Sweetlife Flora Biotech Division

MANAGEMENT & TECHNICAL CAPABILITY

Construction-to-Term Commercial Mortgage Request

Purpose of This Document

This document outlines the management structure and technical capability supporting the renovation, activation, and ongoing operation of the subject property.

The intent is to demonstrate that execution risk is understood, contained, and appropriately managed for a construction-to-term commercial mortgage.

Management Structure

Sweetlife Flora Inc. is founder-led and owner-operated, with day-to-day responsibility for construction coordination, operational oversight, and financial management retained by the principal shareholder.

This structure provides:

- Clear accountability
- Direct decision-making authority
- Alignment between management performance and asset condition

There is no separation between ownership and operational control.

Principal Operator Capability

The principal shareholder brings a multidisciplinary technical and operational background relevant to both the renovation phase and stabilized operations, including:

- Engineering training and applied technical expertise
- Experience overseeing complex, systems-driven projects
- Direct operational experience in controlled-environment production
- Hands-on management of vendor, contractor, and supplier relationships

From a credit perspective, this reduces reliance on third-party operators and limits execution handoff risk.

Construction Oversight & Coordination

During the renovation phase, management responsibilities include:

- Coordination with the general contractor and key trades
- Oversight of construction sequencing and milestone completion
- Review of inspection outcomes and deficiency resolution
- Alignment of construction progress with lender draw requirements

Construction execution is supported by an experienced general contractor, with management maintaining direct oversight rather than delegating control.

Operational Oversight Post-Completion

Following completion, management responsibilities include:

- Day-to-day facility operations
- Production planning and inventory control
- Staffing oversight and scheduling
- Financial monitoring and cost control
- Compliance with health, safety, and accessibility requirements

The operating model is centralized within the owner-occupied facility, simplifying supervision and reducing operational complexity.

Financial Management & Reporting

Management maintains responsibility for:

- Cash flow monitoring and budgeting
- Expense control and margin oversight
- Banking relationships and lender communication
- Timely financial reporting and tax compliance

Corporate and personal financial documentation supporting this oversight is provided directly to lenders as part of supplemental due diligence.

Key Person & Continuity Considerations

While the business is founder-led, key person risk is mitigated through:

- Direct operational involvement rather than delegated oversight
- Defined production workflows and operating procedures
- Use of external professionals where appropriate (contractors, accountants, insurers)
- Owner-occupied model incentivizing long-term asset stewardship

These factors reduce disruption risk during both construction and stabilization.

Credit Relevance Summary

From a lending perspective, the management and technical structure supports credit underwriting through:

- Direct alignment between ownership, operations, and collateral
- Demonstrated capability to oversee complex renovation activity
- Hands-on operational control post-completion
- Reduced dependency on third-party tenants or operators

This management profile is consistent with owner-occupied commercial mortgage lending for a construction-to-term facility.

Prepared for evaluation by regulated financial institutions in connection with a construction-to-term commercial mortgage facility.