



Redwood Park Communities Inc. Offering Statement

This offering document contains important information about the Redwood Park Communities, Community Housing Bonds offered for sale by the registered charitable corporation named below.

Investors should read the entire Offering Statement before deciding whether to purchase these bonds. All prospective purchasers must receive this Offering Statement before completing their purchase.

Offering Statement of

Redwood Park Communities Inc. ("Redwood")
(Incorporated under the Ontario Not-for-Profit Corporations Act)

August 29, 2024

Minimum Aggregate Offering: Nil

Maximum Aggregate Offering: \$10,000,000

MAXIMUM TOTAL TO BE RAISED UNDER THIS OFFERING STATEMENT: \$10,000,000

Redwood is offering Series A 4-year, Series B 5-year, Series C 6-year, and Series D 7-year Community Housing Bonds. Any individuals, corporations and organizations who wish to purchase the bonds, may do so subject to the minimum investment thresholds.

Redwood seeks to acquire 4 sites in Barrie: 3 properties with 10 units each and a larger property for a 96-unit development.

Redwood seeks to develop its property at 259 King Street in Midland by expanding to add 20 units of supported affordable housing and a social enterprise space.

Proceeds from the sale of the Bonds are intended to be applied to acquisition and development costs for the above projects. Due to the unpredictable nature of acquisition and construction of housing, Redwood may delay or cancel any of the above projects and replace them with a more feasible project(s). Redwood reserves the right to apply funds raised through Redwood Community Housing Bond funds to other suitable projects and will provide investors with regular status updates.

Project Status:

Property	Stage of Acquisition/Development	Funds Already Spent on Project
10 units in Barrie	Conditional - Agreement of Purchase and Sale, conversion to residential	\$25,000
96 units, Barrie	Acquisition: Early 2025 Development: Mid 2025 - Late 2025 - Groundbreaking, demolition, construction	\$272,000
10 units, Barrie	Conditional - Agreement of Purchase and Sale	\$25,000
10 units, Barrie or Orillia	Acquisition	\$0
20 units, King Street, Midland	Owned - Re-development	\$1,350,000

Each purchaser of Series A Redwood Community Housing Bonds must purchase in the minimum principal amount of \$2,500. Series A bonds are offered for 4 years at an interest rate of 3 percent per annum paid annually.

Each purchaser of Series B Redwood Community Housing Bonds must purchase in the minimum principal amount of \$10,000. Series B bonds are offered for 5 years at an interest rate of 3.5 percent per annum paid annually.

Each purchaser of Series C Redwood Community Housing Bonds must purchase in the minimum principal amount of \$50,000. Series C bonds are offered for 6 years at an interest rate of 4 percent per annum paid annually.

Each purchaser of Series D Redwood Community Housing Bonds must purchase in the minimum principal amount of \$250,000. Series D bonds are offered for 7 years at an interest rate of 4.5 percent per annum paid annually.

The securities offered herein are issued by a charitable corporation and as the requirements are met, Redwood is exempt from the prospectus requirements of the Securities Act (Ontario). The persons selling these securities are acting exclusively as representatives of Redwood and as such are exempt from the registration requirement of the Securities Act (Ontario) and are not required to be licensed by any Government agency.

No official of the Government of Ontario has considered the merits of the matters addressed in this Offering Statement. No ministry nor any agency of the Government of Ontario assumes any liability or obligation to anyone who purchases the securities offered under this

Offering Statement.

There is no established market through which these securities may be sold. Due to the characteristics of these securities and the restrictions on their transfer, no such market is likely to develop. The Board of Directors of Redwood Park Communities Inc. have set the price of the securities offered.

The Redwood Community Housing Bonds issued under this offering statement are to be secured by a blanket mortgage against the Real Property owned by Redwood Park Communities Inc. That mortgage will be subordinated to the Prior Financing, as described in section 10.

Investors should not rely on any information other than what is contained in this Offering Statement. Potential buyers should pay careful attention to all the risk factors noted in this Offering Statement. See Section 6, "Risk Factors" below for a description of risk factors. Redwood's audited financial statements for the period ending March 31, 2023 may be found [here](#).

The information in any projections or pro forma statements contained in this Offering Statement may vary materially from actual results.

1. TABLE OF CONTENTS

1. TABLE OF CONTENTS	3
1. GLOSSARY	4
2. CORPORATE INFORMATION	4
2.1. DIRECTORS AND OFFICERS	5
2.2. MANAGEMENT TEAM	5
3. DESCRIPTION OF THE BUSINESS OF REDWOOD	6
3.1. REVIEW OF DOCUMENTS	7
4. FINANCIAL PROJECTIONS	7
4.1. FINANCIAL GOALS & DRIVERS	7
4.2. FINANCIAL ANALYSIS	8
4.3. MANAGEMENT ASSUMPTIONS	9
4.4. FINANCIAL ASSUMPTIONS	9
5. USE OF PROCEEDS OF THE OFFERING	10
5.1. PURCHASE & CONSTRUCTION OF SITES	10
5.3 LONG-TERM FINANCING AND DEVELOPMENT GRANTS	11

6. RISK FACTORS	12
7. DESCRIPTION OF CAPITAL STRUCTURE	14
8. DESCRIPTION OF SECURITIES OFFERED	14
8.1. QUALIFIED INVESTMENTS FOR REGISTERED ACCOUNTS	21
9. METHOD OF THE SALE OF SECURITIES	22
9.1. DESCRIPTION OF THE MARKET ON WHICH THE SECURITIES MAY BE SOLD	22
9.2. MINIMUM AND MAXIMUM AMOUNTS	22
9.3. ONLINE SUBSCRIPTION	23
9.4. MARKETING CAMPAIGN	23
10. DEBT OBLIGATIONS	23
10.1. MATERIAL LEGAL PROCEEDINGS TO WHICH REDWOOD IS A PARTY	25
10.2. MATERIAL INTERESTS OF DIRECTORS, OFFICERS, AND EMPLOYEES	25
10.3. MATERIAL CONTRACTS	25

1. GLOSSARY

“Prior Financing” is the financing described in section 10.

“Redwood” means Redwood Park Communities Inc.

