



MILK RIVER SMART CITY



5th Avenue Capital
Private Funding from \$10M to \$2B

BUSINESS STRATEGY FOR INVESTORS

Jamaica is a Caribbean country with a growing population seeking to improve their lives. Combined with the strong real estate market, the resulting environment is ideal for innovation.

Entrepreneur Howard Peterson is leading the Milk River Smart City development initiative. This community will be a cutting-edge sustainable city with gated and secured residential communities, supported by commercial districts, a medical city with a hospital and clinics, education and training campuses, commercial and retail districts, cultural and educational districts, sustainable farming and food security, light manufacturing and light industrial districts, tourism, renewable energy, water management, water features, and landscaping, in addition to a luxury and ultra-luxury housing segments.

Embracing technological changes of the 21st century, the development has been designed as a state-of-the-art smart city which is able to satisfy homeowners, job seekers, families, and investors. This is not just an opportunity to invest in a strong business. It's the chance to improve lives and the world around us.

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EXECUTIVE SUMMARY

Jamaica is a Caribbean country with a growing population seeking to improve their lives. While they are striving to move away from government support, they need more state-of-the-art, and greater capacity in healthcare, education, and an environment where individuals can acquire proper housing without suffering the commute time of many modern metropolitan areas.

The current major cities of Kingston and Montego Bay have reached their limits of expansion. The demand for housing is creating suburbs, but most of the workforce still work in the cities. Smaller cities such as Spanish Town, May Pen, Mandeville, Browns Town, and others have similar problems.

Jamaica's housing market is robust and affordable. However, inventory is limited, and attractive communities do not exist. Several builders provide low cost - but not cheap - houses in cookie cutter subdivisions without character or amenities. People have been focused on buying homes wherever they can get them, and quality of life comes second for themselves and their families. People still need to commute to far off jobs in major centers, suffering lengthy and expensive commutes.

To help the country move forward, 60,000 homes are needed annually to meet demand. Financial backing and infrastructure are in place for prospective homeowners to access capital under attractive terms through local banks, credit unions, and mortgage companies which collaborate through the National Housing Trust to ensure housing is affordable. Housing is a national and family priority. Despite government efforts, more is needed.

Herein lies the opportunity-affordable housing within a new town to create local jobs, healthcare, and education facilities for people in an environmentally green and secure setting.



COMPANY OVERVIEW

Milk River Smart City is a proposed new town to be constructed on over 2,000 acres of pristine ocean and waterfront lands in south Clarendon, Jamaica. This will be a unique Cayman and Korean development, led by contractor Seobon Construction Co Ltd, with global headquarters in Seoul, Korea, and an established presence in Jamaica.

Embracing technological changes of the 21st century, the development has been designed as a state-of-the-art smart city which is able to satisfy homeowners, job seekers, families, and investors. This is not just an opportunity to invest in a strong business, and it's the chance to improve lives and the world around us.

The development will be a sustainable city with gated and secured residential communities, supported by commercial districts, a medical city with a hospital and recovery centers, along with clinics, education and training campuses, commercial and retail districts, arts and cultural districts, sustainable farming and food security, light manufacturing and industrial districts, tourism including medical tourism, renewable energy, water management, water features, and landscaping, in addition to luxury and ultra- luxury housing segments.

LEGEND

- 1 HOSPITAL
- 2 SHOPPING MALL (3 LEVELS)
- 3 PARKING STRUCTURE (LEVELS 1-3)
- 4 SPORTS CENTER ON LEVELS 4-5
- 5 CALL CENTER
- 6 5 STORY CONDOMINIUM
40 UNITS PER BUILDING X (12) BUILDINGS = 480 UNITS
- 7 POOL CLUBHOUSE
- 8 GAZEBO
- 9 DORMITORY (5 LEVELS)
- 10 MEDICAL BLOCK (5 LEVELS)
- 11 4 STORY CONDOMINIUM
32 UNITS PER BUILDING X (9) BUILDINGS = 288 UNITS
- 12 HOTEL (5 LEVELS)
- 13 SERVICE ROAD
- 14 SHOPPING MALL DROP-OFF
- 15 CENTRAL PLAZA
- 16 UNIVERSITY CLASSROOMS (5 LEVELS)
- 17 SOLAR PANEL FARM
- 18 GENERATOR SUBSTATION
- 19 SEWAGE TREATMENT PLANT
- 20 MAIN ENTRY WITH GATEHOUSE
- 21 PARKING
- 22 GASTRIFICATION PLANT
- 23 MODEL HOUSE
- 24 MAINTENANCE BUILDING
- 25 CABANA
- 26 SWIMMING POOL
- 27 SECURITY GATES AND FENCING



