Although the winter and spring of 2009 were tough on all of us and particularly the real estate market, we have seen very positive signs throughout the summer that the market is moving in the right direction. Record real estate sales were seen in June and July and inventories are at an all time low. It appears it is perfect timing for our launch of the Headwaters Club pre-sales program! It has been an exciting summer for Treegroup in many areas but most particularly in the area of our Ponderosa development in Peachland, B.C.

In August/September we obtained final approval of two key items for moving forward with the project and on August 17th Greg Norman arrived in person and headlined a large press event held to publicly announce the commencement of the $1 billion dollar project. Please take the time to see details at www.ponderosaliving.ca

In August we began work on the on-site storm water outfall for the project and began completion of the 31st Avenue access road off Croydon Drive. This includes fencing and landscaping along the route to the project site. We welcome you to tour the area at 3080 Croydon Drive. Marketing and directional signs are in the process of being installed over the next two weeks.

We are very excited about the Headwaters Club project and very proud of the sales centre that is now open. The project is most definitely “one of a kind” and the sales centre is unlike any you have seen before in this area.

A “VIP” opening event is being planned for October but we encourage you to drop by anytime to have a look. On opening weekend, five homes were sold and we expect the first phase building of 62 homes to sell out quickly. If you are interested in a personal tour, please contact our Sales Manager, Rod Sopko by cell phone at 778-882-3142 to arrange a viewing time.

Treegroup introduces Homes with Privileges.

We hope you enjoy the newsletter. There are a variety of special dates and functions to be aware of so please take note and feel free to call our offices if you have any questions.

As outlined in our previous newsletter our focus over the past 6 months has been to advance our marketing strategy for the Headwaters Club project. In early May we began the amazing build out of our retail space at Grandview Corners in South Surrey. On September 26th the transformation of the 3,000 square foot area was complete, inclusive of a fully furnished 940 square foot two bedroom unit for viewing. The centre also includes interactive displays and video detailing the Headwaters Club business centre amenity along with details of each individual unit for sale. It is a very welcoming and comfortable space that our sales team will be staffing 7 days a week.

A large part of our pre-sales marketing program includes local media. You may have heard some of our ads on local radio; namely News 1130 AM. Print media in local publications like “The News” and “Vancouver Sun” are also supplementing our radio campaign.

Highlights

Treegroup introduces Homes with Privileges.

Summer is over and we’re back into the regular routines of fall. As in previous newsletters this third issue of our Treegroup Investor Newsletter will provide updates on our various projects.
A slow spring real estate market has emerged as a much more positive summer market in the East Kootenay’s of B.C. The Invermere/Windermere area has seen a sharp improvement in sales through July and August. With the onset of winter in 2008 we suspended construction on the Aspen Meadows site and were planning to continue operations in Spring 2009.

With the negative change of market conditions in the Spring we chose to suspend operations until things improved. In August 2009 we re-evaluated our position and went to the construction market to re-price the construction components required to complete the servicing of the lots. We were pleasantly surprised by the cost decreases and have proceeded with completion of the curb and gutter and paving of the roadways on site.

Water has been hooked up to municipal service and we are ready for completion of shallow services (electrical and cablevision). The perimeter trail system is now under construction and the on-site pond is complete and operational creating a beautiful vista for surrounding lots.

Our marketing efforts have included local print advertising along with the launching of the Aspen Meadows website at www.aspenmeadows.net. We also have a large billboard sign on Highway 95 in view of visitors arriving from Calgary along with a large site sign which is viewed easily from the highway. Overall the results have been very positive.

We have had many groups visit the site over the summer and have now confirmed sales for four lots. The completion of the site roadway will provide a much better opportunity for potential buyers to view the site and we expect interest to continue through to Thanksgiving.

With the onset of winter approaching our big marketing push will be in the Spring of 2010 and will include the addition of a show home on site which will begin construction in October 2009.
Ponderosa moves forward with approvals in place

In December 2008 Treegroup received fourth and final reading from the District of Peachland for the Pincushion Area Sector Plan that paved way for development of the 2,000+ unit expansion of Peachland. Throughout the Spring of 2009 Treegroup staff have been working with provincial and local community officials on detail design components for the exciting project.

In August 2009 Treegroup entered into a landmark partnership with Westbank First Nation and secured the Crown land required for the Greg Norman championship golf course and surrounding development. The final key approval for moving forward with the development was obtained from the Ministry of Transport on September 11, 2009 allowing a new highway access point for the development. Envisioning sessions are ongoing to establish design guidelines and the re-zoning submission for the entire site was made to the District of Peachland in August. Engineering design of roadworks and infrastructure is close to completion and the final golf course design layout is complete with work to begin on site in October 2009.

The project is supported by all levels of government and is expected to bring 2,200 full time jobs to the area upon completion and over 7,000 jobs during the build-out period. The complete build out will take place over 15 years and will effectively double the population of Peachland.

Completion of Phase 1 of the project is scheduled for Spring 2011 and includes the Greg Norman Championship Golf Course and Clubhouse along with a premium VQA winery, single family lots and several multi-family projects.

In June 2009 Treegroup launched the first round of founders investment for the project and retail investment opportunities will be made available to the public in the fall of 2009. Details will be presented at that time. Stay tuned for more exciting news as it comes available, and be sure to stay in touch through our new website at:

www.ponderosaliving.ca