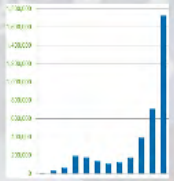
Message from the President & CEO: Brian Baker

Melcor 90 Years

Total Assets ($000)



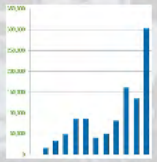
2013 Assets: 1,727,933

Chart portrays a snapshot of every 5 years from 1968-2013

In 90 Years

- 90 communities across Western Canada
- Over 1.5 million square feet of commercial properties
- Over 3 million square feet of income-producing investment properties
- 43 years of dividends, 25 consecutive

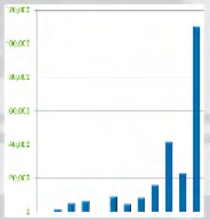
Total Revenue ($000)



2013 Revenue: 303,742

Chart portrays a snapshot of every 5 years from 1968-2013

Net Income ($000)



2013 Adjusted Earnings: 110,439

Chart portrays a snapshot of every 5 years from 1968-2013

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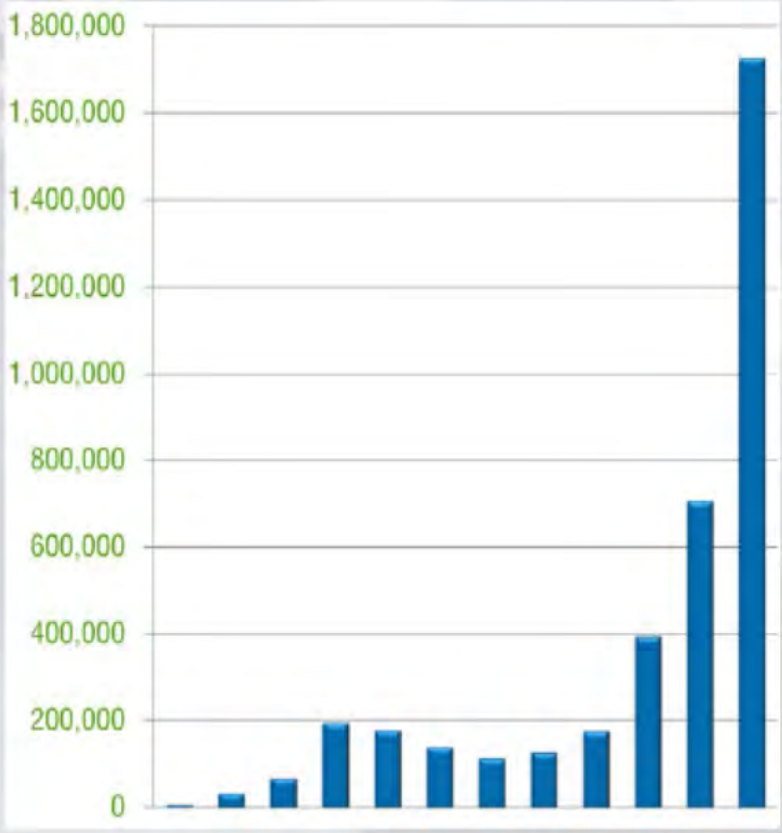
Total Assets ($000)



2013 Assets: 1,727,933

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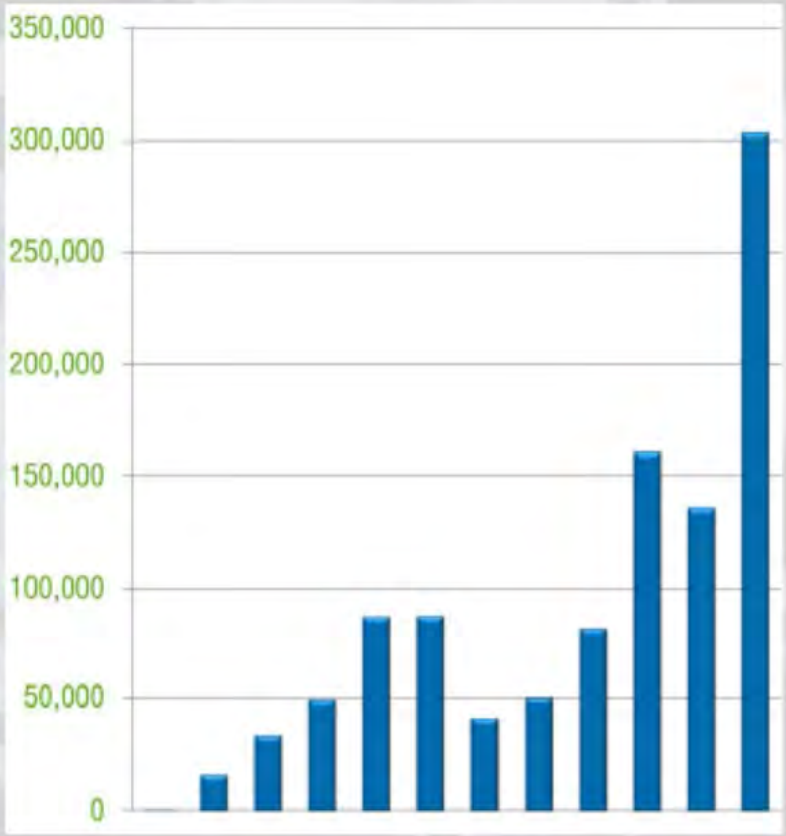
Total Revenue ($000)



