

The background of the slide is a photograph of a busy city street. In the foreground, a large group of pedestrians is crossing a crosswalk. The street is lined with tall, modern and older buildings. A yellow traffic light is visible on the left, and a blue street sign for 'Bay' is on the right. The sky is clear and blue.

Mosa Equity Inc

Business Plan

A COMPREHENSIVE STRATEGY FOR A
PROPOSED SELF-STORAGE FACILITY AND A
MORTGAGE INVESTMENT CORPORATION
THAT DEMONSTRATES OUR PASSION FOR
CREATING SUCCESSFUL VENTURES.

Self-storage facility

LOCATION

Downtown Toronto C01 zoning near Colleges, Universities, Corporate Offices, and Residential High-rises. The facility covers the needs of residents in newly-built condominiums which tend to lack storage space.

SERVICES

A range of self-storage units secured for valuable belongings, guarded against burglary with an alarm system, sensitive surveillance cameras, motion sensors, and temperature-sensitive units.

TARGET CUSTOMER

Individuals, aged 23-70, with a minimum income of \$60K per year. Per data provided by StatsCanada for the City of Toronto (2021) within 15km of our desired area, there are 750,000 potential customers who meet this requirement.

OBJECTIVES

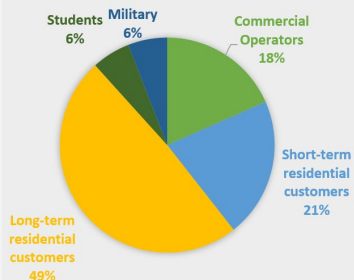
Obtain 2.5% of our target market as members/tenants; b) Use ESG programs to enhance our energy system and solar panels to save energy; and c) Expand our line of business and develop our facilities near industrial zones to provide cold logistics warehouses; and d) To expand our facilities to every major Canadian city

FINANCIALS

To start operations, we need to raise \$2.5M through private investors, of which Mosa Equity Inc would contribute \$300K. We expect to see returns on investment within the next 3 years.

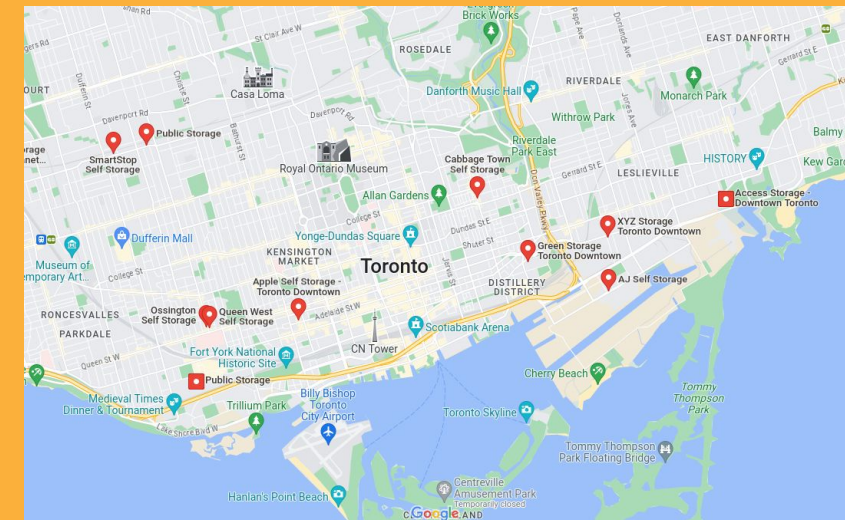


5x5	5x10	10x10	10x15	10x20
✓ Boxes ✓ Bookcases ✓ Small furniture	✓ Furniture ✓ 1 Bedroom contents	✓ Furniture ✓ Appliances ✓ Boxes ✓ Bookcases ✓ Motorcycles	✓ Appliance ✓ Boxes ✓ 2 Bedroom apartment	✓ Appliances ✓ Car ✓ 4 Bedroom apartment (standard one-car garage)