The city is designed so that residents can live, work, and play. A sustainable city with renewable energy that grows with the city, a food security program, clean water, waste management, and significant employment opportunities. It will have core infrastructure such as a fire station and a security control center. Milk River Smart City will be expandable both vertically and horizontally to optimize the opportunity for both investors and inhabitants.



MARKET POSITION

Jamaica is the third-largest island of the Greater Antilles and the Caribbean, with a population of around three million people. This represents an increase of approximately 50% since 1972, and annual growth of 0.88%. GDP is estimated at around \$14.9 billion USD (2021) according to Trading Economics.



Competition

The concept and vision for the Milk River Smart City development is so unique that it will draw prospective customers on both a regional and national level. Houses in Jamaica are being built and selling at similar price points. However, builders are relying on the market demand to sell what they build instead of improving quality, design, and community offerings. While builders in Jamaica have the knowledge and capabilities to build houses in subdivision setting, none has exhibited any skill or interest in developing a project such as Milk River.

Once other builders see the possibilities, it is likely that some efforts will be made to directly compete. These future competitors are at least four years out from acquiring the requisite land sites and approvals to move forward with any comparable development. Additionally, the location established for Milk City



cannot be duplicated in terms of proximity to facilities, either existent or created as part of the development.

In this case, the competitive edge is not only about what the development will offer, but also with how it's constructed. High energy costs are a major concern around the world. Seobon will be utilizing a building system that will reduce construction time and costs, as well as mitigating long-term sustainability through dual insulation, higher concrete density for stronger buildings, and optimized space utilization.

Target Market

The initial target market is a population of approximately 90,000 people and is based on feasibility studies of local demand. This represents 2% of the 3 million people who live in Jamaica. Early indicators seem to suggest that foreigners and returning nationals who wish to retire in Jamaica could also be part of the target market. This market represents thousands of individuals that think of Jamaica as paradise and would welcome a self-contained town with the benefits that Milk River Smart City offers.

DEVELOPMENT PLAN

Milk River Smart City represents a major solution to many of the challenges facing Jamaica and even the region. This is the golden opportunity for investors and that's one of the reasons why we are so passionate about this project. It represents new career opportunities, new investment opportunities, new and better healthcare services, a safer and more secure environment for residents, with green play areas for children and family and a new dawn for Jamaica.

Social Responsibility

Our development has significant social programs built in, and our general contractor and other development partners share the same passion for advocating for the community, training local citizens, and ensuring the transfer of knowledge for a better future and a better country.



Operation Save Jamaica has been identified as a key strategic partner with whom to achieve the mutual objectives of making Jamaica a more prosperous and secure country. Covid-19 has further opened our eyes to the need for nations to be prepared, as best as possible, for continued global changes.

The food security program is a vital component of the development plan. It involves schools, universities, and training institutes to educate and prepare people to support and manage various aspects of the food security and sustainable farming program.

Various light industries, as well as other employment opportunities and career paths, will support the Operation Save Jamaica initiative. Our development will help to make Jamaica's transformation possible. We will seek to establish the necessary strategic partnerships in Jamaica and help to advance Jamaica's economic and social development as well as help to protect the country in creating sustainability and the preservation of the natural resources in Jamaica as we face the universal treat of global warming.