2013 Revenue: 303,742

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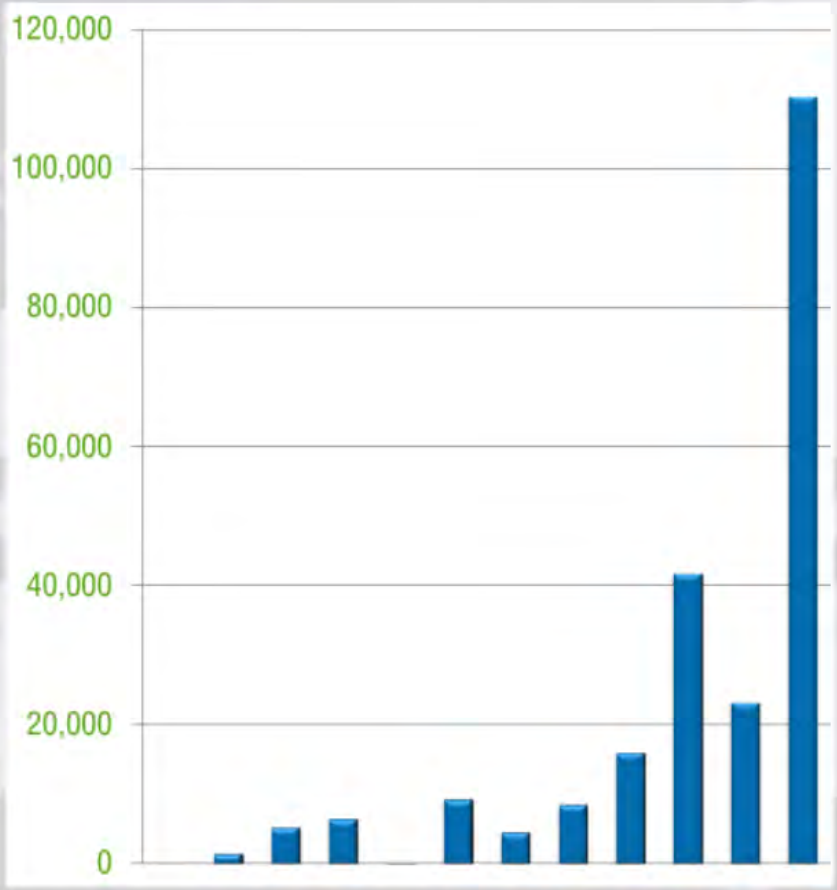


2013 Adjusted Earnings: 110,439

- Chart portrays a snapshot of every 5 years from 1968-2013

Community Development

Our Purpose

Acquire raw land for future development. Plan, service and market acquired land for master-planned urban communities.

Five Year Results

Revenue ($000)

Earnings ($000)

2013 Revenue: 251,323

2013 Earnings: 92,054

Land Inventory by Region

Percentage of Melcor revenue base

2013 Highlights

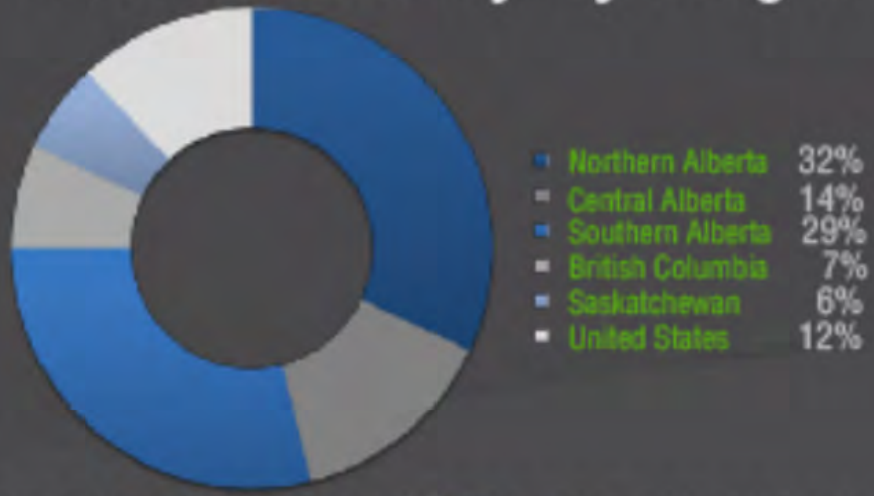
- Sold 1,776 single-family lots for record revenue
- 9,771 acres of raw land for future development
- Purchased 835 acres
- Commenced development on 3 new residential communities

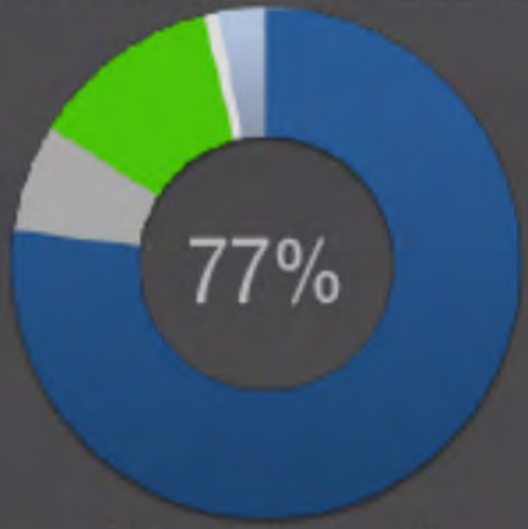
Strategic Direction

- Maintain diversified mix of serviceable inventory
- Maintain 3-5 year inventory of "shovel ready" land assets
- Maintain 1 year land inventory at all times

Our Purpose
Acquire raw land
for future development.
Plan, service and
market acquired land
for master-planned urban
communities.

