and has an overall population of 77,000 residents. Easily within commuting distance of Greater Victoria, and enjoying comparatively more affordable real estate values than are seen in the City, the communities at the south end of the CVRD have seen increased population growth since 2001. That trend is expected to continue in the years ahead as developers take advantage of the area’s attractive amenities and increasing desirability.

The CVRD is predominantly rural landscape with economic drivers that were once linked to the resource base industry of forestry, but have since been replaced with a growing vineyard and agricultural sector, as well as eco-based tourism. With the rapid rise of Greater Victoria housing prices over the past decade, the CVRD, and Malahat area in particular, have become an increasingly popular suburban home and lifestyle choice for young families and retirees alike.

This region of forests and steep cliffs north of Victoria is accessed by one of the most beautiful roadways in the world with many ocean, mountain and island viewpoints along the way. Traveling north from Victoria, Malahat Drive climbs over gorgeous mountainside and through mature forests before dropping down into the Cowichan Valley. Close to it’s peak is where you will find The Aerie Resort.

ADJACENT USES

North – Forested areas immediately to the north and Shawnigan Lake further to the northwest.

South – Commercial area on the south side of Ebadora Lane with a bed and breakfast operation immediately across the road (The Prancing Horse). The Trans Canada Highway and Finlayson Arm further south.

West – Forested areas immediately to the west, with Shawnigan and Sooke Lakes further out.

East – Forested areas immediately adjacent to the subject with the Trans Canada Highway, Finlayson Arm and the Saanich Peninsula further east.



Subject Property

**NEIGHBOURHOOD**

The subject property is situated on top of the spectacular coastal mountains of Vancouver Island with incredible 180 degree views of Finlayson Arm, Saanich Inlet and the ocean beyond, looking out to Port Angeles and Mount Baker in Washington State, as well as the city of Victoria. Primary access is provided by way of the Trans Canada Highway.

The neighbourhood is changing from its former rural forestry use to a semi-rural residential use. Today there are many large acreage holdings plus pockets of average to better quality single family homes on small to medium size lots. However, recent trends suggest that the neighbourhood is poised to transform into an area of up-scale executive homes on medium to large size acreages. The popularity of this scenic and peaceful neighbourhood is a result of the limited supply of residential acreage properties in the region and the prohibitive cost of those properties in Greater Victoria. Given it’s proximity to large urban centres (Langford and Victoria), further commercial development is unlikely at this time.

IMPROVEMENTS

The Aerie is a mountaintop luxury hotel resort situated in an area of outstanding natural beauty. The business is no longer in operation having officially closed its doors in November 2009. It previously offered 5-star accommodation and a full luxury experience complete with fine dining, in-house spa, a butler, and well organized indoor and outdoor activities. The purpose built Mediterranean-style resort provides accommodation in three unique buildings set on 85 acres of gardens, forests and meadows. Each of the buildings has its own special charm and incredible views from every room. The buildings comprise 35 guest rooms in total and are identified as follows:

Main Building:	13 Guest Rooms (Original Structure) 9 Guest Rooms (Aerie Wing)
Residence Building:	7 Guest Rooms
Villa Cielo:	6 Guest Rooms

The Main Building offers 22 elegant suites within a three storey structure of approximately 14,000 square feet. It is located in the southwest section of Lot 3 and was originally constructed in 1990 with an addition (the Aerie Wing) in 1994. The facilities include a 75 seat dining restaurant of 2,500 square feet, a 40 seat lounge of approximately 1,000 square feet, a showcase wine cellar, and a fitness room featuring over 30 cardio and strength training machines and free weights.

The Residence Building offers 7 rooms and suites within a three storey structure estimated to be 7,000 square feet in size and located in the north central section of Lot B. Constructed in 1996, the Residence Building features a full service spa with 5 treatment rooms.

The Villa Cielo is on the highest point and offers unsurpassed privacy and elegance. This three storey building offers a total living area of 6,429 square feet and is located in the west central portion of Lot A. Built in 2004, the Villa features a show kitchen, lounge area, and several patios. Please note that this building appears to be non-conforming for resort use.