Land

Property has already been acquired in south Clarendon, Jamaica. It is owned by Howard Peterson and Donald Lawson, who are both part of the core management team for Milk River Smart City.

Build Out

Initially, the development will span 2,100 acres. A carefully curated design and strategy will foster the sustainable growth and development of a further 31,000 acres in city expansion over the next 15 to 20 years.



During the first five years, construction will include at least 10,000 housing units and approximately 2.1 million square feet of commercial, retail, and light manufacturing space, 70 MW of renewable energy, and 400 acres of sustainable farming and food security program.

Year 1 build-out will focus on a 60-acre master plan. That 60-acre plan can be scaled and repeated several times across the development into what is called sub-

divisions. Targets for the first year include the sale of 450 lots from a sub-division of 1,600 lots, which dovetails the pace of building with the financial plan to ignite the revenue cycle and drive cash flow.

Multiple pricing tiers will be offered. Affordable homes will start at \$235,000 USD with the potential to increase prices on a weekly basis. The first 800 units will be affordable housing. Mid-tier homes providing an average range of \$300,000 - \$500,000. Luxury unit will start at \$1,500,000 with a wide range of options and premium features. Residential pricing is expected to escalate at a rate of 5%-15% annually.

Commercial space is a core factor within the cityscape. Retail space will vary from \$10 - \$35 per square foot depending on location and fit out.

During the development process, a broad marketing campaign across the spectrum of communication channels (television, radio, billboards, internet, social media) will drive interest. Supporting the marketing campaign, Seobon will provide 3D plans of the development, scaled housing model, model unit, on-site office, advertising videos, and other marketing materials. Prospective homeowners will be drawn to pre-development purchases which will enable them to select custom finishes for their future home.



TEAM

Management

CayJam Development, Ltd is leading the development of Milk River Smart City in collaboration with Seobon Construction Co, Ltd and Cardiovascular Hospitals of America.

The core management team consists of: Howard Peterson, Donald Lawson, David Brown, Rod Gram, Carol Best-Gould, and David Espeut. Mr. Peterson and Mr. Lawson are the co-landowners, with Mr. Peterson leading conceptual design, planning, and project management. The remainder of the team covers legal, accounting/ financials, healthcare, hospital management, MEP engineering, and expertise in hotels/ time share design, construction, and management.

Howard Peterson leads the development team with over 35 years in information technology, systems and development planning, and design, spanning industries and sectors including hospitality and tourism, healthcare, finance, real estate, communications, retail, and education.

Rod Gram, CPA, CA has international experience in finance, accounting in management, and a career spanning 35 years developing progressive skills in entrepreneurship in the hospitality, construction, computer, manufacturing, and service industries. Mr. Gram has lived and worked in many countries throughout the world and brings much experience in organizing systems to get things done. He is the Chief Financial Officer and has been with this project since its genesis.

Medical

Given the inclusion of a comprehensive medical complex, there are also a team of medical experts from Jamaica, Canada, Cayman Islands, Dominican Republic, and USA who will be providing guidance and management. This team is led by Salim Hasham.

Hospital with hotel,
residencies, and renewable
energy systems



Mr. Hasham has harnessed his North American education, which includes a Summa Cum Laude Master's in Systems Engineering (MSysEng), a Cum Laude Master's degree with highest honors in Health Care Administration (MHA), and completion of MBA coursework. He also has an Honors undergraduate degree in Mathematics. His combined international, entrepreneurial, creative, and visionary skills enable him to lead and create successful healthcare businesses and projects which have been large, complex, and global in scope. He is currently actively involved in training executive healthcare leaders in emerging markets to build institutional capacity and improve institutional performance for WHO, Aga Khan Development Network, and Strathmore University (where he is an adjunct faculty).