Land Inventory by Region

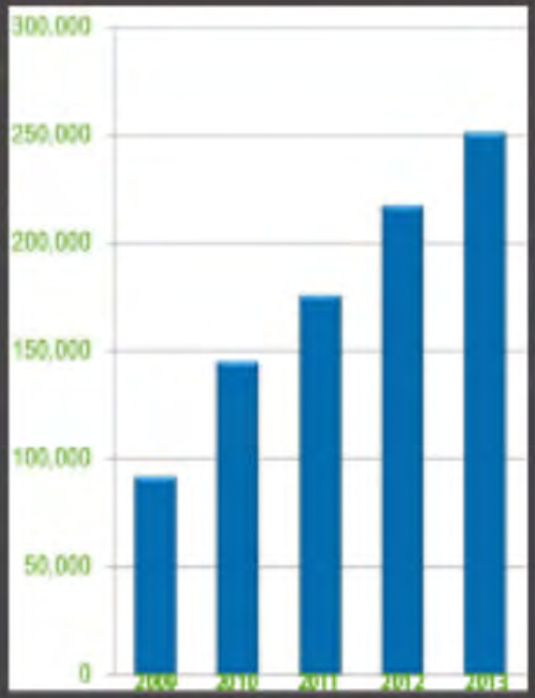




Percentage of Melcor revenue base

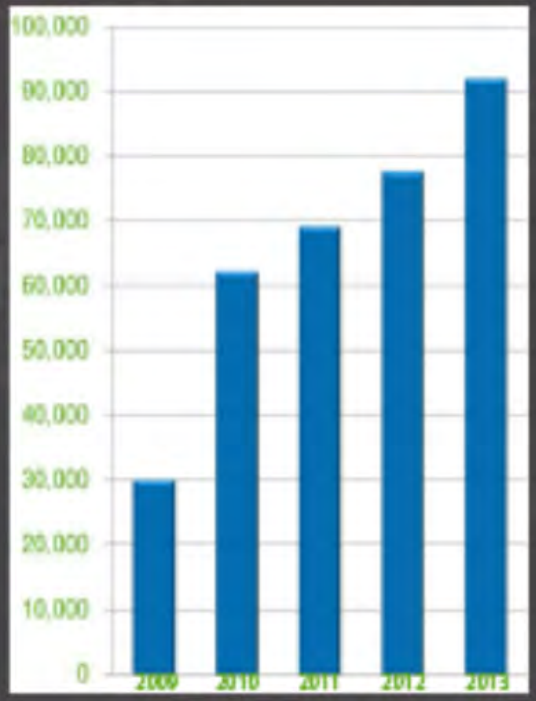
Five Year Results

Revenue ($000)

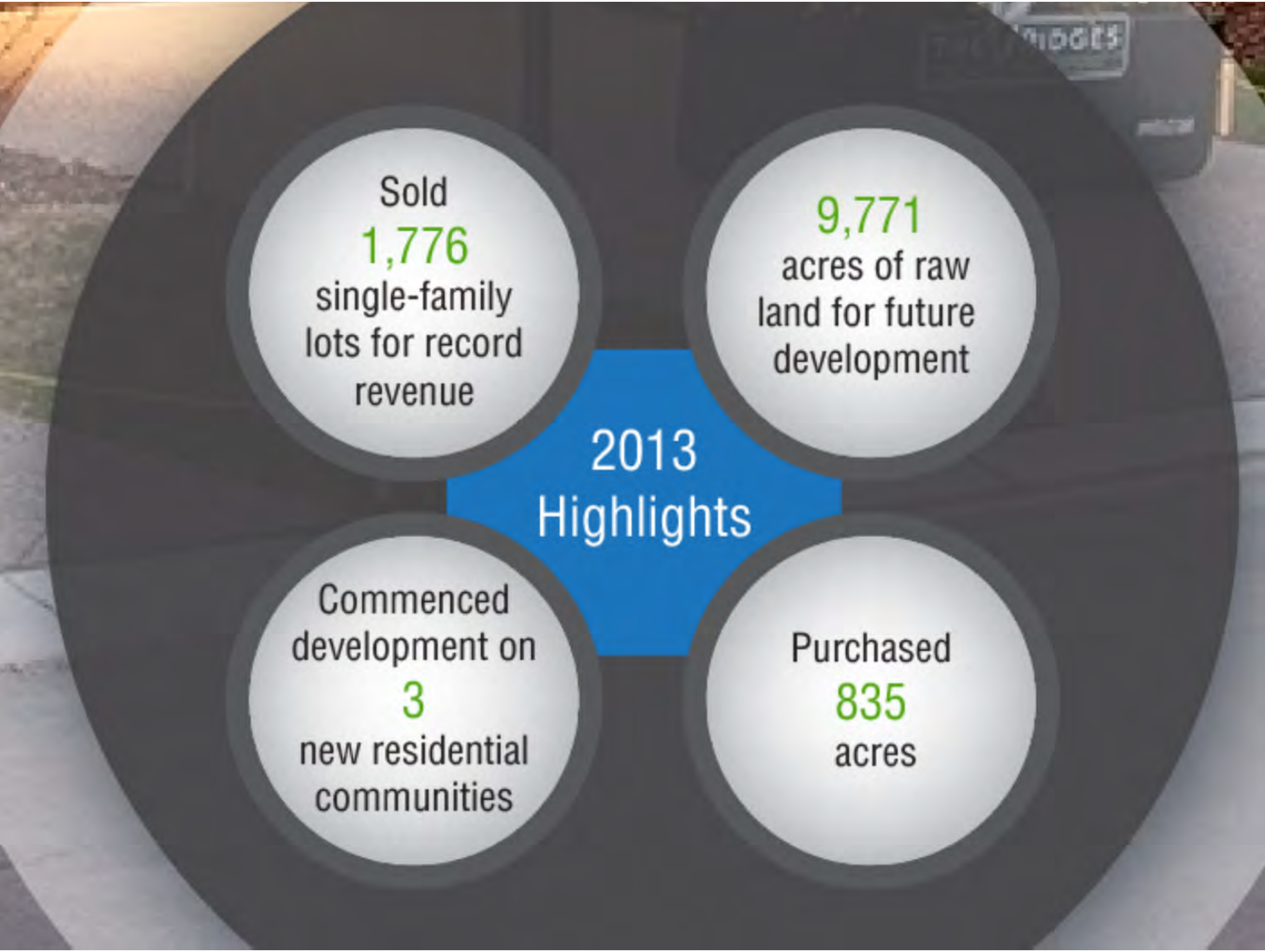


2013 Revenue: 251,323

Earnings ($000)



2013 Earnings: 92,054


2013 Highlights
Sold 1,776 single-family lots for record revenue
9,771 acres of raw land for future development
Commenced development on 3 new residential communities
Purchased 835 acres

Strategic Direction

- Maintain diversified mix of serviceable inventory
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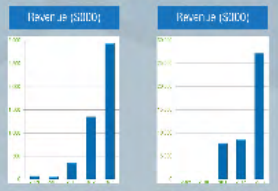
Property Development

Our Purpose

Develop high quality retail, office and industrial properties on serviced commercial sites

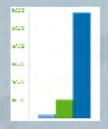
5 Year Results



2013 Revenue: 251,323

2013 Earnings: 27,181

Property Development Growth



2001 Revenue: 25,183 sq. ft.

2013 Revenue: 130,388 sq. ft.

Total Under Development: 500,000 sq. ft.

