



M PRIVATE RESIDENCES

| | M Private Residences | A Second-Home ownership | Luxury Hotel | Rental Property | Leading Destination Club |
|--|--|---|---------------------|------------------------|--|
| Economics | | | | | |
| Equity Investment | Yes – secured by a portfolio of homes all ranging in value from \$1.5-\$3 Million | Yes- secured by a single home value determined by market of the area. | No | No | No |
| Nightly fee | No | No | Yes | Yes | Likely –upgrade of property/ extend days / family option |
| Annual dues | Yes – lowest in the industry | No | N/A | No | Yes – one of the highest in the industry |
| Taxes, Maintenance and Operations, Mortgage payments | No | Yes | No | No | No |
| Parental Usage | Included | Yes | N/A | N/A | Extra purchase necessary |
| Redemption & Value | Yes – 92% return on current market share price | Yes -less realtors fees, and tax considerations | N/A | No | Yes – 75% return on your initial investment |
| Usage / Availability | | | | | |
| Guaranteed availability | No – unique structure maximizes availability. New home for every 275 days sold or max. 7:1 ratio | Yes | No | No | No |
| Multiple locations | Yes | No | Yes | Yes | Yes |
| Amenities | | | | | |
| Gourmet Kitchen | Yes | maybe | No | No | Yes |
| Highest Level of Home Furnishings | Yes | maybe | No | No | Yes |
| Groceries Stocked | Yes | No | No | No | Yes |
| Concierge Services-help you plan and book your vacation | Yes | No | Minimal | No | Yes |
| Local host – get tickets, spa bookings etc. | Yes | No | No | No | Yes |
| Access and reduced rates to private golf clubs / beach clubs and dining privileges | Yes | No | No | No | Yes |



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FINANCIAL

M Private Residences is analogous to owning a private golf club membership.

Initial M membership fee is an equity investment secured by a portfolio of homes chosen for desirable locations, access to amenities and investment potential. You receive planned days of travel in \$1.5-\$3 Million dollar, designer furnished, 3-4 bedroom homes (1212 sqft - 5000sqft) all over the world.

Annual dues for an M Private Residences Membership equate to between \$545-\$795 / night.

In comparison this is less than the cost of a **Luxury Hotel room** which is approx. 500 sq. ft., generally costs anywhere from \$750 - \$1000 per night plus applicable room and luxury taxes, has only one room, no kitchen, no private pool and no access to private clubs and services.

Second home ownership comparison requires some assumptions. Assuming a \$1M property, you are required to manage all the costs and time associated with maintenance, operations, renovations etc. The property taxes alone per year on most million dollar homes in vacation destinations can exceed the annual dues of an M Private Residences Membership. When selling or willing a second home the U.S and/ or Canadian tax implications need to be considered. A Canadian taxpayer will pay taxes on the accrued capital gains of the property as well as be subject (if the home is in the U.S.) to U.S. taxes on the entire value of the home. M has this legal diligence covered in each country in which it owns a home.

The great thing with an M Membership is that you have more than one location to vacation in while taking advantage of an equity investment.

Compared to a **Rental property** -M Private Residences provides certainty of an expected level of quality. M homes are equipped with all a vacation home should have, including electronics, X-box, home office, sports equipment, bikes, pools, hot tubs and access to amenities such as gyms, private clubs and golf courses. The knowledge of the local concierge and services is always useful particularly in Europe. Finally, rentals do not allow you to participate in the growth in equity of the property.

Compared to other **Destination Clubs** -M Private Residences is Canadian owned and has the lowest annual dues in the industry. Further it is the only club run as a not for profit destination club where the assets are Shareholder controlled and managed. M Private is structured to be successful in today's difficult real estate environment and uncertain economy.