Mr. Hasham has worked with the most senior healthcare institutions in the USA, Canada, GCC, Central Asia, Southeast Asia, East Asia, East Africa, South America, the Caribbean, and China. He currently serves as Executive Chairman of a Hospital group in East Africa; provides healthcare transformation services and health executive leadership training for Aga Khan Development Network and World Health Organization in several countries; served on not-for-profit health institutional Boards (e.g. Aga Khan Health Services Pakistan), and provides assistance to health systems in Africa and SE Asia on a range of areas. Most recently, he has served as Vice President Health Services of Aga Khan University leading the global health services enterprise of the University. Prior to that, Mr. Hasham was Senior Vice President for Global Services at Johns Hopkins Medicine International. He provided critical leadership as President and CEO of the two-hospital and a skilled nursing system Hawaii Medical Centers in the USA.

Construction

The concept and proposed construction, support, and guidance of the Smart City are guided by a team of specialist engineers and major companies from South Korea. The team has demonstrable knowledge and experience in designing and building towns and cities in South Korea and around the world. Their guidance and support will ensure that Milk River Smart City is a masterpiece in the Caribbean region and their technical expertise will ensure its success. This team is led by the general contractor, Seobon Construction Co. Ltd.



General Operations

The Food Security program along with its training and development aspects are additional key drivers for sustainability, growth, and employment. This will see the Smart City working with local universities and local training facilities under guidance from the University of Maryland, and other experts from the USA, South Korea, Canada, and the United Kingdom.

Insurance, primarily health insurance, will be a significant factor in the success of the Smart City, and our insurance strategists and management team will work closely with local and international insurance providers, to provide the best products and services that meet the needs of the development, our clients, and our investors.

The marketing and sales teams are comprised of seasoned real estate agents and marketing personnel who understand and share the vision of the development. They will drive the sales through international roadshows, direct sales, and the use of social media and other channels to guarantee the generation of our revenues.

We will be working with other teams and experts in other areas such as energy, tourism, entertainment, culture, education, commercial, finance, security, sports facilities, etc., to ensure the proper management and timely integration of all aspects of the Smart City.

MILESTONES

CayJam Development has worked over the past several years to progress through the early stages with minimal financial resources. The team has gained key government approvals, prepared environmental reports, and cultivated public support throughout the community. The management team has also secured the support of Seobon Construction and its supporting partners to prepare a viable plan suited to the local market.

Prior to 2020

- Research and Feasibility studies for each area of the project
- Conducted need analysis and development planning for the healthcare segment of the development
- Obtained Government support for the development
- Obtained local and international support for the project
- Located and identified suitable lands for this kind of development
- Identified the most appropriate and competent contractor for the project
- Researched and selected the best hospital design and policies to ensure the healthcare sector the development is a key driver of the City's success and growth.
- Conducted meetings with key government agencies, stakeholders, and affected communities.
- Conducted employment surveys to define and establish sources of qualified and suitable workers.
- Conducted supply and demand analyses on the housing market for sales and rentals.
- Conducted research and business development for the Food Security programs
- Conducted research and business development on renewable energy, water, and waste management, with the view to community self-sufficiency.
- Conducted city planning and development with Korea, including first hand touring of Korea smart city concepts.

2020

- Milk River Land Purchase
- NEPA TID and DAC
- Phase 1 Environmental
- Cultivation of network for strategic partnerships

2023

- Complete Phase 1 of Residential Development
- Establish initial revenue / cash flow cycle
- Continue Smart City infrastructure development

2022

- Milk River land Subdivision
- Contract with Seobon
- 5th Avenue Capital / Secure Funding
- Initiate Development

FINANCIALS

CayJam Development, Ltd is seeking a minimum of \$50 million USD as a Year 1 (FYE23) commitment.

The sales targets for the first year, which coincide with the pace of construction, are designed to generate revenue and cultivate cash flow for the subsequent phases of development. Target profit for FYE 2023 is \$180 million USD based on construction running in parallel with sales and marketing.