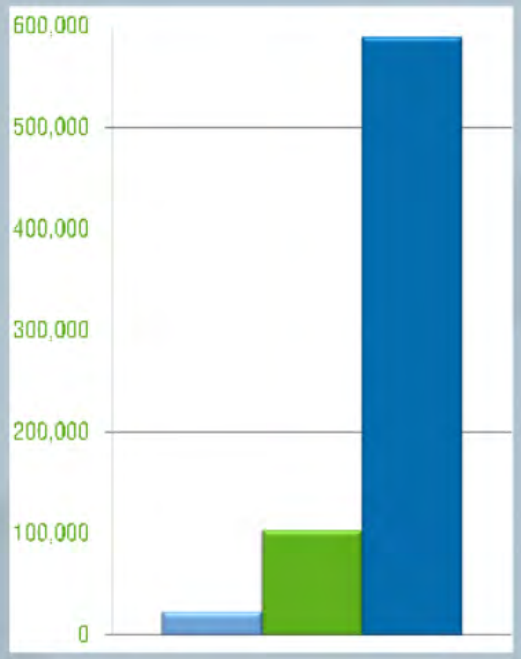
2013 Highlights

Strategic Direction

- Develop innovative mixed-use projects
- Deliver the highest quality retail, office and industrial properties
- Develop strong relationships with national and multinational anchor tenants

Our Purpose
Develop high quality retail, office and industrial properties on serviced commercial sites

Property Development Growth



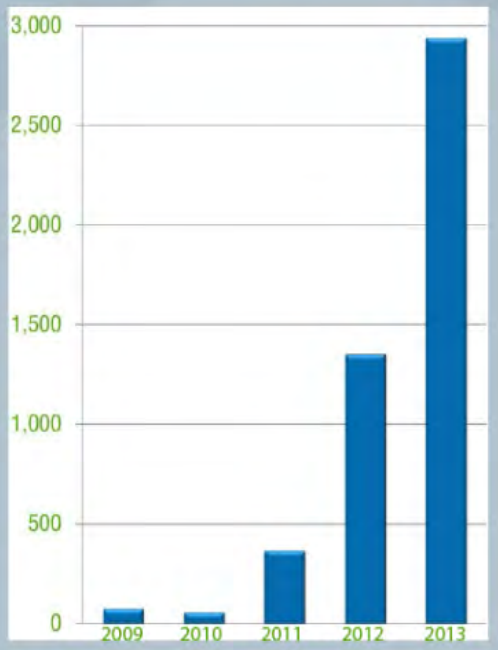
2001 Revenue:
23,183 sq. ft

2013 Revenue:
103,388 sq. ft

Total Under Development:
590,000 sq. ft

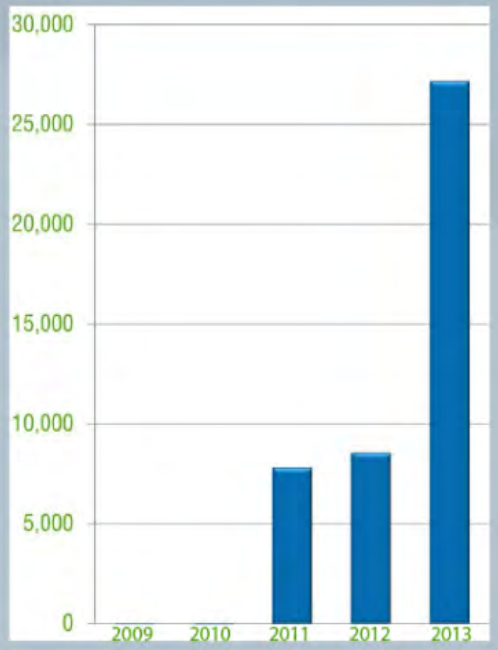
5 Year Results

Revenue ($000)