“Redwood Community Housing Bonds” refers to 4-Year, 5-Year, 6-Year, and 7-Year bonds issued by Redwood in 2024 and 2025.

“Real Property” means all of the real property owned by Redwood.

“Sites” refers to the real properties to be purchased and/or developed by Redwood in Barrie, Orillia, and Midland as noted in Section 3 ‘DESCRIPTION OF THE BUSINESS OF REDWOOD’.

“Tapestry” means Tapestry Community Capital, the business unit operating within TREC Inc. providing services to Redwood on its Community Housing Bonds campaign.

“TREC” means Toronto Renewable Energy Co-operative Inc., the not-for-profit Corporation.

2. CORPORATE INFORMATION

Name of the Corporation: Redwood Park Communities Inc. (“Redwood”)

Date of Incorporation: July 24, 2009

Ontario Corporation No: 1801834

Charitable registration No: #850158668 RR 0001

Head Office Address: 92 Davidson Street, Barrie, ON L4M 4Y6

Auditors: Rumley Holmes LLP, 301 Byrne Dr., Unit 7, Barrie, Ontario L4N 8V4

Fiscal Year End: March 31

Registrar/Transfer Agent: Redwood will act as its own registrar and transfer agent in respect of the securities offered for sale.

2.1. DIRECTORS AND OFFICERS

There are currently 6 elected directors, as follows:

Board Member	Role	Occupation	Since
Nathan Barnes	President	Pastor	2009
Amanda Smith	Treasurer	Chartered Professional Accountant, Public Practice	2015
Jeff Long	Secretary	Social Worker	2020
Tanya Ladd-Taylor	Member	Paralegal	2020
Mark Mulder	Member	Plumber	2017
Colleen Gartner	Member	Financial Manager	2024

2.2. MANAGEMENT TEAM

Redwood is managed by a highly experienced staff, supported by an engaged Board of Directors, that ensures risk management, corporate governance controls, and fiscal accountability and duty. Redwood Park Communities was founded in 2009 by Tim and Rhonda Kent, driven by their recognition of the pressing need for increased affordable housing within their community. Over the past decade, Redwood has evolved from a mere concept into a formidable organization that has successfully developed 59 units of affordable supportive housing through a series of impactful initiatives.

The executive management team consists of Timothy Kent, Co-founder and CEO, Rhonda Kent, Co-founder and COO, Jeff Bond, Director of Financial Planning. Biographies and contact information for all other staff, management and board members are available on the Redwood website and the Community Housing Bond Business Plan package.

3. DESCRIPTION OF THE BUSINESS OF REDWOOD

Redwood Park Communities was founded in 2009 by Tim and Rhonda Kent, driven by their recognition of the pressing need for increased affordable housing within their community. They also recognized the role that having a community of support played in their own lives and how that would be an important element for people looking for a fresh start.

Over the past decade, Redwood has evolved from a mere concept into a formidable organization that has successfully developed 59 units of affordable housing through a series of impactful initiatives. Among these initiatives are the United House program, which provides safe haven for women and children who have experienced domestic violence, and the Second Suites program, established in collaboration with Community Builders and homeowners to offer additional housing options. Another notable endeavor is Lucy's Place, a dedicated facility catering to individuals who have experienced chronic homelessness. Opening soon will be Lillian Place, Redwood's Family Short-Term Supportive Housing Centre with twelve furnished apartments addressing the urgent needs of families facing homelessness. In total, it has had the privilege of housing over 500 individuals, making a significant difference in their lives and the community at large.

Redwood has big plans to create more safe, affordable, hopeful housing across Simcoe County. From people exiting the homelessness shelter system to adults with developmental disabilities to seniors, we are responding to housing gaps in our community through strategic partnerships.

- Expansion of an existing Redwood building in Midland to create 20 units of housing for adults with developmental disabilities plus social enterprise space.
- Acquisition and/or development of a 10-unit building in Barrie or Orillia to create safe, affordable housing.
- Acquisition of two 10-unit buildings in Barrie to expand our Rapid Re-housing program.
- Acquisition of land in Barrie for a large 96-unit development for seniors.

To help finance these projects, Redwood is introducing Redwood Community Housing Bonds. This is a first for Redwood and a new offering in Simcoe County, providing investors with a tool to invest in the creation of affordable housing in their home community.

Redwood's business goals and the expansion of its housing programs as a result of this new bond raise are described in Section 4 "FINANCIAL PROJECTIONS" of this document.

When purchasing a Redwood Community Housing Bond as per this Offering Statement, investors will earn interest, as described in Section 8 'DESCRIPTION

OF SECURITIES OFFERED'. Principal repayment will occur as a single payment upon maturity, unless investors agree to reinvest in any new offerings available at the time. Capital repayment for each of the Redwood Community Housing Bonds will occur as a single payment due upon maturity.

3.1. REVIEW OF DOCUMENTS

All agreements referred to in this Offering Statement, including the Letters Patent and By-Laws of Redwood, and major contracts, may be reviewed by any Bondholder upon request.

4. FINANCIAL PROJECTIONS

The purpose of this Offering Statement is to raise funds, by selling Redwood Community Housing Bonds, to be used to purchase and develop the sites noted above in Section 3 'DESCRIPTION OF THE BUSINESS OF REDWOOD.'

This section contains a summary of Redwood's financial goals, main business drivers, risk assessments and key management assumptions.

4.1. FINANCIAL GOALS & DRIVERS

The 10-year Redwood Financial Projections, available [here](#), covers the period April 1, 2024 to March 31, 2035. The primary growth drivers are collected Rents, Government Grants, Fundraising and Capital Contributions which will make up between 65-75% of Redwood's earned revenues in the first three years of the projections, spanning fiscal 2025 through 2027.

Additional revenue from one of new 10-unit properties acquired in Barrie began being realized in 2024, and rental revenues for all 5 noted acquisitions/renovations will be realized and steadily increase, rising to become the organization's primary single growth driver, beginning in 2028-2029. Properties to be acquired, owned and operated in Midland and Barrie will drive much of this growth through the addition of up to 146 new residential and 4 commercial suites to Redwood's existing managed portfolio.

