



# NEWSLETTER

## NEWS AT A GLANCE

### First Property Purchased!

\$615,000  
6469 Ford Rd.  
Closed June 15th

### Development units expanded!

430 Units to 568  
Units, the project  
is adjusting to  
market  
conditions.

### Development Named!

The Cowichan  
Nest community  
name reflects the  
natural beauty in  
the area and the  
comfort of a  
happy home.



## This issue

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## Time to Celebrate!

Since April, we have been working diligently on our business plan and moving this exciting development project forward. We welcome our Junior partners, and with their loans, we have covered off the initial soft costs needed for our project.

We also qualified for financing and bought the first of our 9 properties, 6469 Ford Road. This property was an estate sale and was the first one scheduled for a quick closing. This property is in our Phase 4 & 5 plans, so we will rent the house on the property until we are ready to build. We have received a lot of rental interest since posting it a few days ago. We will have three properties closing in July and two more closing in August.

We have been working closely with a Mortgage broker to complete the funding on these next properties and everything is on track as planned.

We are currently organizing our complete site plan and working closely with the city

planners to maximize our development. All zoning applications have been submitted and are waiting on municipal approvals.

We have focused our development on constructing apartments only. As a result of COVID19, we are moving away from any commercial space provided we can with zoning, and, also decided on more apartments versus town houses. Currently we have planned for 568 doors in our new budgets – this may change depending on the zoning applications submitted. We are researching what the demand and needs of the municipality are for size of units. What are the current demands and in 5 years from now, how much might this change? We are considering adding some 200 sq. ft. Nano units. Although small, they seem very popular as the rental costs start at only \$600 per month making it much more affordable for seniors and singles.

We are just putting our final touches on the marketing website for rental interest. We will be sure to share the link with you in the next newsletter once it is completed.

New advisors  
and/or experienced  
Developers being  
vetted

Cowichan Condos Inc. has been meeting and interviewing several experienced Developers to find the perfect fit to join our team as our new president. We have several strong candidates that would compliment and complete our team we are considering.

Stay tuned for more updates on this!

### Wood or Steel?

So many pros and cons for each! Cost, construction time, insurance, long term maintenance... So many things to consider.

This is our Legacy project and we are looking out for everyone's best interest in this decision!

Stay tuned!



### Steel versus Wood Frame

When putting a project of this size together, there are so many factors to consider. One of the first decisions is should we build it out of wood or steel?

Who knew that this was going to be one of the hardest decisions to make. As we have 6 buildings to consider, some being only 3 stories, while others we hope will be 6 stories based on zoning approvals, we all realized that wood was the cheapest option. However, after considerable research, those that build with wood have little intention of holding onto the apartment complexes for an extended period of time, so are looking for the best ROI when selling.

While wood has its advantages in cost savings during construction, so does steel. Steel framing improves design efficiency, saves construction time which reduces costs while providing significantly greater strength. Insurance is 6 times more on a wood construction than steel due to fire and water

damage, mold, bacteria and insects among just a few things. Factoring in that long-term expense for insurance almost makes the price comparable to the extra expense of an initial steel construction.

**“Wood construction can substantially reduce building costs, while giving developers and designers more options”**

In the event of an apartment fire, wood that gets wet, must be dried completely and can warp or if moisture is trapped, it can mold or rot. In the case of steel, the panels can be taken out and replaced and the water or fire damage is better contained, which would result in less of an insurance claim, hence the price difference for insurance. With steel, you can fabricate offsite according to the set specifications as well, which reduces wastage, and saves a considerable amount of time in the construction

Our new  
development  
name and logo!

We completed the branding for our entire complex and named it the Cowichan Nest. Each building will be named after a local bird.

It is also greener, as no forests are being destroyed. Steel frames last longer than wood frames and add value to the property and the quality is impeccable. And if well maintained, steel frames have an extremely low life-cycle cost.

Sounds like a good argument for steel, right, well, not so fast! There are more and more wood frame constructions than Steel for good reason. Wood is considered warm, and also a renewable resource. Wood construction can substantially reduce building cost too. They are also prefabricating wood walls in factories as well, so it can be more efficient and just as quick to put up. It is a difficult and big decision. We have spoken to developers that won't work with steel and others that won't work with wood for a variety of good reasons. This decision will have a huge impact on our construction costs and valuations and it isn't an easy one to make.

We will let you know next issue what we decide!



## Municipality of North Cowichan has create a local area plan to accommodate future growth

Be sure to check out the link and to the Bell McKinnon PDF:

[https://www.northcowichan.ca/assets/Departments/Planning~and~L and~Use/docs/Community~Planning/BMLAP\\_Final%20Version\\_Oct19-18.pdf](https://www.northcowichan.ca/assets/Departments/Planning~and~L and~Use/docs/Community~Planning/BMLAP_Final%20Version_Oct19-18.pdf)

## Zero Emission Vehicle Infrastructure Program

We just submitted a \$1,662,474 grant application for the this federally funded program through Natural Resources Canada to fund the infrastructure and installation of 220 EV Charging units. We will find out in September if our grant application is accepted. Stay tuned!

## Upcoming Important Dates

- **Friday June 19**

Full site plan appraisal. This will give us a proper valuation for our Mortgage broker to satisfy the lenders with some of our anticipated equity built in already.

- **July**

Three Paddle Rd Lots closing.

- **August**

Two Paddle Rd Lots closing.

Development Permit and CHMC Financing application to be submitted

- **September/October**

Phase 1 construction scheduled to start once approval finalized.



6469 Ford Rd. Back of Property facing other existing development on Paddle Rd. 1<sup>st</sup> of 9 Properties to be acquired by us.