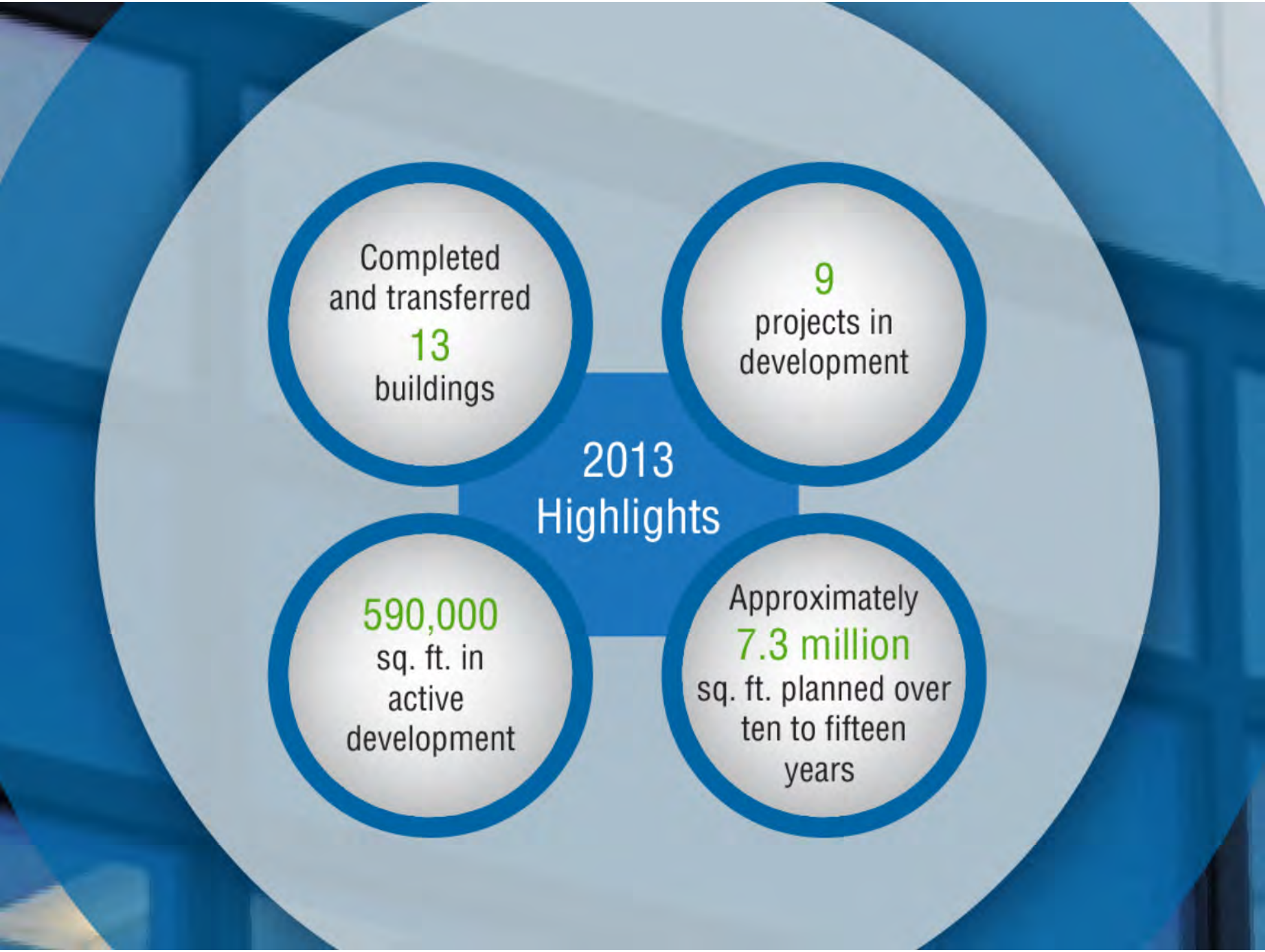


2013 Revenue: 251,323

Revenue ($000)



2013 Earnings: 27,181


2013 Highlights
Completed and transferred 13 buildings
9 projects in development
590,000 sq. ft. in active development
Approximately 7.3 million sq. ft. planned over ten to fifteen years

Strategic Direction

- Develop innovative mixed-use projects
- Deliver the highest quality retail, office and industrial properties
- Develop strong relationships with national and multinational anchor tenants

Investment Properties and Melcor REIT

Our Purpose

Provide asset and property managment services for Melcor and the REIT

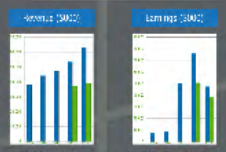
MELCOR | REIT

Acquire and own high quality commercial properties

2013 Highlights

- Successful launch of Melcor REIT
- 95% of customer calls responded to within 30 minutes
- Melcor REIT portfolio growth by 12%
- Completed redevelopment of 2 office buildings

5 Year Results



Strategic Direction

- Continue strategic capital investment
- Search out and execute acquisitions in key markets
- Improve existing assets with value-added investments to increase occupancy
- Be the landlord of choice by providing consistent, high-quality service

Our Purpose
Provide asset and property managment services for Melcor and the REIT

MELCOR | REIT
Acquire and own
high quality commercial
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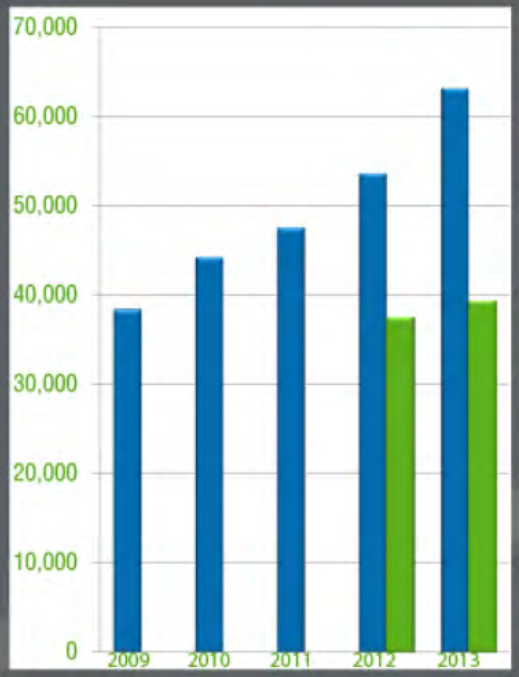
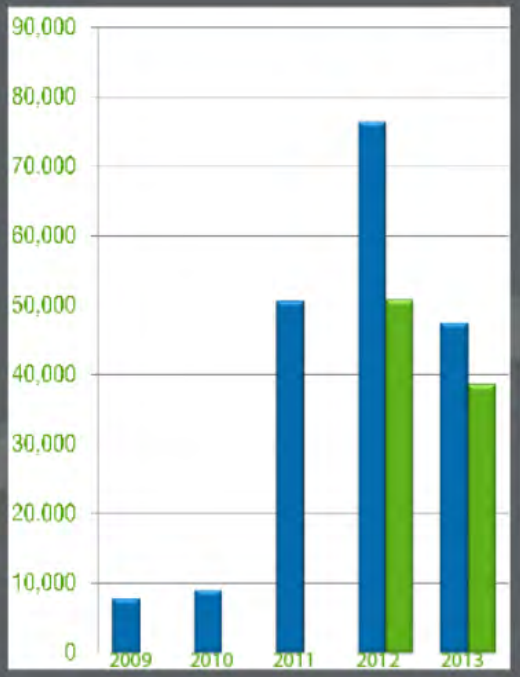
5 Year Results

Revenue ($000)



2013 Consolidated
Revenue: 63,203

Earnings ($000)



2013 Consolidated
Earnings: 47,575

2013
Highlights
Successful launch of Melcor REIT
95% of customer calls responded to within 30 minutes
Melcor REIT portfolio growth by 12%
Completed redevelopment of 2 office buildings

Strategic Direction

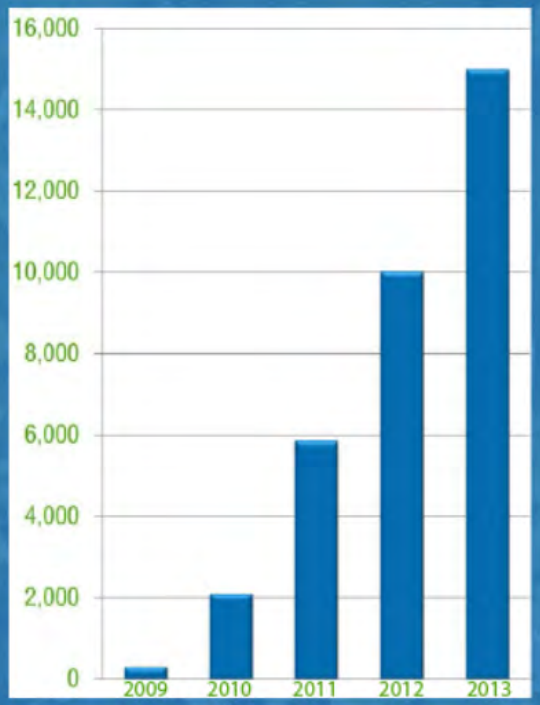
- Continue strategic capital investment
- Search out and execute acquisitions in key markets
- Improve existing assets with value-added investments to increase occupancy
- Be the landlord of choice by providing consistent, high-quality service