The buildings benefit from luxurious guest suites that are larger than average (some as large as 1,400 square feet), individually furnished with high quality furniture, and many contain a jacuzzi, fireplace and private balcony. Nestled into the surrounding landscape, the buildings are designed to blend into the tranquility and splendour of the natural landscape. Each building and suite is sited to provide privacy while taking advantage of sweeping panoramic views of sea and sky, mountains and meadows. The 35 guest rooms and suites feature:

- European Down Duvets
- Queen & King Beds
- Wireless Internet
- TV, DVD, and CD Players
- Air Conditioning
- European Furniture
- Mini bar
- Sitting area
- Bathrobes



View from Aerie Resort



Villa Cielo



Dining Facilities



Guest Room



Guest Room

AMENITIES & ACTIVITIES

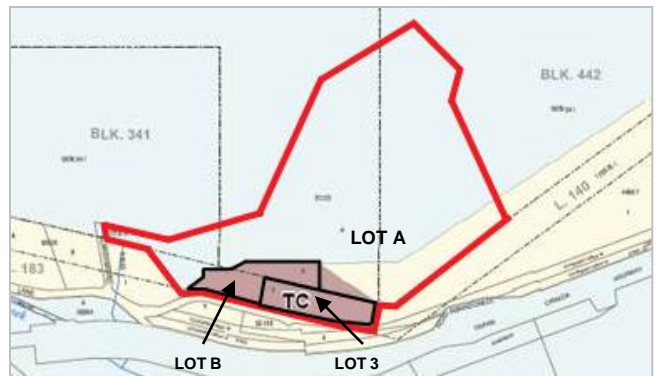
The following amenities and activities are offered on site:

- Spa Facilities
- Fine Dining Restaurant
- Tennis Court
- Mountain Biking
- Hiking
- Meeting Rooms
- Hot Tub
- Fitness Facilities
- Heli-Pad
- Yoga

SITE DESCRIPTION

The Aerie Resort is located on the south side of Mount Jeffery and on north side of Ebadora Lane which itself runs parallel and to the north of the Trans Canada Highway. The property is approximately 84.19 acres in size and is irregularly shaped. Overall, it represents a moderate to rapidly increasing north to south elevation towards the Highway and Finlayson Arm of the Saanich Inlet. Primary access is provided off Ebadora Lane.

The subject property is serviced by paved roads, cable, telephone, hydro, water wells, and an on-site septic system. In addition to the resort improvements, there is additional expansion and development potential on the commercial zoned land (lot 3 & B) at 600 Ebadora Lane and perhaps a future residential development opportunity on the mountain residential acreage zoned Primary Forestry at present (lot A), which offers panoramic views throughout.



Malahat OCP Land Use Map

KEY FACTS

Legal Description:	Parcel Identifier 017-964-512 Lot 3, District Lots 140 and 183, Malahat District, Plan VIP55199
	Parcel Identifier 024-980-501 Lot B of District Lots 140 and 183 and of Block 341 and 422, Malahat District, Plan VIP72123
	Parcel Identifier 024-980-498 Lot A of Block 341, 422 and of District Lot 140, Malahat District, Plan VIP72123
Combined Site Area:	84.19 Acres (+/-10.06 acres on Lot 3 & B and +/-74.13 acres on Lot A)
Parking:	Estimated total of 55 stalls on-site
Current Zoning:	C-4 Tourist Recreational Commercial F-1 Primary Forestry
Total Gross Taxes (2009):	\$83,695
Total Assessed Value (2010):	\$5,192,700

COURT APPROVAL PROCESS

All offers to purchase are subject to approval by the Supreme Court of British Columbia. Accordingly, all offers must be made for the property "as is where is" with no representations or warranties by the seller. The buyer should rely on its own investigations with respect to all aspects of the transaction.

DETAILED PROPERTY PARTICULARS

Supplementary information will be made available to qualified parties.

PRICE~~\$4,750,000~~

\$3,950,000

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