

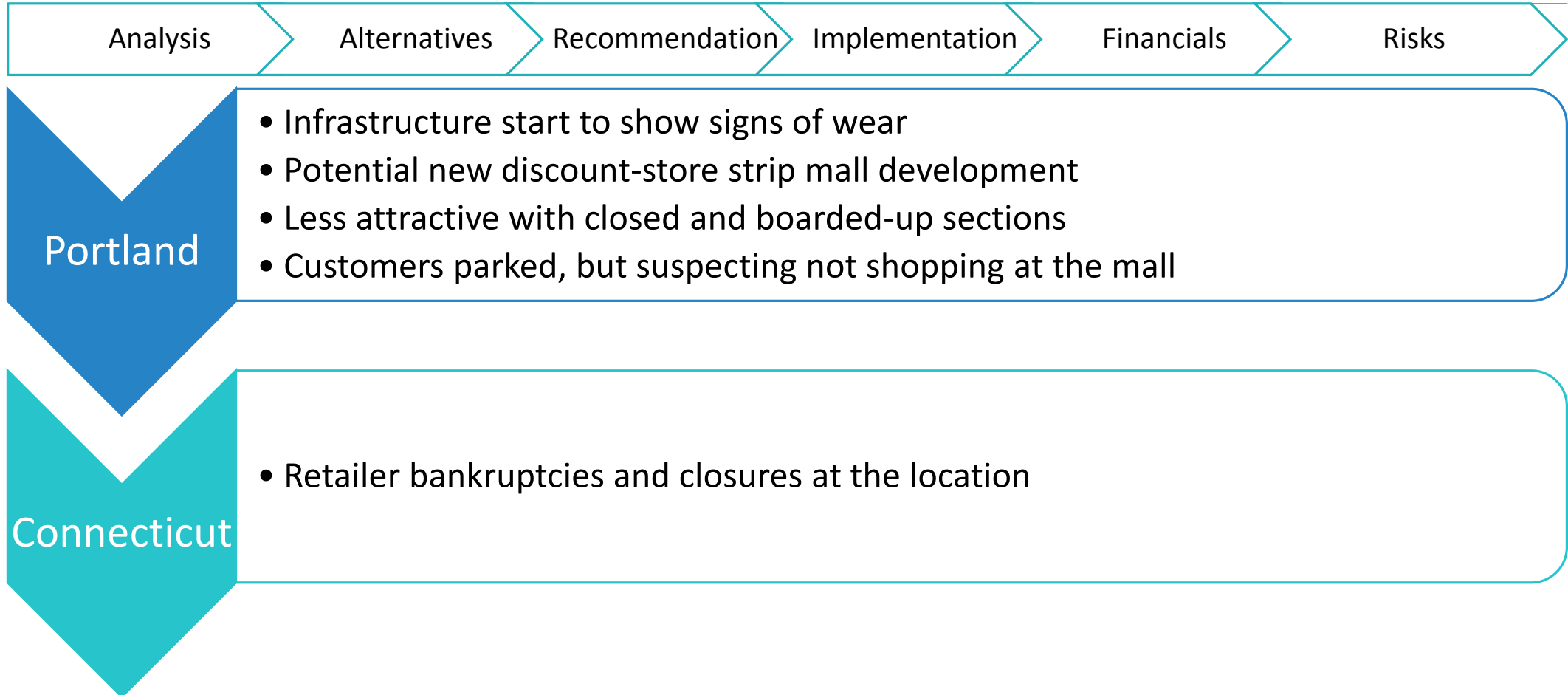
Charlebois Family Investments Inc.

WOW CONSULTING

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What is the best strategic option for Charlebois Family Investments and our two malls?

What Are The Key Issues?



What Is Recommended For Us?