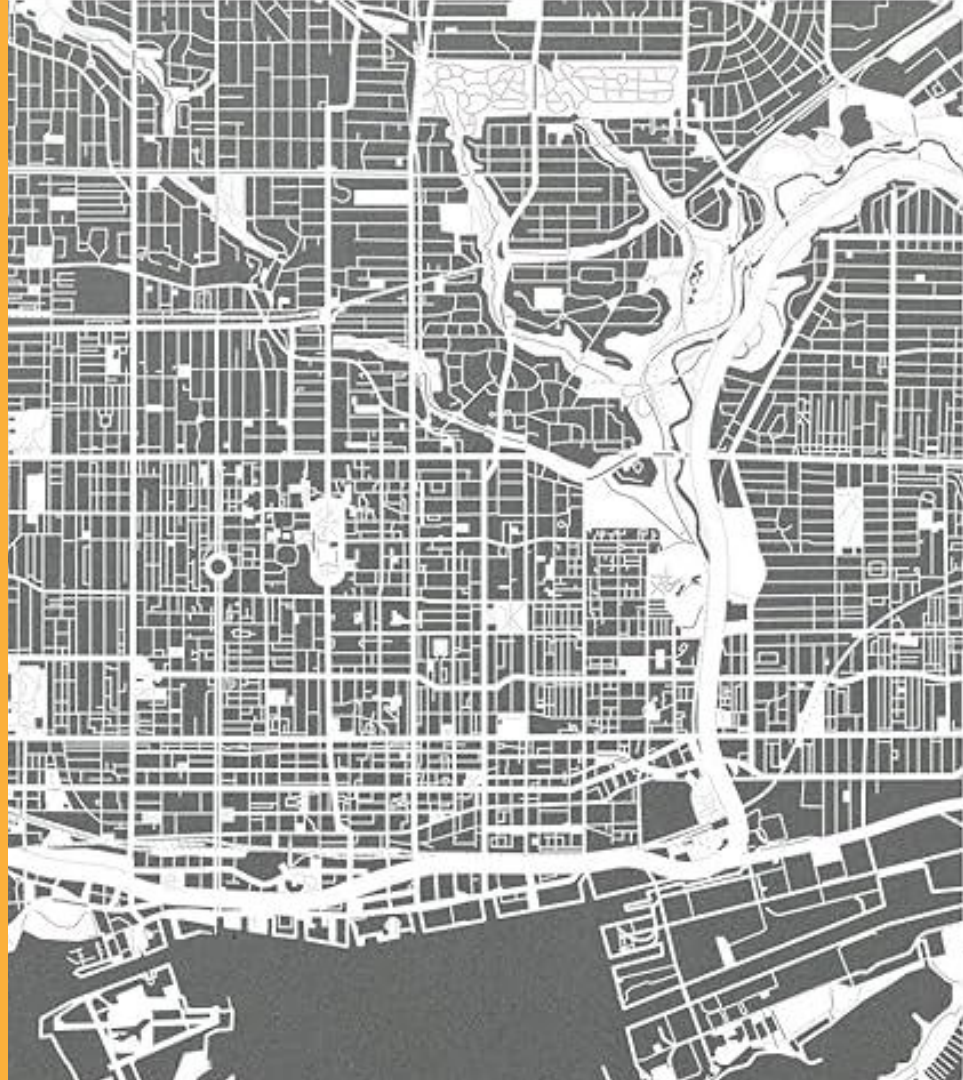
CHOOSING A DOWNTOWN TORONTO LOCATION

- Adelaide and John (east of Yonge, south of Queen, on the TTC, close to DVP and the Gardiner)
- former auto-mechanic shop, on land unsuitable for real estate/residential developments
- serves a high population density: a large customer base (residents, businesses, students);
- offers a maximum potential for a steady flow of tenants seeking flexible, convenient storage solutions;
- caters to the high demand for storage space
- lucrative market segment (in the downtown hub for business & commerce)



CUSTOMERS WILLING TO PAY THE PREMIUM

- accessible and convenient location, easy to get to by public transit;
- a wide range of options: Large, Medium, Small storage spaces, starting at \$175/mo



Demand & Supply

THERE IS A SELF-STORAGE DEFICIT IN TORONTO

The self-storage industry in Canada has experienced steady growth over the past decade.

The number of storage facilities continues to rise due to a rise in demand as a result of smaller, less spacious residential units in condominiums being built.

THE INCREASED DEMAND FOR STORAGE SOLUTIONS IS INFLUENCED BY POPULATION GROWTH AND CHANGING DEMOGRAPHICS

The current estimates are that in Canada, there are 2.3 sq ft per capita supplied by existing self-storage businesses, but there is a demand for 4 sq ft per capita (CBRE Canada, 20230).

IN THE GTA, DEMAND FOR SELF-STORAGE IS DUE TO HIGH HOUSING COSTS AND THE SHIFT TO REMOTE WORK AFTER THE PANDEMIC

There is a high demand for facilities in downtown Toronto to provide customers with space to declutter their homes and businesses, causing a lasting trend in demand for self-storage.