Our Purpose
Take advantage of investment opportunities in a depressed market and create a hedge against oil & gas focused economy in Western Canada

Our Assets
Serviced lots
972 residential rental units
1,137 acres raw land

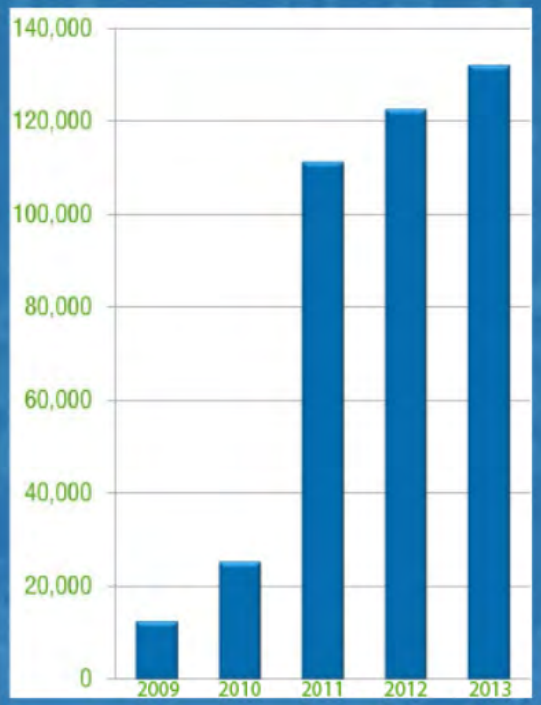
5 Year Results

Revenue ($000)

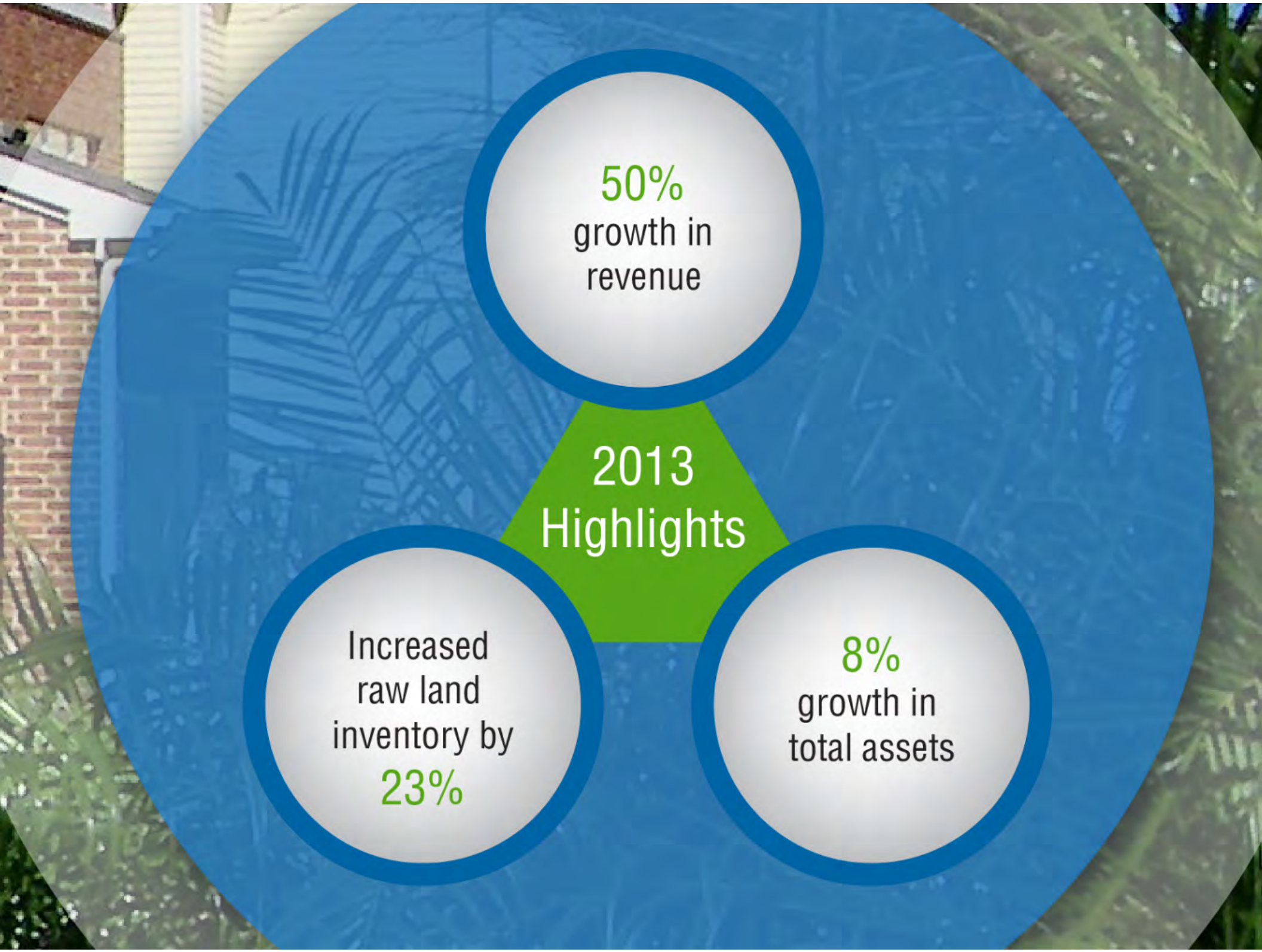


2013 Revenue: 15,010

Assets ($000)



2013 Assets: 132,219


50%
growth in
revenue
2013
Highlights
Increased
raw land
inventory by
23%
8%
growth in
total assets

Strategic Direction

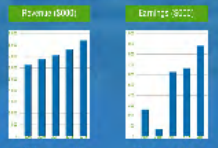
- Continue to expand US operations
- Identify additional opportunities for growth

