2012 Annual General Meeting April 26, 2012





AGM Agenda

- 1 Formal Business of the Meeting
- Call to Order
- Presentation of Financial Statements
- Election of Directors
- Appointment of Auditors
- 2 Management Presentation

3 - Q&A Session



Presentation Agenda

— CEO's Report

Melcor Operational Overview

Outlook: Achieving Long Term

Success



Forward Looking Statements

This presentation contain statements that are forward-looking. These statements represent Melcor's intentions, plans, expectations, and beliefs and are based on the our experience and assessment of historical and future trends, and the application of key assumptions relating to future events and circumstances. Future-looking statements may involve, but are not limited to, comments with respect to our strategic initiatives for 2012 and beyond, future development plans and objectives, targets, expectations of the real estate, financing and economic environments, Melcor's financial condition or the results of or outlook of operations.

By their nature, forward-looking statements require assumptions and involve risks and uncertainties related to the business and general economic environment, many beyond the management's control. There is significant risk that the predictions, forecasts, valuations, conclusions or projections we make will not prove to be accurate and that Melcor's actual results will be materially different from targets, expectations, estimates or intentions expressed in forward-looking statements. Management cautions the readers of this presentation not to place undue reliance on its forward-looking statements. Assumptions about the performance of the Canadian and US economies and how this performance will affect the business are material factors we consider in determining our forward-looking statements. For additional information regarding material risks and assumptions, please see the discussions under the "Risk Factors" sections contained throughout Melcor's 2011 Annual Report.

Investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Except as may be required by law, Melcor does not undertake to update any forward-looking statement whether written or oral, that may be made by Melcor or on its behalf.



2011: Year in Review

- Record revenues, assets and earnings in 2011, delivering value to shareholders, customers and other stakeholders
- Continued focus on growth and asset portfolio diversification
- Maintaining strong corporate governance and management practices

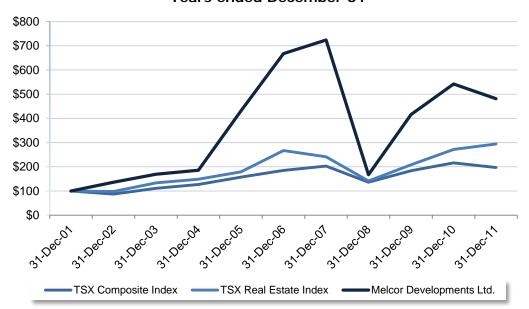


2011: Year in Review

Shareholders Overview

- Dividends of \$0.40 per share paid, 23 consecutive years of dividend payments
- Continuing positive returns on equity
- Met all borrowing commitments and covenants

Melcor Share Performance Years ended December 31

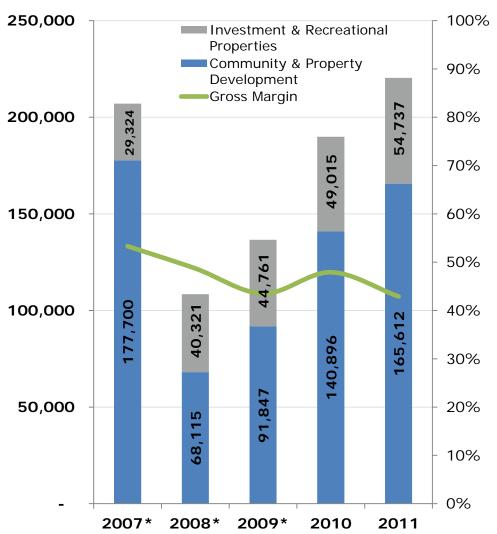


\$100 invested in MRD on December 31, 2001 is \$481 on December 31, 2011



2011: Key Financial Results





Total Revenue (000s)

