

The Charlebois Family Future

CONOR CHARLEBOIS

The Challenge

2

How can we provide
sustainable family
income?

Recommendations

3

Sell Portland

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graph TD; A[Sell Portland] --> B[Convert Hartford]; B --> C[Diversify];
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Convert Hartford

Diversify

Ensure long-term viable income

Agenda

4

What

Why

How

Analysis

MARIA BARRY

ANALYSIS – EXTERNAL FACTORS

Consumers

- Time conscious consumers
- Living more in suburbs and away from city centres

Shopping Trends

- Footfall in brick and mortar falling
- Rise in online shopping

Food

- Main regular large shopping segment
- Online shopping/deliveries

Retail real estate is becoming high risk

ANALYSIS

7

	Portland	Hartford
Type	Open air	Covered
Mortgage	No mortgage	Mortgage ongoing
Stores	22	89
Location	2 miles from residential (lower middle class) Near airport	6 miles from residential (Upper middle class) Near train station
Office space	Currently has office space (20,000 square foot)	Currently no office space
Anchor stores	No anchor stores	Anchor stores but closure of anchor stores (Sears)

Sell Portland and develop Connecticut

Recommendations & Alternatives

RUTH LALOR

Strategic options & alternatives

	Divest	Develop outlet mall	Sell Portland	Sell Hartford	Diversify	Develop office space
Risk	Green	Red	Green	Green	Green	Yellow
Cost	Green	Yellow	Green	Green	Green	Red
Potential reward	Yellow	Red	Green	Yellow	Yellow	Green
Family impact	Red	Yellow	Yellow	Yellow	Green	Green

Sell Portland, Diversify, and convert Hartford to office space

Implementation

ANDREW GEBELIN

Implementation: Sale of Portland

11

0-12
months

- Begin looking for buyer
- Decline lease renewals

1-2
years

- Sell to developer or real-estate fund

Divest weak Portland investment

Implementation: Develop Hartford

12

0-12
months

- Charge for parking over three hours
- Decline to renew leases

1-2
years

- Reinvest 25% of Portland funds into office conversion
- Assess interest by developers in future redevelopment

Convert Hartford to sustainable investment

Implementation: Develop Hartford

13

1-2
years

- Identify diversification options
- Reinvest in diversified funds

Commence diversification strategy to protect investments

ANALYSIS - FINANCIALS

14

- ▶ Financial Assumptions for Hartford Mall
 - ▶ Parking rate \$15 per day
 - ▶ 4,250 car parking spaces
 - ▶ Rent 500 spaces out: $500 \times \$15 = \$7,500$ (\$1.95 million per year)
 - $500,000 \times 15 = \$7,500,000$ per square feet per day
 - ▶ Permit: \$10,000

Short term revenue from car park

ANALYSIS - FINANCIALS

15

Portland

- \$5/sq ft/ month
 - 62,000ft revenue generating
- Annual rent roll: \$3.7M
- Revenue from Sale: Rent Roll (turnover) x 8 = \$29.6 M
- Selling costs: \$0.3 M
- Gain: \$29.3 M

Hartford

- Car park revenue per annum: \$1.95 M
- Rental \$24M
- Current mortgage and fees: \$25M
- Invest \$7.3M in office space
- Year 2 revenue \$28M
- Year 3 revenue \$30M

Use 25% Portland revenue to invest in Hartford

The way forward

Questions

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