Other sources of revenue include rent supplements, contracted and administrative service revenue for supports provided within the communities and retail sales including from Redwood's furniture bank. Comprising just over 30% of total revenues in the past fiscal year, it is Redwood's intention to continue to maintain and grow these services and funding sources that are vital to the well being of the Redwood communities.

Wages, salaries and benefits represent the single biggest cost category for Redwood followed by occupancy/property costs including property taxes, maintenance and repairs, snow and pest removal, cleaning and utilities costs. Together, these broad cost categories represent 60% of Redwood's total budgeted operating costs for the current fiscal year, but will gradually fall to 50% over the next 10 years, as economies of scale begin to materialize. Other costs include resources for volunteers, bank and interest charges, tenant support, professional fees, marketing, general office expenses and phone/internet costs.

To support its ambitious growth strategy, Redwood plans to increase its staff complement by more than 25% in 2024-2025 with recruitment and investment in the critical areas of architectural design, community supports, housing navigation, facilities coordination, social enterprise development and human resource management. After fiscal 2025, wage costs are expected to grow at a rate of 5%, gradually declining to 4%, while occupancy/property costs are expected to increase in tandem with the increase in property acquisition and development. Other costs are expected to increase by between 2% and 5% to support fundraising activity and growth of other non-rental services. Interest expense will increase sharply starting in 2025 as Redwood issues its bond series, refinances the current debt structure and arranges construction and mortgage financing to support the development of the noted properties in Barrie and Midland.

Over the next 10 years, Redwood intends to increase revenue from current projections for 2024-2025 of \$6M to \$15M by 2034-2035. At the same time, revenues generated outside grants, fundraising and capital contributions will increase from 55% to close to 70% of total revenue. Redwood expects net income to be positive over the next 10 years while increasing on a more sustainable basis, starting in 2029-2030.

4.2. FINANCIAL ANALYSIS

Redwood has prepared financial projections, as set out in the pro forma financial statements available [here](#) for the 10-year period ending March 31, 2035. All forecasts are prepared in accordance with generally accepted accounting principles for not-for-profit organizations as described in Part III of the CPA Canada Handbook. Redwood's audited financial statements for the period ending March 31, 2023 may be found [here](#).

These projections are based upon assumptions that management believes to be reasonable. Actual results will vary, perhaps materially, from these projections. Some or many of the assumptions may change on account of circumstances beyond the control of Redwood. A comprehensive statement of these risk factors is set out in Section 6 "RISK FACTORS" of this Offering Statement.

The projected cash flow is based on conservative estimates of revenue growth, operating expenses and sustainable net income as well as cash flows associated with financing of the various projects. These cash flows include from the issuance/repayment of Redwood Bonds, and the arrangement/repayment of construction/mortgage financing along with the related interest costs. It is also contingent on Redwood's ability to arrange additional funds including grants and capital contributions for the project.

The majority of Redwood's expenses (wages/benefits and occupancy/property costs) are anticipated to grow at near the rate of inflation over the period, and will be impacted by the increase in property footprint. More modest expenses are forecast to grow at similar rates to support the significant long-term growth expected in Redwood's services to the community.

From a cashflow perspective, the projections assume that 100% of the Redwood Community Housing Bond raise target will be met and all other fundraising and funding streams are secured. This includes commercial financing (vendor take-back and construction/mortgage financing and fundraising including government/non-government grants and capital contributions).

Based on these projections, Redwood will have sufficient cash to pay the annual interest accrued for each Redwood Community Bondholder and to make the capital repayments due within the period of maturity

Redwood expects that the commercial financing will carry financial covenants including but not limited to a fixed-charge coverage ratio, working capital ratio and debt to equity ratio. Based on the projections available [here](#), Redwood is confident that commercial financial tests can be met.

4.3. MANAGEMENT ASSUMPTIONS

The following management assumptions were employed in the financial projections:

- Redwood has endeavoured to use conservative estimates when modeling the financial performance of these operations. The statement of operations is prepared using both prior year actual and current year budgeted results and estimates for future fundraising and operating expenses.
- Redwood assumes an increase in owned and future-owned asset values along with related income and revenue streams.
- Redwood will strive to maintain affordable rents for the community.
- All financing costs are estimates based on anticipated timing of drawdown and repayment of certain financial obligations, including repayment of bonds and term loans issued in prior years.
- The cash flow and balance sheet statements are prepared using estimates of future results and using the targets set out in the Financial Projections.
- The financial statements rely on completing the Redwood Community Housing Bond campaign successfully during the Offering Period.
- As Redwood is a non-profit corporation, it is the opinion of Redwood that no income taxes are payable by the organization. The Organization is also a registered charity and as such is exempt from tax under the Canadian Income Tax Act. As such, there is no anticipated impact on Redwood's ability to pay interest and principal on the Redwood Community Housing Bonds from a tax perspective.
- Redwood is a registrant for Harmonized Sales Tax purposes, and the impact of HST on its finances will therefore be consistent with prior years. Redwood's capital construction will be eligible for the recently announced federal and provincial exemptions for HST on construction of new multi-unit residential rental properties.

4.4. FINANCIAL ASSUMPTIONS

The following financial assumptions were employed:

- Revenue Growth – Rental revenue including from existing and new projects is expected to grow by between 2% and 5% per annum over the forecast period. While Redwood will continue to look for opportunities to develop and deliver more affordable housing in the region, there are no additional properties included in the forecast other than those currently owned and/or managed by Redwood or new properties identified herein. Smaller revenue streams are expected to grow more significantly at between 5% and 10% from 2027-2030 and then gradually decline to 3% thereafter.
- Expense Inflation – Expenses are assumed to increase annually by an inflation factor that is 50% of related revenues, reflecting economies of scale achieved through growth. Wage costs are expected to increase by 5%, gradually declining to 4% per year up to 2029, while Occupancy/Property costs are expected to increase in tandem with Redwood’s property footprint. Other costs are also expected to escalate according to the growth in rental revenue until 2030, after which they are expected to increase at rates starting at 5% and gradually declining to 1.5% longer term.
- Interest Rates – The interest expense is assumed to accrue at the rate associated with the bond terms. Given the expected timing for the arrangement of commercial financing required for the projects and an expected drop in prime lending rates starting in late 2024, Redwood has assumed annual interest rates of between 5% and 5.5% for construction and mortgage financing required to complete planned property acquisitions and/or development in Barrie and Midland. Current efforts to refinance the existing capital structure of Redwood are assumed to be priced at 6.5%
- Early Repayments – Redwood has the right to repay Redwood Community Housing Bond principal and/or interest accrued before their maturity date. If the corporation exceeds its net income target in any quarter, it may choose to reduce its interest expense by buying back Redwood Community Housing Bonds. This is not planned during the 10-year projection period.
- Bond Renewals – At the end of the term of each of the Redwood Community Housing Bonds, reinvestment may be an option for bondholders. Reinvestment interest rates will be set according to market conditions. Redwood has assumed that all series will be fully repaid at maturity.
- Equipment replacement & Construction Costs – Equipment replacement and construction costs will take place during the 10-year plan period. In addition to \$576,508 in budgeted capital expenditures planned during the current fiscal year, the financial projections include projected expenses for such replacements and construction costs as part of an annual expense reserve that totals \$2,100,000 over the next 10 years. The projections assume that annual depreciation expense will increase in tandem with the growth in Redwood’s investment in real property and other fixed assets.

5. USE OF PROCEEDS OF THE OFFERING

5.1. PURCHASE & CONSTRUCTION OF SITES

The following tables set out the total estimated project costs and allocation of the \$10,000,000 in bond funds for the purchase and construction of the sites:

Site	Acquisition & Closing Costs	Construction Costs	Contingency	Total
10 Unit Rapid Rehousing, Barrie	\$2,150,000	\$100,000	\$50,000	\$2,300,000
3 Acre church site, Acquisition, Barrie	\$1,600,000		\$50,000	\$1,650,000
10 unit permanent affordable housing site, Barrie	\$2,150,000	\$75,000	\$75,000	\$2,300,000
10-unit permanent housing Site (Pre-Acquisition), Barrie or Orillia	\$3,100,000		\$50,000	\$3,150,000
King Street housing and social enterprise, Midland		\$600,000		\$600,000
TOTAL	\$9,000,000	\$775,000	\$225,000	\$10,000,000

Redwood intends to deploy Redwood Community Housing Bonds towards the acquisition and/or construction/renovation of the above 5 sites, however the board of directors may change these plans depending on circumstances regarding the feasibility of each project. The following criteria will always be followed when making decisions about housing projects undertaken by Redwood: development feasibility, financial viability, operational capacity, alignment with strategic plan and community outcomes.

5.3 LONG-TERM FINANCING AND DEVELOPMENT GRANTS

Redwood is seeking to raise up to \$61,776,508 in addition to \$10,000,000 in Redwood Community Housing Bonds. Its long-term financing will be provided as follows:

Funding Source	Amount	Status
CMHC - Affordable Housing Fund Grant	\$15,000,000	Pending
CMHC - Affordable Housing Fund Loan or Construction Financing	\$40,150,000	Pending
Redwood Community Housing Bonds	\$10,000,000	Pending
WELC VTB Mortgage	\$2,800,000	Approved
Redwood Supplied Operating Capital Expenditures	\$576,508	Approved

Capital Donation/Community Fundraising/Community Promissory Notes/contract work or material donations/City or County Funding	\$3,250,000	Pending
Total	\$71,776,508	

6. RISK FACTORS

Redwood Community Housing Bonds are intended to be low-to-medium-risk investments, however, there are still inherent risks, as described in this section. The risks are listed below in alphabetical order and not in order of materiality. Redwood will be subject to a number of risks that are common to non-profit corporations, in general, as well as specific risks associated with construction and operating multiple real estate facilities.

Redwood bondholders' risks arise from operating, regulatory and governance factors, as set out below. The failure to prevent, minimize or mitigate any of the following risks could jeopardize the investor's financial returns and possibly their investment in Redwood:

2. Cash Flow: Redwood anticipates positive cash flow over the 10-year plan period. However, these projections are based on a number of assumptions. If any one or more of these assumptions turn out to be significantly in error, then Redwood may be unable to meet its cash flow requirements. This could jeopardize the viability of the operation of the organization and/or its expected returns to investors.
3. Failure to Raise Sufficient Capital: There are no assurances that Redwood will be able to raise sufficient capital from the proceeds of this and future offerings to meet the financial requirements to complete the project and operate the facilities as contemplated in the financial projections or that the terms and conditions of that financing will not change in a significantly negative way.
4. Financial Projections: This Offering Statement contains forward-looking statements and projections that involve numerous assumptions, hypotheses, risks and uncertainties including, among others, those set out in this section as "Risk Factors". These projections are based upon assumptions and hypotheses that Redwood believes to be reasonable, and which are consistent with the forecasts and projections prepared by Redwood. No representations or warranties are given that these projections will be achieved. Actual results will vary, perhaps in a materially negative way, from these forecasts and projections. The assumptions upon which these forecasts and projections are based may change, whether due to circumstances beyond the control of Redwood or otherwise. Investors are advised not to rely solely upon these projections in making their investment decision.
5. Interest Rate Fluctuation: If prevailing market interest rates rise significantly, the option of raising capital to repay the Redwood Community Bonds as they come due through the sale of new bonds or obtaining mortgage financing may prove difficult. In that event, Redwood Community Housing Bonds may not be repaid in full or when due. Repayment will be subject to the availability of replacement funds provided by surpluses from operations. This risk diminishes over time as cash surpluses build up over the years.
6. Long-Term Investment: Redwood Community Housing Bonds should be considered long-

term investments and may not be suitable for investors who may desire or need a more liquid investment. This investment is for a minimum term of 4 years or a maximum of 7 years.