2011	\$220,349
2010	\$189,911
2009*	\$136,608
2008*	\$108,436
2007*	\$207,024

2011 Highlights

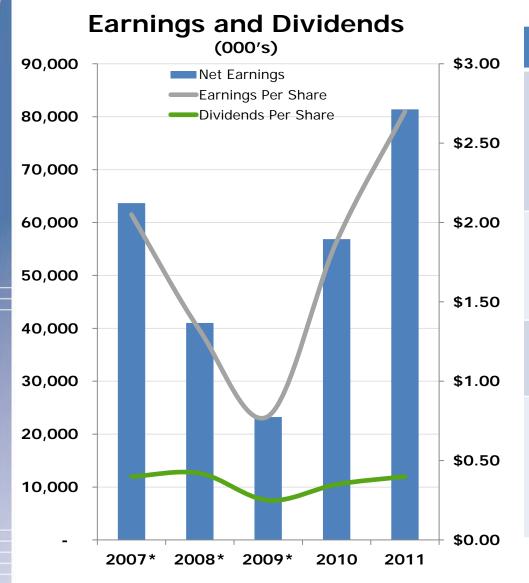
Strong revenue in fourth quarter of \$129,429.

Community Development continues growth trend from 2007, selling 1,307 residential lots in 2011.

Margins impacted by product mix.



2011: Key Financial Results



2011 Highlights

Fair value gains on investment properties positively impacted earnings by \$41.7M.

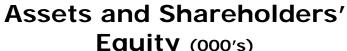
G&A and interest costs higher, but consistent with expectations.

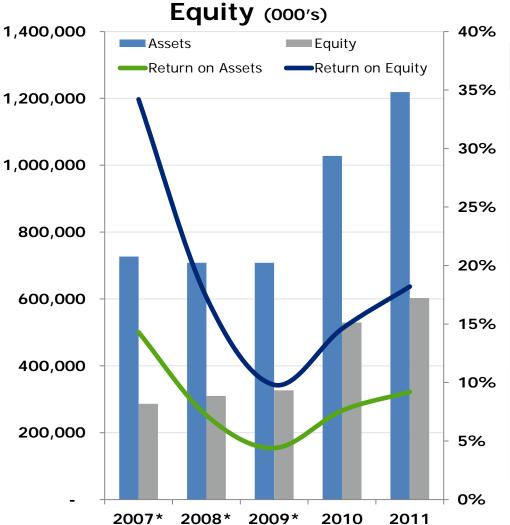
Dividends paid of \$0.40 per share in 2011.

Aggregate dividends over last 5 years is \$1.82 (average yield of 2.7%).



2011: Key Financial Results





2011 Highlights

US assets total \$111M, an increase of \$86.1M in 2011. Total Land and IP assets increased 16% to \$1.02B.

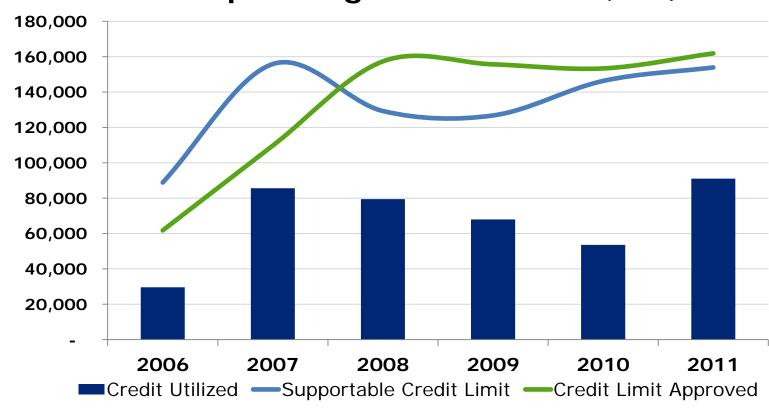
Property Development also completed 9 properties in 2011.

3-year high on return on equity based upon strong results.