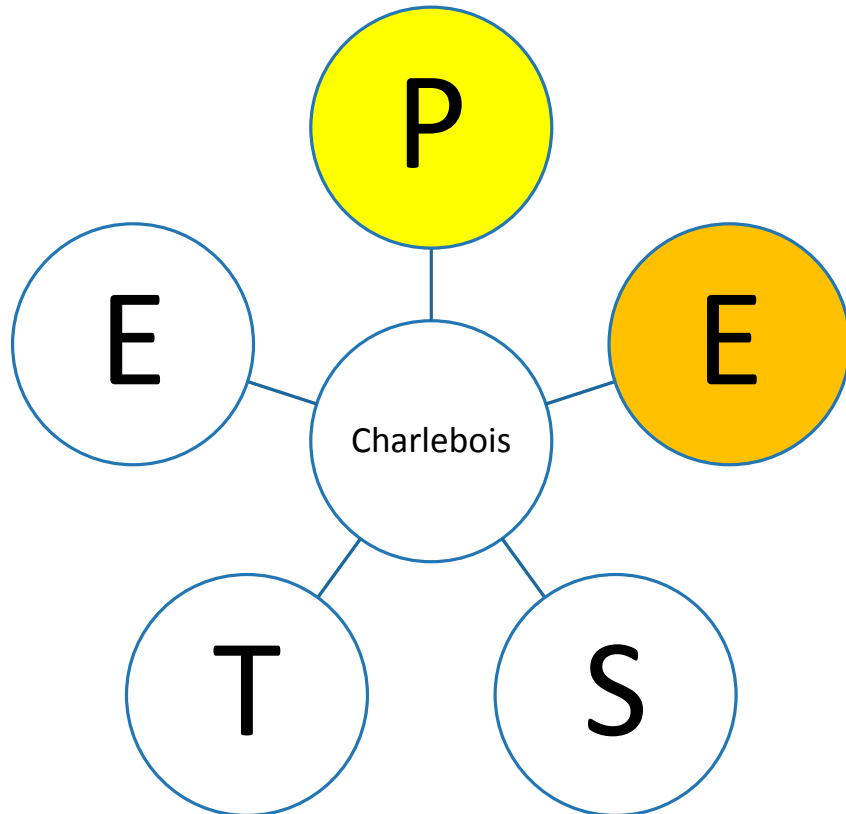
Open-air strip mall
(Portland, Maine)

- Sell right away
- Invest in diversified portfolio

Enclosed mall
(Hartford,
Connecticut)

- Invest in renovation
- Introduce experiential offerings

What Does the Environment Look Like?