Source: IBISWorld

Financing

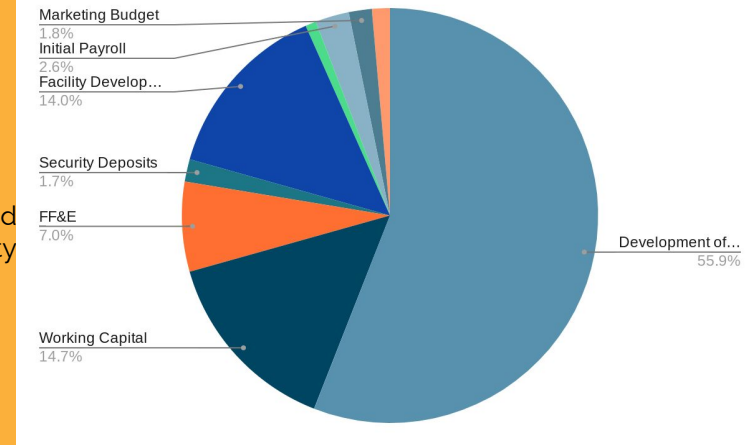
START-UP COSTS

1) Identifying demand for self-storage, analyzing competition, target market and potential customer base; **2)** choosing a suitable downtown Toronto location, determining the size and layout of the facility; **3)** facility development, site preparation, building construction, security system instalment and other essential infrastructure; **4)** Property and construction permits and licenses; **5)** Insurance; **6)** Marketing and advertising strategy; **7)** Ongoing operational and management costs, utilities, administration.

SALES FORECAST

The company's goal is to generate a recurring monthly income stream from storage space rental. Potential and expected sales forecast, and reaching a steady growth and full ROI 3 years after launch.

Storage Units Rental Estimates			
Year	1 (30%)	2 (60%)	3 (100%)
100 full units (10x15 feet) \$500/mo	\$180,000	\$360,000	\$600,000
100 medium units (10x5 feet) \$375/mo	\$135,000	\$270,000	\$450,000
500 compact units (5x5 feet) \$175/mo	\$350,700	\$699,300	\$1,050,000
Total	\$665,700	\$1,329,300	\$2,100,000



EQUITY

Mosa Equity Inc is planning to raise investments from Canadian private corporations (Provincially or Federally Incorporated) or individuals with valid residential status in Canada, with a minimum of \$100K per share for up to \$1M of total investments. Mosa Equity Inc is one of the shareholders of Facilities in Toronto. It will be registered as a private corporation where all investors are shareholders. Each share will have a value of \$100K.



STRENGTHS

- Economically profitable business from a niche industry
- High gross margin from persistent renting storage space with low overhead expenses
- Monthly incoming cash flow as revenue.

OPPORTUNITIES

- Expansion of the business to maintain several facilities
- Attract additional equity capital firms to collaborate or take over these portfolios from Mosa Equity Inc
- Refinancing the equity of the first facility to facilitate the development of additional locations in Montreal, Ottawa, Halifax
- Mosa Equity Inc is willing to invest in cold storage facilities for their goal

WEAKNESSES

- Many regulatory guidelines.
- Large property tax expenditures
- Competitors within the Toronto metropolitan area market.

THREATS

- Many other businesses target the same customer base throughout the central metropolitan area
- Changes in interest rates can impact the future growth of the business and consequently affect our rate of return, which can cause anxiety among Mosa Equity Inc investors
- Due to the industrial environment of these proposed businesses, liabilities from workplace hazards can negatively impact the business's reputation



TARGET MARKET

01

RESIDENTIAL

Individuals with disposable income living and working in condominiums in the downtown core

03

COMMERCIAL

Businesses needing warehouse space to store inventory, merchandise, equipment.

STUDENTS

Out-of-province or international students living in small dorms and during summer months

02

TEMP/SEASONAL

Temporary/ seasonal workers, expats, military members looking for flexible storage terms

04

MARKETING

OBJECTIVES

ONLINE PRESENCE

- Create a dynamic website and social media accounts
- Listing Mr. Peach Self-Storage on all local online directories

RELATIONSHIP BUILDING

- Develop relationships with real estate brokerage offices who can recommend our facility to their clients
- Partner with a Canadian self-storage association marketing company

UNBEATABLE OFFER

- Market the prime location and accessibility
- Offer flexible terms to beat our competition for temp/ seasonal storage solutions
- Sponsor university/college student associations

STRATEGY

VISIBILITY

- Traditional marketing campaign in both the local print and online media
- newspaper and TV advertising
- dynamic, engaging social media campaigns
- e-commerce functionality

CAMPAIGN COLLABORATION

- Using online directories registry
- Simple, impactful collaborative media campaigns with local businesses
- Highlighting the benefits of combined storage solutions for local residents and businesses

INCENTIVES

- Discounted payment options (pay up-front for 6 or 12 months)
- Aeroplan loyalty program (points and mileage)

MA-CAPITAL INC: MORTGAGE INVESTMENT CORPORATION

SERVICE

Secure private interest-only loans/ mortgages to applicants who cannot obtain conventional loans from standard Banks, trust companies or credit unions; We charge higher interest rates to cover credit, liquidity, risks.

