



## **SECURITY & COLLATERAL OVERVIEW**

### **(Non-Legal Summary)**

The proposed private loan is secured against a combination of real property, improvements, and business assets, designed to protect principal during the short bridge period.

### **Primary Security**

- Mortgage or charge against the owner-occupied commercial property at 651 Mountain Road, Moncton, New Brunswick
- Property is owned outright by the borrower, with no competing acquisition risk

### **Improvement-Backed Value**

Loan proceeds are deployed into permanent building improvements, including:

- Specialized production infrastructure
- Greenhouse systems
- Controlled-environment build-out

These improvements directly increase the property's utility, income-generation capacity, and refinance eligibility

### **Business Asset Support (Non-Speculative)**

- Equipment and infrastructure installed through the renovation form part of the operating asset base
- Inventory generated through production supports operating income during stabilization
- Retail and e-commerce channels provide observable cash flow within the property

### **Income Stabilization**

- During the bridge period, the property transitions from renovation phase to revenue-producing commercial use
- Demonstrable operating income supports refinance underwriting with a chartered lender

### **Exit Protection**

- The private lender's exposure is limited in duration

- Repayment is achieved through conventional commercial refinancing, not long-term operational performance
- The lender's return is generated through agreed fees and interest, not equity participation or extended hold risk

## Summary

This security structure prioritizes:

- Tangible collateral
  - Asset-backed value creation
  - Short duration exposure
  - Defined refinance exit
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