Recreational Properties

Our Purpose

Own and operate championship golf courses associated with residential communities

5 Year Results



2013 Highlights

- Increased rounds played by 10% despite late season start
- 10% growth in revenue
- 32% growth in earnings
- Lewis Estates named top public golf course in Edmonton

Strategic Direction

- Increase number of rounds played
- Increase revenue from food & beverage and special events
- Continue to deliver consistent course quality and player experience

Our Purpose
Own and operate championship golf courses associated with residential communities

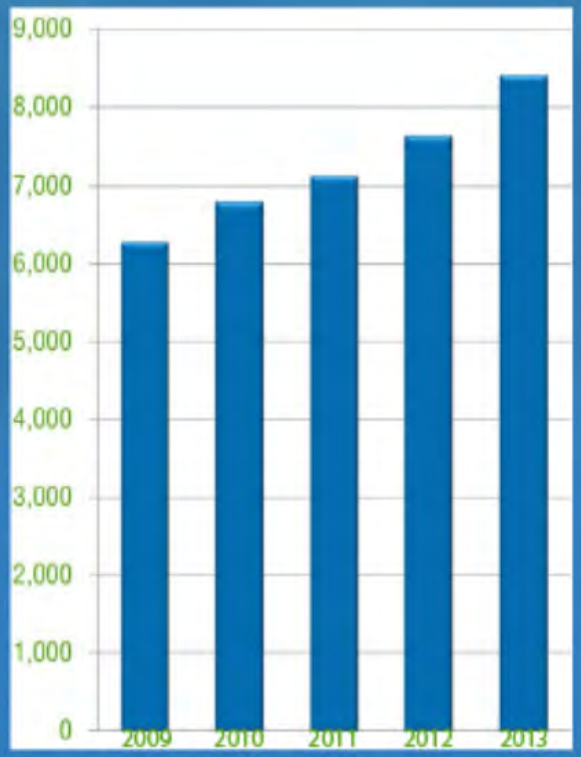
Black Mountain Golf Club

Lewis Estates Golf Course

the Links at Spruce Grove

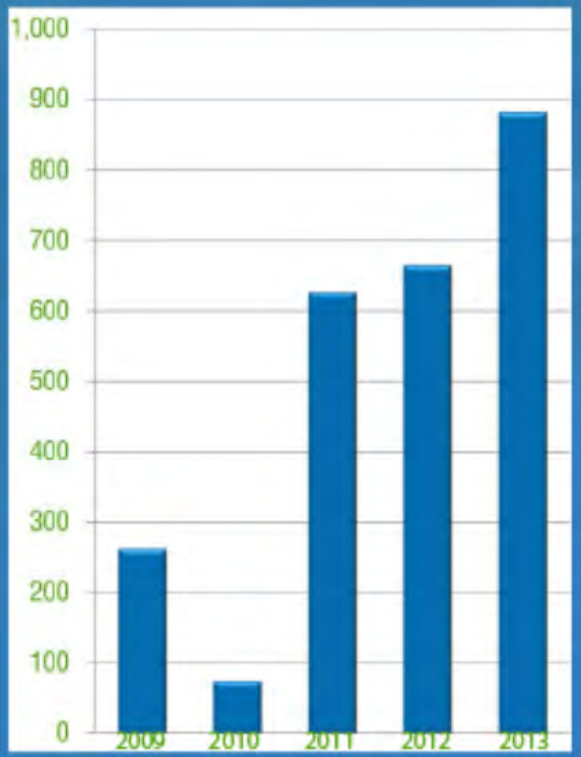
5 Year Results

Revenue ($000)



2013 Revenue: 8,410

Earnings ($000)