EXPERIENCE

Mosa Dehghan (principal broker with extensive experience in the mortgage industry and connections in the field), and 2 investor relationship managers

OPERATIONS

As a start-up, the MIC would utilize a Filogix application: the operating system provided to all non-banks' lending institutes in Canada

TARGET

Potential customers include individuals with less-than-perfect or low credit score, Business For Self (BFS), Cash businesses, foreign buyers (with no residential status in Canada) who cannot borrow money from conventional financial institutes to secure property.

FINANCIALS

MA-Capital Inc is planning to penetrate the market with initial investment of \$200K coming from Mosa Equity Inc as shareholder investment. Additionally, through its extensive network, it plans to raise \$34,800,000 from private investors, for a total amount of \$35M..



CHARACTERISTICS

- Incorporated in Canada by a resident of Canada
- Can only invest in real estate secured in Canada
- Maximum 50% of the cost of all assets must come from loans secured by properties within the National Housing Act
- Income generated through the mortgage interest portfolio is not taxed
- MIC is treated as a trust: 1) annual income through interest is paid on lending funds distributed to shareholders, 2) shareholders pay taxes on their dividends or accrued interest
- The stability of cash flow makes MIC attractive to investors
- The management is making money through lending and other auxiliary fees (such as NSF)
- Loans issued by MIC is fully open-term, and lenders charge a lending fee for provided capital and risks, acting as a guarantee the loan can be paid off

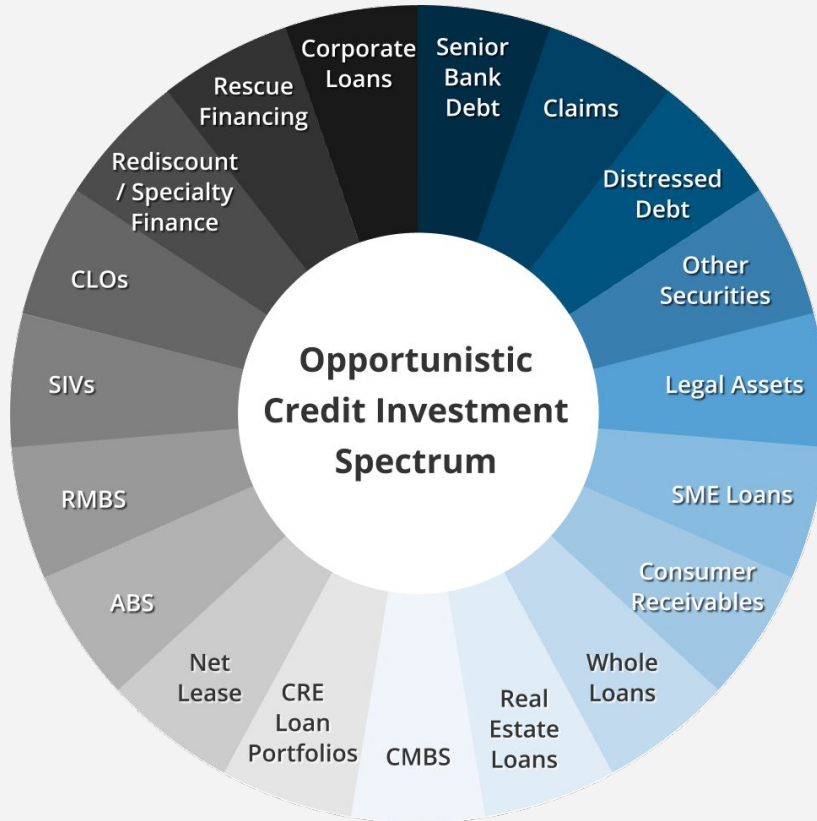
OBJECTIVES

- Develop a solid corporate identity in our specified target market area
- Become one of the prominent private lender firms in the area by our 3rd year of operation
- Realize a positive ROI within the first 12 months
- Showcase the healthy functionality of our firm to investors
- Expand our portfolio
- Give a top-notch customer service to protect our clients

COMPETITIVE ADVANTAGE

- Experience in the mortgage industry
- Mosa Dehghan's 7 years of experience in private and institutional lending
- Building connections through networking events and real estate gatherings across Canada
- Contacts used to mobilize strong partnerships and gain referrals and visibility
- Collaborating with real estate agents, mortgage brokers, other financial advisors
- Exceptional customer service, tailored, personalized, built on strong customer relationships and loyalty

WHY GO THERE?