7. Market for Securities: There is currently no market for the Redwood Community Housing Bonds offered and the development of such a market cannot be assumed. No ownership may be transferred without the express consent of the Board of Directors.
8. Operations and Maintenance: The ongoing maintenance of the facilities is vital to achieving Redwood's estimated financial projections. While Redwood has endeavoured to budget adequately for all operations and maintenance expenses, equipment replacement expenses and contingency fees, unforeseen events could cause these expenses to exceed the estimates.
9. Performance Risk: In the event that its programs do not generate the anticipated revenues due to insufficient demand or other causes beyond the control of Redwood, projected cashflow could be adversely affected. The ability to repay the Bonds, when due, will be limited by the available cash at that time.
10. Financial Covenants to Commercial Mortgage: Redwood expects that any commercial financing acquired will carry financial covenants including but not limited to a fixed-charge coverage ratio, working capital ratio and debt to equity ratio. Based on the projections available here ([hyperlink](#)), Redwood is confident that commercial financial tests can be met.
11. Priority of Lenders: The Redwood Community Housing Bonds will be subordinate to the Prior Financing as per Section 10. 'OTHER DEBT OBLIGATIONS'. In event of a default or bankruptcy, the Prior Financing's lenders have priority with respect to payment of interest and principal.
12. Profitability and Solvency: There is no certainty that Redwood will generate a surplus and that Redwood will be able to pay interest or repay its Community Housing Bonds. As such, there can be no assurance Redwood will be able to repay Redwood Bond capital investments when so requested. Investors who require guaranteed returns from their investments with no risk should not purchase Redwood Community Housing Bonds.
13. Unknown Risk Factors: Redwood may also be subject to other unknown or unforeseen risk factors that could potentially affect its profitability and solvency. Some of these risk factors could include, but are not limited to, failure to comply with new or revised governing statutes, or reduced government funding or reduced annual donations, resulting in reduced performance. Any adverse unforeseen risk factors that materialize may negatively affect Redwood's profitability and solvency.
14. Transparency: Exempt securities such as Redwood Community Housing Bonds are not subject to any reporting issuer regime, they provide less information to their investors, and the information provided is not subject to the oversight of any regulator.
15. Liquidity Risk: Exempt securities are subject to resale restrictions and there is no market for them. The only means of liquidation is through Redwood, and since there is no redemption feature, the investor will not be able to liquidate their Redwood Community Housing Bonds prior to maturity except in exceptional circumstances approved by the Redwood Board of

Directors.

16. **Investor Rights:** Investors in exempt securities are not afforded the same legal rights that are available to investors who purchase prospectus-based investments. There are no statutory rights for damages including any right of rescission, right of withdrawal or secondary market civil liability.
17. **Litigation Risk:** Redwood’s operations are subject to a wide variety of laws and regulations and Redwood faces risks associated with legal and regulatory changes and litigation. In the normal course of operations, Redwood may become involved in various legal actions, including claims relating to personal injury, property damage, property taxes, land rights, and contractual and other commercial disputes. The final outcome with respect to outstanding, pending or future actions cannot be predicted with certainty, and the resolution of such actions may have an adverse effect on our financial position or results of operations. Redwood retains external legal consultants to assist it in remaining current and compliant with legal and regulatory changes and to respond to litigation.

7. DESCRIPTION OF CAPITAL STRUCTURE

Redwood is a non-profit corporation and is, as such, structured without share capital. Any prior Long-Term Debt Financing and line of credit obtained by Redwood are described in Section 10 “Securities and Other Debt Obligations”. The Redwood Community Housing Bonds are described in Section 8 “Description of Securities Offered”.

8. DESCRIPTION OF SECURITIES OFFERED

Redwood is offering to sell Series A, Series B, Series C, and Series D Redwood Community Housing Bonds to individuals and corporations.

The form of 4-year Series A Redwood Community Housing Bonds is attached in Schedule A of the Trust Agreement. A minimum purchase of \$2,500 is required. The following table describes this series in detail:

Series A Bond	
Minimum Aggregate Offering:	Nil
Maximum Aggregate Offering:	\$10,000,000

Minimum Individual Purchase:	\$2,500
Maximum Individual Purchase:	N/A
Security	<p>Repayment of the 4-Year Series A Redwood Community Housing Bond is secured by a blanket charge to be registered on the Real Property to be held by Redwood. Repayments are subordinate to the organization's Prior Financing as noted in section '10. DEBT OBLIGATIONS', plus any first mortgage financing that may be obtained, pari-passu with the other Redwood Bonds, and held by a trustee appointed by Redwood pursuant to a Trust Agreement available here for the benefit of all Redwood bondholders.</p> <p>No changes in the security can be made without the bondholders' consent by vote as set out in the Trust Agreement.</p>
Interest Rate	<p>All 4-Year Series A Redwood Community Housing Bonds earn 3% interest, which shall be accrued annually, and paid annually.</p> <p>Interest is accrued from January 1st until December 31st. For all bonds purchased during the Offer Period, the first and last interest payment will be prorated to the date of the investment and the maturity date.</p>
Repayment	Repayment of each 4-Year Series A Redwood Community Housing Bond shall be due upon maturity.
Terms and Redemption	<p>4-Year Series A Redwood Community Housing Bonds issued under this offering statement shall mature 4 years after the date of purchase.</p> <p>The Redwood Community Housing Bonds will be non-redeemable by the Bondholder during the term except in extraordinary circumstances, and with the approval of Redwood Board of Directors. Treatment of the bond upon death of the bondholder(s) will depend upon the current registration of the bond and estate law.</p> <p>Redwood may, before maturity, and upon 60 days' notice, offer to repay all or a portion of the principal outstanding, and shall communicate such offer to all bondholders. Redwood shall then repay those who express a desire to be repaid pro rata. Redwood also has the right to prepay at any time without penalty.</p> <p>To address cashflow concerns considering possible future market interest rate fluctuations, principal repayment on maturity may not occur until Redwood is able to do so from cash or cash reserves or until replacement capital is</p>

	obtained. Such decision would be made by the Board of Directors of Redwood. The rights of the Bondholders are not otherwise affected by such a postponement and their outstanding bonds will continue to accrue interest at the indicated rate.
Rank	All Series A, Series B, Series C, and Series D Redwood Community Housing Bonds will rank equally with each other, as well as the other bonds issued by Redwood, but will rank subordinate to the Prior Financing.
Transfer	Subject to a \$100 administration fee and approval from the Redwood Board of Directors. Such approval shall not unreasonably be withheld, provided the transfer is to another Bondholder of Redwood.
Dissolution	In the event of the dissolution or liquidation of Redwood, the Bondholders shall be entitled to be paid, after the retirement of the Prior Mortgage Financing, the amount of principal outstanding, plus any interest earned but unpaid. Upon payment of such amount, the holders of Bonds shall not be entitled to any further share in the distribution of the assets of Redwood.