Credit Facility

Operating Line of Credit (000s)

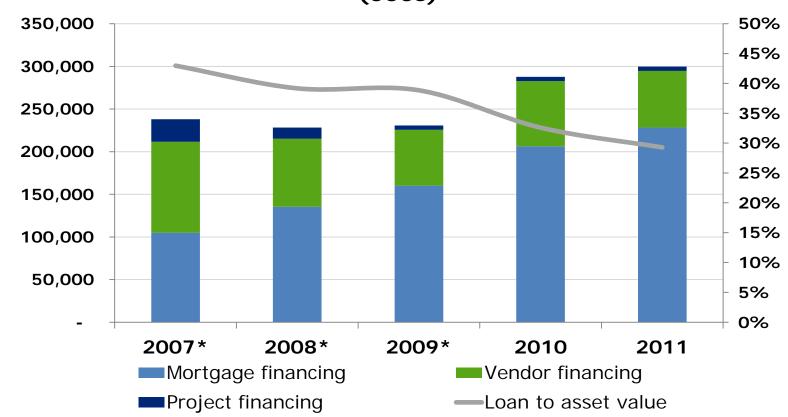


Melcor's operating credit facility limit is **\$153 million** at variable interest rates (including MRD's interest in joint ventures).



Mortgage Financing

Land and Investment Property Financing (000s)



Average interest rates paid in 2011 ranged from 2.9% to 7.53%.





CEO's Report



Melcor's Pledge to its Stakeholders

Brand

Integrity in Real Estate since 1923

Reputation

Fair dealing, respected, family, professional and durable.

Corporate Values

Honesty, Integrity, Loyalty, Respect, and Pride

Mission

To be one of Canada's leading real estate development and management companies. We will achieve this by successfully meeting the needs of our customers, shareholders, employees and the communities in which we do business.



Melcor: By The Numbers

1923 - 2012		
176x	Asset growth to \$1.2B	
150	Number of suites in Melcor YMCA Village	
100x	Share growth to \$15.00	
89	Founding by Melton family in 1923	
58x	Revenue growth to \$220 million	
44	Years as a public company	
41	Years of dividends	
40x	Dividend growth to \$0.40 / Years of service for Peter Daly	
35	Years of service for Brett Halford	
15x	Number of shares to 30,000,000 / Years of service for Brian Baker	
10	Members in our Quarter Century club / Years of service for Darin Rayburn	
6	Canadian provinces and USA states	
4	Number of Melcor Presidents	



Melcor's History of Presidents



Stan Melton (1968 to 1973)



Garry Holmes (1973 to 1975)



Tim Melton (1975 to 1997)



Ralph Young (1997 to 2012)



Introducing Brian Baker

Appointment of Brian Baker as President & Chief Operating Officer, effective June 1, 2012



Key Experiences			
University of Alberta, B.Ed. With Distinction	1994		
Development Manager	1997		
Senior Development Manager	2002		
Division Manager, Property Development	2002		
Vice President, Property Development	2003		
Chief Operating Officer	2011		
President and COO	2012		

Highlights of Accomplishments

Managed Edmonton region for Community Development from 1997-2002

Built highly profitable Property Development division

Successfully completed land and investment property acquisitions across Canada and USA

Key contributor of Melcor's Management Committee and Executive Team



Community Engagement

Melcor Cares

- Staying involved in our communities
 - Over **\$670,000** contributed in support for local charities and initiatives.
 - \$1,500,000 pledged for Melcor-YMCA Welcome Village, inner-city transitional housing initiative.
 - \$250,000 pledged in support of Valour Place, family support housing for Canadian military service men and women.
- Invested with our youth
 - \$750,000 of a \$3M endowment for the Stanley Melton Chair in Real Estate at the University of Alberta School of Business.