DEMAND

With the significant increases in home prices across the GTA in recent years, and in mortgage rates in Canada overall, certain groups of individuals cannot afford traditional mortgage options. This creates a significant demand for alternative private mortgage services. The current housing market conditions - including supply shortages and affordability challenges - are fuelling the demand for alternative lending options. Additionally, the potential for increasing interest rates in the future may also contribute to the current demand as private mortgage borrowers may seek alternative services to secure financing before rates rise further.

ADVANTAGE

Borrowers who have special financial circumstances commonly turn to private mortgage services over traditional ones. The flexibility offered in financing options appeals to these types of borrowers, especially the faster and easier approval process and quick access to funds under favourable terms. This trend also makes it easier for private lending firms to generate policies and provide easier access to applicants. On the other hand, as a private lender, we can charge a higher interest rate than banks and credit unions to help cover the risks, and accordingly provide more accessible cash.

RATIONALE

SWOT Analysis

STRENGTHS

- Principal broker's experience in the mortgage industry
- Federal government's new foreign investment regulations
- MA-Capital's corporate office location near all main real estate brokerage head offices
- Conventional lenders are tightening policies for BFS applicants
- Lower lending rate than the competition

OPPORTUNITIES

- Improving brand awareness directly to Mortgage brokers, lawyers, accountants, custom house builders/project managers
- Developing better operating software to enhance our operation and utilize AI technology to secure a more efficient service
- Increase funding volumes and attract more investment to obtain a \$100 million portfolio by 2030
- Through operating system improvement, achieve an ISO standard to increase credibility within our industry.

WEAKNESSES

- Heavily competitive market
- MA-Capital's limited lending resources
- Strict adjudication guidelines
- Transparency on investments received from our investors

THREATS

- Payment delinquency from our borrowers
- Economic crisis amid post-pandemic hyper-inflation
- More sophisticated fraud methods incidents
- Money laundry and untraceable funds

MARKET SEGMENT AND GROWTH POTENTIAL

FIRST-TIME HOME BUYERS

30%

- First-Time Home Buyer Incentive (CMHC)
- shared equity mortgage
- larger down payment
- smaller mortgage
- lower monthly costs
- eligible applicants only (no previous home buying or owning record anywhere in the world)

REFINANCING

25%

- For applicants who need to take equity out or if they need to consolidate all their debts into a straightforward mortgage loan
- Applicants who have a property to secure the loan

BFS

30%

- Substantial market segment
- Opportunity for MA-Capital to offer alternative options to individuals with less-than-perfect credit score or who may find it difficult to borrow capital from regular channels

SECOND MORTGAGE

15%

- Second mortgage or Construction loans for custom house builders (as property adds more value after construction)
- Other home buyers who can show consistency of net income

100%

PRICING STRATEGY

MA-Capital's pricing strategy is based on competitive market conditions

The prevailing interest rates in the market significantly affect the pricing and value of a MIC.

Lower interest rates may attract more borrowers, increasing the demand for mortgage services and potentially driving up the value of the MIC.

INITIAL INVESTMENT

\$200,000 from Mosa Equity Inc for legal fees, insurance, office rent, equipment & supplies, utilities, administration, advertising,

RAISED CAPITAL FOR OPERATIONS

MA-Capital Inc plans to raise up to \$35M through private investments.

Our well-performing portfolio with low default rates and strong borrower credit profiles will be our asset which we will use to enhance the MIC's reputation, attract investors, and increasing value

TMACC

MA-Capital Inc will collaborate with The Mortgage Alliance Company of Canada, the largest mortgage brokerage house in Canada. MA-Capital Inc plans to become a member of its official private lender's in order to be able to offer special rates/special compensation to promote our services to the licensed brokers.

Start-up Assets

Cash Required	\$34,800,000
Other Cash (Principal Investment)	\$200,000
Total Assets	\$35,000,000
Total Requirements	\$35,158,300

Start-Up Funding

Start-Up expenses to Fund	\$158,300
Start-Up Assets to Fund	\$35,000,000
Total Funding Required	\$35,158,300

Liabilities & Owner's Equity

Liabilities

Long-Term Liabilities	\$34,800,000
Account payables	\$58,300
Total Liabilities	\$34,858,300

Equities

Mosa's Investment	\$200,000
Additional Investment	\$100,000
Total Investment	\$300,000
Start-Up Expense (Loss)	(\$158,300)
Total Equity	\$141,700

Total Equity and Liability	\$35,000,000
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