The form of **5-year Series B Redwood Community Housing Bond** is attached in Schedule B of the Trust Agreement. A minimum purchase of \$10,000 is required. The following table describes this series in detail:

Series B Bond	
Minimum Aggregate Offering:	Nil
Maximum Aggregate Offering:	\$10,000,000
Minimum Individual Purchase:	\$10,000
Maximum Individual Purchase:	Nil

Security	<p>Repayment of the 5-year Series B Redwood Community Housing Bond is secured by a blanket charge to be registered on the Real Property to be held by Redwood. Repayments are subordinate to the organization's Prior Financing, if any, pari-passu with the other Redwood Bonds, and held by a trustee appointed by Redwood pursuant to a Trust Agreement available here for the benefit of all Redwood bondholders.</p> <p>No changes in the security can be made without the bondholders' consent by vote as set out in the Trust Agreement.</p>
Interest Rate	<p>All 5-year Series B Redwood Community Housing Bond Series B earn 3.5% interest, which shall be accrued annually, and paid annually.</p> <p>Interest is accrued from January 1st until December 31st. For all bonds purchased during the Offer Period, the first and last interest payment will be prorated to the date of the investment and the maturity date.</p>
Repayment	<p>Repayment of each 5-year Series B Redwood Community Bond Series B shall be due upon maturity.</p>
Terms and Redemption	<p>5-year Series B Redwood Community Housing Bond Series B issued under this offering statement shall mature 5 years after the date of purchase.</p> <p>The Redwood Community Housing Bonds will be non-redeemable by the Bondholder during the term except in extraordinary circumstances, and with the approval of Redwood Board of Directors. Treatment of the bond upon death of the bondholder(s) will depend upon the current registration of the bond and estate law.</p> <p>Redwood may, before maturity, and upon 60 days' notice, offer to repay all or a portion of the principal outstanding, and shall communicate such offer to all bondholders. Redwood shall then repay those who express a desire to be repaid pro rata. Redwood also has the right to prepay at any time without penalty.</p> <p>To address cashflow concerns considering possible future market interest rate fluctuations, principal repayment on maturity may not occur until Redwood is able to do so from cash or cash reserves or until replacement capital is obtained. Such decision would be made by the Board of Directors of Redwood. The rights of the Bondholders are not otherwise affected by such a postponement and their outstanding bonds will continue to accrue interest at the indicated rate.</p>
Rank	<p>All Series A, Series B, Series C, and Series D Redwood Community Housing Bonds will rank equally with each other, as well as the other bonds issued by Redwood, but will rank subordinate to any Prior Financing.</p>

Transfer	Subject to a \$100 administration fee and approval from the Redwood Board of Directors. Such approval shall not unreasonably be withheld, provided the transfer is to another Bondholder of Redwood.
Dissolution	In the event of the dissolution or liquidation of Redwood, the Bondholders shall be entitled to be paid, after the retirement of the Prior Mortgage Financing, the amount of principal outstanding, plus any interest earned but unpaid. Upon payment of such amount, the holders of Bonds shall not be entitled to any further share in the distribution of the assets of Redwood.

The form of **6-year Series C Redwood Community Housing Bond** is attached in Schedule C of the Trust Agreement. A minimum purchase of \$50,000 is required. The following table describes this series in detail:

Series C Bond	
Minimum Aggregate Offering:	Nil
Maximum Aggregate Offering:	\$10,000,000
Minimum Individual Purchase:	\$50,000
Maximum Individual Purchase:	Nil
Security	<p>Repayment of the 6-year Series C Redwood Community Housing Bond is secured by a blanket charge to be registered on the Real Property to be held by Redwood. Repayments are subordinate to the organization's Prior Financing, if any, pari-passu with the other Redwood Bonds, and held by a trustee appointed by Redwood pursuant to a Trust Agreement available here for the benefit of all Redwood bondholders.</p> <p>No changes in the security can be made without the bondholders' consent by vote as set out in the Trust Agreement.</p>

Interest Rate	<p>All 6-year Series C Redwood Community Housing Bond earn 4% interest, which shall be accrued annually, and paid annually.</p> <p>Interest is accrued from January 1st until December 31st. For all bonds purchased during the Offer Period, the first and last interest payment will be prorated to the date of the investment and the maturity date.</p>
Repayment	<p>Repayment of each 6-year Series C Redwood Community Housing Bond shall be due upon maturity.</p>
Terms and Redemption	<p>6-year Series C Redwood Community Housing Bond issued under this offering statement shall mature 6 years after the date of purchase.</p> <p>The Redwood Community Housing Bonds will be non-redeemable by the Bondholder during the term except in extraordinary circumstances, and with the approval of Redwood Board of Directors. Treatment of the bond upon death of the bondholder(s) will depend upon the current registration of the bond and estate law.</p> <p>Redwood may, before maturity, and upon 60 days' notice, offer to repay all or a portion of the principal outstanding, and shall communicate such offer to all bondholders. Redwood shall then repay those who express a desire to be repaid pro rata. Redwood also has the right to prepay at any time without penalty.</p> <p>To address cashflow concerns considering possible future market interest rate fluctuations, principal repayment on maturity may not occur until Redwood is able to do so from cash or cash reserves or until replacement capital is obtained. Such decision would be made by the Board of Directors of Redwood. The rights of the Bondholders are not otherwise affected by such a postponement and their outstanding bonds will continue to accrue interest at the indicated rate.</p>
Rank	<p>All Series A, Series B, Series C, and Series D Redwood Community Housing Bonds will rank equally with each other, as well as the other bonds issued by Redwood, but will rank subordinate to any Prior Financing.</p>
Transfer	<p>Subject to a \$100 administration fee and approval from the Redwood Board of Directors. Such approval shall not unreasonably be withheld, provided the transfer is to another Bondholder of Redwood.</p>
Dissolution	<p>In the event of the dissolution or liquidation of Redwood, the Bondholders shall be entitled to be paid, after the retirement of the Prior Mortgage Financing, the amount of principal outstanding, plus any interest earned but unpaid. Upon payment of such amount, the holders of Bonds shall not be entitled to any further share in the distribution of the assets of Redwood.</p>

