

Executive Summary

The intent of this document is to provide details on our interest to purchase approximately 3 acres of land from The Corporation of the Town of Cobourg located at 115 Dodge Street.

Our background:

We own an IT organization for over 34 years, I founded this company in 1986 and we are ranked in the top 100 IT organizations in Canada. Our focus is IT services and support and we have clients across Canada. We take retained earnings from our IT company and invest into commercial real estate. We have been investing in commercial real estate since 2003 and I personally spearhead all real estate acquisitions and development.

Our plans for 115 Dodge Street, Cobourg:

We have large national tenants in many of our buildings with long term leases ranging from 15 years to 30 years. We work closely with these tenants to expand their business into other locations across Canada.

Our tenant, Davey Tree of Canada (<https://www.daveytree.ca>), would like to have to a **National Distribution/Logistics Centre** for their Canadian operations at 115 Dodge Street, Cobourg. They want to warehouse tools and equipment at this location to distribute to field locations across Canada. Currently, they utilize their USA distribution centre and it has become necessary to establish their own Canadian distribution/logistics centre. Davey Tree Canada would also like to have their **Emergency Preparedness Task team** at the location. This team would manage all emergency logistics across Canada. This location would be utilized by all divisions of Davey Tree Canada; Rail, Utility, Residential and Commercial. Thus distribution and logistics for all divisions would be stationed at this location. This would create more than 50 new local jobs paying approximately \$50/hr. Davey plans to expand this premises as they embark on other related services, and as their distribution/logistics needs increase. Davey Tree is signing 20 year lease with option for another 10 years. Davey Tree needs to commence their operations at this location by end of this year. This distribution centre will ship all tools, skill saws, ladders, wood chippers and other equipment across Canada.

We plan to construct a building on this premises this year. We will work with Davey Tree to design a building that best suits their needs. The building size will range from 8,000 sq. ft to 14, 000 sq. ft with provision to expand the building size as Davey Tree operations increase. We will need the whole 3 acres of land parcel since Davey Tree will have larger equipment in the outside lot. The whole property will be fenced and gated with two accesses for equipment movement.

We would like to purchase the approx. 3 acres of land at \$40,000 per acre from the Town of Cobourg. We will submit for Site Plan Approval as soon as the Township confirms our offer to purchase. We will commence construction as soon as the Township building department grants us permits. We are self-funded, thus we are ready to commence this project.

About Tenant

Davey Tree is a North American company founded in 1880. Their world headquarters is located in Kent Ohio and their Canadian head office is located in Ancaster Ontario. Davey Tree is an employee owned organization and is the largest in the employee owned company in the state of Ohio.

Davey Tree is an industry leader in horticultural and environmental services. They are innovative and provide leading edge scientific research in this field. Davey Tree is the largest tree service organization in Canada. They have contracts with provincial and federal branches of government for removal of trees, branches and other botanical growths. Davey Tree is part of the government emergency preparedness taskforce team responsible for responding to wind and ice storm tree cleanup and removal.



*Davey Tree world headquarters in Kent Ohio

About Investor

Audcomp Group Inc. has been in business for 34 years and have been utilizing funding from its IT business (Audcomp) to invest in real estate since 2003. Audcomp is a focused IT Managed Service Provider that provides IT services and IT hardware to clients throughout Canada and has been doing so for 35 years.

Our head office is located in Ancaster Ontario. We currently employ 87 full time staff at the Ancaster location and numerous remote contractors throughout Canada.

Audcomp is ranked 22nd in the top 100 IT solutions providers in Canada in 2020. Rankings is determined by Independent Channel Daily News (CDN) based on revenue, service, support and customer service.

https://channeldailynews.com/top100/tv-c/top100%20report_final.pdf

Audcomp Group Inc. owns commercial properties across Canada. All of its space is leased to national tenants with leases ranging from 10 to 30-year terms.

We are in good standing with our tenants, and we work with our tenants to help them expand their business into other regions across Canada. We provide “build to suit” facilities for their business needs and requirements. We have worked with many municipalities across Canada, and we have recently worked with City of Pickering on a commercial development for Davey Tree’s field location.

Gary Sohal is the owner of Audcomp Group Inc. and in charge of leading the real estate investment team at Audcomp Group Inc. Gary Sohal will be spearheading this project.

Gary started Audcomp while attending McMaster University in Hamilton Ontario. Through his leadership and commitment to success he has grown the business to what it is today. Gary is a visionary that other IT solutions providers look to follow. His business acumen is his greatest strength. He has the leadership to ensure projects are completed on time and on budget time after time.

We hope this brief background helps to provide the municipality with some comfort that we are committed to commencing and completing this commercial real estate project in Cobourg. We have a solid proven track record to make every project successful for our tenant, ourselves and for the local municipality/township.

Please feel free to reach out to me for questions or issues you may have. Thank you in advance for assisting us in this endeavour.

Gary Sohal | *AUDCOMP*

President

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