Moose Consortium Inc.

Mobility Ottawa-Outaouais: Systems & Enterprises
Mobilité Outaouais-Ottawa: Systèmes & Enterprises
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Project 125
Proposal Summary
Draft 7 — 20 June 2016

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Project 125 is a time-sensitive and exclusive private-sector business intelligence study based on the business logic of the *Property-Powered Rail Open Market Development Model*, based upon increments to value added in retail, office, residential, industrial and other types of real property within an easy walk of operational railway lines throughout Canada's Greater National Capital Region. These real properties have significant potential to realize sustainable increases in revenue and/or asset value of at least 25 per cent as a verifiable result of easy access to passenger railway services implemented by Moose Consortium (Mobility Ottawa-Outaouais: Systems & Enterprises).

"Project 125" is a self-contained commercial research initiative to lead off this 5-phase private sector project. Phase 1(a) involved preliminary work on a $350,000 budget of in-kind work by a dozen companies to establish whether it would be worthwhile to proceed with the full $5 million research and planning intiative. Phase 1(a) is now completed, and Phase 1(b) is underway to provide:

a) <u>All key information needed to back a comprehensive investor prospectus</u> towards development of a 400-km private sector passenger railway system in a manner that will lead to tangible property *value added*, which will be reflected in increases where access to the passenger railway service is provided;

b) <u>Exclusive one-year advance access to statistical and analytical results</u> that identify real property market opportunities created by the railway project. Results will be restricted under a non-disclosure agreement amongst the participating companies until at least one full year after the completion of Phase 1(b) in order to create a first-in advantage for investors.

c) A set of template business arrangements through which the Consortium would recieve a proportion of property value increments in Linked Localities attributable to railway service to sustainably finance railway operations.

The non-disclosure agreement regarding target properties would be revised as required by the participating companies, based upon requirements for public disclosure and consultation about development sites. Once it is time to generate property value uplift, the Phase 1 study results would be publicly shared under free/libre/open licenses, as this information will help to cultivate the market.

"Project 125" is the Business Intelligence Phase of a 5-Phase Commercial Development

Development of the system is scheduled in five Phases involving research, planning and implementation work, structured for two types of investors: ($ amounts CAD)

Pre-Feasibility & Feasibility Research

Phase 1(a): (Spring/Winter 2015) $350K in-kind work exchanged for promissory notes. Preliminary research, feasibility and planning, Class D estimates.[1] Formalize core business arrangements. Determine insurance syndicator. Decisions on Phase 1(b). **[COMPLETED]**

Phase 1(b): (Winter 2015/Winter 2016) $5.0M work financed commercially. Expanded research, feasibility and planning. Application for *Certificate of Fitness* on 29 June 2016, which is the 125th Anniversary of the opening of the Ottawa Electric Street Railway Company in 1891. Class C estimates. Investor Prospectus to fund Phase 2. **[UNDERWAY]**

Project Implementation

Phase 2: (Spring 2016/Spring 2017) $5.0M work financed commercially. Stakeholder and time commitments and permissions. Application for *Certificate of Operation* to obtain clearance in time for Canada's150th Anniversary. Complete plans, insurance agreements, public relations/marketing. Class B then Class A cost estimates. Investor Prospectus V2 and detailed Phase 3-4-5 plans.

Phase 3: (Summer/Autumn 2017) $500M in shares and fixed-term credit. Core railway infrastructure upgrades, highlighted with rehabilitation of the Prince of Wales Bridge. Terminus & Transfer Stations. Detailed plans for Phases 4-5.

Phase 4: (Winter 2017/Spring 2018) $400M in shares and fixed-term credit. Core equipment and maintenance facilities, plus additional stations. Detailed plans for Phase 5.

Operating Revenues, Expenses, Capital Maintenance

Phase 5: Inaugural services coordinated with opening of Ottawa's Bayview & Tremblay Rd LRT stations. Ongoing est. $200m annual budget for regular operations.

With the completion of Phase 1(a), the Moose Consortium group of companies have determined that it is worthwhile to proceed with an application for a Certificate of Fitness from the Canadian Transportation Agency, and to proceed in securing financing for the full $5 million for the research and planning of Phase 1(b). In part they are financing its continuation themselves to fully benefit from its commercial value, however as of summer 2016 they are also distributing cost and risk by seeking additional investors.

Phase 1 (a) and (b) will provide quantitative scenarios relating to real property markets, demographics, mobility behaviours and available transportation options, in the context of underlying considerations relating to the regional, national and global economy. Business analysis will include ROI ranges relating to net revenue streams and net asset values, a comparative assessment of Phase 2-5 financing approaches, and a summary of revenue capture options. All of this will be supported with methodological documentation, adaptable computerized models, concise analytical reports and supporting communications and expertise.

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1   Huxley, A. (2002). Estimate Classes: An Explanation. Reproduced as Appendix A in: The Canadian Association of Consulting Quantity Surveyors. 2014. Cost Management Best Practices Guide 2014. Construction Economist, June. Retrieved from http://cacqs.ca/wp-content/uploads/2014/04/CACQS-Best-Practices-Guide-WEB.pdf