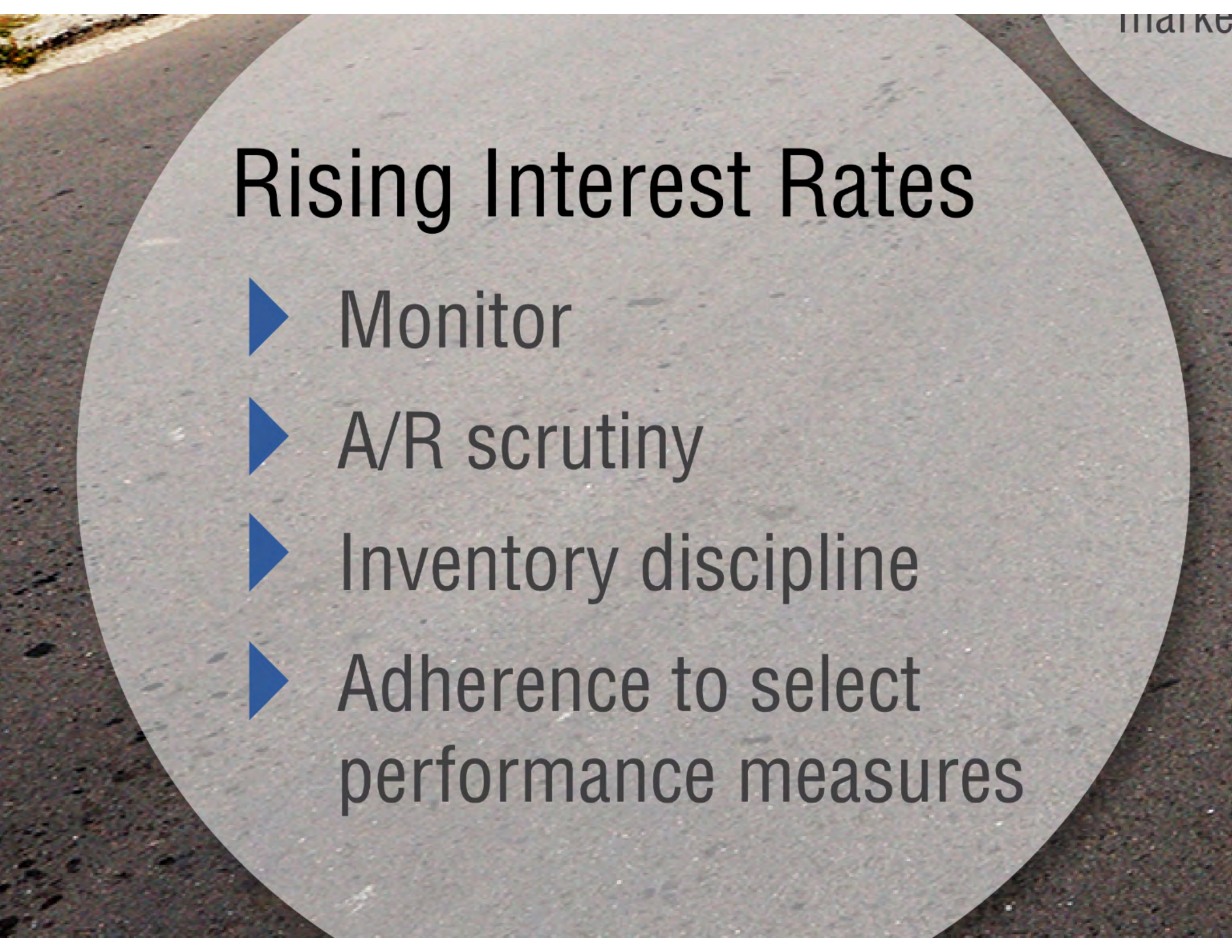
2013 Earnings: 882

Increased rounds played by 10% despite late season start
10% growth in revenue
2013 Highlights
32% growth in earnings
Lewis Estates named top public golf course in Edmonton

Strategic Direction

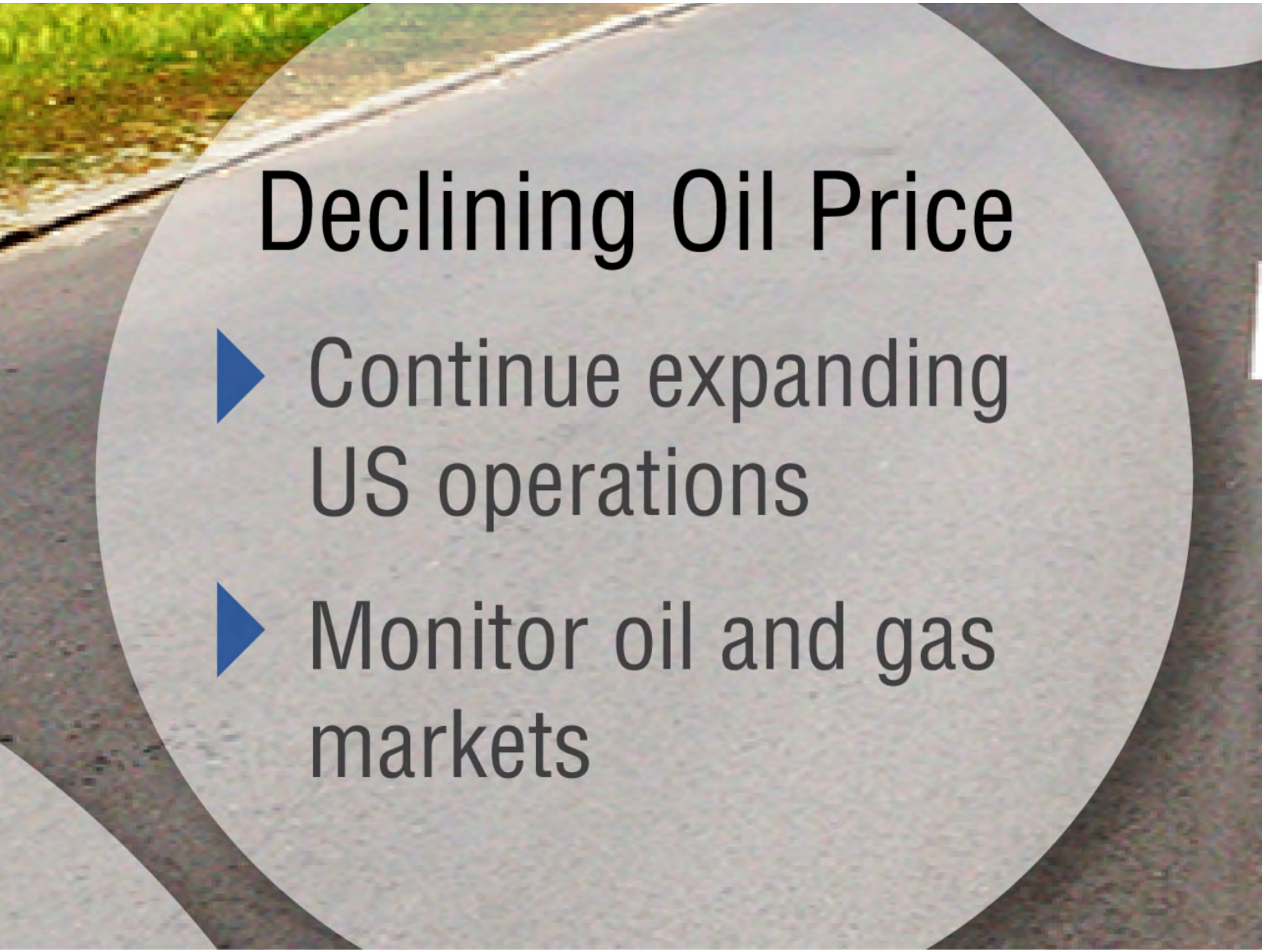
- Increase number of rounds played
- Increase revenue from food & beverage and special events
- Continue to deliver consistent course quality and player experience

Strategic Risk Management


Rising Interest Rates
Monitor
A/R scrutiny
Inventory discipline
Adherence to select performance measures

Approval Risk

- In-fill aquisiton
- Satellite communities
- Lot sales discipline


Declining Oil Price
Continue expanding US operations
Monitor oil and gas markets

Access to Capital
Support Growth Plans
Maximize developer/REIT model
Strategic asset management
Fund alternatives

Margin Compression
MELCOR
HOMES

Divisional Value Chain

WORK
LIVE
LAND DEVELOPMENT
Acquire & Plan (raw land)
PROPERTY DEVELOPMENT
Develop
RESIDENTIAL DEVELOPMENT
Build
INVESTMENT PROPERTIES
Own & Operate
RECREATIONAL PROPERTIES
Own & Operate
MELCOR REIT
Acquire & Own
SHOP
PLAY

MELCOR
DEVELOPMENTS LTD.

Q & A