Milk River Smart City - 60 Acre Build-Out						
Projected Income Statement - Year 1, By Quarter						
(United States Dollars)						
Sales	FYE23 Q1	FYE23 Q2	FYE23 Q3	FYE23 Q4	FYE 2023	
Land Sales		11,375,000	11,375,000			22,750,000
Condo Sales & Timeshares		81,195,000	81,195,000	81,194,000		243,584,000
Single Family Homes		63,000,000	63,000,000			126,000,000
Total Sales	0	155,570,000	155,570,000	81,194,000		392,334,000
Expenses						
Land Cost	5,000,000					5,000,000
Land Transfer Tax (7.5%)	375,000					375,000
Sales Commissions		4,667,100	4,667,100	2,435,820		11,770,020
Marketing	216,000	216,000	252,000	252,000		936,000
Loan Interest				1,500,000		1,500,000
Guarantee	135,000		135,000	135,000		405,000
Professional Fees	480,000	480,000	480,000	480,000		1,920,000
Application Fees	250,000					250,000
Management	402,000	402,000	402,000	402,000		1,608,000
Contingency				804,000		804,000
Construction - Condos		23,795,200	23,795,200	23,795,200		71,385,600
Construction - Single Family Homes		16,380,000	16,380,000			32,760,000
Construction - Infrastructure	19,980,625	19,980,625	19,980,625	19,980,625		79,922,500
Loan Interest	1,000,000	1,000,000	1,000,000	1,000,000		4,000,000
Total Expenses	27,838,625	66,920,925	67,091,925	50,784,645		212,636,120
Total Profit	-27,838,625	88,649,075	88,478,075	30,409,355		179,697,880

The total project over the first five years is expected to cost approximately \$2.3 billion USD.

Milk River Smart City - 60 Acre Build-Out							
Projected Income Statement - Years 1-5							
(United States Dollars)							
Sales	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	
Land Sales	22,750,000						
Condo Sales & Timeshares	243,584,000			124,960,000	187,440,000		249,920,000
Single Family Homes	126,000,000	392,000,000	392,000,000	784,000,000	784,000,000		392,000,000
Luxury and High-End Homes		191,800,000	175,000,000	555,000,000	255,000,000		510,000,000
Revenue-Retained Assets		33,117,788	56,235,576	110,703,201	162,376,363		240,313,241
Total Sales	392,334,000	616,917,788	623,235,576	1,574,663,201	1,388,816,363		1,392,233,241
Expenses							
Land Cost	5,000,000						
Land Transfer Tax (7.5%)	375,000						
Sales Commissions	11,770,020	18,507,534	18,697,067	42,239,896	41,664,491		41,766,997
Marketing	936,000	1,100,000	1,100,000	1,100,000	1,100,000		1,100,000
Loan Interest	1,500,000						
Guarantee	405,000						
Professional Fees	1,920,000	2,850,000	2,850,000	2,850,000	2,850,000		2,850,000
Application Fees	250,000	250,000	250,000	250,000	250,000		250,000
Management	1,608,000	18,507,534	18,697,067	47,239,896	41,664,491		41,766,997
Contingency	804,000	6,169,178	6,232,356	15,746,632	13,888,164		13,922,332
Construction - Condos	71,385,600	32,746,235	40,067,415	15,830,590	69,527,961		45,972,039
Construction - Single Family Homes	32,760,000	211,072,120	211,072,120	422,144,240	422,144,240		211,072,120
Construction - Luxury/ High-End Homes		24,913,366	16,336,634	189,913,366	16,336,634		74,010,000
Construction - Infrastructure	79,922,500	154,978,717	110,803,927	94,254,093	87,484,703		145,219,249
Loan Interest	4,000,000						
Total Expenses	212,636,120	471,094,684	426,106,586	831,568,713	696,910,684		577,929,734
Total Profit	179,697,880	145,823,104	197,128,990	743,094,488	691,905,679		814,303,507

CONCLUSIONS

Milk River Smart City is a unique opportunity to be part of a sustainable community that offers a better way of life. People from a range of demographics will have housing options to fit various budgets. Thousands of new jobs will be created. Modern infrastructure – schools, medical facilities, retail shops – will deliver both necessities and conveniences all encompassed in the paradise of Jamaica.

Principal Howard Peterson is seeking a minimum of \$50,000,000 investment to progress the development.



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