Melcor Operational Overview



Community Development Division

Key Facts

- Over 9,200 acres of land holdings across Western Canada and US
- 5-year average:
 - Revenue: \$133.6M
 - Earnings: \$58.5M
 - Gross Margin: 45%

Centre of Activities		
Alberta	Saskatchewan	
BC	Arizona	
Colorado	Texas	





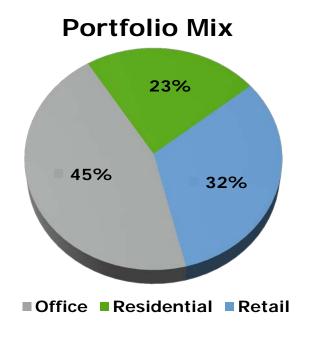
Investment Property Division



Centre of Activities			
Edmonton	Calgary	Red Deer	
Spruce Grove	Leduc	Lethbridge	
Airdrie	Chestermere	Kelowna	
Regina	Houston, TX	Phoenix, AZ	
Dallas, TX			

Key Facts

- Over 3M square feet of leasable space
- 65 assets
- Fair value: \$494M
- Revenue: \$48M

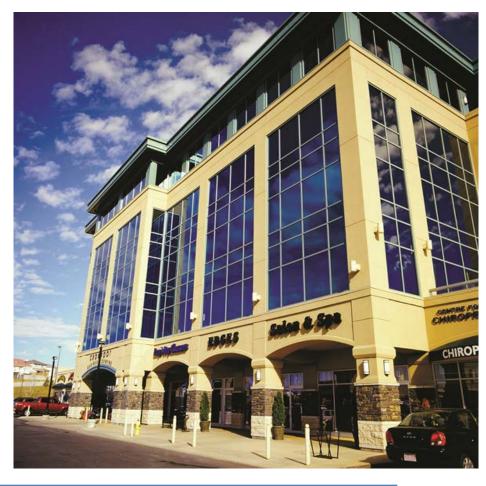




Property Development Division

Key Facts

- 9 years of development activity
- 44 assets
- Over \$236M in assets developed for IP portfolio
- \$64M in value creation since 2002



Centre of Activities			
Edmonton	Calgary	Red Deer	
Spruce Grove	Leduc	Airdrie	
Chestermere			



Melcor's Value Chain

COMMUNITY DEVELOPMENT

PROPERTY DEVELOPMENT

INVESTMENT PROPERTIES

RECREATION PROPERTIES

Acquire & Plan (raw land)

Non-Residential:
Plans, services & markets
land for large scale
commercial properties
and industrial centres

Residential:

Plans, services & markets land for master-planned urban communities (single & multi-family)

Build & Develop

Develops high-quality retail, office & industrial revenue-producing properties on serviced commercial sites.

Acquire & Manage

Manages & leases high quality retail, office, industrial & residential properties.

Own & Operate

Owns & operates championship golf courses associated with residential communities.



Step 1: Community Development

COMMUNITY DEVELOPMENT

Acquire & Plan (raw land)

Non-Residential:
Plans, services & markets
land for large scale
commercial properties
and industrial centres

Residential:

Plans, services & markets land for master-planned urban communities (single & multi-family)





Step 2: Property Development

PROPERTY DEVELOPMENT

Build & Develop

Develops high-quality retail, office & industrial revenue-producing properties on serviced commercial sites.





Step 3: Investment Properties

INVESTMENT PROPERTIES

Acquire & Manage

Manages & leases high quality retail, office, industrial & residential properties.









Clearview Market - Phase 1

Total Project Cost	\$5.55M
Net Operating Income	\$639K
Return on Investment	11.6%
Appraised Cap Rate	6.5%
Appraised Value	\$9.8M
Mortgage (70% LTV)	\$6.9M
Net Investment	(\$1.4M)
Fair Value Gain	\$4.3M

Net mortgage proceeds re-invested in land acquisition, continuing or future development.





Achieving Long-Term Sucess



Strategic Plan Objectives

Philosophy:

Integrity, Quality, Urgency, Value, Growth.

Business Objectives:

- Protect and grow shareholder investment.
- Provide acceptable and consistent dividends to shareholders.
- Protect the assets and financial health of the Company.



Our Aspiration

To be the leader in our markets for Innovation, Quality and Value.





Our People



- Foundation of Melcor's success
- 10 current employees are members of our Quarter Century Club



Capital Resources

- Effective capital deployment
- Focus on value and returns









Question and Answers





Thank you for attending Melcor's 2011 Annual General Meeting