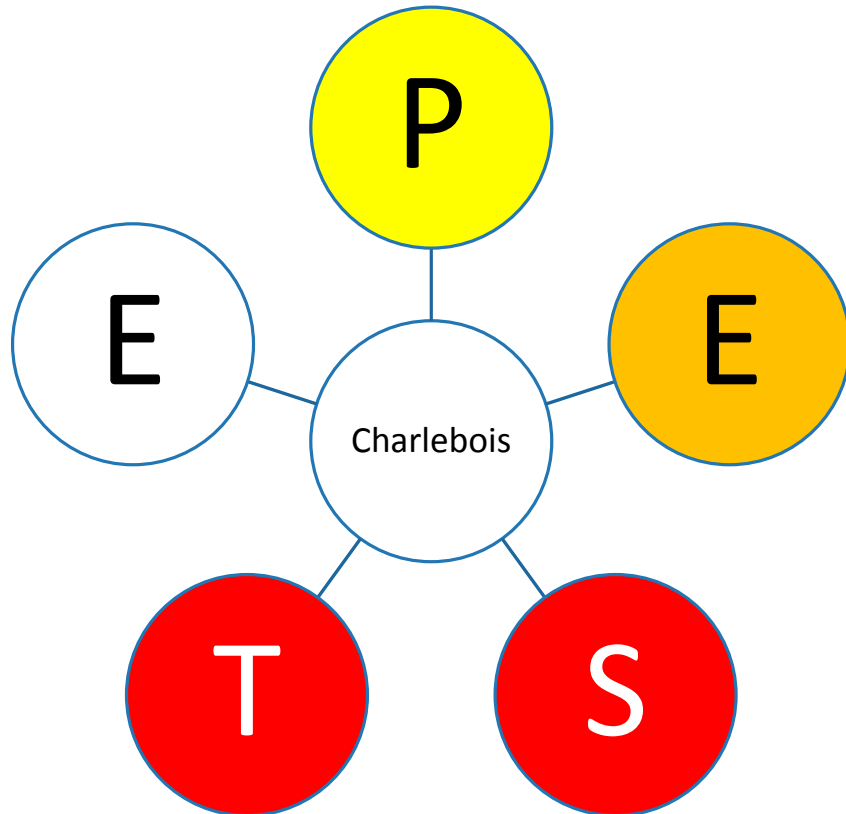
Political

- Instability in the USA
- Currently protected uncertainty as to how long this would last

Environmental

- Consumers are more conscious about the environmental impact of the products that they buy
- Recent increase in snowfall in the North East of USA

What Does the Environment Look Like?



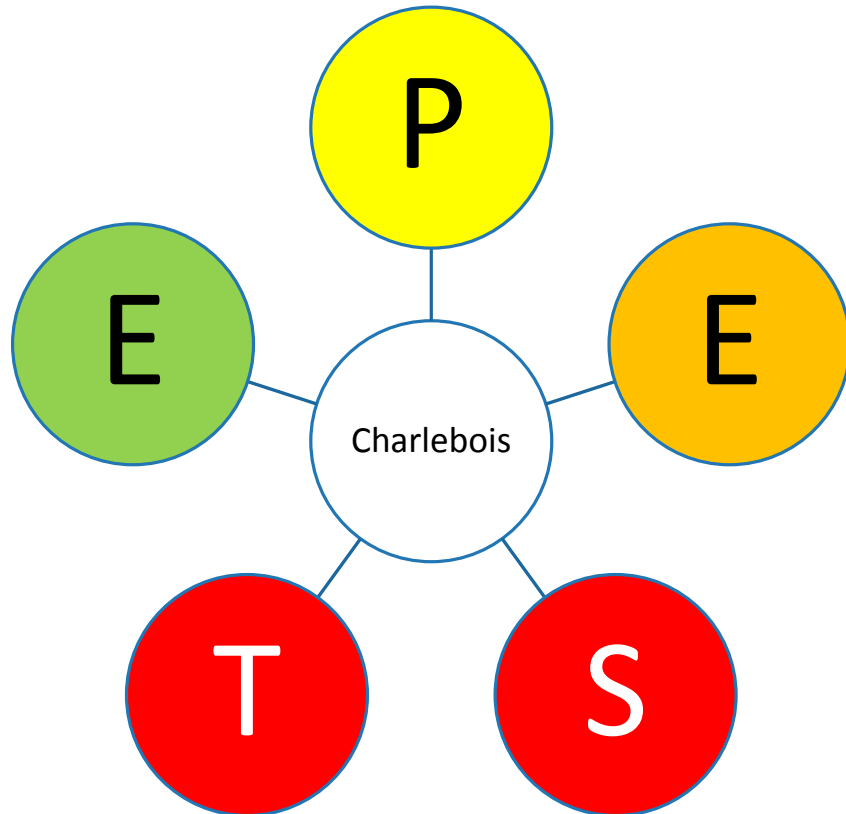
Social

- Customers are unwilling to shop at brick-and-mortar stores
- Increased interest in experiential shopping

Technology

- eCommerce is on the rise
- People are heavily reliant on devices

What Does the Environment Look Like?



Economics

- Economy is strong
- Customers have more buying power

People are still spending,
but their preferences have evolved considerably

What Are Our Options?



	Diversification		Reposition		New emerging markets
	Divest Portland	Divest Hartford	Reposition Portland	Reposition Hartford	
Competition with eCommerce	●	●	●	●	●
Economic alignment	●	●	●	●	●
Portfolio diversification	●	●	●	●	●
Retail expertise	●	●	●	●	●

What Should We Do?



Open-air strip mall
(Portland, Maine)

- Sell right away
- Invest in diversified portfolio

Enclosed mall
(Hartford,
Connecticut)

- Invest in renovation
- Introduce experiential offerings

How Should We Reposition Hartford?



