

**Johnstown Community Development Co-Operative Ltd.**  
**15281 Hwy 4 Johnstown**  
**Site 16, Comp 7, RR#1, St. Peter's, NS B0E 3B0**

June 1, 2008

**Dear Member:**

This is an update to the JCDC Board of Directors progress report of February 2008. In that report I noted that we would:

1. await response from League Savings and Mortgage regarding our request for a 2 year waiver of the mortgage payments and interest accrual;
2. continue to pursue developers for the land;
3. provide a further progress report to the membership and broader community by June 1, 2008

In response to our request for a 2 year waiver of the mortgage payments and interest accrual, League Savings and Mortgage offered a mortgage rate of \$64 per month amortized over 18 years. With this mortgage rate plus the monthly cost of \$43 for liability insurance we have enough funds to operate about 26 months, with no margin for unexpected expenses. It is critical that we negotiate sale or lease of the property before this time.

The Board has been meeting monthly to move the process along as quickly as possible. We developed a brochure that can be distributed to potential developers/partners. The brochure describes the property and its location, highlights some of the features of the area, summarizes what we want to achieve, identifies potential uses for the site and provides contact information. A copy of the brochure is available on the Community Planning Group blog <http://cpgcapebreton.blogspot.com/>. The Board has appointed an Ad hoc committee comprised of Bill Barrett and Wilfred MacNeil to actively search out opportunities and pursue developers. As well, all members of the Board have copies of the brochure and will pursue leads. We welcome information from any JCDC member who has suggestions for possible contacts. Please feel free to contact any member of the Board with information.

To date, we have had both encouraging and discouraging moments in the search for a developer. Last fall we met with a company and they indicated an interest in doing a development with us. They have since withdrawn because they have too many other commitments and can't devote time to this project. Recently, Bill and Wilfred have had some very encouraging meetings/conversations with several individuals regarding the potential of a small condo development aimed at the summer active adult market. It is possible that one of those meetings will result in a project. Board members are also following a few other leads. At this time it would not be appropriate to give details about any of the contacts but the Board must and will inform and consult members prior to making any commitment.

The building on the site is a liability rather than an asset when we approach developers. Although we have no financial resources to remove the building we have begun to seek opinions from experts about how to go about removing it and possibility recovering some of the costs by salvaging material

The Board would like to meet with members to discuss the progress on the sale/lease of the property and seek your input. Therefore, there will be an extraordinary general meeting on August 23, 2008, at 3:00 pm in the Parish Hall, Sacred Heart Parish, Johnstown.

Please feel free to contact me or if you have suggestions or concerns. Rita Campbell, Board Chair, Johnstown Community Development Cooperative Ltd., 15281 hwy 4, Site 16, Comp 7, RR#1, St. Peter's, NS B0E 3B0

Sincerely,

Rita Campbell  
Chair  
Johnstown Community Development Cooperative