The form of **7-year Series D Redwood Community Housing Bond** is attached in Schedule D of the Trust Agreement. A minimum purchase of \$250,000 is required. The following table describes this series in detail:

Series C Bond	
Minimum Aggregate Offering:	Nil
Maximum Aggregate Offering:	\$10,000,000
Minimum Individual Purchase:	\$250,000
Maximum Individual Purchase:	\$5,000,000
Security	<p>Repayment of the 7-year Series D Redwood Community Housing Bond is secured by a blanket charge to be registered on the Real Property to be held by Redwood. Repayments are subordinate to the organization's Prior Financing, if any, pari-passu with the other Redwood Bonds, and held by a trustee appointed by Redwood pursuant to a Trust Agreement available here for the benefit of all Redwood bondholders.</p> <p>No changes in the security can be made without the bondholders' consent by vote as set out in the Trust Agreement.</p>
Interest Rate	<p>All 7-year Series D Redwood Community Housing Bond earn 4.5% interest, which shall be accrued annually, and paid annually.</p> <p>Interest is accrued from January 1st until December 31st. For all bonds purchased during the Offer Period, the first and last interest payment will be prorated to the date of the investment and the maturity date.</p>
Repayment	Repayment of each 7-year Series D Redwood Community Housing Bond shall be due upon maturity.
Terms and Redemption	<p>7-year Series D Redwood Community Housing Bond issued under this offering statement shall mature 7 years after the date of purchase.</p> <p>The Redwood Community Housing Bonds will be non-redeemable by the</p>

	<p>Bondholder during the term except in extraordinary circumstances, and with the approval of Redwood Board of Directors. Treatment of the bond upon death of the bondholder(s) will depend upon the current registration of the bond and estate law.</p> <p>Redwood may, before maturity, and upon 60 days' notice, offer to repay all or a portion of the principal outstanding, and shall communicate such offer to all bondholders. Redwood shall then repay those who express a desire to be repaid pro rata. Redwood also has the right to prepay at any time without penalty.</p> <p>To address cashflow concerns considering possible future market interest rate fluctuations, principal repayment on maturity may not occur until Redwood is able to do so from cash or cash reserves or until replacement capital is obtained. Such decision would be made by the Board of Directors of Redwood. The rights of the Bondholders are not otherwise affected by such a postponement and their outstanding bonds will continue to accrue interest at the indicated rate.</p>
Rank	All Series A, Series B, Series C, and Series D Redwood Community Housing Bonds will rank equally with each other, as well as the other bonds issued by Redwood, but will rank subordinate to any Prior Financing.
Transfer	Subject to a \$100 administration fee and approval from the Redwood Board of Directors. Such approval shall not unreasonably be withheld, provided the transfer is to another Bondholder of Redwood.
Dissolution	In the event of the dissolution or liquidation of Redwood, the Bondholders shall be entitled to be paid, after the retirement of the Prior Mortgage Financing, the amount of principal outstanding, plus any interest earned but unpaid. Upon payment of such amount, the holders of Bonds shall not be entitled to any further share in the distribution of the assets of Redwood.

8.1. QUALIFIED INVESTMENTS FOR REGISTERED ACCOUNTS

Redwood understands there may be investors who wish to invest through Registered Retirement Savings Plans (RRSPs) and Tax-Free Savings Accounts (TFSA's). Redwood has partnered with the Canadian Worker Cooperative Federation (CWCF) that has developed a Self-Directed Registered Retirement Savings Plan and Self-Directed Tax-Free Savings Account Program called Common Good Capital. The Program enables co-operatives and non-profit organizations like Redwood to offer securities held within Registered Plans. Plans are fully administered by CWCF under an Agency Agreement with a bare trustee and in accordance with Canada Revenue Agency (CRA) regulations. For more information on CWCF's Common Good Capital program visit the website at <https://canadianworker.coop/about-cgc/>.

Traditional Canadian financial institutions have placed significant limitations and regulations in place to govern how privately issued securities are held within their self-directed RSPs

and TFSAs. As a result, it is unlikely that the Redwood Community Bonds can be held in every type of registered account at any financial institution.

Even with the support of an external tax opinion, investment advisors and/or institutions may not allow investors to hold Redwood Community Housing Bonds in their registered accounts.

An external tax opinion letter has been sought by Redwood in the sale of the Redwood Community Housing Bonds. It is available here (hyperlink) for review.

Prospective investors should only and directly consult with their licensed investment advisors should they be interested in investing through registered accounts.

9. METHOD OF THE SALE OF SECURITIES

All bonds sold pursuant to this Offering Statement will be sold exclusively by representatives and employees of Redwood Park Community Inc.

9.1. DESCRIPTION OF THE MARKET ON WHICH THE SECURITIES MAY BE SOLD

There is no market through which Redwood Community Housing Bonds may be sold and none is expected to develop. Purchasers may not be able to resell Redwood Community Housing Bonds purchased pursuant to this Offering Statement.

No Redwood Community Housing Bonds may be transferred without the express consent of Redwood.

9.2. MINIMUM AND MAXIMUM AMOUNTS

There is no minimum aggregate offering.

The minimum and maximum individual purchases permitted for the Redwood Bonds offered pursuant to this Offering Statement is as follows:

	Series A	Series B	Series C	Series D
Minimum Individual Purchase	\$2,500	\$10,000	\$50,000	\$250,000
Maximum Individual Purchase	N/A	N/A	N/A	N/A

9.3. ONLINE SUBSCRIPTION

Redwood Bonds will be offered for purchase through an online subscription process. Prospective investors will be guided through the simple and secure registration process online. Redwood will provide multiple options and opportunities for investors to ask questions and receive clarifications prior to investing. For those investors who do not wish to purchase online, paper application forms may be provided.