Attract new restaurants

Introduce a well-being centre

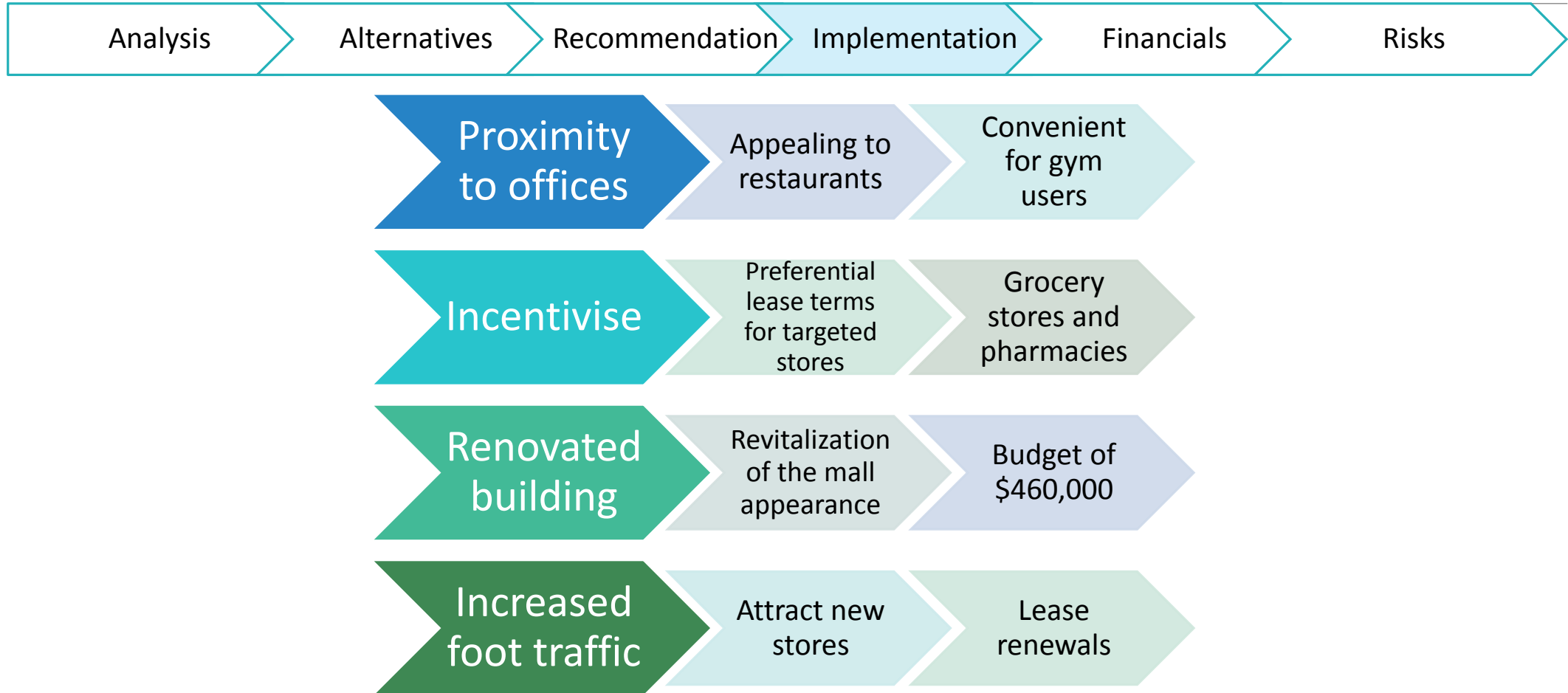
- Gym
- Spa

Specialty grocery store

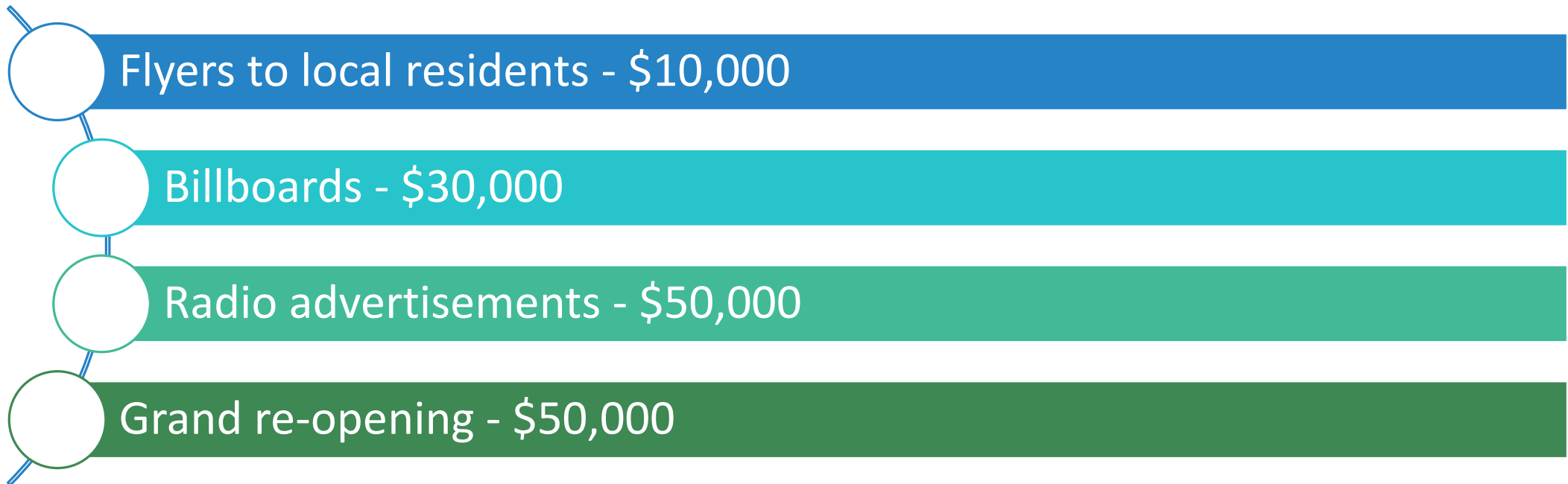
- Wholefoods

Generate foot traffic

How Do We Attract These Stores?



How Do We Promote the New Hartford Image?



\$140,000

Selling the Portland Mall



In current market conditions, we should get around \$25 per square foot, for a total cash amount of \$3.6 million.

Reach out to local real estate developers to sell the property.

Diversify the family's assets with a balanced portfolio with the remaining \$3 million.

Ownership	Yearly income
30%	\$26,100
25%	\$21,750
15%	\$13,050

Strategic Balanced Portfolio

Asset Class	%	\$	Yield (%)	Yield (\$)	
Cash	10%	\$300,000	1%	\$3,000	
Fixed Income					
United States Bonds	30%	\$900,000	4%	\$36,000	
International Bonds	10%	\$300,000	5%	\$15,000	
Equity					
United States	30%	\$900,000	2%	\$18,000	
International	10%	\$300,000	3%	\$9,000	
Emerging Markets	10%	\$300,000	2%	\$6,000	
Total	100%	\$3,000,000	3%	\$87,000	

What Are Our Risks and Mitigations?



Risks	Mitigations	Likelihood	Impact
Vacancy rate in Hartford remains a concern	Create additional incentives for potential tenants	Medium	High
Future US recession leads to further difficulties in real estate and to corrections in the stock market	Diversified portfolio including bonds, foreign stocks and a cash balance	Medium	High
Another anchor store closes in the Hartford mall	Offer a preferential lease to another potential tenant for this location	Medium	High

What Are Our Takeaways?



Portland is not in an ideal neighborhood for current retail

- Sell and invest

Connecticut has the potential to include more experiential retail

- Reinvest and revitalize

Accumulate experience in revitalizing medium class mall

- Create future opportunities



Who Are the Stakeholders?