All investors will be given the opportunity to read this Offering Statement, Redwood Business Plan, Trust Agreement, and any Independent Opinion Letters prior to purchasing a Redwood Community Housing Bond. Investors will have the option of payment by Electronic Fund Transfer or cheque.

Redwood will provide electronic copies of the Bond Certificate and purchase receipt once the clearance of investors' funds has been confirmed. Original bond certificates are held with Redwood's investment management partners, Tapestry Community Capital or Canadian Worker Co-Op Federation in a physical safe at its locations at 192 Spadina Ave, Toronto, Ontario and 1-41 Aberdeen Street, Kentville, Nova Scotia.

9.4. MARKETING CAMPAIGN

Redwood Community Housing Bonds will be marketed to individuals and corporations that are current investors, supporters, or may become supporters of Redwood.

Up to date information about the Redwood Community Bond campaign can be found at <https://redwoodparkcommunities.com/bonds/>. All investor package materials will be made freely available to access for any interested party. The site contains all the campaign literature, FAQs and relevant event notices.

The campaign will consist of:

Digital Marketing, including dedicated email campaigns, social media outreach, videos, and blogs.

Print materials, including pledge cards, project briefs.

Public relations to acquire interviews and print and online news articles.

Public events, including on-site and local hosted information sessions.

One-on-one consultation sessions for potential investors, upon request.

Potential investors should check the website for status of the campaign, including key dates and milestones, as well as the amount of the bonds remaining for sale.

10. DEBT OBLIGATIONS

The following table describes the amount and particulars of any securities, mortgages, bonds, debentures and other prior debt obligations of Redwood Park Communities Inc. as of July 31, 2024.

CREDITOR	AMOUNT	TERM	RATE	DESCRIPTION
Subaru Barrie	\$50,735	5 years	8%	Vehicle Loan Payable
CMHC	\$151,000		0%	Project Seed funding loan secured on 36 & 40 Toronto Street
Vancity-LOC	\$500,000		8.7%	Line of Credit, secured on 36 & 40 Toronto Street
Vancity	\$1,281,797	5-year	3.18% per annum	Mortgage Payable, secured on 36 & 40 Toronto Street, Barrie
Vancity-Visa	\$50,000		19.5%	VISA
Impact Loan	\$250,000	Oct 1,2024	8% (donating interest)	Loan - Midland
Impact Loan	\$250,000	Jan 31, 2025	4.75%	Loan - Midland
Newmarket Funds - CFF	\$750,000	July 31, 2025	7%	Loan - Midland
City of Barrie	\$3,000,000	Dec 31, 2025	0%	Bridge construction loan - Lillian
TOTAL DEBTS	\$6,283,532			

The organization holds a commercial repayable mortgage of \$1,281,787 from Vancity Community Investment Bank to finance its properties at 36 and 40 Toronto Street, Barrie, Ontario properties. Redwood also holds a \$3,000,000 interest free, unsecured loan from the City of Barrie. Additionally, it has an operating facility from the Vancity Community Investment Bank to the amount of \$500,000 for tenant improvements at 40 Toronto Street and the Redwood offices held at 92 Davidson Street, Barrie, Ontario.

Prior Financing is the current secured financing, as set out above, and any additional secured financings that, in the opinion of Redwood's Board of Directors, is necessary or advisable for the development and/or operation of its projects, and which, by the terms of such financings, are required by the lender to have priority over the blanket mortgage securing the Bonds.

10.1. MATERIAL LEGAL PROCEEDINGS TO WHICH REDWOOD IS A PARTY

Redwood Park Communities Inc. is not party to any material legal proceedings.

10.2. MATERIAL INTERESTS OF DIRECTORS, OFFICERS, AND EMPLOYEES

Each of the Directors on the Board of Directors of Redwood does so as a volunteer.

The Board of Directors will be offered the securities to be issued under this Offering Statement on the same terms as available to other Bondholders.

The Board of Directors is not engaged in any related party transactions.

10.3. MATERIAL CONTRACTS

This section describes the material contracts entered during the five years preceding this offering statement.

10.3.1. Tapestry Community Capital – Master Services Agreement

Redwood has retained Tapestry Community Capital to carry out certain functions and services on its behalf to support the raising of up to \$10,000,000 in community bonds. The contracted activities include supporting the Community Bond Maturity and Raise Campaign. The contract runs from September 25, 2023 through to the campaign launch in 2024. It also has contracted Tapestry under an ongoing Agency Agreement to manage the reporting and administration of any new plus prior Community Bonds issued by Redwood.

The agreement is a fixed price contract for pre-campaign activities which comprises financial analysis, drafting and professional review of the offering statement, onboarding Redwood to the online investment system, preparing the investment workflows, and planning for campaign-related events as required. The contracted price includes supporting a campaign plan to help Redwood to reach their financing goals.

During the raise phase of the campaign, Redwood will incur per-hour charges for Tapestry's ongoing investment management services, invoiced monthly, as per the current Agency Agreement. At the end of the campaign, Redwood intends to enter into an ongoing Agency Agreement under which Tapestry will manage the reporting and administration to Redwood's investors for the lifetime of the Community Bonds on offer.

10.3.2. Agreement with Bondholder Trustee

Redwood has entered into an agreement with a TRUSTEE, Brian Iler, based in Toronto, Ontario, to hold a charge on its Real Property in trust for the benefit of the holders of Redwood Community Housing Bonds. The Trust Agreement is available [here](#).

A copy of this Offering Statement must be given to each investor before Redwood may legally accept any payment. None of the securities issued by Redwood pursuant to this Offering Statement will be in bearer form.

CERTIFICATE OF DISCLOSURE

THE FORGOING CONSTITUTES FULL, TRUE, AND PLAIN DISCLOSURE OF ALL MATERIAL FACTS RELATING TO THE SECURITIES OFFERED BY THIS OFFERING STATEMENT.

Dated in Toronto, Ontario this 29th day of August, 2024.



Timothy Kent, CEO
Redwood Park Communities Inc.



Amanda Smith, Board Treasurer
Redwood Park Communities Inc.